

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

MEETING DATE: March 22, 2011
TIME: 10:00 a.m.
PLACE: Department of Water Supply, Operations Center, 889 Leilani St., Hilo

- 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 February 22, 2011, Public Hearing on Power Cost Charge
 - Minutes of the February 22, 2011, regular Water Board meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA
 (Note: Addendum requires Roll Call Vote)
- 5) SOUTH HILO:

A. RIGHT-OF ENTRY AGREEMENT BETWEEN DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES (DAGS) AND DEPARTMENT OF WATER SUPPLY:

The Department of Accounting and General Services (DAGS) of the State of Hawaii is requesting a Right of Entry over a DWS reservoir site (TMK 2-4-001:040), so that it can study the possible location of a radio tower and equipment near the DWS reservoir site. The site is State property that was granted to the Water Board through Executive Order 1391.

RECOMMENDATION: It is recommended that the Water Board approve the RIGHT-OF ENTRY AGREEMENT BETWEEN DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES (DAGS) AND DEPARTMENT OF WATER SUPPLY, and that either the Chairperson or the Vice-Chairperson be authorized to sign the documents, subject to approval of Corporation Counsel.

6) NORTH KOHALA:

A. JOB NO. 2005-867, HALA‘ULA WELL DEVELOPMENT (WELL NO. 7247-03):

The contractor, Derrick’s Well Drilling and Pump Services LLC, is requesting a time extension of 33 calendar days. This is the first time extension request for this project.

Extension #	From (Date)	To (Date)	Days (Calendar)	Reason
1	4/20/11	5/22/11	33	Rain-out Days
		Total Days (including this request)	33	

The project completion date must be extended due to delays caused by rain days.

RECOMMENDATION: It is recommended that the Board grant this time extension of thirty (33) calendar days to Derrick’s Well Drilling and Pump Services LLC for JOB NO. 2005-867, HALA‘ULA

WELL DEVELOPMENT (WELL NO. 7247-03). If approved, the contract completion date will be extended from April 19, 2011 to May 22, 2011.

7) NORTH KONA:

A. **IRRIGATION AGREEMENTS FOR VILLAGES OF LAI'OPUA – PLANT MITIGATION PROJECT:**

The Department of Hawaiian Home Lands (DHHL) has a project to preserve and mitigate an endangered plant species, on those certain lands situated in and around TMK (3) 7-4-21:16 “Archaeological Preserve” and “Uhiuhi Preserve”, on those certain lands situated in and around TMK (3) 7-4-21:011.

DHHL is asking for water service for these parcels. The service will be to provide irrigation water only.

DHHL has revised some of the items in the Department’s typical irrigation agreement. It is being submitted for the Water Board’s review and approval.

RECOMMENDATION: It is recommended that the Water Board accepts these documents subject to the approval of the Corporation Counsel and that either the Chairperson or the Vice-Chairperson be authorized to sign the documents.

8) MISCELLANEOUS:

A. **DEDICATION OF WATER SYSTEMS:**

The Department has received the following documents for action by the Water Board. The water systems have been constructed in accordance with the Department’s standards and are in acceptable condition for dedication.

1. GRANT OF EASEMENT

(For Water Meter Purposes)

Grantor: County of Hawaii

Tax Map Key: (3) 4-5-003: 018 portion

2. GRANT OF EASEMENT

(For Water Meter Purposes)

Grantor: Barbara P. Moreno

Tax Map Key: (3) 5-4-004: 003 portion

3. GRANT OF EASEMENT

(For Water Meter Purposes)

Grantor: Colin R. Washburn

Tax Map Key: (3) 5-4-004: 003 portion

4. GRANT OF EASEMENT AND BILL OF SALE

Kupulau Heights, Increment 1 and 2

Subdivision Application No. 2008-000831

No. of Lots: 14, Zoning: RS-15

Grantor/Seller: Deponte Brothers, LLC

Tax Map Key: (3) 2-4-065: 004

E.W.O. 2005-042

Facilities Charge: \$60,500.00 Date Paid: 01/25/2011

Final Inspection Date: 01/20/2011

Water System Cost: \$72,590.00

5. GRANT OF EASEMENT AND BILL OF SALE (REVISED)

Subdivision Application No. 2004-238
Kaloko Light Industrial Subdivision, Phase 3
Grantor/Seller: TSA, LLC
Tax Map Key: (3) 7-3-051: 060
E.W.O.: 2008-025
No. of Lots: 31 and Remainder Lot Zoning: MCX-1a
Facilities Charge: \$ 453,750.00 Date Paid 01/09/2009
Final Inspection Date: 09/14/2010
Water System Cost: \$406,927.00

Note: This item was approved by the Water Board at its meeting on December 21, 2010. However, during the review process, the Department found out that there were unacceptable encumbrances on the property; the document is now revised to meet the acceptable requirements. Upon the recommendation of Corporation Counsel, the Department presents this revised document to the Board for re-approval.

