

County of Maui Water
Supply

BOARD OF WATER SUPPLY
COUNTY OF MAUI
REGULAR BOARD MEETING
WEDNESDAY, NOVEMBER 17, 2004

Held at the Kahului Shopping Center, 65 West Kaahumanu Ave.,

Unit 29, Kahului, Maui, Hawaii, commencing at 9:00 on

Wednesday, November 17, 2004.

REPORTED BY: GLORIA T. BEDIAMOL, CSR/RMR #262

A P P E A R A N C E S

CHAIRPERSON: MICHAEL VICTORINO

VICE CHAIRPERSON: KENNETH OKAMURA

MEMBERS: MICHELE MC LEAN

STACY HELM CRIVELLO

GINNY PARSONS

KENT HIRANAGA

SALLY RAISBECK

RALPH JOHANSEN

STAFF:

ED KUSHI, CORPORATION COUNSEL

GEORGE TENGAN, DIRECTOR

CATHY HOWARD, SECRETARY

HOLLY PERDIDO, FISCAL OFFICER

HERB CHANG, ENGINEERING

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CHAIRMAN VICTORINO: Call the meeting to order.

This is our regular Board of Water Supply meeting for

November 17, 2004. Present are members Michelle, Ken,

Ginny, Ralph, Sally, and Stacy, and myself, Chair Mike.

First thing I would like to ask is for approval of

the minutes from the joint meeting that was held on October

12, 2004.

MS. MC LEAN: So moved.

MS. RAISBECK: Mr. Chairman, I have one
correction.

CHAIRMAN VICTORINO: Let's move and second, then
you can go ahead. Do we have a second?

VICE-CHAIR OKAMURA: Second.

CHAIRMAN VICTORINO: It's been moved and seconded.
Any corrections, additions or deletions?

MS. RAISBECK: I didn't read the whole minutes,
but on page 79, line 23, it says "sea board" and I believe

the context makes it clear that it should be C. Brewer.

CHAIRMAN VICTORINO: So noted on the correction.

Anything else anybody saw? Yes, Ralph.

MR. JOHANSEN: Line 8 should be polymer.

MS. HOWARD: You have to speak loud enough.

MR. JOHANSEN: Line 8, page 33, it should be

polymer, P-O-L-Y-M-E-R.

CHAIRMAN VICTORINO: We can't hear you, Ralph.

I'm sorry. Can you repeat it?

MR. JOHANSEN: Line 8, page 33, it should be

polymer.

CHAIRMAN VICTORINO: Okay.

MR. JOHANSEN: Line 1, page 52, capital,

C-A-P-I-T-A-L. In the same line, 21, page 61.

CHAIRMAN VICTORINO: Capital. Line 1, page 52.

And what was the other one, Ralph?

MR. JOHANSEN: Line 21, page 61, and line 19, page

78, it should be pumping.

MS. RAISBECK: What?

MR. JOHANSEN: Pumping.

CHAIRMAN VICTORINO: Pumping, okay. Anything

else? Any members? All those in favor of approving the

joint workshop with the planning commission minutes signify
by saying "aye."

(A chorus of ayes.)

Opposed?

(No response.)

Okay. Next one would be our regular meeting that
was held October 27, 2004, here at the Kahului Shopping
Center. Entertain a motion.

MS. MC LEAN: Move to approve.

CHAIRMAN VICTORINO: Do I have a second?

MS. RAISBECK: Second.

CHAIRMAN VICTORINO: It's been moved and seconded.

Any corrections, additions, or deletions to the minutes?

MS. MC LEAN: Mr. Chair, I think some of the corrections we went through were on the second meeting, because it contains both meetings -- we just jumped around through some of them. I think we covered both -- and from the previous one.

CHAIRMAN VICTORINO: My apologies, yeah. Okay, so noted. And any others? All those in favor of approving the minutes signify by saying "aye."

(A chorus of ayes.)

Opposed?

(No response.)

At this time I open up the floor for public testimony. I do have one -- and I apologize I moved my papers around so many times -- from a Jerry and Toni Thompson. Are you present?

MS. THOMPSON: Yes. Hi.

CHAIRMAN VICTORINO: Good morning.

MS. THOMPSON: Good morning. I just want to know if everybody received the letter from November 15th and has

had time to -- from us to you folks -- and has had time to look at it.

What I would like to say here is -- but first of all, about the director's example of what we're trying to do. It in no way reflects what we are trying to do. And that paragraph there, the water meter we're speaking of is physically located on the parcel that we're trying to subdivide and it currently and historically has served that parcel. And that's why we're having a hard time understanding why it can't be sold with that parcel.

In addition, in the letter I state what we're

trying to achieve up there. It's a big piece of land and it's in desperate need of attention, and there will be money involved and lots of it, to restore that part of Haleakala mountain and that's what we're trying to do.

Basically, we just want to subdivide one 10-acre piece off of an 18-acre parcel. The balance of that 18 acres is our driveway, the access to the upper part of the ranch. It's not going to be two separate parcels that we want to offer for sale. It's just the one 10-acre parcel with the one meter that physically sits on it and serves it.

CHAIRMAN VICTORINO: Is that it? Any questions

from our members? Mr. Okamura?

VICE-CHAIR OKAMURA: You know that you're going to be on the agenda for the next item coming up? Your case will be coming up next on the agenda.

MS. THOMPSON: He just called us.

VICE-CHAIR OKAMURA: You signed the testimony form, but in the next agenda item --

MS. THOMPSON: Oh, that's what we thought we were doing at this time.

CHAIRMAN VICTORINO: Why don't we -- since we have

them, and I'll ask the board for their indulgence, can we go ahead and proceed?

MR. JOHANSEN: Do we have any other --

CHAIRMAN VICTORINO: No, that's the only one, Ralph. Is that all right with the board? No objections.

MS. THOMPSON: Sorry.

CHAIRMAN VICTORINO: No, it's okay. That's my fault, because I didn't see you'll be coming up next, and then when I flipped this over, I said wait a minute, this sounds like a familiar story I just read.

MS. THOMPSON: It is.

CHAIRMAN VICTORINO: Sorry about that. So we're going to move on to Director's Report 04-14. And since they already started their testimony, I will entertain questions at this time. Ms. Parsons?

MS. PARSONS: Mr. Tengan, is it the fire flow that's the biggest problem with the division again?

MR. TENGAN: Mr. Chair, I have Herb Chang here; he is the engineer on this, the engineer for the Upcountry area, and he prepared a report; so it might be better to answer any questions that come up in a situation --

CHAIRMAN VICTORINO: Herb, would you like to maybe

pass a chair up and scoot between -- Herb, you heard

Ms. Parsons' question? Do you want her to repeat it?

MR. CHANG: I heard the question.

CHAIRMAN VICTORINO: Go ahead and answer, please.

MR. CHANG: There's a couple of concerns that the staff report presented. One was the fire protection; there is no fire protection, being that the -- half of the property is above the service area of the existing water system.

The other concern is what the Thompsons had just expressed about the two existing water meters that are

physically located on the property; but according to the department's records, the two meters were assigned to other properties above this subdivision site.

MS. PARSONS: You mean that there are meters there that don't belong to the Thompsons, they belong to somebody else above it?

MR. CHANG: According to the department's records, when the meters were applied for, the applications were for tax map properties above the subdivision site.

MS. THOMPSON: Which we own.

MS. PARSONS: They own them, then.

MR. CHANG: I believe the Thompsons purchased all three properties.

MS. PARSONS: So they could be used wherever they need to put them?

MR. CHANG: I could ask Ed Kushi. I think it's more of a policy, I hate to use the word "policy"; but if the individual had a property, say, in Haiku, they bought a property, or an extreme case, in Kihei, we don't allow them to move the meters over.

MS. PARSONS: That would be apples and oranges.

The meters are servicing property and they own the property.

We're not talking about moving the meters to different spots.

MR. CHANG: Well, the thing that the department is trying to -- the concept of the department is trying to follow -- this particular situation, a meter, when it's applied for, is assigned to a certain TMK and can only serve that one TMK. They cannot serve adjoining properties, which would violate the rules and regs that -- which could result in immediate removal if you serve -- you know, if a meter is assigned to a property and we find it's serving another

property, we can have the meter terminated. That violates our rules and regs.

MS. PARSONS: Unless they consolidated the TMKs.

MR. CHANG: That's one solution.

MS. PARSONS: One solution is to consolidate the TMKs. If you bought property adjoining to your other property --

MS. THOMPSON: The only reason we couldn't do that, I believe, is that there's a paper road, which is the only reason that 18 acres is now an 18-acre parcel; it was part of that 800-acre parcel. The state has put a paper

road through there and made that bottom piece below -- which is below the paper road. It's not a real road, it's just on maps. Because at some point if they do put that road in, it becomes another parcel. Otherwise, we have no problem absorbing the driveway part on to our parcel.

The fire codes, Scott English said that there's ample water from the 12-inch line feeding a standpipe at the bottom, and there's the ability to put -- if somebody were to develop that piece of property, build a house, sprinkler systems, he said that he has no problem with it as far as

fire code.

The meter was assigned, we didn't apply for them.

They were there when we purchased the place. As well as the

way that the system is set up, it's been that way since

before we were born. There's a pump older than anybody in

this room that pumps the water to the upper portion of the

ranch and it feeds the ranch.

The ranch is strictly cattle, our one family home,

which we're not quite living in yet, that we're trying to

build. But the fire department did approve us building our

house above -- which is actually above this piece that we're

talking about. We put in a sprinkler system that serves the house.

MS. PARSONS: I know when we had our joint meeting, we did discuss the fact that the fire department infrastructure issues and our issues were a little bit in opposition. And we work with the planning department -- trying to figure out how to put the fire back in -- the fire flow back under the fire pump. That's still an issue.

Mr. Kushi, could you elaborate on the legalities of this, where this stands?

MR. KUSHI: Mr. Chair, before I do, I would

preface some comments that I don't know anything about this, this is the first time I looked at it since yesterday. But I would just, based on my review, try to interpret what the department is trying to say.

This is in the Kula area, I take it? So it's subject to the Upcountry rule. But in this case, I don't think it's an issue of issuing new meters; is it?

MS. PARSONS: No. They are saying no.

MR. CHANG: May I make a quick interruption. I forgot to mention that there's one more item that the department has concerns about. Please correct me if I'm

wrong. But there's a two-lot subdivision, they want to take one meter -- one of two existing meters to serve on the property, the second lot that's been created. They don't have a water meter -- will not have a water meter.

So that is a concern, because if the department approves subdivisions, each lot must have a water meter. If they do get approval to get one of the meters for one of the lots, then you have one lot that does not have a water meter. So it does -- the water meter does come into play.

MS. THOMPSON: The second part of the two acres

splitting the 18-acres, the balance of 6 acres is actually
the county's easement to their water tank and --

MR. THOMPSON: And our driveway --

MS. THOMPSON: -- and our driveway leading to the
upper portion of the ranch.

CHAIRMAN VICTORINO: If you can do me a favor, if
you folks talk simultaneously, she can't pick it up, she'll
have a hard time. So if you want to say something, let her
finish and then you can go ahead, please, if you don't mind.

MS. RAISBECK: Mr. Chair, there are some maps in
our packet and I would be much clearer about things if we

could have those maps explained, so that I understood, you know, what the subdivision consists of, what the rest of the property is --

MS. THOMPSON: The Exhibit B, it's numbered 8 on mine, it actually shows the picture, and you start at the bottom, Polipoli and Middle Road, at the center where the dotted lines squiggling up towards the right, that's our existing driveway. There's a cattle pen that's squared off there towards the bottom, where we work cattle a few times a year.

MS. RAISBECK: Where is that? Is that the one

that says "gate, gate, shoot"?

MS. THOMPSON: Yeah, it says "gate, gate, shoot,"
yeah, that's the cattle pen. The rest of it is just where
the driveway goes up. And then you can see the lot on the
left side, the whole left side of that map is the lot we
want to -- we're trying to subdivide, and that's where we
would like to sell with the water meter in question. The
whole left side of this map.

MS. RAISBECK: The left side -- to me, the left
side contains --

MS. THOMPSON: Oh, you're looking at it sideways.

Turn it that way.

MS. RAISBECK: That is the 18 --

MS. THOMPSON: The whole thing was the 18.8. The

big square, which is towards the left, is now 10.8 acres.

Leaving the balance --

MS. RAISBECK: Is that drawn on here?

MS. THOMPSON: Yeah.

MS. RAISBECK: I'm sorry, I'm having trouble

locating the big square.

MS. THOMPSON: Turn it sideways. The whole thing

is the 18, the whole picture.

MS. RAISBECK: Okay. So the cleaver-shaped piece is the 10 acres you are talking about, and the whole thing on this map --

MS. THOMPSON: -- is the 18 acres. You can see basically the balance is our driveway, that's why we can't sell it. It's the only way we can access the top or we would --

MS. RAISBECK: One more question.

CHAIRMAN VICTORINO: Would you do me a favor,

Mr. Okamura, no offense to you, Ms. Raisbeck. What I think

we would like to do is come up here, take the map and explain exactly what we're talking about. And I think that way -- because she's asking the same questions as you and you're going on. We just want to try to get this map thing first, and then we can go from there and we can ask questions. If that's all right with you, Ms. Raisbeck.

MS. RAISBECK: Yes.

CHAIRMAN VICTORINO: Is that okay with you,

Mr. Okamura?

VICE-CHAIR OKAMURA: Yes.

CHAIRMAN VICTORINO: Face the map --

MS. THOMPSON: This is the way it should look.

This is the roadway, the access to the whole 1400 acres.

The only way in and out.

MR. JOHANSEN: Would you turn it around?

MS. THOMPSON: Right here. Going up the dotted lines that leads the way -- all the way up to the top of the page, that's our driveway, which connects to the upper part of the map. The proposal is for this portion to pass the water meter, the big square.

