

**MINUTES**

WATER BOARD PUBLIC HEARING  
ON  
PROPOSED WATER RATES  
FOR THE DEPARTMENT OF WATER SUPPLY OF THE COUNTY OF HAWAI‘I

Aupuni Center Conference Room, 101 Pauahi Street, Hilo  
March 30, 2011

**MEMBERS PRESENT:** Mr. Dwayne Mukai, Chairperson  
Mr. Bryan Lindsey  
Mr. Kenneth Kaneshiro  
Mr. Delan Perry  
Mr. Art Taniguchi  
Mr. Milton Pavao, Manager (ex-officio member)

**MEMBERS ABSENT:** Mr. Bob Meierdiercks, Vice-Chairperson  
Mr. David Greenwell  
Mr. George Harai  
Mr. Joe Reynolds

**DEPARTMENT OF WATER SUPPLY STAFF**

Mr. Quirino Antonio, Deputy  
Mr. Rick Sumada, Waterworks Controller

**OTHERS PRESENT:** Mr. Patrick Kahawaiola‘a  
Mr. Tom Goya  
Ms. Lori Ann Lindsey

**CALL TO ORDER:** 6:00 p.m.

**CHAIRPERSON MUKAI:** Good evening. Would the Public Hearing on proposed water rates for the Department of Water Supply please come to order. I am Dwayne Mukai, Chairperson of the Water Board, and the members of the Water Board who are present are... could you please introduce yourself from my left to my right?

*(Messrs. Perry, Taniguchi, Lindsey and Kaneshiro introduce themselves.)*

We are here to accept testimony on the proposed water rates. The Department of Water Supply is operated and controlled by this Water Board as provided for in the Hawai‘i County Charter. Upon recommendation by the Department, the Water Board authorized the Manager to hire a water rate consultant to review the adequacy of the existing rates. R. W. Beck, Inc., of Seattle, Washington, was contracted for this purpose.

Section 63 of Part III, Chapter 54, Hawai‘i Revised Statutes, reads as follows:

“The board of water supply may fix and adjust rates and charges for the furnishing of water and for water services such 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 water rates and charges to be considered thereat. The time within which the notice shall be given shall be computed by including the first day (the day of the notice) and excluding the last day.”

We are here to receive comments or testimony on the proposed rates. As stated in the hearing notice, **published in the Hawai'i Tribune-Herald and the West Hawai'i Today on February 27, 2011**, 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 accord you this opportunity to do so, but would like to limit such presentations to five minutes because of the time element.

Actually, Mr. Taniguchi will be the timekeeper, so when there's one minute remaining in the public testimony, he will raise a sign that says, "One minute warning... remaining." Okay, when that time is up, he'll raise another placard that says, "Time's up."

Do we have written testimony? No? We have no written testimony so at this time, we'll go to public testimony. Is there anyone here who would like to testify on the proposed public rates?

*(Secretary notes that Mr. Patrick Kahawaiola'a has signed up.)*

Patrick, would you like to...?

**MR. KAHAWAIOLA'A:** I signed. I thought it was just a roster.

**CHAIRPERSON MUKAI:** Okay, I see Tommy Goya here. Mr. Goya?

**MR. TOM GOYA:** Not at this time.

**CHAIRPERSON MUKAI:** Wow, this may be the quickest public hearing of all time.

**MR. KAHAWAIOLA'A:** On a point of information, what was presented in the newspaper about the...

**CHAIRPERSON MUKAI:** You wanna come to the table? Patrick, come to the table.

**MR. KAHAWAIOLA'A:** Good evening. My name is Patrick Kahawaiola'a, and I come tonight just as an individual, wondering about the rate hikes. And I just need additional clarification so I can return there to the community. I see a lot of the rate hike is for pumping water. And what I gathered from this Notice was that there was a Standby Charge. And I think HELCO is gonna make the biggest...will get the biggest cut off of this pie that you needed...that the Water Department needed, to raise rates...was gonna come for electrical use. And so my only biggest concern was that I was just a bit confused about the public having to pay for electric rates through the Water Department. And forgive me, 'because I'm of the premise that I have a job, I come home, I look at my household budget, I need to pay...if I use the electric, I need to pay it from what I get. I can't go back to my boss and say, give me a rate hike, give me a pay raise 'cause the electricity went up. What I'm gathering is that the Water Department has the luxury...it can come to you and say, hey, look, our electricity rate is gonna go up. Is the electricity rate gonna come off of the rate hike just off what's pumped, or is it the office electric, the electric that runs the supply yard, those kinds of things? That's the confusion that I have, or

clarification needed as to this rate hike. Because I'm not technically opposed to any rate hikes to service the people, but I am, definitely, if what I see is a...the biggest part of the standby cost, would be to pay for pumping, that HELCO would be the biggest beneficiary of. So that's why I'm here, to find that clarification.

**CHAIRPERSON MUKAI:** Okay. Unfortunately, in a public hearing format, we cannot answer questions.

**MR. KAHAWAIOLA'A:** Yeah, that's my next thing... If I put it in writing, give it to this Board, will I be able to get a response? I didn't hear anything. All I heard was written testimony... I didn't come prepared with written testimony. But if I can do one, I just need to know the time frame to make that written report.

