

**DEPARTMENT OF WATER SUPPLY
COUNTY OF HAWAI‘I
WATER BOARD MEETING**

MEETING DATE: November 23, 2010

TIME: 10:00 a.m.

PLACE: Royal Kona Resort, Resolution Room, 75-5852 Ali‘i Drive, Kailua-Kona, HI

- 1) CALL TO ORDER – 10:00 a.m. *(please turn cell phones off or set to silent)*
- 2) STATEMENTS FROM THE PUBLIC
- 3) APPROVAL OF MINUTES
 - Minutes of the October 26, 2010, Water Board meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA
(Note: Addendum requires Roll Call Vote)
- 5) HĀMĀKUA:

A. JOB NO. 2006-905, CONSTRUCTION OF THE KAPULENA WELL DEVELOPMENT – PHASE 1:

The contractor, Water Resources, Inc., has requested a 50-calendar day time extension. This request consists of additional time required to drill, ream and case the well an additional 100 feet, do additional paving, and allow for rain delays.

The contract originally called for the well to be drilled to a depth of 1,090 feet. Based on the first pump test, the yield was insufficient for DWS’s needs. According to DWS’s consultant, an additional 100 feet of drilling, reaming and casing were required to achieve an adequate yield.

In addition, due to the necessity of hauling in water to the Kapulena tank, DWS had requested that the contractor use the Hāmākua Ditch water during drilling as a cost-saving measure.

The additional drilling, reaming, casing, and utilizing the Hāmākua Ditch will exceed the existing contingency funds by \$62,852.00. Therefore, DWS is requesting the Board approve additional funds not to exceed \$70,000.00 in contingency from the C.I.P budget.

Staff has reviewed the request and finds the 50 calendar days are justified.

This is the first time extension request.

Ext #	From (Date)	To (Date)	Days (Calendar)	Reason
1	12/06/2010	1/25/2011	50	Rainout days, additional paving, and drilling; reaming and casing an additional 100 feet.
Total Days (including this request)			50	

RECOMMENDATION: It is recommended that the Board approve a contract time extension to Water Resources, Inc., of fifty (50) calendar days from December 6, 2010, to January 25, 2010, and approve

an additional \$70,000.00 in contingency for JOB NO. 2006-905, CONSTRUCTION OF THE KAPULENA WELL DEVELOPMENT – PHASE 1.

6) SOUTH KOHALA:

A. **INTER-GOVERNMENTAL AGREEMENT BETWEEN THE STATE OF HAWAII – DEPARTMENT OF LAND AND NATURAL RESOURCES AND THE COUNTY OF HAWAII – DEPARTMENT OF WATER SUPPLY: REGARDING DEDICATION OF WAIMEA EXPLORATORY WELL:**

The Water Board approved an inter-governmental agreement between the Department of Land and Natural Resources (DLNR) and the Department of Water Supply at the September 28, 2010, Water Board meeting. However, the State is requesting changes to subject agreement.

A report will be made at the November 23, 2010, meeting.

7) NORTH KONA:

A. **PROFESSIONAL SERVICES AGREEMENT – KONA OCEAN VIEW IMPROVEMENTS:**

On November 27, 2007, the Water Board approved the subject project and Professional Services Contract, as the Department will be administering this project. This project was initiated by the County Council's Improvement District process, and consists of the installation of a new water system meeting the Department's Water System Standards, to serve about 81 lots within the subdivision. DWS is applying for funding through USDA's Rural Utilities Water and Waste Disposal Loan and Grant Funding Program.

In order for DWS's application to be considered under the USDA Rural Utilities Service Loan and Grant Funding Program, DWS must procure the services of a recognized bond counsel.

The Department is to get reimbursed for the legal fees through the Improvement District process.

- Bond Counsel estimate: \$35,000.00

RECOMMENDATION: It is recommended that the Board approve a professional services contract subject to results of the procurement process, which is budgeted within the cost of the Improvement District. It is further recommended that either the Chairperson or the Vice-Chairperson be authorized to sign the documents, subject to approval of Corporation Counsel.

8) MISCELLANEOUS:

A. **REPORT OF AD HOC FINANCE COMMITTEE:**

The Water Board's Ad Hoc Finance Committee Chairperson, Mr. Art Taniguchi, has been investigating the three focus areas (DWS's policies on credit card use, cash control and vehicle take-home), which encompass the scope of the Committee's work. At this meeting, the Committee may do the following:

- Discussion/action on vehicle take-home policy.
- Discussion of DWS's cash handling procedures and proposed changes.

B. **ENERGY MANAGEMENT ANALYST UPDATE:**

The following areas will be covered:

- Lālāmilo Site Clean-up and DLNR Lease Application Status
- DWS's Green Initiatives

C. MONTHLY PROGRESS REPORT:

Submission of Progress Report of Projects by the Department. Department personnel will be available to respond to questions by the Board regarding the status/progress of any project.

D. REVIEW OF MONTHLY FINANCIAL STATEMENTS:

Submission of financial statements and information relating to the financial status of the Department. Department personnel will be available to respond to questions by the Board relating to the financial status of the Department.

E. MANAGER-CHIEF ENGINEER'S EVALUATION:

Discussion on processing and procedures regarding the yearly Manager-Chief Engineer's Evaluation Form.

F. MANAGER-CHIEF ENGINEER'S REPORT:

The Manager-Chief Engineer will provide an update or status on the following:

1. Palani Road Transmission Waterline Project
2. Hawaiian Ocean View Estates Project
3. Haina Well Update
4. County of Hawai'i's Water Spigots Project
5. Public Information and Education Update

G. CHAIRPERSON'S REPORT:

Chairperson to provide comments and/or information relating to matters of concern to the Water Board.

9) ANNOUNCEMENTS:

1. Next Meeting:

The next meeting of the Water Board will be held on December 21, 2010, at 10:00 a.m. at the Department of Water Supply, Operations Center Conference Room, 889 Leilani Street, Hilo, HI.

10) STATEMENTS FROM THE PUBLIC:

11) CONTESTED CASE HEARING (NOTICED FOR 11:30 A.M.):

A. WATER SERVICE ACCOUNT NO. 85795490-10 (TMK 7-5-022:020):

(This item was deferred from the October 26, 2010, Water Board meeting.)

The above Contested Case Hearing is to take place in accordance with Chapter 91 of the Hawai'i Revised Statutes and Rule 2-5 of the Rules and Regulations of the Department of Water Supply.

The issues involved in the above-referenced hearing will be Ms. Pamela McLaughlin's appeal of the amounts shown due and owing on account #85795490-10 and consequently, the appeal of the shut-off notice dated September 13, 2010, for failure to pay said amount.

This hearing is being set pursuant to Ms. McLaughlin's verbal request of September 16, 2010.

12) ADJOURNMENT

Anyone who requires an auxiliary aid or service for effective communication or a modification of policies or procedures to participate in this Water Board Meeting should contact Doreen Shirota, Secretary, at 961-8050 as soon as possible, but no later than five days before the scheduled meeting.

Notice to Lobbyists: If you are a lobbyist, you must register with the Hawai'i County Clerk within five days of becoming a lobbyist. {Article 15, Section 2-91.3(b), Hawai'i County Code} A lobbyist means "any individual engaged for pay or other consideration who spends more than five hours in any month or \$275 in any six-month period for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials." {Article 15, Section 2-91.3(a)(6), Hawai'i County Code} Registration forms and expenditure report documents are available at the Office of the County Clerk-Council, Hilo, Hawai'i.

The Department of Water Supply is an Equal Opportunity provider and employer.