

COUNCIL OF THE COUNTY OF MAUI
WATER RESOURCES COMMITTEE

November 3, 2006

Committee
Report No.

06-140

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Water Resources Committee, having met on March 2, 2005, June 1, 2005, June 15, 2005, July 14, 2005, August 17, 2005, August 31, 2005, September 14, 2005, October 17, 2005 (Lanai), October 19, 2005, November 2, 2005, December 7, 2005, December 14, 2005, March 1, 2006, March 9, 2006, March 15, 2006, June 7, 2006, June 21, 2006, July 5, 2006, July 19, 2006, August 2, 2006, August 16, 2006, August 30, 2006, and September 13, 2006, makes reference to County Communication No. 05-38, from Councilmember Michelle Anderson, relating to the matter of the Water Use and Development Plan (Chapter 2.88A, Maui County Code).

By correspondence dated February 4, 2005, the Chair of your Committee transmitted the following correspondence relating to the rules and governing policies of the Department of Water Supply (DWS) that had been received by the former Council's Water Resources Committee:

- County Communication No. 02-28, from the prior Council Vice-Chair, transmitting the following:
 - A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 2.88A, MAUI COUNTY CODE, PERTAINING TO WATER USE AND DEVELOPMENT PLAN". The purpose of the proposed bill is to clarify that amendments to the Water Use and Development Plan shall be by ordinance.
 - A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 2.90A, MAUI COUNTY CODE, PERTAINING TO REGULATION OF PERMITS AND WATER USE". The purpose of the proposed bill is to amend procedures relating to water allocation.

Your Committee notes that County Communication No. 02-28 was filed on January 2, 2005.

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- County Communication No. 02-190, from the prior Director of Water Supply, providing information about the Water Use and Development Plan update process.

Your Committee notes that County Communication No. 02-190 was filed on January 2, 2005.

- Correspondence dated May 28, 2002, from the Department of the Corporation Counsel, transmitting a revised proposed bill, entitled “A BILL FOR AN ORDINANCE AMENDING CHAPTER 2.88A, MAUI COUNTY CODE, PERTAINING TO WATER USE AND DEVELOPMENT PLAN”, incorporating technical revisions to the bill with the same title transmitted by County Communication No. 02-28.
- Correspondence dated January 12, 2004, from the former Director of Water Supply, to Ernest Y.W. Lau, Deputy Director of the Commission on Water Resource Management, State Department of Land and Natural Resources, relating to the Water Use and Development Plan update process, and transmitting 140 pages of related documents, including the Draft Water Use and Development Plan for Lanai prepared by the Lanai Water Working Group.
- Correspondence dated March 17, 2004, from the Chair of the former Council’s Water Resources Committee, requesting that, in response to the Committee’s discussion on March 3, 2004, the Director of Water Supply provide a detailed history of the water from Hamakuapoko and the interim report of DWS prepared to assist the State Commission on Water Resource Management in Iao Aquifer water-allocation decisions.
- Correspondence dated May 3, 2004, from the Director of Water Supply responding to the questions posed in correspondence dated March 17, 2004, and transmitting copies of documents entitled “EAST MAUI WATER DEVELOPMENT PLAN” and “SCOPE OF SHORT TERM RESOURCE PLAN FOR CENTRAL MAUI”. The Director advised that the question about water from Hamakuapoko could be most appropriately answered by the Department of the Corporation Counsel. The Director further advised that, contrary to the Water Resource Committee’s understanding, DWS had not prepared an interim report to assist the State Commission on Water Resource Management in Iao Aquifer water-allocation decisions.

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- Correspondence dated July 30, 2004, from the Chair of the former Council's Housing and Human Services Committee, requesting that the Chair of the former Council's Water Resources Committee schedule a meeting on the Water Use and Development Plan.
- Correspondence dated September 14, 2004, from the Chair of the former Council's Water Resources Committee, requesting that DWS provide information for a water allocation plan for the County of Maui.

By correspondence dated March 1, 2005, the Chair of your Committee transmitted correspondence entitled "STAFF SUBMITTAL for the meeting of the COMMISSION ON WATER RESOURCE MANAGEMENT: February 18, 2004: Honolulu, Hawaii: Approval of Project Description for Updating the Maui County Water Use and Development Plan", from Ernest Y.W. Lau, Deputy Director, Commission on Water Resource Management, State Department of Land and Natural Resources, recommending approval of the Director of Water Supply's attached proposal for a process to update the Water Use and Development Plan.

