

MINUTES
FOR THE MEETING OF THE
COMMISSION ON WATER RESOURCE MANAGEMENT

DATE: March 16, 2011
TIME: 9:00 am
PLACE: DLNR Board Room
Kalanimoku Bldg.

Chairperson William J. Aila, Jr. called the meeting of the Commission on Water Resource Management to order at 9:00 a.m.

The following were in attendance:

MEMBERS: Mr. William J. Aila, Jr., Mr. Neal Fujiwara, Mr. William Balfour, Jr., Ms. Donna Fay Kiyosaki, and Ms. Loretta Fuddy.

STAFF: William Tam, Lenore Ohye, Roy Hardy, Neal Fujii, Ryan Imata and Jeremy Kimura

COUNSEL: Julie China, Esq.

OTHERS: Jim Anthony, Sherri Hiraoka, Bruce Tsuchida, Chui Ling Cheng, Steve Anthony, Jeff Overton, George Kuo, Katy Sokugawa, Jocelyn Doane, Randolph Hara, Barry Usagawa, Melva Aila

A. APPROVAL OF MINUTES

February 16, 2011

MOTION: (Fujiwara/Fuddy)
To approve the minutes.
UNANIMOUSLY APPROVED.

B. ANNOUNCEMENTS

C. STREAM PROTECTION AND MANAGEMENT

1. Request to Authorize the Chairperson to Enter into Joint Funding Agreements with U.S. Geological Survey To Conduct a Study on Low-Flow Characteristics for Streams In the Lahaina District, West Maui, Hawaii

Staff presentation by Dean Uyeno.

RECOMMENDATIONS:

1. Staff recommends that the Commission authorize the Chairperson to enter into a Joint Funding Agreement between the Commission and the U.S. Geological Survey to conduct a Study on Low-Flow Characteristics for Streams in the Lahaina District, West Maui, Hawaii from June 1, 2011 to May 31, 2012 (Period 1),

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2. Staff recommends that the Commission authorize the Chairperson to enter into subsequent Joint Funding Agreements (Periods 2 and 3) between the Commission and the U.S. Geological Survey to continue to conduct a Study on Low-Flow Characteristics for Streams in the Lahaina District, West Maui, Hawaii from June 1, 2012 to June 30, 2014.

The terms of these agreements will be subject to the availability of funding and the approval of the Chairperson and the Department's Deputy Attorney General.

Commissioner Kiyosaki asked what will happen to the data collected in the first fiscal year if funds are not available in the future. Mr. Uyeno stated that staff will have to reassess their options but hopefully the information will still be usable.

Commissioner Fujiwara asked if the major streams will be addressed first. Mr. Uyeno stated that the study is a regional assessment. The study encompasses north and south streams; however, the study area for the West Maui Watershed Plan includes only the northern streams (Honolulu to Wahikuli).

MOTION: (Fuddy/Kiyosaki)
To approve the submittal.
UNANIMOUSLY APPROVED.

D. PLANNING

1. **Request to Authorize the Chairperson to Enter into an Agreement with U.S. Geological Survey to Update Estimated Groundwater Recharge Distribution, Island of Oahu, Hawaii**

Staff presentation by Jeremy Kimura.

RECOMMENDATIONS:

Staff recommends that the Commission:

1. Authorize the Chairperson to enter into an agreement between the Commission and the U.S. Geological Survey to update ground water recharge distribution estimates for the Island of Oahu and to approve funding not to exceed \$100,000 to complete the study. Commission funding will be from general funds or special funds or a combination of both, subject to the availability of funding.
2. Authorize the Chairperson to amend or modify the joint funding agreement provided that such amendment or modification does not include any additional funding.

The terms of this agreement will be subject to the approval of the Chairperson and the Department's Deputy Attorney General.

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Commissioner Balfour's concern was given the agreements the Commission is entering into and the State's economic situation, does the Commission realistically expect to receive funding? Mr. Kimura stated that funding is available for this study. If there is an administrative directive redirecting the funds, the provision states that this agreement will be subject to the availability of funding.

Dr. Anthony on behalf of Hawaii Laieikawai Association recalled seven years ago, the Commission required the staff to look into the Pearl Harbor Monitoring System. The 2004 decision was that the Pearl Harbor Ground Water Monitoring Group was to produce a report because of the importance of the hydrologic-geologic problem including recharge. A report was to be submitted within a year. That report was not completed. Dr. Anthony stated that the Commission has an obligation to complete the Pearl Harbor Ground Water Monitoring Report first before it enters into this agreement

Chair Aila asked if the purpose of this study is to revise the Pearl Harbor recharge numbers. Mr. Kimura stated that estimates were made and this study will be a revision and update based on new and current information. The Board of Water Supply (BWS) is looking at a numerical model for the Pearl Harbor area so this study will focus on the recharge component for the entire island.

