

**MINUTES  
FOR THE MEETING OF THE  
COMMISSION ON WATER RESOURCE MANAGEMENT**

DATE: September 28, 2005  
TIME: 9:00 a.m.  
PLACE: KALANIMOKU BUILDING  
CONFERENCE ROOM 132  
1151 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813

**CALL TO ORDER**

Chairperson Peter Young called the meeting of the Commission on Water Resource Management to order at 9:00 a.m.

**ROLL CALL**

The following were in attendance:

**MEMBERS**

Mr. Peter Young	Mr. James Frazier
Mr. Neal Fujiwara	Dr. Chiyome Fukino
Ms. Stephanie Whalen	

Excused: Ms. Meredith Ching, Lawrence Miike, MD, JD

**STAFF**

Dean Nakano, Roy Hardy, Ed Sakoda, Glenn Bauer, Lenore Nakama, Neal Fujii, David Higa

**COUNSEL**

Mr. Colin Lau, Esq.

**OTHERS**

Jon Nishimura, Lynn Malinger, Lance Fukumoto, Larry Beck, Kapua Sproat, Kathy Sokugawa, George Kuo, Jeff Overton, Cami Kloster, Bruce Tsuchida, Jonathan Scheuer, Randy Hara, Jane Lovell, Rebecca Alakai, Barry Usagawa

All written testimonies submitted at the meetings are filed in the Commission office and are available for review by interested parties.

{Note: language for deletion is bracketed, new/added is underlined}

**A. APPROVAL OF MINUTES**

1. August 17, 2005

MOTION: (Frazier/Whalen)  
UNANIMOUSLY APPROVED

**B. ANNOUNCEMENTS**

**C. GROUND WATER REGULATION**

1. Commission Delegation of Authority, Allowing the Chairperson to Appoint a Contested Case Hearing(s) Officer, for the Iao Ground Water Management Area Basal Source Water Use Permit Applications

Presentation of Submittal: Roy Hardy

**DISCUSSION:**

Jonathan Scheuer from the Office of Hawaiian Affairs (OHA), Kapua Sproat from Earthjustice, representing Hui o Na Wai Eha and Maui Meadows, and Jane Lovell from the Maui County Corporation Counsel representing the Maui Department of Water Supply reported they are continuing to work together to resolve if possible, certain issues related to the contested case hearing and stated they are supportive of staffs' recommendation.

**RECOMMENDATION:**

That the Commission authorizes the Chairperson to appoint a hearings officer for the Iao Ground Water Management Area Basal Source Water Use Permit Applications Contested Case Hearing(s).

MOTION: (Whalen/Frazier)  
Approve as recommended by staff  
UNANIMOUSLY APPROVED

2. Maui Department of Parks & Recreation, Living Waters Land Foundation, LLC, APPLICATIONS FOR WATER USE PERMITS, War Memorial Football Stadium Well (5329-14, WUP 713), Baldwin High School Well (5329-05, WUP 710), Papohaku Park Well (5429-02, WUP 712), Waiehu Golf Well (5529-02, WUP 711), Waihee Mauka (Living Waters #1) (5531-01, WUP 704), Existing and New Uses, Iao Ground Water Management

Presentation of Submittal: Charley Ice

DISCUSSION:

Commissioner Fujiwara asked what kind of entity is Living Waters, are they a group of people? Mr. Ice stated yes, that there was an overall manager for the property and they are in the process of subdividing with other parties who are part of this foundation. The land was acquired from Wailuku Agribusiness Co., Inc. (WACI) and at the time were using ditch water for agriculture. However, they are being asked to look for other sources of water.

Commissioner Frazier recommended that Maui Parks and Recreation meet the criteria of more diligent reporting of water consumption on a regular basis. This would be an amendment to add a special condition number 4. Roy Hardy pointed out that Standard Condition 10 regarding water use reporting requirements should cover this concern and no amendment would be necessary. Commissioner Frazier agreed.

Kapua Sproat from Earthjustice clarified that Living Waters Land Foundation is a non-profit organization that purchased significant acreage from WACI and have a property manager on site. They grow macadamia nuts and tenant farmers live on the property. Ms. Sproat stated that the buyers have had difficulty negotiating the purchase of surface water from WACI and were informed that they would not be allowed to purchase surface water for the macadamia nuts, although they were able to purchase ditch water for the tenant farmers.