At its meeting of March 2, 2005, your Committee met with the Director of Water Supply; the Planning Program Manager, Planning Division, Department of Water Supply; and a Deputy Corporation Counsel.

Your Committee received the following documents from the Chair of your Committee:

1. Correspondence dated March 2, 2005, transmitting an article dated February 2005, from *Environment Hawaii*, entitled "Contracts To Update Water Plan Languish", and providing a timeline for the Water Use and Development Plan update;
2. A document entitled "Maui Water Use and Development Plan Work Schedule", from DWS;
3. Section 174C-31, Hawaii Revised Statutes, "Hawaii water plan"; and
4. A document dated February 2000, entitled "STATEWIDE FRAMEWORK FOR UPDATING THE HAWAII WATER PLAN", from the Commission on Water Resource Management, State Department of Land and Natural Resources.

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There was no public testimony.

The Chair of your Committee provided an overview of the legal mandates for the Maui County Water Use and Development Plan, as part of the Hawaii Water Plan, pursuant to the State Water Code (Chapter 174C, Hawaii Revised Statutes). She further provided information about the legally established procedures for updating the Water Use and Development Plan. The Chair of your Committee noted that the Water Use and Development Plan had not been updated since 1990, although the State Water Code states that each county shall regularly update its Water Use and Development Plan to ensure consistency with land use policies.

The representatives of DWS provided a status report on the Water Use and Development Plan update process. They stated that staffing and funding shortages had delayed completion of the update.

Your Committee deferred consideration of the matter pending further discussion.

By correspondence dated March 7, 2005, the Chair of your Committee requested that Milton Pavao, Director of Water Supply, County of Hawaii, provide a status report on his agency's progress with a Water Use and Development Plan update.

By correspondence dated March 30, 2005, Milton Pavao, Director of Water Supply, County of Hawaii, provided a status report on his agency's progress with a Water Use and Development Plan update.

By correspondence dated May 24, 2005, the Chair of your Committee requested that the Mayor provide a report on negotiations for water-source development and water distribution.

At its meeting of June 1, 2005, your Committee met with the Director of Water Supply; the Planning Program Manager, Planning Division, Department of Water Supply; and a Deputy Corporation Counsel.

Your Committee received public testimony from one person who expressed concern that the County had not updated the Water Use and Development Plan since its enactment in 1990. Your Committee received public testimony from another person who provided a status report on the Water Use and Development Plan update.

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Your Committee engaged in a discussion with representatives of DWS and the Deputy Corporation Counsel, regarding the County's compliance with the State Water Code (Chapter 174C, Hawaii Revised Statutes) and various provisions of the Maui County Code, including Chapter 2.88A ("WATER USE AND DEVELOPMENT PLAN") and Chapter 2.90A ("REGULATION OF PERMITS AND WATER USE").

Your Committee deferred consideration of the matter pending further discussion.

At its meeting of June 15, 2005, your Committee met with the Director of Water Supply; the Planning Program Manager, Planning Division, Department of Water Supply; and two Deputy Corporation Counsel.

Your Committee received public testimony from two people who expressed concern about the County's compliance with the State Water Code (Chapter 174C, Hawaii Revised Statutes) in light of the absence of a Water Use and Development Plan update.

Your Committee deferred consideration of the matter pending further discussion.

By correspondence dated July 7, 2005, the Chair of your Committee requested that DWS present a summary of its long-term Capital Improvement Program (CIP) plans at your Committee's meeting scheduled for July 14, 2005.

By correspondence dated July 14, 2005, the Chair of your Committee transmitted a copy of Section 9-6, Revised Charter of the County of Maui (1983), as amended (Charter), relating to the County's capital program.

By correspondence dated July 14, 2005, the Chair of your Committee transmitted a *Maui News* article dated July 3, 2005, entitled "Water use down in Central Maui".

At its meeting of July 14, 2005, your Committee met with the Director of Public Works and Environmental Management; the Director of Water Supply; the Deputy Director of Water Supply; the Planning Program Manager, Planning Division, Department of Water Supply; and a Deputy Corporation Counsel.

Your Committee received public testimony from one person who discussed the relationship between the Water Use and Development Plan update and the General Plan update.

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The Chair of your Committee transmitted portions of the Fiscal Year 2005 and Fiscal Year 2006 budget ordinances relating to DWS capital projects.

The Planning Program Manager provided a computer-generated slide show entitled "CIP: DWS Source Projects Presented to County Council: July 14, 2005".

