

FOR THE BOARD'S CONSIDERATION AT THE 08/20/2020
MEETING FOR APPROVAL

BOARD OF WATER SUPPLY
COUNTY OF MAUI

REGULAR BOARD MEETING
MINUTES OF JULY 16, 2020

The regular meeting of the Maui County Board of Water Supply was held virtually on BlueJeans, on Thursday, July 16, 2020.

CALL TO ORDER

The meeting was called to order by Chair Shay Chan Hodges at 1:36 p.m.

ATTENDANCE

Members present: Shay Chan Hodges, Chair
Zoli Milaskey, Vice Chair
Antonette Eaton
Dean Frampton
Norman Franco
Nalani Kaninau
Buddy Nobriga

Members excused: Joseph Aquino

Staff present: Jeffrey Pearson, P.E., Director
Mimi Desjardins, Deputy Corporation Counsel
Noreen Saito, Commission Support Clerk

Cablecast: Video conferenced via BlueJeans and viewable on AKAKU, Maui
Community Media

APPROVAL OF MINUTES

Minutes of June 18, 2020

Motion: Vice Chair Milaskey moved to approve the minutes of June 18, 2020

Second: Member Eaton

Discussion: None

Vote: Unanimous. Motion carried. The minutes of June 18, 2020 was approved.

TESTIMONY FROM THE PUBLIC

There was no testimony from the public.

V OLD BUSINESS

A. Director's Update regarding January 23, 2020 meeting with the Ag Working Group regarding the use of chloramines.

Director Pearson stated he did not have an update on full chloramines and has not met with the Ag Working Group. On the July 10, 2020 full County Council meeting, Chair Lee placed on the agenda the issue of the impacts of chloramines on fish and aquaponics industry. It likely was sent to WIT committee.

Chair Chan Hodges asked if he is going to try to meet with the Ag Working Group soon to work something out with COVID in mind. Director Pearson replied he will work to meet with them before the next Board meeting.

B. Director's Update on Maui Land & Pineapple's Source Water Delivery Agreement with the Department of Water Supply.

Director Pearson has been getting support from Maui Land & Pine on other agreements that needs to be signed by them but the Source Water Delivery agreement was not one of them. He does not have an update or signed agreement from them.

Chair Chan Hodges would like to keep this on the agenda.

C. Director's Update on the Wailuku Water Company purchase.

Director Pearson stated as far as he is aware the bill has died. In the FY2020 CIP budget there is a place holder that Council Member Lee put in the budget that was not funded. It is in there for the Wailuku Water Company purchase. The County is working on a letter of intent that would go to Wailuku Water Company.

Chair Chan Hodges wanted to clarify the legislature did not appropriate the money that they originally were going to appropriate because of COVID and, as a result of that the County decided not to put it in the budget. If it is a line item, is it an unfunded line item? Director Pearson replied, it is accurate and it is in the DWS budget DWS for FY2020 and that is why it does not expire until the end of the calendar year. Out of two and a half million dollars, two million dollars was cut so there is half a million dollars that is in the FY2021 DWS budget for evaluation and analysis for Wailuku Water Company, ditch system.

Chair Chan Hodges asked if there is no real money in it, is anything going to happen to move it forward in the coming fiscal year? Director Pearson did not

have an answer because he does not have any information from administration on what the status is.

Chair Chan Hodges would like to keep this on Unfinished Business.

Member Kaninau asked if there are any other interested buyers for the Wailuku Water Company. Director Pearson stated he is unaware if there are.

Member Franco spoke about the copy of the appraisal he received. He stated that after looking at the appraisal for the Wailuku Water Company purchase, he found conflicting evaluations. Because of the two conflicting values, he recommends the appraiser to attend a board meeting and state how he derived a value for the delivery system. Director Pearson replied he will work on arranging for the appraiser to attend a board meeting.

D. Department of the Corporation Counsel Update on Carmichael v. Board of Land and Natural Resources.

Chair Chan Hodges stated she wants to leave this as an on-going item on the agenda because there has not been a decision from the court. When the court makes a decision, we may have an update. Director Pearson replied the court date has been set for August 3, 2020 and will be remote. He will be testifying on August 12th or 13th. Deputy Corp Counsel Desjardins will get more details from Deputy Corp Counsel Rowe and report back to the board members.

VI OTHER BUSINESS

A. Further discussion of Alex de Roode's presentation from June 18, 2020 regarding the Public Utility Commission's rules related to Tax Map Keys and renewable energy.

