

MINUTES

DEPARTMENT OF WATER SUPPLY
COUNTY OF HAWAII
WATER BOARD MEETING

June 26, 2012

Department of Water Supply, Operations Center Conference Room, 889 Leilani Street, Hilo, HI

MEMBERS PRESENT: Mr. Bob Meierdiercks, Chairperson
Mr. Art Taniguchi, Vice-Chairperson
Mr. David Greenwell
Ms. Susan Lee Loy
Mr. Bryan Lindsey
Mr. Delan Perry
Mr. Rick Robinson
Mr. Jay Uyeda
Mr. Quirino Antonio, Jr., Manager-Chief Engineer, Department of Water Supply (ex-officio member)

ABSENT: Mr. Kenneth Kaneshiro, Water Board member
Ms. Bobby Jean Leithead-Todd, Director, Planning Department (ex-officio member)
Mr. Warren Lee, Director, Department of Public Works (ex-officio member)

OTHERS PRESENT: Ms. Kathy Garson, Assistant Corporation Counsel
Mr. Dick Kuehner
Ms. Loyna Kamakeeaina, UPW
Mr. Radford Hirai, UPW

Department of Water Supply Staff
Mr. Keith Okamoto, Deputy
Mr. Kurt Inaba, Engineering Division Head
Mr. Daryl Ikeda, Chief of Operations
Mr. Rick Sumada, Waterworks Controller
Ms. Kanani Aton, Public Information and Education Specialist
Ms. Julie Myhre, Energy Management Analyst
Mr. Clyde Young, Operations
Mr. Calvin Uemura, Customer Service

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- 1) CALL TO ORDER –Chairperson Meierdiercks called the meeting to order at 10:06 a.m.
 - 2) STATEMENTS FROM THE PUBLIC

Mr. Dick Kuehner sent a letter to the Manager-Chief Engineer, which was distributed as a Statement from the Public, and at the meeting Mr. Kuehner testified regarding water overage policies.

(The following testimony is recorded verbatim:)

MR. KUEHNER: “Thank you for inviting me. I got interested in this when, all of a sudden, I got a bill for \$2,300.00 for excessive use. It was a complete surprise, and that started me looking into the situation, and figuring out what...policies you have, and what I should do about the size of my bill. First thing is, I

found out that you can give, not a rebate, but an adjustment if it's less than three years, or it's more than three years since you gave the last one. Well, I had the last one two years and 11 months (ago). I didn't know about the number of years, but in any case, that seems irrelevant because, you know, the idea of three years seems very arbitrary to me. I don't understand how you come up with three years. It's leaks, or possible leaks... I'm not even sure that it was... (inaudible), but there was no sign. The first time I had a leak, there was a sign. It was bubbling out near the surface. It was obvious. Anyway, my feeling on this... two things I have... One, the water leaks adjustment should be made regardless of number of years since the last overuse or leak. You should adjust down all (inaudible) for overage... The charges should be limited to the actual cost. Not, you know, the more water you use, the higher the cost goes. I'm not sure that what your costs effectively are... So it should be minimized to the costs, the real costs. So it should be adjusted based on that. It appears that you depend on these overage charges for your general budget revenues, as opposed to, you know, just the water rates. So anyway... from your figures, I found that 750 notices were sent per month. That translates into 9,000 per year, if I have the figures correct, or 25 percent of your 45,000 customers (inaudible). In three years, this amounts to 27,000 notices, or 60 percent of your customers. That's assuming that there's no duplicates in there. That's a huge number, anyway you cut it. I feel the Department should be helpful, rather than imply that the customer did the overage on purpose, and thus, (inaudible) their home. That's the implication that comes to me, anyway... the way I read it. Meters, before you make this kind of adjustment, or make this kind of a claim... Meters should be automatically tested as the possible cause of most readings. I asked for the meter to be tested. I did... and I got back a sheet that I couldn't tell whether it passed or failed. It was done in-house. It was just some scratching on the sheet... Engineer-ese, I guess, and I couldn't tell that, so... anyway. The May Agenda... an Item on the Water Board... suggests that investigating low readings is more important than reporting high readings. This tells me... proves further... that your goals are to increase revenue rather than to try to help the customer. That's the way I read that. That seems like there's little incentive for the Department to decrease high water use. In other words, it's not a... tool for conservation, because the customer doesn't know that you're gonna have this leak or something... and avoid it. The only way to avoid it is... and this goes into the second major topic... is the Department should assist customers in a timely manner to prevent high water usage. Sending the bills every two months doesn't help that much. I know it costs money, but anyway... Especially when the water's used for agriculture or landscaping purposes, because there, the leakage can begin to be more, although I try now, lately, to try to get my pipes above ground, so they're visible. But that's not true if it means the piping into the house and that sort of thing, so there's still gonna be things that are vulnerable. On the Kona side, the size of the problem is pretty big, too. Three hundred and forty-six of the customers in North and South Kona have this kind of problem on average, a month, or 24 percent of the total customers per year. So that's a big percent, to me. I guess the question to ask yourself, and how you communicate it with the public, with the customers... Do customers even know they face the possibility of being slammed by a high, unexpected bill at any time, and that it would not be adjusted if it were not three years before the last one? Do you send out information to the customers? I don't know that we've ever received it. Also, it was informed three years ago when we had this first leak that... by the people who were fixing the box, or reading the box, that said that I was not supposed to go in that box, not to check that box, not to monitor anything in that box. That wasn't my purview at all. Uh, so I guess I asked the question, how can I be monitoring if I can't open the box? Uh, maybe Quirino suggested that I was given false information, but nonetheless, I had the information, and I did get it from the Water Department employees. So, say I should do the monitoring of the box. It's not really set up to be easy to do. It's easier to do for the Department now that you have the automatic readings that... you know, the electronic readings. But the box with the metal lid... I weighed it just out of curiosity. It's 18 pounds. How do you open it? Well, I'm handy enough; I got a screwdriver in there, and pulled it up, but you know, maybe there should be a handle or something for us neophytes that are not in the business... So we can open it, check it out. Um, also, a new meter was installed at our residence, but it was installed such that the shutoff valve couldn't even be opened fully; it was too compressed against the valve, whereas, it should have been pulled back, because there was a nipple at the other end of the meter. I think this needs to be next to the valve, and then the valve can be operated. That'd be a little easier, so that if I did find the

