

MINUTES

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

April 23, 2013

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

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

ABSENT:

Mr. Rick Robinson, 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. Roger Harris, Palamanui Global Holdings LLC
Mr. Sal Panem, State Highways Division
Mr. Sterling Chow, State Highways Division

Department of Water Supply Staff

Mr. Keith Okamoto, Deputy
Mr. Kurt Inaba, Engineering Division Head
Mr. Daryl Ikeda, Chief of Operations
Mr. Richard Sumada, Waterworks Controller
Ms. Kanani Aton, Public Information and Education Specialist
Ms. Julie Myhre, Energy Management Analyst

1) CALL TO ORDER – Chairperson Taniguchi called the meeting to order at 10:00 a.m.

2) STATEMENTS FROM THE PUBLIC

(Mr. Roger Harris testified regarding the Palamanui project.)

MR. HARRIS: I'm Roger Harris, representing Palamanui Global Holdings, and I just wanna say thank you for the cooperation and all. If you have any questions about the Right-of-Entry, please let us know. Thank you.

3) APPROVAL OF MINUTES

The Chairperson entertained a Motion to approve the Minutes of the March 19, 2013, Public Hearing on the Proposed Operating Budget and Capital Improvements Budget for the Fiscal Year July 1, 2013 to June 30, 2014.

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

The Chairperson entertained a Motion to approve the Minutes of the March 19, 2013, regular Water Board meeting.

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

4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA

None.

6) SOUTH KOHALA:

A. JOB NO. 2013-986, PARKER RANCH DEEPWELL REPAIR:

This project generally consists of the replacement of the existing deep well submersible motor, pump, power cable, column pipe and appurtenances and chlorination of the well and pumping assembly, in accordance with the plans and specifications.

Bids for this project were opened on April 11, 2013, at 2:30 p.m., and the following are the bid results:

Bidder	Bid Amount
Beylik Drilling and Pump Service, Inc.	\$264,423.00
Derrick's Well Drilling and Pump Services, LLC	\$239,000.00

Project Costs:

1) Low Bidder (Derrick's Well Drilling and Pump Services, LLC.)	\$ 239,000.00
2) Contingencies (10%)	\$ 23,900.00
Total Cost:	<u>\$ 262,900.00</u>

Funding for this project will be from DWS's CIP Budget. The contractor will have 180 calendar days to complete this project. The Engineering estimate for this project was \$285,000.00.

The Manager-Chief Engineer recommended that the Board award the contract for JOB NO. 2013-986, PARKER RANCH DEEPWELL REPAIR, to the lowest responsible bidder, Derrick's Well Drilling and Pump Services, LLC, for their bid amount of \$239,000.00 plus \$23,900.00 for contingencies, for a total contract amount of **\$262,900.00**. It is further recommended that either the Chairperson or the Vice-Chairperson be authorized to sign the contract, subject to review as to form and legality by Corporation Counsel.

MOTION: Mr. Greenwell moved to approve; seconded by Mr. Uyeda.

Mr. Greenwell asked if the 180 days was a bit excessive.

The Manager-Chief Engineer said no, the Department's engineers had worked out that the 180 days should be a sufficient number of days.

Mr. Ikeda said that the pump has to be built on the Mainland and shipped back; that is why it will take that long.

Mr. Uyeda asked if the 180 days was a bit short.

The Manager-Chief Engineer said that the Department will monitor the progress.

Mr. Uyeda asked why this repair was coming out of the C.I.P. Budget.

The Manager-Chief Engineer said that normally, repairs are budgeted in. However, because this is a large-cost item, it will come out of the C.I.P. Budget.

ACTION: Motion carried unanimously by voice vote.

B. WATER AGREEMENT BETWEEN DEPARTMENT OF HAWAIIAN HOME LANDS AND WATER BOARD RE: LALAMILO AND PU'UKAPU HOMESTEAD SUBDIVISIONS:

The Department of Hawaiian Home Lands (DHHL) is requesting to enter into an agreement with the Water Board, as DHHL requires potable water for their Lālāmilo and Pu'ukapu Homestead subdivisions. The Department of Land and Natural Resources (DLNR) completed the drilling, casing and testing of the Waimea Exploratory Well in 1999. In 2003, DHHL requested an allocation of water from this well for the subdivisions. However, plans to complete the development of the well were put on hold. In 2004, the Department of Water Supply (DWS), with DLNR's concurrence, assumed the responsibility of developing the well.

With the dedication of DLNR's initial improvements, DLNR allocated 300 units of water to DHHL through an Inter-Governmental Agreement. As this well was intended to supply water for DHHL subdivisions, this agreement will allow DHHL to secure 441 additional units of water beyond the 300 units initially allocated.

Staff has reviewed the agreement and finds it acceptable.

The Manager-Chief Engineer recommended that the Board approve the agreement subject to the approval of the Corporation Counsel, and that either the Chairperson or the Vice-Chairperson be authorized to sign the documents.

MOTION: Mr. Kaneshiro moved to approve; seconded by Mr. Perry.

Ms. Lee Loy said that she would be recusing herself from this vote, as with all Hawaiian Homes issues.

The Manager-Chief Engineer said that DHHL worked closely with DLNR, which drilled the well at the Waimea Treatment Plant. DWS subsequently put in the production well. The Department has been working closely with DLNR and DHHL as far as granting additional units of water, based on their participation in the exploratory well agreement. DWS has no objection to the additional water that is being allotted to DHHL.

Mr. Greenwell asked if this system is going to be serviced by the new transmission line off Ho'oula Road.

The Manager-Chief Engineer said yes, that the transmission line is not funded, but the design is complete. Most of this water will be going to the Lālāmilo projects that DHHL is working on. DHHL, in fact, had already constructed the storage reservoir for their project, but they needed additional water for expanding the Lālāmilo project.