**CHAIRPERSON MUKAI:** By all means, please send us a written request.

**MR. KAHAWAIOLA'A:** What kind of time frame do I have to do it? The next 10 days? Five days?

**CHAIRPERSON MUKAI:** Well, we don't meet until... We have another Public Hearing, in Kona tomorrow night. We don't vote on it until our next meeting, which is April 26<sup>th</sup>. What I would do is send your inquiry to the Department, and the Department will respond at a very quick...

**MR. KAHAWAIOLA'A:** If I get it in before April 26...

**CHAIRPERSON MUKAI:** Oh, I'm sure, if the Department gets it whatever day, you'll get a response.

**MR. KAHAWAIOLA'A:** I would appreciate that.

**CHAIRPERSON MUKAI:** Right on. Thanks, Patrick. Thanks for coming. Is there any other testimony from the public at this time? Okay. At this time, I would like to entertain a Motion that this Public Hearing be closed.

**MR. KANESHIRO:** So move.

**MR. TANIGUCHI:** Second.

**CHAIRPERSON:** Any discussion? Hearing none, call for the question? All those in favor say "aye." (*All ayes.*) Opposed, nay? Hearing is closed. Thank you.

*(Public Hearing closed at 6:12 p.m.)*

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Senior Clerk-Stenographer

*Anyone who requires an auxiliary aid or service for effective communication or a modification of policies or procedures to participate in this Water Board Meeting should contact Doreen Jollimore, Secretary, at 961-8050 as soon as possible, but no later than five days before the scheduled meeting.*

*The Department of Water Supply is an Equal Opportunity provider and employer.*

*Notice to Lobbyists: If you are a lobbyist, you must register with the Hawai'i County Clerk within five days of becoming a lobbyist. {Article 15, Section 2-91.3(b), Hawai'i County Code} A lobbyist means "any individual engaged for pay or other consideration who spends more than five hours in any month or \$275 in any six-month period for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials." {Article 15, Section 2-91.3(a)(6), Hawai'i County Code} Registration forms and expenditure report documents are available at the Office of the County Clerk-Council, Hilo, Hawai'i.*

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WATER BOARD PUBLIC HEARING  
ON  
PROPOSED WATER RATES  
FOR THE DEPARTMENT OF WATER SUPPLY OF THE COUNTY OF HAWAI‘I

West Hawai‘i Civic Center, Community Center, 74-5044 Ane Keohokalole Hwy, Kailua-Kona

March 31, 2011

MEMBERS PRESENT: Mr. Dwayne Mukai, Chairperson  
Mr. Bob Meierdiercks, Vice-Chairperson  
Mr. David Greenwell  
Mr. George Harai  
Mr. Bryan Lindsey  
Mr. Art Taniguchi  
Mr. Milton Pavao, Manager (ex-officio member)

MEMBERS ABSENT: Mr. Kenneth Kaneshiro, Board member  
Mr. Delan Perry, Board member  
Mr. Joe Reynolds, Board member

DEPARTMENT OF WATER SUPPLY STAFF

Mr. Quirino Antonio, Deputy  
Mr. Rick Sumada, Waterworks Controller

OTHERS PRESENT: Ms. Barbara Kossow, Mayor’s Office

CALL TO ORDER: 6:00 p.m.

**CHAIRPERSON MUKAI:** Good evening. Would the Public Hearing on proposed water rates for the Department of Water Supply please come to order. I am Dwayne Mukai, Chairperson of the Water Board, and the members of the Water Board who are here are: from my left to right, please?

*(Messrs. Harai, Lindsey, Meierdiercks, Taniguchi and Greenwell introduce themselves.)*

Okay, gentlemen. Thank you very much for attending tonight’s Public Hearing.

We are here to accept testimony on the proposed water rates. The Department of Water Supply is operated and controlled by this Water Board as provided for in the Hawai‘i County Charter. Upon recommendation by the Department, the Water Board authorized the Manager to hire a water rate consultant to review the adequacy of the existing rates. R. W. Beck, Inc., of Seattle, Washington, was contracted for this purpose.

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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 (the day of the notice) and excluding the last day.”

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Vice Chair Bob Meierdiercks will serve as the time official. When you have one minute remaining, he will flash you with that really ugly flash, and when you have no minutes, he will also flash you, signifying that it’s time to stop. It’s not that kind of flash, Ms. Snyder.

Do we have any testimony at this time?

Hearing none and seeing none, thank you for coming and presenting testimony on the proposed water rates.

**CHAIRPERSON:** At this time, I would like to entertain a Motion that this Public Hearing be closed.

**MR. MEIERDIERCKS:** So move.

**MR. GREENWELL:** Second.

**CHAIRPERSON:** Any further discussion? Hearing none, we’ll call for the question. All those in favor, signify by saying “Aye.” All those opposed, signify by saying “Nay.” Meeting adjourned.

*(Public Hearing closed at 6:05 p.m.)*

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#### Senior Clerk-Stenographer

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