

County of Maui Water  
Supply

BOARD OF WATER SUPPLY  
COUNTY OF MAUI  
REGULAR MEETING

Held on Thursday, March 9, 2000, at the HGEA Conference Room,  
David K. Trask, Jr. Office Building, 2145 Kaohu Street,  
Wailuku, Maui, Hawaii.

REPORTED BY: JEANNETTE W. IWADO, RPR/CSR #135  
IWADO COURT REPORTERS, INC.

ATTENDANCE

ACTING CHAIRPERSON: ADOLPH HELM

CHAIRPERSON: ROBERT TAKITANI

BOARD MEMBERS:

ELMER CRAVALHO

HOWARD NAKAMURA

MICHAEL NOBRIGA

JONATHAN STARR

ORLANDO TAGORDA

DIRECTOR: DAVID CRADDICK

DEPUTY DIRECTOR: GEORGE TENGAN

DEPUTY CORPORATION COUNSEL: HOWARD FUKUSHIMA

BOARD SECRETARY: FRAN NAGO

FISCAL OFFICER: MICHAEL QUINN

ENGINEERING: HERB KOGASAKA

EX-OFFICIO: BRIAN MISKAE

IWADO COURT REPORTERS, INC.

TRANSCRIPT OF PROCEEDINGS

BOARD OF WATER SUPPLY, REGULAR MEETING

THURSDAY, MARCH 9, 2000, 9:00 A.M.

CHAIRMAN HELM: Good morning. I'd like to welcome  
everyone to our regular Board meeting. Today is Thursday,  
March 9, year 2000. Time is 9:00 am. We are meeting at the  
HGEA conference room, David K. Trask, Jr office building, room 207.

In attendance we have Board members Howard Nakamura, Elmer Cravalho, Jonathan Starr, Mike Nobriga, myself, Adolph Helm. We have staff Corporation Counsel Howard Fukushima, we have our director, David Craddick, deputy director, George Tengan, our Board secretary, Fran Nago, recording secretary, Jeannette Iwado.

We have ex-officio Brian Miskae, and also Mike Quinn from the fiscal office. In our audience we have David Niehaus and Warren Watanabe. We have a quorum present.

The agenda has been properly noticed and filed. We go to approve the minutes, regular and executive session minutes of 1/27/2000.

MR. NOBRIGA: Move that we receive the minutes of January 27, 2000, and they should be filed for 30 days review period and at a subsequent time it shall be filed.

MR. CRAVALHO: Second.

CHAIRMAN TAKITANI: It has been moved by Mr. Nobriga and seconded by Mr. Cravalho. The minutes will be received with a 30 day review period and subsequently to which they will be filed.

All in favor signify by saying "aye."

(Ayes).

Opposed "nay."

(No response).

MR. CRADDICK: On the executive session minutes, after everybody has reviewed them, if we can get those turned back into Fran it would be appreciated.

CHAIRMAN HELM: The executive session, please give that to Fran before we leave today.

Do we have anybody in the public that would like to testify, that is not on the agenda?

(No response).

Okay, if not, let's go to Director's Report number 5, 00-11, Request approval of a budget amendment for increased electricity expenses due to increased pumping.

MR. CRADDICK: If I can turn that over to Mike.

MR. CRAVALHO: Just a formality. I move for the approval of the request for the initial appropriation for the current fiscal year for pumping inspection.

MR. STARR: Second.

CHAIRMAN TAKITANI: It has been moved by Mr. Cravalho to approve for discussion the budget amendment for increased electricity expenses due to increased pumping, and it has been seconded by Jonathan Starr. Any discussion?

MR. QUINN: Just for the Board's information, not only are we in a dry weather situation, and I handed out some documents from the National Weather Service to validate that, we are in an increased pumping cost situation, especially Upcountry. But we are also getting a double whammy effect in the sense that we are being hit very hard with increased energy costs on our electrical bills.

For instance, the Kamole plant alone. Back in December of 1998, actually in February of 1999, we had a credit of \$2,764. In March of 2000 we had a charge, an energy charge of \$9,136. So that's a swing of almost \$12,000 in energy, additional energy charges for that one particular site alone. So we are getting a double whammy effect here, and that's one of the -- two of the primary reasons why I requested this amendment. Thank you.

MR. STARR: Does this projected number take into account the pumping that we are currently doing, the phase 10 pumping, if we are to continue it for awhile?

MR. QUINN: I am assuming that we will continue that for at least two or three more months, actually.

MR. STARR: Just a point of information. My gauge is up four inches for February, which I guess means Kipahulu is

by far the wettest part of the County for February.

MR. QUINN: Based on the information that I handed out to the Board members, we had several areas that had zero rainfall in February. For instance, Pukalani, Kihei, Kula. The National Weather Service reported zero rainfall for those areas. Even Hana. Normally, in February they get 6.8 inches. They got .61 inches. So it's pretty dry out there.

CHAIRMAN HELM: David, it's my understanding it's been one of the driest Februarys in about 40 years or so.

MR. CRADDICK: Again, referring back to Mike's report here on the rain gauge, there's nothing that's over 15 percent of norm for all the rain gauge stations that are reported here. So the highest one, Haiku, is 15 percent of normal. Everything else, Hana 9 percent, Pukalani zero, Ulupalakua 3 percent, Kihei zero percent, Mahinahina 15 percent, Lahainaluna 1 percent, Waikapu zero percent, Wailuku 3 percent, Kahakuloa 6 percent.

So that's 6 percent of normal, or those numbers that I read are percent of normal rainfall. So very dry. And we I guess had gotten a letter from Ulupalakua Ranch that also has maintained a rain gauging station out there, and they're also saying that in all their years of records this February was the lowest.

CHAIRMAN HELM: Okay, it has been moved and seconded that we approve Director's Report 00-11. All those in favor signify by saying "aye."

(Ayes).

Opposed?

(No response).

It has been approved, Director's Report 00-11. Old business Roman numeral VI. We are going to go down to C, report 99-33, request from David Niehaus for waiver of the fire protection requirements, 1630 Piiholo Road, Makawao, Maui, Hawaii. TMK 2-4-13:45, lot 123 AIA.

Mr. Niehaus?

MR. NIEHAUS: Thank you for taking the time in allowing me to speak today. I have come before you a multitude of times asking for the waiver of fire protection requirement for my property in Olinda, which I am not subdividing, but you required at one point for me to have fire protection if I built another structure because of the fact that I added four acres to my farm. I added four acres, I didn't add a new piece of property. I just added four acres from my neighbor's property.

What you are requiring of me is to bring my fire protection down Piiholo Road about three miles, and the standpipe ends up over half a mile from my house site. So in other words, the fire protection that you are requiring will be over half a mile from my house site.

I have fire protection, as some of you know. I have explained it before. You required of me in 1980 to put in a 4 inch line from your lateral that runs across my property for two acres. I put in the line as required, as per specs of the water department, and now you are saying that it's only a 4 inch line, even though that's what you required, and it's not sufficient to service my property.