Mr. Greenwell observed that it seemed that DHHL was rather late in coming to DWS to request this water; DHHL had already started all of the infrastructure and planning, etc.

The Manager-Chief Engineer said it was not really late; DWS has been going back and forth with and DHHL and DLNR on the amount of water that they needed, and on how the water would be allotted to them. It has been a while since DWS has talked with the two State agencies, but now it is coming to decision time, and DHHL is proceeding with their project. Actually, DWS has been talking to them for several years, so the request is not really late. It was just a matter of when it was brought to the Board, he said.

Mr. Greenwell said that this would be a heavy load on the system.

The Manager-Chief Engineer said yes, understandably so. The main thing is that the well is on line, and DWS has worked closely with the developers. The main thing is that DHHL has water allotted to them; DWS does have the Parker Well and the Waimea Treatment Plant well. In the meantime, DWS is still working on the reservoir repairs on the hill, he said.

Mr. Uyeda said that it appears that the Facilities Charge is at a reduced rate (i.e., less than ordinary customers or developers would pay). He asked whether DWS's Rules and Regulations provide for such a discount.

The Manager-Chief Engineer said that the agreement with DHHL allows for the credits towards the Facilities Charge; it is a normal Facilities Charge that DWS charges any customer. However, because of the participation in the exploratory well development, the transmission projects and storage, the Rules and Regulations provide for credits towards the Facilities Charge requirement, he said. That is why it is reduced.

Mr. Uyeda asked if the \$947,000.00 was enough money to outfit the well and complete everything necessary.

The Manager-Chief Engineer confirmed that it was enough money.

ACTION: Motion carried with Five (5) Ayes, and one recusal (Ms. Lee Loy).

6) NORTH KONA:

A. PALAMANUI CONSTRUCTION RIGHT-OF-ENTRY:

The developer, Palamanui Global Holdings LLC (Palamanui), is requesting a construction right-of-entry to construct improvements on lands under the control of the Water Board. The improvements are required to complete their obligation under the Water Agreement dated June 15, 1999, and as amended by the First Amendment dated January 21, 2007.

The Manager-Chief Engineer recommended that the Board approve the construction right-of-entry document subject to the approval of the Corporation Counsel, and that either the Chairperson or the Vice-Chairperson be authorized to sign the documents.

MOTION: Ms. Lee Loy moved to approve; seconded by Mr. Perry.

The Manager-Chief Engineer said that Palamanui needs the Right-of-Entry because they are working on developing the improvements to get their well on line. Palamanui has already conveyed the well site to DWS, so it is a matter of DWS allowing Palamanui to work on the site. The Manager-Chief Engineer noted that Palamanui had developed the well, and this agreement just allows Palamanui to be on the site to continue the improvements.

Ms. Lee Loy asked whether the five-year time period in the agreement was standard, or sufficient.

The Manager-Chief Engineer said it depends on when Palamanui can get the well back on line; the time period is based on Palamanui's project schedule. He believed the five-year period was okay.

Mr. Uyeda said he thought the five years was a little too long. He noted that the Board serves five-year terms, and it is difficult for new people coming on the Board to keep track of agreements that were approved before they came on the Board. He suggested cutting the time frame. He said that this agreement should be non-assignable, so that if there is a change in ownership, the new owners would be obliged to come before the Board to explain the change in ownership, and would be obliged to re-apply for the Right-of-Entry. Mr. Uyeda said that the insurance section of the agreement should include automobile liability insurance and workers' compensation insurance, and the agreement should allow the Board to name additional insured parties that may change during the term of the Right-of-Entry; this would give flexibility to the Department.

The Manager-Chief Engineer said he was not sure about cutting back on the time frame; he acknowledged that Board members may not be on the Board for the duration of the Right-of-Entry. However, the Department keeps track of things covered in the agreement, but there was no problem in coming back to the Board regarding the time period. He asked Ms. Garson to respond regarding insurance.

Ms. Garson said that if the Board wants to modify the terms of the Right-of-Entry, it would not be a problem. She suggested that the Board approve the agreement, subject to the addition of the new terms; Ms. Garson can redraft the agreement. She said she could make the Right-of-Entry non-assignable, and add the insurance requirements that Mr. Uyeda is asking for.

The Manager-Chief Engineer said that the Department has seen developers change, and DWS has come before the Board for approval to have the new developers continue work. He said that Right-of-Entry agreements can be amended to accommodate changes the Board requests.

Mr. Uyeda said he would go with that Recommendation, i.e., to add a few new terms to this agreement, and to approve the Right-of-Entry agreement subject to those new terms being added.

Ms. Garson acknowledged that she had the non-assignability, the increased insurance requirement (adding auto liability and worker's compensation insurance).

Mr. Uyeda said yes, and the name of the owner should be included.

Ms. Garson asked whether DWS should be added as an additional insured party.

Mr. Uyeda said the Board could be afforded the opportunity to add additional insured parties in the event that the entities change during the Right-of-Entry's duration.

Mr. Perry asked if that was a Motion.

Mr. Uyeda said yes, that was a Motion.

Chairperson Taniguchi asked Mr. Uyeda to wait because the Board was still discussing the matter.

Ms. Lee Loy suggested adding a requirement for a status update in 24 months. She said such status updates can be very helpful in ensuring that everybody is on track and that things are progressing along.

Ms. Garson suggested reducing the agreement's time frame to a two-year period, after which Palamanui could come and request additional time.

Ms. Lee Loy said she was comfortable with the status report in 24 months.

Chairperson Taniguchi said that these were basic kinds of terms.

Ms. Garson confirmed this.

The Manager-Chief Engineer said that Ms. Garson could work out the language with Palamanui's attorneys.

