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

MEETING DATE: December 18, 2012

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
 - Minutes of the November 27, 2012, Water Board meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (Note: Addendum requires Roll Call Vote)
- 5) <u>SOUTH HILO:</u>

A. <u>VEHICLE BID NO. 2012-12, FURNISHING AND DELIVERING VEHICLES TO THE</u> <u>DEPARTMENT OF WATER SUPPLY:</u>

Bids were opened on December 6, 2012, at 2:00 p.m., and the following are the bid results:

	Inter Pacific Motors, Inc. dba Orchid Isle Auto Center	
Part "A"		
ONE (1) ONLY 2012 OR LATER, PASSENGER VAN, 2-WHEEL DRIVE	No Bid	
Total delivery price		
Delivery time (calendar		
days)		
Part "B"		
ONE (1) ONLY 2012 OR		
LATER 3/4 TON FULL-		
SIZE PICKP WITH		
REGULAR CAB,		
SERVICE BODY AND		
LIFTGATE, REAR		
WHEEL DRIVE		

1		
Total delivery price	\$35,096.00	
Delivery time (calendar	210	
days)	210	
Part "C"		
ONE (1) ONLY 2012 OR		
LATER 1 TON CREW		
CAB, SERVICE BODY		
AND LIFTGATE, 4-		
WHEEL DRIVE		
Total delivery price	\$41,778.00	
Delivery time (calendar	210	
days)	210	

<u>RECOMMENDATION</u>: It is recommended that the Board award VEHICLE BID NO. 2012-12, FURNISHING AND DELIVERING VEHICLES TO THE DEPARTMENT OF WATER SUPPLY, to Inter Pacific Motors, Inc. dba Orchid Isle Auto Center, for Parts B and C at a total cost of \$76,874.00, and that either the Chairperson or the Vice-Chairperson be authorized to sign the contract subject to approval of the contract as to form and legality by Corporation Counsel.

For Part A, no bids were received, and staff shall obtain quotations in the best interest of the Department.

6) <u>NORTH KONA</u>:

A. <u>AMENDMENT TO AGREEMENT REGARDING DEVELOPMENT OF SOUTH WAI'AHA</u> <u>SYSTEM AND AMENDMENT TO AGREEMENT REGARDING DEVELOPMENT OF</u> <u>NORTH WAI'AHA SYSTEM:</u>

(Deferred at the November 27, 2012, Board meeting.)

<u>RECOMMENDATION</u>: It is recommended that this matter be withdrawn, as on November 14, 2012, Kohanaiki Shores, LLC, submitted a revised agreement for consideration.

B. <u>AMENDED AND RESTATED AGREEMENT REGARDING DEVELOPMENT OF SOUTH</u> WAI'AHA WATER SYSTEM AND TERMINATION OF THE AGREEMENT REGARDING THE DEVELOPMENT OF THE NORTH WAI'AHA WATER SYSTEM:

(This Item is being reconsidered, per the Water Board's vote at the November 27, 2012, Board meeting.)

The developers of the South Wai'aha System and North Wai'aha System, Wai'aha System, LLC and Wai'aha System II, LLC, respectively, would like to amend the existing agreements. There will be new members, as previous members of each agreement have executed "redemption agreements," releasing them from the respective agreements. There will be one amended agreement inclusive of both existing agreements identifying the terms and members of the agreement. The parties to this proposed Amended Agreement are the Water Board of the County of Hawai'i, Waiaha System, LLC, Waiaha System II, LLC and Kohanaiki Shores, LLC.

<u>RECOMMENDATION</u>: A recommendation will be provided at the meeting.

C. <u>EXECUTIVE SESSION: RE: AMENDED AND RESTATED AGREEMENT REGARDING</u> <u>DEVELOPMENT OF SOUTH WAI'AHA WATER SYSTEM AND TERMINATION OF THE</u> <u>AGREEMENT REGARDING THE DEVELOPMENT OF THE NORTH WAI'AHA WATER</u> <u>SYSTEM:</u>

The Water Board anticipates convening an executive meeting, closed to the public, pursuant to Hawai'i Revised Statutes, under 92-5(a)(4) to consult with the Water Board's attorney on questions and issues pertaining to the Water Board's powers, duties, privileges, immunities and liabilities. A two-thirds vote, pursuant to HRS Section 92-4, is necessary to hold an executive meeting.