And we will be happy to stay on the list. We will pay for a water meter if and when one becomes available, if

you want to have one for this parcel; but we don't see why it should slow us down in reassigning and selling this. The water meter in question is right here at the bottom of -- both of the water meters are on the bottom, right above the road.

MS. RAISBECK: Just above Polipoli.

MS. THOMPSON: Right above the road.

MS. RAISBECK: Which side of the driveway?

MS. THOMPSON: There's two water meters: one is here, this is the one we use; one is here, this is the one

that's not used, and it has never served the upper part of

the ranch.

VICE-CHAIR OKAMURA: If you can stand back so

everybody can see.

MS. THOMPSON: Right down there, and it's listed

as a water meter. There's a 2-inch water meter that is --

one is an ag meter that the ranch uses and has always used.

There's a pump house there that pumps the water up to the

tank and it feeds the cattle.

MS. RAISBECK: Slow down a minute. Could you say

that again?

MS. THOMPSON: The meter that we're going to keep is also located down there; it's an ag meter. It's the only one that's ever been used on the ranch. The meter that we're talking about doesn't go anywhere. It goes 10 feet from where it's located to one small water trough, and it's not even accessible to 99 percent of the animals on the ranch.

It's used -- I guess my bill is about \$11 a month or every other month for that meter. And that's the one that we would like to reassign.

CHAIRMAN VICTORINO: I think it's getting --

MS. THOMPSON: It's a --

CHAIRMAN VICTORINO: That's what the confusion is.

I have few people that want to ask questions, and I'll start with Ken, then Sally, then Ginny. Go ahead with your question.

VICE-CHAIR OKAMURA: On this map -- so what you want to sell is in here?

MS. THOMPSON: Yes, sir.

VICE-CHAIR OKAMURA: This right here?

MS. THOMPSON: Yes.

VICE-CHAIR OKAMURA: All of this line?

MS. THOMPSON: Yes.

VICE-CHAIR OKAMURA: So it's a small pan-handle

here?

MS. THOMPSON: Yes. That would be very -- we want

to retain the historical stone corral there; it's part of

the ranch and we want to keep it part of the ranch.

VICE-CHAIR OKAMURA: But this part is part of your

parcel right here?

MS. THOMPSON: Correct. That would be the balance

of -- and then when you cross that -- what do they call it

there?

VICE-CHAIR OKAMURA: Three parcels --

MS. THOMPSON: No, sir, because above the road is already separate parcels. This is one parcel; two parcels.

VICE-CHAIR OKAMURA: This parcel has two meters?

MS. THOMPSON: The two meters sit on there; but according to the water department, neither one belongs to this parcel.

VICE-CHAIR OKAMURA: The suggestion that was made about trying to consolidate the lots, did you look into that?

MS. THOMPSON: Because this roadway, the Waiohuli roadway, which is nothing, it's not there --

VICE-CHAIR OKAMURA: I thought you had two lots: one here and one here.

MS. THOMPSON: No, that's what we're trying to do. Right now from the low Waiohuli Road is all one lot, it's an 18-acre lot. This is the proposed subdivision that you're looking at. Not the existing 18. If you take away all the lines, it's the existing --

VICE-CHAIR OKAMURA: Why would you want to -- let's say if you could assign it to this part -- because

nobody would let you do that.

MS. THOMPSON: They're already both assigned to the top parts of the ranch; however, the upper part of the ranch starts at about 4,000 feet elevation that -- the majority of the 1400 acres, I would say 1300-plus acres is above 4,000 feet. It goes from 4,000 to 6,000 to 500 feet. They can't physically locate the meters up there because it's above --

VICE-CHAIR OKAMURA: The question was, we can't just move the meter out or assign that meter to this parcel, we can't do it. Why not?

MS. THOMPSON: We don't want to subdivide above.

VICE-CHAIR OKAMURA: Why not? Actually, you're subdividing this one --

MS. THOMPSON: Right there.

VICE-CHAIR OKAMURA: The option you have is to either consolidate the two lots -- either consolidate the lots, one meter to this side and one meter to this side.

MS. THOMPSON: This is just my driveway, it doesn't need a meter; the ranch does need a meter. And that's why we want to keep the one meter, the ag meter

that's running the ranch now and keep it running the ranch,
and then reassign the one sitting there that's not being
used, to this parcel. We don't feel we need a meter here.

We are planning no development, it is our
driveway, it's a long driveway. It takes up some -- but
there's really no real usable land on either side of the
driveway.

CHAIRMAN VICTORINO: Thank you. Sally?

MS. RAISBECK: Can I summarize what I seem to see
so far? If I turn -- so that I can read what it says, I
turn it this way --

MS. THOMPSON: Right.

MS. RAISBECK: Okay. And then right and left is different. All of these --

MS. MC LEAN: Mr. Chair, we need to use the mic.

CHAIRMAN VICTORINO: Use the mic, Sally. Sally, I would like to keep it as questions and not summarization, because I think --

MS. RAISBECK: No, if I'm thinking wrong about what I heard so far, then I won't be asking the right questions. So I would like to say what I understand so far, is that all the property above Waiohuli Road is part of your

ranch, but it's a separate lot from the 18 acres below Waiohuli Road, and you want to divide the 18 acres below Waiohuli Road so that part of it is your driveway, which is necessary, and part of it is a new lot?

MS. THOMPSON: Yes.

MS. RAISBECK: Now, the water meters, and I want to ask a question here, I can see what I think are the two water meters, one says WM 97296638, and that's the one that's closest to the boundary of the property?

MS. THOMPSON: Yes, ma'am. And that's the one we use.

MS. RAISBECK: So that's the ranch.

MS. THOMPSON: That's the ranch. That's the meter that we use. That's the one you will find our water consumption, yeah. The other meter --

MS. RAISBECK: The other meter, I don't see that as being on the part you want to subdivide.

MS. THOMPSON: Well, it's on the 18, you know, it's on the piece that we're trying to subdivide -- it's not on the piece that we're trying to --

MS. RAISBECK: That water meter is on the property

that contains your road?

MS. THOMPSON: Yes.

MS. RAISBECK: And that property also contains an existing water tank easement. Is there a water tank there?

MS. THOMPSON: Yes, ma'am.

MS. RAISBECK: And the old, old territorial road marked as a paper road, that goes up to that water tank --

MS. THOMPSON: Actually, it's a cement driveway up to the water tank. It's an improved road.

MS. RAISBECK: Okay. But it is -- that is an old state road, territory days, when they first put that water

tank in, I believe. But that's just my impression.

So the question is, can you leave the water meter that's currently serving all of the property above, that's currently serving the ranch, can you leave that on that property and take the water meter that's on your road property and convert that to be a water meter for the -- or is it the one that's serving the ranch?

MS. THOMPSON: No, it's the one that's not serving the ranch that we're wishing to sell with the new parcel.

MS. RAISBECK: But it's not on that parcel, the one you want to sell?

MS. THOMPSON: No, it's a few hundred feet from
the boundary.

CHAIRMAN VICTORINO: Ms. Parsons?

MS. PARSONS: Neither of you are on the property;
is that correct?

MS. THOMPSON: On what property? The one that
we're trying to sell?

MS. PARSONS: Either one.

MS. THOMPSON: Yeah, one of them is actually on
the easement to the property that we're trying to sell, the
driveway -- the driveway --

MS. PARSONS: But it's on an easement?

MS. THOMPSON: Right. Neither of them are
physically located -- neither --

MS. PARSONS: They are located there primarily
because that's the department's --

MS. THOMPSON: Where they want to put it.

MS. PARSONS: Right.

MS. THOMPSON: We have no problem with them being
there where they are. And even if we were to sell it, we
will give them easement through with their waterline, or

whatever -- and if somebody did decide to buy this and develop it, they would know that there would be improvements that would have to be made. The water is not going to come out of that water meter and go up the hill by magic. It's not going to pass the tank.

So we're not going to pull the wool over anybody, but I'm not going to develop it. I don't think I should put in a hundred thousand dollars worth of water improvements to sell an undeveloped parcel.

CHAIRMAN VICTORINO: Any more questions? Kent,

then Michelle.

MR. HIRANAGA: Looking at Exhibit C, the parcel in question, which is currently 18 acres, you have an X'd out TMK No. 51, but it is now being identified as being parcel 6. Who retained the tax map key No. 6 for that parcel?

MS. THOMPSON: It was done way before we ever got involved with it. We've only owned the property one year. And I think that was done when the Waiohuli Road issue came in. I may be wrong, but -- I mean, they divided that parcel directly on the roadway, so I believe that roadway had something to do with that division of that parcel.

MR. HIRANAGA: As far as the department is

concerned, the two meters are assigned to TMK 52?

CHAIRMAN VICTORINO: Two meters assigned to 52 on
the map.

MR. CHANG: One is assigned to 52 and the other
one is assigned to the other parcel, the other big parcel.

I don't have the numbers, but the two meters are not
assigned to the same property, there are two other
properties --

MS. THOMPSON: They are parcels side by side. I
don't have the TMK with me. I know one is 800 acres; one is
600 acres.

MR. HIRANAGA: There are three parcels involved,
and the two meters are servicing two other parcels and they
want to reassign -- one meter reassigned to parcel 6?

MR. CHANG: That's correct.

MR. HIRANAGA: That changes the story
dramatically. I don't have any further questions.

CHAIRMAN VICTORINO: Michelle?

MS. MC LEAN: Just as a follow-up to Kent's
question. It looks like, as you say, when the road lot was
put in, the 18 acres -- that's probably --

MR. JOHANSEN: I can't hear you.

MS. MC LEAN: When that roadway parcel was put in, all those TMKs that are X'd out on Exhibit C, page 9, all TMKs, including this one, it looks like that became a new plat at some point. It needs to be part of plat 5 and a new plat was part of -- so I think that's why the TMK was crossed out.

A question for you guys and maybe for corp counsel as well, did you ever talk about the 8-acre lot possibly being considered a roadway lot, or just some other type of lot where the water department would be concerned about

having a meter since the purpose of it is just for a driveway?

MS. THOMPSON: If that's an option, we would do that; but I guess, first, we would have to decide whether or not we can reassign that meter to the other half of it, because it doesn't belong to the other half.

MS. MC LEAN: It seems like there are two questions that the department is looking at. One is the reassignment of the meter and the other is creating a parcel, creating a new parcel without a meter. And maybe if that were -- if that lot could somehow be distinguished to

make it not having a meter more acceptable somehow, that might eliminate that question.

MS. THOMPSON: We would not be opposed to that.

MS. MC LEAN: Corp counsel, off the top of your head, I know you have not looked into this at all, what classifies a lot is a roadway lot; for example, or an access lot since it is used for access purposes to the water tank and to the property, is there a way to distinguish that?

MR. KUSHI: I would have to look into it. But if it's going to be dedicated to the department for access and what -- access to a water tank and they get an easement to

their property. Because that's the only way they get to the pump.

MS. MC LEAN: Right. But just -- I don't know, in any subdivision you create roadway lots that aren't necessarily dedicated. They can be private roadway lots that belongs to the homeowner, for example. The lot itself doesn't need to be dedicated.

MR. KUSHI: Technically, it's still a subdivision.

MS. MC LEAN: But roadway lots don't have water meters.

MR. KUSHI: Yeah, I have to think about it.

MS. MC LEAN: Just a general comment on the process here, I think the department is right in interpreting its rules black and white and being consistent. But there's also the process for extenuating circumstances for applicants to come in and say, "Look at my situation, it's different."

And I think this is all appropriate, and I don't think the department is wrong by any means for coming to the conclusion that it did. And to me, in support of the applicant -- the applicant is also trying to do a certain

thing and there are extenuating circumstances here.

CHAIRMAN VICTORINO: Ken, then Kent.

VICE-CHAIR OKAMURA: I am following up with what

Kent was saying. The two meters on the bottom are there to

serve the 1400 acres, because the 1400 acres is two lots:

one 600 and one 800.

MS. THOMPSON: Yes.

VICE-CHAIR OKAMURA: So you own two parcels, they

aren't consolidated; right?

MS. THOMPSON: Correct. And the thing is that it

doesn't serve -- I know it's assigned to this piece up here,

but it doesn't serve that piece and never has. Like I said, before we were born, whether that meter was there or not, the ranch was piped to run off the one big meter and financially we could never change that.

In fact, we just repaired it all so it doesn't leak and so everything runs smoothly and there's no overflowing tanks. But it was already running the two parcels off of the one meter and it does to this day.

CHAIRMAN VICTORINO: Ken?

MR. HIRANAGA: I'm just going to provide you with thoughts of how I may be able to remedy this situation.

First, I would look into the possibility of just creating a roadway easement versus creating a second lot. That way you are not creating a second lot that needs a new meter. Just reserve the roadway for that driveway.

The second thing is to look into what time -- when parcel 51 was X'd out, did the county consider parcel 51 part of parcel 52. And the reason that it got reassigned parcel No. 6 is because someone brought to the attention of the county the existence of Waiohuli Road. So if at one time parcel 52 and parcel 6 was considered to be one parcel,

you could make the argument that that meter that you want
reassigned to 52, 6 really was servicing the entire -- by
function was the entire land.

But because of the reestablishment of Waiohuli
Road, for bookkeeping purposes they assigned it to the
property above the road. So you would have to do some
research as to why, first of all, parcel 51 was X'd out, and
later, why it was reestablished as parcel 6. And why -- and
when was Waiohuli Road recognized by the county as an
existing roadway. That -- subdivided its piece. I don't
know if you understand what I'm saying.

MS. THOMPSON: I do. I just don't -- you know, I didn't really want to go down there if we could resolve it this way. I mean, if there's --

MR. HIRANAGA: I have to agree with Michelle, if the rules don't allow reassignment of meters --

MS. THOMPSON: But is there a rule that you can cite me so we can look at this rule and see what we're -- what it is we're not --

MR. HIRANAGA: We can ask staff to provide us with their basis for the decision.