Chairperson Taniguchi turned to Mr. Uyeda's point about non-assignability. He asked for confirmation whether, if ownership changes, the new owner is bound by the same agreement, to complete the work.

The Manager-Chief Engineer said yes, the new owner would be bound by the same agreement.

Chairperson Taniguchi asked whether the new owner would definitely complete the work. He said that Developer A cannot just assign to Developer B; they would have to come before the Board.

Ms. Garson said yes, but it depends on what the original agreement was. She said she did not have the language of the original agreement memorized. In some agreements, there might be an assignability clause which would allow one developer to assign to another developer. She did not know offhand what the original agreement said in this case.

Mr. Uyeda suggested checking whether putting non-assignability would be consistent with the original agreement; if the original agreement had an assignability clause, he was okay with leaving it as-is.

Mr. Harris said that Palamanui has no objections to modifying this Right-of-Entry as requested by Mr. Uyeda. The only thing is that timing-wise, Palamanui wants to get going right away, and this Right-of-Entry is necessary in order to get a building permit. He said that the five-year time frame is not that important. It would be okay to reduce the time period if the Board wishes.

The Manager-Chief Engineer said DWS also has no objections to reducing the time frame, and if Palamanui needs to come back to the Board to extend the time frame, DWS has no problems with that, either.

Mr. Harris said Palamanui could live with two or three years on the initial Right-of-Entry. He noted that Palamanui would probably have to come back to the Board at some future time. He reminded the Board that this Right-of-Entry includes the Waimea Treatment Plant, where Palamanui will need to install a SCADA system.

Ms. Lee Loy asked Mr. Harris to confirm that he was okay with reducing the time frame to two or three years.

Mr. Harris confirmed this.

Ms. Lee Loy proposed a three-year period.

Ms. Garson asked if that meant 2016 as the end date.

Ms. Lee Loy said yes, June 2016 would be the end date.

Mr. Harris said Palamanui was okay with whatever assignment language the Board is comfortable with.

Ms. Garson said she would put in that the Right-of-Entry is non-assignable, and that Palamanui will have to come back to the Board for any extension.

Ms. Lee Loy said that if the time frame is reduced, there is no need for a 24-month status update.

Chairperson Taniguchi said that is a good point for future items; a status report would be good in cases where the time frame is longer.

The Manager-Chief Engineer agreed that it is a good way to make sure that the developer or the Department is on track.

Ms. Lee Loy said these self-reporting requirements actually help the developer have some benchmarks to meet; it is very helpful.

The Manager-Chief Engineer said yes, he has seen this kind of reporting requirements in land use and zoning changes.

Chairperson Taniguchi asked whether the original Motion needs to be amended, or withdrawn.

Mr. Perry said there were a Motion and a Second on the floor; the Board could start all over.

Ms. Garson said that the Board could just amend the Motion.

Chairperson Taniguchi said okay, the Motion would be amended. He indicated that Mr. Uyeda had made the changes to the Motion.

Ms. Garson said okay, so the Board is moving to amend the original Motion, and the Board will approve it subject to the three items that the Board discussed. (*Mr. Uyeda said this was correct.*) The three items were:

1. Reducing the end date to 2016;
2. Adding an insurance requirement; and
3. Adding the non-assignability.

Ms. Garson said that approval of the Right-of-Entry would be subject to these three amendments being included in the agreement.

Mr. Uyeda confirmed this.

AMENDED MOTION: Mr. Uyeda so moved; seconded by Mr. Perry.

Mr. Harris asked that the assignability clause be subject to Board approval.

Ms. Garson and Chairperson Taniguchi said that would be okay.

Mr. Harris said good, that would sit better with his colleagues at Palamanui.

ACTION: Amended Motion carried unanimously by voice vote.

Ms. Garson said now the Board would be approving the original Motion as amended, subject to the inclusion of the three amendments.

ACTION: Original Motion as amended, subject to the inclusion of the three amendments, carried unanimously by voice vote.

B. QUEEN KA‘AHUMANU HIGHWAY WIDENING – PHASE 2 PROJECT UPDATE:

The State Department of Transportation, Highways Division (DOT) has submitted a letter requesting the participation by the Department of Water Supply (DWS) to fund an additional \$195,865.00 for the redesign of a portion of the Queen Ka‘ahumanu Highway Widening – Phase 2 project by May 15, 2013, as well as an estimated amount of \$200,000.00 for added construction costs based on the redesign.

The letter reiterates the importance of meeting their deadline, so as to not affect the contract schedule any further. There is an existing Memorandum of Agreement (MOA) that was entered into between DWS and DOT in the amount of \$3,744,000.00, but this additional work is considered to be over and beyond that original scope, due to DOT's directive to re-align a portion of the highway to avoid archeological sites.

It was the Department's understanding that DWS's commitment to fund the redesign is needed, or else the proposed water system will be removed from the contract. The Department has been in discussion with DOT regarding this matter, and this matter was placed on the Agenda for discussion and possible action.

Chairperson Taniguchi said this Item was for discussion purposes only.

The Manager-Chief Engineer said that in 2010, DWS entered into an agreement with State Highways Division of the DOT, and the Department forwarded \$3.4 million to DOT for construction of this project, which is a Design-Build project. The sending of the \$3.4 million was done in the spirit of being team players, in the desire to move this project forward. Things happened, and most recently DOT has asked DWS for additional funding for the project, to the tune of \$200,000.00 for construction and \$195,000.00 for design, he said. DWS got a heads-up on those costs a couple of months ago, and has been trying to negotiate those additional costs – and has been trying to justify those costs. So far, DWS has not been able to justify those costs, the Manager-Chief Engineer said. This project also involves the Department of Environmental Management (DEM), which also is faced with the same kind of additional costs. DEM also provided DOT with up-front money back in 2010. The two County departments needed to go in together, because what happens to DEM, will happen to DWS. Thus far, no agreement has been reached with DOT as far as justifying those additional costs. The fact that DWS fronted \$3.4 million shows the Department's commitment to this project, and DWS wants to see the project to completion. However, DWS at this point cannot justify those additional costs, and the Department has had difficulty getting information from DOT regarding justification of those costs. DWS is committed to doing this project, but subject to DWS being able to come to some agreement on the additional costs. The Manager-Chief Engineer said that the DOT's District Engineer, Mr. Sal Panem, is here today in case the Board has additional questions. There may be legal questions that the Board needs answered, which could mean going into Executive Session. The Manager-Chief Engineer stopped short of saying that the Board should deny the request for the additional costs, saying DWS is open to discussion on the matter.