D. FIRST SUPPLEMENTAL WELL DEVELOPMENT AGREEMENT DATED AUGUST 12, 2009; PALANI WELL (TMK: 7-4-002:008):

The developers Lanihau Properties, LLC, West Hawaii Business Park, LLC, and Palani Ranch Company, Inc. ("Owners") request an extension of the "Completion Deadline" identified in Section 1(b) of the First Supplemental Well Development Agreement dated August 12, 2009 ("Agreement"), due to circumstances beyond the control of the Owners. The original "Completion Deadline" as specified in the Agreement was December 31, 2011 and the request as allowed by the Agreement, would change the "Completion Deadline" to June 30, 2014.

DWS Staff has been kept apprised of the situation and has no objections to the extension request. All other requirements and conditions of the Agreement will remain unchanged.

<u>RECOMMENDATION</u>: It is recommended that the Board approve the extension request to change the "Completion Deadline" as defined in the First Supplemental Well Development Agreement from December 31, 2011, to June 30, 2014.

8) <u>MISCELLANEOUS</u>:

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 AND BILL OF SALE

Frenz Subdivision Subdivision Application No. 11-001101 Grantor/Seller: Frenz Family Trust, Bruce J. Frenz and David M. Frenz Tax Map Key: (3) 2-4-070:001 No. of Lots: 2 Zoning: A-3a, RS-40 Facilities Charge: \$5,500.00 Date Paid: 9/24/2012 Final Inspection Date: 10/15/2012 Water System Cost: \$65,570.00

2. GRANT OF EASEMENT

The Shores at Kohanaiki Subdivision Subdivision No. 06-000327 Grantors: Kohanaiki Shores, LLC Tax Map Key: (3) 7-3-009:016, 7-3-063:001-006, 008, 011, 013 and 014; 7-3-064:001-020 and 023; 7-3-064:001-055, 059-068; 7-3-068:001-004 (Formerly 7-3-009:009 and 7-3-009:016)

3. BILL OF SALE

The Shores at Kohanaiki Subdivision Subdivision No. 06-000327 Sellers: Kohanaiki Shores, LLC Tax Map Key: (3) 7-3-009:016, 7-3-063:001-006, 008, 011, 013 and 014; 7-3-064:001-020 and 023; 7-3-064:001-055, 059-068; 7-3-068:001-004 (Formerly 7-3-009:009 and 7-3-009:016) No. of Lots: 112, Road Lot A-F Zoning: V-1.25a, DV-10, RM-3, RS-10, ML-10, and Open Facilities Charge: \$477,380.00 Date Paid: 3/17/2008 Final Inspection Date: *TBA* Water System Cost: *TBA*

<u>RECOMMENDATION</u>: It is 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.

B. 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.

C. ENERGY MANAGEMENT ANALYST UPDATE:

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

D. 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.

E. **<u>REVIEW OF MONTHLY FINANCIAL STATEMENTS:</u>**

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.

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) Kawailani Tank update
- 3) Pu'ukala/Kona Ocean View Properties Subdivision Improvement District Update
- 4) Public Information and Education Specialist Update
- 5) Recognition of Service Retirements

G. BOARD MEMBERS' SERVICE:

Section 13-4(d) of the County Charter allows a Board Member whose term has expired to serve an additional 90 days or until a successor is appointed and confirmed, whichever comes first.

<u>RECOMMENDATION</u>: Pursuant to Section 13-4(d) of the County Charter, expired term Board Members will be allowed to serve an additional 90 days or until their successor is appointed and confirmed, whichever comes first, if so desired.

H. ELECTION OF CHAIRPERSON AND VICE-CHAIRPERSON FOR 2013:

Board to elect Chairperson and Vice-Chairperson for the 2013 term.

I. CHAIRPERSON'S REPORT:

Chairperson will raise issues of interest to the Board.

9) <u>ANNOUNCEMENTS</u>:

1. Next Regular Meeting:

The next meeting of the Water Board will be held at 10:00 a.m. on January 22, 2013, at a venue to be determined.

2. Following Meeting:

The following meeting of the Water Board will be held at 10:00 a.m. on February 26, 2013, at a venue to be determined.

10) 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. <u>Notice to</u> <u>Lobbyists</u>: 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.