

# WATER RESOURCES COMMITTEE

Council of the County of Maui

## MINUTES

August 13, 2014

Council Chamber, 8<sup>th</sup> Floor

**CONVENE:** 9:04 a.m.

**PRESENT:** VOTING MEMBERS:

Councilmember Michael P. Victorino, Chair  
Councilmember Mike White, Vice-Chair  
Councilmember Gladys C. Baisa  
Councilmember Robert Carroll  
Councilmember Donald G. Couch, Jr.  
Councilmember Stacy Crivello (in 9:06 a.m.)

**EXCUSED:** VOTING MEMBERS:

Councilmember Don S. Guzman

**STAFF:**

Kimberley Willenbrink, Legislative Analyst  
Raynette Yap, Committee Secretary

Ella Alcon, Council Aide, Molokai Council Office (via telephone conference bridge)

Denise Fernandez, Council Aide, Lanai Council Office (via telephone conference bridge)

Dawn Lono, Council Aide, Hana Council Office (via telephone conference bridge)

**ADMIN.:**

David S. Taylor, Director, Department of Water Supply  
Paul J. Meyer, Deputy Director, Department of Water Supply  
Edward S. Kushi, Jr., First Deputy Corporation Counsel, Department of the Corporation  
Counsel

**OTHERS:**

Rosemary Robbins

**PRESS:**

*Akaku Maui County Community Television, Inc.*

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CHAIR VICTORINO: . . .(*gavel*). . . Good morning, everyone, and welcome to the Water Resources Committee meeting for August 13, 2014. I am the Chair, Michael Victorino. Thank you very much for my Members being here this morning. I would like to take a moment to introduce the voting Members, and I'm going to start out this morning with the lovely lady from Upcountry, who happens to have a birthday today. Now, I'm not going to say how old; she's been 29 for a few years that's all I got, I was told, but I'd like to welcome our Chair and wish her a very, very, Happy Birthday, Ms. Gladys Baisa.

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COUNCILMEMBER BAISA: Good morning, Chair, and thank you very much, and I don't care about my age. I'm very proud to have turned 74 today.

CHAIR VICTORINO: The truth, the whole truth, and nothing but the truth. That's what you get in this Council. And thank you very much, Madam Chair. You don't look a day past 29 and I'll leave it at that.

COUNCILMEMBER BAISA: Oh, liar. I love you.

CHAIR VICTORINO: Okay. It's better to be there than somewhere else. And then from East Maui, our distinguished gentleman, and our Vice-Chair of our Council, Mr. Robert Carroll.

COUNCILMEMBER CARROLL: Good morning, Chair. And I would like also to say Happy Birthday, Gladys.

CHAIR VICTORINO: Very well.

COUNCILMEMBER BAISA: Thank you.

CHAIR VICTORINO: And finally, our East Maui, ah, East, South Maui representative, the good-looking gentleman, Mr. Don Couch.

COUNCILMEMBER COUCH: Good morning, Chair. And Happy Birthday, Chair Baisa.

COUNCILMEMBER BAISA: Thank you.

CHAIR VICTORINO: Okay. Well, you know what, why don't we do this? We'll let Mr. White sit down and welcome Mr. White from the Makawao-Haiku-Paia area. Good morning, sir, and he's the Vice-Chair of this Committee.

VICE-CHAIR WHITE: Good morning, Chair.

CHAIR VICTORINO: And at this moment, if you guys don't mind, we will take a quick moment and sing Happy Birthday for Ms. Baisa. Come on, come on.

COUNCILMEMBER BAISA: Oh, my God.

CHAIR VICTORINO: On three. One, and a two, and a...

ALL: *(sang Happy Birthday)*

COUNCILMEMBER BAISA: Thank you. Thank you.

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CHAIR VICTORINO: Now those out there that has heard me sing, please, do not...I hope I don't lose votes because of that. I do not sing well. Sorry, sorry, sorry. Anyhow, thank you very much and let's get into the meat of our meeting this morning. Let me introduce the Administration. We have the Director of Water Supply, Mr. Dave Taylor.

MR. TAYLOR: Good morning.

CHAIR VICTORINO: And we have the Deputy here also, Mr. Paul Meyer.

MR. MEYER: Good morning, Chair.

CHAIR VICTORINO: Good morning. And then we have our Corporation Counsel, mister, First Deputy Corporation Counsel, Mr. Ed Kushi.

MR. KUSHI: Good morning.

CHAIR VICTORINO: Good morning. Our distinguished Staff, our Legislative Analyst, Ms. Kim Willenbrink.

MS. WILLENBRINK: Good morning.

CHAIR VICTORINO: And our Committee Secretary, Rayna Yap.

MS. YAP: Good morning.

CHAIR VICTORINO: Good morning. Thank you and without them, you know, nothing gets done, and I want to thank you, ladies, very, very much. Let's call our District Offices to see if they're on line. First of all, let us start with our Hana Office, Dawn Lono, are you...oh, wait, okay then they're unmuted. Dawn Lono, are you there?

MS. LONO: Good morning. This is Dawn Lono at the Hana Office. Happy Birthday, Chair Baisa.

CHAIR VICTORINO: Oh, boy.

COUNCILMEMBER BAISA: Thank you.

CHAIR VICTORINO: And Denise Fernandez from our Lanai Office, are you there?

MS. FERNANDEZ: Good morning, Chair. This is Denise Fernandez on Lanai.

CHAIR VICTORINO: Thank you. And of course, our Molokai Office, Ms. Ella Alcon. Ella, are you there?

MS. ALCON: Good morning, Chair. This is Ella Alcon on Molokai.

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CHAIR VICTORINO: Good morning. And talking of Molokai, the beautiful, young lady from Molokai, our representative, Stacy Crivello. Good morning.

COUNCILMEMBER CRIVELLO: Aloha and good morning, Chair.

CHAIR VICTORINO: Good morning, my dear.

COUNCILMEMBER CRIVELLO: And Happy Birthday, Chair Baisa.

COUNCILMEMBER BAISA: Thank you.

CHAIR VICTORINO: You missed the singing part. We needed your, we needed your voice, you know. But we try, we try to do our best, we try to do our best. Anyhow, okay, so, is, first of all, do we have anyone signed up for public testimony?

MS. YAP: No, Chair.

CHAIR VICTORINO: None at this time. Is there anyone in Hana that would like to testify, Dawn?

MS. LONO: The Hana Office has no one waiting to testify, Chair.

CHAIR VICTORINO: Is there anyone wanting to testify on Lanai, Denise?

MS. FERNANDEZ: There is no one waiting to testify on Lanai.

CHAIR VICTORINO: And is there anyone, Ella, in Molokai that would wish to testify?

MS. ALCON: No one's here on Molokai waiting to testify.

CHAIR VICTORINO: Okay. We do have one testifier that just rushed in, Ms. Rosemary Robbins. If she would come to the podium. And of course, we only have one item, WR-12, so we're going to be speaking on that.

***...BEGIN PUBLIC TESTIMONY...***

MS. ROBBINS: Indeed, Happy Birthday.

COUNCILMEMBER BAISA: Thank you.

MS. ROBBINS: Good morning, everybody. On today's agenda, I got a chance to come down and follow that agenda with the materials that were in the binder yesterday, and when we talk about maximizing, optimizing the water use, I don't think there is a soul on Maui who doesn't agree

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with that so that statement of intent is something that you've got wide support on. I would like to see when we look at Countywide mainline water infrastructure improvements, which is, again, on here. The Countywide still has people Upcountry nervous about what kind of water and how sustainable is it, and I can't give anybody those answers. I haven't seen a report, and apparently they have not, of what those categories of water use are going to be applied to, and they've been waiting so long for an increase in water Upcountry, available water of quality and water of quantity. So if there's a way that the Water Department, who does very well on making presentations here and videos, et cetera, could put that into, somehow, hard copy that people would be able to maybe get at the library. A lot of the senior folks Upcountry don't drive anymore, and so that information is not readily available to them, a lot of them not using computers either, so hard copy to be out there. They're all excited about what can go on up next to the drugstore where they have some community availability to meet their needs right there at hand, and they would love to be able to see what's going to be going into that water. Those are rental units, yay, for that too, for people who can't afford to buy another house, or buy a house. So right now, while you've got their attention, and being happy that this is going to be Countywide use of water, and the money to produce it, and distribute it, and maintain it, and make sure that it's healthy, they would love to be able to see that so that's, that's a request, I guess, to the Water Department to make that available in hard copy for them. When there is, on the data number 3, the people don't seem to...number 2, the people don't seem to understand what the agricultural water tier structure is, and that's the writing coming from this building acknowledging that the people don't quite understand that. Again, if that could be stated so that people who are watching...