CHAIRMAN VICTORINO: I think we've come to a point

where I see a lot of questions flying around by the members,
and I think I'm going to have to go to staff now. I think
they need to provide us with more information; I think at
this point you are citing one rule and that's the rule about
not being able to reassign to another property; am I
correct, Herb?

MR. CHANG: That's correct.

MS. RAISBECK: May I ask what rule that is?

CHAIRMAN VICTORINO: Can you cite that rule,
please, Herb?

MR. CHANG: There is -- as far as I know, there's

no specific rule. The corporation counsel can help us with that. There is the specific rule that says -- and as far as I know, it cannot be reassigned. But implementing the water system rule, it's obvious that it's -- what the intent of the rule is.

CHAIRMAN VICTORINO: But there is no rule that says you cannot reassign the meter? I guess that's the question I have right now.

MR. CHANG: We have to defer to corp counsel, maybe he can help us with that.

CHAIRMAN VICTORINO: Before I go on, I would like

to have that question answered. Go ahead.

MR. KUSHI: I may have to take it back after I

look at it again. But to my knowledge, there's no rule

specifically saying you cannot reassign. There's a rule

saying that once the meters are applied for, it applies to

the -- there is a rule about subdivisions, that any lot as a

result of a subdivision has to have its own meter.

There's also a rule saying where the meter is to

be located. On a subdivision it's to be located on the

subdivision premises; otherwise, you get a remote meter

situation. Which we know the department has been trying to get away from. In this case, historically, it looks like a remote meter situation. Now, if they are going to subdivide it, and technically the department can say move those meters mauka, because the meters are assigned to the other parcel.

Now, in this case, it's strange that the applicant now owns all of these properties; is that what I understand?

MS. THOMPSON: Yeah.

MR. KUSHI: So if they didn't, then, you know, you would have a problem getting consent from the landowners.

It seems -- it may be worked out in creating a roadway lot.

But Herb tells me that if you look at your map, all these lines, they are reported easements anyway. So the question becomes: Why do you even need a subdivision?

MS. PARSONS: My question was, are we assigning or defining? Because once that Waiohuli Road was put in there, then we need to go back -- I would think at any time you make a map change and we get some kind of division that came in from the state or county, that we will be defining the layout of the property. So maybe it's more not an assignment as much as defining.

MR. KUSHI: Defining what?

MS. PARSONS: Defining where the meter is to go.

Apparently, the Waiohuli Road separated one parcel, but the road is not really there, it's just on paper. And now you have -- you have two lots there, above and below that road.

MR. KUSHI: Herb says that the road was already there when they applied for the meters. But in any event, I mean, it seems the meters were done a long time ago. Now to tell them to force them to move it without subdivision would be a hardship, in my mind. But now they are asking for a subdivision and we have to abide by the rules.

CHAIRMAN VICTORINO: Go ahead. Speak into the mic, please.

MR. THOMPSON: That water meters is on my property, if I was to sell that parcel I would be willing to leave it there. The people who buy it can have the meters on my -- by my corral. There's no big deal with that. And another thing, if we subdivide, they bring up the fact about adequate water for fire -- just cut all that baloney out. I'm just trying to sell that.

Why not the person who buy 'em go build on there, let him deal with that with the county now. All I asking is

for that property to be sold. I love my mountain and my land, it was given to me from the man above, I know what my job is. I doing something good for this community. I want to see native trees up there; I want to clean that land. It's frustrating.

And this is all nonsense already, nickle and diming, this that. The way you guys jumping around. Come on now, help me out. I love that place. Before I gone, I going do something good for this community, for the island. And I'm not asking much. I know a lot about things like that from our old ranch, how things go with lands, lots,

this and that, but we're just playing around little bit now.

I work hard up there. If I cannot get this --
money is nothing, when Oprah bought my place, I could have
took that money, sit down in one condo and been one king. I
don't want the money, I want to do something, I want show my
children something, teach them how to take care of the land
to make that place productive and be something. And that's
for everybody.

That place brings rain, brings everything. Up
there is one good place, if you go up there you going feel
'em. I don't work in one office. I know what that place is

about, and it needs care. Everybody lease that place
overran it, it makes me sick to look at it.

And I tell you the truth, as much as I love that
place, if I don't get the help to do this, because I don't
care about being dressed nice, being fancy, that's not me,
I'm going to put 'em into the land. If I don't get the help
or this thing don't go through right, I'm going to put 'em
for sale and I'm going to walk away with the money I invest
and do good. And I'll go buy one small ranch on the Big
Island and to heck with it. That's all I want to say.

CHAIRMAN VICTORINO: Okay.

MR. HIRANAGA: There's a portion of the meeting but -- so if the applicant were to withdraw their request for subdivision and was able to reserve a roadway easement, then you can sell it -- but reserve the driveway, would the department have an objection to assigning that one meter to this parcel?

Because they're not creating a new lot; all they're doing is assigning an existing meter that's on the property to that property. I'm wondering if the department would have an objection to that. I'm pretty sure you can

reserve that roadway easement without creating a --

MS. THOMPSON: And maintain a little distance on
the side --

MR. HIRANAGA: 60 feet, whatever. You go through
a subdivision process, but you don't create a subdivided
lot. So the easement -- it's still one lot with an easement
running through and they --

MS. THOMPSON: There's easements all over that
huge property already.

MR. HIRANAGA: Whoever buys the property, there's
easements on both sides, but the easement is still there.

But the question is whether the department will object to the reassignment of that meter to the lot, because you're not subdivided.

MS. THOMPSON: Do they object?

MR. HIRANAGA: I don't know, they haven't answered.

MS. THOMPSON: One question, please. How would I find out -- where would I look to find out if that was actually part of the other parcel, if 51, which is now 6, was actually part of 52? Is there a way of knowing when or who or why that came about?

MR. HIRANAGA: You probably need to work with a registered surveyor and title company.

MS. THOMPSON: Because we -- I mean, that's who's been doing all of this for us already. We've spent thousands of dollars with engineers and surveyors and --

MR. HIRANAGA: It depends what questions they are.

MS. THOMPSON: Right. We've got to ask the right questions.

CHAIRMAN VICTORINO: Department, I guess.

MR. HIRANAGA: Is there a response to the

question?

MR. KUSHI: The department would have to look at it again. It presents a whole different set of situations.

We can't answer you right now.

CHAIRMAN VICTORINO: Ms. Thompson, are you able to sit down with the department using that premise with the easement situation, with the roadway and maybe solving the situation without --

MS. THOMPSON: You know, I've been willing -- I've been coming and going. What I would like -- I don't feel that the water department has any desire to help us out in

this way. I'm sure they are bombarded with people trying to get around rules and regulations and finding ways. However, they are -- have strictly denied us every request and every access.

I have to drop everything I'm doing, drive down, you know, and squeeze a minute in there. The phone calls are very hard to get, even correspondence; I had to go through the mayor's office to get a response to my letters. And that's what got me here. This was a suggestion from the mayor's office.

I don't want to waste you guys' time. I just --

if this is the way to get somebody to actually listen and see what -- that what we're trying to do is not -- it's not rocket science, it's not anything devious, it's pretty basic to us, and I don't see any reason it can't be done. It can't be --

CHAIRMAN VICTORINO: You have the young lady next to you, did she want to say something? She can speak on your behalf if --

MS. DOYLE: I'm the neighbor. I live next door to the Thompsons.

CHAIRMAN VICTORINO: Okay. Do you have anything

that you want to share with us?

MS. DOYLE: I would like the opportunity --

CHAIRMAN VICTORINO: Introduce yourself and

then --

MS. DOYLE: Yes. I'm Colleen Doyle. I'm a

neighbor of Toni and Jerry's. And our neighborhood supports

what they're doing; they're doing a great job on the 1400

acres. We would just like to help them work through the

system to be able do this.

They don't know -- the question is how they go

about answering your guys' questions, because I think the county's gut reaction is that all of this -- the bottom 18 acres were part of the top acreage. And if that is the case, and just because that state -- that paper road was put in by the state, that that's the only reason why you have two separate TMKs, we ought to find that out.

Because that -- if that -- if the answer is yes, then it seems to me that that's an easy decision for you guys to make.

MS. THOMPSON: And why don't they have to get an extra water meter --

MS. DOYLE: And we can also -- we can talk about this roadway easement -- the thing you need to understand is Toni and Jerry want to keep the stone corral at the bottom of their driveway, at the bottom of their property, because it is a historic site, as far as they're concerned, and they want to maintain it. In fact, Jerry wants to add to it to make it look nicer.

So that is the question -- that's why I don't think she really can answer that question right now about just making a roadway easement, because they would lose that stone corral.

CHAIRMAN VICTORINO: Ms. Parsons?

MS. PARSONS: I have to make a suggestion, and I would be willing to work on a committee if I can get another person from the board to work with you, and we can work with the department all together, and I can get somebody from planning also, from the planning commissioners and maybe come up with some solutions.

MS. THOMPSON: We'd love it.

MS. MC LEAN: Thanks, Mr. Chair. If you were to do that research and find out okay, it all used to be one parcel and that would make the decision easier. I don't

know why we can't just move forward in that direction today.

If you do the research and we find out the answer was no,

they were always separate parcels, then we'll be right back

where we are right now.

If we support the concept, it doesn't matter what

the history was; it doesn't matter -- I mean, all of this

stuff. The roadway easement is a good idea, but the

downside is that you guys would only have permission to use

a real defined part. It also makes the sale of the piece

less desirable to the person who will be buying it because

there's an easement across their property; typically, that's not a desirable thing.

You can look into it and if that makes things better for the department in some way, that's fine. I fully support what you guys are asking for. I agree that the department is applying its rules and policies strictly and I think that's a good thing, and I think they should do that. But we're hearing your exceptions to those situations. And to me, this is compelling, I don't see any downside.

The only thing I would suggest is, on the 8-acre piece, for there to be restrictions spelling out that

there's not a water meter on the property and that it's not going to be developed. It's used for access and the purposes that you use it for. That's my statement. I would be happy -- but I don't want to foreclose anyone from making comments, but I don't know why we should drag this on anymore if we support the concept --

CHAIRMAN VICTORINO: Go ahead, Kent.

MR. HIRANAGA: You brought up the issue of maintaining control of the existing stone corral. You can do that by reserving a landscape easement within the deed. It does not have to be part of the roadway lot -- these

restrictions that reserve this area for landscape -- used by the owner of another one. The lot below. So there are ways that you can still control what is happening to that corral.

MS. RAISBECK: Mr. Chair?

CHAIRMAN VICTORINO: One moment. Mr. Kushi, you had something to interject?

MR. KUSHI: Yes. The staff and I have some questions, if we could clarify with the applicant. The two meters are on your 18-acre parcel; correct?

MS. THOMPSON: Yes.

MR. KUSHI: Are one of the meters serving your

residence?

MS. THOMPSON: One meter serves the entire ranch
and residence, yes.

MR. KUSHI: Which is located on parcel 52?

MS. THOMPSON: 52, uh-hm.

MR. KUSHI: Where the meter is located on the
18-acre bottom half, you have a waterline from the meter
traversing your property and goes upwards?

MS. THOMPSON: There is a waterline that goes up
the northern boundary and it goes all the way to 6,000 feet

from the pump house to 6,000 feet where there's a water tank, and from there it feeds down to the ranch.

MR. KUSHI: Goes like this?

MS. THOMPSON: Where that dotted line is at the top of the page. Yes. That's -- if you see, that's written waterline -- water.

MR. KUSHI: Oh, okay.

MS. THOMPSON: And this is the way the ranch has been for a hundred years.

MR. KUSHI: SO the meter goes up here -- the waterline?

MS. THOMPSON: The line goes direct -- straight up there and it continues straight to about 6,000 feet where the water tank is. That tank was destroyed when it was used to put out a fire in Polipoli forest. The helicopter destroyed the tank, and a new one was constructed. But the tank that was destroyed was there for a long, long time.

CHAIRMAN VICTORINO: So it's a replacement tank that was put there?

MS. THOMPSON: Yes, right in the same spot. The old stuff is -- the debris is still there from the last Polipoli fire.

CHAIRMAN VICTORINO: Anything else? Sally?

MS. RAISBECK: I would support Michelle, if

Michelle wants to make the motion to that effect.

CHAIRMAN VICTORINO: Okay. Why don't we have a motion at this point, because I think we have gotten to that point. Michelle, would you --

MS. MC LEAN: I move to approve the applicant's request with the recommendation that on the 8-acre piece, there would be some sort of a restriction defining the uses as you described them --

CHAIRMAN VICTORINO: Is there a second?

MS. PARSONS: Second.

CHAIRMAN VICTORINO: It's moved and seconded. I

think we've discussed the matter long enough.

MR. HIRANAGA: Discussion.

CHAIRMAN VICTORINO: You want more discussion?

MR. HIRANAGA: Right.

CHAIRMAN VICTORINO: Go ahead, Mr. Kent.

MR. HIRANAGA: At this time I would be voting

against the motion because I would want to hear from the

department their position on the proposal, and if they

removed their subdivision request to pursue the roadway easement, if the department would object to the assignment of the one meter to parcel 6. I don't feel I'm prepared to make a decision until I get a response from the department.

CHAIRMAN VICTORINO: Okay. Ken?

VICE-CHAIR OKAMURA: Yeah, personally -- I would recommend if you can do that without going through subdivision -- but I think there are enough extenuating circumstances in this particular case to support your request.

CHAIRMAN VICTORINO: Anything else, other than any

more questions? Are you ready to vote? All those in favor of the motion signify by saying -- oh, hang on.

MR. KUSHI: If the board wants to call a five-minute recess, the staff can talk about it and respond to member Hiranaga's concerns.