The tenant farmers recently formed an organization called The Manong Farmers Association and attempted to negotiate directly with WACI for a contract for water. There have been disputes over the amount that WACI wants to charge for the water and the farmers are unsure whether or not they will be able to continue to pay that amount. For this reason, the property owner, Patricia Bragg, head of the Living Waters Land Foundation, has looked to ground water as being more reliable and a cheaper source for the farmers.

Ms. Sproat stated that Ms. Bragg is conservation-minded and wanted to do watershed restoration. She would be paying for the well and providing water free of charge to the farmers. Ms. Bragg's mission is to keep the land in organic agriculture. They also have riparian rights to surface water and using water from the streams is another option.

Ms. Sproat noted there should be a correction to the statement on page seven of the submittal.

"No streams or springs are affected by caprock withdrawals." Ms. Sproat stated their clients strong position that there are springs that are affected by the wells. Mr. Randy Gentry, Maui Parks and Recreation Planning Department, was provided with locations

and TMK numbers of some of the springs that they believe were affected by the wells. Ms. Sproat also mentioned that given the significant efforts that Maui Parks and Recreation has made, the applicant would proceed without a contested case. There are also riparian rights that are affected since there is no water in the stream.

Mr. Jonathan Scheuer stated that there could have been more that Maui Parks and Recreation was legally obligated to do to document traditional customary rights, however, they've reduced their demand so much on those sources that in many ways they had solved the problem and objections are withdrawn even though they hadn't fulfilled the burden.

Chairman Young directed Maui Parks and Recreation to submit water use reports on a monthly basis.

#### RECOMMENDATIONS:

- A. That the Commission approve the water use permits for the reasonable-beneficial irrigation use of the following Maui Parks and Recreation caprock wells:

War Memorial Football Stadium Well, Well No. 5329-14, WUP No. 713 – 0.100 mgd

Baldwin High School Well, Well No. 5329-05, WUP No. 710 – 0.011 mgd

Papohaku Park Well, Well No. 5429-02, WUP No. 712 – 0.005 mgd

Waihee Golf Well, Well No. 5529-02, WUP No. 711 – 0.158 mgd

Subject to the standard conditions in Exhibit 9 and the following special conditions:

1. Should an alternate permanent source of water be found for this use, then the Commission reserves the right to revoke this permit, after a hearing.
  2. The applicant shall contact the Environmental Management Division, State Department of Health, at 586-4304, concerning "GUIDELINES APPLICABLE TO GOLF COURSES IN HAWAII" dated July 2002 (version 6).
  3. In the event that the tax map key at the location of the water use is changed, the permittee shall notify the Commission in writing of the tax map key change within thirty (30) days after the permittee receives notice of the tax map key change.
- B. That the Commission defer action on the water use permit for the Waihee Mauka Well Living Waters #1) Well No. 5531-01, WUP No. 704, pending completion of the processing of all water use permit applications for existing uses from the Iao Ground Water Management Area.

MOTION: (Whalen/Fujiwara)  
To approve as recommended by staff  
UNANIMOUSLY APPROVED

D. SURVEY

1. Request for Chairperson's Authorization to Enter into a Memorandum of Agreement and Perpetual Right of Entry with RDD, LLC for the, Drilling and Monitoring of the Waihee Deep Monitor Well, Waihee, Maui

Presentation of submittal: Glenn Bauer

Commissioner Frazier asked if the Betsill Brothers applied for a well themselves. Staff stated that they did apply for equestrian park wells located north near Kupaa Well.

RECOMMENDATIONS:

That the Commission authorize the Chairperson to enter into a Memorandum of Agreement and a Perpetual Right of Easement with RDD, LLC for the drilling and maintenance of a deep monitor well in the Waihee Aquifer System, Maui.

MOTION: (Fujiwara/Frazier)  
To approve as recommended by staff  
UNANIMOUSLY APPROVED

2. Request for Commission's Approval to Amend the Fiscal Year (FY) 06 U. S. Geological Survey Cooperative Agreement

Presentation of Submittal: Glenn Bauer

DISCUSSION:

Commissioner Frazier asked how did we determine which two rain gages were not to be funded by the Natural Area Reserve System (NARS). Staff stated that NARS will fund two of the four gages originally planned for, but the U.S. Geological Survey (USGS) did not have matching funds for these gages. Staff hopes that the next NARS budget will be able to include these two gages back into their cooperative agreement with the USGS.

Commissioner Whalen asked if there is long range planning and if funding will continue to be a problem?

