Hydrologic Units:
Waikamoi (6047)
Puohokamo (6048)
Haipuaena (6049)
Punalau (6050)
Honomanu (6051)
Nuaailua (6052)
Ohia (6054)
West Wailuaiki (6057)
East Wailuaiki (6058)
Kopiliula (6059)
Waiohue (6060)
Paakea (6061)
Waiaaka (6062)
Kapaula (6063)
Hanawi (6064)
Makapipi (6065)

Island of Maui

December 2009
PR-2009-19

State of Hawaii
Department of Land and Natural Resources
Commission on Water Resource Management
INTRODUCTION

This document is a compilation of all testimony submitted to the Commission on Water Resource Management (Commission) related to the preparation of the Instream Flow Standard Assessment Reports (IFSAR) for the Hydrologic Units of Waikamoi (6047), Puohokamoa (6048), Haipuaena (6049), Punalau (6050), Honomanu (6051), Nuaailua (6052), Ohia (6054), West Waiulaiki (6057), East Waiulaiki (6058), Kopiliula (6059), Waiohue (6060), Paakea (6061), Waiaaka (6062), Kapaula (6063), Hanawi (6064), and Makapipi (6065), Island of Maui.

This compilation represents the comments and testimony received by the Commission from October 31, 2009 to December 15, 2009. This is the timeframe between the close of the IFSAR public review period and the date of the Commission meeting where recommendations on the subject hydrologic units would be presented. Information received during the public review period can be found in the Compilation of Public Review Comments, PR-2009-18.

All comments have been separated into individual sections according to the submitting organization or individual, and the date of submission. Page numbers have also been applied to each original page. Comments were subsequently reduced to 2-per-page to save space and paper. Please contact the Commission to request full-size copies of any documents. Copying charges may apply.
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October 8, 2009

Ms. Laura Thielen, Chair
Members of the Commission on
Water Resource Management
P.O. Box 621
Honolulu, HI 96809

Subject: Commission on Water Resource Management (CWRM) Interim Instream Flow Standards

Dear Ms. Thielen:

I am writing in support of action by the CWRM that reflects a common sense approach to instream flow standards in Hawaii, specifically the island of Maui. In listening to the various opinions regarding the Na Wai Ela issue here on Maui and considering the impact any significant change in stream flows could have on our fragile economy I urge you and other members of the CWRM to do the following:

1. Consider as a priority the economy of Maui and not impact local business by unfairly allocating stream flows such that our economy is damaged.

2. Consider an allocation of stream flows based upon environmental significance and economic need. For example and as a priority where clearly there is an economic driver to allow for diversion (agriculture, existing communities and jobs) allow that diversion to continue and where enhanced stream flows would improve an already established environmentally significant area allow a reasonable allocation to occur so that environment can sustain itself.

I thank you for your time and wish you success in your and the CWRM's deliberations on this important matter. I only ask that you please consider the economic implications of your actions and not further constrain the economy's ability to be flexible in light of our current infrastructure shortfalls.

Ms. Thielen, should you have any questions regarding this letter please feel free to contact me in my office at 879-5205 or via email at charlie@pacificrimland.com.

Sincerely,

Charles G. Jencks
MAUI NEWS   Wednesday, November 4, 2009
http://www.mauinews.com/page/content/detail/id/525435.html?nav=10

PINEAPPLE PAU
Maui Pine to shut down by end of year

By HARRY EAGAR, Staff Writer

KAHULUI - Maui Pineapple Co. will shut down by the end of this year, Maui Land & Pineapple Co. announced Tuesday.

Several operations at Kapalua Resort will be transferred to other operators, including Outrigger Hotels & Resorts, which will manage the 206-unit Kapalua Villas.

In all, about 285 employees will be laid off. Another 133 will be offered employment at ML&P partner companies.

ML&P board Chairman Warren Haruki said Maui Pine has lost $115 million since 2002.

"Unfortunately, despite our exhaustive efforts to revitalize the pineapple business over the last few years and efforts to keep agriculture jobs on Maui, market conditions have not improved and pineapple operations at MPC are not financially sustainable," he said.

Of the lost jobs, 193 belong to ILWU Local 142 members, the last survivors of rounds of layoffs, pay cuts, concessions and closings. Almost all are veterans. Willie Kennison, ILWU Maui Division director, said: "It was coming, but we had hope. We were grasping at straws, hoping for the best."

ML&P Vice President Ryan Churchill said the company had made a last-ditch effort to preserve pine on Maui by negotiating with some former Maui Pine executives and employees who were trying to form a spinoff company. It would have taken over some of the operations and kept growing pineapple.

Kennison said the union was prepared to make some concessions to the new company to help it get on its feet.

Maui Pine was prepared to put in some capital, said Chief Financial Officer John Durkin, but members of the group couldn’t find the necessary start-up capital, even though they looked literally to the ends of the earth. Going forward with an undercapitalized business would only have been a setup for failure.

Durkin said Maui Gold pine is profitable on Maui and the Neighbor Islands, but not really so on Oahu, where it competes with Dole, the surviving pineapple plantation in the islands. But every fruit sold on the Mainland lost money. Prices there are just too low, he said.
ML&P's Kapalua Resort also has lost tens of money, but it is considered to have better prospects than pineapple. The company reported losing $11.4 million on resort operations for the first nine months of this year, and it reported last week that it lost all the money originally invested in the Kapalua Bay Holdings venture.

