

County of Maui Water  
Supply

**BOARD OF WATER SUPPLY**

**COUNTY OF MAUI**

**REGULAR BOARD MEETING**

**THURSDAY, APRIL 28, 2005**

Held at the Kalana O Maui Building, 200 South High Street,

Seventh Floor, Wailuku, Maui, Hawaii, commencing at 9:00 a.m.

on April 28, 2005.

REPORTED BY: Rachelle Primeaux CSR No. 370

A P P E A R A N C E S

CHAIRPERSON: MICHAEL VICTORINO

VICE CHAIRMAN: KENNETH OKAMURA

BOARD MEMBERS:

GINNY PARSONS

RALPH JOHANSEN

KENT M. HIRANAGA

MICHELE McLEAN

SALLY RAISBECK

GREGORY SMITH

CORP COUNSEL: ED KUSHI, ESQ.  
DIRECTOR: GEORGE TENGAN  
DEPUTY DIRECTOR: JEFFREY T. PEARSON  
BOARD SECRETARY: CATHY HOWARD

BOARD OF WATER SUPPLY

TRANSCRIPT OF PROCEEDINGS

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CHAIR VICTORINO: I'm going to call the meeting to order. Today, April 28th, we have present Sally Raisbeck, Kent Hiranaga, Kenneth Okamura, Ginny Parsons, our newest member Greg Smith and myself Michael Victorino. Before we

get started and do the minutes, I would like to ask, if you will indulge me, give a moment to our newest member Mr. Greg Smith, if you would allow him to introduce himself, say a few words about himself, his family because we all would like to know a little bit more about him. So Mr. Smith, would you kindly?

BOARD MEMBER SMITH: Sure, no problem. My name is Greg Smith. I've lived here on Maui for just about 17 years now. I've been blessed with three children born on this island, and I'm a realtor on the West Side and would like to do my best to serve the community that my children are

growing up in. I'm sure you all know, good intentions without any actions are meaningless, so that's why I'm here. That's it.

CHAIR VICTORINO: That's good. Thank you.

BOARD MEMBER SMITH: Thanks.

CHAIR VICTORINO: Let me say on a personal note, I've known Mr. Smith since he first got to this island many, many years ago, and I've watched him develop into a fine young man with a family and proud to have you here.

BOARD MEMBER SMITH: Thank you, Mike.

CHAIR VICTORINO: Next I would like to have

approval of the minutes from the March 28th meeting -- March 24th, correction, the March 24th regular meeting.

BOARD MEMBER OKAMURA: So move.

CHAIR VICTORINO: So moved. Do I have a second?

BOARD MEMBER RAISBECK: Second.

CHAIR VICTORINO: If there are any corrections, deletions in the minutes itself, Ms. Raisbeck, you're really always terrific about that.

BOARD MEMBER RAISBECK: I'm sorry, I have to confess I have not yet read them, Mr. Chair. If we could

approve them with the usual 30 days for --

CHAIR VICTORINO: Yeah, we'll do that, approve  
with the 30-day review. Okay. All those in favor, signify  
by saying aye.

(A chorus of aye's.)

CHAIR VICTORINO: Opposed.

(None.)

CHAIR VICTORINO: We do have --

BOARD MEMBER RAISBECK: Mr. Chair, excuse me,  
you've skipped over announcements.

CHAIR VICTORINO: Oh, that's right, I apologize.

BOARD MEMBER RAISBECK: And I wanted to take the opportunity of the announcement to ask a question of the director if I might.

CHAIR VICTORINO: Is this question prevalent to something we're going to discuss a little later? I'm just asking.

BOARD MEMBER RAISBECK: Well, it's about on the 21st, there was -- the USGS gave an informational meeting about water availability on Maui. And I don't believe I was informed about it. And I wondered if the Board had been informed about that or who actually attended that meeting.



I believe they were presenting the second report about the ongoing project, you know, on modeling Central Maui and I would have liked to go to it, but I don't think I was told about it. Could we ask the director who attended that meeting?

CHAIR VICTORINO: Mr. Tengan.

MR. TENGAN: Mr. Chair, I don't think that's an announcement.

CHAIR VICTORINO: Can we put that under Director's Report and we can ask him at that point?

BOARD MEMBER RAISBECK: Okay.

CHAIR VICTORINO: We'll keep that for under  
Director's Report, and we can bring the question up at that  
point.

BOARD MEMBER RAISBECK: Thank you.

CHAIR VICTORINO: Any announcements? Now that  
we're under announcements, does anybody have an  
announcement? Okay, moving right along. Approval of the  
minutes for the 24th. That was done, okay. Now we go to  
the public testimony. I'm sorry, we do have one public  
testifier, Richard Mattson. He is from Kaunakakai, Molokai.

And he has on your agenda Item Number 7, request for a water meter. Mr. Mattson, any one of these mics would be fine.

Maybe if you like right there. That way you can kind of speak to everybody. Have a seat. Get yourself comfortable.

MR. MATTSON: Thank you. Good morning, Board

Members, my name is Richard Mattson. I'm here today to request a water meter for our lot on Kamiloloa Place in Molokai. In August we took our savings and purchased this lot, August 2004, and we understand that we owned a legal conforming lot in a legal County approved and engineered subdivision. In December, we heard that water meters were

not being issued due to an eight-inch main upgrade. This effectively condemned our lot. After many discussions with Alva Nakamura, Ed Kushi and Danny Mateo, we understand this requirement should not apply to our subdivision as it should apply to new development rather than existing subdivisions.

I would like to thank Alva Nakamura for his patience, help and diligence. I would like to thank Ed Kushi for his legal advice in this matter and for Tina Thompson and Danny Mateo for their help and representation.

I hope the Board will agree with their findings and grant us a water meter. It's been kind of a long go with this. We

sure appreciate your help. Thank you.

CHAIR VICTORINO: My apologies. Will everyone  
make sure they turn off their cell phones? I apologize.

Okay. I'm sorry, I didn't mean to interrupt you.

MR. MATTSON: That's fine.

CHAIR VICTORINO: Do we have any questions for  
Mr. Mattson?

BOARD MEMBER RAISBECK: I might later. I would  
like to have some questions for the staff, but probably  
later.

BOARD MEMBER OKAMURA: Yeah, maybe I'll wait until

later.

MR. MATTSON: Thank you.

CHAIR VICTORINO: When we take up your matter, we may call you back for some additional information. But thank you for your testimony. Okay. Moving right along to Item Number 4, Unfinished Business.

BOARD MEMBER OKAMURA: Excuse me, there's no staff report regarding this matter?

CHAIR VICTORINO: Well, it comes later on under communications. I'm going to bring up the matter under

communications because that request comes up at that point,

Mr. Hiranaga.

BOARD MEMBER HIRANAGA: Okay. Sorry.

CHAIR VICTORINO: No, that's okay. Under

Unfinished Business, Corp Counsel, you have an opinion

regarding the Board of Water Supply members receiving

reports from the Department and Department of Corporation

Counsel via E-mail, whether it's a violation of the Sunshine

Law or not. Mr. Kushi.

MR. KUSHI: Mr. Chair, I believe you have a copy

of a letter addressed to you dated April 27th. It's a

two-pager and basically the question was whether or not written or electronic communications directed to the Board of Water Supply Members or the Board in its entirety from staff or other nonboard member third parties would be a violation of the Sunshine Law. The answer is no. Our response is no. I believe the Sunshine Law -- we believe the Sunshine Law Chapter 92 is -- protects the integrity of board meetings amongst board members, and it does not address nor I don't think the intent was to address third party communications, especially from staff to the Board Members to assist your obligations. That being the case, we



don't think it's a violation.

Now, having said that, once you get the communications from staff or third parties, then you in turn communicate between amongst yourselves, that's another issue.

CHAIR VICTORINO: You're referring to amongst Board Members now?

MR. KUSHI: Correct, and I believe we addressed that before.

CHAIR VICTORINO: Yes.

MR. KUSHI: But I narrowed the response to the

question asked.

CHAIR VICTORINO: Are there any questions in the response that we got from Corp Counsel Kushi?

Ms. Raisbeck.

BOARD MEMBER RAISBECK: Yeah, I would just like to notice it says there is no prohibition about nonboard members of any stripe sending communications to all the Board Members. That doesn't infringe the Sunshine Law in any way, correct?

MR. KUSHI: It would include nonboard members, any

third party.

BOARD MEMBER RAISBECK: Yeah, anybody.

MR. KUSHI: Right.

BOARD MEMBER RAISBECK: So anybody can send

communications to all the Board Members, but the Board

Members ought not to communicate within -- about that

particular communication with each other; is that correct?

MR. KUSHI: Except for at a duly scheduled board

meeting.

BOARD MEMBER RAISBECK: Except unless it's put on

the agenda and scheduled at a board meeting.

CHAIR VICTORINO: So am I correct in saying that if staff was to send one to all Board Members, a communication, whatever it may be, to all Board Members, that's fine. But if they send it just to me and then I forward it to all the Board Members, that would not be appropriate?

MR. KUSHI: There are minute exceptions to that. If it's agenda items, staff says agenda or draft of agenda, Mr. Chair, please review for the agenda and you send to all the other Board Members, these communications are deemed administrative. I believe the OIP says that's okay. But if

it's substantive in content, staff sends you a report on Pookela well amendment to the construction contract for your information. You send it -- you in turn send it to all the Board Members with a note, "Please review and what do you think? Please E-mail me back." That is substantive.

CHAIR VICTORINO: That would be prohibited.

MR. KUSHI: That should be brought up at the next meeting.

CHAIR VICTORINO: At the next board meeting.

Ms. Parsons.

BOARD MEMBER PARSONS: Mr. Kushi, can you send it

to one other Board Member for discussion?

MR. KUSHI: Amongst the two of you?

BOARD MEMBER PARSONS: Uh-huh.

MR. KUSHI: Interactions between two or less Board

Members are permitted as long as you don't commit to votes.

BOARD MEMBER OKAMURA: So two members can

discussion agenda items?

MR. KUSHI: As long as you don't make a pact or

commit yourselves to how you're going to vote at the next

board meeting.

BOARD MEMBER RAISBECK: So Mike could send

something to Ginny. I'm sorry, Mike.

CHAIR VICTORINO: Go ahead, Ms. Raisbeck.

BOARD MEMBER RAISBECK: Mike could send something

to Ginny. Can Ginny send something to me?

MR. KUSHI: That would be deemed serial

communications. You cannot bump down the line. And then in

essence, you have a nonboard meeting discussion amongst all

of you via E-mail separately or serially.

BOARD MEMBER RAISBECK: Okay. But two is okay?

Two can talk about things so long as they don't solicit a

vote, discuss a vote?

MR. KUSHI: That's one of the permitted exceptions, permitted interactions.

CHAIR VICTORINO: Mr. Okamura.

BOARD MEMBER OKAMURA: Sort of like following up on Sally's question, if a third party -- there's an agenda item and the third party calls me up regarding an agenda item to provide more information, is that like a legal discussion like, you know, maybe somebody is talking to me about their request for a water meter maybe before the meeting?



MR. KUSHI: By phone call?

BOARD MEMBER OKAMURA: Yeah.

MR. KUSHI: Phone calls are not addressed in any of the opinions I cited, but they are communications. I don't see a violation of that with the proviso when this Board had authority to issue decisions and discussions and when this Board could be appealed to or taken to court in a contested case setting, similar to what the Planning Commission is in, those type of communications would be deemed ex parte communications in that setting. And you would have to reveal that when the matter came to the court.

And we usually caution all of these Planning Commissioners not to discuss those matters because then, you appeal it. The other side, the losing party will say, "Did you ever talk to the party without -- not in the Board meeting or the Planning Commission meeting?" And you would have ex parte communications. You may be then disadvantaged or advantaged compared to your other Board Members, and then you would have to recuse yourself.