Your Committee deferred consideration of the matter pending further discussion.

By correspondence dated July 18, 2005, Councilmember Michael J. Molina submitted technical and procedural questions relating to the Water Use and Development Plan.

By correspondence dated August 10, 2005, the Chair of your Committee requested that the Director of Water Supply respond to questions posed by Councilmember Molina in correspondence dated July 18, 2005, and transmitted a copy of related correspondence dated January 12, 2004, from the Director of Water Supply to Ernest Y.W. Lau, Deputy Director, Commission on Water Resource Management, State Department of Land and Natural Resources.

At its meeting of August 17, 2005, your Committee met with the Director of Water Supply; the Planning Program Manager, Planning Division, Department of Water Supply; and a Deputy Corporation Counsel.

Your Committee received public testimony from two members of the public. One testifier provided general comments. The other testifier, the DWS consultant, provided an overview of the Water Use and Development Plan update process.

Your Committee deferred consideration of the matter pending further discussion.

At its meeting of August 31, 2005, your Committee deferred consideration of the matter without discussion.

At its meeting of September 14, 2005, your Committee met with the Director of Water Supply and a Deputy Corporation Counsel.

Your Committee received public testimony from two members of the public who expressed concerns about the process for updating the Water Use and Development Plan.

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Your Committee and the Director of Water Supply discussed possible means of increasing public participation in the Water Use and Development Plan update process.

Your Committee deferred consideration of the matter pending further discussion.

By correspondence dated September 19, 2005, the Council Chair transmitted correspondence dated September 9, 2005, from Butch Gima, Chair, Lanai Water Advisory Committee (LWAC), expressing concerns about the Water Use and Development Plan update process.

By correspondence dated October 12, 2005, the Chair of your Committee transmitted correspondence dated September 15, 2005, from Gregg Blue, on behalf of the Haiku Community Association Board of Directors, seeking information from the Director of Water Supply regarding the County's water plans.

By correspondence dated October 13, 2005, the Chair of your Committee requested that the Mayor provide a report on negotiations for water-source development and water distribution, and attached prior correspondence dated May 24, 2005.

By correspondence dated October 13, 2005, the Chair of your Committee transmitted a draft bill entitled "A BILL FOR AN ORDINANCE REQUIRING COUNCIL APPROVAL OF CONTRACTS TO DEVELOP WATER RESOURCES". The purpose of the draft bill is to require Council approval of contracts to develop water resources.

By correspondence dated October 13, 2005, the Chair of your Committee transmitted a copy of correspondence dated September 8, 2005, from the Director of Water Supply to Councilmember Dain P. Kane, transmitting a contract dated June 9, 2004, entitled "AGREEMENT CONCERNING WITHDRAWAL FROM THE IAO/WAIKAPU DITCH", executed by Wailuku Agribusiness Co., Inc., and the County of Maui.

By correspondence dated October 17, 2005, the Director of Water Supply transmitted a list of ongoing projects regarding source water development.

At its meeting of October 17, 2005, on Lanai, your Committee met with the Planning Program Manager, Water Resources and Planning Division, Department of Water Supply; the Planning Program Administrator, Long Range Division, Department of Planning; and a Deputy Corporation Counsel.

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Your Committee received public testimony from four people who raised concerns about the Lanai portion of the Water Use and Development Plan update.

The Planning Program Manager provided a report on the interaction between DWS and the LWAC, regarding the Lanai portion of the Water Use and Development Plan update.

Your Committee deferred consideration of the matter pending further discussion.

At its meeting of October 19, 2005, your Committee met with the Director of Water Supply and a Deputy Corporation Counsel.

Your Committee received public testimony from one person who expressed concerns about the Water Use and Development Plan update process.

Your Committee received a binder, entitled "WATER USE DEVELOPMENT & PROTECTION PLAN: LANAI", dated September 30, 2005, from the LWAC.

Your Committee discussed the Director of Water Supply's correspondence dated October 13, 2005, providing a report on negotiations for water-source development and water distribution.

Your Committee deferred consideration of the matter pending further discussion.

By correspondence dated October 24, 2005, the Chair of your Committee requested that the Director of Water Supply provide copies of consultant contracts referenced in attached correspondence dated January 12, 2004, from the Director of Water Supply to Ernest Y.W. Lau, Deputy Director, Commission on Water Resource Management, State Department of Land and Natural Resources.