Commissioner Kiyosaki asked what happened to the Pearl Harbor Monitoring Group. Mr. Kimura explained that the Commission's Survey Branch was to undertake this task however the Commission lost its Survey Branch staff. Also, there was disagreement over a Pearl Harbor Ground Water Monitoring Plan which was an initial step before developing/refining sustainable yield numbers.

Ms. Ohye commented that the Pearl Harbor Monitoring Working Group was created after the Commission revised sustainable yields in Pearl Harbor in 2000 because the Commission recognized that sugar cane agriculture was disappearing and there was going to be a loss of return irrigation recharge of water that was being imported. With respect to the recharge in Pearl Harbor, the Commission revised the sustainable yield numbers but there was uncertainty in the numbers. Three different models produced different numbers so the Commission selected one number, but recognizing that there was uncertainty put milestones on the decision. One of the milestones Dr. Anthony alluded to was to develop a Pearl Harbor Working Group/Monitoring Plan. The group members consisted of the BWS, the USGS and the Commission because these entities all collected ground water data in Pearl Harbor. Associate members like Dr. Anthony and his technical experts and other hydrologists also participated and developed a draft plan. The group was to continue looking at what was happening with the aquifer as pumpage increased over time so that the Commission would know when it was reaching a sustainable yield that was lower than what was adopted. Dr. Anthony is correct; that was an important part of the decision to monitor. The Commission has not been able to reconvene the group. If the Commission receives approval to fill positions, it would want to have technical experts of the Commission continue to participate in that group study. So far allocations and pumpage are well below the number that the Commission adopted. Monitoring is critical however, the Commission has not been able to reconvene the group to develop a future monitoring plan. Recharge is also another element that will help the Commission to home in on sustainable yield and should proceed concurrently.

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MOTION: (Fujiwara/Fuddy)

To approve the submittal.

UNANIMOUSLY APPROVED.

2. Adoption of the 2009 Waianae Watershed Management Plan to Update the City and County of Honolulu's Water Use and Development Plan for Incorporation into the Hawaii Water Plan

Staff presentation by Lenore Ohye.

RECOMMENDATION:

Staff recommends that the Commission:

1. Adopt the Waianae Watershed Management Plan as an update to the City and County of Honolulu's Water Use and Development Plan for incorporation into the Hawaii Water Plan.

Barry Usagawa with the Honolulu BWS thanked the Commission for putting this submittal back on the agenda and thanked the staff for all the help over the last seven years. He introduced George Kuo of the Long Range Planning Section and Kathy Sokugawa from the City Department of Planning and Permitting (DPP). By ordinance DPP is responsible for updating the Oahu water management plan in conjunction with the BWS and Commission. The DPP provides oversight and guidance to ensure that the watershed management plans are consistent with the land use plans.

Mr. Usagawa also introduced BWS's consultants for the Waianae Watershed Management Plan, Bruce Tsuchida and Sherri Hiraoka.

Chair Aila disclosed that in his private capacity, he attended many of the meetings on the Waianae WMP.

Dr. Anthony opposed the proposal before the Commission. He stated that the Commission is under no obligation, legal or in terms of precedent to adopt the Waianae WMP just because the BWS adopted it by ordinance. Dr. Anthony said that the Waianae WMP did not identify priorities, action items and where the money to implement the plan was going to come from. He believed the plan lacked public participation and did not have substantial community support. Also, important information such as ahupuaa planning, muliwai, nearshore waters and subterranean flow was missing from the plan. It also did not answer a very important question regarding land use.

Chair Aila asked Mr. Usagawa to address the question regarding funding.

Mr. Usagawa referred to the staff report, page 9, item 4. In the plan BWS states that the plan implementation will depend on budgetary priorities, available grants and partnering efforts over the long term. The plan provides a planning basis for the rationale to seek funding. In order to seek funding, BWS needs a plan first before it can ask for the funding. BWS is implementing what it can however, it also encompasses the duties of several different agencies, federal, state

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and county, which it has no jurisdiction over. BWS funds its water supply projects, watershed management projects and watershed partnerships. It is not BWS's sole responsibility to fund the entire plan. It guides county and state agencies because it incorporates their plans and programs into the plan. This language that is in the plan was reviewed by the State Attorney General and the Corporation Counsel. It is a disclaimer regarding the funding.