BOARD MEMBER OKAMURA: Okay. Thank you.

CHAIR VICTORINO: Any other questions? Okay. Mr.

Kushi, thank you very much. I appreciate that.

MR. KUSHI: Apologies for being late on the  
opinion, but I did promise you.

CHAIR VICTORINO: Okay. And if any Board Member  
has anything else they further -- any further question as  
far as this matter and you want to go directly to Mr. Kushi,  
fine. I have no qualms with that, but if you then want to  
bring back to discuss here, then it has to become another  
agenda item. And let the record show  
Mr. Ralph Johansen has blessed us with his presence. Good  
morning, Ralph.

BOARD MEMBER JOHANSEN: Good morning.

CHAIR VICTORINO: Moving along to communications.

Now, we'll take up the matter of Elaine Mattson requesting the water meter. Now I would like to ask the staff their opinion on this whole matter. I think they've given us the report, but who would you like to report on this?

MR. TENGAN: Mr. Chair, can we wait until Alva gets back? I sent him on an errand, and let's do Director's Report.

CHAIR VICTORINO: If this is okay with the Board, may we defer that until Mr. Nakamura returns to the room,

and we'll go directly to the Director's Report. And we'll start with A. 05, Director's Report 05-05, verbal report on the Wailuku Shaft Agreement. Mr. Tengan.

MR. TENGAN: Thank you, Mr. Chair. I have a little handout here.

CHAIR VICTORINO: And one more thing before you start. My apologies, I did not recognize that our Director George Tengan is present, and Corp Counsel Ed Kushi is also present in the room, so please note that on the record. Okay. Thank you. Go ahead.

MR. TENGAN: Mr. Chair, based upon information

that we have in the office, I had a sketch drawing drawn up for the Wailuku Shaft to give Board Members an idea of what we're talking about and what it looks like in sketch form.

We can start from the control house. The control house sits at an elevation of 406.2 feet above sea level. And if you draw a perpendicular line from that point down to sea level, where that line intersects sea level, from there, the distance is about 647 feet to the pumps.

And so I did a little calculation to determine that the shaft should be about 764 feet long going at a

diagonal of 30 degrees. The pump room sits at an elevation of about 26.5 feet above sea level. From there, the pumps go down about 150 feet deep into the aquifer. So this is just to give the Board Members an idea pictorially of what we're talking about. As you know, we're in discussions and negotiations with Kehalani Mauka and doing an agreement for the use of Shaft 33. The purpose of the agreement is to allow the Department to use Shaft 33 until such time that the developer constructs replacement wells. At the present time, the Department uses the shaft at no charge.

While this agreement is still in negotiation, it

provides -- the agreement will provide for the following, although some of these terms are still -- you know, we haven't finalized the agreement, but these are the items that I can mention to you that I included in the agreement. It will provide for continued use of the shaft by the Department free of charge, and the Department may pump water as is necessary. As you know, we have filed for an existing use of 5.771 million gallons per day with the State Water Commission, and that's still to be determined by the State Water Commission.

The Department will be solely responsible for all



operation and maintenance costs and a pro rata share of the cost to abandon the use of the shaft.

Eventually we want to abandon the shaft because it's somewhat of an OSHA liability. The construction of it is somewhat questionable, and so, you know, we don't want to use that as a permanent shaft, permanent source. Anyway, in the meantime, Kehalani will need to develop additional sources to provide for the development. Kehalani will need to complete the replacement valves within two years after the issuance of the water use permit by the State Water Commission.

The Department will be sharing in the cost of developing new wells on a pro rata basis. The shared costs are to include design, permitting, environmental review, construction and provision for any other equipment that may be needed to run the wells. The new wells will eventually be dedicated to the Department for operation and maintenance and Kehalani will provide the appropriate easements. Kehalani will be giving source credits based upon the portion it develops.

At the present time, Kehalani estimates that they

will need a total of 1.45 million gallons per day for the entire development area. One important item we have here is that Kehalani will not be given reservations. Meters will be made on a first-come/first-serve basis. The Department will use its reasonable efforts to meet Kehalani's request for meters. If the policy changes prior to complete buildout, Kehalani may be granted water reservations in accordance with the Department's rules and in accordance with the Department's rules instead of source credits. The policy that's being referred to here is the firstcome/first-serve basis. So with that, that's my report

on the agreement.

CHAIR VICTORINO: Okay. I open the floor up to questions. Ms. Parsons.

BOARD MEMBER PARSONS: Mr. Tengan, can you state who the parties are, specifically who we're dealing with with the shaft issue?

MR. TENGAN: Kehalani Mauka.

BOARD MEMBER PARSONS: And who is Kehalani Mauka?

MR. TENGAN: That would be Stanford Carr and his organization.

BOARD MEMBER PARSONS: Okay. I have a few

questions here. I hope you don't mind. You said the volume that we've been getting out of this shaft has been how much specifically?

MR. TENGAN: Well, at the time of designation, our records show that we were pumping 5.771 million gallons per day; however, later it was discovered that we had some erroneous readings from or the method in which we calculated the pumping was erroneous, and so corrections were made to that and subsequently was determined that we were pumping less than the 5.771 per day.

BOARD MEMBER PARSONS: And the well that Kehalani

is proposing to replace the shaft with is going to bring out  
how much?

MR. TENGAN: Well, they need to develop 1.45  
million gallons per day for their own use. And whatever  
else it -- any capacity produced more than that, the  
Department would be providing the financing to pay for our  
share.

BOARD MEMBER PARSONS: That was one of my  
questions. Number one, we don't have a set amount that the  
size of this should be that you read. And why would we help

to develop the infrastructure for the developer for this?

MR. TENGAN: Because we need that source.

BOARD MEMBER PARSONS: Well, I understand that,  
but he also needs the source as well.

MR. TENGAN: He's going to be paying for his own,  
for what he needs, and we're going to be paying for what we  
need to service our existing customers.

BOARD MEMBER PARSONS: My understanding now the  
way that the -- that the Administration and the County have  
been looking at things, especially in the Planning  
Department with the planning commissioners is that

development infrastructure is going to be put back toward the developers to provide for us in order to get some of these things accomplished. Why wouldn't we not do the same thing with water?

MR. TENGAN: We are.

BOARD MEMBER PARSONS: No, we're not. You're going to eliminate that shaft, and you're saying we're going to help --

MR. TENGAN: The shaft isn't ours. It belongs to Kehalani Mauka.

BOARD MEMBER PARSONS: It doesn't belong to



Kehalani Mauka.

MR. TENGAN: Yeah, it does.

BOARD MEMBER PARSONS: No, it doesn't. The water  
belongs to the people of --

MR. TENGAN: The shaft belongs to Kehalani Mauka.  
The water belongs to the people. I'll agree with you on  
that.

BOARD MEMBER PARSONS: Okay.

MR. TENGAN: But the shaft belongs to Kehalani  
Mauka. Let's get that straight.

BOARD MEMBER PARSONS: All right. So the facility

itself belongs to the developer. But we have been using it?

MR. TENGAN: Yes, for the past --

BOARD MEMBER PARSONS: And we could do

condemnation if we needed to.

MR. TENGAN: We don't want to condemn. It's a

liability.

BOARD MEMBER PARSONS: Well, that's something we

need to discuss. I have a problem with this putting money

in for the developer to help develop these -- this

infrastructure.

MR. TENGAN: We'll be only paying for the portion that we need. The developer will be paying for what he needs.

BOARD MEMBER PARSONS: But we already have what we need with the shaft.

MR. TENGAN: We don't. Eventually we need to abandon the shaft because it's a liability.

BOARD MEMBER PARSONS: Well, do we have a plan on how much more we're going to be expanding? If he needs 1.45 and we have been pumping up to 5, that's about 4 and a half million more gallons than we need, and we're going to pay

for that for the -- for the pump itself? I mean --

MR. TENGAN: Shouldn't we pay for what we need to develop?

BOARD MEMBER PARSONS: Well, no, really I think the developers need to start putting their money up.

MR. TENGAN: They are.

BOARD MEMBER PARSONS: Not enough.

MR. TENGAN: That's your opinion.

BOARD MEMBER PARSONS: I know it is.

CHAIR VICTORINO: At this point, let me open the floor for other questions. Thank you, Mr. Tengan. I think

most of us understand what you're saying, but go ahead,

Ms. Raisbeck.

BOARD MEMBER RAISBECK: Yeah, I wanted to ask

George, if I may.

CHAIR VICTORINO: Yes.

BOARD MEMBER RAISBECK: What the lesser amount

that it was found, not 5.771 MGD? What did you reduce that figure to?

MR. TENGAN: I forget the exact amount. I don't

have it with me.

BOARD MEMBER RAISBECK: Was it less than 5?

MR. TENGAN: No, it was still about 5, I believe.

BOARD MEMBER RAISBECK: It was 5 approximately.

MR. TENGAN: If you're leading to whether we would have been designated had we had, you know, had done reporting more accurately, no, it wouldn't have been designated.

CHAIR VICTORINO: I think the question --

BOARD MEMBER RAISBECK: No, I wasn't going to ask that.

CHAIR VICTORINO: I don't think she was leading

there, but that's okay. Thank you. I think we understand had the recording been done properly or correctly, we may not have had to go into designation, but I don't think that was the issue.

BOARD MEMBER RAISBECK: That's water under the bridge.

CHAIR VICTORINO: Yeah, thank you.

BOARD MEMBER RAISBECK: My other question was if, you know, do the negotiations envision a certain amount, total amount of water of which Kehalani Mauka would get 1.45 MGD, and how much would the County get out of the jointly

developed facility?

MR. TENGAN: That's something that we still need to determine because, as you know, we have ongoing efforts at the Iao tank site. We're drilling a well there. You know, how much water we can get out of that well is unknown at this time. We're developing the Waikapu well. I think we're -- I believe the capacity at that site should be about 1.5 million gallons a day. So, you know, we need to take these things into consideration in determining how much more capacity we would need to develop, but we anticipate eventually we would abandon the use of Shaft 33. And that's



why we're requiring that the Kehalani Mauka pays for its own source, the wells that they need to provide 1.5 million gallons per day to their project.

BOARD MEMBER RAISBECK: Another question I have,

Mr. Chair, is what happened at the most recent Water

Commission meeting regarding was any -- did they take any --

did they have any discussion? Did they take any action?

Are they waiting to see what the result of the negotiations

between the Department and Kehalani Mauka are?

MR. TENGAN: No, they're not awaiting the

negotiations. The State Water Commission did take action on

our request for the -- what do you call it?

MR. KUSHI: Declaratory Order.

MR. TENGAN: They denied our request, and they're taking up the water use permits at the present time. They haven't taken any action on the water use permits yet.

BOARD MEMBER RAISBECK: But they refused our request for them to say that the water was ours from usage or what?

MR. TENGAN: No, no, they refused our request to accept our -- our petition as timely filed.

BOARD MEMBER RAISBECK: I see.

CHAIR VICTORINO: Okay. Mr. Hiranaga, did you  
have a question?

BOARD MEMBER HIRANAGA: I have a statement.

CHAIR VICTORINO: Okay. Can we hold off on the  
statement and get all the questions and come back to your  
statement if that's all right with you, sir.

BOARD MEMBER HIRANAGA: Sure.

CHAIR VICTORINO: You have a question,  
Mr. Okamura?

BOARD MEMBER OKAMURA: I just wasn't real clear

about this project. So generally in the future, you plan to develop another pumping facility well, or you plan to use in the future, plan to use the same well and the developer would develop another well or -- yeah, I don't quite understand that part, how the logistics or whatever you call it is going to work.