But, with the completion of the Kapalua Spa and the Residences at Kapalua, the resort is in its best condition in five years, Durkin said.

Kapalua Land Co. "will make strategic changes to its business model," the company's news release said. Instead of managing almost everything itself, it "will partner with 'best in class' operators in their respective fields who can manage select assets of the resort more effectively."

Although the deal has not been formally announced, Outrigger will manage the Villas. The Villas have individual owners but have been managed through the resort, which had encouraged many to upgrade their condominiums to its "gold standard" over the past few years.

Durkin said he has met with almost all the owners during the past two weeks, and they were generally enthusiastic about having Outrigger to find more tenants for them.

Outrigger Executive Vice President Barry Wallace said that deal has not been sealed, although the companies are in a due diligence period.

"We are very interested in being a part of the resort," he said.

An unnamed company will lease the new Kapalua Adventures. Its zipline ride down the West Maui Mountains has proven to be a popular attraction. Other operators will be found for resort shuttle services, resort security and the Kapalua Resort Association.

ML&P also will seek an operator for its Kapalua Farms organic operation that supplies fresh produce to the resort and also to local markets.

That leaves Kapalua Resort to operate two golf courses, four restaurants, its new spa and the retail outlets such as logo shops and Honolua Store. It also has water and wastewater treatment companies.

Kapalua Land also has valuable authorizations to develop land, including Kapalua Mauka, a large resort residential development; and commercial and residential property within the central part of the resort.

Churchill and Durkin said those developments will have to wait for market conditions to improve before anything happens. In the future, ML&P also will most likely look for joint venture partners to help finance real estate developments.

The Pulelehua new town for employee housing is also still part of the company's future, although that West Maui project does not yet have all its authorizations.

ML&P will look for other uses for its agricultural land. About 2,500 acres are still planted in pine. The land will be converted, as much as possible, to other crops or ranching, which would bring the Honolua lands full circle. Businesses ancestral to ML&P ranched in West Maui before pineapple started in the 1920s.

Churchill said the company does not intend to sell off more large tracts of agricultural land, as happened at Pioneer Mill and Wailuku Sugar when those plantations shut down. It is unwinding its leases to and from Hawaiian Commercial & Sugar Co. Those two businesses leased from each other in East Maui, so that it is not always the case that a pine field is owned by ML&P or a sugar field is owned by HC&S.

Churchill said the company expects to keep up its water rights in West Maui, since the land will still be used for agriculture.

Although the new management put in place by principal shareholder Steve Case claims it did its best to preserve pine, not everyone accepts that.

Harold Gouveia, who worked for Maui Pine for 36 years, said Tuesday: "I seen it coming for four years, since David Cole guys came in."

Cole, a former associate of Case's in tech businesses, was chief executive of Maui Pine in its final years. He was replaced as president and chief executive officer by Robert Webber at the beginning of this year, but Webber resigned about six months later. Haruki became chairman of the board after Cole's departure and was named interim chief executive officer when Webber left the company in May.

Pine had been profitable in the 1980s but started losing big money as foreign canners undercut prices. Cole said that, when he took over after Case started buying into the company, ML&P was "broken" in all three of its segments: farming, resort and development. He initiated a sweeping redirection that included rebuilding the Kahului cannery.

The company also sold off what it called "non-core" lands, and Cole and Churchill were among the buyers. The transactions were reported to be at market prices, with independent appraisals, but the land sales did not sit well with many old-timers.

One was Gouveia, whose grandfather worked for Maui Pine and whose father worked there for 45 years. "He (Cole) bought the property he lives on from Maui Pine and made a luxury home on it," Gouveia said. "I asked him four years ago at one of the meetings, how he could sell our assets. He said it was no good for farming."

Gouveia didn't buy that. The land had been in pine. "How can you tell us the land is no good? I told him, you are the first guy to buy something that is no good," he said.

Gouveia's own children did not aspire to keep on at the plantation, except that they worked in the fields during the summer, as he had. But they went to college and became nurses, teachers and businessmen.

"My dad was in management, and I was rank and file," Gouveia said, but they considered they were both ohana. His father often told him: "We get everything we have because of Maui Land and Pine."

Mary Cameron Sanford, who was replaced as chairwoman of ML&P when Case took control, described the company as an ohana.

Gouveia said the same: "Mrs. (J. Walter) Cameron (wife of the man who put various assets into their modern form of ML&P along with his son Colin in the '60s), she would come down and give us cookies and soda" when he and his friends were riding their bicycles as kids.

"That was a big thing," Gouveia said. "They took care of family. The Camerons really did a fine thing for the community."
The end of the pineapple business “really hurt,” he said. “The new crowd took everything. They take advantage. They’re not for the community.”

Doug MacCluer, who worked for Maui Pine for 39 years, retiring as chief agronomist, said: “It didn’t have to be that way.”

He was among the group of farmer managers who tried to put together the spinoff business that would have kept farming pine.

MacCluer said Cole and Haruki might have a different opinion, but in his view, pine could have been saved.

“Decisions were not being made by ag people,” he said. “If you are going to be a farmer, you damn well have to be a good farmer.”

She said she felt the board in particular had been making decisions for years that were “self-serving” and not in the best interest of the company or the island.