leak, I could turn it off. So that's something that I suggest you look at, and also bear in mind. Another... the last question, really, and I would end... is how often should I monitor the water? You know, how much can that leak potentially, given the restrictions in pipeline and the meter, this and that? How much can it leak in a day, or a week, or a month? How often would I monitor it to present...or prevent, at least some, you know, of the risk? That would be my question. Or... are there alternative ways of dealing with that? Is there a way of having some kind of electronic signal sent to my house, so I can look at the little chart and see what's happening? I understand...apparently there is such a device... You can get such a device for a price... 300 dollars or something like that, which of course is a good investment in my case, and I think, in a lot of people's cases. I dunno the magnitude of the overage for the average person, but I guess it's pretty big, as I'm sure... would face a similar situation to what I have. So anyway, I think those kinds of things, plus, the possibility of uh, you folks having a service, for a charge, that would go out and do an audit of my property, and tell me what...are my risks...what are the things that I should be looking for to design my irrigation system. You know, oh, 'That valve fails all the time; those are not very good,' or whatever. You know, but get a written suggestion, a list of items that I could follow and better manage my own... Since it seems that that's what you want me to do... So basically, that's what I would have to say, and I could go into it more... But that's the essence of what, I think, I'm suggesting this morning. And if you have any questions, happy to take those.

CHAIRPERSON MEIERDIERCKS: Okay, this is for Statements right now, but we're gonna discuss this section under 6(D), later in the Agenda. So if you want to stick around, then you'll be here to hear what goes on with the Board, all right? Thank you very much."

3) APPROVAL OF MINUTES

The Chairperson entertained a Motion to approve the Minutes of the May 22, 2012, Water Board meeting.

ACTION: Mr. Perry moved to approve; seconded by Mr. Taniguchi, and carried unanimously by voice vote.

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

None.

5) SOUTH HILO:

A. **MATERIAL BID NO. 2012-01, FURNISHING AND DELIVERING WATER METERS, BRASS GOODS, FIRE HYDRANTS, VALVES, CHLORINATORS, PUMPS, PIPES, FITTINGS, SCADA, MOTORS, AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK:**

Bids were opened on May 10, 2012, and the Department at the May 22, 2012 Board meeting asked to defer the following items:

- No. 10 (1"-2" water meters); No. 51 (Surge Protection Devices); No. 52 (Power Monitoring Equipment); No. 54 (High Powered Licensed Radio Equipment); No. 55 (Licensed Radio Equipment); No. 59 (Industrial Electronic Components); No. 60 (Enclosures); No. 61 (Pre-Fabricated RTU Panels); No. 62 (Automation and Control Systems); No. 63 (Programming Services); No. 70 (Mag Meters) and No. 71 (Direct Current Mag Meters).

These items were deferred because vendors need to be compliant with Hawai'i Compliance Express (HCE). The vendors have come into compliance.

The Manager-Chief Engineer recommended that the Board award the contract to the following bidder for MATERIAL BID NO. 2012-01, FURNISHING AND DELIVERING WATER METERS, BRASS

GOODS, FIRE HYDRANTS, VALVES, CHLORINATORS, PUMPS, PIPES, FITTINGS, SCADA, MOTORS AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK, on an as-needed basis, as listed below, and that either the Chairman or the Vice-Chairman be authorized to sign the contract(s), subject to review as to form and legality of the contract(s) by Corporation Counsel. The contract period shall be from July 01, 2012, to June 30, 2013.

PART NO.	DESCRIPTION	BIDDER	AMOUNT
10	1" – 2" WATER METERS	Badger Meter, Inc.	\$15,682.50
51	SURGE PROTECTION DEVICES	Akamai Controls, Inc.	\$28,067.23
52	POWER MONITORING EQUIPMENT	Dynatek, Inc.	\$43,301.00
54	HIGH POWERED LICENSED RADIO EQUIPMENT	Akamai Controls, Inc.	\$2,615.61
55	LICENSED RADIO EQUIPMENT	Akamai Controls, Inc.	\$44,000.00
59	INDUSTRIAL ELECTRONIC COMPONENTS	Dynatek, Inc.	\$18,284.50
60	ENCLOSURES	Akamai Controls, Inc.	\$104,010.01
61	PRE-FABRICATED RTU PANELS	Dynatek, Inc	\$41,885.00
62	AUTOMATION AND CONTROL SYSTEMS	Control Systems West, Inc.	\$49,884.35
63	PROGRAMMING SERVICES	Dynatek, Inc	\$749.00
70	MAG METERS	Akamai Controls, LLC	\$228,988.12
71	DIRECT CURRENT MAG METERS	Akamai Controls, LLC	\$194,671.26

Mr. Ikeda said that as of the previous Board meeting in May, all of the above vendors were non-compliant with Hawai'i Compliance Express (HCE). As of today, only one vendor is compliant, he said. Because the vendors had 60 days to make their bids valid, DWS is going to allow the non-compliant vendors until July 9, 2012 to become compliant. If at that time, the vendors become compliant and are willing to hold their prices, DWS will recommend awarding those vendors at the July Board meeting. Vendors who are non-compliant as of July 9 will be considered non-responsive by DWS, and DWS will recommend awarding to the second lowest bidder, as long as that vendor is compliant. Mr. Ikeda recommended that Part No. 52, (Power Monitoring Equipment), Part No. 59, (Industrial Electronic Components), Part No. 61 (Pre-Fabricated RTU Panels) and Part No. 63, (Programming Services) be awarded to Dynatek, Inc., and that the rest of the Parts be deferred to the next meeting.

Chairperson Meierdiercks called for a Motion for an Amended Recommendation.

ACTION: Mr. Robinson move to approve Part Nos. 52, 59, 61 and 63, and to defer the balance of the Parts; seconded by Mr. Perry, and carried unanimously by voice vote.

6) 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. **LICENSE NO. 764**

(This item was deferred from the May 22, 2012, Board meeting.)
 (Non-Exclusive Right) (Benefit (B))

Lālāmilo Offsite Water Systems and New Lālāmilo 1.0 MG Reservoir
Licensor: State of Hawai‘i, Department of Hawaiian Home Lands
Tax Map Key: (3) 6-6-001:077 portion
Final Inspection Date: *TBA*
Water System Cost: *TBA*

The Manager-Chief Engineer recommended that the Water Board accept 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.