So at this point, even though this standpipe that I put in is 100 feet from my house site instead of over half a mile where you are requiring me to put the new standpipe, at a cost to me of approximately \$400,000, also I have a 50 thousand gallon water tank, 100 feet above the house site, with a six inch line on it, as the fire department requires. And as your specs require. This is a 50 thousand gallon tank. It's 20 thousand more than you have allowed at least 25 people over the last 15 years to use, and suffice for their fire protection.

It doesn't seem right that I would be putting in fire protection over half a mile from my house when I have it 100 feet from my house site presently, in that I have the 4 inch line which the fire department says has enough volume because they have pumps on their truck, but because of the flow requirement that the water department has I am being denied the use of that \$40,000 expense that I put out going by your specs.

I spent \$40,000, and now you are telling me that it's not good enough, and I am not even arguing that point. But I do have a 50 thousand gallon tank above the site which has more than enough pressure. It's only 150 feet from the house site instead of over half a mile. I don't think I'm

asking too much in this respect.

When I talked to my lawyer, James Krueger, who couldn't be here today, he said that I could look up the precedent, so I spent some days reading every case for 15 years on waiver of fire protection. And in every case that anyone has pursued you have allowed this to happen. For some reason you have denied me three times now. I'm not sure why.

For instance, there's a Wayne Arakaki who seven different times requested fire protection waiver for seven different clients. He was never denied it. There was never, not even a pebble put in his road to inhibit his request. He was just automatically, seemingly automatically granted these requests. This is just one man, seven times, in all different situations. Sometimes they were building six houses, sometimes they were subdividing into 8 pieces.

And then two years ago I was reading this report where a Mr. Paul Mancini came before you and requested for the Molokai Ranch a waiver of fire protection, and he said, "Oh, it's Christmastime, couldn't we expedite the thing?" And Mr. Craddick said that normally the staff report would just say that we recommend denial, as we always do, and then we give the normal conditions that the Board approves them under.

Well, I know what the normal conditions are, I have read them a hundred times now. All of my situation fits the normal conditions, but I'm still being denied it. It absolutely makes no sense to me.

You have your 18 inch line running across my property for over two acres. I put up with that every day. I'm only asking what you have given to everybody. To give you an example, this Mr. Mancini, after Mr. Craddick said that, "and then we give the normal conditions that the Board approves them under." Jim Murray, one of your Board members, said, "So I'm just hoping that we don't have to continue to write staff reports to deny things, and then wind up approving them. I'm just hoping that somehow we get through that."

And then two minutes later, without any more to do, you approved Mr. Mancini's request. In fact, you not only approved his request, but he didn't have to go through any channels, he didn't have any waiting period at all. He just the next day got approval.

Now maybe it's because Mr. Mancini was the Corporation Counsel and was the head of the water department legal team, I don't know why. But how can he be treated like this, and this Mr. Arakaki seven different times, I don't know if it was six or seven, given approval without any problems at all, and then in my situation you are requiring me to bring this fire protection which has nothing to do with me. It's over half a mile from my building site at a cost of \$400,000.

I'm just having a hard time understanding why I'm being treated this way, and Mr. Arakaki can with immunity come through here and just whatever he wants. And Mr. Mancini can make the case, "Oh, it's Christmas, Mr. Mancini, we will just give you what you want, but we don't want to make this our every day actions."

Well, how can Mr. Mancini without any problems just be given carte blanche? It's absolutely ludicrous that I could be coming in here for five years trying to get fire protection approval, and continually being denied, and I followed every rule that you made. I have spent \$40,000 on your standpipes that you required, and now you are saying they're no good. I put in a 50 thousand gallon tank.

The lady from Haiku that was on this Board, sitting right here two years ago, said to me, "As long as it's over 30 thousand gallons there will be no problem waving the fire protection." So I put in a 50 thousand gallon tank so there would be no problem, and now still it's as if I'm running up against a stone wall.

So at this point I guess I'm throwing myself at your mercy, in effect.

MR. CRADDICK: I guess a month or two ago Mr. Niehaus had asked to come back in here, and I don't know if he had these examples of past Board actions then, but these examples, I don't think the staff has looked at them and been able to make a report to the Board. So we would ask that we're able to do that.

But I can tell you for certain the Molokai Ranch example is a private water system. And I know the Board in the past looked at private water systems differently than they did look at systems that were hooked up to our water system. But

we could still go through these examples here that he's given, if we are given the specific instances that he's looked at, and make a report to the Board.

CHAIRMAN HELM: Jonathan?

MR. STARR: I have a question or two though. I understand there's no staff report, it has not this time around been put through the process, but is this for the fourth or the fifth house on your property?

MR. NIEHAUS: The fourth.

MR. STARR: For the fourth.

MR. CRADDICK: Under our rules it is a subdivision, something that comes under the Board's purview.

MR. STARR: So it is really for an additional house. Is there a memo that you signed that said that you would bring the system up to standard if you built additional houses?

MR. NIEHAUS: What happened was I was trying to extend my farm. I have approximately 8 acres planted in flowers and native trees, and I needed to extend it because I didn't have enough volume. So I bought from my neighbor up above me four acres and attached it to my property. It was a simple attachment, there was no subdivision. It was called a consolidation, where I attached four acres.

So in order to do that, after all the paperwork was done and after all the money was paid, the water department said, "Well, we will allow you to do that if you sign this piece of paper here saying that you will bring your fire protection up to standard." My fire protection was fine.

The reason I have no pressure in my 4 inch line was when the new treatment plant was put in for your lateral that runs a half an acre across my property to lower Kula, they didn't consider the 11 people on the line. EMC admitted that, the engineering company, that they didn't know that they had to consider the 11 people using water out of the line. So the water pressure dropped in my 4 inch line that I paid \$40,000 for, and no longer put out enough pressure because they made the treatment plant lower than the original reservoir, or

whatever the situation was.

So in answering your question, the requirement was because I added four acres to my property for continuation of my farm.

CHAIRMAN HELM: David, I have got a question. I know there was a thing in one of these information packets about Mr. Niehaus saying that there was an engineer that was there that did a pressure reading on the standpipes, and apparently they had a high pressure, and you based that fact on, a high pressure, based on the pump being on. Was there a pressure reading done when the pump wasn't pressurizing the line again on those standpipes that he has on his property?

MR. CRADDICK: To tell you the truth, I am not sure what you're talking about. Is it in these minutes that have been included in here?

CHAIRMAN HELM: In some of these minutes here he had specified that there was a pressure reading done on his standpipe by somebody from the Board of Water Supply. He didn't have documentation, but he stated that there was somebody that took pressure readings, and I think it was in excess of about 180 PSI on those two standpipes that he had for fire protection.

MR. NIEHAUS: That's correct.

CHAIRMAN HELM: You stated also that that pressure was due to the fact that that line was pressurized by a pump, and that you were getting some variables in reading because it's higher when the pressure is on and probably -- excuse me, when the pump is on, and probably lower when the pump is not activated. Did anybody go back there and take a pressure reading when the system itself wasn't pressurized by the pump?