Commissioner Kiyosaki asked if there was a list of proposed projects relating to resource reinvigoration or bringing some of the ecological areas back into previous status or conservation. Mr. Usagawa stated that BWS defined watershed protection and water supply projects through community outreach and described the projects so that BWS could use the description for grant applications or for a basis for capital project appropriations. The projects were prioritized by cost and benefit and short, mid and long-term timeframes. The plan outlined policies for implementation and included reducing pumpage in Makaha and Waianae; BWS was pumping too much and as a drought mitigation strategy it needed to leave water in the dike compartments for drought years. As a result, a secondary benefit was enhanced stream restoration and forestry management. Such policies and sub-objectives are specific to Waianae and need to be implemented by all the agencies. Adopting this plan will send a message to implement those policies, even if there is no funding.

Commissioner Fuddy asked what the impact would be if the plan was not approved today. Mr. Usagawa replied that since the plan was adopted by ordinance, the City & County agencies have to follow this plan. BWS has no jurisdiction over the state agencies, so state approval could send a message to other state agencies to also conform to what BWS is doing.

Ms. Ohye added that it does give credence to the projections that were placed in the plan as to whether the Commission needs to be concerned about the level of growth and impact on water resources. It also assures the Commission and others where the water is going to come from because this plan seeks to allocate available resources. Dr. Anthony raised this issue at the September 2010 meeting. His concerns are addressed in the Koolauloa WMP submittal. The plan analyzes the importance of the projects to be implemented in relation to the costs, legal requirements and institutional complexities. The projects are prioritized for implementation in short, mid and long term timeframes. The plan recognizes that jurisdiction over watershed protection and management strategies are spread across federal, state and county agencies. Plan implementation will depend on budgetary priorities. It will also depend on the availability of grants and partnering efforts over the long term. Projects under the jurisdiction of the BWS will be implemented by BWS as part of their long range capital improvement project. This WMP provides a basis for seeking funding to implement these projects.

Commissioner Balfour asked how realistic is desalination as a source? Mr. Usagawa replied that it is a realistic source. BWS's Kapolei well will provide approximately one million gallons of desalinated brackish water. BWS also has a sea water desalination well at the Barbers Point Naval Air Station. In response to Commissioner Balfour's question regarding the cost of desalination, Mr. Usagawa said that it would be comparable to a high-end well. It would be cheaper than developing wells on the north shore. Although, north shore water is being kept for agriculture, in comparison to desalination, desalination is cheaper.

Chair Aila asked the consultants to describe the level of participation for the Waianae WMP.

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Mr. Bruce Tsuchida, President of Townscape, Inc. and BWS's primary consultant for the Waianae WMP explained that the community participation process for the Waianae WMP was extensive. One-on-one meetings were held with Waianae leadership and kupuna to ask for permission, assistance and guidance in helping Townscape, Inc. to understand who Townscape, Inc should talk with and how a community process for Waianae would be best for Waianae people. Townscape, Inc. met with farmers, fishermen, school teachers, social services personnel, medical community and the ahupuaa Councils. Townscape, Inc. also asked those interested in participating in this watershed planning process to form an advisory group. Townscape, Inc. held five or six group meetings during the course of developing this plan.

Chair Aila asked that of the projects listed in the plan, are the projects more agency driven or community driven? Mr. Tsuchida stated that the plan includes a good mix of projects but many are very community driven. For example, the plan discusses establishing cultural community/learning centers, one in each of the ahupuaa which came directly from the community. Another community project emphasized in the plan is restoring streams and streamflow.

Dr. Anthony requested the Commission to consider items D2 and D3 in tandem. With respect to the question posed by Commissioner Fuddy, what would happen if the Commission voted to defer; in terms of protection of the resources, he said nothing would happen. If the Commission votes to defer, the resource is not going to be in any more peril than it might be now for both areas. With respect to Mr. Tsuchida's statement regarding how many people participated in the process, Dr. Anthony pointed out that no one came today to testify in favor of this project. Dr. Anthony emphasized the importance of addressing the timeline and priority issues regarding the Waianae and Koolauloa WMPs because the plans will be used as models regarding the framing of the county water use and development plan. He also noted that agency representatives were not present today.

Melva Aila testified that many residents attended the community meetings and were in strong support of the Waianae WMP. She thanked all the agencies for contributing their time.