CHAIRMAN VICTORINO: Is that all right with the rest of the board? Give her a chance to take a break.

MR. CHANG: One question. Is the question -- subdivision -- are we talking about two-lot subdivisions --

MR. HIRANAGA: The assumption is that they would not be subdividing the lot, but they will be creating a

roadway easement to the lot to service the adjoining lot.

So they will not be applying for a two-lot subdivision.

MR. CHANG: Correct me if I'm wrong, but there is already access easements created to serve our tank and one to serve --

MR. HIRANAGA: This is for their concrete driveway, they have to create an access easement.

MR. CHANG: There's already one, I believe.

MS. THOMPSON: Not that I'm aware of. They have easements to the tank, but the driveway goes about a half mile past the tank.

MR. HIRANAGA: According to the subdivision map,

there is a 32-foot wide existing easement -- which follows

the --

MS. THOMPSON: Well, that is actually the driveway

that we put in, and I didn't file for any easement through

my own property. So I think that this might be for access

purposes -- I think that this might be drawn in by the

engineer that --

MR. HIRANAGA: It would have said "proposed," not

"existing."

MS. THOMPSON: Oh, well, we did add -- for the electricity. I don't know. We didn't follow anybody's -- there was no road there when I put my driveway in. And this is exactly drawn as my driveway, so I would be curious to find out --

MR. HIRANAGA: We need clarification on that.

Assuming they are withdrawing the two-lot subdivision application --

CHAIRMAN VICTORINO: Do we understand what is being discussed? Mr. Hiranaga, would you kindly, you know, make sure that everybody -- the rest of the board members

understand what you're discussing, because I think there's some confusion there.

MR. HIRANAGA: The staff is requesting a recess so they can discuss -- based on the assumption that the applicant will withdraw their two-lot subdivision, and they would consent to the assignment of one meter to parcel 6.

MS. RAISBECK: First of all, we cannot recess and discuss --

MR. HIRANAGA: The staff will discuss. The staff will discuss, not the board.

CHAIRMAN VICTORINO: The staff, not us. That's

correct.

MS. RAISBECK: Well, we are in the middle of voting on a motion.

MS. THOMPSON: We are in favor of Ms. McLean's suggestion about the separate lot with no building or whatever -- the addendum to the deed. But I don't know that I could agree with the easement to the top because the cattle pens are at the bottom.

At some point I have to bring in 200 cows, and I can't bring them down a 16-foot driveway. I need a little room on both sides, which is why we drew the map the way we

did, you know, with the extra room on the side of the driveway. I can't be running that many cows down a narrow driveway or they're going to go everywhere. So if you're going to discuss it, it would be this version, not that one.

CHAIRMAN VICTORINO: The motion is -- would be Michelle's motion. Mr. Hiranaga is asking for staff to look at it and come back with a suggestion. Is that what you're asking, Mr. Hiranaga?

MR. HIRANAGA: Well, corp counsel said that they would discuss my concerns prior to the vote.

CHAIRMAN VICTORINO: All right. So let's take a five-minute recess, give her a time to rest, and come back in five minutes to go over the -- your concerns.

(A recess was taken.)

CHAIRMAN VICTORINO: I'm calling the meeting back to order. Mr. Kushi?

MR. KUSHI: Thank you, Mr. Chair. To respond to member Hiranaga's concerns, talking with staff and the director, the department would consider reassignment of meters on a nonsubdivision base, meaning that the lot would remain 18.8 acres subject to the recorded easements in our

favor as well as in favor of their mauka property.

The two meters -- one meter will be assigned to the entire 18-acre lot; the other meter would then be reassigned to the mauka lot, parcel 52, converting a remote meter situation. The department would like the board to state the extenuating circumstances in this case, which I'm sure you can -- the department would also require the applicant to sign elevation agreements because of fire protection for both the 18-acre lot as well as lot 52. So that's the discussion.

CHAIRMAN VICTORINO: Mr. Hiranaga --

MR. KUSHI: Oh, also, the department would retain its position if the applicant continues to proceed on subdivision.

CHAIRMAN VICTORINO: Mr. Hiranaga, does that address your concerns?

MR. HIRANAGA: Yes.

CHAIRMAN VICTORINO: Okay. Now, that's not the motion, by the way, so that we don't get confused, that's not the motion on the floor. Michelle's motion is not that. But I will turn, before I go any further, just to talk to the applicants.

What was just stated by corp counsel, is that feasible and workable that you could achieve the sale of your lot and do all those things you so well desire, would that be okay with you folks?

MS. THOMPSON: It's not the way we would like to do it. We're more inclined to lean to the motion that -- that you were going to vote on.

CHAIRMAN VICTORINO: Okay, that's fine. So the motion still remains on the floor. Any more discussion?

Ralph?

MR. JOHANSEN: A follow up on what Kent said. Do

we have any idea what the department's position is on the motion? We're making recommendations, if possible we should get the department's -- either consent or exceptions to this motion before we -- I think before we take a vote.

MR. HIRANAGA: Mr. Chair?

CHAIRMAN VICTORINO: Go ahead, Mr. Hiranaga.

MR. HIRANAGA: My understanding is, if the applicant continues to pursue the two-lot subdivision, the department will deny their request. If they agree to withdraw their two-lot subdivision, then the department will

agree to their request to reassign the meter. If the department can correct me at all.

MR. KUSHI: That's correct.

CHAIRMAN VICTORINO: Go ahead.

VICE-CHAIR OKAMURA: Ralph, would you repeat what you just said?

MR. JOHANSEN: I make the point that we're making a recommendation -- because we're in an advisory position, and I think that it would be -- and I think we already have an answer what the department's position would be on Michelle's motion. That was my input.

CHAIRMAN VICTORINO: Michelle?

MS. MC LEAN: If I could ask the department, so even if the board were to make the recommendation that the applicant's request be granted, the department would go with our recommendation; is that correct?

MR. KUSHI: Mr. Chairman, maybe you can ask the director, but this party has the authority to make recommendations. The director has a duty to look at your recommendations, but yet they are recommendations. So that's all I can say.

MS. MC LEAN: Mr. Director, can you state how your

department might proceed if we do take the -- support the applicant's request with the comments on the record, as Mr. Kushi stated, extenuating circumstance and so forth, would you grant the applicant's request if we so recommend it?

MR. TENGAN: I couldn't answer whether I would take your recommendation as of this point in time. We would certainly need to look at the extenuating circumstances and the uniqueness of the situation before we decide, I think. However, without these items, the extenuating circumstances,

corp counsel has concern or stated what our current position is on the situation.

MR. JOHANSEN: May I add something?

CHAIRMAN VICTORINO: Ralph?

MR. JOHANSEN: We have a situation where there is no rule, where there appears to be a departmental practice, where the meter is due to really very minor technicalities -- and in legal practice, but this is not going to establish a precedent from hauling a meter up to Haiku, Kula, or anything like that. I don't see what the problem is, really.

Extenuating circumstances we have, as I understand it, as well as the department, a rule in place which provides for a situation where there are minor deviations from accepted practice, and why don't we follow it?

VICE-CHAIR OKAMURA: Other than demand the department -- or at this point negotiate what the department will do, I guess we can make the strongest statement that we can as a board and have the department go with it and ask them to report back to us as to what happened. I'll resecond the motion --

CHAIRMAN VICTORINO: I apologize. I thought my

phone was off. It's off now.

MS. RAISBECK: Mr. Chair?

CHAIRMAN VICTORINO: Hang on. Mr. Tengan, then

Ms. Raisbeck.

MR. TENGAN: I think the board shouldn't lose sight that fire protection is an issue here. You know, and fire protection, in spite of what the property owner feels about providing fire protection, the fire protection requirements have always been placed on the subdivider and not the potential buyer.

CHAIRMAN VICTORINO: Ms. Raisbeck?

MS. RAISBECK: I would like to say that I would recommend that we make this recommendation of Michelle's motion to the mayor. That the mayor has specifically asked us to handle situations where someone is appealing a ruling of the director, and I think we should make a recommendation to the mayor and the director. Not just the director.

There are -- there is sort of a standard kind of statement on waivers that appears in many places in county rules and regs. And it's the three criteria for making an exception. A waiver or an exception. This does not count

as a waiver, because so far as we know there's no rule preventing the reassignment. It's merely departmental practice, not a rule.

But if it were a rule, these are the three criteria we should meet. First, if strict application of the rule would cause an absurd, unfair, or unreasonably harsh result. I think all of us feel that it's unfair if they have two meters, they can't assign one of them that's unused to a portion of the property.

Two, the board finds the circumstance or condition is unique or exceptional. And the board would grant the

same request if made by every similarly situated applicant.

I think what Ralph is saying was there would be no -- or

very few similarly situated applicants, so that it is a

unique or exceptional case.

And three, the resulting action of the board will

be without detriment to existing users. I don't see that

granting their request is a detriment to anybody. And even

a neighbor came in to support their request. So I think

that even if you considered it a waiver of a rule, it would

be easy to grant it and there's not even a rule of

preventing it, it's merely a departmental practice.

CHAIRMAN VICTORINO: Thank you, Sally. George?

MR. TENGAN: Mr. Chair, I would like to repeat myself, that the board shouldn't lose sight of the fire protection requirements.

CHAIRMAN VICTORINO: Thank you, Mr. Tengan.

Mr. Kushi?

MR. KUSHI: Also to remind the board that if we're looking at a subdivision of this 18-acre lot into two parcels, the rules say each lot should have its own meter. There are two meters physically located on the property, which is easy to do, there are two meters, two lots.

However, one of the meters serves the applicant's separate home. We need to cut service from that lot if this is what would happen. The request is to leave -- have a two-lot subdivision with one meter, that's against the rule. If you want to leave the two meters, fine; but then that meter cannot serve the mauka property.

MS. THOMPSON: The only -- there is nothing below Waiohuli Road of any concern to us that requires water, and we cannot lose our water to where we live and where our animals live, which is the 1300-plus acres at the top.

I have no problem with waiting on a line -- on the list for a meter for the second half of that subdivision, and -- or listing a deed restriction that there can be no development, not anything on that 6 acres until such time as a meter can be received. But again, I don't see that we need one there at all.

CHAIRMAN VICTORINO: Okay. Ken?

VICE-CHAIR OKAMURA: The fire protection issue, if they were to subdivide -- well, whatever, the 18 -- sell the 18-acre lot with the meter reassigned, that fire protection issue would come up again before the -- with anybody who

purchases it and builds on that property; right?

MR. CHANG: The fire protection is usually -- by subdivision. And if the person -- the property, if there's more than two dwellings, a third dwelling -- application would trigger the fire protection.

VICE-CHAIR OKAMURA: There's no dwellings on the property, so whoever builds will have to address the fire protection issue.

MR. CHANG: Not necessarily. The first and second dwellings are exempt from requiring to satisfy the fire protection rules.

MS. THOMPSON: When I applied for the permit for my house, which is the first and only dwelling on the whole 1400 acres, I had to go through -- to get -- before I was issued a building permit, I had to be approved in every aspect by the fire department before my building permit was issued. That was one of the biggest hurdles.

But it was overcome at their suggestion, the fire department said it's even more effective than standpipes with 500 gallons a minute. You know, way down the mountain is a sprinkler system in the home, and they were more than happy with that.

VICE-CHAIR OKAMURA: Anything else you want to add regarding this issue?

MR. CHANG: I think the fire department and the water department -- first -- and second dwelling --

VICE-CHAIR OKAMURA: The fire department --

MR. HIRANAGA: Mr. Chair?

CHAIRMAN VICTORINO: Yes, Kent.

MR. HIRANAGA: For the applicant, you realize that if you agree to withdraw your two-lot subdivision --

MS. THOMPSON: They will give me my reassignment.

MR. HIRANAGA: Let me finish. -- the director will agree to assign that meter to that lot, which means you can sell that lot almost immediately for the money you said you need to do whatever else you need to do. If you continue with the two-lot subdivision, you're talking months and months and months -- high probability of failing.

MS. THOMPSON: I do understand what they said. I guess I have to speak to the engineer and maybe an attorney or two to figure out if we're being treated fairly and right, and that I will be protected by an easement agreement. I don't know that an easement agreement will --

I lose ownership of my corrals and --

MR. HIRANAGA: But this action doesn't take place until you withdraw your subdivision, so if you're not prepared to do that, don't do it. But just say if you decide to withdraw your two-lot subdivision, do you agree that the director --

MS. THOMPSON: Yes, I do. If we withdraw this, I'm grateful for the reassignment. But I'm not sure that I can do that right here, right now, because I haven't thought of it before coming into this room.

MR. HIRANAGA: So if the applicant decides to

withdraw the two-lot subdivision application, the director will agree to assign one meter to lot 6.

MS. THOMPSON: Thank you.

CHAIRMAN VICTORINO: Is that correct, George?

MR. TENGAN: Yes.

CHAIRMAN VICTORINO: Okay. I just want to make sure I have that -- okay, Ms. Thompson, the motion is still on the floor; we have to vote on the motion. But you understand that even if we pass this motion, you still may not get what you want. You may have to somehow find a compromise.

But to go back to both of you, what is the most expedient way to get what you want for the aina and love for the land and all that, I'm not sure, I'm not an attorney, you have to find that out.

MS. THOMPSON: I just need to discuss it with someone.

CHAIRMAN VICTORINO: Yes. That would be my recommendation. I think this is one of the things that they bring to the table, is a lot of experience in other areas that can help you.

MS. THOMPSON: I appreciate it all. Thank you.

CHAIRMAN VICTORINO: Ralph?

MR. JOHANSEN: Would you restate the motion?

CHAIRMAN VICTORINO: Can you restate the motion,

please?

