

MINUTES
JANUARY 15, 2026

The regular meeting of the Board of Water Supply was held online via Microsoft Teams and at the Department of Water Supply Conference Room. Video recordings of previous meetings are viewable on the Board's website, and at <https://www.akaku.org/boards-commissions/>.

I. CALL TO ORDER

The meeting was called to order by Chair Donna Sterling at 1:30 p.m.

II. ROLL CALL

Present: Chair Donna Sterling, Juanita Reyher-Colon, John Helly, Paele Kiakona, Jeffrey Borge, Tina Boteilho

Excused: Vice Chair Edwin "Ekolu" Lindsey, Nichole Inouye-Nohara, Jake Musson

Staff: John Stufflebean, Director; Yukari Murakami, Deputy Corporation Counsel; Sherilyn Otsubo, Board Secretary

III. INTRODUCTION OF NEW MEMBER – Tina Boteilho

Member Boteilho mentioned that she's a 5th generation from Upcountry. Her great-grandfather and uncles maintained the Waikamoi Water Reserve for a long time. She has been to different water resources and has seen the different changes within her lifetime. She is looking forward to helping come up with solutions on how to better support our water resources.

IV. APPROVAL OF MINUTES – December 18, 2025

Member Reyher-Colon made a motion to approve the minutes. Member Kiakona seconded the motion. The motion passed with 5 ayes. Member Boteilho abstained.

V. PUBLIC TESTIMONY ON ANY AGENDA ITEM

There were no testifiers and testimony at the beginning of the meeting was closed at 1:36 p.m.

VI. UNFINISHED BUSINESS

A. Monthly updates from the East Maui Regional Community Board.

Chair Sterling deferred this item.

There were no testifiers and testimony was closed at 1:37 p.m.

VII. OTHER BUSINESS

A. Review of the Department of Water Supply's Fiscal Year 2027 Budget.

Director Stufflebean said they department presented their budget to the Mayor on January 4th or 5th, and now it's being presented to the board in plenty of time for the board to review it. He presented a one-page [document](#) summarizing the three budget documents that were attached to the agenda. It was a detailed overview of the proposed FY 2027 budget, including expenditure and revenue changes, rate adjustments, and capital improvement plans.

- Expenditures - increase from \$92M to \$92.7M, basically a flat budget
- Administration – decrease from \$18.4M to \$17.1M, mostly in professional services
- Operations – increase from \$48.7M to \$49.8M, mostly for equipment replacement
- Department wide budget – increase from \$24.9M to \$25.8M, due to debt service, and overhead and fringe benefits
- Personnel – increase from \$19.3M to \$19.5, mostly to CBA increases, no expansion positions
- Equipment – increase from \$2.3M to \$3.4M, mostly in Operations to catch up with deferred maintenance
- Watershed Grants – increase from \$3.21M to \$3.86M, due to 4% Code requirement and addition of Kula Watershed
- Professional Services – decrease from \$6.8M to \$5.07M, due to completion of engineering and planning projects
- Revenue – total revenue increase from \$93.7M to \$103M, entirely for CIP
- 5% increase for monthly fees
- No increase for residential Tier 1, Tier 2, and multi-family
- 10% increase for Tier 3 and general use
- 25% increase for Tier 4 and hotels/resorts
- Proposing a new Tier 5 for residential use above 50,000 gal/month to increase by 50% from what the old Tier 4 was
- Residential portion of AG rate adjusted to match residential
- Fees for services provided in development fees are still being worked on

Director Stufflebean mentioned that the capital budget has to be spent in 18 months. By December 31st of last year, for the first time, they spent the whole CIP budget, with one caveat, there's one project they feel that they'll get federal funding for. He applauded the CIP division for

their hard work with getting a lot of projects over the finish line. This year they're proposing a big increase in the capital budget, mostly because they think they can get a fair amount of federal funding.

There were no testifiers and testimony was closed at 1:50 p.m.

Member Helly asked for clarification on how to navigate from the CIP sheet to the budget document. Also, how the department's budget connects with the mayor's budget.

Director Stufflebean said they are not cross correlated. The department operate on an enterprise fund so there's no connection with the rest of the county's budget. DWS is totally self-funded and doesn't receive any additional money from the county.

Ortaine Acidera, Fiscal Officer, said that all the revenue that the department collects is used to support operations.

Member Helly asked what the difference is between hotel and general in regard to rates? Does the classification have to do with zoning?

Ms. Acidera responded that hotel and resorts would be based on their category or type based on real property tax, and the general users are more or less governmental in other commercial companies. She can follow up his question about zoning but added that in the ordinance for rates and fees for hotels and resorts, it says that water service charges to properties classified for real property tax purposes as hotel and resort, in accordance with the Maui County Code. So, it's based on the RPT record.

Member Helly said the director mentioned about the 5/8-inch meters being phased out. Is there going to be a program of retrofitting to 3/4 inch meters or is this just for new ones?

Director Stufflebean said they're going to start using only 3/4 inch meters going forward. They'll be adjusting the monthly fee for those coming in as single family who would have had the 5/8 charge and now would be using the 3/4 inch meters.

Member Helly asked about the timeframe for the budget.

Director Stufflebean said it would be good if the board voted in February. He clarified that the role of the board is to review and submit the budget to the mayor.

B. Discussion of Councilmember Tamara Paltin's Proposed Bill of Fire Code References.

Chair Sterling said that she received correspondence from Councilmember Paltin on January 7th, and after looking over the bill, she felt that these corrections and outdated references should be addressed by the department. She asked for the board's approval to respond to Member Paltin in a letter stating just that.

There were no testifiers and testimony was closed at 2:03 p.m.