Chair Chan Hodges asked Vice Chair Milaskey what is his interpretation and recommendations on this subject.

Vice Chair Milaskey reviewed Mr. de Roode's presentation from the June 18th Board of Water Supply meeting. He also suggested reaching out to Mr. de Roode to see what the Board of Water Supply can do to help support and further his agenda on sustainability.

Vice Chair Milaskey stated it is important to revisit the phases of solar and that the second phase done a couple of years ago was when Doug McCloud was the Energy Commissioner. Right now, nothing is being done when we could be producing energy. Chair Chan Hodges asked Director Pearson if he has any insight on the phases or alternative recommendations on how the Board can help

in reducing electricity costs. Director Pearson stated he does not have insights on phase one or two but he did speak with Mr. de Roode about the energy services contract that is going to be county-wide. Member Milaskey stated he would have a letter ready to Mr. de Roode at the next Board of Water Supply meeting and it should be placed on the agenda.

B. Further discussion about the University of Hawaii Maui College's Sustainable Science Program and how the Board of Water Supply may support the program.

Chair Chan Hodges stated the Board could have used some of Ms. Richmond's help after hearing her presentation at the June 18th Board of Water Supply meeting about her 225 hours of internship and that she reached out to Megan Jones, Ms. Richmond's professor.

Chair Chan Hodges asked if the Board would like to have more of a relationship with the University of Hawaii Maui College, they should come up with projects that the students would be interested in. She spoke with Ms. Jones who has requested for board members to do a presentation at her class.

Member Milaskey asked if there is an open internship between the County and the University of Hawaii that is advertised. Director Pearson replied not to his knowledge and that the department hasn't had an internship for a while now.

Member Nobriga suggested getting the younger generation involved with the processes and having them exposed at an early age. Having two to four students a year, one a quarter for a six-month internship and hand off the project to another to get more students involved.

Director Pearson stated Ms. Jones is in touch with our water treatment plants for site visits tentatively scheduled for a Wednesday for the month of September.

Chair Chan Hodges asked the members to send ideas of projects and if anyone was interested in going to Ms. Jones' class to do a presentation to contact Noreen.

C. Discuss development of a comprehensive Board of Water Supply orientation manual, including descriptions of island water systems, county needs and issues (including water use and development plan), as well as site visits.

Chair Chan Hodges stated the Board does not get an official orientation about water and site visits, and that we should schedule a site visit once a month. She asked Director Pearson to make a list of site visits that are available.

Member Eaton suggested adding to the manual the flumes, ditch systems, and all the sources where we get the water from like Kamole, Piihola, and Olinda.

Chair Chan Hodges asked the members to submit different projects for an intern or capstone project and what they think should be in the orientation manual to Noreen.

D. Discussion of Six-Month Agenda priorities list.

Chair Chan Hodges stated she would keep trying to reach out to Shane Sinenci, the R1, and Department of Environmental Management and have one of these as a presentation for the August meeting.

Chair Chan Hodges asked Director Pearson if the Water Rate Structure and Upcountry Water Meter List presentation would be done at the next meeting. Director Pearson will check with the Engineering Program Manager.

Due to the current economic situation, Member Nobriga asked Director Pearson to consider deferring the Ag Water rates for the next six months and to impose a fifty percent rate cut for the next twelve months to allow time to come up with possible solutions. The Board could then take a look at the pros and cons and draft a letter to the Council to get something done for the farmers during this time. After speaking with farmers, one of their biggest cost is water. Chair Chan Hodges replied it is a good idea and asked member Nobriga to prepare documents and send to Noreen before the next meeting or a presenter relating to this matter. Item will be placed on the next agenda.

Director Pearson stated if rates are deferred, he is sure the Coronavirus Aid, Relief Fund, and Economic Security (CARES) Act will not cover the cost of lost revenue. It would be the Board's decision and reduced rates will be a loss of revenue. Chair Chan Hodges ask if someone who knows about the CARES Act could come and speak to the Board.

DIVISION REPORTS

June 2020 Division Operation Reports (copies available upon request)

There was no further discussion on this matter.

NEXT MEETING DATE AND TIME

August 20, 2020

1:30 p.m.

BlueJeans videoconference Meeting

ADJOURNMENT

There being no further business the regular meeting was adjourned at 2:50 p.m.

Board of Water Supply
Minutes of June 18, 2020

Prepared by:

Noreen Saito
Commission Support Clerk

Approved for distribution:

Jeffrey T. Pearson, P.E.
Director