MS. MC LEAN: To recommend that the department

approve the applicant's request to allow the two-lot

subdivision and the appropriate reassigning of the meters

with appropriate restrictions, whether it's calling the

8-acre lot a roadway, or -- restrictions on the development

of that lot, that it would just be used for a roadway and

access purposes.

MS. RAISBECK: Mr. Chair, may I ask if she would rephrase it to be "to recommend to the mayor and the director"?

MS. MC LEAN: Okay.

CHAIRMAN VICTORINO: It doesn't make a difference, but we'll add it in.

MS. MC LEAN: If I could, I understand that withdrawing the subdivision and doing an access easement might rectify the subdivision concern that the department doesn't recommend approval of subdivisions if a meter is

unavailable for those lots. I understand that.

But I don't believe that an access easement would be as desirable for the applicant to use that property the way that they use it and need to use it. It also doesn't rectify the reassignment issue. And the department is willing to be flexible in that circumstance because one of the issues is taking care of -- the subdivision issue is taken care of, but they are willing to be flexible on the assignment issue under the circumstance.

And to me, it's like -- you're going to be flexible on both of them, if they need fire protection

agreements -- restrictions to further accomplish those concerns, then work together with the applicant and do them.

But this is the road they have gone down -- why the access easement issue wasn't pursued earlier, I don't know. But this is the road they've gone down, this is where they are.

And I support what they're trying to do.

CHAIRMAN VICTORINO: Any more discussion? If not,

I'll call for the question. All those in favor of the motion signify by saying "aye."

(A chorus of ayes.)

Opposed?

MR. HIRANAGA: I oppose.

CHAIRMAN VICTORINO: Okay. Let it show that five
in favor -- six in favor, one opposed, and one abstention.

And the reason why I'm abstaining is for the fact that that
was -- I really don't -- I'm not really clarified on the
whole thing. I want -- I think it's not -- we can do
something else, but that's my opinion on it.

Okay, anyhow, hopefully this recommendation will
help you. But please, Thompsons, can you please look at
some alternatives and see if it's more expedient for your

sake? Whatever compromises both sides can come up with, it would be helpful for everybody. And I wish you well; I wish you the best. Thank you very much for the time.

MS. THOMPSON: Thank you all for your help. Thank you very much.

CHAIRMAN VICTORINO: At this time, Ms. Raisbeck, you have asked to be dismissed because you're not feeling well, that's fine, go ahead. I also forewarn everybody, Michelle has to leave by 11:30 and Kent has to leave by 11:30. And it's going to be one of those situations where one item took an awful long time, so we're going to -- we

can see what we can do to move along with the other ones.

Ralph, go ahead.

MR. JOHANSEN: A major item is budget. We're not going to get to it. What about Sally's proposal for the subcommittee to be appointed to make a study -- ask relevant questions of the department and come back with a recommendation before we reconvene; is there a problem with that?

CHAIRMAN VICTORINO: Would that be a problem to start a subcommittee to look into this and bring back recommendations by December, or do you need to get --

MS. PERDIDO: We have to get a draft up to the
mayor.

CHAIRMAN VICTORINO: Okay, Holly, go ahead.

MS. PERDIDO: I do have to get reports up to the
mayor already, like towards the end of the month, that's why
we want to at least get a draft to the board. And like I
said, this is only a draft. I'm still working on it every
day, so -- but that's one of the reasons we had to get it to
the board, because we have to get our reports up to the
mayor's office.

CHAIRMAN VICTORINO: I think it's going to be no, because we need to get this thing addressed. Everything on this agenda is very important, but -- well, the next item, let's start with that. Let's move down as quickly and as expediently as possible. Let's go with Holly first, under Other Business, No. 7A. This is for the fiscal year 2006 operating and CIP budgets that will be sent up to the mayor.

MS. PERDIDO: I did prepare a presentation, but I'm wondering if I should just maybe more talk about the budget and kind of explain some of the things we're going through, instead of doing a presentation that might take 20

minutes. What would you --

CHAIRMAN VICTORINO: What's the board's preference? Would you rather have the presentation?

MS. CRIVELLO: No.

MS. PERDIDO: I mean, it's basically -- it's the same presentation -- I revised it. I haven't had time to do a new one. I updated it, which you guys do have a copy of.

CHAIRMAN VICTORINO: Is that okay, Ralph?

MR. JOHANSEN: That's okay with me, what's shortest and clearest.

CHAIRMAN VICTORINO: Yeah. I hate to do this,

but -- go ahead, Ken.

VICE-CHAIR OKAMURA: I wanted to get feedback also. Whatever the board wants to do. As long as we have full-type of questions, I think our concerns need to be made known now, so they have time to address them.

CHAIRMAN VICTORINO: Okay, Holly, why don't you go ahead with a summarization, a presentation of what you have and then go ahead.

MS. PERDIDO: Basically, what I gave to you is our first cut of our budget. As you can tell, the expenses are extremely high. We've been working with Ann Heina

(phonetic), who's our -- she's our consultant. George and I actually just talked to her yesterday morning. We're going to try to go through the budget and try to cut what we can up to about 4 million, I think, which we're going to work on.

Some of the things that you looked at are salaries, and as always, and as everybody knows from the past, do come out high. We have vacancies that aren't filled on time or -- and we always come way under budget on what our salaries are. So we're going to look at these

different items and try to come up with a lower budget to give up to the mayor's office.

CHAIRMAN VICTORINO: You know, and not to stop you; but when it comes to salaries, I think we discussed this many times, when there are vacancies and those vacancies are not filled, it then pulls back everything that needs to be completed, whether engineers, technicians, whatever.

Now, I mean, I'm all in favor of cutting the budget wherever possible, but where we need people, we maybe need to add money because we need people competitive in

salaries and all that. I'm just throwing this out at this time, because when we start cutting salaries and then we're not able to replace vacancies -- that's what's going on at the department. But anyway, continue, I'm sorry.

MS. PERDIDO: To go on that issue, that's one thing we may be able to budget on -- salaries, because by then it won't -- it takes half a year to get someone hired, so we look at all these different options to try to cut some in that case.

Basically, operations increased quite a bit. I know our power increase, because of our proposal -- possibly

Pauwela line coming on line, as well as Iao water treatment plant, and also that same line, Iao water costs are extremely high. So those are two of the -- some of the major increases that we did run into.

VICE-CHAIR OKAMURA: What was the first one, water costs and -- the first one was what?

MS. PERDIDO: Power and water costs. Professional services did increase, and I do have a breakdown of what all that is on here. One change that might be under the office of the director, we might be -- we'll probably have to put some more money in there or change one of these for our

consultant, R.W. Beck, who is still working on the study for us.

Planning increased for the different resource protection up to \$911. We have a breakdown on page 17. Equipment kind of is about the same. This is what all the divisions requested. Basically, we didn't cut anything out. This was everything that was submitted by the division, we put everything in. And now, like I said, George and I will try to go and look at things more carefully and come up with somehow that we can decrease our budget a bit without --

operations.

I'm still working on coming up with balances. It doesn't look too good on our ending cash balance or balances carried forward. We projected about 160,000 for the end of '05. The consultant and I had been working diligently in trying to come up with something, and I don't have anything as of right now; we're still working on that.

CIP, we came up with a balance that wasn't very high either. I think with the carry forth balance with -- projects from '04, it came up to about \$9 million -- almost \$10 million that we would have available for '06 CIP. Also,

the state holders committee is very adamant about us doing a \$25 million budget, so there would be a problem there.

CHAIRMAN VICTORINO: 25 million CIP budget? Is that what we want to -- every year \$25 million CIP, yeah?

MS. PERDIDO: Basically, what I told you we're trying to come up with is just a really preliminary budget, so at least the board can see. The time frame is just so hard right now, having it so short, that to get something together, you know, so that we can include the board and have them look at something. So if there's any concerns on the operating side, I can help you, and then Helen can talk

about the CIP side.

CHAIRMAN VICTORINO: I'll open the floor to
questions.

MR. HIRANAGA: Mr. Chair?

CHAIRMAN VICTORINO: Kent?

MR. HIRANAGA: I missed the opening part of your
presentation, but I noticed the engineering itself, you have
for fiscal year 2004 -- 2005 -- what is your current head
count --

MS. PERDIDO: Engineering, I think -- how many
vacancies do we have?

MR. HIRANAGA: I think you have 18 filled, 5 vacancies.

MS. PERDIDO: Correct.

MR. HIRANAGA: So besides just saying we're going to hire more people, I think in the past one of the major obstacles is the pay scale. I know we brought this up before; I know your hands are tied because of the union issues. But are you going to be attempting anything different in the future to try and make the pay scale more attractive so you can fill these proposed positions?

MR. TENGAN: Mr. Chair, we have been working with personnel services in trying to attract applicants to fill out vacant positions. However, we are somewhat restricted in what we can do within the civil service system.

One thing we were going to do is look at possibly raising the level of some of our engineers from C4 to C5. With this, we might -- may be able to attract more engineers in that they can see there would be more opportunities for advancement rather than coming in at a C4, then waiting for a number of years before they can be considered for a C6 position. But we'll be trying to provide a committee and

staff where they can -- advancement, and we'll be working with personnel services on that.

We are going to be participating in a job fair in trying to attract applicants. We have had personnel services advertise statewide in the local papers on the Big Island, on Kauai, I believe it's the Garden Isle paper. So we are trying to attract applicants, but to date, we have been somewhat unsuccessful.

MR. HIRANAGA: The same concern for the planning program. Right now you have seven full-time staff. What is the current head count?

MR. TENGAN: With the planning staff, it's more an issue of space available for employees. We are somewhat restricted. In fact, we're very restricted in providing space for additional staffing in the planning division. We are looking at the old -- store to provide the facilities for the planning division right now.

CHAIRMAN VICTORINO: Any other questions? Ken?

VICE-CHAIR OKAMURA: What rationale did the state holders committee use to justify the 25 million CIP to keep it at that level where the spending was real low? I know it was explained once, but I forgot what the answer was. I

mean, did they just go right ahead with the department's recommendation, or is the department's recommendation something else?

MR. TENGAN: Yeah, I think we reported that we can do up to \$20 million per year; however, the state holders committee did feel that we needed to do more and they decided that they wanted us to look at \$25 million a year.

VICE-CHAIR OKAMURA: Another question that I had was in regards to the expansion programs, you know, trying to prioritize the direct -- budget, how we spend the

money -- conservation programs, I think we have a very limited conservation program. And the other one is source development.

But if there was a way that some of these issues could be addressed when doing the budget, so that, you know, we can try to put a better conservation program on staff. I don't know -- that may not be a priority, but the county as a whole is zero; right? The water department -- the parks and recreation and all these people, I don't know if they have conservation programs in place. I think there's a lot of water we can save if we address that issue. That's just

one issue.

But the issues that needs to be -- the department would know -- areas that need to be addressed, that doesn't really -- you might address that, but it doesn't show in the budget. The justification or the direction or --

MS. KRAFTSOW: Actually, there are some increases to a proposed conservation budget for the 2006 proposal that include the start of a possible toilet retrofit program and also --

VICE-CHAIR OKAMURA: What program?

MS. KRAFTSOW: Toilet retrofit. And also --

landscape -- as far as landscape conservation -- more expensive programs, some years ago we started a study to look -- to take a much more intensive look at our demand and -- forecasting. And the hope is that that would help us during the water development plan process to come up with real conservation options as -- to review them as real source options. That process is starting at the end of this month.

VICE-CHAIR OKAMURA: The general feeling I get, and I might be wrong, is that the same people will just do more, the same people doing more. They will do less of each

specific thing. So I'm not saying this is -- but if we can address the important issues, whether it's conservation or source development, and not have the same people doing more if less gets done.

But then I guess you have limitations on how much is -- you know, what size budget you have -- some way to address it in terms of priorities and maybe adding people to the staff to address these issues. If it's -- and you don't have other -- emergency places that you need hiring.

MS. KRAFTSOW: Space is a big issue. We've also

had -- experienced where we sent up a list and it takes many months to get it down, and then there's no valid remaining names on it, and so we sent it back up. And this takes months. And again, there's no valid names on it.

Or one side offers a position to somebody and gone through all the medical and all the approvals, and then the night he was supposed to start he called me and he said he had been offered twice as much somewhere else.

So we have difficulty hiring, also in getting our list from downstairs too.

VICE-CHAIR OKAMURA: Right now it's a matter of

filling the spaces you have, rather than trying to get new people to do different programs?

MS. KRAFTSOW: We do have requests for and actually approved in the budget now for conservation specialist, among other things. It's just that we're not allowed to put them where we are, and we're not getting this down from personnel and --

VICE-CHAIR OKAMURA: I guess, you know, we should address the issue about the manpower or woman power, the personnel issues and the space issues. It seems like -- it's okay if we have, you know, two months -- we still have

the space problems.

It should be solved within six months. It's holding back the department, and I think the board may be -- the department needs support at the council, whatever, or mayor. I think we should go to bat for these things; there's a lot of things that's not getting done and that maybe we can help.

CHAIRMAN VICTORINO: Questions?

MS. MC LEAN: Just a statement to underscore what Kent just said. I think it is one of the responsibilities of the board to back up the department with the budget that

they have before council when there comes a time to -- I think that would be helpful. And we may have individual interests that we may want to highlight, but I think it's important that we be an advocate on the department's behalf.

VICE-CHAIR OKAMURA: Maybe -- I'm sorry --

CHAIRMAN VICTORINO: I just want to make sure everybody has a chance. Ralph?

MR. JOHANSEN: On the same front, as I read the minutes of -- the joint committee minutes of the last meeting, and where Helen was presenting, I read repeatedly

about the staff shortage as being raised -- a lot of things are not getting done. If we can -- as specific as her presentation indicated what can be done with existing staff, what staff is needed to accomplish what the agreed upon project is, and get this tight enough so that the budget proposal can have legs.

CHAIRMAN VICTORINO: Thank you, Ralph.