MR. TENGAN: As I stated earlier, we plan to abandon the Shaft 33 as a source. And since we are planning to do that, additional sources need to be developed.

BOARD MEMBER OKAMURA: Okay.

MR. TENGAN: Kehalani Mauka will be developing its

own sources basically, and we need to develop additional sources to meet our current demand.

BOARD MEMBER OKAMURA: So in this particular area --

MR. TENGAN: But in this case here, you know, if the developer is able to develop more than the 1.45 that they need, then we will participate in the cost of that development to pay for our share.

BOARD MEMBER OKAMURA: So actually in the future, you plan to close this particular well?

MR. TENGAN: We plan to abandon the shaft, right.

BOARD MEMBER OKAMURA: Okay. Sorry, I couldn't quite understand how it would have worked.

MR. TENGAN: You see, if you look at the drawing here, it was once determined that, you know, in order to abandon the shaft, this whole tunnel here would need to be filled with concrete. But that, you know, a final determination hasn't been made, and because of the way the shaft was constructed and the condition of the pump room here, you know, we see it as a liability. That's something that we don't want to get involved in.

Because let's say we condemn the source. That would be fine for the immediate -- for our immediate uses. However, at some point in time, you know, this is going to become a big liability, and that's why we want to abandon use of that shaft.

BOARD MEMBER OKAMURA: So what kind of time line are you talking about more or less, five years?

MR. TENGAN: Well, the developer has two years from the time the State Water Commission grants the use permit, whether it be the Water Department or Kehalani Mauka or a combination thereof.

BOARD MEMBER OKAMURA: So actually, it's still --  
  
you plan to work together I guess?

MR. TENGAN: We are. That's the purpose of this  
  
agreement.

BOARD MEMBER OKAMURA: But if you need another --  
  
I guess you haven't really thought about like in the future  
  
whether you're going to put another well in this area, or if  
  
you close this, you're going to depend on the other two  
  
wells? Is that --

MR. TENGAN: Well, we are planning on depending on  
  
those two wells, and the final amount additionally that



we've got to develop is going to be based upon the output we could get from the Waikapu well and from the -- from the Iao well.

BOARD MEMBER OKAMURA: Okay. And Kehalani is thinking about putting a well in in this approximately same area?

MR. TENGAN: That's my understanding.

BOARD MEMBER OKAMURA: And possibly the Department would go in with them on this one?

MR. TENGAN: Correct.

CHAIR VICTORINO: And let me ask one more

question. When this new well is being developed between Kehalani Mauka, which is they're wanting 1.45 million, are we trying to stay at the same level of pumpage, the 5 million that is presently being or supposedly being pumped out of here? Is that what the total usage out of this new pump in Kehalani Mauka and us? What are you looking at.

MR. TENGAN: Yeah, we needn't restrict ourselves to that because, although we can pump on an average day of 5.771 million gallons, million gallons per day, that doesn't mean that that's our maximum. It's the maximum amount that we

can pump on any given day because we're working with a  
  
12-month rolling average.

So, you know, we can pump 8 million gallons per  
  
day as long as we're not damaging the aquifer, but provided  
  
that over a year's time, that pumping remains at 5.771  
  
million gallons per day or less.

CHAIR VICTORINO: And that's what the Water  
  
Commission has stated as a threshold for the Iao aquifer?

MR. TENGAN: That's what we're working with right  
  
now.

CHAIR VICTORINO: Yes, Ms. Parsons.

BOARD MEMBER PARSONS: What is the liability with  
the shaft?

MR. TENGAN: The liability, well, our -- our  
employees refuse to go down there. We need to hire a  
contractor to do any kind of maintenance and repair work  
that needs to be done down there.

CHAIR VICTORINO: Mr. Hiranaga.

BOARD MEMBER HIRANAGA: I had the opportunity to  
slide down the Wailuku Shaft and climb back up, and I would  
not blame the employees that do not want to do that on a  
regular basis, because if that shaft, which is not Gunited,

were to collapse, there is a pipe about this big on the side that you're supposed to climb up 764 feet, and that's your escape route. And so I believe there is a liability and danger to life and limb and that this shaft should be eliminated.

CHAIR VICTORINO: Well, thank you for that insight. I think some of us didn't understand that.

BOARD MEMBER HIRANAGA: And I think if you need to, you can -- probably the director can arrange an opportunity for you to slide down that shaft and climb back up if you like.

CHAIR VICTORINO: The sliding down is not hard.

It's the coming back up.

MR. TENGAN: Mr. Chair, Jeff Pearson has been down

there, and maybe he can comment on that.

CHAIR VICTORINO: One more question before you say

your comment. How old is this shaft? When was this

originally -- I think that's my question. How old is this

shaft?

BOARD MEMBER HIRANAGA: Eighteen-something I

think.

MR. TENGAN: According to information we have, it was probably done in the 1940's.

CHAIR VICTORINO: 1940's.

MR. TENGAN: Right.

CHAIR VICTORINO: So approximately around 60-plus years old?

MR. TENGAN: Right.

CHAIR VICTORINO: Mr. Pearson.

MR. PEARSON: I was just going to reiterate what Mr. Hiranaga said. I've been down there a couple of times.

I think it's considered confined space because there's only

one outlet, and it's a steep shaft. There's ropes that are available for you to use to guide yourself going down and going up. There is good ventilation with the piping that's there. There's two large pipes. One pumps air into the shaft, and then the other one allows the flow of water out of the shaft. Lighting isn't that great. There's standing water down there from the lubrication of the pumps. It's kind of a mess, and as George said, we hired an outside firm to go down there and service the motors.

I went down there when that firm went down there.

That's the reason I went down, so it's a pretty -- it's a



pretty poor situation. We did bring the Hawai`i, the HIOSH down there, and they cited a lot of instances. We've met their immediate concerns, so they haven't come back to us yet. But also there's a communication issue. We actually are working on that still now. Because we're managing the -- we're still operating the shaft, so we have to have it as safe as possible. So we're trying to get it so there's emergency communication that can be from the -- from the bottom cavern to the top.

CHAIR VICTORINO: From the pump room?

MR. PEARSON: From the pump room, correct.

CHAIR VICTORINO: Okay. Any other questions? I

think one of the things I will say is there's no question

what I've just heard this shaft should be abandoned in the

very near future and new sources developed. And before

someone is hurt or even worse, and I think that's something

I agree with. The only thing I would like to say is I hope

that once these new shafts are developed, like Ms. Parsons

mentioned, sharing costs is one thing, but being taken

advantage of is important in my mind. And secondly, that we

stay within the source limits that we've been dictated by

the State Water Commission, because that's something I don't want to see new sources developed and start exceeding and have other problems and get to the point where seawater or brackish water gets in our system and we've totally hurt our aquifer.

MR. TENGAN: Mr. Chair, I might just remind the Board that the 18 million gallons per day is 90 percent of the sustainable yield, so the State Water Commission still has the authority to issue permits, use permits for an additional 2 million gallons per day. So that doesn't mean that we're restricted to the 18 million gallons per day. At

some point in the future, the State Water Commission will need to make a determination on whether they're going to issue more use permits and, you know, we should be right in line for those use permits.

CHAIR VICTORINO: Is the Waikapu -- Waikapu site, the shaft there or the well there, is that part of the Iao Aquifer?

MR. TENGAN: Yes, it is. It's on this side of the Waihee Stream -- I mean Waikapu Stream.

CHAIR VICTORINO: Yes, Ms. Raisbeck.

BOARD MEMBER RAISBECK: Yeah, I wanted to ask what

is the location of the top of the shaft? I don't really  
have a good picture of where --

BOARD MEMBER HIRANAGA: It's right over there to  
the right right there.

MR. TENGAN: You see the Quonset hut right out  
there? That's the --

CHAIR VICTORINO: To your left.

MR. TENGAN: Just to your left. The coconut trees  
are right in the way. If you come on this side of the  
window, you can see it.

BOARD MEMBER RAISBECK: So that's very close to

us .

MR. TENGAN: Yes.

BOARD MEMBER RAISBECK: Okay. Now, is there any reason that either you know of or Jeff knows of that that site is a particularly good -- well, I guess if it's slanted, you're actually taking water somewhere else, not directly -- not straight down, but more toward the mountain probably is where you're actually taking water. Is there --

MR. TENGAN: If you look at this diagram here, it goes at an angle about 30 degrees.

BOARD MEMBER RAISBECK: So it's about 647 feet

horizontally?

MR. TENGAN: Right.

BOARD MEMBER RAISBECK: Okay. Is there any need

or any point that the County would need to condemn some land

so that it can sink its own shafts?

MR. TENGAN: Shafts or wells?

BOARD MEMBER RAISBECK: Wells, I'm sorry, wells.

Wells, its own wells.

MR. TENGAN: That's something that we're working

with the developer also. And that's why we're saying here

that we would be participating in any costs developed beyond the developer's need.

BOARD MEMBER RAISBECK: But there's actually two options; one is they do their well, we do our wells, and the other one is we do shared wells and, you know, pay part of the costs and they take care of digging the wells. But if they were to do their wells and we were to do our wells, wouldn't we need some land to dig those wells on in this area?

MR. TENGAN: Correct, and those lands would probably -- are probably under the control of Kehalani Mauka



right now.

BOARD MEMBER RAISBECK: Yeah, but we do have the  
power of condemnation.

MR. TENGAN: Correct.

BOARD MEMBER RAISBECK: And I'm told -- I don't  
know if it's --

MR. TENGAN: It seems to me it's a more expedient  
way to work with the developer to achieve a common goal.

CHAIR VICTORINO: I think if I hear you correctly,  
Mr. Tengan, you would prefer cooperation versus condemnation  
wherever possible.

MR. TENGAN: Correct.

CHAIR VICTORINO: And whether I agree with that or not, I think that's the Department's preview and that's why they're moving in that direction. I understand what you're saying, Ms. Raisbeck, and there may be a time in the near future we may have to look at that. But I think if we can achieve cooperation versus condemnation, I think that's -- and as long as we all get the results we need, it's a win-win situation. But again, that's my point of view. I'm not saying that's the Board's point of view. Okay.

Ms. Raisbeck -- I mean Ms. Parsons, sorry.

BOARD MEMBER PARSONS: I think I understand where

Ms. Raisbeck is coming from. And I agree with you. I think

we need to preplan things before we just solidify with

developers. And this is probably not the time for this

discussion, but I'm going to ask that maybe we put this on

the next agenda and specifically put it on when we meet with

the Planning Department. But if you all are in the same --

same vein as I am about how we handle developers and what

they ask for for projects, could we have a discussion where

we could all put in our thoughts and ideas of how a

developer and development should be handled from this point forward?

And maybe until we get to that point, Mr. Tengan, let's not sign anything -- sign, seal or deliver anything until we can have something to suggest to the administration, until we've had a chance for discussion.

CHAIR VICTORINO: Okay. We'll take that up and bring that under future agenda items for concerns later. Okay. Oh, I'm sorry.

BOARD MEMBER RAISBECK: I would be very much interested to hear Kent's thoughts that he wanted to make a

statement about.

CHAIR VICTORINO: Okay, I thought that's --

BOARD MEMBER HIRANAGA: I did about the well. But

I'll make a comment about condemnation. Condemnation is a notorious process. Typically you want to negotiate and mutually agree to whatever you're trying to obtain. And if you're unable to, then the -- the governmental body has the power or the right to condemn, but it is a civil process.

And it is a very time-consuming process. So I would think that the Department would want to try and negotiate first, and as a last resort, resort to condemnation. That's my

opinion.