He faulted the decision to invest millions in a new cannery and fresh pack facility in Kahului “when Haliimaile ran just as fast and produced as high quality of product.”

Cole does have a different opinion. ML&P “was in a weak position,” he said, and he, as president, and the board tried what they could to turn the company around, both through cost controls and new technologies. He said ML&P “hired the best” people it could in marketing and farming.

There were “several forks in the road” during his tenure that, looking back, he can see might have had different results, Cole said.

At one point, he said, there was the possibility of selling the Maui Gold brand. He turned it down because it would not have preserved jobs on Maui.

He said he was “heartbroken” by Tuesday’s news.

As was Mary Sanford, who, with members of her family, agreed to sell their big stake in the company to Case, then regarded as a white knight riding in to save a company that had suffered losses in pine and was also experiencing problems at the resort.

At that time, ML&P was also in the commercial real estate business, owning the Queen Ka‘ahumanu Center and Napili Plaza.

Those were among assets sold off, which at times allowed ML&P to show profits in recent years.

The company’s ownership structure was unusual for a publicly traded corporation. About two-fifths of the shares were held by the Cameron family or close associates, and a slightly smaller amount was held by the Weinberg charitable trusts. Only a small amount was available to trade.

By gradually buying out the Camerons, Case took control of the board, although he is not a majority owner. He replaced - in Sanford’s view, fired - her and her daughter, Claire, nominating his own people and selecting Cole as turnaround manager.

Claire Sanford, a niece of former company chief executive Colin Cameron, placed blame for the failure of pineapple squarely on the shoulders of ML&P’s board and executives.

“I’m just appalled and disgusted,” she said. “I really feel the board and the leadership at Maui Pine should be ashamed of themselves.”

She said she felt the board in particular had been making decisions for years that were “self-serving” and not in the best interest of the company or the island.

As an example, she pointed to the company’s decision to invest more than $17 million in a high-tech produce processing plant that ended up being abandoned, calling it a “pointless money pit.”

“To have spent so much money without the vision to see how they could really pull pineapple up was, I think, very irresponsible,” she said.

She said she also felt the company sank too much money into “grandiose” plans to replace the Kapalua Bay Hotel with the Residences at Kapalua, leaving it unable to save its agricultural operations.

“Historically, I see such a sad ending to what was such a great company,” said Claire Sanford, whose missionary ancestors’ land holdings served as the foundation of the business more than 100 years ago.

She said pineapple meant more than jobs to Maui - providing a lot of the “identity” of the island.

Claire Sanford, an outspoken critic of Cole, spoke bitterly of his promises to save pineapple when he took over as a favorite of Case.

“I can understand that the scale that it used to be was not sustainable, but David Cole was so confident in his ability to do something - or at least that’s how he sold it to us,” she said.

Under Cole’s leadership, the company reduced its pineapple operation from 6,740 acres to about 2,000 acres. It also sold 4,000 acres to raise cash, most of the land former Upcountry pineapple fields.

Last year, Cole said the cuts were necessary to try to reduce costs and save pineapple, on a smaller scale.

Claire Sanford said her family instilled in her a sense of “stewardship of the land,” and a responsibility to care for it and use it in a way that would benefit the people of Maui, mostly through jobs.

“T’im just feeling really sad, and just hoping the people on the board feel the amount of shame that they should feel,” she said.

The latest changes in the company’s direction were taken at a board meeting Monday. When the company announced big losses in its third quarter last week, the future of pine was said to be under review.

Durkin said although it will have lower revenues under the restructuring, it will still qualify and remain on the New York Stock Exchange.

The stock closed Tuesday up 27 cents to $6.52 on a small turnover of 32,000 shares. It had been at $16 a year ago. At today’s price, the company is valued at $50 million.

Kennison said the loss of Maui Pineapple Co. was the toughest of all the blows to have hit the Maui Division of the International Longshore and Warehouse Union in recent years. Many of the union’s members are laid off or on shorter hours at hotels, and the Maui Pine bargaining unit had been reduced by hundreds.
Two years ago, when the company made 10 percent pay cuts, the union negotiated a deal in which, if its members were laid off, they would get severance based on pre-cut levels.

Durkin said workers will be paid through the end of the year. Under the federal Worker Adjustment and Retraining Notification Act and the Hawaii Dislocated Workers Act, the company is obligated to give 60 days’ notice.

“We are hopeful that many employees in the affected resort divisions will be hired by the new management companies and owners,” Haruki said. “We express our deep respect and profound appreciation to our employees for their many contributions to the company over the years.”

Kennison said that when he and union agents met with employees at Haliimaile and then later in Kahului on Tuesday: “You could see, there hardly was a dry eye. They were just hoping for the best but they kind of knew it was coming.”

* Harry Eagar can be reached at heagar@mauinews.com. Staff Writer Ilima Loomis contributed to this story.
Dear Chair Thielen and Members of the Commission:

HC&S plays an important role in creating job opportunities to this community. Not only does it directly provide 800 well-paying jobs for Maui residents, HC&S also plays an unduplicated role in broader work force development on Maui with its Apprenticeship Training Program. Initiated in 1962 in partnership with the union, the apprenticeship program today is offered to nearly 220 HC&S employees, providing skills training to enable them to be certified carpenters, electricians, mechanics, plumbers, machinists, welders, sheetmetal workers, power plant operators, and other trade professions. HC&S fully funds the program, including wages, benefits and books at a cost of over $175,000 per employee. The employee in turn invests approximately 7600 hours over 4 years. Many HC&S apprentices have gone on to work for the County of Maui, MECO, the State DOT, various Maui hotels and construction companies. Equally as many have risen to higher level jobs within HC&S.

