

WIT.Committee

WIT-25

From: Dick Mayer <dickmayer@earthlink.net>
Sent: Tuesday, January 21, 2020 8:58 PM
To: WIT.Committee; Shane M. Sinenci
Subject: MAUI ISLAND WATER USE AND DEVELOPMENT PLAN (WIT-25)
Attachments: DLNR AUCTION -East Maui Water Auction QUESTIONS.docx

**Attached is Testimony for the
WATER, INFRASTRUCTURE, AND
TRANSPORTATION COMMITTEE
Meeting on Jan. 22, 2020.**

**I will be at the meeting to make an oral presentation on the relevance of the attached
testimony to the WUDP..**

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RECEIVED AT WIT MEETING ON 1/22/2020
Dick Mayer

DLNR AUCTION – To permit the harvesting and distribution of water **Dick Mayer Jan., 22, 2020**
from Four (4) East Maui water lease areas.

The Maui Board of Water Supply requests that the Hawai'i Department of Land and Natural Resources (DLNR) come to the 1:30pm, Thursday, February 20, 2020 Maui County Board of Water Supply meeting to discuss the **auction format and conditions** with regard to the auction of the four lease areas in the East Maui watershed.

Questions for DLNR: Auction of Four (4) East Maui Water Leases

What exactly will be auctioned?

1. What will be the **conditions placed on the auction "winner"**?
2. Will there be **one lease or four leases**?
3. What will be the **length of the lease**?
4. How often will there be **reviews of the lease**, its operations and its conditions during the long lease period? Every 5 years? 10 years?
5. Who will have **responsibility for enforcing the lease** conditions?
Someone on Maui? DLNR? Maui Department of Water Supply? CWRM?
7. In the auction agreement what are the **penalties for non-compliance** with the auction conditions? For example: If too much water is taken from a stream? Or if some of the water is sold for non-agricultural uses? Or the watershed is not being properly maintained?
8. What conditions, restrictions and limits are in place regarding the ability of a leaseholder to transfer their entire lease to someone else? Or to sub-lease part of it to a third party?

Sale of Water

9. Will the auction winner be **allowed to sell water** to whomever they wish?
10. **What prices** will they be allowed to charge for that water?
11. Who will **regulate the rates** over the lease's long-term period? PUC? DLNR? BLNR?
12. Will they be required to **sell the water at the same price to anyone** who buys the water?
13. Will the water that is sold be allowed to be used for any other uses **besides:**
a) agriculture; b) Hawaiian Homelands; and c) the Maui County Department of Water Supply
(for distribution to UpCountry residents?)
14. Are there strict prohibitions on the use and sale of the water for **non-agricultural uses**?
15. Will the auction winner be **required to supply adequate water to UpCountry residents** and farmers, even in times of drought?
16. What will be the obligation of whomever wins the auction **to supply water to the Hawaiian Homelands**, both in the UpCountry Maui area, and in the Pulehunui area of Central Maui?
17. What requirements will be placed on the winner of the auction to **maintain and improve the East Maui watershed**?
18. What legal obligations will the winner of the auction have to **provide access for hikers and or hunters** within the watershed area?
19. How will the **Maui Water Resource and Development Plan** dovetail with the conditions in the auction requirements?
20. What will be the relationship between the **auction winner and the Maui County Department of Water Supply**?
21. **Who will be allowed to bid at the auction**? What requirements must any bidder have to be able to bid and to win the auction?
22. Will the winner of the auction be required to **improve and line the many reservoirs** on the Mahi Pono owned land?