CHAIR VICTORINO: Ms. Robbins, I'm going to ask you, we're here to talk about the infrastructure and not so much on rates. I don't know where you got that 'cause mine don't...

MS. ROBBINS: This is on Page 4 of 4 that was in the binder and it's...

CHAIR VICTORINO: No, those are the priorities that we'll be speaking about. That would be another agenda item, because the only one that we're speaking to towards is the optimization and the investment on a Countywide mainline and water infrastructure improvements.

MS. ROBBINS: And you don't think those are related?

CHAIR VICTORINO: I don't think they're related directly, no.

MS. ROBBINS: Okay. I'm telling you that it was in your paper, and that the people I'm backing up what they're saying that they don't understand it. I'm not a farmer. I don't understand that either, I don't feel that need personally, but I'm hearing it from folks so just letting you know.

CHAIR VICTORINO: Okay. Well, that's not something we're going to be speaking to today, but it is another agenda item that we will be bringing up in the very near future. Yes.

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MS. ROBBINS: Good. Good. Okay. So it's good to see people who survived the weekend and last week.

CHAIR VICTORINO: Well, thank the Lord for that. Yes.

MS. ROBBINS: Yes. Thank the Lord, indeed.

CHAIR VICTORINO: Any questions for our testifier? Seeing none, thank you very much, Ms. Robbins, for being here.

MS. ROBBINS: You're welcome. Aloha.

CHAIR VICTORINO: And again, Ms. Robbins brought up another point that I failed to remember that, you know, we should take a moment and reflect on the point that those people in South Hawaii, in the Puna District and Keaau District has taken a tremendous loss, and they are struggling to get back to just some kind of semblance of normalcy. We were blessed, I mean, we had some damage, I had a client that a tree fell on her fence, but thank God it was the fence, not the house, and all that other stuff. You know, I think we had some damage, but nothing major here on Maui, but South Hawaii really took the brunt of the hurricane and the storm surges so if you don't mind, take a moment to reflect, and pray that they find some solace, and get the help they need in the very near future, and hopefully be back to normal, and forget the elections, forget anything else, getting their lives back, and being able to go home, and be able to account for your daily blessings, yeah. Thank you, Members. Okay. Today we have just one item, WR-12, Optimizing the Investment of the Countywide Mainline and Water Infrastructure Improvements.

MS. WILLENBRINK: Chair? Did you close testimony?

CHAIR VICTORINO: Oh, yes. I didn't do that. Yes, thank you for reminding me. If there's no objections, I would like to close public testimony.

COUNCIL MEMBERS: No objections.

***...END OF PUBLIC TESTIMONY...***

CHAIR VICTORINO: Thank you. Thank you for reminding me.

**ITEM WR-12: OPTIMIZING THE INVESTMENT OF COUNTYWIDE MAINLINE  
AND WATER INFRASTRUCTURE IMPROVEMENTS (MISC)**

CHAIR VICTORINO: Today the Committee is in receipt of Miscellaneous Communication, dated May 28, 2014, from the Deputy County Clerk, transmitting the matter relating to optimizing the 12,600...12,600,000 investment in Countywide mainline and water infrastructure improvements. This is, this was part of what we had discussed when we had had our Budget meetings back in

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April and May, and this matter was referred from the Budget Committee to this Committee for us to take a look at, and come up with some ideas and actually, to improve or change the ordinance for which we could then take this \$12.6 million, and hopefully help the areas for which need is needed, and where other areas we could supplement and help make infrastructure improvements. Now part of this is, this was a Council-appropriated additional funding, and so we're hoping by having some discussion today, and let me say this, we are not going to take any Legislative action today. Today is more of philosophical and trying to really hone in on what we think, or what we believe to be the best way to utilize this money. I think that's what I would like to put out first on the table. Secondly, I don't want to get into specific numbers, sizes, monies as of yet, because the Department wants to hear what we have to say, and they will then come back at the next meeting, and give us more specific, if we like, want to say we can go quarter mile from a house, or we could spend X amount of dollars, this is how much they could get done, obviously that would change from location to location, or from area to area. And so, I just wanted to make sure that today we have a good discussion so that we give some direction to the Department so they may be able to come back with some specific numbers in what we plan to do with this money. And hopefully, do what was asked of us by the constituents and improve their infrastructure so that people can get connected. You know, Upcountry was part of it; Molokai was part of it, but then there's every section of Maui County, especially Molokai and Lanai, which our systems, I think 85 percent of all those two islands is under County control, and so we have a lot of catching up to do so this is just a method of starting. So if, without any objections, I would like to give the Department a few minutes to give us an overview, and then let's start talking about what you believe and how we should utilize this money. Mr. Taylor.

MR. TAYLOR: Thank you, Mr. Chair. Chapter 14.05 of the County Code is titled Subdivision Water System Requirements.

CHAIR VICTORINO: By the way, before you go, you all have a copy of that. I made sure everyone has a copy. You all have that copy, right? Okay, very good. Good ahead, Mr. Taylor. I'm sorry.

MR. TAYLOR: So in the very first section of that it says, at the subdividers sole cost and expense all subdivision water systems shall be designed and built, et cetera, but then later in Section 14.05.050, titled Reimbursement for Water Main Extensions, it lays out some criteria saying if you meet certain criteria, the County will pay you back 50 percent of your cost or 75 percent of your cost, if it's a family subdivision, if you meet certain criteria. We have been paying these, paying these reimbursements back from our B account in previous years. My understanding of what you passed, this \$12.6 million, is currently that would be available to pay this back because it's the same type of thing. We've only paid back around 300,000-400,000 a year, that's how much demand we've had for this service. So the current language seems to be creating, you know, that much demand for these. If you were to tweak 14.05.050 and say all kinds of other people can qualify for these, or you're going to change how it's reimbursed, obviously, that would change that dollar value, and we could tap more of that \$12.6 million. The big question is how much? Do you want it to be forever? Are there certain criteria you want people to qualify and others you don't? Do you want it to be as 14.05.050 says now or do you want it to be a different methodology, et cetera? Just to give you some perspective, one

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particular applicant who came into my office just yesterday, he has a three-lot subdivision Upcountry he's trying to get approved. He estimates that his improvements are about \$3.8 million for three lots. Now if that's a family subdivision, we'd have to pay back about \$3 million. As you can see, \$12 million may not go very far considering there's 1,800 people on the Upcountry priority list. One guy for three lots might need \$3.8 million so it just gives some perspective once you add in Molokai, and Wailuku, and all these other areas. This could be much, much, much more expensive than \$12.6 million depending on how open we make this. Another question we have as a department that wasn't nailed down in Budget, and I'll end with this, it wasn't made clear to us whether it's intended to pay back the Debt Service on this \$12.6 million from our operating funds or from General Fund, and that affects, you know, we're trying to put our budget together for next year so that's also another big question we have. Is this a new program that's going to be funded outside the Water Department or is this an expansion of a Water Department program that we have to raise rates and fees for? So all these questions are sort of in the soup, and that's sort of a big picture summary of what's going on, but in general, I think the Council needs to look at 14.05.050, say do we like this, do we want it more strict, less strict? And then keep sort of an idea of how much more or less that costs and adjust on a way to balance that and figure out where the money's coming from. So that's what's I think on the plate to resolve this, but as I said, for now, we would keep, we intend to keep using this ordinance because that's really all we have, and we feel we're allowed to tap this money to reimburse this ordinance. So that's my understanding of the situation as of now and the choices in front of you.

CHAIR VICTORINO: Thank you, Mr. Taylor. And just for the general public's clear, being clear on what we're referring to on 14.05.050, Ms. Willenbrink, would you take a few minutes to read A through C, and so that the public has a better understanding on what that specifically means, and of course, they're not going to remember everything, but at least to have the concept in their mind. So Ms. Willenbrink, would you kindly do that for us?