VICE-CHAIR OKAMURA: Maybe some of these issues like personnel problems and space problems in the budget, we can do it on a formal basis, the board gets together and write a letter or write testimony to the council or the

mayor. Something a little bit more formal than just bringing it up at a meeting.

CHAIRMAN VICTORINO: Thank you.

MS. PARSONS: We need to address salaries. I think we need an increase in salaries for us to be able to put some people on. I think that's what holding back engineering; they pay more in the private sector than we do in the county. If we can make suggestions along that line to get some increases.

CHAIRMAN VICTORINO: Yes, Ralph.

MR. JOHANSEN: I was going to make a point that do

we know what the existing discrepancy between the salaried schedule for the department and what's being paid, including benefits, in the private sector? Do we know what that discrepancy is so that at least we can address the problem that it presents?

CHAIRMAN VICTORINO: I would have to defer that to the director. Do you have any idea as to the discrepancies between what the private sector is paying and what we're presently paying? You don't have to be exact.

MR. TENGAN: I'm not sure as to the exact amount.

However, we recently lost one of our engineers to the

private sector. I have heard comments that where we're starting engineers at 50 to \$60,000, they're being offered \$80,000 on the outside. And that's something that we can't do anything about, because when we advertise the field for engineering positions, we're already advertising within the pay raise and we're normally higher than the highest allowable pay that we can bring them in at.

VICE-CHAIR OKAMURA: That's a C4. So you're going up to C5?

MR. TENGAN: That's primarily for retention of our

existing engineers, that's to keep them; but in addition to retention, it will make the positions more attractive if the employee or the potential employee can see that there's room for advancement.

CHAIRMAN VICTORINO: I think the theme right here is pretty much the same, you know, we have to support the department. I think that comes out loud and clear. We have to set the priorities. And wherever and whenever possible, go to these meetings by council, mayor's office, letters and pushing the issue that we need to get these people -- the department the people they need to fulfill the jobs that are

required.

Putting the CIP budget out for 25 million every year, not being able to use it is like pie in the sky. We have to have the people there. And even contractually, our contracting out some of the -- jobs may be -- necessary -- I put this as a side note. When we did Pookela, Pookela was going to be 900,000 and I just saw the bid, I think it was 2 million something.

When you go out, depending what time -- you do these things, you can have surprises. Are we prepared for that? The people of Maui deserve the water and we got to

figure out a way to get it to them. The problem is, are we willing to spend the money? We have to make sure the budget is appropriate for that.

Any other questions? Because, you know, I think we have -- this is pretty extensive. We'd have to have all day to go through these things. Yes, go ahead, Kent.

MR. HIRANAGA: Couple of questions on CIP.

CHAIRMAN VICTORINO: So what page of the CIP are we looking at?

MR. HIRANAGA: Page 29, third item from the top.

Makena Road waterline replacement design.

MS. KRAFTSOW: Are you on page 29 of the packet?

I didn't actually get to go over this with you, but I passed out revisions of that, of what I sent you, basically. For the most part, I just want to change \$600,000 -- fix the baseyard, the roof needs repair.

MR. HIRANAGA: My question is in regards to Makena Road waterline replacement.

MS. KRAFTSOW: Yes.

MR. HIRANAGA: The waterline project that the board, and prior to the charter change, we moved from the

budget several years ago, because there was a private line agreement between the homeowners and the department --

MR. JOHANSEN: May we know where we are, which packet and --

CHAIRMAN VICTORINO: The packet we got in the mail with the agenda in the front, and it's on the CIP budget, it's page 29 in the CIP portion of the packet. That's the packet we got in there. You got it now? Everybody on the same page? Go ahead.

MS. KRAFTSOW: I don't know -- actually, I don't recall specifically about that. But there were about 75

rates recorded in one of the fiscal years that we had logged for that one line, it is causing a lot of baseyard staff -- it needs to be fixed all the time.

MR. HIRANAGA: Isn't there an underlying water agreement? If this is the same waterline we're talking about, I'm pretty sure it is, the construction improved the section that fronted their subdivision. There's a balance of waterline -- they had constant breaks, but there's an underlying waterline agreement.

MS. KRAFTSOW: What I have here was a developer was required to install a 4-inch line, which the department

wanted to -- up to size 8. And a portion of it was constructed and this is to complete the line. And it is, and according to -- baseyard, the largest single source of overtime spent in repairs.

MR. HIRANAGA: I realize that, but I believe the board denied the request several years ago because there was an underlying water agreement -- the maintenance with the homeowners in the Makena area. The question is, why is the county paying for this when the homeowners are -- can I request that you do research?

MS. KRAFTSOW: Yes, I can. To my knowledge, the

department was supposed to -- developer -- you're talking about there's an underlying -- they need to maintain it?

MR. HIRANAGA: No, this is the balance -- the department -- you're proposing to improve. There's a waterline agreement to allow that line to be created. That's why it was struck from the budget.

MS. KRAFTSOW: There can be. I'm not aware -- I just know the baseyard is --

MR. HIRANAGA: Can you look into that, please?

MS. KRAFTSOW: Yes.

MR. HIRANAGA: I have one more other question.

The 26 Hamoa -- waterline, this is not the waterline that runs along the road that heads towards the ocean in lower Hamoa, this is upper Hamoa?

MS. KRAFTSOW: This is -- Hamoa, this is towards that Kaupo system, which would not normally be a priority, but there's a sole source situation out there. And it's -- the lines are substandard.

MR. HIRANAGA: This waterline is not the waterline closest to the ocean?

MS. KRAFTSOW: It's along the highway.

MR. HIRANAGA: But above --

MS. KRAFTSOW: Above Hana Highway. I think

there's a map of it in here.

CHAIRMAN VICTORINO: You're going to the big one?

MS. KRAFTSOW: Page 25 in the pictures.

CHAIRMAN VICTORINO: 25?

MS. KRAFTSOW: Uh-hm.

CHAIRMAN VICTORINO: That red section is the one
you are referring to?

MS. KRAFTSOW: Yes.

MR. HIRANAGA: What page is the Makena waterline

replacement on?

MS. KRAFTSOW: It's alphabetical within board

program, so --

CHAIRMAN VICTORINO: Page 24?

MS. KRAFTSOW: I have 34.

CHAIRMAN VICTORINO: Page 34?

MS. KRAFTSOW: Yes.

CHAIRMAN VICTORINO: And that's the red section

again?

MS. KRAFTSOW: Yeah.

MR. HIRANAGA: If you could look into that for me,

please. Thank you.

CHAIRMAN VICTORINO: Ms. Parsons, you had a question?

MS. PARSONS: In our CIP for Hana, I heard we're looking at ranch negotiations -- system, is that included in our budget if we have to do any improvements to their system?

CHAIRMAN VICTORINO: Mr. Director?

MR. TENGAN: I don't think there's anything budgeted for that. We have to bring it up to standard --

we would not need to do any improvements --

CHAIRMAN VICTORINO: Yes, Michelle.

MS. MC LEAN: Thanks, Mr. Chair. This is probably

a question for Holly. Just to make sure --

CHAIRMAN VICTORINO: Where are you looking at so

we're all on the same page, if you don't mind?

MS. MC LEAN: Looking at the power point --

CHAIRMAN VICTORINO: Power point, okay.

MS. MC LEAN: Starting on page 8, on page 8 and on

the second couple of pages, it's the major expenditures and

how it has increased over the years. Just in general, like

looking on page 8 at the top is the pie chart and the breakdown of the different expenditures. What percentage each category that expenditure takes.

On page 8, at the top of page 8 is a chart that has the different expenditures, then the following two -- are just how those individual expenditures have increased over the years. Just in general, have those percentages changed much or have those been pretty constant? Has the breakdown changed?

Clearly, they have all increased in different ways. Are we, for example, are we spending more or less

percentagewise on salaries now than we had in the past, or more or less on debt service? Obviously, things will just increase as the years go on, but are we looking at a comparable location over the years?

MS. PERDIDO: Well, payroll for, like, 2003, we actually -- I think our expenditures came in at, like, 6.5, so that was 1.3 below what was budgeted. And it's pretty much consistently along that line. It has been below what we actually budgeted. But if we want -- like Mike was saying, if we go out to recruit for them, we need to have a budget for them. So we have always budgeted for these

positions.

Electricity pretty much is the same; it's steadily increasing and I know we'll see a big jump this year.

MS. MC LEAN: The pie chart, if we looked at the same pie chart from last year to previous years to the previous year, would it be pretty similar?

MS. PERDIDO: Yeah, usually the salaries and wages are always --

MS. MC LEAN: About that --

MS. PERDIDO: In this case, they are up about a

million. If you look at the -- operations are a good portion, debt service is pretty consistent, it runs in that amount. All of these are pretty consistent. Overhead goes up a little bit. But I think overall they are consistent with --

MS. MC LEAN: Then you flip back to page 6, the revenues and expenses. The actual figures for the last few years where revenues have been slightly higher than expenses, but projected for 2005 and 2006 or the other way around, 2006, obviously, that's a concern. And what are we doing to -- back and balance -- that's probably part of the

state holders committee rate increase. Is that focused to bring those four back in balance, is the main effort toward a rate increase?

MS. PERDIDO: I think George can add to it, but I think the main effort that is a concern, as you can see from '05, our revenues were lower than the expenses. Our expenses do come in a little lower than what is shown in the budget. We do have a -- in '06, we'll have a problem. And that you're right, that's why we have the state holders to look at it and how we'll fund additional CIP for replacement budgets.

MS. MC LEAN: Thank you, Mr. Chair.

CHAIRMAN VICTORINO: Thank you, Michelle. Any

other discussion?

MS. PARSONS: I have one. In 2005, we have

microbial issues coming up from EPA, where in the budget do

I see an increase for biology and chemistry?

MS. PERDIDO: It should be in the plant

operations, but let me pull it out, let me double-check it.

I know she did increase her laboratory supplies --

CHAIRMAN VICTORINO: What page?

MS. PERDIDO: This is a detail for summary in the

plant operations. She did increase the lab services that she's providing and checking on. I'm not sure what you're talking about, if that's something with a contract or --

MS. PARSONS: No, in addition to the -- EPA will be starting to add new pathogens that we'll be looking for, and so labs have to be up to standard to be able to do that. I'm not sure -- in her lab, and we talked about it at one point, whether we were able to conduct some of those studies. So she has money proposed to be able to send out the samples. That's probably what that is.

But every year now, or every couple of years, EPA is going to be adding in more microbial organisms to pathogens to be able to research for. It's going to be part of their EPA requirements.

MS. PERDIDO: What we can do, George, we can check with plant operations to make sure they are looking at that when they do their budget to make sure we would be covered.

VICE-CHAIR OKAMURA: Mr. Chair, I had a question regarding the pipeline improvements or transmission plant and Omaopio plant, what are the specifics of that, the projects? Would you know offhand or at this time?

MS. KRAFTSOW: The -- actually, the entire upper Kula transmission line at this point is substandard. And so there was some thought that we should -- in doing the actual construction, start upstream and gradually build it downstream.

VICE-CHAIR OKAMURA: Thank you.

MS. PARSONS: Helen, the Upcountry Maluhia tank, the 850,000 gallon tank, do we have any intention of doing any replacement to that? I understand DOH -- it's almost in a condemned state.

MS. KRAFTSOW: I think there is a replacement. I

think it's in '06. My scheduled budget goes right now to 2012. I think it is scheduled, but I can't tell you off the top of my head. I'll have to get that for you.

CHAIRMAN VICTORINO: Okay. Any other questions?

I think we have covered this matter. Thank you very much.

Do we want to make a recommendation to forward this on?

Helen? I'm sorry.

MS. KRAFTSOW: I just want to make sure that we point it out that this is prepared in order to have -- this actual schedule was prepared to have storage and source -- storage to meet demand forecasts. But it's more than what

we expect to have in funding so -- I want to make sure that's covered.

CHAIRMAN VICTORINO: Thank you. Yes?

VICE-CHAIR OKAMURA: Mr. Chair, I don't know what type -- I think in fairness to the board, before we recommend anything on this budget and CIP budget and the operations budget, or whatever we need to -- possibly need to look at more carefully --

CHAIRMAN VICTORINO: Mr. Director, I guess the questions comes up one more time to look it over, what's the

time frame as far as the department is concerned?

MR. TENGAN: Mr. Chair, I believe that the board will have another opportunity next month to review and discuss the budget again.

CHAIRMAN VICTORINO: Let's be prepared in December and we'll make this an agenda item.

MR. HIRANAGA: I would like to reiterate a response regarding the Makena waterline at the next meeting.

CHAIRMAN VICTORINO: We'll put that down as an agenda item.

VICE-CHAIR OKAMURA: I wonder what area of

expansion that you mentioned may be -- conservation will be one area, salaries are there, can you answer it right now or you need to think about it?

MS. KRAFTSOW: That's actually operating budget.

The conservation is -- there's an amount to further fund, we have a sponsor -- the botanical -- there's an amount for toilet retrofit and leak detection. In terms of staffing, there are a couple of planners and some field and data -- and hydrogeologist.

VICE-CHAIR OKAMURA: These are expansion areas for you --

MS. KRAFTSOW: These are existing -- that we're trying -- positions that we're trying to get filled.

VICE-CHAIR OKAMURA: But there's no expansion areas?

MS. KRAFTSOW: I requested one additional conservation specialist, because they should go out as a team, as a pair, in the field, and I had one that I talked to. That's the only expansion position.

CHAIRMAN VICTORINO: I think maybe a quick summary breakdown in what these positions and -- what expansion -- on Ken's question, you know, what positions are you actually

adding to, you know, expansion positions, and those that are unfilled, when do you expect to fill them? Just a breakdown.

MS. KRAFTSOW: There's one conservation specialist, that's the only ad. What was the other question?