CHAIR VICTORINO: Thank you. And I think all of us have various opinions and maybe on the next agenda item next month or in the next meeting, we can bring that up and share that idea. Okay. I would like to go back, if I may, under communication. Mr. Nakamura is now present, so we would like to take up the matter of Elaine Mattson requesting a water meter. Mr. Nakamura, we deferred this until you came back, so if we may, we need your expertise. Mr. Mattson, would you like to come up? And you can sit

right here, yes, please, in case there's any questions by Board Members both for you or Mr. Nakamura. Go ahead.

MR. NAKAMURA: Mr. Chair, I believe all of you have a copy on the staff report on this Mattson water meter request. At issue at the time this came to us was that all these areas that new water meters were being requested, you know, we were kind of -- had been requiring those applicants to upgrade the water system to meet the necessary fire flow requirements.

However, we -- after looking at this particular situation, we enlisted the services of Corp Counsel to take

a look at the rules and see how the rules, in terms of how we would interpret the rules. And what we got back from Corp Counsel was the fact that in established subdivisions where these subdivisions have been approved by both the County and the Department of Water Supply in the past, that we would allow a water meter to be issued and not hold the applicant responsible for upgrading the system to today's standards. Because obviously at the time that the subdivision was approved, it was approved based upon our standards as it existed at that time. And obviously since that time, our standards have been upgraded. And we have



been running into a lot of situations where the cost to upgrade has been just very high and has caused a lot of problems.

So what we've done now is on these established subdivisions including Mattson's request, we will be allowing water meters to be issued assuming that there is source availability. And in the case of Molokai here, the source was not an issue. It was more the transmission pipelines that was an issue. So in this one, we will be processing the meter as requested.

CHAIR VICTORINO: Okay. Any questions?

BOARD MEMBER HIRANAGA: Yeah.

CHAIR VICTORINO: Mr. Hiranaga.

BOARD MEMBER HIRANAGA: This -- your position

also applies to -- does this position apply to the entire

County of Maui?

MR. NAKAMURA: This would apply to the County of

Maui, that's right.

BOARD MEMBER HIRANAGA: The entire County?

MR. NAKAMURA: Yeah. Provided -- keep in mind

provided source is not a problem.

BOARD MEMBER HIRANAGA: Well, what you're

basically saying is inadequate fire protection should not be a burden placed upon the water meter applicant. As long as there's adequate flow in the pipe for additional meters, inadequate fire protection should not be a burden upon the water meter applicant?

MR. NAKAMURA: I don't know if I would go as far as saying shouldn't be a burden. We do have the responsibility to be sure that the water system has the fire protection capabilities. All we're saying here is that in established subdivisions where the County and the Department

of Water Supply has approved the infrastructure that was put in that at that -- again, emphasizing assuming no source problems -- that we would then issue meters for these subdivisions, only established subdivisions.

So for each applicant that comes in to us, we would do an in-house study, take a look at and go through the historical times as to when the subdivision was approved, if, in fact, it was approved, and we would establish all of those things before we would give the okay to issue the meter.

BOARD MEMBER HIRANAGA: So this has some

ramifications to the people on the upcountry water list who have been held back from obtaining water meters because of inadequate fire protection, so you're going to inform these people of the change?

MR. NAKAMURA: Well, the thing, too, is in the upcountry area, we have source problems also, so that is another, you know, condition that is holding back the issuance of water meters. As you know, you're familiar with the priority list and all of that.

BOARD MEMBER HIRANAGA: But you're going to inform the people on the list that have fire requirement issues

that they no longer have to put in these up upgrades if they qualify?

MR. NAKAMURA: If they qualify. But in the case of the upcountry, because there are source problems, I'm not sure how we're going to deal with that particular issue yet. We were kind of focusing on the Mattson situation and trying to get that clarified.

BOARD MEMBER HIRANAGA: Thank you.

CHAIR VICTORINO: Kent.

BOARD MEMBER OKAMURA: Okay. I think it would be

better if he answered first.

CHAIR VICTORINO: You have a question for him

specifically? Okay, come, Mr. Kushi.

MR. KUSHI: Mr. Chair, just to clarify, Kent

Hiranaga's --

CHAIR VICTORINO: Try not to put your head down,

because she can't hear you at that point, sir. Go ahead.

MR. KUSHI: To clarify Mr. Hiranaga's discussion

with Alva, in the upcountry area, as you know, we have the

priority list. People on the priority list are either going

through some subdivision, going through subdivision, but

because of the source, they cannot get the meters. But the fact that they're going through subdivision, they need to comply with the fire requirements, okay. So that's a little different.

BOARD MEMBER PARSONS: Yeah, but they're --

CHAIR VICTORINO: Okay, wait a minute. Wait a minute.

MR. KUSHI: Let me finish.

CHAIR VICTORINO: Let him finish, please.

MR. KUSHI: So you're going through subdivision.

Not only you have source, but you need to go through the



subdivision requirements, which include fire protection.

The other scenario are these standalone lots, nonsubdivided

lots who want a meter, you know, but because of the source.

Now, the standalone lots which have not gone through

subdivision is not part of this situation which Alva is

talking about. In that case, if there's no fire protection

line fronting the property, we won't issue the meter.

CHAIR VICTORINO: Okay. Yes, go ahead.

BOARD MEMBER HIRANAGA: I believe there was a

party that came before the Board who owned a lot in Pukalani

that was requesting a water meter and was told that the

current water line was inadequate for fire protection, and they were told that they needed to install an eight-inch line along -- it was that subdivision right below Pukalani Terrace I believe. I think the Board may have recommended that the Department issue the meter anyway, but I think there's other people on that same street, if they don't have a meter, you know, it was an established subdivision and would probably qualify for a meter now, but they may not be on the priority list.

CHAIR VICTORINO: Okay. I think we're going into

different areas, but okay. Ms. Parsons, you had a question.

BOARD MEMBER PARSONS: I think you were hitting on what I was thinking of, too, because there are people out there with lots that have asked -- I was thinking of Pukalani as well, that they had come in here before us.

CHAIR VICTORINO: I would ask Alva, based upon what you have said today or the direction of the Department is taking that -- and I think, you know, you guys have nothing better to do and lots of time, right; however I think any cases that have been brought up that may fit into this scope as far as source availability, established

subdivision, I think that's what I've heard from you, that those cases, if they have been denied for fire flow protection purposes, be reviewed. Because I think we have to be fair, if we say yes to Mr. Mattson, and you just stated earlier for the entire County of Maui and based upon Mr. Kushi's description, so long as it fits in those parameters, let us not deny anybody. And of course, they're on the priority list.

And there's so many factors, I don't want to spend all day discussing the factors, but so long as we take a review on that and no one is excluded, I think that's

important, but I don't want someone else coming in front of us and have all this done and we should have done it and had been done as issuing an meter. Ms. Parsons.

BOARD MEMBER PARSONS: And also increasing meter sizes, would that fall into this, too? We would not -- in my mind's eye, I wouldn't think that if we have a fire flow issue, we wouldn't increase the meter size in order to accommodate somebody that still has a problem flow-wise, right?

MR. NAKAMURA: Yes, this will primarily be required for people requesting a five/eighths-inch water

meter for the particular lot.

BOARD MEMBER PARSONS: And the other thing I was going to suggest was have we looked at suggesting or making it part it to have these folks put sprinklers into their homes where it takes -- uses less water if there is a fire if they are doing the build. It's a protection for themselves, but it uses less water and it's also a safety factor since there isn't a lot of pressure in that area.

MR. NAKAMURA: I believe the requirement for fire sprinklers, that comes from the Fire Department. And we

don't really get involved in that. Our requirements are different or separated from what the Fire Department requires. Having said that, just for your input, too, since you brought this issue up, I am in discussions with people at the Fire Department taking a look at some of the rules where they're doing one thing and we're doing one thing and trying to bring it together. So we're in the process of looking at that right now. I believe they're trying to contact a couple of the other counties on the other islands to see how they handle their particular situations where there is this divergence in terms of policy and how you deal

with these kinds of issues.

And hopefully sometime down the stream, you know, we'll be getting together and hopefully maybe come up with some recommendations of how we can kind of bring these two different divergent policies together so it will be more consistent in terms of what we're trying to accomplish.

BOARD MEMBER PARSONS: Are we going to put that on the planning meeting?

CHAIR VICTORINO: We will do that. And also Alva was going to give a report, but since he has not enough to report on, thank you for bringing that up. Because until he



has something firm, I thought just bringing piecemeal was not what we were looking for. They are in the modum right now of discussion, so I think that's very good, and I appreciate that, and we'll put that on our planning.

BOARD MEMBER RAISBECK: Oh, did you have something?

CHAIR VICTORINO: I'm sorry.

BOARD MEMBER JOHANSEN: Just one thing.

CHAIR VICTORINO: Yes.

BOARD MEMBER JOHANSEN: It seems to me to be a matter that should not simply be coordinated between the two

departments. It should be a matter that the Mayor's office takes primary responsibility for. And I don't know whether that is the case. Since the coordination of the Departments is the responsibility of someone in the Mayor's office.

CHAIR VICTORINO: Okay. I'll take that under advisement. Thank you, Ralph. Sally, you had a question or a statement?

BOARD MEMBER RAISBECK: No, I -- this business of the Department and the Fire Department, the Water Department and the Fire Department having different standards for what

constitutes fire protection, that is something that should be handled not just by agreement about changing practice.

There should be changes in the rules that make it clear what the actual rule about fire protection is, and my feeling would be that the Fire Department rules are probably adequate, sufficient, and I know that they do allow sprinklers in lieu over standpipes or hydrants or whatever.

And I believe it is known that sprinklers are a far more effective way of preventing, you know, loss of life and damage than -- than not having sprinklers. So I would like very much to have the Board appoint perhaps one member

or two members to be involved also in the discussions between the Department and the Fire Department and the Mayor's office if they're involved in order to figure out what changes in our rules will be needed to have a fair and equitable arrangement about fire protection requirements. I would suggest -- would this be a possibility, Mr. Chair?

CHAIR VICTORINO: That could be a possibility.

I'll take that under advisement.

BOARD MEMBER RAISBECK: Thank you.

CHAIR VICTORINO: And maybe talk with the director

and as well as Alva and see if that can somehow be arranged

for further meetings. I don't think that's an unreasonable request.

BOARD MEMBER RAISBECK: Thank you.

CHAIR VICTORINO: But let me make one correction to your statement earlier when you said that sprinklers reduce loss of life and property damage. Unfortunately, from the insurance industry, that is not correct.

BOARD MEMBER RAISBECK: Really.

CHAIR VICTORINO: Because the water damage can be more extensive than fire damage, and believe me, that is my business to understand that. When I say water damage,

especially home sprinkler systems -- I'm not talking commercial now, they may vary -- but home sprinkler systems in many cases is a central sprinkler system. So when one sprinkler goes off, in many cases, the rest of the sprinklers go off. And that could cause extensive water damage, a lot more than a fire could. Now, fire can destroy your whole house. Have you ever had your house flooded.

BOARD MEMBER RAISBECK: Well, no.

CHAIR VICTORINO: So just from a point of view from insurance, and I'm -- you just said property damage.

BOARD MEMBER RAISBECK: Well, life is more important.

CHAIR VICTORINO: Yeah, okay, well, no, you said property, so I'm correcting the property part. I'm not referring to life, just the property part. Water damage can be much more extensive than fire damage if a sprinkler system goes off in the entire house just from a property point. That's the only correction I wanted to make. Go ahead, Mr. Okamura.

BOARD MEMBER OKAMURA: I had a question.

CHAIR VICTORINO: Sure.

BOARD MEMBER OKAMURA: So generally what you're saying is that the Mattson's property for water meter meets the requirements when the subdivision was approved, but now it doesn't meet the requirements?

MR. NAKAMURA: As far as fire flow?