HC&S is an essential part of technical skills training for Maui businesses. While Maui Community College and the Carpenter’s Trades Program also provide excellent skills training, they are narrower in scope of career choices than the HC&S program. It is extremely important to the economic infrastructure of this island that HC&S remain viable. The Hawaii Department of Labor unequivocally states that there is no comparable program in Hawaii. There will be many unintended consequences, with broader impact on this community, should HC&S close its doors.

Michael Jensen
P.O. Box 72
Kula, Hawaii 96790

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November 5, 2009

Commission on Water Resource Management
Department of Land and Natural Resources
Box 621
Honolulu, HI 96809

Re: Instream Flow Standard Assessment Reports

Chair Thielen and Members of the Commission:

My name is Julie A. Watts, District Manager at Ecolab Inc. I am very concerned about the impacts of upcoming East Maui IIFS decisions on HC&S and agriculture as a whole in Maui.

Our company provides water and process treatments to the plant. They are our largest customer in the state and critical to our operations.

If HC&S’s viability is reduced it will inevitably lead to reduction in personnel and support staff for our organization. That will lead further to relocation of some staff to mainland locations. We maintain warehousing, local offices and personnel to support our customers. We would no longer be able to maintain such operations/services. This would also damage an already delicate island/state economy. I have worked in the sugar industry for years and have seen many plants shut down. What has been left behind is all too often a complete degradation of the community. For business reasons and love of this island I hope we can prevent any such occurrences.

I respectfully request that you consider the impacts on businesses such as Ecolab Inc., in your evaluations. We are all part of the Maui Community and would appreciate your understanding of the impacts on all of us in your final determination.

Thank you.

JULIE A. WATTS
District Manager
Ecolab Water Care Services

ECOLAB
1826 Wili Pa Loop Suite #9
Wailuku, HI 96793

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4.0-3
November 4, 2009

Commission on Water Resource Management
Department of Land and Natural Resources
Box 621
Honolulu, Hawaii 96809

Re: Interim In-stream Flow Standard

Dear Chair Thielen and Members of the Commission:

I would first like to acknowledge your efforts to reconcile a range of disparate economic, environmental, Hawaiian cultural and agricultural values related to the allocation of water for stream flows, water resources for agriculture, residents and farmers of Maui.

Over the past months, many in our Maui community have been following the developments related to these prospective water allocation decisions. Reading that the future of agriculture in the central plains and the well-being of 800 HC&S workers and upcountry Kula farmers may be jeopardized is alarming. As Maui already confronts the challenge of maintaining and developing a limited number of economic sectors, placing more and a major number of workers at risk through any contemplated reduction of water resources would aggravate an already precarious unemployment and economic condition. As you may possibly know, UH Maui Community College experienced its highest enrollment increase in recent decades this past Fall. The student numbers grew by 25 percent due, to a significant extent, to the job losses and economic downturn occurring in our community and state.

While the cultural value and environmental importance of water distribution should not be diminished, the impact on our neighbors and residents in the numbers that would be affected should also be considered. If there were a clear solution to identifying the water sources to continue retaining employment for 800 HC&S employees and address Hawaiian cultural values and needs, this would be the obvious course. Without an apparent path to a clear solution, a phased approach might be explored to begin restoring flows to streams while keeping HC&S and the 800 employees as well as other farmers in place. This might provide additional time to design a solution where all facets and interests of this issue could be balanced and addressed.

The decisions that are made will not only affect Maui's Hawaiian cultural context, agriculture industry but could potentially, dramatically and negatively transform the economic well-being for...
workers in agriculture and eventually visitors and that industry if the current agricultural acreages were not supported. I have not examined all of the data nor claim to have the answers, I am just encouraging the Commission to consider all the implications of its decision. By incrementally balancing its allocations, positive movement towards addressing authentic Hawaiian cultural needs may be possible without permanently undermining the fundamental economics of an already beleaguered agricultural community. At the end of a comprehensive and long-term analysis, it may be determined that Maui and our oceans may have enough water to serve all of our needs without negatively and permanently compromising the Maui’s cultural, agricultural, visitor, and community sustainability.

Thank you for your dedication and commitment to balancing these important social, cultural, environmental, and economic values in behalf of a future for all of Maui. Your decision will affect the range of opportunities available to our students and graduates. Mahalo for your thoughtful consideration.

Sincerely,

[Signature]

Clyde M. Sakamoto
Chancellor
UH Maui Community College
October 30, 2009

Ken Kawahara
Commission on Water Resource Management
P.O. Box 621
Honolulu, Hawai‘i 96809

RE: Request for comments on the proposed (DEA) (CDUA) (SCAP) Kaua‘i, Hawai‘i. O‘ahu. TMK: 4-5-001:006.

Aloha e Ken Kawahara,

The Office of Hawaiian Affairs (OHA) is in receipt of the above-mentioned letter dated July 20, 2009. OHA has reviewed the project and offers the following comments.

