

MOLOKAI IRRIGATION SYSTEM ADVISORY BOARD MEETING
MINUTES

10:00 am, July 22, 2008

- I. Call to Order: Adolph Helm, Chairman, called the meeting to order @ 10:03 am. Board Members Present: Dick Wheeler, Steve Arce, Audwin Calairo, and James Boswell.

Guests: Randy Teruya, Byron Alcos, Zalina Alui (Molokai Dispatch), Sneh Duggal (Molokai Times), Ray Foster, Walter Ritte, Glenn Teves, Bill Feeter, and Wayde Lee.

- II. Approval of Agenda: Dick Wheeler moved to accept the agenda; seconded by Steven Arce; motion carried.

- III. Approval of Minutes: James Boswell moved to accept the minutes as circulated; seconded by Steven Arce; motion carried.

- IV. Old Business:

A. System Update – Reported by Byron Alcos:

- Water level in reservoir @ 16'; compared to 20.0' last year at same time.
- 2.90 mgd reservoir inflow; 2.86 mgd. Outflow.
- MPL inflow = .655 mgd; Outflow = .619 mgd
- One pump operating during off-peak hours; 9:00 pm to 6:00 am.
- A second pump is not in operation due to a malfunctioning timer and Marty Johnson of Pacific Electro-Mechanical is to determine the problem with the timer and provide a quotation to correct the problem.
- Meanwhile, MIS will operate only one pump to minimize electrical use.
- Chair Helm commented that historically, the outflow from the reservoir was higher than the inflow and asked why the present outflow is less than previously reported outflows. Byron responded that it was primarily due to the 20% conservation measures in effect for the non-homestead users.
- Byron reported that after a heavy down-pour of rain on July 9, 2008, a neighbor reported to Byron that smoke was coming from the control cabinet at the Farrington Avenue Booster Pump Station. Upon arriving at the site, Byron shut-down all electrical power to the control cabinet and requested MECO disconnect the power source at the power pole for safety reasons.
- Upon inspection, it was determined that water infiltrated the control cabinet and short-circuited the starter panel for Pump #2, however, Pump #1 was operational, and was used to fill the Lihi Pali tank to continue servicing customers.

- Marty Johnson of P.E.M. was called to inspect the damage and provide MIS with a quotation for repairs.
- Wayde Lee recently had his meter installed and was concerned that he was required to install, at his own expense, a backflow prevention device at a cost of \$400-\$500. He had not included this cost in his budget for his irrigation system. He was wondering if the device was necessary and if MIS could give consideration to waiving the requirement.
- R. Teruya responded that, unfortunately, the backflow preventer or a double check valve is required by the Hawaii Administrative Rules Governing the State Irrigation Systems and was also included as a requirement in the former Molokai Irrigation System rules before the new rules took effect. The purpose of the backflow prevention devices were to protect the MIS system infrastructure and more importantly, to protect all users from a situation where one user's water from his/her system does not flow back into the main distribution pipeline, possibly carrying with it contaminants that could be transmitted to other user's farms and affect the irrigated crop. This occurs when farmers inject pesticides or other chemicals into their irrigation systems for application.
- Regarding Monsanto's request to pay for additional pumping to increase storage during the summer months. R. Teruya stated that DOA has not made a decision as yet. However, preliminary study of the various factors such as the hydrology of the high level dikes, permitted draw from the wells, the National Weather Services' Forecast and current usage by MIS customers are being reviewed and a decision will be rendered soon.

B. Capital Project Update

- FOPCO was awarded the contract to replace the primary electrical cable in the tunnel. The contract documents continue to be routed for approvals. A pre-construction conference is anticipated in July 2008 to discuss the logistics of the work with the contractor.

C. Molokai Properties Ltd. and Environmental Review Requirements

- Duane Okamoto reported that there has been no change in the status of the pipeline agreement. DOA continues to take a "wait and see" position. Duane also mentioned that the Department of Health had ordered Molokai Ranch to continue water and sewage service for 90 days and Governor Lingle had contacted Mayor Tavares to emphasize that Maui County must insure continued service and should review the take over of the services within the 90 day period.

V. New Business

A. Financial Status of M.I.S.

- D. Okamoto reported on the financial status of the MIS with a hand-out that identified “preliminary” revenue and expenses for the period July 1, 2007 to June 30, 2008. Duane stated that the final numbers should become available by the end of July.

B. Audit Recommendations and Follow-Up: Delinquent Accounts as of 03/31/08

- Discussion on how DOA should proceed to resolve the Accounts Receivable problems, as recommended by the Legislative Auditor.
 - a) Authority pursuant to the Administrative Rules
 - b) ARMD Collection Guidelines
 - c) Advisory Board recommendations
- Duane stated that he has developed a survey that will be mailed out to all users with the July billings in August 2008.
- Duane will also try to meet with various homestead and non-homestead users to get their input on the survey questions and comments or concerns regarding the Legislative Auditor’s recommendation that the MIS employ more aggressive means of collecting outstanding balances.
- W. Ritte asked that the MIS Board discuss the issue of Hawaiian rights of the two-thirds preference and how these rights were being protected.
- Duane provided Walter with a copy of the Conservation Measures and Preference language of the Administrative Rules and Hawaii Revised Statutes. Duane also mentioned that these items are available on the department’s website and was a part of the discussions at the public Road Map meetings.
- W. Ritte asked if all non-homesteaders had submitted their Conservation Plans as requested by the MIS?
- R. Teruya responded that not all Conservation Plans have been submitted. Walter asked for a copy of Monsanto’s plan. Randy asked that Walter submit a formal written request, pursuant to the Office of Information Practices statutes, indicating specifically what information he is requesting.

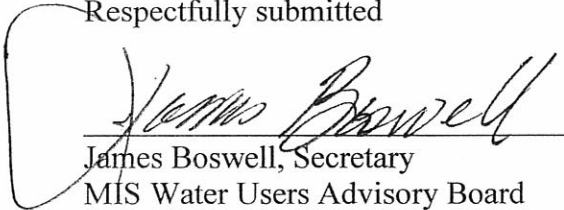
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VI. Next Meeting Date: September 16, 2008 at 10:00 am, MIS Conference Room.

VII. Announcements: None

VIII. Meeting adjourned @ 11:38 am, motion by S. Arce; seconded by R. Wheeler.
Motioned carried.

Respectfully submitted



James Boswell, Secretary
MIS Water Users Advisory Board