Mr. Inaba asked that this Item be withdrawn until further notice.

Ms. Garson said it would be withdrawn; the Item will be placed back on the Agenda when the Department of Hawaiian Home Lands is ready.

B. WATER HAULING BID NO. 2012-06, PRICE AGREEMENT TO PROVIDE WATER HAULING SERVICES TO VARIOUS LOCATIONS ISLAND-WIDE (ON AN AS-NEEDED BASIS) FOR THE DEPARTMENT OF WATER SUPPLY, DISTRICTS – ENTIRE ISLAND:

Bids were opened on May 9, 2012, at 2:30 p.m., and the following are the bid results:

- 1. Carnor Sumida dba ACR Water Hauling**
4,000- 4,200- and 5,000-gallon water trucks (price for all districts):
Regular Hours \$85.35/hr.
Overtime Hours \$97.09/hr.

The Manager-Chief Engineer recommended that the Board approve the price agreement for WATER HAULING BID NO. 2012-06, PRICE AGREEMENT TO PROVIDE WATER HAULING SERVICES TO VARIOUS LOCATIONS ISLAND-WIDE (ON AN AS-NEEDED BASIS) FOR THE DEPARTMENT OF WATER SUPPLY to **Carnor Sumida dba ACR Water Hauling**, at the prices listed above, 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. The price agreement shall be from July 1, 2012 to June 30, 2014.

Mr. Ikeda said this is another Item that was deferred at the May meeting due to the vendor’s non-compliance with HCE. The vendor in this case is still non-compliant, but DWS has documentation that shows that the vendor is working to become compliant. The vendor will hopefully be compliant by July 9, 2012, he added. Mr. Ikeda recommended deferring this Item until the July Board meeting.

MOTION: Mr. Robinson moved to defer; seconded by Mr. Uyeda.

Mr. Robinson asked about the July 9 deadline.

Mr. Ikeda explained that July 9 would be 60 days from the bid opening, and that is the length of time for the vendor to hold his bid price. If the vendor is willing to hold his price and is compliant by July 9, DWS will recommend awarding the vendor at the July Board meeting, he said.

Mr. Taniguchi asked what happens if the vendor does not hold his price.

Mr. Ikeda said that in this particular case, there was no second bidder, so DWS will not recommend award if the vendor does not hold his price. In that event, DWS would go get other quotes, as needed, he said.

ACTION: Motion to defer carried unanimously by voice vote.

C. **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. Discussion may include a possible switchover to Oahu's billing system.

Mr. Taniguchi said his Committee was still working on consolidated billings, software issues and the lock box. He and his Committee met with some vendors at the AWWA conference in Dallas; there will be a report by the next Board meeting, he said.

D. **DISCUSSION REGARDING SECTION 3-10 OF THE DWS' RULES AND REGULATIONS REGARDING METER TESTS AND ADJUSTMENTS OF BILLS:**

Discussion was held regarding DWS's Rule 3-10 on meter tests and adjustment of bills, and whether the Board is inclined to amend said rule.

Ms. Garson noted that she had passed out copies of the current Rule 3-10. This Item is on the Agenda in case the Board wants to review the Rule and suggest any changes.

Chairperson Meierdiercks asked the Board if everyone has read and understands the Rule. He noted that the leak adjustment period of three years had been raised as an issue, etc.

Ms. Lee Loy asked Ms. Garson about the process of making a change to the Rule.

Ms. Garson said that this is a Water Board Rule; once the Board comes up with a proposed change, the Board must go out for a Public Hearing. Today's meeting is the time for discussion on whether the Board wants to make changes to Rule 3-10, in light of contested case hearings that have taken place and other comments from the public regarding the Rule.

The Manager-Chief Engineer said it would not be a matter of the Board coming up with draft language; it would be up to the administration and Corporation Counsel to draft any amended language to Rule 3-10. After that, the proposed change would have to go to Public Hearing, and discussion by the Board.

Mr. Robinson noted that he lives near Mr. Kuehner, who testified earlier. Mr. Robinson said he himself has water meters both for domestic and agricultural use, and he too has been tagged for overuse in the past. It is incumbent on the consumer to keep an eye on his own water system, Mr. Robinson said. He said that that he would walk his water system every other day and check his water meters all the time to make sure everything was turned off. Mr. Robinson said he was really disturbed that Mr. Kuehner had the impression that he was not supposed to check his own meter; Mr. Robinson said he checked his meter all the time and also checked his water bills to make sure everything was in order. Mr. Robinson suggested that the Public Information & Education Specialist should let people know that they should be more diligent in checking their water meters, and let customers know that is okay to read the meter, and exchange the meter if it is working strangely.

The Manager-Chief Engineer said that when customers come to DWS offices to sign up for service, there are meters that the customer service representatives can use to show customers how to read their meter, how to gauge one's water usage, etc. DWS encourages its customers to look at their meters, just as HELCO encourages its customers to read their meters. DWS does teach customers how to read their meters, he said.

Mr. Perry reminded the Board that he had mentioned at the last meeting that there is technology available to see how your meter is running. He suggested that DWS develop a program to make such technology more available to DWS customers; he said he likes the concept of putting a device on one's fridge that shows the meter reading. He said the technology is not terribly expensive.

Chairperson Meierdiercks asked the Board if the members wanted the Department to look into such monitors that would be available to all customers on an optional basis. These devices would not come through the Board, but he suggested that the Department check with two or three vendors for technology that could be coordinated with DWS meters.

The Manager-Chief Engineer said that Mr. Sumada had already done some research as far as what may work with the existing meters that DWS has; he suggested that the Department could prepare some information on that.

Chairperson Meierdiercks said okay, but that technology would only be specific to the automatic meter readers that DWS has (i.e., it would not work with the *manual* meter readers).

Mr. Uyeda said he would like to see the Department compare its Rules with the other counties' Rules.

The Manager-Chief Engineer said that DWS always has opportunities to compare notes with the other counties on their Rules, with an eye to making DWS's Rules comparable to the other counties. There is ongoing contact with the other counties, he said.

Mr. Uyeda suggested some kind of educational program to teach consumers who have irrigation systems about devices that can shut off their individual water systems.

The Manager-Chief Engineer said that DWS encourages its customers who have extensive irrigation systems to install additional valves on their systems.

Mr. Uyeda agreed, saying this would alleviate being solely reliant on the meter source itself.