MR. CRADDICK: I couldn't say. What happens, how you get that pressure is when we are in a low water situation we're feeding water up to Lower Kula; water will feed back to the Piiholo reservoir. When it does that, that line pressure will come up, but it's only during the drought when we're pumping, that that occurs.

CHAIRMAN HELM: Howard?

MR. NAKAMURA: Mr. Chairman, I agree that perhaps in view of the information that Mr. Niehaus has provided, that there have been other precedents, if you will. I am not sure if you want to call it precedent setting, but other similar examples that perhaps the Board should be aware of. Those situations should be reviewed and provided to the Board perhaps with the assistance of Corporation Counsel, so that we are sure we are talking about similar situations. But I do have a couple of questions in the meantime.

Mr. Niehaus, there was an original subdivision back in 1983, or somewhere in that time?

MR. NIEHAUS: Yes.

MR. NAKAMURA: That was the time in which you were required to put in this private fire protection system with the two standpipes. At what point did you build your 50 thousand gallon storage tank?

MR. NIEHAUS: About two years ago.

MR. NAKAMURA: So that's relatively recent. And that was in response to the fact that your private fire protection system, because of what you say are acts that the County did relative to the treatment plant, was no longer able to provide adequate pressure for your use?

MR. NIEHAUS: ECM admitted that they didn't consider the 11 families that take water directly off the pipe. That they only considered the outflow on the end of the pipe, which is Lower Kula. It's a much lower area, so there was plenty of pressure. And the fact that they put their treatment plant down lower than the original storage they didn't think was really going to affect anything, because they just took it from that treatment plant to the outflow at the end of Lower Kula, and there was plenty of fall, or whatever they call it.

Then, I forget, Doug, or whatever his name is there, admitted that he was never informed that there were 11 people, 11 families on the pipe. So I mean I am not trying to say somebody -- obviously there was a mistake made, and I paid \$40,000 for my water system, which I put in per your specs. I really did it in good faith. And all of a sudden it was no

good because of a shortcoming on the engineering side of the treatment plant.

And I didn't come here to ask for my \$40,000, I'm just asking that I be allowed to use this water tank, which the water department, it's very well documented, has allowed many people to do. It isn't vague like, "Oh, I wonder if they've ever done this." It's not like that. There's many situations that they have allowed people to use a water tank over 30 thousand gallons for this exact situation that I'm doing.

I am not asking for some kind of -- for you to set some precedent that you haven't already acted in this way. I think if any one of you read these reports, I went through them for days, I spent days outside of Mr. Craddick's office with the help of Fran. Thank goodness that someone would help me out to get this paperwork. And I read through every one, from John Pollack, I can't even remember all their names. Everybody in the end that made a do about it was granted permission.

It's like Mr. Craddick said, "We always deny it. We recommend denial, and then we give the normal conditions that the Board approve them under." And I fall into the normal conditions. I mean to me, it seems so basic. I followed your rules at every point, and I am only asking for what you have given other people. I am not trying to be unrealistic, I am not trying to be overbearing. But I mean at this point, you know, there's so much money I have put out, and I have waited so long.

And I have to deal with your pipe running across my property, I have to deal with people driving on there. I have to deal with when your tank just recently was leaking, the 5 hundred thousand gallon tank. They run all the water down the gulch and across my property. I didn't come down here and complain. I'm just asking for something you have given everybody else.

Paul Mancini can come in here and cut through red tape and get total approval in 10 minutes, and it's taken me four years, and I can't even get the truth. I mean I'm treated as if I'm some bad person that's done something, trying to get away with something. I am not trying to get away with something, I followed the rules.

MR. NAKAMURA: I want to ask one more question. This pipe that he talks about where we have an easement, that's

a line that goes from the treatment plant to the system?

MR. CRADDICK: It's a transmission line from the treatment plant to Kula Kai.

MR. NIEHAUS: 2000 feet across my property. 14 feet in the air in places, totally unsightly. It isn't some buried pipe that no one can see.

MR. NAKAMURA: Thank you.

MR. CRAVALHO: Mr. Chair, point of information.

Mr. Craddick, did I understand you to suggest that this matter be returned back to the department to review all of the instances and the past actions of the Board and report back to us?

MR. CRADDICK: That's my recommendation.

MR. CRAVALHO: If there's no objection, I so move.

MR. NAKAMURA: I second.

CHAIRMAN HELM: It has been moved by Mr. Cravalho that the staff review all past situations regarding this issue and come back to have it back to the Board for review, and it has been seconded by Howard Nakamura. Those in favor signify by saying "aye."

(Ayes).

Opposed "nay."

(No response).

MR. CRAVALHO: Mr. Chairman, just a point of information of Mr. Craddick. What time frame do you believe the staff would need to comply with the decision of the Board at this time?

MR. CRADDICK: I believe we can do it within 30 days.

MR. CRAVALHO: How about 45?

MR. CRADDICK: That would be better yet.

MR. CRAVALHO: That would be it. So we come back and take a final position on it.

CHAIRMAN HELM: Okay, thank you, Mr. Niehaus.

MR. NIEHAUS: Thank you.

CHAIRMAN HELM: I'd like to move on to item D, discussion and possible action regarding Complaint for Declaratory Judgment, Civil Number 00-1-0001(1).

MR. FUKUSHIMA: If I may, Mr. Chair. We met with the department and the engineering staff, and I have discovered some information that was previously not considered. Before I discuss those particular matters, I would request this Board go into executive session to consult with their attorney.

MR. STARR: Before we do that, I'd like to know, be refreshed what this is about.

MR. FUKUSHIMA: This is the Basil Milan case.

MR. CRAVALHO: Mr. Chairman, does the Corporation Counsel have any additional information to present to the Board?

MR. FUKUSHIMA: Yes, I do.

MR. CRAVALHO: As a matter of record, Mr. Chairman, I have reluctances about going into executive sessions. In reviewing the minutes of executive sessions many things are being said that cannot be used at a subsequent time unless you go through a court process. So whatever it is, lay it out on the table. Everybody sees it, everybody knows where we're at, and then we know where to proceed from.

This is not with respect to this case, but in many other instances I have seen where we go into executive session, and it appears to me we go into executive session to circumvent certain things becoming public, without really having any legal ramifications.

MR. FUKUSHIMA: If I may comment on that. In the past that may have occurred. However, this is a civil case

that's been filed in the Second Circuit Court. I will be discussing various matters relating to this civil case that may have some ramifications if made public. So again, I would request this Board to go into executive session to discuss this matter.

MR. NOBRIGA: Mr. Chairman, I will move that the Board convene to executive session pursuant to HRS 92-5(a)(4) in order to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities and liabilities.

CHAIRMAN HELM: It has been moved by Mike Nobriga.

MR. STARR: Second.

CHAIRMAN HELM: Seconded by Jonathan Starr to go into executive session pursuant to HRS 92-5(a)(4). Those in favor signify by saying "aye."

(Ayes).

Opposed?

(No response).

The ayes have it. We are now in executive session.