By correspondence dated October 26, 2005, Butch Gima, Chair, LWAC, requested that the Council expand the authority of the LWAC.

By correspondence dated October 27, 2005, Gary M. Yokoyama, Corporate Counsel, Castle & Cooke Resorts, LLC, asked the Director of Water Supply if the Lanai Water Advisory is an "agency" under the Hawaii Administrative Procedures Act (Chapter 91, Hawaii Revised Statutes) or a "board" under the Sunshine Law (Chapter 92, Hawaii Revised Statutes).

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By correspondence dated October 28, 2005, the Chair of your Committee requested that the Department of the Corporation Counsel review the attached draft bill entitled "A BILL FOR AN ORDINANCE REQUIRING COUNCIL APPROVAL OF CONTRACTS TO DEVELOP WATER RESOURCES".

At its meeting of November 2, 2005, your Committee met with the Director of Water Supply; the Planning Program Manager, Planning Division, Department of Water Supply; and a Deputy Corporation Counsel.

There was no public testimony.

Your Committee reviewed the draft bill entitled "A BILL FOR AN ORDINANCE REQUIRING COUNCIL APPROVAL OF CONTRACTS TO DEVELOP WATER RESOURCES".

Your Committee deferred consideration of the matter pending further discussion.

By correspondence dated November 4, 2005, the Chair of your Committee advised the Mayor of her objection to the Director of Water Supply's request, in correspondence dated October 17, 2005, that discussions relating to negotiations for water-source development and water distribution be conducted in executive session; and transmitted correspondence dated October 4, 2005, from the Department of the Corporation Counsel, regarding a Sunshine Law training session.

By correspondence dated November 4, 2005, the Chair of your Committee advised the Director of Water Supply of her objection to his request, in correspondence dated October 17, 2005, that discussions relating to negotiations for water-source development and water distribution be conducted in executive session.

By correspondence dated November 17, 2005, the Mayor advised that he would not provide any information on negotiations for water-source development and water distribution because the Chair of your Committee had objected to discussing those negotiations in executive session.

By correspondence dated November 21, 2005, Gary M. Yokoyama, Vice President and Corporate Counsel, Castle & Cooke Resorts, LLC, advised the Director of Water Supply of alleged procedural errors in the Water Use and Development Plan update process.

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At its meeting of December 7, 2005, your Committee met with the Director of Water Supply; the Planning Program Manager, Planning Division, Department of Water Supply; and a Deputy Corporation Counsel.

Your Committee received public testimony from one member of the public who challenged the allegations in correspondence dated November 21, 2005, from Gary M. Yokoyama, Vice President and Corporate Counsel, Castle & Cooke Resorts, LLC.

Your Committee received the following:

1. A document entitled "COUNTY OF MAUI BOARD OF WATER SUPPLY: RESOLUTION NO. 05 (1999): ESTABLISHING THE LANAI WATER ADVISORY COMMITTEE", from the Planning Program Manager; and
2. A document, entitled "2005 PERIODIC WATER REPORT: PUMPAGE", from Ron McOmber.

Your Committee deferred consideration of the matter pending further discussion.

By correspondence dated December 14, 2005, the Chair of your Committee asked the Maui Planning Commission to resolve an apparent statistical discrepancy relating to Kupaa Well's capacity, and attached a document entitled "MAUI PLANNING DEPARTMENT'S REPORT TO THE MAUI PLANNING COMMISSION: September 27, 2005 MEETING".

At its meeting of December 14, 2005, your Committee deferred consideration of the matter without discussion.

By correspondence dated February 28, 2006, the Director of Water Supply responded to the technical and procedural questions raised by Councilmember Molina in correspondence dated July 18, 2005, submitted by the Chair of your Committee in correspondence dated August 10, 2005; and attached a document dated November 19, 2004, entitled "Maui County Water Use and Development Plan: Water Use and Demand: Preliminary Draft", prepared by DWS consultant Carl Freedman.

At its meeting of March 1, 2006, your Committee deferred consideration of the matter without discussion.

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By correspondence dated March 2, 2006, the Chair of your Committee transmitted correspondence dated February 22, 2006, from Gary M. Yokoyama, Vice President and Corporate Counsel, Castle & Cooke Resorts, LLC, objecting to a draft bill considered by the LWAC to establish LWAC as an official County board in the Maui County Code.

At its meeting of March 9, 2006, your Committee met with the Director of Water Supply, the Deputy Director of Water Supply, and a Deputy Corporation Counsel.