Mr. Robinson turned to Paragraph 3 of Section 3-10, which talks about giving the consumer a notice of high consumption. He said that part should be deleted because DWS has stopped sending the Abnormal Reading Notices.

The Manager-Chief Engineer said yes, DWS has stopped sending the written notice of abnormal readings to customers, and instead, DWS is continuing to verbally inform the customers of abnormal usage.

Mr. Greenwell asked whether customer bills could be printed in red ink if the bill was excessively high; he asked whether that could be done automatically.

Mr. Sumada said no, the bills could only be done in black ink.

Mr. Taniguchi touched on Mr. Perry's suggestion about the monitoring devices, saying that the Board needs to consider the current set-up, with the majority of DWS's meters still being manually read. It is a matter of phasing in, until DWS's meters are all automatically read. Right now, it is not a matter of just turning the switch on, and it will be some time before it will be feasible for most customers to use the monitoring devices that are available now.

The Manager-Chief Engineer acknowledged that there are limitations regarding managing meters, etc. However, this is not to say that customers themselves may purchase devices to maintain their home water systems. DWS has consistently told customers that after the meter, it is the customer's responsibility, and DWS encourages customers to maintain their systems properly, or in a manner

acceptable to themselves. DWS currently can only read the meters every two months, and customers should feel free to read their own meters more frequently if they wish.

Chairperson Meierdiercks asked whether all of the Board members are on County water. He suggested that each Board member go home and read their respective water service contracts with DWS, and compare the contracts with Section 3-10. He suggested that this would provide material for a very thorough discussion at next month's Board meeting.

Mr. Robinson mentioned that he is a client of the Pu'uana'hulu water system, which recently issued a very informative annual report. The annual report informs customers about conservation, various concerns, the origin of the water, etc.

Chairperson Meierdiercks suggested that Mr. Robinson provide copies of the report for the Board for the next meeting. It would be interesting to compare DWS's water system with other water systems on the island, he said.

Mr. Kuehner asked to speak again. He said that when DWS notifies customers about an abnormal reading, the Department should translate the overage into dollars, rather than just gallons.

Chairperson Meierdiercks asked the Board how many members had experienced overages that they had to deal with, and pay DWS for. *(Most of the eight members present raised their hands.)*

Mr. Kuehner said people should not be in that situation; DWS should cut the overages in half, or cut the overages way back, or cut back the total amount. He said that he had made a change in his irrigation system because it was not watering evenly; he wound up disconnecting an underground valve. He said that incident took place about halfway through the billing period, so that when he got the notice, it did not indicate a leak. Mr. Kuehner said the overage could have happened in the first month of the two-month billing period; it could have been a very short time. He did not know that 365,000 gallons of water could flow in that little time.

Mr. Robinson asked what the flow rate was for a 5/8-inch meter.

The Manager-Chief Engineer said that the capacity for a 5/8-inch meter is a maximum 20 gallons per minute, which translates into almost 28,000 gallons a day. That means the customer has a leak, he said.

Mr. Inaba clarified this, saying that the 20 gallons per minute is the rated capacity; that is basically the rating as far as accuracy, although more water can flow. If more than 20 gallons per minute flows through the meter, the meter will probably not read everything that is flowing through the meter. If, for example, 30 gallons per minute goes through the meter, the accuracy of the meter declines. The meter will read less, not more, in such a case, he said.

Mr. Greenwell said that he has seen meters running in excess of 34-36 gallons per minute due to pressure or incline (i.e., water flowing downhill). The flow goes way above 20 gallons per minute, he said.

Mr. Lindsey suggested giving the customer with an overage a deadline to rectify the problem. If the customer rectifies it before that date, the customer will get a percentage of credit. He suggested a 40 percent credit if a customer resolves the problem by that date. If the customer fails to meet the deadline, the customer would assume the total cost of the overage, in addition to his next billing, Mr. Lindsey suggested.

Mr. Kuehner suggested some kind of valve that would automatically shutoff if usage is twice the normal usage per day.

The Manager-Chief Engineer said there may be products available that could do that, but DWS does not want to use such valves on its system. An individual consumer could look into such valves, however.

Chairperson Meierdiercks said these were some ideas for a person's individual system, because DWS's responsibility stops at the meter. He asked whether the shutoff valve is before or after the meter.

The Manager-Chief Engineer said the shutoff valve was actually two valves, with the one with the handle *after* the meter.

Chairperson Meierdiercks said that the discussion regarding Rule 3-10 will again be placed on the Agenda, for the July Board meeting. He wanted the Board to look at their respective DWS contracts so that everybody is aware of what they signed for, vis a vis what Rule 3-10 says. The discussion in July will also take up the input from today's meeting, plus anything else the Board requests during the month that might help with this issue, Chairperson Meierdiercks said.

E. **CESSATION OF ABNORMAL READING NOTICES:**

(This Item was deferred from the 5-22-12 Water Board meeting.)

The Department is looking for ways to streamline customer service procedures, and to utilize personnel more effectively. One of the areas identified as time-consuming for DWS's meter readers is the manual preparation and mailing of high-reading notices to customers. The meter readers send out approximately 750 of these notices every month, equivalent to approximately 62 man-hours, at a cost of approximately \$1,750.00 per month. By contrast, DWS processes an average of 80 leakage adjustment applications per month, or approximately 11% of the number of notices DWS issues. It turns out that most customers contact the Department after receiving a high water **bill** -- instead of a high-reading notice. High-reading notices are only generated when meters are read every two months, so if a leak were to occur right *after* a meter is read, the earliest that DWS would be able to send the customer a high reading notice would be two months *later*, when the meter was read again.

DWS believes that meter readers' time would be better spent investigating zero-consumption meter readings, which are a symptom of meter failure and a possible source of significant revenue loss. Approximately 10% of meter readings fall into this category, but DWS does not have the manpower to investigate these occurrences. Meanwhile, DWS also needs to increase automatic meter reading (AMR) meter site maintenance, so that meters can continue to be located.

Although DWS's plan is to eliminate the use of high-reading notices, the Department plans to continue notifying customers with extremely high consumption and/or obvious meter issues, by calling them directly and/or leaving a high reading tag at the property at the time the meter is read. DWS is also exploring the possibility of programming its billing system to print a special message on water bills alerting customers of unusually high consumption.