(Whereupon the Board went into executive session)

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MR. FUKUSHIMA: If I may, I don't think there's any particular action that has been taken on this matter. For the benefit of people in the audience, again, let me make the statement that on this particular item, it was brought and placed on the agenda for the Board's information, and there is no action that the Board has to take.

CHAIRMAN HELM: So if there's no further discussion and no action regarding this, item D, we will move on to Other Business.

MR. NOBRIGA: Move to defer Old Business A, B.

MR. STARR: One at a time, I think.

CHAIRMAN HELM: Okay. Roman numeral seven under Other Businesses.

MR. NOBRIGA: Old business VI A, discussion and possible action regarding the Iao/Waikapu Ditch Agreement.

CHAIRMAN HELM: Excuse me, the only reason why we're going over to Roman numeral VII, it was suggested that we wait until Chairman Takitani comes. He should be here soon.

MR. NOBRIGA: Does he have information?

CHAIRMAN HELM: David?

MR. CRADDICK: I believe so, yes.

MR. NOBRIGA: We will wait then, thanks.

CHAIRMAN HELM: All right. So we move on to Roman numeral VII, Other Business, A, discussion and possible action regarding the Upcountry water situation. David?

MR. CRADDICK: Okay, we have passed out here the Upcountry water report for the last week, and I guess it has some other interesting dates in there. The Wailoa ditch flow currently is at 24.8. One-and-a-half million of that is being put in there by Maui Land and Pine. The total reservoir capacity has continued to decline. We have been pumping water up from Kamole Weir to the Lower Kula system since about the 17th or 18th of February. We are not gaining any on that reservoir, but it's not dropping also. You can see the numbers remain fairly constant there since the last of February when we started pumping water up.

Again, as you know, we are continuing in a very dry situation. There doesn't seem to be any rain in the near future. So we definitely are in a low water situation.

CHAIRMAN HELM: Jonathan?

MR. STARR: What's the status of the flume up there?

MR. CRADDICK: Jonathan, I can't really tell you. I know the foundation is all completed. The base of it is put on, they're putting the sides on, and I would expect if it's not done today, probably tomorrow it will be finished.

MR. STARR: At the last meeting you said you were looking at a week to 10 days.

MR. CRADDICK: Yes.

MR. STARR: Is that something we can bank on in the next few days, that it will be? My one point of concern here is to see Kahakapau keep dropping, and it's dropping because the flume is out.

MR. CRADDICK: We're very fortunate it has been dry and we are able to work on it. There's no water coming in even once we finish it.

MR. STARR: Will it be ready in the next few days?

MR. CRADDICK: Yes, I believe it will be. They were looking at Wednesday. And like I say, I didn't go up there on Wednesday. It may be finished today for all I know, I just didn't check this morning.

MR. STARR: With the pumping we are holding our own though throughout the system, except for the upper system where the flume is down, am I correct?

MR. CRADDICK: That's right. And we're getting ready to make a connection into the treatment plant for the Kahakapau well below the treatment plant. When that happens we expect the treatment plant to be down for about half a day. So you are going to see Piiholo take a big drop when that occurs tomorrow.

MR. STARR: Wait. For what action? Kahakapau well?

MR. CRADDICK: Okay, right, it's Hamakuapoko, sorry. Aside from that, Kahakapau was hooked into the system yesterday.

MR. STARR: What?

MR. CRADDICK: That connection was finally completed yesterday.

MR. STARR: Which connection?

MR. CRADDICK: Into the system from the Dowling project.

MR. STARR: You are talking about the Kaupakalua well. So the Kaupakalua well is connected to the system?

MR. CRADDICK: Yes.

MR. STARR: Is there Health Department approval to use it?

MR. CRADDICK: Yes.

MR. STARR: Is there electricity to it?

MR. CRADDICK: No.

CHAIRMAN HELM: You're saying it's hooked up but it's not operable?

MR. CRADDICK: It's operable. The starter, everything is there to run it. But what I was talking about before I got sidetracked on the other well is the Hamakuapoko well. We are tying it in after the treatment plant, but before all the chlorination equipment, so that we will be able to put that water into the system without having to retrieve it again.

MR. STARR: As I understand, you are not running that well except for test purposes, and you will not run it without a declaration of emergency, am I correct?

MR. CRADDICK: That's right.

CHAIRMAN HELM: We have somebody here, Warren Watanabe.

MR. WATANABE: I am Warren Watanabe, president of the Maui County Farm Bureau. A lot of the farmers upcountry are discussing the water situation, and they're very concerned about the situation. And this also includes Maui Pine and HC&S. We feel that we are heading into a very serious situation. We're still in early March, and with Piihola at less than half capacity, that is where you need the water

basically, because that is the major source for the farmers in Lower Kula. You know, there is concern whether there will be enough water during the summer to put out a crop.

Our cost of production is very high, and it is not worthwhile to put in a crop that you will not be able to take out and get a full potential with your yield, yield potential. I know Ulupalakua Ranch is suffering terribly. Even the protea growers are disgusted. Over the past years, the drought has impacted them also, because my understanding is when the plant goes through a drought it will produce another crop, but then the plant dies. So they will have to replant.

And it's a similar situation to the livestock industry, where you cut back your herd and it impacts you over several years. So we are very concerned. On this drought report I think it should be done throughout the year, not only during a drought situation, because I think you need to monitor it carefully.

MR. CRADDICK: We do monitor it every day, we just don't prepare this report. The basis for the report here is done every single day.

MR. WATANABE: But I think it's information to the public that would be of great use, especially for the people Upcountry. I think it should be done regularly and not only when you are in a drought. So at this time, representing the Farm Bureau, we would like to request that some kind of action be taken.

I agree with some of the statements Mr. Cravalho has made about enforcement. Many of the farmers have commented in the past that when we were required also to cut back, why do I see my neighbors washing their cars, irrigating their lawns? That's a good point. Because I drove past by even the County Kula fire department. We are in a drought and they're irrigating their yard. That's another point that has been raised in the past about the County taking the lead also and being responsible.

CHAIRMAN HELM: David?

MR. CRADDICK: One thing, if you look at the report there, it says 24.8 is the ditch flow. Out of that, today it's 24.4. So we are dropping about half million a day right now. Maui Land and Pine is putting one and a half in there. So we

have got approximately 12 to 13 days before we hit around 16 million gallons in the ditch, at which point HC&S used to say they needed 11 before they shut down. They're now saying they need around 8 before they shut down the mill. If we keep dropping at a half million a day we would hit that number in about 13 days.

So at that point, if we haven't done something to try and fill Piiholo up, which we could do by running the Hamakuapoko wells, right now we are running, the treatment plant is running at around 7-plus million. If we bring this water in below the treatment plant, we do have pumping capacity to pump it up, and that water would actually go back and fill Piiholo reservoir, where right now we're just holding our own and there's no excess water to fill up the reservoir.

CHAIRMAN HELM: Jonathan?

MR. STARR: I'd like to comment on a few things here. First of all, we are doing something, and I think that this Board is committed and I think we're all together in that, that we are willing to spare no expense in trying to keep the system running. And we just approved another half a million dollars to pay for the electric costs, that are unusual costs in that they're for pumping water that's basically at sea level up to the middle and upper systems, and we are dedicated to continuing this pumping, and this pumping is ongoing.

