

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

**MEETING DATE:** October 26, 2010  
**TIME:** 10:00 a.m.  
**PLACE:** Department of Water Supply, Operations Center Conference Room, 889 Leilani Street, 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
  1. Minutes of the September 28, 2010, Public Hearing on Proposed Amendment to the Power Cost Charge
  2. Minutes of the September 28, 2010, Water Board Meeting (includes Minutes of Public Hearing on Final Draft -- Water Use and Development Plan Update: DWS Job 2003-818)
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA  
(**Note: Addendum requires Roll Call Vote**)
- 5) SOUTH KOHALA:

A. **JOB NO. 2007-043, CONSTRUCTION OF THE WAIKOLOA RESERVOIR NO. 2 EARTHQUAKE REPAIRS, COUNTY OF HAWAI'I, STATE OF HAWAI'I, FEMA-1644-DR-HI, FIPS NO. 001-UVKJ8-00, PW NO. 638:**

The contractor, Goodfellow Bros., Inc. (GBI), has requested a 30 working-day time extension. This request consists of additional time required to install the geotextile fabric, based on the actual arrival of the additional material.

DWS personnel and GBI evaluated the remaining work items and weather permitting, it is anticipated that the remaining work should be completed in 19 working days (or 32 *calendar* days) from the current contract completion date of October 29, 2010. The 30 working-day request was for the remaining work to be done from October 14, 2010. If approved, the new completion date would be November 30, 2010.

Staff has reviewed the request and finds that the 32 calendar days are justified.

This is the fifth time extension request.

Ext. #	From (Date)	To (Date)	Days (Calendar)	Reason
1	11/9/2009	1/30/2010	82	Rainout days and Hypalon polymer supply issues.
2	1/30/2010	2/25/2010	26	Additional cleanout installation work and rainout days.
3	2/25/2010	5/9/2010	73	Additional work for Change Order Nos. 3, 4, and 5; and rainout days.

4	5/9/2010	6/4/2010	26	Additional work for Change Order Nos. 6 and 7; and rainout days.
5	6/4/2010	8/16/2010	73	Additional work for Change Order No. 9; and rainout days.
6	8/16/2010	10/29/2010	74	Additional work for Change Proposal 10 for the second layer of 16 oz geotextile material.
7	<b>10/29/2010</b>	<b>11/30/2010</b>	<b>30</b>	<b><i>Based on actual arrival of second layer of 16 oz geotextile material.</i></b>
Total Days (including this request)			<b>354</b>	

RECOMMENDATION: It is recommended that the Board approve a contract time extension to Goodfellow Bros., Inc. of thirty two (32) calendar days from October 29, 2010 to November 30, 2010, for JOB NO. 2007-043, CONSTRUCTION OF THE WAIKOLOA RESERVOIR NO. 2 EARTHQUAKE REPAIRS, COUNTY OF HAWAI'I, STATE OF HAWAI'I, FEMA-1644-DR-HI, FIPS NO. 001-UVKJ8-00, PW NO. 638.

6) NORTH KONA:

A. AMENDMENT OF WATER FACILITIES AGREEMENT - SEASCAPE DEVELOPMENT, LLC:

On October 28, 2008, Seascape Development, LLC ("Seascape") and the Water Board entered into a Water Facilities Agreement for the development, construction, and installation of certain improvements and other water transmission-related facilities in the vicinity of the Water Board's existing Kalaoa Well. Seascape was to also complete the engineering and design work, and assign the same, as well as obtain all necessary permits in accordance with DWS requirements within one year of the executed Agreement. The deadline of October 28, 2009, was extended to October 28, 2010, by the Water Board at its meeting of September 22, 2009. The reason was the challenging economy at that time, which made it impossible for Seascape to proceed on schedule.

Seascape is proposing a second amendment to the Water Facilities Agreement to extend such submittal deadline to October 28, 2011. They feel that this new deadline will enable them to meet their obligations in the current economic climate.

Staff has reviewed the Second Amendment of Water Facilities Agreement and finds it acceptable.

RECOMMENDATION: It is recommended that the Water Board approve the Second Amendment of Water Facilities Agreement, subject to review and approval by Corporation Counsel.

B. MEMORANDUM OF UNDERSTANDING FOR: QUEEN KA'AHUMANU HIGHWAY WIDENING – KEALAKEHE TO KEAHOLE 16" WATERLINE INSTALLATION – STATE HIGHWAY PROJECT (QUEEN K HIGHWAY WIDENING, PHASE 2):

The Water Board at its September 28, 2010 meeting approved a form of Memorandum of Understanding (MOU) with the State. The State has requested some changes to MOU in sections 3 and 10.

RECOMMENDATION: A recommendation will be provided at the meeting.

7) 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 Facility Purposes)**

Subdivision Application No. 98-084, 2004-0072

Grantor: RELO KONA, LLC

Tax Map Key: (3) 7-5-004: portion

E.W.O. 2008-029

Facilities Charge: *Not Applicable*

Final Inspection Date: 10/08/2010

Water System Cost: \$22,225.00

**2. DEED (Tank Site)**

Pualani Estates Phase 2

Grantor: D.R. HORTON, LLC dba D.R. Horton-Schuler Division

Tax Map Key: (3) 7-5-043: 121

E.W.O. 2004-027

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. REPORT ON DELINQUENCIES:**

*(This Item was deferred from the 9-28-10 Water Board meeting.)*

Report by the Waterworks Controller on the current state of delinquencies.

**C. LEAK DETECTION PROGRAM:**

Report by DWS personnel involved in the Department's Leak Detection Program.

**D. 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.

**E. ENERGY MANAGEMENT ANALYST UPDATE:**

The following areas will be covered:

- Lālāmilo Site Clean-up and DLNR Lease Application Status
- DWS's Green Initiatives
- Draft Energy Policy Statement for DWS

**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'S EVALUATION:**

The Board will have received in their packets copies of an evaluation form for Appointees/Managers, used by the Water Board for the yearly evaluation of the Manager. For discussion on processing, procedures, and summarized results.

**I. MANAGER'S REPORT:**

The Manager 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. Employee of the Quarter
5. National Parks Service issue
6. Public Information and Education Update

**J. CHAIRPERSON'S REPORT:**

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

8) **ANNOUNCEMENTS:**

1. **Next Meeting:**

The next meeting of the Water Board will be held on November 23, 2010, at 10:00 a.m. at the Royal Kona Resort, Resolution Room, 75-5852 Ali'i Drive, Kailua-Kona, HI.

2. **Following Meeting:**

The following 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.

9) **STATEMENTS FROM THE PUBLIC:**

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

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

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.

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 Shiota, 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.*