MS. WILLENBRINK: Yes. Thank you, Chair. If the Department's facilities in the area are inadequate or where Departmental facilities are not readily available to serve a proposed subdivision, the subdivider shall extend a water main from the nearest adequate Departmental facility. The water main so constructed, connecting the subdivision water system to the nearest point of adequacy of the public water system shall be deemed a main extension. B: The subdivider shall be reimbursed for the cost of a main extension in accordance with this section. However, no reimbursement shall be made if the main extension will only serve areas under the same ownership as the subdivision under construction. In no case shall reimbursement for water main extension be made for any portion of the cost of a main less than six-inch size in agricultural, rural, and residential areas, or if any of the portion of the cost of a main less than eight-inch size in other areas. C: The Department shall reimburse the subdivider 50 percent of the cost of a water main extension. For subdivisions that result from an immediate transfer of property to a person or persons who are related to the subdivider by blood, adoption or marriage, specifically limited to a spouse, parents, children, grandparents, grandchildren, or siblings, the reimbursement shall be 75 percent. The reimbursement procedure shall be as follows...shall I continue?

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CHAIR VICTORINO: No. That, I think that's, I think that's enough so that the general public understands the concept of this whole issue, and this water, this reimbursement for water main extension was adopted, I think, four years ago? When was it?

UNIDENTIFIED SPEAKER: ...*(Inaudible)*...

MS. WILLENBRINK: I think so.

CHAIR VICTORINO: Yeah, four years ago, about four years ago. And Ms. Baisa and I, you know, I pushed hard for this because I felt that was only fair, and really it was predicated on Upcountry at that time because of the inadequate systems, but if we're going to use the entire 12.6 million, we all agreed that it would be for the entire County of Maui. So, so that's the...that's...this is our premise, this is what we'll work from, and I believe we can, as we get into our final stages, we could just add to or amend this particular part of the Chapter to make it easier. We don't have to start something all over; we don't have to start something new. So I will start with Ms. Baisa because it's her birthday. I'm sorry, Mr. White, please forgive me. It's her birthday; she gets to start first. ...*(Inaudible)*... I recognize the Vice-Chair, but today it's special circumstances so please forgive me. Ms. Baisa.

COUNCILMEMBER BAISA: Thank you very much, Chair, and that circumstance is not going to change. You know, I have now attained kupuna status, and as a good local boy I know you were brought up to say respect your kupunas.

CHAIR VICTORINO: Yes, ma'am.

COUNCILMEMBER BAISA: Okay. Now that we got that straight, I am very excited that we are here today because I think this is a very, very important document that we're looking at, and we're planning to draft. Of course, I don't have to tell anybody how long we've been dealing with water inadequacy, and how much it bears on everything that we do in this County, and we're not unique. This situation is throughout the country, throughout the world. Everybody's got water issues, but you know, we need to be concerned about what happens in Maui County 'cause we can handle that. I'm very excited that we have set aside this amount of money; however, it does present a huge challenge because we have to figure out how can we distribute it fairly. That's really, really important, and we also have to make sure that whatever we do is precedent setting so we have to be careful because once we do it, it's hard to change horses in the middle of the ride. We know that, and so I think that, you know, we have our challenge cut out for us, and I agree with you, Chair, that I think this might be a very good document to begin with, but I do think that it's going to take a lot of work, and after we have some discussion today about the things that we would like to see addressed in the ordinance and the questions that we have then I think there's going to have to be a lot of work by yourself, the Department, and people that are concerned with this to bring us back a draft that we can then work from to try to come up with an ordinance. And you know, I, just to add a little bit about my feelings, I would like to see the question is if one person takes \$3 million, 12 million won't go very far, I think that we may have to set some limits on the amount of assistance that can be made available. Three million is an

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awful lot of money, and of course, by the time we pay our share, you know, it won't be the whole 3 million, but it's a lot of money, and so we may have to set, in my opinion, some kind of limit. The other thing is, I also think that we want to make sure that we clarify who we want to assist with this and do we want to assist family subdivisions? Is that our priority? And if we do, then do we want to put some kind of caveat on it that says, well, if you get this money, and you sell the property and make a profit then we may want our money back or, you know, there's many, many details here, and I don't want to put out too many things because, unfortunately, when we discuss things on the floor in a what-if mode oftentimes they are construed to be the feelings that we have and where we're going, and I think it's too soon for that. But I do think that who gets it, when they get it, whether it's paid back, limits on any that we're going to set, procedures, qualifications, very, very important. The other idea that I have is that this is not a one-time thing. I would like to see us set aside in future budgets more money so that we can continue to assist with this. We have to, have to, have to solve our water problems, and the only way we're going to solve them is with money, and that means that, you know, we'll have to talk about other things that will work in tandem with this. We talked about it when we were setting aside the 12.6 million, do we have Plumbing Code restrictions or Fire Code or whatever it is that causes these things, that may need to be looked at also? So maybe we don't need an eight-inch line in some places, maybe six will do. And so there may be other things that will have to be fixed along with us trying to deal with the money situation. So we got a lot of work before us, Chair. I thank you very much for bringing this to the Committee today, but we need to get started. We have this money sitting there and I don't want us sitting on it when we're done at the end of the year here. So thank you very much.

CHAIR VICTORINO: Thank you, Ms. Baisa. You summarized what most of us feel. I think all of us believe we need start taking the first steps, and so whether it's by distance, by monetary amount, whatever we decide, it's going to be important that it's uniform and for everybody, that everybody has the same premise, and that we're not going to put exemptions here, exemptions there. That's the worst thing you can do when you talking something like this. Also, one of the thoughts I've always had is if you make a mainline extension, and let's say you went a mile on a mainline extension, and whatever the cost was, and that was done, anybody who hooks up after that should pay a premium price to get hooked up because if it wasn't there they'd have to do it.

COUNCILMEMBER BAISA: Right.

CHAIR VICTORINO: So there's a lot of dynamics that are going to be thrown into this picture so I want you to all know that today is more of a gathering your philosophical ideas, gathering some...nothing specific, but more the idea on what direction you want us to go with this, and right now, Ms. Baisa, you went three or four directions, but I understand because until we hone in on it, it's really difficult to say this is the way to go.

COUNCILMEMBER BAISA: Uh-huh.

CHAIR VICTORINO: And maybe there will never be one-size-fits-all answer to this. You know, we may have to go by areas, or by sections, or by...I don't know, there may be a number of issues

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that we have to continue to work on, but we need to get something so we can start divvying out the money and get the improvements for which the people have asked us for. With all that said, Mr. White. And it's not your birthday, so I'm sorry.

VICE-CHAIR WHITE: Thank you Chair. Pardon?

CHAIR VICTORINO: It's not your birthday today so...

VICE-CHAIR WHITE: That's okay. I'm old enough.

CHAIR VICTORINO: Go right ahead.

VICE-CHAIR WHITE: I can wait for another one. Thank you for bringing this up today, and just to clarify a couple of things, the \$10 million in bond, of the 12.6, \$10 million is bond and I believe 2.6 was unrestricted cash.

CHAIR VICTORINO: Cash, yes.

VICE-CHAIR WHITE: And I would leave it to the, I think our intention was to have it GO bonds paid for by General Funds not the Water Department.

CHAIR VICTORINO: I believe that is correct. Yes.

VICE-CHAIR WHITE: So that answers that question. Of course, that can be dealt with either way depending on the Department's leadership. And as far as I recall, our interest in tying it to this ordinance was not just to, not just to have this as the guiding ordinance, but simply, this was the thing that looked most like what we wanted try to accomplish--

CHAIR VICTORINO: Right.

VICE-CHAIR WHITE: --so this would require less tweaking than if we started from scratch.

CHAIR VICTORINO: Absolutely.

VICE-CHAIR WHITE: So you know, I have a lot of trust in the leadership of the Water Department to help us walk through this and come up with something that's workable. The intent was to come up with some way that we could assist by having a fund that was accessible not just to people on the Upcountry water meter waiting list, but also people, we had an example from Molokai where there was a requirement for a fire hydrant to be put in in order to get, you know, to get the permit to build their house. It's those kinds of things that I think we can all look at and say, you know, we're really holding up some people's ability to construct their own homes and provide for themselves by placing a significant cost on them that is going to benefit many other people. And so I look forward to the discussion. I think we're breaking some new ground here, and it's going to be a challenge to come up with something that has the right elements to make a difference

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without, you know, being unfair. So I appreciate your bringing it up and I'm happy to work on it.