OHA recognizes that there is a need to move away from the now somewhat arbitrary instream flow standards (IFS) set in 1988 and towards measurable standards based on best available information. OHA understands that the Instream Flow Standard Assessment Reports (IFSAR) are a compilation of the hydrology, instream uses, and noninstream uses related to a specific stream and its respective surface water hydrologic unit. As such we respect that this is inherently a complex undertaking; however, we urge that Native Hawaiian rights relating to water be given their proper weight in this report.

We do agree that there are complex components that must be considered when setting the IFS and we acknowledge that the Commission has the distinct responsibility of weighing competing uses for a limited resource in a legal realm that is continuing to evolve. In these reports the Commission has been very clear that they will incorporate a wide range of information, including hydrology, instream uses, noninstream uses, and the economic impact of restricting uses into these IFS assessments.

OHA takes this opportunity to respectfully remind the Commission that they have an affirmative duty under both the Hawai‘i Constitution and the State Water Code "to protect and
pronounce in-stream public trust uses.7 Protected public trust purposes include: mainenance of waters in their natural state or resource protection, with its numerous derivative public uses, benefits, and values; domestic use, particularly drinking water; and the exercise of Native Hawaiian and traditional and customary rights, including appurtenant rights and reservations of water by the Department of Hawaiian Home Lands.8

OHA points out that under the public trust, the continuing authority of the state over its water resources precludes any grant or assertion of vested rights to use water to the detriment of public trust purposes.9 As such, while the Commission may consider the wide spectrum of information that is cited to in these reports when setting these IFS, OHA highlights that this does not address the fact that there is a presumptive hierarchy of rights that must be recognized in these IPSAR. OHA does not wish for the Commission to lose focus on these primary colored rights in the IFS spectrum that your agency is using.

Further, the foundational public trust doctrine that guides the Commission and that is embedded in the Water Code itself includes "Native Hawaiian and traditional and customary rights" as public trust purposes.5 Additionally, the Hawai‘i Constitution, article XII, section 7 "places an affirmative duty on the State and its agencies to preserve and protect traditional and customary native Hawaiian rights, and confers upon the State and its agencies the power to protect these rights and to prevent any interference with the exercise of these rights." Also, the very State Water Code itself requires that: "adequate provision shall be made for the protection of traditional and customary Hawaiian rights."10

Therefore, OHA also urges that the water rights of appurtenant kuleana and taro lands must not be abridged or denied nor shall the reserves of water set aside for Hawaiian Home Lands be diminished including in combination with other proposed projects in the area. Naturally, diverters must show that they are doing no harm to downstream users. However, they must also, at a minimum, return sufficient water to the streams to ensure that the public trust purposes are protected, including restoration of habitat for fauna and flora as well as cultural practices.

Ken Kawahara
October 30, 2009
Page 2

OHA also seeks to ensure that this process does not create additional burdens for injured parties. We do not wish to see an "impossible burden" created for or shifted to our beneficiaries. For example, asking applicants with unproven appurtenant rights to provide a certificate of search, title report or a chain of title for their parcel without facilitating this process would create a difficult and prohibitive bar for those individuals.

Further, asking injured parties to monitor and provide data to the Commission to demonstrate harm would also impermissibly shift a burden. The Court has made clear that water diverters and the Commission bear the "burden of establishing that the proposed use will not interfere with any public trust purposes."13 (emphasis added) The burden on the diverters and Commission includes an obligation "to demonstrate affirmatively that the [diversion] would not affect [trust purposes]; in other words, the absence of evidence that the proposed use would affect [trust purposes] was insufficient to meet the burden imposed . . . by the public trust doctrine, the Hawai‘i Constitution, and the Code.14

Of additional import is the necessity for the Commission to accompany funding, staff and equipment to any IIF decision. Any determination will require monitoring and enforcement to initiate and continue the implementation of these standards. Without additional resources dedicated towards these determinations, these IFS will be rendered impotent.

Thank you for the opportunity to comment. If you have further questions, please contact Grant Arnold by phone at (808) 594-0263 or e-mail him at granta@oha.org.

‘O wau iho nō me ka ‘ōia‘i‘o,

Clyde W. Nānā‘ō
Administrator
C: OHA Maui CRC

1 In re Waialae Etch Combined Contested Case Hearing (Waialoe I), 94 Haw. at 141-43, 146, 153, 9 P.3d at 453-55, 458, 465.
3 Waialoe I, 94 Haw. at 141, 9 P.3d at 453.
4 Waialoe I, 94 Haw. at 137, 9 P.3d at 449.
6 See, Hawaii Revised Statutes (HRS) section 174C-2.
7 See, HRS section 174C-101.
8 In re Wai‘ola o Moloka‘i, Inc., 103 Haw. 401, 429, 83 P.3d 664, 705 (2004) (emphasis added); see also Waialoe I, 94 Haw. at 143, 9 P.3d at 455 (quoting Robinson v. Aronsten, 65 Haw. 641, 649 n.8, 658 P.2d 287, 295 n.8 (1982) ("The burden of demonstrating that any transfer of water was not injurious to the rights of others rested wholly upon those seeking the transfer."); see also Reppan, 65 Haw. at 554, 656 P.2d at 72 (the "continuing use of the waters of the stream by the wrongful diversion should be contingent upon a demonstration that such use will not harm the established rights of others")
9 Id.
Dear Water Commission,

I am a farmer in Upcountry Maui and have been for over 40 years. I have grown many crops commercially, including livestock, poultry, Christmas trees, tree crops, pineapple and a nursery. In order to survive in Agriculture one must change their crops to meet the market demand and the pests at hand.

