

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

MEETING DATE: November 26, 2013

TIME: 10:00 a.m.

PLACE: West Hawai‘i Civic Center, Liquor Control Conference Room, Bldg. B, 74-5044 Ane Keohokalole Hwy, Kailua-Kona, Hilo, 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 22, 2013, Water Board meeting

4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA
(**Note: Addendum requires Roll Call Vote**)

5) SOUTH HILO:

A. **JOB NO. 98-721, KAWAILANI NEW 1.0 MG CONCRETE TANK AND REMOVAL OF EXISTING 0.5 MG STEEL TANK:**

The contractor has completed the liner removal, and subsequent repairs to the interior of the reservoir that were done under force account work. The cost based on the force account sheets that were submitted and under review by DWS staff is \$187,331.83. Also, the additional costs for the disposal of the steel tank and the concrete floor and footing have increased by \$41,806.00, the cost for removal of the soil beneath the steel tank has increased by \$27,920.56, and the cost to remove and dispose of the existing lead based painted fence has increased by \$9,319.31.

The reasons for the increased costs are:

- wage escalation and enhanced hygienist requirements, requiring additional hours that the industrial hygienist has to be on site monitoring the handling and disposal of the potentially hazardous materials;
- the original bid included the disposal of the materials to be done in Hilo; however, the steel tank (as well as the existing fence) will have to be shipped to Oahu;
- the concrete and soil will have to be hauled to the West Hawai‘i landfill, where the disposal fee is much higher than what was originally bid for; and
- disposal of the existing fence also requires additional handling, due to the lead-based paint removal and disposal.

The current contract amount, including the two previous change orders, is \$2,275,510.90. The completion date for the project remains December 31, 2013. DWS staff have reviewed the cost proposals and are requesting that \$266,377.70 in additional funds be approved for the contract.

RECOMMENDATION: It is recommended that the Board approve the \$266,377.70 in additional funds for JOB NO. 98-721, KAWAILANI NEW 1.0 MG CONCRETE TANK AND REMOVAL OF EXISTING 0.5 MG STEEL TANK.

6) NORTH KOHALA:

A. **MATERIAL BID NO. 2013-10, FURNISHING AND DELIVERING SPARE DEEPWELL PUMP AND MOTOR SETS FOR HĀWĪ #1 DEEPWELL, HONOKŌHAU DEEPWELL, AND HALEKI‘I DEEPWELL FOR THE DEPARTMENT OF WATER SUPPLY:**

Bids were received and opened on November 15, 2013, at 2:00 p.m. All Sections are established price agreements for materials.

The estimated cost for the various pump and motor sets were as follows:

- Hāwī #1 Deepwell: \$122,000
- Honokōhau Deepwell: \$215,000
- Haleki‘i Deepwell: \$295,000

RECOMMENDATION: It is recommended that the Board award the contract to the following bidders for MATERIAL BID NO. 2013-10, FURNISHING AND DELIVERING SPARE DEEPWELL PUMP AND MOTOR SETS FOR HĀWĪ #1 DEEPWELL, HONOKŌHAU DEEPWELL, AND HALEKI‘I DEEPWELL FOR THE DEPARTMENT OF WATER SUPPLY, as listed below, and that either the Chairperson or the Vice-Chairperson be authorized to sign the contract(s), subject to review as to form and legality of the contract(s) by Corporation Counsel.

SECTION	DESCRIPTION	Beylik Drilling and Pump Service, Inc.	Derrick’s Well Drilling and Pump Services, LLC
1	HĀWĪ #1 DEEPWELL	\$141,000	\$133,620
2	HONOKŌHAU DEEPWELL	\$217,500	\$209,128
3	HALEKI‘I DEEPWELL	\$381,000	No Bid

7) **SOUTH KOHALA:**

A. **ASSIGNMENT OF UNITS UNDER PARKER WELLS 3 AND 4 TRI-PARTY AGREEMENT:**

Mauna Kea Properties, Inc. (MKP), now known as Mauna Kea Resort Services, LLC, is requesting to assign a portion of their water allocation in the amount of 0.096 million gallons per day (160 equivalent units) to Aina Ho’onea LLC (AH), who purchased Tax Map Key Nos. 6-2-001:051 and 6-2-013:019.

