

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

**MEETING DATE:** February 24, 2015  
**TIME:** 10:00 a.m.  
**PLACE:** West Hawai‘i Civic Center, Community Center, Bldg. G, 74-5044 Ane  
Keohokalole Hwy, Kailua-Kona, HI

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- 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 January 27, 2015, Water Board meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA  
(**Note: Addendum requires Roll Call Vote**)
- 5) SOUTH KOHALA:

A. **REQUEST TO CONSENT FOR ASSIGNMENT AND TRANSFER OF WATER UNITS  
MAUNA KEA PROPERTIES, INC.:**

Mauna Kea Properties, Inc. (MKP), MK Parcel F, LLC (Parcel F LLC), and One Puako Bay Associates, LLC (One Puako LLC) requests DWS consent to allow One Puako LLC, to receive an assignment of 11 water units from MKP’s allocation from the Parker Wells 3 and 4 Tri-Party Agreement (Agreement) dated April 6, 2006. Parcel F LLC and One Puako LLC have shared ownership and under the management of the same individual, Mr. Kevin J. Hayes. Parcel F LLC will limit their development to 74 units of water or 40 residential units, whichever results in fewer units of water. The original estimate for water assignment to Parcel F LLC was 102 water units.

Tokyū Corporation, successor in interest to Mauna Lani Service, Inc. (MLS) and the third party in the Agreement, has also consented to the 11-unit assignment to One Puako LLC.

Although One Puako LLC is not in the development area as defined in the Tri-Party Agreement, it is being served by the same system that provides MKP’s allocation of water from the Tri-Party Agreement.

Staff has reviewed the proposal and finds it acceptable.

**RECOMMENDATION:** It is recommended that the Water Board accept the consent documents subject to the approval of the Corporation Counsel as to form and legality, and that either the Chairperson or the Vice-Chairperson be authorized to sign the documents.

6) MISCELLANEOUS:

A. **DEDICATION OF WATER SYSTEMS:**

The Department has received the following document for action by the Water Board. The water system has been constructed in accordance with the Department’s standards and is in acceptable condition for dedication.

**1. GRANT OF EASEMENT AND BILL OF SALE**

Grantors/Sellers: Edward J. Rapoza and Rhondall K. Rapoza, Robert D. Triantos and Richard S. Fallon and Nancy T. McKinley

Tax Map Key: (3) 7-6-011: 03 (portion), 009 (portion) and 019 (portion)

Facilities Charge: \$79,380.00 Date Paid: 02/04/2015

Final Inspection Date: *TBA*

Water System Cost: \$ *TBA*

RECOMMENDATION: It is recommended that the Water Board accept this document subject to the approval of the Corporation Counsel and that either the Chairperson the Vice-Chairperson be authorized to sign the document.

**B. DEPARTMENT OF WATER SUPPLY PROPOSED OPERATING AND 5-YEAR CAPITAL IMPROVEMENT PROJECTS (CIP) BUDGETS FOR FISCAL YEAR (FY) 2016:**

The Department's FY 2016 Operating Budget, totaling \$53,174,000, and 5-Year CIP Budget for FY 2016 – 2020, has been distributed for the Board's review.

RECOMMENDATION: The Department recommends that the Board approve a public hearing to be held on Tuesday, March 24, 2015 at 9:45a.m., prior to the Water Board's regular meeting, to accept public testimony regarding the Department's FY 2016 Operating and CIP Budgets.

**C. UPDATE RE: NATIONAL PARKS SERVICE'S PETITION TO DESIGNATE KEAUKOU AQUIFER AS A GROUND WATER MANAGEMENT AREA:**

For discussion and possible action.

**D. EXECUTIVE SESSION RE: NATIONAL PARKS SERVICE'S PETITION TO DESIGNATE KEAUKOU AQUIFER AS A GROUND WATER MANAGEMENT AREA:**

The Water Board anticipates convening an executive meeting, closed to the public, pursuant to Hawai'i Revised Statutes, Sections 92-4, 92-5(a)(2), to discuss mediation as directed by the Commission on Water Resource Management regarding the National Park Service's petition to designate Keauhou Aquifer as a Ground Water Management Area, and for the purpose of consulting with the Water Board's attorney on questions and issues pertaining to the Water Board's powers, duties, privileges, immunities and liabilities.

**E. DISCUSSION OF AMENDING RULES AND REGULATIONS REGARDING PLACING RESPONSIBILITY WITH PROPERTY OWNERS FOR TENANTS' DELINQUENT BILLS:**

Sub-Committee to report on proposed amendments to the Rules and Regulations regarding placing responsibility with property owners for tenants' delinquent bills, with discussion.

**F. 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.

For discussion and possible action.

**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 EVALUATION FOR CALENDAR YEAR 2014:**

*(This Item was continued from the January 27, 2015, Board meeting.)*

Discussion/Action on Manager-Chief Engineer's evaluation and compensation.

**J. EXECUTIVE SESSION:**

The Board anticipates convening an executive meeting to consider the evaluations of the Manager-Chief Engineer, as authorized by Hawai`i Revised Statutes, Sections 92-4, and 92-5(a)(2), 92-5(a)(4) and Hawai`i County Charter Section 13-20(b), where consideration of matters affecting privacy will be involved, and for the purpose of consulting with the Water Board's attorney on questions and issues pertaining to the Water Board's powers, duties, privileges, immunities, and liabilities.

**K. 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) Lava Update
- 3) Public Information and Education Specialist Update

**L. CHAIRPERSON'S REPORT:**

Chairperson to report on matters of interest to the Board.

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

**A. CONTESTED CASE HEARING RE: WATER SERVICE ACCOUNT NO. 86530820-10 (TMK 7-8-017-020):**

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 Mr. Raymond and Ms. Victoria Kalman's appeal of the amounts shown due and owing on account #86530820-10 and consequently, the appeal of the shut-off notice dated March 4, 2014.

This hearing is being set pursuant to Mr. Raymond and Ms. Victoria Kalman's written request of July 10, 2014.

8) ANNOUNCEMENTS:

1. **Next Regular Meeting:**

The next meeting of the Water Board is scheduled for 10:00 a.m. on March 24, 2015, 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 April. 28, 2015, at the Department of Water Supply, Operations Center Conference Room, 889 Leilani Street, Hilo, HI.

9) 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.