Acting Deputy Director Dean Nakano stated that the program gets reassessed on an annual basis and efforts are made to minimize duplication of monitoring. Mr. Nakano also stated that staff will continue to look for alternative sources to augment the program

and hopefully be able to maintain the current program at its current level rather than face further reductions in funding.

RECOMMENDATION:

That the Commission authorize the amendment to the FY 06 cooperative agreement with the USGS to include the two rain gages at a total cost of \$10,100 and increase the CWRM's total (non-federal) cost-share to \$292,840.

MOTION: (Frazier/Whalen)

To approve as recommended by staff

UNANIMOUSLY APPROVED

E. STREAM PROTECTION AND MANAGEMENT

1. Application for a Stream Channel Alteration Permit, SCAP-OA-386, Lanikepu and Keanuiomano Streams, Waimea, Hawaii (TMK: 6-6-01:54, 77 and 6-6-04:12)

Presentation of Submittal: Ed Sakoda

DISCUSSION:

Commissioner Frazier asked if this was an after-the-fact-permit. Mr. Sakoda stated that it was not. Commissioner Frazier asked if staff was aware that there was another major development on the south side of Keanuiomano Stream. Staff reported that they were not aware of this. Commissioner Frazier then proposed that a master plan be done for both sides of the stream.

Rebecca Akakai from the Department of Hawaiian Home Lands (DHHL) stated that the Lalamilo Project Plan was submitted and approved by DHHL. Ms. Alakai could not address the issues as she was unfamiliar with the project.

Commissioner Neal Fujiwara asked what was the purpose of the filling. Mr. Sakoda stated that it was for flood control, to raise the bank to prevent flooding. Mr. Sakoda stated that this was designed for a 100-year flood.

Commissioner Whalen asked whose responsibility it was to fill and make sure it didn't erode away. Mr. Sakoda stated that it would be the County's responsibility.

RECOMMENDATION:

That the Commission approve a stream channel alteration permit for a culvert crossing and to fill portions of the stream banks at Lanikepu and Keanuiomano Streams (TMK: 6-6-01:54, 77 and 6-6-04:12). The permit will be valid for two

years subject to the Commission's standard conditions for stream channel alteration permits in Exhibit 5.

MOTION: (Whalen/Fujiwara)

To approve as recommended by staff.

UNANIMOUSLY APPROVED with one opposition (Frazier)

Commissioner Frazier voted in opposition to the staff recommendation. He stated that there should be a master plan for the entire stream bank since it's the same applicant, DHHL.

#### F. PLANNING

1. Presentation by Hawaii County Department of Water Supply (DWS) on the Project Description for Updating the Hawaii County Water Use and Development Plan

Mr. Larry Beck from the Hawaii Department of Water Supply and Mr. Jon Nishimura from Fukunaga & Associates Inc. presented the project description for the technical approach for the update of the Hawaii County Water Use and Development Plan. A PowerPoint presentation was made and a handout of the presentation was distributed.

Mr. Nishimura stated the Technical Approach Key Tasks include the following: Inventory of Existing Sources, Inventory of Existing Uses, Identification of Existing Water Systems, Land Use Plans and Policies, Projected Water Demands, Identification of Supply side (Resource) & Demand side (Uses/Control) Options, and Public Participation-Stakeholder Input/Review.

Existing Water Systems to be studied include County DWS Systems, Private and Public Water Systems, Irrigation Systems, Reclaimed Water Systems and Individual Systems that included catchment. The linking of Land Use Plans and Policies with infrastructure and resource availability will be done using the County General Plan (Ultimate Development "County Vision") and County Zoning (Allowable Development by Ordinance).

To test the sustainability of Land Use Policies that are in place, standard water consumption unit rates were applied to arrive at the full build-out scenario. Water demand projections will start off with the existing use and project the "infill" of un-developed or under-developed lands. Population growth will be based on census reports. Projections will be made for five, ten, fifteen and twenty year intervals.

Three scenarios for water demands will be evaluated: low growth, medium growth and high growth. Public participation will be encouraged through scheduled public information meetings at various stages of the plan development, plan review by key stakeholder groups, milestone briefings to the Commission, and the adoption of this document by the County Council through a formal public hearing process.

Some of the project challenges include limited information resulting in the need to use reasonable judgment and make reasonable assumptions. Future efforts will include identification of data needs, identification of areas requiring critical water resource management, linking of Land Planning Policies with infrastructure and resource availability and utilization of technological tools like GIS for more dynamic planning.