BOARD MEMBER OKAMURA: Yeah.

MR. NAKAMURA: Right, that's correct

BOARD MEMBER OKAMURA: So it's only fire flow?

MR. NAKAMURA: Fire flow.

BOARD MEMBER OKAMURA: So it's just a matter of pressure?



MR. NAKAMURA: Fire flow, the size of the pipe,  
the pipeline.

BOARD MEMBER OKAMURA: Not the volume of the water  
or anything?

MR. NAKAMURA: That involves the volume, too,  
yeah, but the increase of piping size.

BOARD MEMBER OKAMURA: So they could -- so with  
that six-inch or whatever size water line they have, if you  
have enough pressure and flow, you could meet the flow  
requirements of today if, you know, theoretically, or you  
cannot with the six-inch?

MR. NAKAMURA: Not with the six-inch, not with what we require today.

BOARD MEMBER OKAMURA: I see. So just the size of the pipe?

MR. NAKAMURA: Yeah, the size of the pipe.

BOARD MEMBER OKAMURA: Thank you.

CHAIR VICTORINO: Go ahead, Ms. Raisbeck.

BOARD MEMBER RAISBECK: Yeah, one more question for Alva. What is the definition, what is the criterion that supply is adequate? In other words, upcountry is there

say an area or is that it's known that if a lot met the same definition as the lot on Molokai that we're talking about, that there would be considered to be adequate supply to that place? Or say Pukalani, is there adequate supply at Pukalani, or what is the criterion for adequate supply?

MR. NAKAMURA: For adequate supply?

BOARD MEMBER RAISBECK: Well, you said that if the fire flow requirements are -- there's not enough for fire flow, this lot on Molokai that Mr. -- I'm sorry, I've forgotten your name.

MR. MATTSON: Mattson.

BOARD MEMBER RAISBECK: That Mr. Mattson

represents. They do not have adequate infrastructure for  
fire flow, adequate for fire flow. But they don't have a  
supply problem you're saying, so what is the distinction  
that this lot does not have a supply problem, and what  
would -- what would define a supply problem for a lot say in  
Pukalani? Is there a supply problem?

MR. NAKAMURA: Well, I know you know that we have  
a problem with supply up in the upcountry area. That's the  
reason why the priority list was established, because if we  
issued meters to every single individual that wanted a water

meter, we would run out of water. We wouldn't be able to supply everyone. So we do have statistics as to what the amount of water we are able to get from, for instance, the treatment plants and wells and all of that, and that's all established as to what the supply amount is. And based upon that, it's established about how many customers we would be able to serve from those -- that particular area.

So the upcountry area, obviously there's a shortage, and until additional sources become available, we'll continue to have this shortage supply problem. On Molokai in this particular location coming from this

particular source, the source is not a problem not at this point in time.

BOARD MEMBER RAISBECK: All I'm trying to pin down is exactly what amount constitutes not a problem and what amount constitutes a problem, a stronger definition.

MR. NAKAMURA: I think to answer that question, we'll probably have to give you some matching numbers. Maybe that might be a way to answer that question. We will have to get back to you probably on that. I don't have that formula right now, but what we would probably have to do is

take a look at the number of customers served in the upcountry area versus what the amount of water is available in the upcountry area and combine, you know, compare the two and you can see what the availability is.

BOARD MEMBER RAISBECK: Okay.

CHAIR VICTORINO: Ralph.

BOARD MEMBER JOHANSEN: Just to follow up on what you said about water meters, the fact that they may be feasible or outbuilding the buildings with less property damage entailed. I just wondered, you said that it's likely that if one sprinkler goes off, the entire system will go

off, which is substantial damage. I would think that given how sophisticated other things are that that could be prevented. I just wondered what your answer would be.

CHAIR VICTORINO: Well, so long as the system is designed that way, sometimes people for the area of cost saving may go with a cheaper system that may cause that kind of a problem. Also, like I just told Ms. Parsons because she said their sprinkler heads are set up to melt down and go off in just one area, but those areas also if stoves, heaters, heat lamps could also trigger that off and not necessarily a fire, because if you get enough intensive



heat, that could melt. But I mean we're going into more semantics than that. I'm just saying that just the correction about the property damage, that's the only thing I was addressing.

BOARD MEMBER JOHANSEN: The reason I feel it's a matter of concern is because it is -- otherwise, it seems to me a feasible solution to the problem of inadequate flow of water protection.

CHAIR VICTORINO: As long as the homeowner decides that, you're right, Ralph.

MR. MATTSON: Can I say something?

CHAIR VICTORINO: Yes, Mr. Mattson.

MR. MATTSON: I've been involved with fire sprinklers before in construction. It was adopted from where I had come from, and in order to be able to put in an effective sprinkler system in a house, you have to put an inch and a half copper water line through your ceilings. And in order to be able to supply that inch-and-a-half line, a five-eighths water meter just isn't going to do it, so we had to upgrade all the water meters to at least one inch and some of them depending on the square footage had to be

larger than that. So in the effort to conserve water on one hand, the requirement for upgrading the sprinkler system just blew the water conservation out.

The second thing, the condition that we have in Kaunakakai, we have two fire trucks. They can't possibly pump that supply dry. There's no way they could pump the capacity that comes out of that six-inch main. We have fire hydrants, as many fire hydrants as possible. We're not a lack of fire service. We've talked to the Fire Department. The Fire Department says they have no problems fighting any fire anytime in our area. The requirement to upgrade the

line from six inches to eight inches will pick up only ten percent in water flow. It's not that much different.

Eventually maybe they will be able to put in an eight-inch main, but it's very, very costly, about a hundred to \$200 a foot to bring that type of a line in because you would have to rip up the streets, replace our six-inch line. But our six-inch line is pretty standard for the industry.

I know that I can see the point that in the new subdivision where an eight-inch main would be required depending on how many homes would be involved, but our six-inch main only serves our one street and just the limited number of homes

that are on that street, and it comes directly out of the water tank through an eight-inch main to that six-inch main.

Thank you.

CHAIR VICTORINO: Thank you, Mr. Mattson, for your expertise. We appreciate that. If not, Kent.

BOARD MEMBER OKAMURA: Mr. Chair, I move we recommend approval for a water meter for the Mattsons.

BOARD MEMBER RAISBECK: Second.

CHAIR VICTORINO: It's been moved and seconded. I think we've discussed the matter to its maximum already.

I'm going to call for the question. All those in favor.

(A chorus of aye's.)

CHAIR VICTORINO: Opposed.

(None.)

CHAIR VICTORINO: Thank you, Mr. Mattson.

Although that was just more of a formality, thank you very much. Thank you, Alva, for the information. And like I say, the only thing most of us would like to see is a review on some of the past, if that was the case, a review on those cases just to make sure that these people are not without help for a meter.

MR. NAKAMURA: Okay.

CHAIR VICTORINO: Thank you.

BOARD MEMBER PARSONS: Thank you for working with  
the customers.

BOARD MEMBER RAISBECK: Mr. Chair.

CHAIR VICTORINO: Yes.

BOARD MEMBER RAISBECK: Could I at this point ask  
the question about the meeting, the USGS meeting on  
central --

CHAIR VICTORINO: Before you do that, I'm going to  
call a five-minute recess.

(Recess taken.)

CHAIR VICTORINO: I would like to reconvene the meeting. Let it show that Michele has joined us. Thank you.

BOARD MEMBER McLEAN: Thank you.

CHAIR VICTORINO: Okay, next agenda item. I lost my agenda. Oh, here, next agenda item will be the update on the Pookela well. Alva, or should I say Mr. Nakamura.

MR. NAKAMURA: Mr. Chair, on Pookela, just to give you a heads-up on what's going on, we've received the pump



and motor submittal from the drilling company, Bailey.

We've been reviewing it, and after reviewing what they submitted, it was determined that two items that we are in the process of trying to resolve right now, one is that the power factor of the motor pump combination did not quite meet our spec was one thing. The other one was the efficiency of the pump/motor combination didn't quite meet our spec also. We're in the process of trying to resolve and trying to decide exactly what we want to do.

Power factor is important because for those of you

may not know what that is, Maui Electric on their rate

schedule has a penalty for installations that has a power factor less than 85 percent and the lower that you go, they charge -- make a surcharge on the amount of energy that you use. So if you operate the pump a lot, you know, that could become quite substantial depending on how much of a surcharge that they put on. The reason why they do that is if the power factor is low, they have to provide more generation to afford a particular service. So that's the reason why they have this penalty. If you go above the 85 percent, then they give you a credit. So it is to some

degree interest in the part of the Board of Water Supply to have a power factor at least of 85 percent or higher. So we're trying to resolve that issue right now.

The other one on the efficiency, of course, if the efficiency is lower, we won't get as much water out of the well as we would expect. And as a result to get the same amount of water, we have to probably run the pump that much longer to get the same amount of water out. So these are two issues we're trying to work out with the consultant at this time and with the drilling company. And, in fact, we will be -- in fact, we had a meeting talking about this and

there are some issues we're still trying to resolve, but that's kind of where it stands right now.

The thing that's putting a lot of pressure on us right now is that the pump and motor installation is with the manufacturer. It has been ordered, but it has been put on hold temporarily pending the outcome of our discussions with the driller. The problem is that in order for it to keep this whole project on schedule, the order has to be in or approved by tomorrow, so we have some things that are going back and forth right now in trying to resolve this particular thing. That's the major issues right now

regarding Pookela well. So that's kind of where it stands right now.

CHAIR VICTORINO: If we don't by tomorrow get the order confirmed, what kind of time line now are we looking at.

MR. NAKAMURA: I'm not sure at that point.

Because they're going to have to go back and resubmit a new set of specs and to see what it would take to meet the spec that was laid out, and there's some cost issues involved and all these kinds of things, so like I said, we're trying to work with them in terms of what we can do to expedite the

whole matter as fast as we can.

CHAIR VICTORINO: Any questions?

BOARD MEMBER OKAMURA: What is the power factor,  
the 85 percent power factor?

MR. NAKAMURA: That, to be technical, it's --  
it's -- well, it's a mathematical --

BOARD MEMBER OKAMURA: It's the thing on the  
refrigerator when you buy the refrigerator?

CHAIR VICTORINO: Energy saving.

MR. NAKAMURA: No, no, no, no, no. It's a means

of determining the amount of what they call reactive power that you draw from the system. And why that is important is the more reactive power that you draw, the more generation that the power company has to generate in order to provide the same amount of power to that particular customer. So that's why they have the penalty where they limit you to this 85 percent.

BOARD MEMBER OKAMURA: Power factor?

MR. NAKAMURA: That's right.

BOARD MEMBER OKAMURA: Thank you.

CHAIR VICTORINO: Any other questions? Yes,

Mr. Hiranaga.

BOARD MEMBER HIRANAGA: Just a clarification. So if a decision is not made today or tomorrow, then this April 1st, 2006, number would move back?

MR. NAKAMURA: That's right, it would probably move back.

BOARD MEMBER HIRANAGA: Is the Department still issuing meters based upon the assumption that this Pookela well will come on line?

MR. NAKAMURA: We are still issuing meters, yes.

BOARD MEMBER HIRANAGA: And you're confident



you're not overextending yourself?

MR. NAKAMURA: No, we've been watching that very carefully. So we're targeting, you know, I believe up to about 300 -- 300 level, and then once we get to that point, we'll have to relook at it again. We haven't reached that yet. We're only in the 120 or 130 area, so we have still have a ways to go.

BOARD MEMBER OKAMURA: 130 meaning the number --

MR. NAKAMURA: Number on the list, yes.