Ms. Lee Loy said it would be helpful if the Board could hear from DOT.

Mr. Sal Panem, District Engineer for DOT's State Highways Division, said this project is a really big project for DOT, and DOT wants to get going on it. The DOT Director has given a strict directive that if DEM or DWS does not commit the additional funds, they will be kicked off the project. The DOT Director wants the money deposited by May 15, because DOT is trying to meet its August break-ground date. Working backwards, DOT's designer will need about four months to redesign half of the project, which is where all of the additional cost is coming from. The redesign involves the south side of the project, Mr. Panem said.

Ms. Lee Loy asked where the second phase of the project was.

Mr. Sterling Chow, Assistant District Engineer for State Highways, said that the entire project is from Honokōhau Harbor to the Airport. The DOT is breaking the project up into two phases: the north and the south sides. The north side is from the Airport to Hulikoa Drive, and the south side (i.e., the second phase), is from Hulikoa Drive to the Harbor. The waterline is within these limits, but Mr. Chow said he was not sure about the *exact* limits of the waterline. The DOT is widening the highway from two lanes

to four lanes. The DOT is redesigning the south side, to eliminate the median to avoid most of the archaeological sites that were inventoried, he said.

Mr. Kaneshiro asked if an Environmental Assessment (EA) was done for this project.

Mr. Panem said yes, an EA was done, but in the process DOT was asked to do *another* archaeological inventory. The second time around, DOT found 57 additional archaeological sites, which prompted negotiations with Native Hawaiian organizations (NHOs), he said.

Mr. Kaneshiro asked if that is the reason for the realignment.

Mr. Panem confirmed this. DOT, in order to avoid most of the archaeological sites, agreed to narrow the median on the south side.

Mr. Chow said that among the federal laws governing archaeological sites, there is a Section 4-F entitled "Evaluation on How to Avoid Historical Sites." To observe that law, DOT will be narrowing the median in the south segment; that is how DOT came to the redesign of the south segment, and the additional construction costs.

Mr. Perry asked how much the median will be narrowed under the DOT's new plan.

Mr. Chow said he thought it would be about 38 feet.

Mr. Perry asked how much it would be narrowed from.

Mr. Chow said from 60 or 70 feet. He said he was guessing about 150 feet.

Mr. Greenwell said the matter before the Board today is one of moving the pipes for DEM and DWS to the left or to the right, just paralleling the road, as a matter of narrowing the easement. It is just a matter of moving the pipes. Mr. Greenwell asked whether, in other words, DOT will just be moving the pipes over X number of feet, parallel to the road.

Mr. Chow confirmed this.

Mr. Uyeda asked if the existing road is a two-lane highway, with an existing waterline under the road.

Mr. Chow confirmed this.

Mr. Uyeda said whether the existing waterline will need to be relocated, with the redesign of the road.

Mr. Chow said DWS is adding a second waterline, in the new makai shoulder, and connecting it to the existing line. DWS will be expanding its capacity as a result, he said.

Mr. Uyeda asked for confirmation whether the existing waterline will be on the north boundary, under the north-bound lane.

Mr. Chow said the existing line will remain in place.

Mr. Uyeda how much of the existing roadway will remain in place after DOT does the realignment.

Mr. Chow said the existing roadway will remain in place; DOT will be building the median and two additional lanes on the makai side of the highway.

Mr. Uyeda noted that in 2010, the Board approved \$3.7 million for design and construction. He asked what happened to the portion of the allotment, and asked whether DOT could use that portion for the redesign going forward – without having the Board commit new funds at this time.

Mr. Chow asked Mr. Uyeda to repeat his question.

Mr. Uyeda said in 2010, DOT had \$3.7 million of the Department's money, and the portion for construction, out of that \$3.7 million, has not been used yet – because construction has not even started.

Mr. Chow confirmed this.

Mr. Uyeda asked whether DOT could use that amount for the redesign of the realignment, without the Board committing any more funding at this time.

Mr. Chow said that DOT will need to execute a change order, and will be adding the change of the funds to support the change order. Therefore, DOT cannot use that amount from the DWS monies for the redesign.

Mr. Panem said the redesign is all new work; the redesign requires additional funding.

Mr. Uyeda noted that the \$3.7 million is accruing interest. He asked whether the interest that is being earned could be applied to the Department; DWS could use that interest accrued to cover whatever additional design costs that DOT is asking for at this time.

Mr. Panem said he did not know what happens to the interest accrued.

Mr. Chow said the monies are with the State, but the County is getting the interest.

Mr. Uyeda said the County has been waiting for three or four years now.

Mr. Kaneshiro asked whether there was a 10 percent contingency attached to the \$3.7 million.

The Manager-Chief Engineer confirmed this.

Mr. Inaba clarified that the Board approved \$3.7444 million, and \$300,000.00 did not get sent to DOT. That \$300,000.00 was earmarked for administrative fees, for which DWS was to be billed later.

The Deputy said that the actual money that was given to the State was \$3.444 million. The agreement that was signed in 2010 was for the full amount, \$3.744 million, including the \$300,000.00 in administrative fees. However, the check that was written to DOT was for \$3.444 million.