Your Committee received public testimony from one person who refuted the contentions of Gary M. Yokoyama, Vice President and Corporate Counsel, Castle & Cooke Resorts, LLC, in his correspondence dated February 22, 2006, regarding the draft bill considered by LWAC to establish LWAC as an official County board in the Maui County Code.

Your Committee deferred consideration of the matter pending further discussion.

At its meeting of March 15, 2006, your Committee deferred consideration of the matter without discussion.

By correspondence dated May 26, 2006, the Chair of your Committee requested that the DWS consultant provide a status report on the Water Use and Development Plan update.

By correspondence dated June 2, 2006, the Chair of your Committee requested that DWS provide a status report on all current and proposed projects to develop water sources.

At its meeting of June 7, 2006, your Committee met with the Director of Water Supply, the Deputy Director of Water Supply, and a Deputy Corporation Counsel.

Your Committee received public testimony from two persons who urged that strong conservation elements be included in the updated Water Use and Development Plan.

Your Committee deferred consideration of the matter pending further discussion.

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By correspondence dated June 21, 2006, the Chair of your Committee transmitted a revised draft bill entitled "A BILL FOR AN ORDINANCE REQUIRING COUNCIL APPROVAL OF WATER SOURCE DEVELOPMENT AGREEMENTS WITH PRIVATE ENTITIES TO DEVELOP WATER RESOURCES". The purpose of the revised draft bill is to require Council approval of water source development agreements with private entities.

At its meeting of June 21, 2006, your Committee met with the Director of Water Supply; the Planning Program Manager, Planning Division, Department of Water Supply; and a Deputy Corporation Counsel.

Your Committee received public testimony from one person who addressed technical and procedural issues relating to the Lanai portion of the Water Use and Development Plan update.

Your Committee received the following:

1. A copy of a letter to the Editor of *The Maui News* dated June 20, 2006, entitled "Lanai water issues studied by Land Use Commission", submitted by Ron McOmbler;
2. Ordinance No. 2408, effective April 27, 1995, pertaining to irrigation in Lanai Project District I (Manele), submitted by the Chair of your Committee; and
3. A document entitled "Central Maui System: Demand v Capacity", submitted by the Planning Program Manager.

The Planning Program Manager summarized the information contained in the document, entitled "Central Maui System: Demand v Capacity", and responded to your Committee's follow-up questions.

Your Committee deferred consideration of the matter pending further discussion.

At its meeting of July 5, 2006, your Committee met with the Director of Water Supply; the Planning Program Manager, Planning Division, Department of Water Supply; and a Deputy Corporation Counsel.

There was no public testimony.

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Your Committee voted to convene an executive meeting for the purpose of consulting with legal counsel on liability issues in the matter, pursuant to Section 92-5(a)(4), Hawaii Revised Statutes (HRS); to deliberate concerning the authority of persons designated to negotiate the acquisition of public property, pursuant to Section 92-5(a)(3), HRS; and to deliberate upon a matter that requires the consideration of information that must be kept confidential pursuant to a State or Federal law, or a court order, pursuant to Section 92-5(a)(8), HRS.

At its executive meeting, your Committee met with the Director of Water Supply; the Planning Program Manager, Planning Division, Department of Water Supply; and a Deputy Corporation Counsel.

Following the executive meeting, your Committee reconvened in regular session.

Your Committee deferred consideration of the matter pending further discussion.

By correspondence dated July 7, 2006, the Chair of your Committee transmitted an *Environment Hawaii* article, dated June 2005, entitled "Municipal Water Use Takes Back Seat To Public Trust, in View of Legal Expert".

At its meeting of July 19, 2006, your Committee met with the Director of Water Supply and a Deputy Corporation Counsel.

Your Committee received public testimony from one person in support of the revised draft bill entitled "A BILL FOR AN ORDINANCE REQUIRING COUNCIL APPROVAL OF WATER SOURCE DEVELOPMENT AGREEMENTS WITH PRIVATE ENTITIES TO DEVELOP WATER RESOURCES".

Your Committee reviewed the revised draft bill and noted that the purpose of the revised draft bill is to require Council approval of water source development agreements with private entities to develop water resources.

The Deputy Corporation Counsel raised concerns about whether the Council may enact an ordinance to require Council approval of water source development agreements with private entities to develop water resources.

Your Committee deferred consideration of the matter pending further discussion.