Chair Sterling said her reason to defer the request to the department is that the meat of the bill is on infrastructure and meters which is what the director deals with so she didn't want to hold this bill up.

Member Helly asked for more time to review this and consider what an appropriate response would be from the board.

Member Boteilho clarified that if it's more about infrastructure which would fall under the director, she would move to approve that because it sounds like it's more of an infrastructure/engineering type thing that's not something the board is versed in.

Member Helly disagreed and stated that he feels he has enough knowledge to evaluate this.

Member Reyher-Colon did not review the bill so she's not comfortable with moving forward.

Member Kiakona said he read the bill and didn't see anything concerning. It clears up outdated fire code language to help with enforcement; strengthens clarity around who approves the Fire Protection; reduces a lot of the loopholes and bureaucratic loopholes; keeps the subdivision's fire and water requirements intact; does not create exemptions or waivers; improves enforceability of fire safety violation; does not reduce the state's safety standards for our authorities. He wouldn't want to push this forward until everyone has a chance to dive into it.

Director Stufflebean said the department reviewed the bill and they have no concerns, in fact it's complementary to some changes they'll be making to Title 14 on their own. The department deals with any code change and this is one that they typically would focus on to make sure it's consistent with what they feel is appropriate for their practices.

Member Helly mentioned that one section of the bill sets criteria for subdivisions and how water would be allocated to subdivisions. This relates to the adequacy of the department's ability to supply potable domestic and irrigation water to projects, so he thinks the scope of this is potentially

substantial. That's why he wants time to review it and a little bit of time for deeper consideration is important.

Chair Sterling said that Councilmember Paltin didn't put a deadline on this, however how much time does the board want to spend on this bill when these types of codes are in the department's jurisdiction. She's willing to defer this to next month.

Member Kiakona proposed scheduling a special meeting so it's not prolonging it for an entire month and maybe Councilmember Paltin can attend the next meeting to explain the bill.

Deputy Corporation Counsel Murakami said that this is an idea that Councilmember Paltin has. It has not been introduced to the Council yet. The bill would probably be placed in the DRIP committee first for discussion and then it has to go through two readings in full council, so it'll be a while before it passes.

She also said that what the chair might be trying to say is that this is really outside of the purview of the authority of this board because under the Charter the board has two specific things; to review and submit the budget for the department, and the establishment and adjustment of rates. The other function is to conduct contested hearings for appeals.

Member Reyher-Colon proposed, based on that information, that this be agendaized on the next regular monthly board meeting, only because her schedule is really tight and she may not be able to attend a special meeting.

Member Helly asked Corporation Counsel to clarify that she was reading from the Charter and that there is nothing said about advising the mayor and the council?

Deputy Corporation Counsel Murakami apologized and clarified that it does say advise the director of DWS, the mayor and council on matters concerning the county's water system.

Member Helly said it's basically everything related to policy. This proposal is to modify policy at the county level by statute that seems to affect both our ability to manage our water supply, how it's allocated and what decisions are made about it, as well as how it's applied to fire safety. That makes it part of the board's job, so any attempt to restrict the board's ability to comment on these topics is misplaced.

Member Reyher-Colon made a motion that this be deferred to the February 19th meeting with input from Director Stufflebean, and that'll give the members time to come up with comments.

Member Helly seconded the motion.

The motion passed unanimously.

Chair Sterling asked that all members review this bill and come ready with their suggestions at the next meeting.

C. 2026 Annual Financial Disclosure Statement filing reminder.

Deputy Corporation Counsel Murakami reminded the board to submit their financial disclosures by the February deadline.

Member Reyher-Colon asked if she needs to do one if she's terming out in March.

Deputy Corporation Counsel Murakami said yes.

There were no testifiers and testimony was closed at 2:27 p.m.

VIII. DEPARTMENT REPORTS

Director Stufflebean said the reports were distributed and asked for questions or comments.

There were no testifiers and testimony was closed at 2:29 p.m.

Member Helly said it's been about a year and a half since the desalination study was done and asked if there's a schedule for when the board can see the report.

Director Stufflebean said the executive summary was posted online. He'll see if he can get the entire report for next month's meeting.

Chair Sterling commented that Member Helly made it very clear that he thought the public should have access to the full report, however the Chair disagrees because of security of the infrastructure. Member Helly should submit his concerns to the Director in writing.

Member Helly responded that work done with taxpayer dollars is public information. If there are any security issues relating to the nature of the infrastructure and the considerations they might pose in a desalination study, just beg rationality and reasonableness. He has looked at and reviewed at least a half dozen desalination studies for various places around the world and he has never seen that argument before. This report is an engineering study and bears a great deal on the future of Maui's water. There are many technical details of what the pros and cons are within the study that have not been shared and the public needs to see these issues and how they were quantified and evaluated.

Chair Sterling recommended the Member Helly go back to the minutes of a previous meeting when they discussed the federal infrastructure law. Not everything goes public when it comes to the protection of our water system.

IX. NEXT MEETING DATE

Contested Case Hearing: February 19, 2026 at 9:00 a.m.

Board Meeting: February 19, 2026 at 1:30 p.m.

Chair Sterling stated that desalination and Councilmember Paltin's bill can be placed on next month's agenda. If the members want other agenda item, they can contact the chair or the board secretary.


Member Reyher-Colon plans to attend both meetings on February 19th in-person, but she won't be able to attend the March board meeting because she'll be out of the country.

X. ADJOURN

There being no further business, the board meeting was adjourned at 2:35 p.m.

Prepared by:

Approved for distribution:



Sherilyn Otsubo
Secretary to Boards/Commissions



John Stufflebean, P.E.
Director