Mr. Kaneshiro asked whether the contingency was being held by the County or by the State.

The Deputy said it was held by the State.

Mr. Kaneshiro said that the contingency is used if there is an overrun or anything like that. He asked whether the contingency could be used for this purpose.

Mr. Panem said that the contingency is normally used for construction; DOT does not normally use the contingency for design.

Mr. Inaba said that besides, there is not enough money in the contingency to cover the additional costs DOT is requesting. He said that the contingency did not go to the full 10 percent, because this is a Design-Build project. DWS felt that its liability was limited in this case, and that there would be minimal change orders. The DWS portion of the work is a relatively straightforward water-line installation, where change orders are pretty rare. He said there is about \$160,000.00 in contingency.

Chairperson Taniguchi asked what happens to DWS's money if DOT kicks DWS out of the project.

Mr. Panem said that DWS would get its money back.

The Manager-Chief Engineer asked whether the Notice to Proceed date in August is a definite date.

Mr. Panem said it is not a concrete date; it is a date by which DOT believes it can iron out all of the archaeological issues.

Mr. Chow said that there are other hurdles as well.

The Manager-Chief Engineer said that things might not go according to schedule, in that case.

Mr. Chow said that by August, DOT still has a lot of steps to go through. DOT needs to do its archaeological reports to the Historical Preservation Division, etc., and DOT needs to get a grading permit from the County. There are certain other steps that DOT must follow, he said.

The Manager-Chief Engineer said that DWS wants to continue being part of the project, because having the additional pipeline is important to DWS. To put in that additional pipeline in the future would cost DWS additional funds. He asked if the DOT would be amenable to continue negotiating with DWS on the additional costs, which so far DWS has not been able to justify. He asked if DOT would be amenable to DWS putting those funds in an escrow account, subject to the parties coming up with the final costs – while DWS continues to negotiate with DOT. He asked if that would satisfy the DOT administrator. It would show that DWS still wants to be part of this project, which is important to DWS. The Manager-Chief Engineer said he did not want to speak for DEM, but he believed that DEM has the same concerns as DWS, regarding justification of the additional costs. He suggested that the parties put the issue to the side, and acknowledge that all parties want to do this project. He asked Mr. Panem if that would be acceptable to his administrator.

Mr. Panem noted the strict directive he got from the DOT Director, but said that he could take back the proposal to put the funds into escrow. He said it signaled to him a commitment that DWS wants this project to proceed. He said that he thought he could convince his administrator that it is all for the good of the County.

The Manager-Chief Engineer said that the State is already holding the \$3.444 million, which is a big amount. DWS is not earning interest on that money, which is in the State's hands. That fact should be considered in the administrator's decision, he said.

Mr. Panem asked the Board if it would be willing to commit to continue this project; he asked whether the Board would be willing to take the risk.

Ms. Lee Loy said that Mr. Chow mentioned earlier that DOT expects to get an archaeological survey approved by the Historic Preservation Division, along with a grading and grubbing permit, in time to proceed with the project by August.

Mr. Chow confirmed that DOT expected that to happen in August.

Ms. Lee Loy marveled that DOT hoped to secure all of those permits in three months.

Mr. Chow said the last thing is to get the grading permit by August. As soon as that permit is obtained, the contractor will start work.

Mr. Uyeda asked if the review by the Historic Preservation Division would come first.

Mr. Chow confirmed this.

Mr. Greenwell asked if DOT had met with DEM yet.

Mr. Panem confirmed this.

Mr. Greenwell asked if DEM favors going with the route that DOT presented to DWS.

The Manager-Chief Engineer said that DWS has met with DEM, in meetings that included the Mayor's Office, and DEM is on the same page as DWS as far as wanting to proceed with the project. DEM, like DWS, has not been able to reconcile itself over the additional costs that DOT has presented.

Mr. Greenwell said that he believed it would cost less to put in the two lines (i.e., the sewer line and the waterline), because it would be possible to excavate for the two lines at one time. He said he was concerned if DEM backed out of the project entirely.

Mr. Chow said that the plan is for the sewer line to be put in the median, and the waterline to be put in the shoulder. Therefore, the two lines are in different locations from each other.

Mr. Greenwell said okay.

Mr. Uyeda said he had concerns with the \$196,000.00 that is listed for redesign in the additional change order; \$196,000.00 is a lot of money for design. He also asked for an explanation on how the \$200,000.00 construction portion was estimated – without construction even having started. He asked what the increased cost for construction is, without construction having even started yet.

Mr. Panem said DOT's consultants and designers' estimates were submitted to DWS.

Mr. Uyeda asked whether DWS could do the design in-house without spending this \$200,000.00.

Mr. Chow said that DOT's designer for the project explained that they used a 3-D model to draw up their plans. He said he did not know how that would play with the waterline. He said that DOT has back-up information on the \$196,000.00, regarding hours and effort. The \$200,000.00 was a real ballpark estimate. That figure will not be finalized until the design is done.

Mr. Uyeda asked what had changed from the original design to the new design. He asked why the construction dollars are increasing; he asked what caused the construction figure to increase.

Mr. Chow said he was not clear on this.

Mr. Uyeda said he too was not clear on this, especially since the work has not started. Mr. Uyeda said that he believed that there are no additional construction costs because work has not started yet.

The Manager-Chief Engineer told Mr. Uyeda that DWS had the same questions of DOT, and obviously, the answers have not come yet. He noted that when engineers look at design costs, design costs normally are a percentage of construction costs. Normally, design costs run anywhere from seven to 20 percent of construction costs. With DOT coming up with \$200,000.00 in construction costs, and \$196,000.00 in design costs, the design costs come to almost 100 percent of construction costs. That was what DWS could not come to grips with. DWS wants to know how DOT arrived at these costs; they are difficult for DWS to comprehend. Looking at the realignment of the highway, it was hard to see where the additional construction costs come from. It is not a matter of extending the pipeline; it is just a matter of moving the pipeline from one location to another. There is no additional length of pipeline involved.