CHAIR VICTORINO: Thank you very much. And again, the other issue you brought up and is not, it's not far off to the wayside in my mind is fire flow, because I think that will be another issue that needs to be addressed. Unfortunately, it's not in this Committee; it's in another Committee, and I think we have been trying to bring that Committee Chair to bring that up as soon as possible.

VICE-CHAIR WHITE: Right.

CHAIR VICTORINO: Because I think that needs to work concurrently with...one cannot move along without the other.

VICE-CHAIR WHITE: Right.

CHAIR VICTORINO: And so I believe that's the next issue that we need to really resolve so that we can move on as far as the improvements, because if you need fire flow, you need certain amount, so many inches for that purpose. If we, for rural areas, bring it down, maybe not hydrants but standpipes, all these different changes could make a difference in the overall cost. Again, now the money goes further to do more.

VICE-CHAIR WHITE: Right.

CHAIR VICTORINO: So yes, absolutely. You're absolutely correct, Mr. White. Thank you. Mr. Couch?

VICE-CHAIR WHITE: Thank you.

COUNCILMEMBER COUCH: Thank you, Mr. Chair, and thank you for, as always, stealing my thunder, but that's okay.

CHAIR VICTORINO: Ah, sorry. Wow.

COUNCILMEMBER COUCH: That was my first comment was we were going to talk about fire flow issues. I mean, I guess the question I would have for the Department is what makes the system inadequate when it says, you know, in the...it says if the Department's facilities in the area are inadequate, so in your \$300,000 a year that you put out there, what kind of upgrades are...do you usually see that you're reimbursing for? Is it mainly fire flow or is it a bunch of other stuff as well?

CHAIR VICTORINO: Mr. Taylor?

MR. TAYLOR: I think it's primarily fire flow. I know that what was handed out to the Committee today was, I think, only one or two pages of Chapter 14.05, but if you look at all of 14.05 there

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are a number of tables that talk about the size lines necessary for different configurations. So by ordinance, adequacy, the engineering adequacy is really defined by ordinance in many of these cases. So that's...that is what is deemed, you know, substandard or whatever word you're going to use, it's by this ordinance and by some other rules adopted by the Department.

COUNCILMEMBER COUCH: So then if we were to look at something about maybe what we can do for fire flow exemptions not on this....

CHAIR VICTORINO: I'm not going to go into that. I'm going to stop you here because this is not in this Committee.

COUNCILMEMBER COUCH: But I understand that.

CHAIR VICTORINO: And so that discussion really gotta be carried in the Committee for which that was brought forward on, and that's not this Committee. So again, just so that we don't get off track, again, and I taking Mr. White's lead like don't go too far off this way, because you gotta bring you back here, you know, 'cause if you start talking fire flow, and this is not part of our discussion, I'm going to be concerned...

COUNCILMEMBER COUCH: Well, Mr. Chair, and sorry for interrupting, but...

CHAIR VICTORINO: No, you're not, but that's okay.

COUNCILMEMBER COUCH: You know, we can't, we can't discuss things in one little bubble when that big thing is what's causing this problem. So--

CHAIR VICTORINO: Agreed, Mr. Couch, you know.

COUNCILMEMBER COUCH: --and Chapter 14 is this, is it not this Committee's concern?

CHAIR VICTORINO: Absolutely. However...

COUNCILMEMBER COUCH: And the fire flow requirements are in Chapter 14.05?

CHAIR VICTORINO: No. I mean it...

COUNCILMEMBER COUCH: You just said they were.

CHAIR VICTORINO: They were, but they are still based upon the requirements required by the Fire Department. Is that correct, Mr. Taylor?

MR. TAYLOR: There's a mixture.

COUNCILMEMBER COUCH: That is not correct.

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MR. TAYLOR: There's a mixture between this ordinance, the Water Systems Standards, Fire Code.

CHAIR VICTORINO: Yeah.

MR. TAYLOR: There are a number of different things that play onto this. The core infrastructure is still what the issue is.

COUNCILMEMBER COUCH: Right.

MR. TAYLOR: You know, if this was a community and Mr. Carroll at the end, and there was a certain pipeline that came from the water tank to his home and all of a sudden each of you starts tying in, at some point that line is too small; it has to be upsized. At some point that tank is too small; that has to be upsized. At some time, you know, there's a pressure reducing valve that has to be added, et cetera, et cetera. As we add more and more people, some part of the chain becomes the weak link. It could be pressure; it could be velocity; it could be size of the pipe; it could be size of the tank so it is, there's a number of various rules, regulations, and ordinances that govern this, and whichever one is the weak link ends up being the concern. So I don't know that we can point to any...we can't just point to fire flow in one code or just point to pipe. It's a mixture of these different rules, regulations, and engineering standards.

COUNCILMEMBER COUCH: So the weak link would make it a pressure situation?

MR. TAYLOR: The weak link would cause that there was inadequate flow either for normal domestic flow or for fire flow.

COUNCILMEMBER COUCH: Gotcha.

MR. TAYLOR: Or for pressure.

COUNCILMEMBER COUCH: Okay.

MR. TAYLOR: Or for velocity or any of these things that make the system operate.

COUNCILMEMBER COUCH: And right now the 300,000 that you spend, does that come from the General Fund or from your Special Fund that we pay for with the rates?

MR. TAYLOR: Currently, we're funding these from our B account, which is, I believe, Unrestricted cash, possibly Restricted cash. I don't remember which, but it's our cash within our Enterprise Fund.

COUNCILMEMBER COUCH: And for the reimbursement, do you let the people know that it's available?

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MR. TAYLOR: When...yes, when people come in for their subdivision improvements and they deal with our engineers, our engineers say you will qualify if, you know, you do this, and you do that, or you won't qualify, et cetera. So that's something that's dealt with while they're still in a plan review stage, deciding whether or not they're going to move ahead with a project and negotiating with the Department on, you know, what improvements are necessary.

COUNCILMEMBER COUCH: Okay. And the example you gave at the beginning, it was 3.8 million of which the County would reimburse 3 million. Is that right?

MR. TAYLOR: The particular application was somebody on the Upcountry meter list who got his letter saying you're offered a meter if you do certain improvements; those improvements were listed. He came back with a cost estimate from his contractor at 3.8 or \$3.9 million. He wants to do a three-lot, family subdivision. If he does a three-lot family subdivision, and it's \$4 million, he would get 75 percent back over two years so our share would be, roughly \$3 million; 1.5 million in year one, and 1.5 million in year two. So that's assuming that he moves ahead and he meets the provisions of this Code.

COUNCILMEMBER COUCH: So in essence, I mean, this is a good example, it would be \$800,000 for a guy to get a three-lot subdivision for a family subdivision. He still would have to pay, and this is all because of why? Why is it inadequate?

MR. TAYLOR: I'm not sure of your 800,000. I don't know where you came up with that.

COUNCILMEMBER COUCH: Well, you said if we're paying back 3 million and it's 3.8 million.

MR. TAYLOR: I was rounding to 4 million.

COUNCILMEMBER COUCH: Okay.

MR. TAYLOR: But somewhere in that area for three-lots.

COUNCILMEMBER COUCH: Yeah, yeah, yeah.

MR. TAYLOR: For three lots, yes. And that's because the system in that area, the lines...there's, I think 3,000 feet...I think I have it right here--there's 3,000 feet of 8-inch line that's inadequate, a storage tank that is inadequate volume based on the Fire requirement of 1,000 gallons per minute for two hours.

COUNCILMEMBER COUCH: Okay.

MR. TAYLOR: So yes. It's 3,000 feet of 8-inch line, and an upgrade of a tank, and possibly some booster pumps.

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COUNCILMEMBER COUCH: And thank you. And one last question is where do your usual requests come from for this reimbursement? Is it only Upcountry or do you get the requests...or is the reimbursement just for Upcountry?

MR. TAYLOR: They tend to be...well, they're almost always relatively remote properties that are sort of off the beaten track, but I think when we looked at them, I think it was during Budget, we wanted to know, you know, how...what's on the...what's in the queue for these, I believe every one of them was Upcountry, but it's certainly possible that these happen in other areas. I mean, I think there's areas in almost all of our geographic areas where somebody, you know, if somebody buys some Ag land, and does a Change of Zoning or something like that, and it's just a little off the beaten track, it'd be pretty easy for somebody not to have adequate lines if they just go a little bit mauka of where development is. That could happen in Kihei; it could happen in Wailuku--

COUNCILMEMBER COUCH: Sure.