CHAIR VICTORINO: Any other questions? Okay. I

guess, you know, that is not really good news, but I would

hope by -- and if you could make it a point next meeting, I'll put this on the agenda, I would like a continuous update if the Board Members don't mind. I think this is important. And maybe at that point, you can give us better estimations as far as that. And also maybe not a real technical, but more of a schematic what this energy charge is as far as credit and charges, so that the board members may better understand, just a real quick schematic what that means in this area.

MR. NAKAMURA: Okay.

CHAIR VICTORINO: Moving right along, the next agenda item will be report and study of feasibility to alternative sources of energy. Kent.

BOARD MEMBER OKAMURA: I mean that's what you asked for?

BOARD MEMBER HIRANAGA: Yeah.

CHAIR VICTORINO: Go ahead, Alva.

MR. NAKAMURA: Okay. Subsequent to the one you asked about, I got a call by a gentleman named Art Seki, who is I believe Director of Technical Development at Hawaiian Electric. They made an offer to us to conduct a feasibility

study to consider use of alternate energy on the County's water supply system. When we talk about alternative forms of energy, what we're talking about is putting in things like inline generating systems, so in other words, as the water flows in the pipeline, it will turn a little turbine in the pipe and in turn, generate electricity, those kinds of things.

And initially they told us they would basically, Hawaiian Electric would fund this study for us. However, just about a couple of days ago, another note came in from him and he's now asking us for some seed money to help get

this thing started to the tune of about \$25,000. And I got back to him yesterday basically telling him that right now we don't have any funds to do that. Right now, '06 fiscal year budget is already -- it's cast in concrete already, so maybe we could possibly consider this in '07. I got a note back from him this morning. He was saying, well, he hoped we could do it within the next year, so I'm going to propose to him if maybe Hawaiian Electric can foot the bill for now, maybe in '07 if we can get the approval to help with the funding of this, but this has to be talked over with the director and the budget people to see if this is a

possibility, but that's kind of where it stands right now.

CHAIR VICTORINO: Well, the word seed money, and maybe you're using it in a loose manner, but I've always understood seed money is money you put upfront but you get back.

MR. NAKAMURA: Well, I'm not sure if they plan to refund us anything. This was not talked about. But I kind of thought about that in the same light that you were talking about, but you see, to get the things started though, I guess they needed some funds upfront. And right

now, we don't have those funds available. So I'm in discussions with them right now. I'm not sure where it's going to lead, but that's kind of where it stands right now.

CHAIR VICTORINO: Ralph.

BOARD MEMBER JOHANSEN: That brings up a question of what the Public Utilities Commission requires of electric companies when it is their responsibility to provide generation of power for the community for the benefit of the community at the most efficient, most cost effective and most adequate supply, whether anyone in the County has to come up with the funds in order to generate a study as to

whether present methods of generating power are adequate.

I would like to know what the applicable statutes and the rules if the Commission provide in that regard.

CHAIR VICTORINO: Okay. Ralph, if you would hold that off for a future agenda item, I think that would be appropriate. I think we may be putting Alva on the spot asking him a question he may not be able to answer right now. But I think that would be something I would like to look into. Or if anything, something of that nature, any board member including yourself, Ralph, if you would like to look into that matter and bring it back as a report to the



body, I would be more than happy to accept your assistance  
in that area.

BOARD MEMBER JOHANSEN: I'll look on line. If  
it's not there --

CHAIR VICTORINO: That's fair enough. Okay.  
That's fair enough. That's fair enough. Any other  
questions? If not, I'll move along to Director's Report  
05-08 Planned Improvement and Expansion Projects for the  
Fiscal Year 2006 to 2012. That's right. That was a lot of  
stuff, so I hope you guys all had a chance to go through all  
of this. There is a lot of stuff here. Who would like to

-- Ellen.

MS. KRAFTSOW: Just if you have any questions. I should tell you that this has changed again. We still don't have the final.

CHAIR VICTORINO: I saw this little amendment over here.

MS. KRAFTSOW: But the assignment to INE's would be the same. And for now in the interim, anything that wasn't '06, that wasn't moved out as in '07 until we break that down and spread it out.

CHAIR VICTORINO: Any specific questions? I think something like this you can take the whole day and go through it, but I would limit it if I may. And, you know, I let the Board make that decision, but, you know, kind of '06 is where we really need to and then anything that you think may be something you would like to look at in the future, we can discuss it further. But anybody have any questions? I tried to go this the other night, and whoa, that was a lot, excuse me, to be honest.

BOARD MEMBER RAISBECK: I have a question,

Mr. Chair. Hello.

BOARD MEMBER McLEAN: It's recording. It's not  
for amplification.

BOARD MEMBER RAISBECK: Yeah, the list of projects  
cut, Ellen, we received a little two-page memo at the  
meeting here. And it says list of projects cut totaling  
\$1.935. Was -- were the cuts made by the Department to -- I  
mean what was the sequence of who cut this and how it was  
decided what would be cut?

MS. KRAFTSOW: We had to cut that much in funding,  
so it was decided -- I'm not -- I was actually absent that  
week, so I would defer to Holly on that about why we had to

cut the funding. But we had to cut the funding, so we did.

CHAIR VICTORINO: Go ahead since the question has been brought up, please. I forgot. Introduce yourself.

MS. KRAFTSOW: I'm Ellen Kraftsow.

MS. KAU: I'm Helene Kau, and I'm the assistant fiscal officer. And in answer to your question, we were required to cut 1.9 because there had been a change in the way that carryover savings had been calculated historically. Apparently, there had been an error. And so the end result was that we were required to reduce funding, and therefore, you know, we had 1.9 less to spend.

BOARD MEMBER RAISBECK: And what was the basis on which projects were chosen to be cut? Who decided that, or was there any particular criteria for what to cut?

MS. KAU: I think I'll defer to Ellen.

MS. KRAFTSOW: It looks like several of these we just cut a portion of the funding, which meant that we would have to just this year tighten our belts and do a little bit less of that category. I think they tried wherever possible, it looks like, to just leave some funding in the project but cut what didn't absolutely have to go and --

BOARD MEMBER RAISBECK: Sort of proportionate?

MS. KRAFTSOW: Yeah, and the hydraulic model they wouldn't move into operating, but cutting it for fiscal '06 only leaves six months uncovered because it's in CIP '05, so I could get by for six months without the funding. They may have a better estimate for NASKA. I don't know. That budget went down. But for the most part, it looks like they left in the money just as lesser amounts.

CHAIR VICTORINO: So, in other words, if I hear you correctly, what you try to do is not eliminate anything, more or less defer it or just lessen the amount that you

were funding for this year for '06 hoping that in '07 to  
recover and catch up in these areas?

MS. KRAFTSOW: Yeah, I mean something will  
obviously be eliminated, but not the whole category it looks  
like from just looking at this page.

CHAIR VICTORINO: You said an error. And I love  
when that word error comes up. Because it's -- it's  
mind-boggling, but that's okay. How did we come to that  
conclusion on this error, and what caused the error to have  
developed? Just because I'm not smart enough to understand  
that.



MS. KAU: Actually, I was not involved at that time with determining where the definition of carryover savings had been clarified. And for further clarification, it was a County-wide problem per se. Ours is not the only department that was affected by this clarification. Unfortunately in our case, we didn't have lapses to cover, and hence the reason we had to cut 1.9 for fiscal year '06. But the question -- my understanding is that the question was raised in Council as Council looked at carryover savings for fiscal year '06. And some of the numbers appeared extraordinarily high, and that's when the red flags went up

and further clarification was required by Department of Finance and whatnot. And so I believe that there were several departments that where changes were made.

CHAIR VICTORINO: So actually this clarification came from the Department of Finance based upon the Council's request?

MS. KAU: I believe so, yeah. I know there were discussions with the budget director, Department of Finance, and I was not involved in all of those discussions. But I was involved at the tail end in one particular meeting.

CHAIR VICTORINO: So this will, this ruling or this forthcoming carryover or the ruling on the carryover will be consistent from this point forward?

MS. KAU: That is my understanding, yes, because now we have a better understanding of how that is defined and how we should be calculating it going forward.

CHAIR VICTORINO: And also this will be reflected in next year's 2007 -- or it's reflected in 2006 obviously.

MS. KAU: Yes.

CHAIR VICTORINO: But in 2007. And the capital end on the other side of the capital end or the amount, is

that reflecting the impending rate increase?

MS. KAU: I'm sorry.

CHAIR VICTORINO: The rates, the rate structures  
are going to be changed as of July 1st?

MS. KAU: Our budget included, yeah.

CHAIR VICTORINO: Included that, that's what I was  
asking. Was it inclusive in that already?

MS. KAU: Yes.

CHAIR VICTORINO: Any other questions? Yes,  
Ralph.

BOARD MEMBER JOHANSEN: In the discussion here, I

would like to bootstrap this question in here. I had asked this item be put on the agenda, and it wasn't. I'm still concerned about the relationship between improvement and expansion and whether expansion funds to the extent necessary are coming from the generation of funds through the water meter charges, new meter charges. And I noticed that the last time we were given a small chart that said the amount of expansion was 60 percent roughly and the amount of existing plant improvement was 40 percent. And that to me doesn't jibe even though there's a major product coming up towards the end of this projected period. It doesn't jibe

with the amount being collected by water meter fees. And I would like to have a breakdown or a clarification of that so I understand.

MS. KRAFTSOW: You know, I'm sorry, Board Member Johansen, I thought this was what you wanted. This is a breakdown of every project, and for each project whether it's improvement or expansion, on Page 176 of your budget, of your agenda, from Pages 17 to 45. And it has every project listed by district and then by year and then by whether it's improvement or expansion. So you can look at

any district and any year and see which projects are considered improvement or expansion. I thought that was your question.

BOARD MEMBER JOHANSEN: To the extent that it is, I have to look.

CHAIR VICTORINO: Okay. If you would and if you would like it to come up for further discussion at our next meeting, we will bring it up. But if you would review that, Ralph, and then let us know. Yes, Ms. Parsons.

BOARD MEMBER PARSONS: Ellen, how does the cut of a million nine affect us, and I'm not trying to beat a dead

horse, but we've got a well we're looking to develop with Kehalani, for example, and we're going to expand funds to share in this cost. How does that -- how does that fit into your overall picture? I mean is the -- is the well development something that should go on the back burner until these funds are made up or these funds that were missing, are these more important at this point to get the funds back in for this?

MS. KRAFTSOW: I knew that what was cut were the things that we could -- we didn't really want to cut anything, but the things that we could most live without is



what was cut. I think the current financial picture, we cannot keep up with the pace of growth at the current financial state that we're in. I mean that's just a fact, and we're behind in every, you know, major district.

BOARD MEMBER PARSONS: So before we start making promises to developers that we're going to party with them in development of infrastructure, maybe we need to look at what we're cutting out here more closely and try to get this back into the picture before we start expending money on infrastructure expansion.

MS. KRAFTSOW: I think that we're so far behind

that infrastructure expansion at this point is not just expansion. It's bringing us up to where we need to be, so I think that what was cut was already what we could most afford to cut out of the things we had to choose from. Yeah, so I wouldn't necessarily be delaying added infrastructure where it's sorely needed.

BOARD MEMBER PARSONS: I'm just saying but if a developer is capable of bringing us -- bringing to the picture the entire well without us having to expend more money, that's probably more attractive, isn't it?

MS. KRAFTSOW: Of course.

CHAIR VICTORINO: Yes, Ms. Raisbeck. Sally, go ahead.

BOARD MEMBER RAISBECK: Yeah, I just wanted to ask does -- I'm sorry, I haven't completely read the pages, which I appreciate very much. I think it's very useful to have this presentation. But I haven't read it all. Does this laying out of capital expense include anything for the closing of the Wailuku Shaft within the next five years or for new wells other than the Iao tank well or the Waikapu well, was there anything in it for those?