Chairperson Taniguchi said that at this point, the Board cannot solve anything right now. The Board and DWS want this project to proceed, and so the State also wants to proceed. There is no Recommendation from the Department on this Item. The consensus appears to be that for the Board to

appropriate funds into an escrow account while DWS negotiates with DOT. He asked whether the Board might entertain a Motion to move things along and put the funds into an escrow account.

Mr. Uyeda asked that the Board go into Executive Session to discuss its options, before voting on a Motion.

Mr. Panem said that the DOT did not simply accept the first cost proposal that the consultants and the Design-Build team submitted for the redesign. DOT went to a couple of iterations, and the consultants/Design-Build team brought down their costs. He acknowledged that the costs were expensive, but weighing the pros and the cons, DOT is now at the point where they can justify the costs. The original cost was something like \$2 million, and now it is \$1.7 million.

Ms. Lee Loy asked if that \$1.7 million is the total redesign cost.

Mr. Panem said yes, that includes DWS, DEM and DOT.

The Manager-Chief Engineer asked what the corresponding additional construction cost is.

Mr. Panem said he thought it was \$3 or 4 million; that figure has to be nailed down after the Design-Build. He said that he too was new to this Design-Build concept; he too had used the seven to 20 percent of construction costs as a benchmark for how much design should cost, but this was a special case because it is a Design-Build project.

Mr. Uyeda asked what percentage of the cost of the waterline is, versus the entire cost of construction.

Mr. Panem said the total cost is \$76 million, and DWS put in \$3.4 million.

Mr. Chow said that for the sewer lines, the added construction costs would be due to conflicts and the change in the contractor's schedule to do the work of moving the roadway more mauka, which would distort the clearances on the culvert. He said he did not know enough about water design to know what kind of conflicts the waterline might encounter, or even if the change in the sequence of construction might be adding to DWS's cost. Mr. Chow said that might be some background on the \$200,000.00, but he did not have the details.

Mr. Uyeda asked whether the road shifts horizontally.

Mr. Chow said yes.

Mr. Uyeda said in that case, the clearances should be the same as the ones from the original design.

Mr. Chow said yes, that is true. He said that would be true in the case of a super-elevated section. It only becomes an issue when that pipe is buried. He said the DOT administration considers this a large project for DOT, and is eager to get it going. Once the historic site issues are cleared, there will be nothing to stop the project going forward, he said. He said DWS should get on board now, and have things keep going.

Mr. Panem said he can take back to his administrator the proposal to put the money into escrow; that indicates that DWS is willing to participate and wants to get this project going. It is a positive sign for DOT.

Chairperson Taniguchi thanked Messrs. Panem and Chow.

Ms. Garson said the Board can either defer, or table, further discussion on this Item, and hold an Executive Session on this Item right after the Executive Session already on the Agenda. Alternatively, the Board might want to hold an Executive Session now.

Chairperson Taniguchi said the rest of the Agenda Items should be pretty fast.

Mr. Panem asked whether the Board needs to go into Executive Session now; he and Mr. Chow could hang around.

Ms. Lee Loy suggested that the Board go into Executive Session now.

EMERGENCY EXECUTIVE SESSION RE: QUEEN KA'AHUMANU HIGHWAY WIDENING – PHASE 2 PROJECT:

The Water Board convened an emergency executive meeting, closed to the public, pursuant to Hawai'i Revised Statutes, Sections 92-4, 92-5(a)(4), 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. A two-thirds vote pursuant to HRS Section 92-4 is necessary to hold an executive meeting.

ACTION: Ms. Lee Loy moved to go into Executive Session; seconded by Mr. Perry, and carried unanimously by voice vote.

(The Board took a brief recess at 11:00 a.m., and resumed the Executive Session at 11:05 a.m. Executive Session ended at 11:39 a.m.)

Chairperson Taniguchi said that this Item will be re-agendized for the May 28, 2013, Board 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 AND BILL OF SALE

SKC Kapaau Subdivision No. 2006-000483
Grantor/Seller: Surety Kohala Corporation
Tax Map Key: (3) 5-4-003: 002 Portion
No. of Lots: 7 Zoning: A-20A
Facilities Charge: *Not Applicable due to Sec. 23-7*
Final Inspection Date: 03/18/2013
Water System Cost: \$16,968.00

2. GRANT OF EASEMENT AND BILL OF SALE

Punahoa Mauka Subdivision (No. 2006-000404)
Grantor/Seller: Akalea, LLC
Tax Map Key: (3) 2-5-008: 024 Portion
No. of Lots: 39 Zoning: A-1a
Facilities Charge: \$199,190.00 Date Paid: 4/13/2010
Final Inspection Date: 3/06/2013
Water System Cost: \$597,123.00

3. BILL OF SALE

Taka Ranch Subdivision (No. 2008-000718)
Seller: Yamani, LLC
Tax Map Key: (3) 4-7-007: 049

No. of Lots: 4 Zoning: A-40a
Facilities Charge: \$17,240.00 Date Paid: 3/08/2013
Final Inspection Date: 1/29/2013
Water System Cost: \$152,870.00

The Manager-Chief Engineer 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.

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

B. DEPARTMENT OF WATER SUPPLY PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2014 AND 5-YEAR CAPITAL IMPROVEMENT BUDGET FOR FISCAL YEARS 2014-2018:

FY 2014 Operating revenues were computed based on a 3.3% consumption increase, plus a 4.3% increase in water rates that were determined in a rate study by RW Beck. The Department's largest expense remains purchased power totaling \$23,600,000 for the year. Salaries totaling \$9,442,500 were not adjusted for furloughs or pay increases, and include 189 positions, 23 of which are currently vacant, and 6 of which are new.