I am concerned, with the possible ruling on the stream in East Maui that now supply much of our irrigation water. While Hawaiian Homes has unlimited use of the water from East Maui Streams and we continue to have more growth Up Country, when we hit a drought, all of us will suffer, while we let water go running into the Ocean.

We have a new State sponsored ag water line that has been put in for years over good farm land and yet the County says there is no water to put in it. So we have spent millions of dollars for this new pipe and not one ag meter is on it.

I think the State of Hawaii has been negligent in their handling of Maui’s water and that to let water run down into the Ocean with out addressing the storage and infrastructure problems first is poho and a crime to the people in Agriculture. We can never feed our people with any sustainability if we don’t have a reliable supply of water for our crops and livestock.

Sincerely,
Doug MacCluer
360 Hoopalu Dr, Pukalani, 96768
To The Commission of Water Resource Management,

I've been farming in Kula Maui for the past 35 years. We grow head cabbage year-round and romaine, onions and bell peppers seasonally, on 20 acres which we own. Kula is a very dry part of Maui, which makes it good for vegetable farming. But we need the water from East Maui to continue our operation. It is vital for us in continuing our family farming.

We employ 2 full-time workers in addition to myself, and my family help. Our water bill ranges $911.00 (during rainy season) - $2,140.00 every 2 months this year. We gross on the average of $25,000/month on vegetable sales.

We support our local businesses and market our produce through our coop - Maui Cooperative Farmers Exchange.

I'm asking you to allow continued use of stream water for our homes and farms. We need a continuous supply of water to be successful in farming.

Sincerely Yours,

Robert M. Ito
Wow, what a pathetically weak-willed direction concerning the HC&S water diversions. I see one of the state water commissioners is a former sugar worker. How many other commissioners are influenced by the long arm of sugar? HC&S is absolutely uncompromising in every manner of their manufacturing process. And now they are rewarded for being a filthy, uncompromising, unprofitable industry? Too big to fail? Fact is, it isn’t that ‘big’, and if our government officials started acting seriously in the interest of self-sufficiency, sustainability, and agricultural diversity, the 800 workers would be kept plenty busy.

I am seriously unimpressed by the continued short-sightedness of DLNR, HC&S and, now, the state water commission. This is a serious slap in the face to the efforts of residents who actually care about the environmental health of the island and don’t fall prey to insidious politics. What a joke.
Date

Ms. Laura Thielen, Chair
Members of the Commission on Water Resource Management
P. O. Box 621
Honolulu, HI 96813

Dear Chair Thielen and Members:

We understand that the Commission on Water Resource Management will be holding a hearing and making a decision on Interim Instream Flow Standards for the remaining East Maui streams. It is our hope that the Commission will make a decision that will provide water for the needs of all Hawaiians who benefit from the stream water including those who live next to the streams and those that depend on water being diverted from the streams.

Our Association is part of the Department of Hawaiian Home Lands Kula project. Residential and farm lots have been created for the beneficiaries. Approximately 200 lots have been built on with many more to go. We hope there will be water to allow these homes to be built and for the existing homes and farms to continue their existence.

Thank you for the opportunity to express our concern.

Sincerely,

Barbara J. L. Purdy

Resident of Waihuli Hawaiian Homesteaders Assoc.
Former 2007-2009 Board of Directors
December 11, 2009

Ms. Laura Thielen, Chair
Members of the Commission on Water Resource Management
P. O. Box 621
Honolulu, HI 96813

Dear Chair Thielen and Members:

It is my understanding that the Commission on Water Resource Management will be holding a hearing and making a decision on Interim Instream Flow Standards for the remaining East Maui streams. The continued availability of water is critical not only to the current users, such as nonprofit agencies such as ours, but to our overall community.

The J. Walter Cameron Center and its 20 resident nonprofit agencies serve over 30,000 people a year through the agencies programs and supporting other nonprofit and community groups by providing meeting facilities. If HC&S and some up-country farms cease to exist, many of their employees and family members will need the support of nonprofit agencies. This may lead to several challenging issues. First and foremost, agencies will be hard pressed to provide additional services as the bad economy has already increased the demand on agency services. Second, funding is difficult to come by due to the economic pressures on the community and having a strong non-profit supporter such as HC&S gone will make maintaining programs difficult. Third, reduction in water availability could also affect the ability of several programs to continue the current level of service provided to the community.

Many of our agencies have benefited by the generosity of HC&S as they provide services and financial support. We value such a wonderful community partner and hope for their continued success.

Thank you for the opportunity to express our concern.

Sincerely,

César E. Gaxiola
Executive Director
December 14, 2009

Ms. Laura Thielen, Chair
Members of the Commission on Water Resource Management
P.O. Box 621
Honolulu, Hawaii 96813

Dear Chair Thielen and Members:

I understand that the Commission on Water Resource Management will be holding a hearing on December 16, 2009 on Interim Instream Flow Standards for the remaining East Maui streams. Our family goes back many generations as life long residents of Kula. We have always been concerned about our community, whether it is through our neighborhood store or our family construction company, both of which have been in operation since the early 1900’s.