MS. KRAFTSOW: There are several new wells, but not within Iao aquifer per se. I mean the distribution of withdrawal projects are the Iao tank site well, the Waikapu well and there may be some kind of Wailuku Shaft location revision, which to be honest off the top of my head, I don't recall if the closure and reconstruction of that well is in here.

BOARD MEMBER RAISBECK: That would probably be a major expense.

BOARD MEMBER PARSONS: Page 19.

MS. KRAFTSOW: Is it on Page 19?

BOARD MEMBER PARSONS: Iao source development, Iao tank site, Wailuku shaft development.

MS. KRAFTSOW: Right. Initially -- that's a slightly different thing. Initially when we were doing Iao tank site well, we were deciding whether to drill a well at Wailuku tank shaft site or at Iao tank site. And it was initially called Wailuku Shaft because we knew we wanted to be distributing from that well. And then they put it at Iao tank site. But now I understand that there's a consideration of also putting a well at Wailuku Shaft, and I don't think I've gotten that in here yet, and my apologies

for that.

BOARD MEMBER PARSONS: 1.2 million was that the  
high reading; is that right?

MS. KRAFTSOW: Yeah, 1.2 million for the  
development phase.

CHAIR VICTORINO: Kent.

BOARD MEMBER OKAMURA: How did you arrive at these  
projects to be put on this seven-year list? How did you  
arrive at that?

MS. KRAFTSOW: We have -- the way the CIP was put

together was first a great big list of projects for 20 or however many years was added, and that was done by a review of all the fire protection maps compared to community plan designations. And this is actually before the days of GIS I mean, and we actually drew it in by hand on the fire protection maps to identify areas that were substandard for designation and any line that was less than six inches. And then to look at demand forecasts. And based upon demand forecasts to schedule storage and source, in some cases not even having a specific site or name to begin with.

Then when that entire list was compiled, then a

list of all our tanks and all of our pumps and just so that we could do a replacement schedule and in an attempt to find out which pumps were oldest so that we could schedule the old ones first. And then once all that was together, each year actually a few times a year, it's reviewed with members of engineering and of baseyard as to which lines are most urgently in need of repair, where are we getting the most breaks, where is engineering sometimes in its design process, if there are other issues coming up or opportunities for partnership in storage upgrade.

So it's on an annual basis, it's sort of a mutual



effort of planning and engineering in the field. But on a longer term basis, it's based on forecasts and just having a list of substandard infrastructure or just infrastructure that might need replacing.

BOARD MEMBER OKAMURA: On an annual basis, do you have a timetable for doing that with the Department, or you just you have to -- how do you know that? You're doing it once a year. How do you know?

MS. KRAFTSOW: Oh, we actually have several meetings every year. I think last time the first draft of the '06 budget was passed out in -- this is already '05 --

it's June of '04 about I passed out the first draft, which is just the projects that were listed and then also the five-year. And what we do is sit down and okay is there anything out here that's more important that needs to come in. That's like a first cut. And then we get a list of where are the breaks and priorities from baseyard crew. And at district supervisor's meeting every month, it's discussed which systems are having problems and where those problems are. And I'm not always at those meetings, but I make sure and get information from people who do attend and from each

district. I speak to the supervisor of each district, the field supervisor of each district as well as the engineering supervisors of each district.

BOARD MEMBER OKAMURA: So that long list that you started with, were you the one that did that, the long list?

MS. KRAFTSOW: For the most part, yes. But I didn't do it -- I mean I -- at the time that I did it, there were, you know, other master plans within the Department that I compiled. There were obviously the lists of lines less than a certain size that I could just see from the map, and I had one of the draftsmen also help with that, a list

of tanks that had been prepared before I got there that we had just checked and added to, a list of pumps I got from the head of -- so I did the organizing and compiling, but it wasn't just all me thinking about it.

BOARD MEMBER OKAMURA: So do you do that, do you sort of figure out, okay, this is the projections you have for growth, for example, are you the one that sits down with, you know, the projections and this list and figure out where we need to do work, or do you have a staff that does that?

MS. KRAFTSOW: I sit down with forecasts and have

like breakdowns in my computer of each area. And what I have about demand for each area, but I don't say this thing should be cited here. I go to the engineers and get their input. And I -- I -- I have to -- obviously we work on the recognition that no matter what we plan, given the financial and staffing resources that we have, it doesn't matter sometimes what we want to plan. Even if we know that ideally this should happen now, it's not necessarily going to.

BOARD MEMBER OKAMURA: So you're the one that

actually plans things for where you project would have the

greatest need?

MS. KRAFTSOW: Forecasting comes out of my division. So either myself or the consultant or one of my staff will do it depending on what else we all have going on.

CHAIR VICTORINO: Any other questions? Yes,

Ms. Parsons.

BOARD MEMBER PARSONS: I noticed on Page 19 and 20 we were talking about wells. Are we -- when you're projecting these for '05 and '06 and then you've got '06 and

'07 and it's taken us forever on the Pookela well, the one we started in 2000, actually in 1999 trying to get Pookela well on line. And it's 2005, so these expenditures, are we being --

MS. KRAFTSOW: Optimistic?

BOARD MEMBER PARSONS: -- optimistic?

MS. KRAFTSOW: Yes, and yes. We're being optimistic, and also in a well, we schedule three, four, five years usually as a minimum from the study stage to the development and on-line stage. We figure that it takes at least about -- I think a fast track well would be three or

four years. I don't think there's much of anything that's scheduled lately that's less than four, so mostly four and five years at least.

BOARD MEMBER PARSONS: And you've got install deep well pump for the Iao source. Do we already have that designed? Because I notice on Page 20 you've got a North Waihee Source Development for Maluhia. You've got a design and development line. So on Page 19, do we have this motor designed, this pump designed already?

MS. KRAFTSOW: Where are we?

BOARD MEMBER PARSONS: Middle of 19.



MS. KRAFTSOW: Iao source development, Iao tank site well development?

BOARD MEMBER PARSONS: It says Iao source development, Iao tank site, and then it install deep well under description. Deep well pump, motor controls, site piping.

MS. KRAFTSOW: I think she's moving right along with that project. Alva, do you know the exact status of that, Iao tank site well? I think that project, it would be in the remarks, which I don't think I included here. But I think that project is moving right along. I think there is

a design.

BOARD MEMBER PARSONS: Design is done?

MR. PEARSON: Design is done. Test well has been

drilled I'm pretty sure.

MS. KRAFTSOW: Development design is done, or is

it in progress?

MR. NAKAMURA: I'm not sure.

MS. KRAFTSOW: It's moving along. Anyway, that

project is moving, so I don't know exactly.

BOARD MEMBER PARSONS: So it's been on the books

for a long time.

MS. KRAFTSOW: Yeah, yeah.

CHAIR VICTORINO: Anything else? If not, we'll  
move on to other business.

BOARD MEMBER RAISBECK: Mr. Chair, would this be  
the appropriate place for me to ask a question about that  
USGS meeting?

CHAIR VICTORINO: Okay. Mr. Tengan, I mentioned  
under Director's Report, so I would have to ask you at this  
point.

MR. TENGAN: Yes, Mr. Chair, as Sally stated, the

USGS did have a meeting last week, and attendees were invited to attend that meeting. It was a USGS meeting. The Department had nothing to do with the particular meeting except that they had requested our attendance. And there were several people from staff that attended the meeting and maybe Ellen or Eva could go over what was covered in the meeting. I wasn't able to attend the meeting.

MS. KRAFTSOW: Yes, Mr. Chair. I was only able to attend late, so I actually assigned Eva, so Eva can give you a presentation what happened at the meeting. We did not send out the agendas or the invites to that meeting. If the

Board would like to be invited, we can make a request to Gordon Tribble and see if that's appropriate, but they set that committee.

CHAIR VICTORINO: If it's all right with you, Ms. Raisbeck, I would like to put that on an agenda item as a report on the next one that we can have a more concise report that we can read over. Could you have it ready for us for our next meeting that this report be submitted to all the board members for review, and if they have appropriate questions, we can bring it up at that time?

MS. KRAFTSOW: Just a summary of the meeting?

CHAIR VICTORINO: That's correct, yes. Just to be fair, if that's all right with you, Ms. Raisbeck?

BOARD MEMBER RAISBECK: That's all right.

CHAIR VICTORINO: And just that we will all have a chance to review and ask questions, because I didn't know about it either to be perfectly honest.

BOARD MEMBER OKAMURA: Was there something substantial that happened at that meeting?

MS. BLUMENSTEIN: It was basically an update from what's going on with the USGS model. And I should mention

that the presentation from this meeting and the last meeting in August of last year is on the USGS website. You can download the whole presentation there.

BOARD MEMBER RAISBECK: Thank you.

CHAIR VICTORINO: All right. Thank you very much, but I still would like if you don't mind.

MS. BLUMENSTEIN: Sure.

CHAIR VICTORINO: Thank you. And I'll put that as an agenda item for our next meeting.

BOARD MEMBER RAISBECK: And perhaps we could request the next time they give an update like that that the

Board Members be allowed to hear about it in advance. I would like to attend such a meeting.

CHAIR VICTORINO: I'll take that under advisement and ask the director to do that.

BOARD MEMBER RAISBECK: Thank you.

CHAIR VICTORINO: Moving right along under other business, verbal update between the Department -- well, I think Alva did that. So we can go on. That one is -- discussion regarding drilling another well in upcountry as the Pookela well will not be sufficient to meet all the current requests. How are we standing on that?



MR. TENGAN: I didn't ask for it on the agenda.

Maybe the board member that requested that item be placed on the agenda, if that board could lead off the discussion, we would be glad to participate in the discussion.

CHAIR VICTORINO: Let me ask you this question.

Is there any other well for upcountry planned at this time.

MR. TENGAN: Well, we're currently working with a major land owner who wants to develop some property up there, and they're proposing to do a well in close proximity to the Pookela well. There's also another well that's being proposed down in the Haliimaile area, in Kaluanui Road.

That's the road that connects Baldwin Avenue with the --  
with Kokomo Road.

BOARD MEMBER RAISBECK: Can I ask who the land  
owners are.

CHAIR VICTORINO: One is A&B, I know that. Who is  
the other one.

MR. TENGAN: The other one would be Maui Land &  
Pine.

CHAIR VICTORINO: Maui Land & Pine. A&B would be  
the first one you mentioned. Maui Land & Pine was the

second.

MR. TENGAN: No.

CHAIR VICTORINO: Reverse, I apologize. Sorry.

BOARD MEMBER RAISBECK: Would the -- is the

proposal that again it would be -- like the Dowling well, it

would be a combination of the County and the land owner

developing a well on his land getting source credits for it

and eventually turning the well over to the County?

MR. TENGAN: No, we haven't really gone into deep

discussion on it except to discuss the concept, but I would

think that they would want to -- you know, they would need

to develop at least what they need for the property that's being developed. And there are some other things that need to be discussed like connection to the water system and dedication of the facilities to the County, you know, so we haven't really entered into any heavy discussions at this time to lead to an agreement. It's pretty much conceptual right now.

CHAIR VICTORINO: Ms. Parsons.

BOARD MEMBER PARSONS: I just think it's probably a good idea to discuss an additional source. Also, probably when we get another Boyle update on what's going on

upcountry with the lead issues and maybe looking at mixing the sources together, how that might help us in the long run, that will maybe eat up some of that Pookela source that we had discussed about giving out for meters. So this other source coming on line probably is a very good idea.

MR. TENGAN: Mr. Chair, there's one more thing that the Department is doing.

CHAIR VICTORINO: Yes.