The Manager-Chief Engineer said he was not sure whether there was any further information on the cessation of abnormal reading notices. The Department has discontinued the written notices, but continues to do verbal notices to customers with abnormal readings. He wanted to make sure that it was clear that DWS *does* inform customers who have abnormal readings. However, the *paperwork* was discontinued because it does involve some time for the meter readers and customer service personnel, he said.

Chairperson Meierdiercks asked whether the staff write down who they contacted, what time the contact was made, etc.

The Manager-Chief Engineer confirmed that DWS staff do all of the documentation whenever they contact customers, logging in all of the information regarding the contact.

Mr. Greenwell asked whether the cessation of written abnormal reading notices would necessitate a change to the Rules and Regulations.

The Manager-Chief Engineer said no, it would not necessitate a change in the Rules and Regulations.

F. **AD HOC COMMITTEE TO ESTABLISH WATER BOARD'S 2012-13 GOALS FOR THE ADMINISTRATION:**

The Manager-Chief Engineer said he thought it would be good if the Board took action regarding the Strategic and Business Plans that DWS presented last month.

MOTION: Mr. Robinson moved to approve DWS's Action Plan (Strategic and Business Plans) for the next two years; seconded by Mr. Taniguchi.

Mr. Robinson asked about the Department's 20-year Water Master Plan.

The Manager-Chief Engineer said the water master plan was drawn up by a consultant and approved several years ago. He said the Department should do a presentation of the plan for the Board. The Department's intention is to come back to the Board with updates on projects; the plan is a work-in-progress, with updates for the Board slated for the next fiscal year.

Chairperson Meierdiercks said that this might be done as a quarterly report.

The Manager-Chief Engineer said yes, it could be, or whenever there is a major change or something is happening.

Chairperson Meierdiercks said within that time period, the Department will have established whether it has met its goals or not.

Ms. Lee Loy said that the Department's Strategic Plan really helped the Ad Hoc Committee draw up the Evaluation Form. The Strategic Plan set out the Goals and Objectives; they were measurables which helped the Ad Hoc Committee do the Evaluation Form. Ms. Lee Loy encouraged the Board to approve the Strategic Plan.

ACTION: Motion carried unanimously by voice vote.

G. **DISCUSSION OF DRAFT FY2013 EVALUATION FORM:**

Mr. Perry, noting that Ad Hoc Committee chairperson Mr. Kaneshiro was absent, said that the committee had added a DWS staff survey as a separate item because the committee thought that it was a missing tool. However, it would be up to the Board as to whether the Board wants to pursue the survey. The Committee at today's meeting distributed copies of their draft Evaluation Form, along with the staff survey. The Evaluation Form was based on the Department's one-year plan as well as the Legislative Auditor's Report, Mr. Perry said. Mr. Perry invited the Board to provide feedback.

Mr. Taniguchi asked that two items be added to the form: "Communication and Responsiveness to the Board," and "Percentage of Projects that Came in On- or Under-Budget, and On Time." Mr. Taniguchi said he thought those two things were important. He also commented that the item on the Evaluation Form that says, "Prepare Annual Budget," may need rewording because the Manager-Chief Engineer does not prepare the Budget himself. Instead, the Manager-Chief Engineer presents the Budget to the Board, after making sure it is prepared, is on time and is viable. Mr. Taniguchi noted that the item on the Evaluation Form that deals with Wastewater Division is a bit premature, because the Board has not yet approved the implementation of a plan (to do joint billing, etc.) There are many things that still need to be worked out regarding any future cooperation with Wastewater Division.

The Manager-Chief Engineer said the Board had only given DWS the go-ahead to talk with Wastewater Division, but the Department will need to come back to the Board for any further action.

Mr. Perry said yes, the Ad Hoc Committee would modify the language on that item.

Mr. Robinson asked whether respondents to the staff survey would not identify themselves.

Ms. Garson said that she had a number of concerns with the staff survey. One of the concerns involves the definition of management. The staff survey includes division heads, branch heads and supervisors under this definition. Ms. Garson spoke with the County's Department of Human Resources, and the concern is that seeking staff feedback regarding the performance of lower management will require union consultation. Ms. Garson said she spoke with Ms. Lee Loy, who developed the staff survey, to clarify that the Board is evaluating the Manager and the Deputy. If the Ad Hoc Committee alters the survey to only deal with the Manager-Chief Engineer and the Deputy, the union issue will not arise. Therefore, the survey needs to be modified; the Board is not in a position to approve it today, Ms. Garson said. Ms. Garson recommended that the survey leave out lower management, and deal only with the Manager-Chief Engineer and the Deputy. Ms. Garson said the Committee needs to discuss again the anonymity issue, as well as a check-and-balance to ensure that the Board receives only one response per employee. There are certain checks-and-balances that would need to be put in place before implementing the survey, Ms. Garson said. She suggested that the survey be revised, along with whatever changes are made to the Evaluation Form as a result of the Board discussion.

Mr. Lindsey said he shared the same concerns regarding the staff survey, which he said is a snapshot in time. Mr. Lindsey gave the theoretical example of a staff survey at his company of his own performance, whose results would vary greatly depending on whether it was done *before or during* union negotiations. He said he was not exactly sure what kind of tool the Ad Hoc Committee intended the DWS staff survey to be. He asked whether this was intended just for feedback, and asked what the Board was really using it for.

Ms. Lee Loy explained that the Ad Hoc Committee felt it was important for the staff to have a voice through the evaluation process. She acknowledged that this staff survey was a draft; it probably should have been called a sample. She said that in the survey, the employee has to place value in their responses. She gave the example of a question such as "How important is morale?" She said that after speaking to Ms. Garson, Ms. Lee Loy completely understands some of the union implications that go along with the survey. Ms. Lee Loy said the issue of anonymity kept coming up in discussions with Human Resources. The question came up as to how to address staff concerns if the staff do not want to be identified. She said that the staff survey was meant to "give it a little bit more of a twist" than the traditional staff survey. Ms. Lee Loy said she wanted people coming forward with their concerns, and to identify themselves to the people to whom they are expressing concerns. She said this might be a great baby step for the Board to evaluate the Manager and the Deputy. Ms. Lee Loy said she was really enjoying the discussion that the staff survey has brought up.

Mr. Perry said he wanted to recognize Ms. Wanda Kapahu of Human Resources, who assisted greatly in the committee's discussions.

