

MINUTES

**WATER BOARD
PUBLIC HEARING ON
PROPOSED AMENDMENT TO FREQUENCY AND METHOD
OF CALCULATING THE POWER COST CHARGE**

Waimea Community Center, 65-1260 Kawaihae Road, Kamuela
June 30, 2009

PRESENT: Mr. Riley Smith, Chairperson
Mr. Dwayne Mukai, Vice-Chairperson
Mr. Francis Kuailani
Mr. Robert Meierdiercks
Mr. Art Taniguchi
Mr. Milton Pavao, Manager, Department of Water Supply
(ex-officio member)
Mr. Quirino Antonio, Jr., Deputy Manager
Ms. Kris "Kanani" Aton, Public Information and Education Specialist
Ms. Candace Pua, Assistant Waterworks Controller
Mr. Daryl Ikeda, Chief of Operations
Mr. Kurt Inaba, Engineering Division
Mr. Larry Beck, Engineering Division
Mr. Craig Masuda, Deputy Corporation Counsel
Mr. Christopher J. Bennett, Watanabe Ing LLP

CALL TO ORDER: 9:30 a.m.

CHAIRPERSON SMITH: I'd like to call to order the Water Board Public Hearing on the proposed new Cost of Power Adjustment Clause. Will the Public Hearing on the proposed new Cost of Power Adjustment Clause please come to order? The notice of this public hearing was published in the Hawai'i Tribune-Herald and in the West Hawai'i Today on June 5th and June 7th, 2009. Good morning. My name is Riley Smith. I'm the Chair of the Water Board, and we have our Board Members present here: Francis Kuailani, Dwayne Mukai, our Vice Chair, Bob Meierdiercks, member, and Art Taniguchi. We have a quorum. We also have our staff here. Would all of our staff members like to introduce themselves? Doreen, do you want to start? It's on my Agenda; I'm reading it.

STAFF MEMBERS: Doreen Shiota, Secretary; Kanani Aton, Public Information and Education Specialist; Kurt Inaba, head of Engineering Division; Quirino Antonio, Deputy Manager; Candace Pua, Assistant Waterworks Controller; Daryl Ikeda, Chief of Operations.

CHAIRPERSON SMITH: Craig, do you want to introduce yourself as Corp. Counsel?

CRAIG MASUDA: Craig Masuda, Corporation Counsel.

CHAIRPERSON SMITH: The Department of Water Supply is operated and controlled by this Water Board as provided by the Hawai'i County Charter. Section 63 of Part III, Chapter 54, HRS, and it reads as follows:

“The Board of Water Supply may fix and adjust rates and charges for the furnishing of water and for water services so that the revenues derived therefrom shall be sufficient to make the waterworks and water systems self-supporting and to meet all expenditures authorized by this part; the Board may establish variable rates among the several districts of the County, or among the areas served by the individual water systems within the County, for the purpose of establishing charges as closely as possible to the necessary amount required for the maintenance and operation of the particular individual water systems; provided no rates and charges shall be fixed or adjusted prior to the holding by the Board of a public hearing, public notice of which shall have been given not less than twenty days before the date set for the hearing. The notice shall state the time and place for the hearing and the proposed rates and charges to be considered thereat. The time within which the notice shall be given shall be computed by including the first day, and excluding the last day.”

We are here to receive comments or testimony on the proposed amendment to the Power Cost Charge, from \$2.38 per 1,000 (gallons) to an appropriate revised charge. As stated in the hearing notice, all comments or testimony were to be filed in writing before the time of the hearing or are to be presented in person at the time of the hearing. We would like to follow this format as closely as possible; however, because there may be some of you who do not have any written statements but would like to testify or comment, we would like to afford you this opportunity to do so, but would like to limit such presentations to five minutes because of the time limit.

The hearing is now open for comments from the floor. Do we have anybody available to testify? Okay, hearing none, I would like to entertain a Motion that this Public Hearing be closed.

BOB MEIERDIERCKS: So moved.

CHAIRPERSON SMITH: Do I have a second?

FRANCIS KUAILANI: Second.

CHAIRPERSON SMITH: Second by Francis. Any discussion? All those in favor, say Aye.

BOARD MEMBERS: Unanimous ayes.

CHAIRPERSON SMITH: Any opposition? Hearing none, Motion carried. The Hearing is closed.

(Public Hearing adjourned at 9:35 a.m.)

Senior Clerk-Stenographer

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