We have endured the hardship of droughts and water system failures which have not provided adequate water for our community. Although difficult on us, it is even more difficult for our friends and neighbors in the farming community. They suffer the most in times when water availability is reduced or not available. This should not be the case as there seems to be enough water to support both sides of the issue by analyzing what are the actual user demands from people adjacent to the streams and current uses in upcountry.

Please consider the impacts on existing users if you increase the amount of water that goes back into the streams. Reduction of water availability is like imposing a man-made drought in up-country. The impacts of this action would be so harmful to many of the upcountry residents.

Thank you for considering my concerns.

Sincerely,

Roderick Fong
To the Commission on Water Resource Management:

I am in strong support of the staff recommendations for the Interim Instream Flow Standards for the 19 streams in East Maui. Water used for agriculture produces a usable product while water flowing mauka to makai does not.

The amount of sugar produced by HC&S is directly tied to the amount of water that the sugarcane receives. Water for HC&S will result in the production of a useful food product and will provide some groundwater recharge. Please provide enough water for HC&S to continue operations and keep our central valley green.

I urge you to support the staff recommendations for the Interim Instream Flow Standards for the 19 East Maui streams.

Thank you for the opportunity to submit written testimony for those of us who cannot attend the hearing.

Kathy Morris
Kihei, HI
Chair Thielen,


Thank you for your consideration.

Greg Heyd    Branch Manager BEI-Maui

greg.heyd@beihawaii.com
12/15/2009 12:05 PM

To: dlr.cwrm@hawaii.gov
cc:

Subject: State Water Commission letter for Public Testimony 121609
Commission on Water Resource Management
Department of Land and Natural Resources
Box 621
Honolulu, HI 96809

Re: Instream Flow Standard Assessment Reports

Chair Thelen and Members of the Commission:

My name is Greg Heyd, Branch Manager for BEI-Hawaii operations on Maui. BEI-Maui has ten employees. As a vendor of fertilizers, agricultural chemicals and industrial chemicals, Maui’s agriculture community are among our biggest customers. Their future viability will have an impact on our operations.

HC&S and Upcountry farmers utilizing water from the 19 streams in consideration, represent sales exceeding five million dollars. It is a very significant portion of our business. As their viability is challenged, we see reductions in sales, which in turn affects our viability. Having a large customer such as HC&S allows us to spread our overhead costs resulting in containing costs for all of our customers.

I respectfully request that the secondary benefits of off stream uses by HC&S and Upcountry farmers and ranchers be given serious consideration as decisions are made regarding this issue. BEI-Hawaii is in strong support of the staff recommendations for the Interim Instream Flow Standards for the 19 streams in East Maui.

Thank you for your consideration.

Greg Heyd
Branch Manager BEI-Maui
December 14, 2009

The Honorable Laura Thielen
Chairwoman
State Commission on Water Resource Management
Department of Land and Natural Resources
1151 Punchbowl Street
Honolulu, Hawaii 96813

Dear Chairwoman Thielen and Commissioners:

We, the mayors of the four counties, urge the Commission on Water Resource Management to be mindful that the policy underlying the State Water Code is that water resource decisions should support, not undermine, land use plans and policies developed by the counties.

We write this letter because of the very important water cases now before you. As had been reported by the news media, your decisions in these cases have “the potential to change the face of Maui.” Although these cases are on the island of Maui, all of the mayors are watching with keen interest and concern because of the implications your decisions in these cases may have for each of our counties. We are very concerned that a decision by the Water Commission, especially in a contested case process involving only a handful of parties with special interests, can “change the face” of a county and overturn county land use plans and policies.

Under the State Water Code, counties have a very significant role. The Water Code repeatedly states that water decisions must be in accord with county land use plans and policies; water decisions are supposed to follow and support land use plans – not the other way around.
County land use plans are the result of years of planning to come up with coherent plans that address myriad interests, such as housing, employment, economy, health and safety, a clean environment, education and culture, and building a better future for our residents. It is never an easy task and there are trade-offs and compromises throughout the planning process, always remembering that the objective of our plans is to provide the greatest good for the greatest number. With so much of our counties’ time and energy having been expended in developing our comprehensive land use plans, you can well understand our concern that one or two decisions from the Water Commission could “change the face of” our counties.

Special notice must be taken of the essential role that agriculture plays in every one of the four counties, even in the City and County of Honolulu, the most urbanized one. Agriculture is vitally important as an economic engine, provider of jobs, for food security, for keeping much of the landscape green, for energy security, and for preserving a rural lifestyle. Policies that support agriculture and for keeping large swaths of land in agriculture are important elements in all of the counties’ land use plans.

To have a viable agricultural industry, adequate irrigation water at reasonable cost is critical. Farming is a precarious business and farmers take great risks, gambling on things over which they have no control – the weather, global markets, changing tastes and fads, etc. Without reasonable assurance of sufficient water at reasonable cost, farmers will choose not to farm. If enough farmers choose not to farm, if enough lands are taken out of agricultural production, then our county land use plans will unravel and may result in major disruptions in many different segments of our communities.

The Water Commission has the very important responsibility of protecting and managing our water resources. But in carrying out this responsibility, the State Water Code mandates that you not usurp the counties’ role as the driver of land use plans and policies.

We therefore urge you to be mindful of county land use plans and policies, and especially mindful of the vital importance of agriculture.