MR. TENGAN: Previously, well, even to today, we can use the Hamakua Poko wells to pump into the upcountry system only on an emergency basis right now. So what we're

doing now is we're sending -- we're preparing an EA that would allow us to pump the Hamakua Poko wells at times when even, you know, when there isn't an emergency; in other words, whenever we need to supplement the upcountry or surface source system, we would be able to use the Hamakua Poko wells and pump it up without an emergency mode.

CHAIR VICTORINO: That's good news. And if we can get that approval, that would be a big help. Yeah, Mr. Hiranaga.

BOARD MEMBER HIRANAGA: I guess I'm the one that

requested this item to be placed on the agenda. My

understanding that there is approximately 800 people on the

upcountry waiting list, 800 applications or signups.

MR. NAKAMURA: I believe a thousand.

BOARD MEMBER HIRANAGA: A thousand, so it's gone

up in a couple of months. Pookela well is projected to be

able to issue how many meters with the 10 percent reduction

in capacity? You reported 400, 300 meters?

MR. NAKAMURA: 300-plus I would think.

BOARD MEMBER HIRANAGA: So we've got 700 people

that want meters. I think the A&B well has been under study

by A&B for several years now. Maui Pine's well has been under study for several years now. I think I would prefer if the Department took the initiative to explore the possibility of drilling another well on its own because the Maui Pine well and the A&B, if they decide to go forward and it's based upon whether they're going to go forward on the development, would just add additional capacity, but rather than wait for them to make that decision, I think it might be prudent for the Department to start exploring the possibility of developing its own well considering a decision to proceed with Pookela I think was made in 2001 by



the Board, authorization to proceed.

BOARD MEMBER PARSONS: No, earlier than that.

BOARD MEMBER HIRANAGA: It was my first year on  
the board that we gave authorization.

CHAIR VICTORINO: When did you come on?

BOARD MEMBER HIRANAGA: I think it was 2001.

CHAIR VICTORINO: No, cannot be. 2001, yeah,  
could be, yeah, yeah.

BOARD MEMBER PARSONS: 2002 is when they -- when  
it came out --

BOARD MEMBER HIRANAGA: Maybe it was 2002.

BOARD MEMBER PARSONS: We started earlier than that though.

BOARD MEMBER HIRANAGA: No, but the authorization to proceed. The Board gave the authorization to proceed, and, you know, we're here four years now and still not on line. So and we're looking again five-plus years before the second well may come on line, so in my opinion, I would like the Department to start exploring the possibility of developing its own well upcountry. And that's why I asked this be placed upon the agenda.

CHAIR VICTORINO: Okay.

MR. TENGAN: Mr. Chair, just one more item I

should mention since Member Hiranaga mentioned -- no, it

was somebody else mentioned the Dowling well. And the

Kaupakalua well, which was drilled by Dowling, I -- I gave

instructions to our engineering staff that they should look

at the water systems between that -- from that well to the

Pookela tank and how we could utilize that well to

supplement the Lower Kula and Upper Kula water system.

However, staff hasn't had time to really take a look at that

yet.

But that's part of the tank -- part of what I'm thinking about supplementing the upcountry water system with surface water or ground water. So if board members will recall the agreement with Dowling was that the Department could expand the capacity of the well; however, you know, a certain amount of compensation would have to be given to Dowling. But that's an option that's available to the Department where we could increase the capacity of the well provided, you know, we can use the water. And the way we would use the water would be to get it to go further west into the upcountry water system. So that's part of the plan

also.

CHAIR VICTORINO: Okay. Thank you.

BOARD MEMBER PARSONS: George, on that one, the well has been dedicated to the County?

MR. TENGAN: Right.

BOARD MEMBER PARSONS: So is there an agreement that we still have to pay Dowling on top of that?

MR. TENGAN: Yes.

BOARD MEMBER PARSONS: There is,

MR. TENGAN: I think that's how the agreement reads.

BOARD MEMBER PARSONS: Can we have copies of that for the next meeting and discuss this so we don't do this again?

MR. TENGAN: Okay. One more thing.

CHAIR VICTORINO: Yes.

MR. TENGAN: We're in the final stages of the preliminary engineering study for the Lower Kula water -- Lower Kula reservoir, 300-million gallon open reservoir is being proposed to collect surface water when it's available and for treatment at the Piiholo water treatment plant, so

that's ongoing. That's a project that's not going to be completed by the time we're all off the Board and we're all gone. It will be left for people like Wendy to administer, but that's in the long range plan.

CHAIR VICTORINO: Let's not push us out too far.

You know, I mean I'm older, but don't be hitting me with that right away.

MR. TENGAN: No, what I meant, because we'll all be not in this room anymore.

CHAIR VICTORINO: Okay. Well, thank you. I appreciate that, and Mr. Hiranaga, your comments are well

taken. And I will see if I can make a letter from the Board to the Director and to the Mayor expressing that wish that we start exploring for another well on our own, not waiting for somebody else to really start it.

BOARD MEMBER RAISBECK: Mr. Chair.

CHAIR VICTORINO: Yes.

BOARD MEMBER RAISBECK: Should you not possibly take a board vote so that it's not just Mr. Hiranaga and you, but all the Board has agreed to that policy?

CHAIR VICTORINO: Okay, if you want to. You want to make a motion to that?



BOARD MEMBER RAISBECK: Yeah, I move that the chair write a letter to the Mayor expressing a wish for the Department to explore another well upcountry, a well of the Department's upcountry.

CHAIR VICTORINO: Yeah.

BOARD MEMBER HIRANAGA: Second.

CHAIR VICTORINO: I don't want to go into long discussion. I think we've talked about it. All those in favor.

(A chorus of aye's.)

CHAIR VICTORINO: Opposed.

(None.)

CHAIR VICTORINO: I thought that was a general consensus. I apologize. I just took it as consensus. Receipt of requests to be placed on future agenda. Before we do that, I would like to say on behalf of the Board and I hope I can say this on behalf of all of us, that we're going to lose our Deputy Director because he decided to go someplace else. But that's okay, we can handle that. But we want to wish Mr. Pearson all this best in his future endeavors and thank him for his services to the Department

and on behalf of the Board, and I hope I speak for all the board members. Good luck, thank you very much, hope to see you in the future, but I hope we will still be friends. No, Jeff, seriously thank you very much, and we wish you well. If anybody wants to take a moment and say anything, go ahead, Ralph.

BOARD MEMBER JOHANSEN: Not at this time.

CHAIR VICTORINO: Okay.

BOARD MEMBER RAISBECK: Mr. Chair, I would like to say I admire your courage. Kent told me what it was like going down the Wailuku Shaft, and I admire your courage as

well. And thank you very much for all you've done for the  
Department.

CHAIR VICTORINO: Okay. Thank you. Now, receipt  
of board members request for agenda items to be placed on  
future agendas. Ralph was first, so I'll let Ralph go.  
Ralph.

BOARD MEMBER JOHANSEN: The charter amendment was  
passed two and a half years ago in November of 2002. Since  
that time, we have been operating without a set of rules;  
that is, the old rules are still in place.

BOARD MEMBER PARSONS: Three and a half years.

BOARD MEMBER JOHANSEN: Two and a half.

CHAIR VICTORINO: That's okay. That's all right.

Continue.

BOARD MEMBER JOHANSEN: And I don't think it's stretching things too much to say that we may incur liabilities that we don't foresee because we're still operating under a set of rules which gives the Board authorities which it no longer should have under the charter amendment, and I would like to put this on the agenda for the next meeting so the motion can be entertained to bring this matter before the Mayor and the County Council.

CHAIR VICTORINO: So, okay. Thank you. Other agenda items. Thank you, Ralph. Ms. Parsons.

BOARD MEMBER PARSONS: I would like to discuss development and wells and contractors or developers and the Department and how we play -- how we proceed and participate in that picture.

CHAIR VICTORINO: Are you asking how we interact as far as developing sources without the developer.

BOARD MEMBER PARSONS: I would like to see us develop a policy of what we would like to see happen as far

as infrastructure goes and development instead of -- maybe we don't need to participate in the development. Maybe they can do it solely themselves, but we need to discuss that.

CHAIR VICTORINO: Okay.

BOARD MEMBER McLEAN: Mr. Chair, if I could ask, I'm not going to be here at the next meeting. The issue that Ginny just brought up is something I would like to be involved in discussing if it would be okay for that to wait until the following agenda, so it would be a meeting where I would be attending, I would appreciate it. But if you want to jump ahead and get talking on it next time, that's your

prerogative. But I won't be at the next meeting. I'll be on the mainland.

BOARD MEMBER PARSONS: I would like to have your input, but I would also like you to recuse yourself from vote because you do work for a developer.

BOARD MEMBER McLEAN: No problem.

CHAIR VICTORINO: Okay. Any other items from any other board members? And again, this is not all-inclusive. You can let me know afterwards, but go ahead, Ms. Raisbeck.

BOARD MEMBER RAISBECK: I would like to have something more definitive about reconciling the fire flow



requirements of the Fire Department and the Board of Water or the Department of Water Supply. I would like to have something more specific about how that is going to be resolved.

CHAIR VICTORINO: Okay. Alva is -- let me talk with the Department and the director and Alva. But I think your request earlier of having a board member involved or board members involved I think would also be very applicable. I think it would be very helpful. Any other questions?

BOARD MEMBER JOHANSEN: I have one other.

CHAIR VICTORINO: Yes.

BOARD MEMBER JOHANSEN: In line with the other item that I requested, I understand that the report is back from the Council by the County Council in Honolulu and I would like to put on the agenda the extent to which we should have available to us some idea of what that information is because it does, among other things, concern the question of rules.

CHAIR VICTORINO: Good thing to ask. Is that possible, Mr. Kushi, some sort of summary and how that -- I

don't know. This report, is it a public document already,  
or is it still under Council's scrutiny?

MR. KUSHI: Mr. Chair, I'm not sure. This is the  
first I heard the report is there. But if it's a report  
from a Council Committee, it's a public record. I haven't  
seen it.

CHAIR VICTORINO: This is first news to me.

Sally.

BOARD MEMBER RAISBECK: I think what Ralph is  
referring to is a report was made to the Council by the  
outside counsel being hired, but it was treated as

confidential. And I think it would be helpful if you could write a letter to the Council Chair asking that the report or at least a summary of that report be made available to the Board of Water Supply in executive session if necessary. Or if not that, whatever portion of it that might be made available to us without compromising the confidential parts, that would be very interesting to the Board. And I think the appropriate vehicle would be for you to write a letter to Riki Hokama.

CHAIR VICTORINO: Okay. I will do that if that's concurrent with board members. I don't want to take a vote,

but is that all right with the Board Members? Okay. I will do that, Sally. Mr. Hiranaga.

BOARD MEMBER HIRANAGA: Just expanding on Sally's request regarding the Department of Water Supply and the Fire Department's interaction, I guess if you could supply some background information as to how this current relationship occurred between the Department of Fire and the Department of Water and also how maybe other counties within the State Department of Fire and Water.

CHAIR VICTORINO: How they interact?

BOARD MEMBER HIRANAGA: Right, I mean who has

jurisdiction, who makes specification requirements. I'm interested in how it evolved to this point.

CHAIR VICTORINO: I will contact you and George on that matter, yes. Okay. Anything else? If not --

BOARD MEMBER HIRANAGA: No division reports?

CHAIR VICTORINO: Let me go to that. Thanks.

You're keeping me on check, but I just was going to say that. Okay, division reports. You have the updates in front of you. Any specific questions for any of the departments on the division reports? Sensing none, now

Mr. Hiranaga, may I adjourn the meeting, because she's got to move her car, too. If nothing else, I'm going to call this meeting adjourned.

(The meeting ended at 11:15 a.m.)

*"By Water All Things Find Life"*

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