The County is currently developing a long-range water Master Plan and an implementation strategy for infrastructure upgrades that also includes a financial plan and, a five- and twenty-year CIP program. It is anticipated that the Hawaii WUDP update will be completed by the end of 2006.

Commissioner Frazier asked what a “diversion” is in Figure 2? Mr. Nishimura stated that a diversion is a structure that diverts water from the stream.

2. Approval of Project Description for Updating the Hawaii County Water Use and Development Plan

Presentation of Submittal: Dean Nakano

RECOMMENDATIONS:

Staff recommends that the Commission:

1. Approve the Hawaii County, Department of Water Supply's, Project Description for Updating the Hawaii Water Use and Development Plan; and
2. Authorize staff to participate in meetings and/or workshops, as necessary, with pertinent State and County agencies to facilitate implementation of statutory and framework provisions for updating the Hawaii County Water Use and Development Plan.

Chairman Young commented on a recommendation from OHA representative, Mr. Jonathan Scheuer, that a meeting in Kona and a meeting in Hilo do not necessarily hit the Hawaii County population. Residents in Kau or Waimea have a different perspective on water than a resident of North Hilo. Chairman Young

encouraged a broader discussion around the island instead of the traditional Kona and Hilo focal points.

MOTION: (Frazier/Fujiwara)  
To approve as recommended by staff  
UNANIMOUSLY APPROVED

3. Milestone Briefing by Honolulu Board of Water Supply on the Status of the Oahu Watershed Management Plan

A PowerPoint presentation was given by Barry Usagawa and a handout of the presentation was distributed. Mr. Usagawa thanked Dean Nakano and Lenore Nakama for attending monthly meetings to provide input to the planning process.

Also present were Mr. George Kuo from the Long Range Planning Section of Honolulu Board of Water Supply (HBWS), Jeff Overton and Cami Kloster from Group 70 International, Bruce Tsuchida from Townscape, Inc., and Randy Hara and Kathy Sokugawa from the City and County Department of Planning and Permitting.

Mr. Usagawa stated that, from a previous attempt to update the plan in 1999, HBWS learned that there is a need to provide equal focus on resource protection, conservation, and recreation, in addition to water use and development. Thus, they are proceeding in a regional approach, with the basic planning unit being the ahupuaa, then broadening to the moku, with a final integration at the island-scale.

Mr. Jeff Overton and Ms. Cami Kloster from Group 70 International did a PowerPoint presentation and distributed a handout of the presentation giving an update on their progress in the development of the Koolauloa Watershed Management Plan. Mr. Overton discussed sustainable yields, permitted wells and pumpage in this area.

Mr. Overton noted the values in the Koolauloa area, including cultural and traditional water uses, management of watershed resources through a holistic approach, preserving agricultural water supply, and the relationship between land use planning and water resource planning.

Mr. Overton stated that the issues and concerns in the region included the development of instream flow standards, flood control projects, polluted runoff control, preservation of aquifers, promotion of sustainable watersheds, and meeting the demands of this community as well as those outside the district that rely on the water imports from Koolauloa.

The next steps in the planning process are to create and evaluate strategies, further develop Watershed Management Projects and Programs, continue to solicit feedback from stakeholders, and finally preparation of a public review draft report by the end of 2005.

Mr. Bruce Tsuchida representing Townscape Inc. gave a PowerPoint presentation and distributed a handout of the presentation giving an update on their progress in the development of the Waianae Watershed Management Plan.

Many meetings and interviews similar to those held in the Koolauloa region continue with individuals, focus groups and public workshops. Some key issues brought up by the community and water and land use agencies include stream flow concerns, affordable water concerns, preservation of wetlands, illegal dumping, and the need for funding for these projects.

Three projections to the year 2030 were prepared: Policy Scenario, Trend Scenario and High Growth Scenario. The projections were provided by the City and County Department of and Planning and Permitting. The Watershed Projects and Programs have been divided into four categories; 1) groundwater, 2) surface water, 3) land management, and 4) cultural and educational support. There is community interest in these watershed initiatives. The next steps include developing these resource options into strategies to meet future demand, developing an action plan, and documenting these strategies into a public review draft by December 2005.

Chairman Young announced that the next Commission meeting will be held on Tuesday, October 25, 2005.

The meeting was adjourned at 11:32 a.m.

Respectfully submitted,

PAULYNE K. ANAKALEA  
Secretary

Approved as submitted:

DEAN A. NAKANO  
Acting Deputy Director