MR. TAYLOR: --it could happen in Molokai; it could happen in Hana. It could happen anywhere, but most have been Upcountry.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR VICTORINO: All right. Thank you, and thank you for that clarification. I mean, we both speaking the same story, Mr. Couch, but we're going, you know, it is in tandem. And I said that when I first started.

COUNCILMEMBER COUCH: Yeah.

CHAIR VICTORINO: It's tandem. It cannot be one versus...or one alone, you know, there's so many variables. I had hoped and prayed that that would come to this Committee so we could've taken 'em up simultaneously, but unfortunately, it didn't so that makes it very difficult for us because it's talking Fire Code as well as fire flow. So it's two different, big different issues so I'm glad you, Mr. Taylor, clarified that for us.

COUNCILMEMBER COUCH: You brought up one real quick point, and Mr. Taylor kind of did, and it kind of got swept away before we really answered it. The Fire Code is...your fire flow requirements are a little bit higher than the Fire Code, is that correct? Because I recall from the Molokai Veterans thing that the Fire Department said the flow is fine, but the Code said that the flow was not fine on that one.

CHAIR VICTORINO: Mr. Taylor?

MR. TAYLOR: Okay. The...I think it was probably that project in particular brought up a logistical problem between the departments that has been solved, I think in this Committee, by ordinance change. So the Department of Water Supply no longer makes fire flow requirements for commercial, Fire Department does that. So the Fire Department says, we the Fire Department

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need, you know, 650 gallons a minute, you know, in this area. We'll come in and say, look, our system can supply only 500 or something like that, but we're not making the call about how much water is necessary to fight a fire for commercial. So that's changed since the whole Molokai Veterans situation came, by ordinance, that this body changed. So for non-commercial structures, I don't think the Fire Department really gets involved, right, with non...but we, it's our requirements rule for non-commercial structures, but for commercial structures the Fire Department does.

CHAIR VICTORINO: Confusing, eh, sometimes?

COUNCILMEMBER COUCH: Yeah.

CHAIR VICTORINO: How...somehow almost every Committee we get started with something we start to go in different directions even though we try to stay in one particular area--

COUNCILMEMBER COUCH: Yeah.

CHAIR VICTORINO: --but you can see where there are variable differences. Again, if you do a commercial property Upcountry, Fire Department would have it. Most of it is residential so, you know, would be the Department of Water Supply so I'm not sure even if we're to change some of these fire flow issues how effective that would be, but that's another conversation for another Committee. Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you, Chair. When you just said that the non-commercial is where the Department of Water Supply makes the determination, I guess, and I think that's kind of why we were leaning towards this monies for the infrastructure. So I would hope, for me, it's to await recommendation from the Department, and to then come back to us that we can be assured it's equitable, especially the rural areas. And the discussion or some of the rationale why, for me anyway, was it's hopeful that we do have rural homeowners that wants to build, but there's that requirement of the fire flow or providing the fire hydrant, and that's determined by the Department of Water Supply. So I would like to see how some of these reimbursement will be applicable for residents of that sort, and providing infrastructure from the main to the meter also becomes costly for the residential. I see this kind of investment also as an opportunity to have people build their homes, and they have their homes, you know, where the mantra to have affordable homes has been ongoing, and you know, you, we invest in nonprofits to get one house for one homeowner, and I think in this way we are assisting the lifetime residents to be able to occupy their home which eliminates the struggles, you know, that they encounter. So I, for me, Chair, I would appreciate having something from the Department as some sort of recommendation, and that we can review it again, and see how we can either accept the recommendations or add to it, or what we would call make it so that it can be accepted by the Committee as a whole.

CHAIR VICTORINO: Thank you, Ms. Crivello, and I think that was the intent from the beginning. You know, but today I wanted you to give them your philosophical beliefs and understanding,

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and where you'd like them to take some of this so that when we sit down and try to work it like in your Committee, we at least understand what the Committee members kind of...

COUNCILMEMBER CRIVELLO: Right. So that, thank you, Chair, but that was why I was saying for them to take into consideration what the discussion came from Budget--

CHAIR VICTORINO: Right.

COUNCILMEMBER CRIVELLO: --is what we can reimburse for the home, the residents--

CHAIR VICTORINO: Right.

COUNCILMEMBER CRIVELLO: --whose lifetime living will be here on the islands whether it's Molokai, Maui, it's how we can make it more affordable for them with some sort of reimbursement for the mainline infrastructure as well as the provisions or infrastructure that's required or determined by the Department to, for the fire hydrant, or what we call--

CHAIR VICTORINO: Fire flow, yeah.

COUNCILMEMBER CRIVELLO: --fire flow, yeah, in accordance with for the residential.

CHAIR VICTORINO: Well, thank you, Ms. Crivello. Yeah, exactly, and I think from what I've heard all the way down the line is the same with just different dynamics, but I think the same idea so I think that I can, you know, appreciate. And one of the things I think the Department had agreed upon today is that that's what they wanted to understand and hear from all of us, what we believed the intent of the Budget hearing was, and I think we've covered that from one end to the other to this point. So thank you, Ms. Crivello, 'cause you know, every area, every island has their sensitivity and have their challenges. I have a lot of homestead land too, here in Wailuku, and you go out to Waihee and those areas, it's the same thing, you know, it's so expensive for them to put a waterline from the main waterline to their property so I'm very cognizant of that, and I thank you because I think we all want the same thing. Yeah. Thank you.

COUNCILMEMBER CRIVELLO: Right. Thank you, Chair.

CHAIR VICTORINO: No, thank you, Ms. Crivello. You know, Mr. Carroll, I know you busy reading something, but I hate to interrupt you. I know your area is one of those.

COUNCILMEMBER CARROLL: Just reviewing what we have before us, and as Ms. Crivello said this has been an ongoing thing, and we've talked it to death really over many, many years.

CHAIR VICTORINO: Right.

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COUNCILMEMBER CARROLL: And I would hope that we would have a proposal before us that we could act upon, and I think we're at that point to where I hope at this meeting we can agree to take action to where we can have the appropriate use of these funds.

CHAIR VICTORINO: Well, Mr. Carroll, I would like to say "yes" to that, but I think I'd rather make sure that the Department has some time to take all of our suggestions and bring us, what I call a "firm proposal", and for us then, at that point, to yea or nay, or tweak, and add or subtract what we think is fair for the entire County, because your area is as impacted as any other area like Molokai and others, because you have water systems and you have areas that need to get water from the mainline to their property, and extensive lengths of lines need to be put in in that respect. So yes, I would like to ask your indulgence, I know this has been an issue, like Ms. Baisa says, since she was three-years old, you know. Seriously, we've been dealing with water issues for Upcountry and this County for--that's not exaggerating--20, 30 years. This is not an exaggeration, and I think all of us agree that this is the first step to really take monies we've put aside and actually do some work. I think that's what this was all about, but we now gotta formulate the policies or the ordinance to make sure it's done correctly, that like the Department said, one person doesn't take 3 million or 4 million, and whoops, that's one-third gone already, you know, we gotta be fair about it, and how do we do it, yeah.

COUNCILMEMBER CARROLL: And I appreciated that--

CHAIR VICTORINO: Yeah.

COUNCILMEMBER CARROLL: --and I'm very happy in the direction we're going; however, most of us do not have the expertise to get into the technical aspects--

CHAIR VICTORINO: Agreed.

COUNCILMEMBER CARROLL: --of what the ordinance is going to have to contain. So I was hoping that you and your staff working with the Water Department could take and disseminate all this information, and in the future when you feel comfortable with it then we can have something, a document before us that we can look at and really, really go over and see if it fits our needs.

CHAIR VICTORINO: Well, I will assure you that with Mr. Taylor's approval in the next 30 days we will try to make sure we get something and bring it back at that time at the latest 30 days. You know, I really don't want to let this hang, and hang, and hang.

COUNCILMEMBER CARROLL: Yeah.

CHAIR VICTORINO: You know, within the next, let's say 30 to 45 days we can come up with some ideas and bring it to you folks so you to see, and understand, and to say, yeah, well, I'd like to add this, I'd like to take that out so that we have more of what I call a "working document". How's that sound, Mr. Carroll?

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COUNCILMEMBER CARROLL: Yeah. That sounds good. I'd like to see it in that format so we can go over there and say, to where we start getting into the yea and nay, and specific items in the document.