MOTION: (Kiyosaki/Fujiwara)

To approve the submittal.

UNANIMOUSLY APPROVED.

3. Adoption of the 2009 Koolauloa Watershed Management Plan to Update to the City and County of Honolulu's Water Use and Development Plan for Incorporation into the Hawaii Water Plan

Staff presentation by Lenore Ohye.

RECOMMENDATION:

Staff recommends that the Commission:

1. Adopt the Koolauloa Watershed Management Plan as an update to the City and County of Honolulu's Water Use and Development Plan for incorporation into the Hawaii Water Plan.

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Dr. Anthony opposed the staff recommendation. He noted the insignificance of the integrated resource planning process and the lack of current sustainable yield figures. The plan did not take into account the elements that make up an ahupuaa; streams, species, habitat, nearshore waters and submarine flows. He commented that the Koolauloa WMP was a one-tier process regarding the level of participation versus the Waianae WMP's three-tier process. It also did not consider a proposal for the private purveyors in Koolauloa to fund the plan. Dr. Anthony argued that the Koolauloa WMP (and the Waianae WMP) involves a "new" expenditure to BWS's budget. He stressed the issue regarding the lack of timelines, priorities and funding. He again asked the Commission to reconsider approving staff's recommendation.

Commissioner Fuddy asked for clarification regarding the public input not being quite as extensive as the Waianae Watershed Plan.

Mr. Jeff Overton, a Planner with Group 70 International, and consultant for the BWS's Koolauloa WMP responded that Group 70 International's process paralleled the Waianae process and included discussing and engaging the community in its six tier process. Mr. Overton referenced the thirty pages of stakeholder consultations included in the review copy on the watershed management plan dated August 2009. Group 70 International talked individually with fifty-four individuals in the community. It talked with the state and county elected officials representing the constituents in the Kahuku, Turtle Bay and Kaaawa districts. It also talked with representatives of twelve different landowners in the region and twenty-three agency representatives. Group 70 International held briefings at the Koolauloa neighborhood board meetings and the Punaluu Watershed Alliance meetings. It also conducted working group sessions and multiple stakeholder consultations that extended through the end of 2010. Mr. Overton cited Dee Dee Letts' March 2010 testimony.

Dr. Anthony entered the Mattoons' letter into the record.

Commissioner Kiyosaki commented that she agreed with Dr. Anthony and the true cost of water has always been an issue and will continue to be one and it is obviously not something the Commission is going to address today. However, it is something that is going to continue to be looked at and addressed. The BWS in previous water use and development plans played the role of a water developer. That was their primary focus. Where's the next well? Where's the next source that it can tap? How can it provide more water for growth that is occurring on the island of Oahu? While the current state of these amendments may not be perfect, it is heading BWS in the right direction. Commissioner Kiyosaki said that it makes priorities clear regarding watershed protection and conservation. She agreed that at the State level with the Water Code and the Waiahole case, a lot of these issues came to the forefront. However, she believed that to have BWS's acknowledgement in writing that these are also their priorities now, is a good thing. For these reasons she will be voting in favor of approving this document today.

MOTION: (Fujiwara/Fuddy)

To approve the submittal.

UNANIMOUSLY APPROVED.

Chair Aila acknowledged Dr. Anthony's verbal request for a contested case hearing.

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E. NON ACTION

1. Informational Briefing: Statistical downscaling and future heavy rainfall events on Oahu, Dr. Pao-Shi Chu, PhD, Professor and State Climatologist, Department of Meteorology, University of Hawaii at Manoa

Mr. Fujii introduced Dr. Pao-Shin Chu of the University of Hawaii, Professor of Meteorology and State Climatologist. Dr. Chu presented his recent study results on future rainfall scenarios in light of the changing climate.

2. Update on the Implementation of Maui Interim Instream Flow Standards

Staff presentation by Dean Uyeno. See attachment to the Minutes.

Deputy Tam announced that the next Commission meeting will be in April in Honolulu. The public hearing on Na Wai Eha water use permits will be continued for at least six months beyond April 20. The Commission will begin the appurtenant rights process. The Waiahole Contested Case is completed because Puu Makakilo withdrew their application for water.

F. NEXT COMMISSION MEETINGS (TENTATIVE)

1. April 20, 1011
2. May 18, 2011

Meeting was adjourned at 10:58 a.m.

Respectfully submitted,

KATHY YODA

APPROVED AS SUBMITTED:

WILLIAM M. TAM
Deputy Director