

**Transcript of Off-Agenda Discussion
Environmental Management Commission
February 28, 2023**

GAFFNEY: Yeah, I don't have a question. I got a statement. The one thing I haven't heard mentioned today is public-private partnerships. There is currently a citizens initiative pushing for a public-private partnership at Kahalu'u to take 350 cesspools out of existence. That process seems to be moving well with the support of Councilman Holeka Inaba and Rebecca Villegas. I also have bad news, and that is that the Hawai'i District Manager for Boating has resigned. And he was the power behind our moving forward to sewer Honokōhau harbor. And he was not getting- one of the reasons he resigned is he was not getting support from the higher ups in the boating program for that, even though we had \$7 million to do that project. So I am concerned that we may not see that project move forward. But I think it's also important to note here that the state does have places like Honokōhau on this island that need to be part of this discussion. And when you have state managers that are opposing sewing their facilities, you really have a problem. I just wanted to get those statements on the record so people were aware that was going on and also to remind people that public-private partnerships are undertaken on this island. There are private wastewater companies operating on this island that are anxious to be part of the solution. So we can't forget that as an option.

MANSOUR: Here's - before I leave, I know I'm going to be running late, but - great statement Rick and I 100 percent agree with you. It's a shame that the State itself is not leading by example. As they lead the cesspool conversion, their sister agency and department refuses to look at the option of connecting and working with the County as a team to achieve that ultimate solution. Number 2, I definitely encourage, and I talked to a few council members as well. I recommend that you guys get involved in looking at the possibility to create an annexed area for these private entities to be able to secure their infrastructure and guaranteed connections if they know they were given a 5-mile radius, that they are the only ones that could provide such services. That way they could go in, construct the infrastructure, put the capital cost with the incentive that everybody within that 5-mile radius will be connected to them. We need to pass a law, a new policy. I've been talking to Council Members Inaba and Villegas with the idea that we need to draft a bill to allow private entity-annexed areas of sewer service. That way they know their boundaries and they know their expenditure and they're going to put the capital cost with understanding money is going to come back at certain time to cover their investment. So with that said, I hope you guys continue fighting for this and pushing that, Rick. That's the only way I could see private involvement. Once they get these annexed areas, they feel more comfortable to spend the money for the services. With that said, thank you so much.

OLSON: One quick question. That's on the state level, right?

MANSOUR: Which one, the annexed area?

OLSON: Yeah.

MANSOUR: The annexed area, actually, think of it as political district area, but we need to draw boundaries for like, Hawai'i Water, American Water. The County will have its own boundary. So we shouldn't have the entire County saying we're going to provide services because it's outrageous because we don't have that infrastructure. So when you take Waikoloa treatment plant and you said, okay, now I'm going to expand your annex boundary to about a 5-mile radius or a 10-mile radius or the Mauna Lani area to include Puakō subdivision. So once you give these entities a boundary, they'll be committed to put the capital investment. And that I think you probably Jon, you could do it in the county level, similar to- it could be like what Spectrum and HELCO is doing. They have certain area that they provide services to, so somebody has to look into that.

OLSON: What I'm trying to get at is this has to start with a State action. The State has to sign off on this.

MANSOUR: That's why we need legal, we need you guys to figure out how-

OLSON: I think Sierra Club, you should have this on your desk, look into it, and I think that's the conclusion they reached, that we've got to get this to the State first.

MANSOUR: If you want me to submit testimony, I'll be more than happy, but let's find somebody willing to take it on. Let's start submitting testimonies. Because to me, that's the only way you're going to get these cesspools converted for areas within private entities that provide wastewater treatment sites, period. Because the county is not going to extend the infrastructure. And what Rick was talking about, that 300 houses. It's the perfect location for Hawai'i Water to expand their services and get out of the red tapes of anything in between. So just create annexed areas, annexed service areas that are designed, delegated and designated to these utility companies and most of these utility company under the PUC, right? So they cannot gouge the prices and what have you because they have more restriction than we do on how to set the fees.