

MOLOKAI IRRIGATION SYSTEM ADVISORY BOARD MEETING  
MINUTES

10:00 am, November 18, 2008

- I. Call to Order: Adolph Helm, Chairman, called the meeting to order @ 10:00 am. Board Members Present: Adolph Helm, Steve Arce, George Maioho, Richard Wheeler, Audwin Calairo, and James Boswell.
- Guests: Duane Okamoto, Randy Teruya, HDOA, Jessie Ford and Pat Cabanting, Coffees of Hawaii.
- II. Approval of Agenda: R. Wheeler moved to accept the agenda; seconded by G. Maioho; motion carried.
- III. Approval of Minutes: G. Maioho moved to accept the minutes as circulated; seconded by S. Arce; motion carried.
- IV. Old Business:
- A. System Update – Reported by Randy Teruya:
- Water level in reservoir @ 15.5'; compared to 16' last year at same time.
  - 2.81 mgd reservoir inflow; 3.01 mgd. Outflow.
  - MPL inflow = 0.402 mgd; Outflow = .364 mgd
  - MPL Buffer in reservoir = 18.673 MG
  - Two pumps operating on “off-peak” hours; 9:00 pm to 7:00 am
  - Molokai Irrigation System tasks completed:  
Transmission pipeline flush valves were tested on 10/24/08  
Reservoir inspection done on inlet, outlet and spillway structures.
- B. Capital Project Update
- FOPCO – Randy Teruya provided progress report.
  - Submittals for products to be used on project were turned in and accepted.
  - Mobilization to island started.
  - Messenger Cable ordered.
  - Prysmian Wire ordered
  - Transformers and switches ordered
  - Air Relief Valves ordered
  - Muller gate valves ordered and on island.
  - One gate valve installed (station 30+65), there is an obstruction in the line ahead of the valve that is causing water not to flow fully through the new valve. Contractor will continue efforts to remove the obstruction.

C. Financial Status of M.I.S.- Duane Okamoto

- D. Okamoto reported on the financial status of the MIS with a hand-out reflecting revenue and expenses for the period July 1, 2008 to September 30, 2008.
- The primary expense is Electricity, 56.5% of total Expenses through 9/30/08. This category includes electrical costs from FY2008 and although KWH usage is lower than the same period last year, the per KWH cost has increased tremendously due to the price of oil.

D. Accounts Receivable Collections Discussion- D. Okamoto

- D. Okamoto provided a hand-out identifying the Accounts Receivable status as October 31, 2008.
- A total of \$216,103 over 60 days delinquent
- 27 individual accounts owe more than \$1,000 each.
- The 27 accounts represent a total outstanding balance of \$205,073 or 94.9% of the total Accounts Receivable.
- The 27 delinquent accounts also accounts for consumption of 44,562,000 gallons of irrigation water or 19.3%.
- 130 Surveys were mailed out to M.I.S. customers; 45 surveys were returned.
- DOA is developing a strategy to address delinquencies and having the stakeholders and Attorney General's Office review it.

E. Status of Implementation of Roadmap to Improvement and Legislative Auditor's Office Recommendations

- D. Okamoto handed-out a matrix reflecting the status of the auditor's recommendations. Of the twenty-seven (27) recommendations listed, all have been completed or are in progress as on-going tasks.
- The unfinished items include; creating a strategic plan specific to the M.I.S., defining "homestead farmer", developing procedural guidelines to expand the M.I.S. Board, working with the Legislature to identify the best means to fund the operation of the M.I.S. and reviewing the receivables collection process and if necessary, consider employing more aggressive tactics.
- Chair Helm if HDOA will be briefing the Legislators on the status of the audit compliance. Duane responded in the affirmative.

V. New Business

A. Expansion of MIS Water Users Advisory Board Membership – D. Okamoto

- Definition of “homestead farmer user” (see printed material handed-out)
- Chair Helm stated that we need to clarify DHHL’s rules which allow for the transfer of leases to decedents.
- D. Okamoto stated that HDOA has submitted the proposed definitions and procedure to DHHL for review and comments.
- HDOA to distribute copies of Sections 10-3-2 and 10-3-24 of the Hawaiian Home Lands Administrative Rules to board members.

B. Development of Molokai Irrigation System Water Users Advisory Board Mission Statement

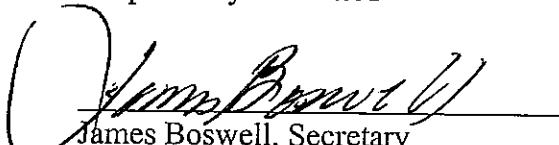
- D. Okamoto provided a hand-out reflecting elements to consider for the MISWUAB Mission Statement for board review.
- It is intended to be discussed at the next board meeting.

VI. Next Meeting Date: January 20, 2009 at 10:00 am, MIS Conference Room.

VII. Announcements: None

VIII. Meeting adjourned @ 11.49 am, motion by R. Wheeler; seconded by S. Arce. Motioned carried.

Respectfully submitted

  
James Boswell, Secretary  
MIS Water Users Advisory Board