These properties are identified in the Parker Wells 3 and 4 Tri-Party Agreement dated April 6, 2006, by and between the Water Board, MKP and Mauna Lani Service, Inc. As per the agreement, MKP may assign a portion of its water allocation to a third party for use within the MKP development area, with the written consent of the Water Board.

RECOMMENDATION: It is recommended that the Board approve the assignment of units from MKP to AH under the conditions of the Parker Wells 3 and 4 Tri-Party Agreement. Should the assignment be approved, the water system improvements to allow the use of the water allocation on the lands will be the responsibility of AH.

8) **NORTH KONA:**

A. **NATIONAL PARK SERVICE PETITION TO DESIGNATE KEAUHOU AQUIFER SYSTEM AREA AS A GROUND WATER MANAGEMENT AREA:**

On September 13, 2013, the National Park Service (NPS), through the Superintendent of the Kaloko-Honokōkai National Park, filed a Petition with the Commission on Water Resource Management (CWRM) to designate the Keauhou Aquifer System Area (North Kona) as a Ground Water Management area. CWRM deferred action on the Petition until December 2014.

CWRM staff to make a presentation to the Board.

9) MISCELLANEOUS:

A. **DEDICATION OF WATER SYSTEMS:**

The Department 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 AND BILL OF SALE**

Subdivision Application No. 2009-000898

"The Shores at Kohanaiki" Resort Subdivision, Increment 3 (POD 7)

Grantor/Seller: Kohanaiki Shores, LLC

Tax Map Key: (3) 7-3-068:003 portion and 004 portion (Road A)

E.W.O.: E13-044

No. of Lots: 35

Zoning: CV019 (PUD 06-000002)

Facilities Charge: \$258,500.00

Date Paid: 4/9/2013

Final Inspection Date: 11/05/2013

Water System Cost: \$332,350.00

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.

B. **PROFESSIONAL SERVICES AGREEMENT:**

Professional services for software development, implementation, training and hosting for management of the Department's contracts and progress payments.

- Consultant: To be determined.
- Estimated Fee: \$60,000.00

The Department recognizes the need to continue to improve its efficiency. This professional service agreement will focus on improving efficiency in the management of the department's projects.

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

C. **AD HOC COMMITTEE PURSUANT TO HRS SECTION 92-2.5(B) TO PRESENT, DISCUSS AND/OR NEGOTIATE FOR LEGISLATION REGARDING THE PLACEMENT OF SUCH LIENS ON REAL PROPERTY FOR NON-PAYMENT OF WATER BILLS:**

The Ad Hoc Committee is exploring legislation pursuant to HRS Section 92-2.5(B) which would allow the placement of an automatic lien on property for non-payment of water bills. The Ad Hoc Committee will present, discuss, and/or negotiate for such legislation with any necessary person including, but not limited to, any water or wastewater department or division of any county, and/or with any legislators in the State of Hawai'i.

The Ad Hoc Committee is also exploring a revision of the Department of Water Supply Rules and Regulations to hold a property owner responsible for any water bill for water service to such property, whether or not the property owner resides on the property; and that no water service will be granted to such property until all such delinquencies are paid or other agreement is reached.

D. AD HOC FINANCE COMMITTEE REPORT:

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 of DWS's cash handling procedures and proposed changes.

E. MANAGER-CHIEF ENGINEER'S EVALUATION:

For discussion on processing, procedures, and summarized results.

F. ENERGY MANAGEMENT ANALYST UPDATE:

The Energy Management Analyst will provide a quarterly update on significant changes or noteworthy areas relating to energy use and the Department's Green Initiatives.

G. 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.

H. 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.

I. MANAGER-CHIEF ENGINEER'S REPORT:

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

- 1) Pu'ukala/Kona Ocean View Properties Subdivision Improvement District Update
- 2) Waikoloa Reservoir No. 1 Update
- 3) Waimea Water Restriction
- 4) Public Information and Education Specialist Update
- 5) Recognition of William Y. Thompson Award Winner

J. CHAIRPERSON'S REPORT:

Chairperson will raise issues of interest to the Board.

10) ANNOUNCEMENTS:

1. Next Regular Meeting:

The next meeting of the Water Board will be held at 10:00 a.m. on December 17, 2013 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 at 10:00 a.m. on January 28, 2014 at the Department of Water Supply, Operations Center Conference Room, 889 Leilani Street, Hilo, HI.

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 Janet Snyder, 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.