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By correspondence dated July 31, 2006, your Committee's Legislative Attorney informed the Chair of your Committee that legal research had failed to reveal a prohibition against the Council enacting an ordinance to require Council approval of water source development agreements with private entities to develop water resources.

At its meeting of August 2, 2006, your Committee met with the Director of Water Supply and a Deputy Corporation Counsel.

The Chair of your Committee transmitted copies of Chapter 2.88A, Maui County Code, "WATER USE AND DEVELOPMENT PLAN"; and Chapter 11 of the Charter, "DEPARTMENT OF WATER SUPPLY".

With the assistance of the Deputy Corporation Counsel, your Committee continued its review of the revised draft bill entitled "A BILL FOR AN ORDINANCE REQUIRING COUNCIL APPROVAL OF WATER SOURCE DEVELOPMENT AGREEMENTS WITH PRIVATE ENTITIES TO DEVELOP WATER RESOURCES".

By correspondence dated August 15, 2006, the Chair of your Committee advised the Department of the Corporation Counsel that she intended to conduct your Committee's meeting of August 16, 2006 entirely in open session in the absence of "compelling rationale" for an executive meeting.

At its meeting of August 16, 2006, your Committee met with the Director of Water Supply and a Deputy Corporation Counsel.

There was no public testimony.

The Chair of your Committee submitted a proposed revision to the revised draft bill, entitled "A BILL FOR AN ORDINANCE REQUIRING COUNCIL APPROVAL OF WATER SOURCE DEVELOPMENT AGREEMENTS WITH PRIVATE ENTITIES TO DEVELOP WATER RESOURCES", to add a definition for "water source development agreement with a private entity to develop water resources".

Your Committee deferred consideration of the matter pending further discussion.

At its meeting of August 30, 2006, your Committee met with the Director of Finance; the Director of Water Supply; the Planning Program Manager, Planning Division, Department of Water Supply; and a Deputy Corporation Counsel.

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Your Committee received public testimony from two people in support of the revised draft bill.

With the assistance of the Deputy Corporation Counsel, your Committee continued its review of the revised draft bill.

Your Committee deferred consideration of the matter pending further discussion.

By correspondence dated September 1, 2006, your Committee requested that the Department of the Corporation Counsel approve as to form and legality the revised draft bill entitled "A BILL FOR AN ORDINANCE REQUIRING COUNCIL APPROVAL OF WATER SOURCE DEVELOPMENT AGREEMENTS WITH PRIVATE ENTITIES TO DEVELOP WATER RESOURCES".

By correspondence dated September 6, 2006, the Department of the Corporation Counsel transmitted a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 14.03, MAUI COUNTY CODE, REQUIRING COUNCIL APPROVAL OF WATER SOURCE DEVELOPMENT AGREEMENTS WITH PRIVATE ENTITIES". The purpose of the proposed bill is to require Council approval of water source development agreements with private entities, except for County contracts that are subject to the Hawaii Public Procurement Code (Chapter 103D, Hawaii Revised Statutes).

At its meeting of September 13, 2006, your Committee met with the Director of Water Supply; the Planning Program Manager, Planning Division, Department of Water Supply; and a Deputy Corporation Counsel.

Your Committee received public testimony from one person in support of the proposed bill.

The Deputy Corporation Counsel summarized the proposed bill.

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Your Committee noted that the authority granted to the Council under the proposed bill was consistent with the Council's policy-making and budgetary role prescribed by the Charter. Your Committee further noted that the proposed bill would appropriately provide the legislative branch with oversight of the executive branch's activities with respect to the commitment of public resources. In addition, your Committee noted that the legislative oversight that would be provided by enactment of the proposed bill is justified, in part, by the absence of amendments to the Water Use and Development Plan since its adoption in 1990.

Your Committee voted to recommend passage of the proposed bill.

Your Water Resources Committee **RECOMMENDS** that Bill No. _____ (2006), attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 14.03, MAUI COUNTY CODE, REQUIRING COUNCIL APPROVAL OF WATER SOURCE DEVELOPMENT AGREEMENTS WITH PRIVATE ENTITIES", be **PASSED ON FIRST READING** and be **ORDERED TO PRINT**.

Adoption of this report is respectfully requested.

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MICHELLE ANDERSON **Chair**

DAIN P. KANE **Member**

CHARMAINE TAVARES **Vice-Chair**

MICHAEL J. MOLINA **Member**

ROBERT CARROLL **Member**

JOSEPH PONTANILLA **Member**

JO ANNE JOHNSON **Member**