Aloha,

Bernard P. Carvalho, Jr.  Mufi Hannemann
Mayor of Kauai  Mayor of Honolulu

William P. Kenoi  Charmaine Tavares
Mayor of Hawaii  Mayor of Maui

15.0-3
Ms. Laura Thielen, Chair
Members of the Commission on Water Resource Management
P. O. Box 621
Honolulu, HI 96813

Dear Chair Thielen and Members:

We understand that the Commission on Water Resource Management will be holding a hearing and making a decision on Interim Instream Flow Standards for the remaining East Maui streams. It is our hope that the Commission will make a decision that will provide water for the needs of all Hawaiians who benefit from the stream water including those who live next to the streams and those that depend on water being diverted from the streams.

Our Association is part of the Department of Hawaiian Home Lands Kula and Keokea project. Over (450) residential and (65) farm lots have been created for the beneficiaries. Approximately (250) lots have been built on — with many more to go. DHHL has over (200) additional residential lots in the construction pipeline.

We hope there will be water to allow these homes to be built, and for the existing homes and farms to continue their existence.

Thank you for the opportunity to express our concerns.

Sincerely,

Doreen N. Gomes
Waiohuli Lessee
Please see the attached letter for my written testimony for the meeting scheduled on Maui on December 16, 2009.

Marilyn Chapman
Vice President, Sales & Marketing
Maui Disposal Co., Inc.
280 Imi Kala Street
Wailuku, HI 96793
Phone: 808-242-7999
Direct Line: 270-5680
Fax: 808-242-9471
Cell: 808-870-8725
email: marilynchapman@mauiwaste.com

Please consider the environment before printing this email.
December 15, 2009

Commission on Water Resource Management  
Dept. of Land & Natural Resources  
Box 621  
Honolulu, HI 96809

RE: Interim Instream Flow Standards

Dear Water Resource Commissioners:

Maui Disposal finds it imperative that the commission on Water Resources Management come up with a fair and balanced decision that supports water for community use including agricultural uses.

We are in strong support of the staff recommendations for the Interim Instream Flow Standards for the 19 streams in East Maui. These recommendations will ensure sufficient water to save Hawaiian Commercial & Sugar, which in turn will help save other businesses that provide service or products to HC&S. Maui's community is already struggling with the closure of many businesses; please do not make a decision that will force the closure of HC&S.

Thank you for your consideration of this matter.

Sincerely,

Marilyn Chapman  
VP, Sales & Marketing  
Maui Disposal Co., Inc.
Dear Chairman Thielen:

I will not be able to attend tomorrow's Water Commission meeting here on Maui. I would like to submit the attached testimony for the commission's consideration.

Thank you very much.

Sincerely,

Mark Kijima

Mark H. Kijima
241 Puanani Place
Kula, Hawaii 96790-8487

Phone: (808) 878-6670
Mobile: (808) 264-0087
E-Mail: kgma@maui.net
TESTIMONY BEFORE THE COMMISSION ON WATER RESOURCES MANAGEMENT

TESTIMONY ON: DLNR Staff Proposal on Interim Instream Flow Standards for East Maui

HEARING DATE & TIME: Wednesday, December 16, 2009 at 1:00 PM

HEARING LOCATION: Paia Community Center

Dear Chairman Thielen and Commission Members:

I urge the Commission on Water Resource Management to accept the 19 petitions prepared by the Department of Land and Natural Resources staff to amend the interim in-stream flow standards for the 16 surface water hydrologic units in East Maui. When taking into consideration the previous amendments to restore 12.21 million gallons of water per day to eight other streams in the watershed, I believe these proposals reflect a pragmatic balance between current existing users and the environment.

My name is Mark Kijima. I own a small farm in Kula. I am an off-stream user who relies entirely on water from east Maui. I am also employed by BEI Hawaii, a company that is supported indirectly by water delivered from east Maui to central Maui by sales to agricultural businesses such as HG&S that receive off-stream water as well. As many other small businesses on Maui, BEI Hawaii’s success is tied directly to the success of these agricultural businesses.

Over the past few years, I have seen agriculture here on Maui in a steady decline and have seen agricultural landowners struggle to maintain their properties in active agriculture. It is critical that off-stream users continue to receive an adequate volume of water in order for agriculture to thrive and carry on successfully.

Again, I urge the Commission to accept the DLNR staff proposal.

Thank you for your consideration.

Thank you for this opportunity to present this testimony.
Aloha,

We respectfully submit the attached letter for the State Water Commission regarding in-stream Flow Standard Assessment for Maui County.

Mahalo,

Steve Wetter
General Manager
Maui Petroleum Inc.
(808) 270-2800
Date 12-15-09

Commission on Water Resource Management
Department of Land and Natural Resources
Box 621
Honolulu, HI 96809

Re: IIFS for 19 East Maui Streams

Chair Thieler and Members of the Commission:

My name is Steve Wetter, General Manager of Maui Petroleum Inc. We are very concerned about the impacts of upcoming East Maui IIFS decisions on HC&S and agriculture as a whole in Maui. We are in strong support of the staff recommendations for the Interim Instream Flow Standards for the 19 streams in East Maui.

I respectfully request that you consider the impacts on the Maui Community in your final determination.

Mahalo,

[Signature]
Steve Wetter
General Manager
Maui Petroleum Inc.