

MOLOKAI IRRIGATION SYSTEM ADVISORY BOARD  
MEETING MINUTES

10:00 am, April 22, 2008

- I. Call to Order: Adolph Helm, Chairman, called the meeting to order @ 10:02 am.  
Board Members Present: Dick Wheeler, Steve Arce, Audwin Calairo, George Maioho, and James Boswell.  
Guest: Duane Okamoto, Randy Teruya, Byron Alcos, Sonny Reyes, Brandon Roberts (Molokai Dispatch), Andrew Arce.
- II. Approval of Agenda: Richard Wheeler moved to accept the agenda; seconded by George Maioho; motion carried.
- III. Approval of Minutes: Steven Arce moved to accept the minutes; seconded by Richard Wheeler; motion carried.
- IV. Old Business
  - A. System Update – Reported by Byron Alcos:
    - Water level in reservoir @ 19'; compared to 26.5' last year at same time.
    - 3.08 mgd reservoir inflow; 4.42 mgd reservoir outflow.
    - Two pumps operating during off-peak hours; 9:00 pm to 7:00 am.
    - Received one application for water service from Wayde Lee at Mahana. MIS has ordered parts to perform the installation and will re-use an existing 2" meter provided by applicant.
  - R. Wheeler requested clarification of how Byron calculates the "average daily flows" of MPL's inflow and outflow. R. Teruya stated that he will work with Byron to establish a consistent formula and present it to the board.
  - R. Teruya reported that Maui Master Builders were the low bidder for the Pump Maintenance Contract. The bids were based on a 3-year contract, which will be renewable annually at a total cost of \$213,099 or \$71,033 per year. The contract specifications include maintenance service on weekly, monthly, quarterly and annual basis. DOA and MIS staff will oversee the contractor during the contract period.
  - R. Teruya also reported that he met will Monsanto-Molokai who has proposed to pay for additional electrical costs to increase the pumping of wells in Waikolu Valley to increase the storage of water in the Kualapuu Reservoir before the summer months. This proposal is made because the MIS is lagging behind last year's levels and an increase in rainfall from present through the summer months is not predicted. Therefore, to avoid water shortages, Monsanto has proposed to pay for additional pumping to sustain their planned

plantings during the summer. DOA has no initial objections to Monsanto's proposal, however, there are several items needing review and consideration before DOA makes a final decision. First, DOA must insure that any additional pumping will not exceed the maximum permitted pumping per the Commission on Water Resource Management, and second, a hydrological assessment of the high level dike system is needed to determine if the dikes can sustain the additional pumping.

B. Capital Project Update

- R, Teruya reported that the bids received for the Electrical/Scada/Telemetry project exceeded the allotted funding, therefore, a decision had to be made as to which segment of the project would proceed.

- It was decided that the primary electrical cable should be replaced to avoid the potential for total electrical outage. The current thinking is that if the primary power is lost due to the primary cable, the SCADA system and pumps could not operate anyway.

- Also, included with the contract will be the purchase of the replacement ARV's and unplugging the two blow-off valves.

- Subject to available funds, DOA may include installation of appropriate mag meters to monitor inflow and outflow at the reservoir.

C. Molokai Properties Ltd. and Environmental Review Requirements

- Per Duane stated that there has been no change in the status of the pipeline agreement.

- DOA is taking a "wait and see" position due to MPL's shut-down of operations.

V. New Business

A. Prioritization of Audit Recommendations and Roadmap Action Items

- Duane distributed binders for each board member to organize board business.

- MIS will have an "Office copy" for public viewing, however, it is not for copying.

- Most the information that is to be contained in the binder will be posted on the DOA website.

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

- Duane discussed delinquent accounts as of 03/31/08 and explained the breakdown of delinquent accounts presented in the binder.

- R. Teruya distributed copies of the standard correspondence used to notify customers with delinquent balances and also a copy of the repayment agreement.
- Chair Helm suggested that the MIS must do what it needs to do, however, dialog with DHHL should established regarding homesteader delinquencies how the MIS proposes to handle them.
- R. Teruya will e-mail copies of the Audit Follow-Up Task List matrix and a summary sheet, prepared by Duane, reflecting excerpts from the Hawaii Administrative Rules that refer to the Authority to Act on Non-Payment if Bills.

C. Legislative Update

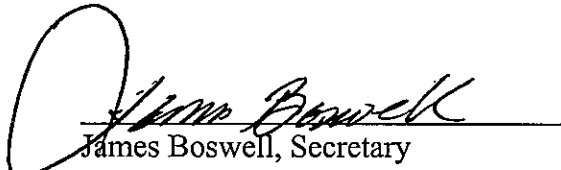
- R. Teruya reported that the Senate confirmed Audwin Calairo, James Boswell, and Richard Wheeler to the MIS board.

VI. Next Meeting Date: J. Boswell suggested that a "Meeting Schedule" item be placed on the next board agenda for discussion. Chair Helm acknowledged the request. The next board meeting is scheduled for Tuesday, May 20, 2008 at 10:00 am.

VII. Announcements: None.

VIII. Meeting adjourned @ 11:20 am, motion by S. Arce; seconded by R. Wheeler.

Respectfully submitted:

  
James Boswell, Secretary  
MIS Water Users Advisory Board