And as I understand it, as long as this pumping is ongoing and we are willing to pay for it, which this Board is, that the system is functioning and intact. And if we have to keep pumping in the summer, we will do what's necessary and within our powers to keep the system up so farmers can benefit. I will do anything that I possibly can to keep water going to the farmers.

Now, the ditch has been dropping, and I do agree if it continues to drop at a half a million gallons per day that within two weeks we will be in a difficult situation. So I would like to make sure that if it does drop say to 18, that we have a special meeting, an emergency meeting, and then take action if we need to take any action then.

I also understand that we are going to get some use out of Kaupakalua well, if that's possible. I would like to be really clear on what's involved with getting the use of

Kaupakalua well at this time. When could you have Kaupakalua well in action, and is there anything else standing in the way of using Kaupakalua well, and where would you get the generator from to operate it?

MR. CRADDICK: We would use the generators that we have. We have got one at North Waihee and we have got the other ones in the Hamakuapoko wells. If you are not going to run Hamakuapoko, you can take the generator from there and have the other Dowling well running within one to two days. We need another generator to run the Dowling well. We have got one on Molokai. We are preparing to bring that one over here, but there may be others that are available too.

MR. STARR: Is there any action required by the Board to run that Kaupakalua well, or would that be part of your standard practice from this point?

MR. CRADDICK: I guess one thing is if you run an internal combustion engine for more than 500 hours there are some air quality reportings that we have to do. So other than that, that's the only other thing that we would have to do staffwise if we started using that. The electricity is expected to be in there at the end of May.

CHAIRMAN TAKITANI: David, in terms of gallons per day, if you did tie in the generator and get this well up and going, what are you looking at in terms of adding gallons to the system?

MR. CRADDICK: We think the system would only draw about 500,000 gallons of pumping, put out around 6 to 7, but we think the system would draw around 500 there in Haiku, where it's situated.

CHAIRMAN TAKITANI: Mr. Cravalho?

MR. CRAVALHO: Some observations, Mr. Chair. The pumping cycle that you have going at the present time from the ditch to the system encompasses what portion of the day, 24 hours, 8 hours, 6 hours, what?

MR. CRADDICK: 24 hours.

MR. CRAVALHO: 24 hours. And your capacity is up to

7 million plus or minus?

MR. CRADDICK: Yes.

MR. CRAVALHO: That 7 million is contingent on whatever the stream flow may be?

MR. CRADDICK: Actually --

MR. CRAVALHO: HC&S, right now they say 11 million, which may come down to 8 million, okay.

MR. CRADDICK: Yes.

MR. CRAVALHO: In addition to that 7 million or 8 million, say 7 million, you have the potential of half a million more from the Dowling well. You have the potential of 1.5 plus or minus from H'Poko under certain circumstances. You made reference earlier to 1.5 being put into the system at Maui Land and Pine without any indication that water has been withdrawn from that system by Maui Land and Pine.

Is it a balancing act or is there anything remaining for the utilization of the general public and/or the general farmer? Is Maui Land and Pine removing everything that it puts in? That's point A.

Point B, is Maui Land and Pine pumping to capacity? Is that all that is available for pumping purposes, 1.5? I think there has been some indication in the past that it has gone as high as 3.5 million. So whether there is any margin in there, okay.

With respect to the pumping system being implemented and given the necessary equipment, has any approach been made to Civil Defense to try to locate within the state what may be available and under what conditions? This is what was done in the past when we had to do a number of things there, so we have all of our ducks in line.

It appears to me, and I don't want to get into a discussion at this time with any negotiations or otherwise what's taking place with EMI and other areas, but, Mr. Chair, Mr. Craddick alluded to something with respect to the 8 point, which indicates that there's a certain amount of exchange of

information. And if an exchange of information has been going between your office and another office, I assure you it isn't on a one way street. That information is being made available directly or indirectly.

Now, we will place things in perspective, okay. Let us assume we reach a stage where the flow is down to about 18 million, okay. HC&S, let us assume for the sake of discussion again, that the required amount which has been stated of 11 point something million at the present time is reduced to 8.2. 8.2 or 8 point thereabouts, which would leave 10 million, of which 7 should be ours. Even 3 million. But we have added to that the Dowling and we have added to that the potential of the H'Poko wells.

So while the situation may be kind of critical, it hasn't reached a point yet where we need massive types of actions if we put our ducks in line. And with this in mind, I think the Board will agree with Mr. Starr, and what we have said in the past, that irrigation, water for irrigation purposes for the farmers will not be affected, it will be continued. Because those farmers fall in the same category, in fact in a greater category of need than Maui Land and Pine and HC&S, and what have you. Those farmers have only one pocket, the others have several.

So if we give those assurances and we put our ducks in line, Mr. Craddick, and Mr. Chair, repeating only what was said today, nothing new, nothing else, but we proceed to implement on an around the clock basis, prepare the H'Poko wells if need be. The Dowling well should be up in the next five to ten days or thereabouts. The situation may not be as critical as we may see at first blush.

Thirdly or fourthly, the question with respect to the H'Poko wells, Mr. Chairman, and I am not raising that particular question right now, but the urgency, the real urgency for that permanent right of entry and easement. The Board has taken action on this in the past. I am not going to raise the question at this time as to what progress has been made in that area, but that is critical and needs to be addressed on an overall basis.

I think there's room, Mr. Chair, as we look at this, that there's room for us to be optimistic enough to work on an overall water utilization and distribution program for this

county and for this island, and the time is absolutely right. And I think the ducks are being placed in line. And if we get them we are going to be in damn good shape, damn good shape. If we don't, what the hell, okay. It can be done, it can be done fast, the authority is there.

The finance man advised us earlier that we may have the capacity for bonded indebtedness, if need be, of up to 8 million -- 18, I'm sorry, 18 million. We can go a long way. If we have our ducks in line and we know what the hell we're doing and we can give assurances, we can get participation and we can get involvement of a lot of interested parties and entities in this community, notwithstanding what others may think, and also the strength of this Board to make these things become reality. I think we're in damn good shape potentially, if we don't allow ourselves to become unduly fearful. It's there. Do you agree with me, Mr. Craddick?

MR. CRADDICK: Yes.

MR. CRAVALHO: I'm glad. It's a new era.

CHAIRMAN HELM: Jonathan?

MR. STARR: I agree with what's been said, and it was very well said. I also feel some concern that along with the fact that we don't have the normal legal right to use H'Poko wells, we don't have the right to even access them on a permanent basis at this time, and that's something we should look ahead to.

I also would like to add something, which is that we do want to review if the ditch does reach the 18 million gallon level. However, at that point I will be asking the question is this a true 18 million gallon level. Because there's no question that A&B has the ability to take water from many different sources, and I would not want to see them make the citizens suffer by forcing us into a shortage situation because they're trying to save money by -- they're trying to save their electricity cost and they're just looking for their economic benefit by letting the ditch go lower than it would have had they been desirous of having the ditch level stay up.