CHAIRMAN VICTORINO: When do you expect to get some of these other positions filled?

MS. KRAFTSOW: I have an intent to lease letter from the whole -- since then, I talked to somebody upstairs

on the ninth floor, it looks like the county is looking --
so we'll proceed -- these things take longer, but if all --
if we can -- right now what we're trying to do -- is can our
office -- if that goes well, if that's approved, I would say
in the another few months.

CHAIRMAN VICTORINO: If you have any concerns,
questions that you want to address as far as the budget for
our next meeting, make sure you list it as a concern.
E-mail me or Cathy, and so we can add that to the agenda.
Kent and Michelle, you have to leave right now; we'll
continue on with the other five members. Thank you very

much, I appreciate it.

Why don't we take a quick break. We have people leaving. We'll take a five-minute break.

(A recess was taken.)

CHAIRMAN VICTORINO: I'm going to reconvene the meeting. Update and discussion of the recent Public Hearing by State Commission on Water Resource Management on Iao Aquifer Water Use Permit Applications.

George, do you have anything you would like to share with us, please?

MR. TENGAN: I can just briefly report that we did

present testimony before the State Water Commission when they had the meeting here on Maui a couple of weeks ago.

Yesterday they had another meeting that we weren't able to attend because of the water resource committee being --

however, Joyce Lovell, of corp counsel, she did attend and

we have not had an opportunity to talk with her yet, so we

don't know what transpired yet. So that's briefly my

report.

CHAIRMAN VICTORINO: Any questions? And I would

like to interject at this point. I would hope that we can

get, at our next meeting, an update, George, from what

was -- yours is coming up, the water use development is coming up afterwards.

George, my comment was that if we could please insure that whatever update we had from yesterday's meeting will be provided at our next meeting. It's very important.

Kent?

VICE-CHAIR OKAMURA: What would be the issues and concerns regarding the specific issue that, you know, you see might be problems or you are concerned about or we need to be aware of? In other words, in regards to this

particular hearing, are there concerns that we need to be aware of?

MR. TENGAN: I believe there has been a couple of petitions that were challenging the permit applications by OHA and the justice -- the other big issue is that both Kehalani development and the department applied for the existing use permit at the Wailuku staff.

CHAIRMAN VICTORINO: Just to clarify that, that will be a major impact on the central water system right now, as far as that shaft's legality and who owns the right to that shaft. If you read in the paper, there's other

discussions on the matter. It will be a profound effect on all of using -- both in South and Central Maui.

Update and discussion on the Water Use and Development Plan. It's C. Ellen?

MS. KRAFTSOW: I'm sorry, the issues just are running together for me. The CIP water plan and Iao is turning into one big thing. You have passed out to you some revisions to the Central Maui production summary findings. And those were presented to council yesterday. And the report is pretty extensive, and I think most of you are already aware that basically there was some inconsistencies

in the past records -- that have been resolved.

In turn, those inconsistencies were present to the USGS. And analysis for Iao aquifer status and also review of our water permit applications, they will be reviewed based on the pumpage that was -- and staff will consider this in setting amounts for each. So that's what's happening along those lines.

This production revision also represents -- there's an effort to look at billing consumption and production -- to get better -- where the time frames match better and so on, and all of that work in turn will also be

to source planning -- on that -- our first meeting of the Central Maui and Upcountry water advisory committees is to be held at the Maui Arts and Cultural Center on November 30th.

We're a little worried because we did a lot of advertising to make sure we had a lot of participation, and we had a room that will accommodate 80 people and our mailing list is 160 people; so with Lahaina, less than half of the -- shows up -- and this is our first meeting, and if it becomes a logistical nightmare, we'll have facilities --

it's an introductory meeting, but that process will be starting. And that's all I have to report right now.

CHAIRMAN VICTORINO: Ken?

VICE-CHAIR OKAMURA: The last time we talked about the water development plan and the general plan, or whatever, trying to coordinate the two, or whatever, did you give any more thought to that issue and how you would use the water development plan -- or work with the county planning department and try to get water use development -- get information that would be helpful to the water use development plan and general plan at the same time?

It seems like it's close together -- it would be a wasted effort if everybody does their own thing.

MS. KRAFTSOW: They are related, but not identical issues, so it's almost good that it's going at the same time. But I have spoken with John Summers, who is the head of their long-range division, and my counterpart over there, and we both expressed an interest in attending all of each other's meetings so we can coordinate more closely.

And I had sent over a list of questions that -- with other planners in the planning department some years ago while we were working on the Lahaina plan, and they came

up with this three or four-page list of questions that our people and your people should really be talking about. And so that discussion is kind of open.

There isn't any identifiable formal written procedure as to how we coordinate, but I think we expressed an interest in mutually coordinating. And they sent us their infrastructure update to revise, and they understand that's updated. So I think there's going to be an effort to coordinate those two.

VICE-CHAIR OKAMURA: What is John's position?

MS. KRAFTSOW: He's the head of the long-range

division plan --

CHAIRMAN VICTORINO: Also, this water use development plan is so crucial to Maui County because it has to work hand in hand with the community development plans, or more importantly, it's actually a guideline that will help these plans be formulated. And it would give you a long-range plan, and we need to set it up so that Maui knows which direction and where your water resources will be coming from. Right now it's helter-skelter, we'll do a little of this and a little of that. It's all piecemeal.

Also, by having a legitimate water use development plan that has been approved by the council and the mayor, we then have a lot more autonomy on the usage of the water here in the County of Maui. That was said to us by the deputy director from land and natural resources, when she was here in our conference back in October.

So I think that's the reason why this has become more and more of an issue that should have been long ago taken care of; but unfortunately, it's been on the burners, no fault to anybody, you or anybody. But we need to push this along, yeah?

Any other discussion on that? If not, I would turn to the discussion regarding January Joint meeting with the Planning Commission. I wasn't there, so I defer to Ginny and Ken and those who were there.

VICE-CHAIR OKAMURA: I think Ralph wanted to --

CHAIRMAN VICTORINO: You want to address the issue, the planning -- the joint planning session? I don't care -- I wasn't there. I would like to hear what you guys have to say.

MR. JOHANSEN: I assume everyone read the minutes.

One of my concerns was that -- we're meeting together, it's

about time, but one problem I have is the whole business of the chair of one committee presiding, and we are their guests -- the board -- in the way I interpret the set up, and if there were to be a ruling to be made, I wonder, and this is just a question, if this meeting should either be presided over by someone from the mayor's office who has a position which oversees various departments or whether there should be at least a member of the mayor's office present in some capacity?

It looks as if these meetings are going to continue and it seems to be a good thing. But I just have

some questions about the structure. If I were to appeal the chair, for instance, which may not be likely, what authority there -- what are the lines of authority there. If you are going to have a continuing and joint meeting, how should an infrastructure --

CHAIRMAN VICTORINO: Thank you, Ralph. I think I'll take that under advisement and talk with everybody on that.

MS. PARSONS: I think we discussed the fact that maybe having the next meeting on our day, so we can take a

full day with it, instead of there -- or just a couple of hours. I think there's a lot more to cover. I think they felt that way too. Maybe we have it here and we set the agenda with the next meeting.

CHAIRMAN VICTORINO: Yeah. And I think one of the things I would explore is to actually have a separate day where -- like their meeting has things and our meeting has things, but this day would be to jointly talk about working together and not have their meeting be a part of it or our meeting be part of it. So that it would be a special meeting, a special workshop. Ken?

VICE-CHAIR OKAMURA: Similar to what Ralph said, it needs to be coordinated better when we have a joint meeting. And all the way up from corporation counsel down to us, the board. And if they are going to come here, we should set up a place around the table where they can be seated.

We go up there and find our own chairs. The chairman didn't really seem like -- I don't know whose responsibility that was, but we both sit -- we should be prepared. If we're going to set it up, whoever coordinates it, the staff level got to coordinate it also. Thank you.

CHAIRMAN VICTORINO: All good points. And I

apologize because I wasn't there and that made it a big situation. And I apologize for that. I will, with the good Lord -- I will be at the next one. I think the gist I got from everybody is that it was a good thing. It's just a matter now, logistically, how to plan it out better.

I think the concept, the acknowledgement from all the positive notes I got from everybody, planning, and the water board members, is that that's something we would like to continue and let's structure it better. Having the mayor's office to be participating would be -- if there's

nothing else, moving right along.

We have the discussion regarding the Upcountry bacteria issue in customers' homes. Ginny, do you have information you would like to share with us?

MS. PARSONS: In your packets is a report that came from Dr. Edwards from Virginia Tech. He's the gentleman that came in, in July, June and July. His staff took samples and they found a high bacteria HPC count as a producing bacteria which was causing problems with our corrosion control.

Some of the answers I don't have -- he did want to come back and do more studies. And for some reason we didn't intend to -- he came back and did the studies. He sent in water samples in swabbed areas and did more areas in homes to see where they were in the bacteria count and try to culture it.

CHAIRMAN VICTORINO: Did you provide this to everybody?

MS. PARSONS: Yes. It's -- starts with Maui shower head water and swab samples, November 12, 2004.

Cathy --

CHAIRMAN VICTORINO: You faxed it out there.

Ralph, it would be in this morning's items.

MS. PARSONS: When you look at this paper, It gives you the background -- details -- the isolation of microorganisms, results and comments. Everybody got it now? And on the last page it gives you the numbers of the bacteria, fungi -- Maui water system Upcountry. Let me give you a little bit of background.

He went out with -- the staffer came back in September and sampled the same houses that they took samples, to see where they were and a couple of extra ones.

Also, during that period of time, the Maui coalition for safe water walked through the community and swabbed out -- the department swabbed out shower heads for people. These people put their shower heads in a Ziploc bag and we put the names on the Ziploc bag of the resident, and I Fed Ex'd them off to Dr. Edwards.

We had shower heads and water filters, so there were some water filters at the -- lots come out of this because there's a lot to be learned about how we work with surface water and how the community views the difference. They don't understand the groundwater, surface water system,

and carbon filters for this kind of bacteria.

And if you look on the last page here, you'll see the colony types that they found in these shower head filters with the water samples themselves and the swabs.

Pseudomonades is an extremely opportunistic pathogen.

Pseudomonades is even more extreme. Right now the EPA is looking at doing some rules and regulations for this type of -- type of pathogen. They haven't gotten the -- rules and regs.

Europe already has -- Europe has a zero tolerance

for this in drinking water. So does, I believe, Australia and New Zealand. And like I said, the EPA is looking at the rules not in effect yet. We definitely should be pushing for that. What some states have done and some utilities, they have taken a zero tolerance for pseudomonades in the water system. And one of the things we're asking the legislature to do now is look at incorporating that into Hawaii utility rules and regs.

Because our technology moves quickly, we're learning so much more about these pathogens. They have found studies, and take your time, folks, go on the

Internet, look up this bacteria, and you'll surf with the word "disease," so you can see what happens with this pathogen.

It has a 50 percent fatality rate, and with people with immuned (sic) compromised systems. So if you have cancer, diabetes, or pneumonia or AIDS, and you contract this, it gets into your bloodstream and it becomes systemic and it can be fatal. And we have -- I have pictures for you. I don't know if we can plug into that or not; but after the meeting if you would like to see them, I can show you what some of the symptoms look like when they're on the

skin.

But it's not only on the skin; some of it is respiratory. It will get into the lungs. You'll see that there is black fungus in here. Take your time to research this. Some of this can be deadly. The numbers they were seeing, the numbers were so high in these samples that they had to weed through them. And they're still trying to culture for microbacteria which is E. coli samples, so our system -- we don't know if it's our sewer system.

Let me -- it's not the department's responsibility to get into the home, they are not under obligation to do

that. That's by law. The homeowners are at their own risk.

We need to figure out some kind of educational system we can give to them. We have DOH working, we're working with DOH in Honolulu on Monday. They are working on a formula that we may be able to clean the home pipes with. We have an infiltration system.

If you talk to people -- carbon filters, do not put them on your sink; they will not work, and what they will do is grow the bacteria. You need like a sediment -- they do a sediment, a -- and then carbon -- ultraviolet in

the homes, that's kind of what the suggestion is -- but

that's serious right now.

Unless your lines are clean, it doesn't do you any

good because it will still grow. So there are systems that

are reasonably priced to do. But cleaning the lines is

where we are right now. We don't know what to clean them

with. I'll show you what these pictures look like, then we

can move on.

CHAIRMAN VICTORINO: Ginny, couple of quick

questions. Approximately what -- for the board's

information, approximately what area and how many homes are

being affected with this outbreak?

MS. PARSONS: That's a real good question, because when we went to the Department of Health on Monday, we sat down with the safe drinking water branch, with Bill Wong and took Stewart Yamada's maps and started pinpointing the real heavy areas, the heavily concentrated areas. Now, we found out from doing this exercise that steel tanks will also promote the bacteria growth, especially if they're rusting. Which is why I asked about Maluhia.

Where the Maluhia feeds -- 850,000 gallon tank, that line tends to have a whole lot more people affected

seriously -- what you're going to see here. When going over to the Haiku area, it's being fed off some different type of system. They don't seem to be as severe as they are coming down Kealahoha and Maui Uplands, Pukalani, those areas. And then when you get back out to Thompson Road, you got the same kind of problem happening again because disinfection is hard to keep, the residual. So Maluhia might be one of our problems.

CHAIRMAN VICTORINO: The tank at Maluhia?

MS. PARSONS: That was a good exercise.

MS. KRAFTSOW: How many samples total?

MS. PARSONS: Do you have one of those? I think there were nine. Those were -- but then the swabs in the water were extra. Swabs were one and water was another.

CHAIRMAN VICTORINO: Ginny, real quick. You have water swabs, filters, shower heads, are these the same homes or were these variables?

MS. PARSONS: Variables. All different. In fact, one of the gentleman -- I know next week who's who -- I don't really know yet. But one of the gentleman yesterday was going to Kaiser and he has had problems with his eyes.