Mr. Robinson said Ms. Garson had taken the words right out of his mouth regarding concerns about anonymity in the staff survey. Mr. Robinson said he had served 10 years on the Civil Service Commission (which later became the Merit Appeals Board). The commission on two occasions did a staff survey about the then-Director of Human Resources, and because the survey was anonymous, people just slaughtered the Director, Mr. Robinson said.

Ms. Lee Loy agreed that Ms. Kapahu provided a lot of insight on how to navigate the process of getting feedback.

The Manager-Chief Engineer noted that DWS has a locked suggestion box that employees are encouraged to use. The administration has also instituted an open door policy, so that employees can always walk in or call management. Some of the suggestions in the box are written anonymously, but anonymous or not, some suggestions can be implemented, so that morale can be improved through management's responses. The aim is to make improvements, the Manager-Chief Engineer said. He said employees can read in the newsletter that certain things were brought up, and what will be done about them.

Chairperson Meierdiercks asked if management researches and responds to the suggestions in the box.

The Manager-Chief Engineer confirmed this.

Chairperson Meierdiercks asked whether anonymous suggestions are considered, rather than just tossed.

The Manager-Chief Engineer said the anonymity does not mean that the suggestions are tossed. If the suggestion is something that can help DWS employees in general, management will respond.

Chairperson Meierdiercks said this Item is just for discussion today, and the Board is not ready to take any action on the Item yet.

Ms. Lee Loy said that the Committee would take the suggestions that were made by Mr. Taniguchi and Mr. Lindsey, and would take any other direction on items to add or even delete. With today's input, the Committee will go back and massage the forms, she said.

H. ENERGY MANAGEMENT ANALYST UPDATE:

Ms. Myhre reported that the County's Energy Sustainability Plan, prepared by the Kohala Center, has been released to the Mayor's Energy Advisory Commission for feedback.

Ms. Myhre reported that next week, she and Mr. Clyde Young of Operations would be attending a table-top exercise on Oahu sponsored by State Civil Defense on an Emergency Response Plan to deal with energy emergencies or disruptions.

DWS has installed GPS units on 15 vehicles at the Waimea Baseyard earlier this month, and lots of data is coming in. One of the reports involves a three-minute idling report, that looks at the number of times that the staff let their vehicles sit for three minutes or longer with the engine idling. Ms. Myhre has been providing some feedback to their supervisor regarding commonsense tips on how to minimize idling time. The hope is that by minimizing idling, the fuel savings will actually pay for the monthly costs of having the GPS equipment in the vehicles. Ms. Myhre said she would be looking at the idling data on a weekly basis, to summarize how much idling time above three minutes is being incurred. She noted that the GPS does not register idling times below three minutes. The Department's technical team will be looking at the data to see how DWS can better manage its vehicle fleet, she said.

Mr. Taniguchi asked what idling meant.

Ms. Myhre said it is when a car sits in "park" with the engine running.

Mr. Taniguchi asked if Ms. Myhre gets a report on that.

Ms. Myhre said yes, the purpose is to give feedback to staff, to heighten awareness that it makes sense to shut the engine off if the vehicle will be in park for longer than three minutes.

Ms. Myhre provided a Power Point Presentation on the Lālāmilo Windfarm project.

The project has two main benefits. One is the site itself, which Ms. Myhre described as a great location for wind turbines to generate wind energy. It also has great potential, because DWS is looking to get a 50-year lease from the State. If DWS does a 20-year project, DWS could do another 20-year project after that. Therefore, DWS stands to get a lot out of that 50-year lease. The second benefit is that DWS stands to get a cost savings on the electricity costs, to pass on to DWS's customers.

Ms. Myhre showed a map of the 80-acre site, with Kawaihae to the north, Puakō to the west, Waimea to the east and Waikoloa Village to the south. The map showed the Lālāmilo wells to the north and the Parker wells to the south. The site once housed the old windfarm, and the map showed the interconnect with HELCO, dating back to the old windfarm. In the north is an existing power line that is a duplicate system from the HELCO line, so the original windfarm had a power line strung to DWS's Lālāmilo wells. The new windfarm project will need to string a new power line down to the Parker wells in the south. Ultimately, all of the upland reservoirs closer to Waimea and Kawaihae, along with the water tanks along the Parker/Lālāmilo system, will be controlled electronically by the SCADA system.

The Request for Proposal (RFP) includes having a third-party windfarm company come in and install the SCADA system that will allow DWS to control all of the wells and reservoirs in the area, which will maximize the electricity coming from the windfarm. The reservoirs comprise a total of about 7 million gallons, among six or so reservoirs, Ms. Myhre said.

Mr. Robinson asked where the water will go.

The Manager-Chief Engineer said that the water will go to the resort areas, including the Mauna Lani and the Mauna Kea, as well as Puakō and Kawaihae.

Ms. Myhre noted that it will not go to the Waikoloa Beach area, which has its own water system, nor will it go to Waimea.

Turning to the Request for Proposal (RFP) itself, Ms. Myhre explained that the Power Purchase Agreement (PPA) piece of the RFP is where the Board will get involved. It is a written agreement between DWS and the third-party provider of the wind energy. DWS plans to "short list" the contractors, with a questionnaire that shows the contractors' qualifications. She said if say, 12 contractors apply for this project, DWS wants to reduce the number on the short list to three or four contractors.

Ms. Myhre noted that HELCO has told DWS that at this time, HELCO cannot accept additional intermittent wind power on its grid; HELCO already has more wind power than it can use from the South Point and Hāwī area windfarms. Therefore, HELCO is not in a position to purchase more intermittent wind power from this DWS project, at least not currently. A pro forma PPA is provided within the RFP, to let bidders know what DWS wants in that contract.

Ms. Myhre gave some background for newer Board members, saying that when DWS got the master lease with the State for this property, that master lease was actually an "approval-in-concept" of that lease. DWS does not actually have a lease yet, but that "approval-in-concept" says that when DWS does secure a PPA with the third-party windfarm company, then DWS can go back to the State and get a formal lease. After that, DWS will need to do a sub-lease to the windfarm company, and the Board will approve that lease agreement, Ms. Myhre said.

Mr. Taniguchi, referring to a presentation several months ago, noted that DWS would be purchasing power from a third-party company that was doing the windfarm. DWS would buy the power at a lower rate, but Mr. Taniguchi wondered what was in it for the windfarm company.