The C.I.P. budget is presented in a new 5-year format in order to give a clearer picture of where and what the Department's infrastructure needs are.

The Manager-Chief Engineer recommended that the Water Board approve the Department's FY2014 Operating budget and 5-year C.I.P. budgets for Fiscal Years 2014-2018 on this second of two readings.

MOTION: Mr. Greenwell moved to approve; seconded by Ms. Lee Loy.

Mr. Kaneshiro asked why the salary increases were not included in the Budget.

Mr. Sumada said that the Department at this point does not know what the salary increase will be, so Mr. Sumada left the salaries where they are.

Mr. Kaneshiro asked if that was standard procedure.

Mr. Sumada said yes, he does not know what future changes are going to be made when he puts the Budget together.

The Manager-Chief Engineer said that was a fair question because the unions are going into ratification of their contracts. It was not yet clear what percentage of increases will emerge, but the Department may come back to the Board to amend the Budget if need be. However, at this point, it would be okay to approve this Budget. Mr. Sumada will run the numbers based on what percentage of increases the unions ratify, and if there is a need to amend the Budget, then so be it, he said.

ACTION: Motion carried unanimously by voice vote.

C. RENEWAL OF CONTRACT FOR MAINTENANCE AGREEMENT – SOUTH KOHALA, HĀMĀKUA, AND LAUPĀHOEHOE SITES (BRANTLEY CENTER, INC.):

Brantley Center, Inc., presently has a Maintenance Agreement for site maintenance for the Department's South Kohala, Hāmākua, and Laupāhoehoe tank and pump sites. They are requesting to renew the Agreement from July 1, 2013 to June 30, 2014. The new rates would be as follows:

South Kohala --	\$3,993.04/month x 12 months = \$47,916.48
Hāmākua --	\$2,676.51/month x 12 months = \$32,118.12
Laupāhoehoe --	\$671.35/month x 12 months = \$8,056.20
Total:	<u>\$88,090.80</u>

The Department has the right to award the contract to Brantley Center, Inc., without advertising or calling for bids, according to Hawai‘i Revised Statutes Section 103D-1010. Brantley Center, Inc., has submitted the necessary documents to meet the requirements as a qualified rehabilitation facility.

The proposed Agreement includes a 2.5% increase from their last contract for FY2012-2013.

Brantley Center’s performance has been satisfactory, and the costs are reasonable. A total of 41 sites are covered by this agreement.

The Manager-Chief Engineer recommended that the Board award the contract for the RENEWAL OF CONTRACT FOR MAINTENANCE AGREEMENT – SOUTH KOHALA, HĀMĀKUA, AND LAUPĀHOEHOE SITES (BRANTLEY CENTER, INC.) to Brantley Center, Inc., for a period from July 1, 2013 to June 30, 2014 at a total cost of \$88,090.80, and that either the Chairperson or the Vice-Chairperson be authorized to sign the documents, subject to approval by Corporation Counsel.

MOTION: Mr. Kaneshiro moved to approve; seconded by Mr. Uyeda.

Mr. Greenwell asked whether Brantley Center was the only contractor that applies for this contract; he asked whether there were other contractors that qualify.

The Manager-Chief Engineer said that the other contractors who qualify are Kona Krafts and Arc of Hilo.

Mr. Greenwell said yes, but Arc of Hilo tends to stay in Hilo, and they do not go out to Waimea.

The Manager-Chief Engineer confirmed this.

Mr. Greenwell noted that Kona Krafts does not try to come to Waimea, either.

Mr. Ikeda said he was not sure whether the other contractors even do site maintenance. Brantley Center, which is based in Honoka‘a, is the only rehabilitation program that does site maintenance in that district, which includes Laupāhoehoe, Honoka‘a, and South Kohala.

Mr. Greenwell noted that every year, this contract with Brantley Center comes before the Board; he was just wondering if there is any other contractor that qualifies to bid on this contract.

Mr. Ikeda said that Brantley Center does not bid; DWS just awards the contract.

The Manager-Chief Engineer said that Brantley Center negotiates the extension of its contract. As far as qualifying goes, Kona Krafts and Arc of Hilo do qualify as rehabilitation programs.

ACTION: Motion carried unanimously by voice vote.

D. **AD HOC FINANCE COMMITTEE REPORT:**

No report.

E. **MANAGER-CHIEF ENGINEER’S QUARTERLY UPDATE:**

Chairperson Taniguchi noted that the Board had copies of the Manager-Chief Engineer's progress report for the First Quarter. This process started last year, when Mr. Kaneshiro headed the committee to do a new Evaluation Form for the Manager-Chief Engineer. The new Evaluation Form spelled out goals and objectives, as well as an Evaluation on a quarterly basis. Chairperson Taniguchi at the March Board meeting asked the Manager-Chief Engineer to brief the Board on progress so far this year on all of the categories that were listed on the Evaluation Form. This progress report will give the Board an idea of what has been happening in the Department throughout the year; when the actual Evaluation of the Manager-Chief Engineer takes place, the Board will have a clearer picture of what has happened throughout the year, Chairperson Taniguchi said. He said that this Item was for discussion only. He thanked the Manager-Chief Engineer for putting the progress report together.

The Manager-Chief Engineer thanked the staff for helping him put it together. He said the progress report puts the Department on track regarding DWS's Strategic and Business Plans. He was grateful that the staff is on board with this. He asked what happens with the progress report.

Mr. Kaneshiro said he and Chairperson Taniguchi will sit down with the Manager-Chief Engineer to discuss it.

Chairperson Taniguchi confirmed this.