And when he took it to Kaiser, he took the report in, they said this makes a lot of sense, we have seen so much of this. Ulceration of the eyes is one of the things that pseudomonades will do. I had that myself. I was real lucky that it didn't go to the pupil.

This was the report we gave to Senator Inouye. We have asked for 1.2 million for microbiology that they are working on right now, so that we can increase our microbiology chemistry department. This is the schematic of a representation of biofilm. You see how they come together. What is that -- you have good bacteria and bad

bacteria collected in colonies and they all feed off of each other, and they get bigger.

That's what -- the pseudomonades will cause a pink color, rust color, sometimes a blue-green color on the tub. So if you see this pink, you think maybe a label from the shampoo bottle has faded on there, but it's not, this is bacteria. It's a slimy looking bacteria. So since you are putting surface water -- looking down here too, it can happen anywhere. And pseudomonades is everywhere, you know, on ground, in the system. Just not in these high up numbers.

This is one of the boils and it's almost an inch in diameter. And they crop up all over the place. They tend to be more in the areas where you have nerves and -- you'll see them on the face. Sometimes it looks like a really bad acne. This is a rash. Underneath the arms. And they get really, really red and itchy. And the problem is that when they start getting like this and you start digging into them and they get into the bloodstream, that's when you become systemic. So when people have them, you have to try not to scratch.

There's two more of the light boil -- and they

hurt. They are like little hard cysts and they hurt. You can't get anything out of them. This is underneath the breast. This is a rash that the women are getting and it's right underneath the breastbone. And it just peels layer after layer after layer off of your skin. That's what pseudomonades does. It peels down until you get it into the bloodstream.

And it's hard to find anything to treat it with because it doesn't treat very well. There's a silver cream called -- by the way, this isn't -- chlorine resistant, it's

antibiotic resistant. So it's very difficult to treat.

This is a young boy who played soccer, I think he's ten years old. This is his foot, he can hardly walk on his feet. It started -- see how he started scratching on the top portion, then it started to get in the blood, and he had a fever of 104. That's when you start to get systemic.

There's another view in between the toes. He can't walk, it hurts and itches. I mean, it's a terrible disease. There it is again. See the spots on here? That's part of it, it looks like psoriasis. It looks like a dermatitis. There it is on the father's feet. See how it's

peeling here, peeling the skin between the toes. There it is again. There's another bigger picture, getting closer. It's on the bottom of the feet. See how it's on the bottom?

It hurts but it itches. You try best not to scratch it. And this is real difficult to get rid of. Remember the athletes foot, you can squirt something on, put stuff on it. Nothing is working for this. It's not a contagious situation that we know of. The fungus is. The fungus can be airborne, but we don't think this is.

MR. JOHANSEN: Ginny, I have a question.

CHAIRMAN VICTORINO: Go ahead.

MR. JOHANSEN: All these examples that you're giving here have been identified, pseudomonades -- pathogens?

MS. PARSONS: This is what the doctors are suspecting, yes.

MR. JOHANSEN: Have they actually identified it?

MS. PARSONS: Well, they've -- depending on how the -- in order to really identify the pseudomonades itself, because it will come up as, like, a staph in that it looks like a staph, staphylococcus. There is a -- I found out Monday, there's a test -- the saliva and the blood, and if

your antibodies are way up, that's how they determine they're pseudomonades. From what the doctors have read, this is what they think.

VICE-CHAIR OKAMURA: It's not really positively identified as a pseudomonades --

MS. PARSONS: If it's pussy , yes. They take a culture -- but we didn't know until Friday what this -- what we were looking at. We just had people suffering. And if you look in the medical -- you go online and you look at the medical photos, you will see the same looks.

In fact, I had a -- on the computer, it shows a 17-year-old boy with this stuff all over his body and all over his face. That was taken last week, we took it at the Department of Health.

VICE-CHAIR OKAMURA: And so I take it, this particular person whose picture -- I don't know who took the picture, did you go and have somebody check the water system if this particular person --

MS. PARSONS: We just found this last week. The DOH -- to have them take a look. There are people whose shower heads that we had, and are on the -- so there's a

pretty good chance that -- that's one of the things we talked about -- about sampling throughout the whole system. And just to rule it out, to see if it's in the system or if this is just in the homes.

You know -- cleaned it up -- of the system, we're not seeing it. So Jeff is looking in to doing that to be able to rule it out.

CHAIRMAN VICTORINO: One more question. These people that you're showing here, are they the same ones that the samples were taken of?

MS. PARSONS: No, not necessarily. No.

This is a red rash at the heel. You see the heel there? Do see the dryness on the foot, the callouses? That's also an indicator of Candida and pseudomonades. What happens with the bacteria, when the bacteria builds up into your system -- it eats the good bacteria and so you have nothing but the bad bacteria. And you start getting a lot of the -- I guess when the callous dries out and it splits, there's more of it.

You see the big red rash area there? And it gets bigger, it just spreads. And you get another patch -- until this patch all grows together. These were some of the

illnesses -- I guess you can read it from there, some of the reported symptoms. And they also fall in the same category as the pseudomonades and aeruginis. It will get in joints, bacteria in the joints.

Anywhere that you compromise; any weak point in your body. That's why it's dangerous if you are already sick, and you have cancer and you get this and you can go really quick.

Sterilize has a water machine for people that put it underneath their counter or on their counter. If their

lines were clean, they can immediately use it. It's got ultraviolet in the center and two filters on the side. This is a whole -- what the whole house system looks like. And the one that we're looking at I believe is three cannisters for the whole house. And that does it.

VICE-CHAIR OKAMURA: That's a lot. I guess the amounts that were found is less than the regulations if, you know, if it was in the water system.

MS. PARSONS: We have no regulations for this. We do have an HPC count which is an overall bacteria count of 500 -- per milliliter. But when it comes to the specific

bacteria, these specific pathogens, the EPA has not come out with a regulation. The department is in compliance, so it's not the department's fault at this point. And what we need to do is figure out how to help the homeowners get through this, because we know medically that it's dangerous.

I sent out an e-mail, I think I sent one out to Mike to review. But there's a company that manufactures drinking systems for small research test animals, and their quality of standard is higher than ours is for humans. I mean, zero tolerance for these pathogens and how they look at their systems. So I think it's something we need to

review from a utility standpoint.

Do we want to institute it, or do we want legislation to institute it and be proactive, because we can clean it up. We just have to put more money into biology and chemistry.

CHAIRMAN VICTORINO: Thank you.

Ralph, I'm sorry, go ahead.

MR. JOHANSEN: First of all, what responsibility does the Department of Water Supply have in this situation? If they're in compliance up to the residential and they are not authorized to go beyond that and have no responsibility,

what is the tie in to the Department of Water Supply?

MS. PARSONS: You want to answer that one, George?

MR. TENGAN: Well, except for the -- council

rules, the department's responsibility ends at the meter.

And as far as I know, we meet all the water quality

standards for the meter. In the case of the -- rules, I

guess we are being held responsible because we control the

pH of the water, and which impacts the lead and copper

fixtures in the homes. So that's where our responsibility

ends.

MR. JOHANSEN: So that is being addressed?

MR. TENGAN: Yes. And in addition to that, we are doing work beyond our responsibility by using the grant money through EPA to analyze the water and analyze what's happening Upcountry.

MR. JOHANSEN: To the step there -- is that responsibility on -- the water department. What responsibility do they have for getting information about this, aside from what the state Department of Health is saying?

MR. TENGAN: I don't believe there are any

statutes that require us to do anything extra beyond

compliance --

MR. JOHANSEN: The responsibility is for pure and

safe drinking water --

MR. TENGAN: No, it's -- well, it is safe drinking

water, and we are complying with the requirements of the

Safe Drinking Water Act.

MR. JOHANSEN: You said something about pipes and

conduits that can be treated -- is that what I understand?

MR. TENGAN: We don't know that they are

contributing to these issues that Ginny has brought up. All

we know is that we meet the requirements of the Safe Drinking Water Act.

CHAIRMAN VICTORINO: I think, Ralph, to just talk about it a little more. Even if we do not have and the department doesn't have any legality or any legal reason to be concerned, I think from a pure customer standpoint and as a utility, we need to be concerned.

I think Ginny has brought up some areas that in the past have not been well-known -- and not only here but on the mainland, there are other places this is breaking out. This is all new and uncharted waters we're tracking

right now. So in defense of the department, the department has been responsive, you know, has tried.

And again, we're charting new waters and we have no track records to work with. So we're going in areas of unknown, we're going into the outer space of water and microorganisms and all that.

So Ralph, in that respect, we are trying; but again, we're still well into the area of unknowns right now.

MS. PARSONS: Right.

MR. JOHANSEN: Ginny said that there's zero

tolerance in a lot of countries, jurisdictions --

MS. PARSONS: And utilities --

MR. JOHANSEN: -- and to what extent are we

tracking their experience and how do we differ? Is it the
source of our water?

CHAIRMAN VICTORINO: Part of it is source, yeah.

And I think Ginny -- and we've gone to conferences and Ginny
has made it a particular point to go into these different
areas. I just think that the zero tolerance in Europe and
some other areas, we can start moving in that direction
definitely; but at this point we're still trying to

ascertain the information so we know what we're looking for and how to work on it. At this point we're still in unchartered waters.

But I think by her bringing it up, the coalition, the department being responsive to it, I think we're going to be able to find some solution in the near future, but it's not going to happen overnight.

So anything else, Ralph?

MR. JOHANSEN: Is the Department of Health -- it looks to me as if the direct chain of causation has been established sufficiently -- this information -- I just moved

up to Kula, I didn't know about this. This information should be publicized by an agency -- the government that has the resources. And I don't think that we can depend on an organization without those resources to get that information out.

CHAIRMAN VICTORINO: I would say this, Ralph, and as we get more definitive results back in, I will make sure that I will push from my end with the department and whoever, the DOH and all these other people, to make sure the information gets out. But the coalition has been the leader in that area; they have been pushing real hard on

that.

MS. PARSONS: What you can do and what we all can do and what we probably all should do, because you're right, the people -- the public needs to know. DOH is working on this; they are trying very hard to get the CDC involved, which would give us more high profile on this. I've been contacting the mayor and contacting the governor, quite frankly.

Linda Lingle is the one who led us to the

Department of Health, and she's the one who set us up

with -- to talk about this and trying to get the CDC -- so she does have a place in her heart for this. And I just think that, you know, we need to be -- we can be proactive; we can be the leaders, this will be pioneering.

There are several other communities that have used the same kind of phosphate -- including Washington D.C. -- and they have bacteria, and so they know that there is something going on there. And I think we can be proactive. We ought to make it our policy, go to our legislature and say, hey, zero tolerance. Zero tolerance for swimming pools and drinking water on these pathogens. And if we can

support that, that's the beginning.

CHAIRMAN VICTORINO: Thank you, Ginny. Anything else? Moving right along, discussion regarding the pros and cons of designated versus nondesignated water management areas. I would like to, if everybody is okay with this, move this to our next meeting, because we're kind of running really late already. And I'll give you time to look it over. There's some very viable alternatives to designation versus nondesignation. Is that all right with the members here? Okay.

Now, moving on to G, receipt of Board Member

requests for agenda items to be placed on future agendas. I think Ken put a couple out already. Anything else that you would like to see? If not, get it to me ASAP.

Go ahead, Ralph.

MR. JOHANSEN: First of all, regarding orientation of new board members. I don't know about other people who come on board, but I'm having a real difficulty not saying inappropriate things or asking inappropriate questions. I don't know the operation; I have no background in this. I think I was asked to serve on this board mainly because I'm a lawyer in another life.

But I need that tour. I would like to put on the agenda that through resolution, unless they will accept this within 60 days, any new member coming on to the board has a tour, and a general orientation of the operation, rules and regs, where to find everything. Michelle has a background; Ginny has a background in this; I have no background whatsoever. I think it's very important that --

CHAIRMAN VICTORINO: Thank you. We'll put that -- and I'll talk with George about that, what we can do to help you, Ralph. And anybody else -- that may be something we

can set up. We haven't had a tour for a while.

MR. TENGAN: Jacqui normally handles that. She's been out of work for a while, but we can schedule something for board members if there's a need for it.

CHAIRMAN VICTORINO: I think there's a need, so let's get together with Jacqui on that. Thank you, Ralph. Anything else? If not, you can always e-mail me.

The Division Reports, unless there's something really earth-shattering that needs to be asked or has to be reviewed, anything on divisional reports.

I do have one more thing on the agenda items for

the next meeting, an update on the Pookela well. That was a request from Mr. Hiranaga. Member Hiranaga wanted to know an update on the Pookela well. Specifically we received the bids and they are more than double than what we originally projected, so if we can get some reasoning for it, I mean, I'm not questioning why, I just think we all want to know what's happening with that.

Yes, Ralph?

MR. JOHANSEN: One other thing. At the last meeting or meeting before -- presented us with a spreadsheet format, 1, 2, 3 pages, something like that, that might help

us -- I would like to put on the agenda a discussion of the format that the department thinks would be helpful. I got that spreadsheet, and I got the figures that you used, and I just would like to know what kind of follow-up --

CHAIRMAN VICTORINO: Thank you, Ralph.

Ginny?

MS. PARSONS: One more thing on the agenda. Jeff

Pierson (phonetic) is at a water quality seminar, focusing on some things we're talking about right now. So we will have a report from Jeff.

CHAIRMAN VICTORINO: Thank you. Anything else?

Mr. Director, do you have anything else?

MR. TENGAN: No.

CHAIRMAN VICTORINO: Sensing none, I call the meeting adjourned. Thank you. Have a Happy Thanksgiving.

(The proceedings were concluded at 12:30 p.m.)

"By Water All Things Find Life"

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[\[Back\]](#)