MR. CRADDICK: What do you mean by let it go lower, Jonathan? I mean that is almost irresponsible to say that the ditch level is that way because of the rain. After you made

the comment last time, I went out and looked at the Lowrie ditch and the Haiku ditch. They are not flowing, so they are not dropping water down at this time. So to make a statement like that, I don't think is correct.

MR. STARR: My statement was that at that point I would just like to examine the situation more closely.

MR. CRADDICK: I did go and examine that last time, after you said that.

MR. STARR: Thank you for examining it.

MR. CRAVALHO: I think it's very significant language, Mr. Craddick, at this time it is very pertinent. It is equally correct to say that water historically had been diverted from time to time from one level to another level. And we are saying that we do not want to see this happen in this particular circumstance. It has been done in the past.

MR. STARR: If that time comes to pass, at that time we will want to be examining it, not yesterday or last week.

One other thing is that I would like to take Mr. Watanabe's comments to heart, which is that I would like to receive this report every day year round. So I'd like to see this become a permanent item so that we have the ability to have our memory refreshed every time we pass by our fax machine in the morning. So please continue this on a daily basis, and please continue all of the pumping that we can from those sources that are legal and proper for us to use.

I'm hoping also that the public is made aware that we're spending a lot of money on pumping if we're running a fossil fuel generator. If we are going to be running a fossil fuel generator at Kaupakalua, that's going to be even more expensive than the pumping that we are already doing. So we're sparing no expense to keep the system up and running. And I hope the public remembers that when the time comes to examine our rates and fee structures, because we are definitely spending more than we're selling this water for, but it's the right and proper thing for us to do. We have a compact with our user base, especially the ag users, to give them the water they need, and we will do that.

CHAIRMAN HELM: Mr. Watanabe?

MR. WATANABE: One final comment. The reason why I pointed that out was because I am on the committee, the Governor's committee to develop this Hawaii State drought plan, and I think this kind of record keeping is important in developing such a plan. Also, in regards to again, our cost of production. It's fine to get assurances, but based on past history, the farmers, it's not going to pay your bills, to put it bluntly. And a lot of us are struggling to survive right now. If you cannot get your maximum amount of return per acre, it's a losing battle, especially with what's going on on Oahu.

As president of the Farm Bureau, the Farm Bureau represents all agriculture on Maui, and I think the Board needs to understand also that Maui Pine and HC&S, by them staying in business it reduces our cost of production, just because of their sheer size.

MR. CRAVALHO: Mr. Chair, I am not going to let that pass, I'm really not going to, because it is not based on factual data, and it is not based on actual experiences. Reference has been made with respect to what took place in the past, and I deny responsibility for any of that. I don't know if others in this room can deny responsibility for what took place in the past. In the past several years, not ancient history, the past several years.

The fact does remain that with respect to income, while Maui Land and Pine, HC&S, A&B do suffer during a period of drought and water restrictions, they have access to other means for survival. They have other cash flow that contributes to the well being of this community. And in a situation where there is a need for all parties to cooperate and to succeed and to sacrifice, that sacrifice is supposed to be spread equally, right across the Board.

And because of the sheer size of an enterprise, be it A&B or Maui Land & Pine or East Maui Irrigation or whatever, that the sheer size of that operation should not dictate what happens to other sectors in the community if it results in poverty or reduced income to the remainder of the community.

And so I think we need to keep in perspective the relationship of everything, because if we follow that logic to its ultimate, then we are going right back to what took place

in the past, which you have been critical of, which is the lack of water for the farmers. If we place Maui Land and Pine in a position directly or indirectly, as well as A&B and HC&S, directly or indirectly into a position that they need not sacrifice, they need not conserve to the same degree and to a greater degree than the farmers, then I think we are doing a disservice to the farmers that you are supposed to be representing at this time, and we are doing a disservice as well to the community as a whole. It may come to pass, but it won't come to pass without some obstacles.

MR. WATANABE: I think you are misunderstanding what I'm saying.

MR. CRAVALHO: I hope I am.

MR. WATANABE: I'm saying because of their size, they help the smaller farmer by reducing our cost on things that we use to produce a crop, such as chemicals.

MR. CRAVALHO: The question before us, Mr. Chairman, is with respect to water. If we wish to speak with respect to general economics, that's another phase and that's another place, and I'm prepared to go on that one, too, at any time. But with respect to water, and this is what the problem is facing us today is water and its allocation. And here I am, trying to place the independent farmer at a higher priority rating. And I think perhaps I misunderstood, but I think perhaps if we are not careful I've been slightly undercut and I don't like it.

CHAIRMAN HELM: Any further discussion?

MR. STARR: On a slightly different aspect, this is something we always remember about when things get dry, which is that there was money approved by the Legislature, two million dollars, to fund the design and planning of the EIS for a large water storage area Upcountry. And the money I believe still hasn't been released yet by the Governor in connection with that.

What is the status of that, David? Or maybe Warren might know something about it.

MR. CRADDICK: It's not being released.

MR. STARR: Warren, do you know anything about that?

MR. WATANABE: All I heard was that the Governor was going to lapse the money.

MR. STARR: I would just say that it would be a sad thing for that money to lapse, because that reservoir in the future years would really help us. And this is a sign that the Upcountry system is still very delicate and will be delicate, probably more delicate in the future. I sure wish we had the money to start building or working on that reservoir.

CHAIRMAN HELM: Any other further discussion?

Warren, we appreciate your insight on this, and we will let you know that the Board does support agriculture here on Maui, and we will do our best to assure that water is provided to the farmers. That's what we are here for. We will try our best.

Any other questions? Thank you, Warren.

So is it the general consensus that we are not going to take any action specifically today on the Upcountry water situation?

MR. STARR: The only action is that if we do start reaching, approaching the 18 million gallon range in the ditch, that if that's before our next regular meeting that an emergency meeting be called.

CHAIRMAN HELM: Do I hear a motion for that?

MR. STARR: I'll make that in a motion form, that if the Chair sees that we are starting to approach the 18 million gallon a day flow rate in the ditch, that before the next scheduled meeting that an emergency meeting be called to take it under consideration.

CHAIRMAN HELM: Do we have a second?

MR. CRAVALHO: Second.

CHAIRMAN HELM: It has been moved by Jonathan Starr that if the 18 million gallon level, the ditch level reaches 18 million gallons that there will be an emergency meeting called to review and see what action needs to be taken, at least

before the next meeting. Those in favor signify by saying "aye."

(Ayes).

Opposed?

(No response).

Could we take a 10 minute break and we will be back at about, we will say, 10:30.

(Whereupon Acting Chairman Adolph Helm was replaced by Board Chairman Robert Takitani).

CHAIRMAN TAKITANI: Good morning. I'd like to reconvene the Board of Water Supply regular meeting. I'd like to go back to Roman numeral VI, Old Business. Go to item D, discussion and possible action regarding the EMI Memorandum of Understanding.