CHAIR VICTORINO: Okay, okay. I think I can agree to that. I just wanted to make sure that, you know, we have something that all of you have given your mana`o with, you know, and I think that's important.

COUNCILMEMBER CARROLL: It is.

CHAIR VICTORINO: Thank you, Mr. Carroll. Thank you very much. At this time, I will open the floor again if anybody has further discussion points. Mr. Couch, I know you've been grabbing that mic and pulling it towards you so, please, Mr. Couch.

COUNCILMEMBER COUCH: Well, no, I was just, you know, you're asking for some sort of draft in 30 days or so, but...

CHAIR VICTORINO: Thirty to 45 days. Yeah.

COUNCILMEMBER COUCH: Thirty to 45 days, but I think that's premature unless we have the discussion with the fire flow. That's...*(inaudible)*...

CHAIR VICTORINO: Well, then I would hope that would...I mean, then again, you know, Mr. Couch, if we, you know, we're cart before the horse, right, right now.

COUNCILMEMBER COUCH: Understood. Is there a way, I mean, I think by Council Rules we can move it to this Committee. I think that might be a...

CHAIR VICTORINO: Let me ask mister, let me ask Mr. Hokama one more time, you know, 'cause it's in his Committee.

COUNCILMEMBER COUCH: Oh, it's in Mr. Hokama's Committee. I know it's busy. Yeah.

CHAIR VICTORINO: It's in PIA. No, yeah, and I understand that, but that was what the Council had decided when we had put this forward, and so, I mean, I'm stuck with the Rules of the Council that that's where it's sent.

COUNCILMEMBER COUCH: Sure.

CHAIR VICTORINO: So I can ask once more and if he agrees to give it to us then we can, you know, transfer it here, and we can take that up first, you know, I mean, I agree.

COUNCILMEMBER COUCH: Yeah, 'cause I think they should be discussed together.

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CHAIR VICTORINO: Yeah, concurrently. I wholeheartedly agree, but it's not my privilege to do that at this point in time. If not, you would have both of 'em in front of you today, and we'd be talking about both items today, but we don't. So let me say in closing, 'cause, I mean, and if you have any other ideas or any other suggestions, please forward it to the Department, you know, 'cause, I mean, that's acceptable, forward it to the Department and Mr. Taylor will take it on. And Mr. Taylor is chomping at the bit to say something more. Go ahead, Mr. Taylor.

MR. TAYLOR: Yes, thank you, Mr. Chair. We haven't heard enough today from the Council to be able to come up with any sort of proposal, I mean, I just need to be blunt about that.

CHAIR VICTORINO: Okay.

MR. TAYLOR: Listening to the Council members, let me just do some quick math in my head and say where this is headed. Okay, there are...assuming we give out...I'm just going to simplify some numbers so please don't hold me to these numbers, plus I'm doing some math in my head, let's assume we're in the process of giving out 500 meters Upcountry and this \$12 million is a onetime deal, plus there's some people in some other areas.

COUNCILMEMBER BAISA: But it's not...

MR. TAYLOR: That's going to be about 25,000 per applicant so if \$12 million was going to be a onetime thing I would say we should limit, we should take this existing ordinance and just limit it to \$25,000 max 'cause that's how far the money's going to go. If you're intending to do this every single year, you know, maybe you could double that and say \$50,000 max, but that's how far this money, I think, is going to go, and so unless you're planning on doing, you know, \$25 million a year or something like that, forever, I think we're going to have to set these limits relatively low because \$12 million at, you know, \$100,000 a pop is just not going to go to very many people. So I just want to throw out some quick math there to give this order of magnitude of what we're talking about here.

CHAIR VICTORINO: Well, and I agree with you, Mr. Taylor, and I think that the thought of this Council from the very beginning was this was not just a onetime deal. I think this is something we want to perpetuate each and every year, but we want to see results, number one, I think that's the first thing, so we want to have some kind of semblance of order where you want to go with this money, how you going to be using it with those that are coming to you. I think that's the first thing we would need to see. Secondly, if it is successful, and we start, let's say we take care of 150 or 200 or 300 then we know, we put another 12 point or 25 million, whatever it might be each and every year until we get somewhere close to catching up to where we need to be. Again, we've talked the talk, this is the point where we need to start walking, and I think what we wanted from you, and I think that's what I heard from many of the Members is this is what I think we should be looking at, what kind of plan of action could you bring forward, understanding that you got 12.5 million to work with, or 12.6 million to work with this year. Okay. You got that. You know that's money in your hand right now. Next year, who knows? If it's successful and we see positive results, hey, this Council will be more than happy to try to put

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more money in there so long as we're here of course, I mean I don't want to speak too ahead of time, whoops, I didn't mean to speak out of turn. Sorry, sorry, sorry, I mean there's only one person in here that is guaranteed, the rest of us still have to work hard to get elected in November, but putting that aside, so all this Council is to the mindset where I believe we are, is we believe now's the time to really put our money where our mouth is, and I think that's what we're trying to do, Mr. Taylor. We're asking from you now, how much do you think this 12.6 million, if you say, okay, Council, I can only...I say 50,000 would be the only amount I would want to put or whatever amount you want to put in there, and again, I don't want to be saying things because this gets into the public's head, and boom, they believe that's what we're going to work on. So public, this is all "hypothetical", hypothetical. I don't want to get any firm numbers 'cause we don't know what they're going to be, but whatever numbers you can come up with, Mr. Taylor, using the 12.6, using a number, looking at what each one, like you said, one would be 3 million reimbursement. Well, obviously, that's gotta be...we just can't afford to do one for that amount, cannot, but we've got to spread it out as far as possible to get as much done, and then there will be others that you and I both agree, they're right there, it wouldn't cost more than maybe 5 or 10 thousand to hook 'em up because they're right there near a mainline, however, they happen to be 685 versus 103. Am I correct, Mr. Taylor?

MR. TAYLOR: Not only do we have those issues, but you know, now you've got this whole issue of are people developing it for family and friends? What's the difference between them and a...I mean, this ordinance doesn't say, doesn't differentiate between a for-profit developer and you know, building, you know, 100 homes to sell them in luxury accommodations and someone doing a two-lot subdivision, you know, just to sell it another resident so, again, I don't--

CHAIR VICTORINO: I think...

MR. TAYLOR: --I haven't heard enough from this body to even start drafting changes to this thing. What I think we had told you before Budget is it was our intention, before this mainline extension thing happened, we were going to come in and propose a cap on these reimbursements because we felt it just wasn't sustainable with our existing budget. Now the Council responded to that by saying, look, we'll throw some General Fund money in so the question is really, and I hate going back to money all the time, but what is this Council's commitment of how much money for how many years 'cause that's going to set what we say we can do with it. If it's 12 million a year for 10 years, if you want us to base it on that we can make some estimates. If you want to say look, assume it's 12 million bucks for two years, we'll base it on that. I can tell you the guy in my office yesterday, he thinks it should be \$4 million, you know, right away because he doesn't really care about anyone else, he wants, you know, he wants help with his. And the person after him is going to feel exactly the same way so I'm still a little...I'm not certain what the Council's intentions of this money are and I think I need more input from you to try to draft something because, again, this was the Council's initiative not ours so I'm just not clear on what your policy you're trying to implement is.

CHAIR VICTORINO: Okay, Mr. Taylor. Ms. Baisa.