Ms. Myhre said that presentation by National Renewable Energy Lab (NREL) said a third-party company could come in and provide about one-half of the DWS's power needs, and make a profit. Since that presentation, HELCO has told DWS that HELCO would not be taking any wind power from DWS, so DWS will only contract with the third party if DWS can get a better rate from the third party than DWS would get from HELCO. Therefore, the third party will need to show DWS what they plan to charge for wind power, before DWS ever contracts with the third party.

Mr. Taniguchi asked what was in it for the third party. He asked whether it would pencil out for the third party.

Ms. Myhre said yes, at the time the preliminary report was prepared by NREL, it appeared that the economics would pencil out for the third party to supply about 50 percent of DWS's energy needs.

Mr. Taniguchi asked what the third party would do with the other 50 percent.

Ms. Myhre said no, the third party will only generate enough electricity for DWS; the third party will not generate excess electricity.

Mr. Taniguchi asked if this was because the third party could not sell the excess to anybody else.

Ms. Myhre said yes, but that scenario could change at some point in the future. Being on this big site, the third party could add more wind turbines in the future when HELCO was buying wind power, or the State could change its current rule that bars DWS from "wheeling" power to its other facilities.

Mr. Taniguchi said he thought that would be more beneficial to DWS and its customers.

Ms. Myhre said the third party could generate electricity for a lower rate than what they can sell it to DWS for; for example, the third party could generate power for 13 cents (per kilowatt-hour) and sell the power to DWS for 20 cents. The third party would make 7 cents, and that is how the third party makes money, she said.

Mr. Robinson asked whether with this approval-in-concept there would be a separate sub-divided parcel.

The Manager-Chief Engineer said it was a separate parcel, with a separate tax map key.

Ms. Myhre said yes, the parcel is about 80 acres.

Mr. Robinson noted that with an approval-in-concept, there will be virtually no change in the formal lease when the time comes.

Ms. Myhre said yes, that is correct.

Mr. Robinson said that whenever the State issues a lease, the parties have to go through the deal points of the lease again (i.e., renegotiate the lease).

Ms. Myhre said DWS will have to go through that process again, but then, it will be a 50-year lease.

Mr. Robinson quipped that he had been through that process himself; he warned that the State will torture DWS over the lease agreement. On a different subject, Mr. Robinson said that he had recently seen an impressive solar facility on Lānaʻi that generates 30 percent of the island's energy needs. MECO (the Maui electric utility) pays the facility 24 cents per kilowatt-hour for the electricity, he said. He asked if he understood correctly that HELCO will not buy the excess electricity generated by the third party in this case, and he asked if 50 percent of the electricity it generated would go to DWS. He asked if instead, HELCO is going to limit the third party to produce only 50 percent of DWS's needs.

Ms. Myhre said no, HELCO will not limit the third party. If the third party can figure out a way to supply 100 percent of DWS's energy needs, the third party would be free to do that. However, there are some technological limitations to doing that. The third party would need to provide storage (such as a battery), or need to add more reservoirs, because the demand for the water does not match the demand for electricity. If the third party added a couple of reservoirs, they could pump when the wind is blowing, and when the wind is not blowing, there would be enough water supply stored.

Mr. Robinson asked if this property could also have a solar energy component, in addition to the windfarm.

Ms. Myhre said this site is 80 acres, and DWS does not need the whole site for wind generation. Therefore, a company could come in with a proposal to do solar and wind. The only thing about this site is that it is so windy that solar panels might get sand-blasted.

Mr. Robinson said the same problem was there on Lāna‘i, but the panels rotate to keep them out of that.

Ms. Myhre said that the RFP is open enough so that creative proposals could be considered. The bottom line is that DWS needs to have a lower rate on the power, a combined rate or aggregate rate, between adding what DWS will be buying from HELCO and what DWS will be buying from the third party. The total will have to be less than what DWS is buying from HELCO now. Otherwise, there would be no point in doing the project, she said.

Mr. Robinson asked when DWS expects to issue the RFP.

Ms. Myhre said that DWS management, technical staff and Corporation Counsel will go over the RFP one last time at a meeting this Friday. The hope is to issue the RFP in July. Ms. Myhre went through the process that comes after, including receiving and reviewing the proposals, selection of the third-party company, negotiating the PPA, getting the lease from the State, etc. There are a lot of gears turning at the same time, she said. Once the lease is obtained from the State, DWS will get one year's free rent. After the sub-lease is done and the agreement with the third party is signed, then construction can occur.

Mr. Taniguchi asked if the third party will do all of the infrastructure.

Ms. Myhre said yes, the third party will own, operate, maintain and construct the facility. DWS will negotiate the lease with the State Department of Land and Natural Resources (DLNR), and then DWS will sub-lease to the third party.

Ms. Lee Loy asked if all 80 acres will be used.

Ms. Myhre said no, DWS at this point does not need to use the entire 80 acres, and DWS will be asking the third party to minimize their footprint (i.e., the amount of space they need on that site). DWS is hoping that the third party will have fewer than 10 generators on the site, as opposed to the old windfarm, that had 120. She said that the sub-lease will be based on the building footprint that the third party comes up with.

Ms. Lee Loy asked if, for example, the building footprint was 20 acres, DWS would maintain the other 60 acres.

Ms. Myhre said yes, DWS would actually have the entire 80 acres, but would sub-lease 20 acres to the third party. There would have to be some kind of agreement whereby the third party would peacefully co-exist with whoever else is using the property.

Ms. Lee Loy asked whether after the master lease is obtained, DWS would have right-of-entry, and when the clock on the rent starts.

Ms. Myhre said the clock on the rent starts when DWS gets the master lease, which is subject to DWS's PPA with the third party. DWS already has a right-of-entry; it is a solid document.

Ms. Garson said the rent for the property does not start for a year after the lease is obtained.

Ms. Myhre said this project evolved as a partnership and with support of many agencies, including the Department of Energy's NREL, State Energy Office, and County of Hawai'i.

Mr. Perry asked about the possibility of wheeling with HELCO; he noted that it has been on the Public Utility Commission's books for 10 years or so.

Ms. Myhre said it is still on the books, and it is dormant but not dead. There may be an opportunity of doing that someday. It is very common on the Mainland to do wheeling, she said.