RECOMMENDATION: It is recommended that the Water Board accepts these documents subject to the approval of Corporation Counsel, and that either the Chairperson or the Vice-Chairperson be authorized to sign the documents.

B. DEPARTMENT OF WATER SUPPLY PROPOSED OPERATING AND CAPITAL IMPROVEMENT BUDGETS FOR FISCAL YEAR 2012:

The Department's FY 2012 Operating Budget includes water sales revenues estimated with a 6.8% increase over FY 2011 rates. An increase of 3.7% had previously been approved for FY 2012, but did not incorporate increases in health care retirement costs. The 6.8% increase was calculated by R.W. Beck to cover these costs, as well as costs associated with transferring the Department's billing system to the Honolulu Board of Water Supply. This budget does not include salary reductions for employee furloughs.

The Department's FY 2012 CIP Budget totals \$29.8 million, to be funded by SRF loans (\$13.3 million) and GO Bonds/CIP Reserve (\$16.5 million).

RECOMMENDATION: It is recommended that the Water Board approve the Department's FY 2012 Operating and CIP budgets on this second of two readings. A Public Hearing on the proposed Operating and Capital Improvement Budgets for FY 2012 will have been held just prior to the regular Water Board meeting.

C. 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.

D. REVISION OF DWS'S VISION STATEMENT:

Discussion and possible adoption of DWS's new Vision Statement. At the February 22, 2011, Water Board meeting, Corporation Counsel recommended that the adoption of a new Vision Statement should precede the adoption of the Department's Energy Policy Statement. The proposed language for the new

Vision Statement is as follows: “The Department of Water Supply is recognized as an industry leader and employer of choice, and will satisfy the water needs of the County of Hawai‘i.”

E. ENERGY MANAGEMENT ANALYST UPDATE:

The following areas will be covered:

- DWS’s Green Initiatives
- DWS’s Draft Energy Policy Statement – Discussion and possible adoption of Energy Policy Statement

F. 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.

G. 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.

H. 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) Recognition of Service Retirement
- 4) Public Relations and Education Specialist Update
- 5) Upcoming HWWA and AWWA conferences

I. MANAGER-CHIEF ENGINEER’S EVALUATION FORM FORMAT/JOB DESCRIPTION:

Discussion on the format of the Manager-Chief Engineer’s evaluation form, and discussion of Manager-Chief Engineer’s job description. (This Item was included at the request of the Chairperson and Board members during the January 25, 2011, Water Board meeting.)

J. CHAIRPERSON’S REPORT:

Chairperson to report on matters of interest to the Board.

K. EXECUTIVE SESSION RE: WATER BOARD OF THE COUNTY OF HAWAI‘I V. WESLEY R. SEGAWA AND ASSOCIATES, ET AL. CIVIL NO. 09-1-0319:

The Water Board anticipates convening an executive meeting, closed to the public, regarding the foregoing matter, pursuant to HRS Sections 92-4 and 92-5(a)(4), for the purpose of consulting with the Water Board’s attorney on questions and issues pertaining to the Board’s powers, duties, privileges, immunities and liabilities.

9) ANNOUNCEMENTS:

Public hearings on Water Rates are planned for Wednesday, March 30, 2011 at 6:00 p.m. at Aupuni Center, 101 Pauahi Street in Hilo, and on Thursday, March 31, 2011, at 6:00 p.m. at West Hawai'i Civic Center, 74-5044 Ane Keohokalole Street, Kailua-Kona.

1. **Next Regular Meeting:**

The next meeting of the Water Board will be held on April 26, 2011, at 10:00 a.m. at the Department of Water Supply, Operations Center Conference Room, 889 Leilani Street, Hilo, HI.

2. **Following Meeting:**

The following meeting of the Water Board will be held on May 24, 2011, at 10:00 a.m. at the West Hawai'i Civic Center, 74-5044 Ane Keahokalole Highway, Kailua-Kona, HI.

10) STATEMENTS FROM THE PUBLIC:

11) 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 Jollimore, 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.