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COUNCILMEMBER BAISA: Thank you very much, Mr. Chair. Again, I don't want to get too far into what ifs and ideas, because I think that it might, you know, limit what the proposal that we'll be getting and we do expect a proposal. My thought when we were doing this was this was just to begin and that the reason why we were doing this was we're doing a paradigm shift here. For many, many, many years the Water Department has been told that it has to exist and take care of everything on the money that it generates, and we know that the result of that has been that we have an inadequate system. We also know we have a problem that we keep on hearing about, we need more water, we need more water, we can't do anything without water. So we were trying to find a way to assist and we thought that by putting some General Fund money in there that it might assist, because at the same time, if all of us remember, we were in this Chamber suffering with drought rates, suffering with increasing meter fees, water fees, and we have found that when we try to do that we run into a whole lot of resistance. Nobody wants to pay any more, and so we were trying to find an alternative to assist. I'm not saying in any way that we at some point don't have to raise rates, and meter fees, and whatever, because Mr. Taylor is making it very clear that this mainline extension is not going to assist or help him with the infrastructure improvement projects that he's trying to do so we really going to need both. We need to fund what he needs to do and we have to fund this mainline program that we want to. Our intent was to see if giving General Funds would move this along so some people could have meters and instead of being, you know, going up against the wall because I have to come up with \$300,000, and I can't afford it because by the time I take that loan out, I have to take a loan out to build a cottage or whatever I'm going to do for my kids, and it just was too much so we wanted to help people get past that money problem, and also increase our mainline improvements. You know, I see it as, water, our function. We need to provide water; that's our job, and how we do it, of course, is the tricky thing, you know, it's the devil's in the details of how we do it, but I agree with Mr. Taylor, we are going to need substantial amounts of money if we're going to solve all these problems, and the mainline money we're talking about here is not going to solve the big infrastructure problems. We will still need to raise rates, and we're still going to have, you know, a more...bigger meter fees or whatever. It's all going to have to work together. I think we're going to have to decide as a community what water means to us; unfortunately, we all take it for granted. We pay very, very little for a gallon of water, but we're all willing to go to the store, and pay 4, 5, 6, 7, \$8 at a hotel for a bottle of water, so we're going to have to look at our values. How much are we willing to put into water since it's our most precious commodity and the thing around which everything is built, and if you don't believe this, go to Puna right now, and talk to those people. They know all about what water means, and I know because I'm hearing it. My daughter is one of those people that is affected in Hawaiian Paradise Park, and they went through like four days of hell with their electricity down, their well pump not working, and you know, no water available, standing in lines trying to get ice, and water, and whatever. So you know, we've gotta decide if water is that important we have to make a commitment, and that commitment is money to solve the problem, then we can go ahead and do the things in this community that we want to do. We want to build; we want to take care of everything; we want ag; we want everything to go. We need water so I think this was an idea, Chair, a first step. I thank you for your support. I think let's all sit down and try to figure this out instead of saying how it's not going to work, let's try and sit down and figure out how we can make it work. I think we're committed. I think this Council is committed. Thank you.

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CHAIR VICTORINO: Thank you. Thank you, Madam Chair. And exactly what, you know, the...I've heard from everybody else today on this Committee, and you bring up a good point. You know, Puna and many parts of the Big Island, they do not have County waterlines.

COUNCILMEMBER BAISA: No.

CHAIR VICTORINO: The vast majority of their water systems is, as you just pointed out, a separate individual pump and/or water catchment--

COUNCILMEMBER BAISA: For catchment.

CHAIR VICTORINO: --rain catchment. That's it, and that County has allowed a lot of development in these areas where there is no water or sewer. I don't think we want to do that here in Maui. Now we've allowed it in certain areas and some of that was grandfathered in because it was there before, you know, we changed many of our rules, but do we want to do that? You know, I'm not against catchment as an augmentation, but not as the only means, because you and I both know, my sister lives in the same area, luckily she didn't get much damage, but she has to bring in a water truck to deliver water, and each truck is like \$375.

COUNCILMEMBER BAISA: Whoa.

CHAIR VICTORINO: And boy, do I hear complaints when she has to do that, but I said, you know, you look all year long you weren't paying 60, 70, \$80 a month like Mama did so what are you complaining about? You know, it's funny how until you get to a certain point you don't think about it and then you complain. So water is the essence of life; I agree with Ms. Baisa, and again, Mr. Taylor, this wasn't for you to come up with all the answers, we're going to take our suggestions, I'm going to sit down with you, and we're going to try to work something, and bring something back to this Committee for them to look at and review. It's not just on your back; it's on our back. But the public has to understand, and I think Ms. Baisa clearly stated, this is only a first step. We're looking at rate increases. We're looking at meter increases. It is costing more to do it, and the day of the low-hanging fruit, Mr. Taylor, using your exact terms, is gone, and we're going to have to pay more. And if there is a real solution to all these problems is the one they connecting that, I think like...I forget what it was exactly, Mr. Taylor, there's a point where we could connect the Upcountry system with the water, with the Central area and there wasn't that much difference in area to connect, and I don't have to go into exact amount of line that'll have to, but we could put booster pumps and we could actually move water up and down that mountain. Is that true? It could be done?

MR. TAYLOR: It can be done.

CHAIR VICTORINO: Yeah. I'm not saying we're going do that. I just...one of those many ideas that has floated around for many, many, many years, but the resistance by certain communities to say my water is my water, and I don't want to share it with anybody else, that has made it very

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difficult. That's another issue. It's been very difficult. Had Central been and not been farsighted, well, Mr. Couch, your area still be piggeries and kiawe--

COUNCILMEMBER COUCH: Yeah.

CHAIR VICTORINO: --and nothing much out there, and I know some people would like to say that maybe they would rather have it that way; however, look at what it has done for the beauty and growth of this island, just like West Maui. So I think our forefathers had the great foresight; they had the vision. It's up to us now to carry it forward. So Mr. Taylor, again, we will sit down with all the suggestions that are made, and again, if you have some other suggestion, please forward it to Mr. Taylor, and what we'll try to do within the next, let's say 45 days 'cause maybe 30 days is kind of pushing it right now, 45 days, maybe we can come back with at least a draft for all of you to see and discuss, and see what we can come up with. Is that palatable by the Committee? Mr. White?

VICE-CHAIR WHITE: Thank you, Chair. I think the sooner the better.

COUNCILMEMBER BAISA: Yeah.

VICE-CHAIR WHITE: But I think the...there's an added challenge because of the structure of the water meter waiting list. It doesn't allow the Department the ability to approach different areas at the same time and that would, I think, allow us to reduce the overall cost of moving this forward. So the...what I felt we were doing during Budget was setting aside some money that provided them the opportunity to be more flexible in how we approach the water meter waiting list, but there may be a need to take a look at the structure of the water meter waiting list as well. I'm not sure we can from a legal standpoint, but there's got to be a way that we can help this process along more rapidly than we're able to at this point. I think we've gotten...how many meters have we issued so far?

MR. TAYLOR: I know we've issued about 50 letters--

VICE-CHAIR WHITE: Five or...

MR. TAYLOR: --but some of those letters are for multiple meters so exactly how many have said yes or no or how many meters, I'm not sure.

VICE-CHAIR WHITE: Is that in the last four years or is that...*(inaudible)*...

MR. TAYLOR: No, since April.

VICE-CHAIR WHITE: Since you came in, roughly how many meters have we issued? I know there's been...

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MR. TAYLOR: You know, I know we had 30 of them that we were able to get a year and a half ago or so, so there were those 30, plus we're about 10 percent through our most recent effort right now so that's...I know we sent another 50 or 60 letters, but again, exactly how many meters that is 'cause each applicant may have multiple meters--

VICE-CHAIR WHITE: Right.

MR. TAYLOR: --so I don't have that count.

VICE-CHAIR WHITE: But the count is what...how many are the...what's the total number of applicants on the list?

MR. TAYLOR: There's 1,800 applicants on the list.

VICE-CHAIR WHITE: So we're at...we've been able to communicate with about 80 applicants out of 1,800 so we're making progress, but it's not real fast, and I think what we heard the most of was the frustration of individuals Upcountry, you know, through both mine and Ms. Baisa's District, that they simply can't move ahead for their family, they can't provide for their families to, you know, to do more affordable housing by--

COUNCILMEMBER BAISA: Yes.

VICE-CHAIR WHITE: --building on land they already own, and it's because of the restrictions of the Upcountry water meter waiting list, and the financial challenges that this presents the Department, and to us, and to the individuals. So these monies were simply, they were put, in my mind, into CIP because the money's available for a longer period of time, it won't lapse at the end of the Fiscal Year; we've got an extra six months as long as it's been secured by that time. But I look forward to working through this, and I'll be happy to provide some comments--

CHAIR VICTORINO: Please.

VICE-CHAIR WHITE: --and work with the Department as well.

CHAIR VICTORINO: Well, thank you, and again, you know, the comments are very important, and you know, I open it up direct, but make sure somehow we stay in communication as far as what the Department is doing. Yeah.

VICE-CHAIR WHITE: Uh-huh.

CHAIR VICTORINO: And I want to also understand, make everyone understand, again, we talk about the meter list right away, but again, this is Countywide.

VICE-CHAIR WHITE: Right.