We have had very, very significant discussions with several of the large landowners, and we are still in active negotiations, among which is to acquire or convey properties, et cetera. And because we are still in negotiations, I think it would be appropriate that we go into executive session, because this information is still proprietary between the parties. Could we have a motion to go into executive session?

MR. NAKAMURA: I so move, Mr. Chair.

MR. CRAVALHO: Second.

CHAIRMAN TAKITANI: Moved by Mr. Nakamura, seconded by Mr. Cravalho that we go this to executive session pursuant to HRS 92-5(a)(4). All those in favor signify by saying "aye."

(Ayes).

Opposed "nay."

The ayes have it, we will go into executive session.

MR. FUKUSHIMA: Just one small correction. It will be under 92-5(a)(3) to deliberate concerning the negotiations of the acquisition of public property, rather than (4), just

for clarification.

CHAIRMAN TAKITANI: That's fine.  
(Whereupon the Board went into executive session)

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REGULAR SESSION RESUMED.

CHAIRMAN TAKITANI: We are in regular session. With that then, I don't think we need to take action on item A.

MS. NAGO: Bob, who moved and seconded that we go out of executive session?

MR. NOBRIGA: Jonathan moved, I seconded.

CHAIRMAN TAKITANI: We have completed work on item A, so we will move down to Roman numeral VII, Other Business, item B, discussion and possible action on existing engineering reports regarding the Waikamoi flume. Mr. Craddick?

MR. CRADDICK: At the last meeting, Jonathan said he wanted an engineering report, and number one, it's still not clear in my mind what you wanted. The next thing is we don't have a budget appropriation. I just wanted to make the Board aware that there's a number of studies, the earliest one being one that was done by the DeWalt predecessor group in 1958. There was a study done in 1962 by Austen and Towell Corporation, in 1985 by Belt Collins, and then in November of 1985 there is a committee, the Upcountry Water Study Committee report done in 1985 also. We have all those reports. I don't know how many more reports we need on the system, but if the Board wants more we can do more, but we do need some clarification on what it is the Board wants.

MR. STARR: I would like to move that a study be done on the work that should be performed to make the flume safe and sound for the next 25 years, and that there be funding for it to be put into the upcoming budget, which I'm sure will be passed by the time we are ready to proceed with this.

MR. CRAVALHO: Mr. Chairman, the only reason is what we had discussed earlier in executive session, and one of the items deals with that particular question.

MR. STARR: As long as the understanding is that we will be working to upgrade the flume so that it's safe. I take back my motion.

CHAIRMAN TAKITANI: Mr. Craddick?

MR. CRADDICK: That's all right, as long as we are not stopping work that we are doing waiting for the study.

MR. STARR: That was never the intent. I'd like to look at those studies at some point.

MR. CRADDICK: Okay.

CHAIRMAN TAKITANI: Then we will move on to item C, Iao Aquifer pumping update from U.S. Geological Survey.

MR. CRADDICK: We have the report in here from them, the quarterly report that we get. Pumpage has gone up from 17.9 to 18.5. And keep in mind, this is the December, the pumping at the end of December. Water levels have recovered somewhat mainly because of the rainfall that we had back in December. Chlorides are up a little bit, water levels are still continuing to decline. Rainfall has continued to be low in the last few months.

And if you look at the rainfall charts they're near the very end of this report here. They give the rainfalls, and you can see that the rainfalls are all well below that median line of zero there. And I guess as a side to this too, the North Waihee well that we are getting ready to start using is now operational. We have taken the bacteriological samples, that's clear. We have taken the samples to check for the heavy metals, pesticides, things like that, organics, and when that sample is back we should be able to put that well on line.

MR. STARR: What's the status of the damaged pump?

MR. CRADDICK: It's fixed.

MR. STARR: The one that --

MR. CRADDICK: What had happened was when the wall was constructed there was a concrete plug or supposed to have

been a concrete plug in the bottom. For whatever reason that concrete plug failed and all the gravel that had been on the outside of the casing came up on the inside and I guess plugged the pump and stopped it from producing water. This is a water lubricated pump, so when the water stopped flowing, some of the bearings went out, about 7 or 8 of them, and that had to be replaced.

So what we did, once we got the pump out we got all that gravel out of the hole and reset the pump with the replaced parts.

MR. STARR: Which well was that, was that the --

MR. CRADDICK: It's what we call Kanoa number one well, and it's just off to the right of the corral there.

MR. STARR: So all of our Iao pumps are functional now?

MR. CRADDICK: No. This is the Kanoa well. The one for the North Waihee or the Central Maui Joint Venture, the big one is not repaired yet.

MR. STARR: That's the one I was talking about, the big joint venture well where the pump broke off.

MR. CRADDICK: We got a camera down in the hole, we know that it broke off about three feet below the discharge head. There is about 100 feet above the pole, and that's where the column is, about 100 feet down.

MR. STARR: What's being done to fix that?

MR. CRADDICK: I believe the bid is -- I think Ken has completed the bid, so it's out in advertising.

MR. STARR: Shaft 33, we're pumping that with the old pumps and old motors and all of that?

MR. CRADDICK: Yes.

MR. STARR: Are they functioning properly?

MR. CRADDICK: Yes.

MR. STARR: Do you plan on doing any upgrade of shaft 33?

MR. CRADDICK: No upgrade of the shaft at all, but I have talked with the new owners of the property up here, and they are basically willing to give us the land over there. So that discussion I think is going on with engineering on where they need to locate the reservoir.

MR. STARR: How about the problem with the state of rainfall coming into this shaft, is that something we have to deal with?

MR. CRADDICK: Well, I am not sure what you are talking about. We had a problem one time where water did go down the shaft, and we have since put a little berm there to prevent that from happening.

MR. STARR: I thought at one point they wanted it to be plugged.

MR. CRADDICK: If we utilize the well, utilize the shaft without the shaft, namely drilling down from the top, that shaft will have to be sealed.

MR. STARR: But using the shaft we don't need to do anything additional, is that correct?

MR. CRADDICK: Well, I don't know if you want to pay for all that land. There's many, many house lots and that cuts through. That would affect it if you try and utilize it.

MR. STARR: So the land you are talking about acquiring is right over the well?

MR. CRADDICK: Yes.

MR. STARR: For those who don't know, that's a long inclined shaft and it goes under houses, and it's what they call a Maui well, where they dig down from the water and put the pumps down on the bottom. So if we acquired the land over the well itself we would have to do a major engineering project of drilling down.

MR. CRADDICK: The major engineering project is sealing the tunnel. The drilling of the well would be no different than drilling another well. But take that back, it's

a little different because it would have to be much straighter. But the bigger cost probably is sealing the tunnel, because before you seal it you have got to get all the junk out of there and then seal it.

MR. STARR: How about Waikapu, what is the status?

MR. CRADDICK: It's completed. There will be something in the budget next year to put a pump station there.

CHAIRMAN TAKITANI: Okay, we will go to item D then, update on the water issues discussed at public meetings. Were there any public meetings?

MR. CRADDICK: We have a letter in here from the Kula Community Association. We had a meeting up there with them. I don't know if we can call that a public meeting, but we had a meeting with the administration on drought procedures there.