Mr. Uyeda asked what the State zoning classification for this land is.

Ms. Myhre said it was agricultural/grazing land, and the property is currently being used for grazing. She noted that windfarms and cattle are a compatible use.

I. **MONTHLY PROGRESS REPORT:**

No discussion.

J. **REVIEW OF MONTHLY FINANCIAL STATEMENTS:**

Mr. Taniguchi asked about an entry under Restricted Investments, whereby \$2.7 million was moved from Merrill Lynch to Central Pacific Bank. He asked whether the money would still be under Investments.

Mr. Sumada said it was put under cash, in a checking account where DWS could get a higher rate of return. He confirmed that this was no longer restricted.

Mr. Taniguchi asked about the interest on long-term debt, whereby DWS wrote off the arbitrage.

Mr. Sumada said that DWS recorded a liability the prior year because of general bond funds that were on hand that were invested and had not been allocated to projects yet. Those funds were generating interest on the deposit, as well as creating an interest expense for the Department. DWS therefore needed to track that difference, to make sure that DWS was not making an interest rate profit. That calculation is made at year-end by the County Treasurer, to determine how much DWS potentially might have to pay the IRS if DWS does not spend the money in time, and the interest rates indicated that DWS was making too much money on the proceeds than had not been spent. Since that time, because interest rates were so low on the investment side combined with the elimination of unallocated proceeds, that differential and the liability to the IRS went away, Mr. Sumada said.

Mr. Taniguchi asked about \$160,000.000 in assets that DWS retired just before they fully depreciated.

Mr. Sumada said that involved well pumps, etc., breaking down and being written off before they fully depreciated.

Mr. Taniguchi asked whether the higher electricity bill for the Waiākea Office Plaza involved renovation work to prepare for the new tenants.

Mr. Sumada said no, that was just for DWS, not renovation work.

Mr. Greenwell asked about the entry under Other Interest Charges, which rose 160 percent.

Mr. Sumada said that was for special payments made to several employees, on interest owed to them for FLSA overtime.

Mr. Robinson asked whether the Over-91 Aging Summary could be done to show a comparison month-to-month, or over the past six months, to see if there was any positive or negative movement on the Accounts Receivable Summary.

Mr. Sumada said that he would have to compile something; the Aging Summary is all that comes out of the billing system.

Mr. Robinson said that in that case, it would mean doing a separate report.

Mr. Sumada said it would.

K. MANAGER-CHIEF ENGINEER'S REPORT:

The Manager-Chief Engineer provided an update on the following:

- 1) Palani Road Transmission Waterline Project – DWS is drafting a letter to the contractor, informing them that they are way past due on the completion of the project. There is about \$100,000.00 in work that still needs to be done, and DWS has not seen progress on the project in the last few months, the Manager-Chief Engineer said. The notice of breach of contract letter will go out by the end of this week. After that letter goes, DWS will call on the bond so that DWS can complete the project.
- 2) Hawaiian Ocean View Estates Project – DWS staff are running the pump to fill the tank, to purge the system to make sure everything is okay. Once final approval is given to the contractor, DWS can get final approval from the Department of Health – hopefully by the end of this week. DWS is planning a grand opening of the facility with the Mayor's Office and the community for July 5.
- 3) HELCO/Āhualoa update – This project is done, and full HELCO power is slated to come on in the second week of July. The next phase of the project is ongoing, and the contractor has completed installation of the pipeline ahead of schedule. Once this waterline project is completed, DWS will be able to use the water from that source, which will supply Honoka'a.
- 4) Kawailani Tank update – DWS has finally accepted the work to correct the sagging roof problem. Mr. Inaba is now working on a schedule to complete the project, including removal of the existing tank and some additional painting work. Completion will be in the next few weeks or months.
- 5) Pu'ukala/Kona Ocean View Properties Subdivision Improvement District Update – DWS finally got the plans approved by the State. DWS is waiting to review the Use and Occupancy Agreement, which has not yet come in. Once that agreement is executed, DWS can get its permits. The next step after that will be to go back to County Council for approval to bid out the project.
- 6) Update on Delinquencies – No report.
- 7) Strategic and Business Plans Update – Approved earlier in the meeting.
- 8) Public Information and Education Specialist Update – Ms. Aton asked Board members to let her know if they plan to attend the next Kona Roundtable on July 11. Mr. Don Thomas will be speaking about his research on Saddle Road, near Pōhakuloa. A community meeting regarding the Āhualoa/Honoka'a Transmission project was held, where the contractor reported that he was six months ahead of schedule. Ms. Aton will attend a meeting with a non-profit in South Kona tonight, after recent well failures in the area, and amid growing Council interest in developing new water sources in South Kona. Ms. Aton distributed hard copies of the newly-

revived DWS newsletter, which is available to employees via DWS's Intranet. She reported that DWS is planning department-wide staff meetings, beginning in August. Mr. Greenwell asked about the status of Reservoir No. 1 in Waimea. The Deputy said that the renovation is still under design with the consultant, and there is no contractor yet for the construction work. He noted that a lot of the cleaning of the Reservoir was done by DWS's Waimea crew, and DWS did some preliminary scoping of the engineering work, after the Reservoir was drained and deep-cleaned.

L. **CHAIRPERSON'S REPORT:**

Chairperson Meierdiercks said that the Board participants at the recent AWWA conference in Dallas got a lot more out of attending it than they had anticipated.

7) **ANNOUNCEMENTS:**

1. **Next Regular Meeting:**

The next meeting of the Water Board will be held at 10:00 a.m. on July 24, 2012, at West Hawai'i Civic Center, **Liquor Control Conference Room, Bldg. B, 2nd Floor**, 74-5044 Ane Keohokalole Hwy, Kailua-Kona, HI. A Public Hearing regarding a proposed increase to DWS's security deposit will be held immediately before the regular meeting, at **9:30 a.m.**

2. **Following Meeting:**

The following meeting of the Water Board will be held at 10:00 a.m. on August 28, 2012, at Department of Water Supply, Operations Center Conference Room, 889 Leilani Street, Hilo, HI.

8) **ADJOURNMENT**

ACTION: Mr. Taniguchi moved to adjourn; seconded by Ms. Lee Loy, and carried unanimously by voice vote.

Chairperson Meierdiercks adjourned the meeting at 12:00 p.m.

Secretary

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.

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

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.