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CHAIR VICTORINO: I mean, this affects Molokai; it affects Central; it affects everywhere, to a lesser degree, yes, you know, to lesser degree because in most cases here, in Central Maui, there is a line pretty close by, but people still have to spend money to connect, too.

VICE-CHAIR WHITE: Right.

CHAIR VICTORINO: And there is mainline infrastructure improvements that are done that Central Maui the people pay for, so I want to make sure that, you know, what is Mr. Guzman or my area or even Mr. Couch's, it doesn't make a difference, again, that somehow the equitability is there as far as how we come up with this policy. And again, Mr. White, I agree, 30 days, you know, I just want to make sure that we have enough time in the interim to get something that I think we can all look at, grasp, tweak here, tweak there, and say, here, this is what we're going to start with. This is what that 12,600,000 is going to start with, and then take it from there, and again, it will not only be the Upcountry meter list, but I think that will be probably the main focus and main thrust. There will be other areas. I wouldn't want Molokai left out because they need help, and they gotta have a certain, a part of this so however we come up with, trying to make it as equitable as possible, and you and both know, we've done that. Just like yesterday, you asked Mr. Hironoto, is there a better system? What was the answer? You know, so is there a better system? This is the system we're with, and legally, and I don't want to get into a real detail as far as the water meter list, but if we were now to go from, and because what you just said, eh, we go from 254 to 721 because it's only 25 feet away. It makes good, logistical, logical sense, but what happens to the guys in between who have been waiting?

VICE-CHAIR WHITE: No, I know, I know. There's lots of challenges.

CHAIR VICTORINO: Thank you. I'm glad you recognize that one, too. Thank you. Other comments or questions, and...oh, yes, Mr. White.

VICE-CHAIR WHITE: I think if...I think it may be good if the Department would come back with a presentation just showing us the some of the stuff they've shown us before, but to try to pull it together, and come up with maybe not a full draft, but just some concepts that they feel might work, and presenting us with the challenges. That may spark more conversation, more reaction from the Members.

CHAIR VICTORINO: Okay. Ms. Baisa.

COUNCILMEMBER BAISA: Thank you very much, Chair. I think another thing that we might want to do, and somebody was nice enough to text me an idea, and I like it. Remember when we were doing infill? We had some graphic examples. The person is saying that might be a good thing to do. Let's take a few cases, and show what they are, and what they might cost; it'll help us understand because these folks are dealing with it every day so maybe you're showing us a few, you know, this one is very expensive; this one is okay; this one is doable, might be a more practical way for us to really see, not just us, but the public. You know, this is going to be looked

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at very carefully by all the people who live here and all the taxpayers so I think having a few of those practical, real-life examples might help us.

CHAIR VICTORINO: Mr. Taylor, you know, again, I'll use the number 25...

COUNCILMEMBER BAISA: That's a lot. Too many.

MR. TAYLOR: Mr. Chair, I was thinking three.

COUNCILMEMBER BAISA: Yeah.

CHAIR VICTORINO: 'Cause remember we went...

MR. TAYLOR: These are much more complicated than the infill.

COUNCILMEMBER BAISA: Yeah.

MR. TAYLOR: The infill was just--

COUNCILMEMBER BAISA: Right.

MR. TAYLOR: --little boxes.

COUNCILMEMBER BAISA: Yeah.

MR. TAYLOR: And each of these, we're going to have to draw, you know, who's up on the list, where the surrounding people are, where the size of lines, location of tanks. This is...each one is going to be kind of a lot of work.

COUNCILMEMBER BAISA: Yes.

MR. TAYLOR: I mean, I really hope we can limit it--

CHAIR VICTORINO: Okay, five then, five, five, five.

MR. TAYLOR: --to three.

CHAIR VICTORINO: Okay. Give me five.

MR. TAYLOR: So it's three?

CHAIR VICTORINO: So five distinctly different. Now, like one you just said, if tanks, pumps have to be put in. I mean, seriously, you know, like the one that we were talking about, Mr. Taylor, the issue we're talking about Upcountry.

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MR. TAYLOR: In fact the issue we're talking about Upcountry, I know you can't read it, but we did a quick one yesterday, and there's roughly 25 near it with all different line sizes. In order to make this a graphic, this is going to take the engineer who's trying to process these, probably a full day to make one of these. You're talking about a presentation that's going to take one of the engineers a week, and that's going to take, you know, that's probably five letters they could've gotten out.

CHAIR VICTORINO: Okay, Mr. Taylor.

MR. TAYLOR: I just want to be clear about how much work this is.

CHAIR VICTORINO: Okay, Mr. Taylor. I don't want to be a stick in the mud, but just do the best you can. Get us three, four, whatever, okay, but I would like, and you know, don't...no, you know, you're smiling 'cause you think you're going get your way, and I'm not going to let you get your way, but we really need the public to understand. I mean, seriously--

COUNCILMEMBER BAISA: Yes.

CHAIR VICTORINO: --if something's 10 feet away, but maybe because of that 10 feet you may have to go through 2 properties or through easements, or whatever. It's important for people to understand the different dynamics now, Mr. Taylor, okay. I mean...

MR. TAYLOR: We'll put on a presentation \_\_\_\_\_. We'll make you happy.

CHAIR VICTORINO: All right. Thank you, Mr. Taylor.

COUNCILMEMBER BAISA: There you go.

CHAIR VICTORINO: All right, we're not going to belabor that point. Anything else? Yes, Mr. Couch.

COUNCILMEMBER COUCH: Mr. Chair, thank you. In that presentation, I would certainly love to see what the reason is for the requirement, required upgrades, just not saying oh, we need to upgrade this system. Why do we need to upgrade this system? Is it inadequate pressure for fire? Is it inadequate pressure for domestic use or some, whatever reason for that upgrade, I would like to see that. And since we're going to go, have one more meeting on this before we get into philosophies and what not, I'll leave my thoughts 'til after that. Thank you.

CHAIR VICTORINO: You have some?

COUNCILMEMBER COUCH: Oh, yeah.

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CHAIR VICTORINO: Really? Thank you, Mr. Couch. Okay. I've think I've gotten the direction, I think the Department's gotten direction for where we want to go with this, and so, Mr. Taylor, are you more comfortable now in putting something like this together?

MR. TAYLOR: Yes, Mr. Chair.

CHAIR VICTORINO: Okay. And you know, I won't bring it up at the next meeting; I'll wait 'til the following meeting, give you some time with your engineers to work out these numbers so that, you know, when you bring it to the Committee, they'll be better prepared, and you will be able to give a good, clear, precise presentation, Mr. Taylor.

MR. TAYLOR: Yes, Mr. Chair.

CHAIR VICTORINO: Thank you. Thank you. Any other questions or comments? Seeing none, thank you very much. Again, to the general public, this was just a starting point. I wanted that to be perfectly clear, and that, as you can see, this is a very complex situation that we're going to deal with like many others in the Council. We have to work very diligently to find what I call a fair and equitable solution, and even then, we may still have to do more work after that. So with no further discussion or any announcements, if none...

COUNCILMEMBER COUCH: Defer?

CHAIR VICTORINO: Yes. I was going wait. Exactly what I was going to try to do. With no objections, I would like to defer this item R-12, WR-12.

COUNCILMEMBER COUCH: No objections.

COUNCIL MEMBERS: No objections.

CHAIR VICTORINO: Thank you. Thank you. And thank you for your...and again, Happy Birthday, Ms. Baisa. I hope you have a wonderful day. Sorry that we took so long to get to this point, but we want to have you have a great lunch on your birthday.

COUNCILMEMBER BAISA: Thank you.

CHAIR VICTORINO: All right. So no objections, the meeting for the Water Resources Committee, August 13, 2014 is now adjourned. . . .(*gavel*). . .

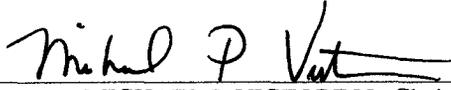
**ADJOURN:** 10:17 a.m.

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APPROVED:

A handwritten signature in black ink, appearing to read "Michael P. Victorino", is written over a horizontal line.

MICHAEL P. VICTORINO, Chair  
Water Resources Committee

wr:min:140813:jz

Transcribed by: Julie Zaner

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CERTIFICATE

I, Julie Zaner, hereby certify that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 5<sup>th</sup> day of September, 2014, in Wailuku, Hawaii.

  
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Julie Zaner