What happened was after the Board didn't declare a drought last time, I tried to make it clear to everybody that just because the Board doesn't declare a drought doesn't mean a drought doesn't exist. Because I guess other people key off of us. The state forest people, when we would go into drought it would be justification to keep people out of the forest.

So to Brian's credit we got the group together to discuss these things and how they may be implemented in the future if the Board feels it's not necessary to declare a drought, even though there is a low rainfall situation out there. And I think some good exchange was had there between the group and the fire department, the Parks Department, to get their assistance and then get them information from us, namely getting out these drought charts to those people so they themselves know the low water situation is being observed.

CHAIRMAN TAKITANI: I might add here we just received very short notice about the Salary Commission having a hearing tomorrow. They only gave us notice, I think it came on the 2nd or 3rd. They wanted our input as to where we would stand on salary increases for the director's position equivalent I guess to the Public Works director. And I think it is essentially a three percent increase.

MR. CRADDICK: I believe that includes the deputies also.

CHAIRMAN TAKITANI: The deputies.

MR. STARR: I believe that it's been several years since there has been an increase, and they're discussing an across-the-Board increase for all the directors and others who are in similar positions. I think that it's overdue.

CHAIRMAN TAKITANI: Mr. Miskae?

MR. MISKAE: Except that some of the directors have not been in their positions very long either, so they are going to consider that as well.

CHAIRMAN TAKITANI: Any other expressions of where we would stand on the increase?

MR. CRAVALHO: We don't even know what we pay.

CHAIRMAN TAKITANI: What do we pay now?

MR. CRADDICK: \$75,000.

MR. CRAVALHO: It seems to me, Mr. Chairman, that a three percent adjustment is nominal for the position.

CHAIRMAN TAKITANI: That's generally my feeling, because there's a substantial responsibility. In order to attract the best people you would have to have a suitable salary level.

MR. CRADDICK: The Big Island right now is \$78,000 and they're I think moving that manager's pay up.

MR. CRAVALHO: I have no problem.

CHAIRMAN TAKITANI: So I see a general support for that.

Any other water issues at public meetings? Okay, we will move to announcements. The Maui Chapter of the Hawaii Society of Professional Engineers recognizes the Department of Water Supply's North Waihee Water Source Development Project as Project of the Year. I think the director informed us of that, but do you want to expand on that?

MR. CRADDICK: Well, it's a project that was designed by Warren Unemori. I think the total amount expended to date is about \$13,000. It will still be ongoing as we develop the other wells, but we are very happy to get that award. We didn't think there were going to be any this year for some reason, but we did get the award for that.

I guess one interesting thing about that project or one thing that I saw was very interesting, and I brought it up when we did the dedication up there, is back in 1996 when we were negotiating to get the property with Brewer, once we got that property I believe the proposal was submitted to us, and I think within about three hours notice to proceed was given on the job. So from the proposal to the writing up of the contract, the signing of the contract, the notice to proceed was three hours. So we know Corporation Counsel can work very, very rapidly when required. It has to be one of the all time records on getting a contract awarded.

Keeping in mind the procurement process was somewhat on the sideline there because we were purchasing a contract that was already underway with Brewer. But that's probably one of the more unique things in my mind on that project is you see Honolulu is having the same problem down in Waikiki now that we ran into, there were a lot of obstacles that came up and we still completed that on time with a very minimal amount of change orders.

CHAIRMAN TAKITANI: Congratulations to the staff and the department on that award.

MR. CRADDICK: Thank you.

CHAIRMAN TAKITANI: Our next meeting is a joint meeting on the 15th with the Planning Department, and that's scheduled for 1:00.

MS. NAGO: Right.

CHAIRMAN TAKITANI: 1:00 pm at the planning conference room. It will be a joint meeting.

MR. STARR: Is there going to be a published agenda for that meeting?

MS. NAGO: I filed it yesterday, and I'm sorry, I mailed it out to you folks in the mail.

MR. STARR: Who is going to be chairing that meeting?

CHAIRMAN TAKITANI: Planning.

MR. CRADDICK: When I talked with John Min, he and Bob are going to have to talk together to decide exactly how they will manage it. We are holding it at the Planning Department, and I think Bob is I guess going to defer to Bob Carroll.

CHAIRMAN TAKITANI: We are in their home court.

MR. CRADDICK: One thing that I would suggest here, we talked about the drought situation here earlier, and if the Board can see their way clear, rather than maybe adjourning this meeting, recess it to say maybe 11:00 on Wednesday and look at the situation then. And Fran will be happy to have a lunch in between then and the other meeting, on the 15th. And then we don't have to notice another meeting, and we will be able to look at the drought situation again.

CHAIRMAN TAKITANI: Why can't we just come at 12:30?

MR. CRADDICK: It's up to you. I am just suggesting that.

MR. STARR: There's something that morning.

MR. CRADDICK: The Mayor's address.

CHAIRMAN TAKITANI: Yes, the Mayor's state of the County.

MR. MISKAE: And the budget.

MR. STARR: 12:30 sounds better to me.

CHAIRMAN TAKITANI: I'd like a motion to recess until 12:30 pm at the planning conference room. Or where shall we meet, Board of Water Supply?

MR. CRADDICK: I presume the room will be open, but

I don't know.

MS. NAGO: We would need to check with them.

MR. CRADDICK: Maybe we can say here for now, and we will check with them, and if we can move it over there we will just put a notice up here to meet over there.

CHAIRMAN TAKITANI: Should we just meet in your office at 12:30? That's probably better.

MR. CRADDICK: I think if it's a drought thing and people want to come they are not very well going to be able to come to my office, it's a pretty small place. I would expect people may come, because we are in a much worse situation than expected. It will be of some concern to the people.

CHAIRMAN TAKITANI: Can you get this at 12:30?

MS. NAGO: Do you want me to check now?

MR. STARR: Why don't we see if we can get that at 12:30.

CHAIRMAN TAKITANI: It would be better to get the planning conference room, because we are there.

MR. STARR: I move to recess until 12:30 on the 15th, and the location will be announced.

MR. FUKUSHIMA: I think if there's a recess it should be time certain, date certain.

MR. CRADDICK: Maybe take a five minute recess and we will check.

MR. CRAVALHO: Mr. Chair, may I suggest that any agreements to be sure to put in a severability clause.

(Whereupon a brief recess was taken).

CHAIRMAN TAKITANI: Okay, 12:30, Planning Department, March 15. The joint session with the Planning Committee will be March 15th, and we will meet at 12:30 in the planning conference room prior to the scheduled joint meeting

in case we have an update on the drought situation.  
May I have a motion to recess?

MR. STARR: I so move.

MR. CRAVALHO: Second.

HEARINGS OFFICER: Moved by Mr. Starr, seconded by  
Mr. Cravalho. All those in favor signify by saying "aye."

(Ayes).

Opposed "nay."

(No response).

The ayes have it. We are recessed.

(Whereupon the Board recessed at 1:45 p.m.)

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