F. **ENERGY MANAGEMENT ANALYST UPDATE:**

No report.

F. **MONTHLY PROGRESS REPORT:**

No discussion.

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

Chairperson Taniguchi asked Mr. Sumada about how the subsidy on the interest payments on General Obligation (G.O.) bonds works.

Mr. Sumada explained that DWS has bond proceeds from its 2010 G.O. bond issue, part of which was involved in the Build America federal program. DWS every six months pays interest on the amount the Department borrowed, and the federal program reimburses the County for some of the interest that DWS pays. With this bond issue, the income that is being shown in the Financial Statements as non-operating interest revenue is the reimbursement from the federal government.

Chairperson Taniguchi said that was pretty good.

Mr. Sumada said yes, every six months DWS gets this reimbursement through the County.

Chairperson Taniguchi asked about the Contractual Services entry under Engineering, which says that DWS had 146 percent of Budget, due to payments for reservoir fees to the State Department of Land and Natural Resources (DLNR), and consulting fees for HOVE.

Mr. Sumada said that those amounts were expenses that were not budgeted for, and therefore when those payments were made, the amounts exceeded the amount that was budgeted for early in the year.

Chairperson Taniguchi asked if the expenses were extra expenses incurred after DWS took over the Ocean View facility.

Mr. Sumada said they were design expenses, (i.e., \$22,800.00 paid to Tom Nance).

Mr. Inaba confirmed this; the expenses were for additional reporting requirements that DWS had to meet.

Mr. Sumada said that the DLNR fees are new ones; the State imposed inspection fees on DWS's Waikoloa dam.

Mr. Inaba said there are two separate fees that have now come into effect:

1. The inspection fees for each of DWS's dams (i.e., reservoirs); and
2. A plan review fee that has been imposed whenever DWS does any kind of improvements to the reservoirs.

Chairperson Taniguchi asked if DLNR imposes the fees when they inspect, or as an annual fee.

Mr. Inaba said there is an annual inspection fee, as well as a plan review fee whenever DWS does any improvements to the reservoirs. That fee is based on the construction estimate.

Chairperson Taniguchi said DWS does not have *dams*.

Mr. Inaba explained that DWS's reservoirs are considered dams.

The Manager-Chief Engineer said that DWS submitted the construction plans for the repair of Waikoloa Reservoir No. 1, and DLNR assessed the fees based on that.

Mr. Greenwell asked whether the inspection plans would come into play when DWS does the upgrade of the Waimea Treatment plant system.

Mr. Inaba said the fees are specifically for what DLNR considers "high-hazard" dams; DWS has three of them in this category: Waikoloa Reservoirs 1, 2 and 3. They are all 50-million gallon reservoirs.

Mr. Greenwell asked about the old ones.

Mr. Inaba said they are not deemed as dams by the State.

Mr. Greenwell was surprised that the sludge ponds and similar facilities were not considered dams.

Mr. Inaba said the State does not consider them to be "high-hazard." He supposed that the State models potential failures and potential impact in deciding what qualifies as a high-hazard facility.

The Manager-Chief Engineer said right now, the only ones were DWS's 50-million gallon storage Reservoirs 1, 2, and 3.

Ms. Lee Loy asked if DLNR might grant DWS an exemption from the inspection fee; she asked him to check.

Mr. Inaba said that administratively, the State enacted a three-year grace period whereby within the first three years of the law taking effect, DLNR would charge DWS one percent of the construction amount. The actual law called for two percent of the construction amount, and there is no cap. DWS's cost to have DLNR review the plans done by DWS's consultant came to \$47,000.00, based on \$4.7 million for construction and design.

Ms. Lee Loy asked what happens after the first three years since the law went into effect.

Mr. Inaba said it goes up to 2 percent of construction, so DLNR is saying that DWS should be paying somewhere around \$95,000.00.

Mr. Greenwell asked Mr. Inaba if he could talk DLNR into doing away with the second and third year inspections. After the reservoir has been re-lined and reworked, it may not be necessary for an engineering inspection after a year or two, he said.

Mr. Inaba said the inspection fee is a separate issue that came along. He said he could ask DLNR about doing away with the second and third year inspections.

Mr. Greenwell said that after all this work, there should be a warranty; there should not be an inspection fee for a couple of years.

The Deputy said the Department agreed entirely with that.

Mr. Inaba said DLNR comes out to do its inspection, and provides a report.

The Manager-Chief Engineer said it is similar to the inspections that elevators undergo; the authorities have to come and inspect them.

Mr. Kaneshiro noted that this was part of the Dam Safety law.

Mr. Inaba said yes, it was all these new laws coming into effect.

H. **MANAGER-CHIEF ENGINEER'S REPORT:**

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

- 1) Kawailani Tank update – The Department met with the contractor yesterday, and asked the contractor to firm up the dates on the list that the contractor provided last month. The Department also asked the contractor to provide a firm-up list of additional costs, the Manager-Chief Engineer said. With that information in hand, DWS will be able to execute a change order. With a change order, DWS will have definite costs and definite time frames, and the light at the end of the tunnel will be in sight. The contractor has agreed to provide the costs and the time frames.
- 2) Pu'ukala/Kona Ocean View Properties Subdivision Improvement District Update – The project is now before the County Council, which will need to schedule the Public Hearing for the community.
- 3) Ocean View Well Repair Update – DWS has completed the repair this past weekend. The Department still needs to do water quality sampling to ensure that the water quality is up to par. The Manager-Chief Engineer said the entire site might reopen as soon as tomorrow, or before the weekend at the latest. In the meantime, DWS will continue to issue updates.
- 4) Public Information and Education Specialist Update – *(Ms. Aton was taking phone calls regarding the Ocean View repairs. This item was taken up later.)*
- 5) Recognition of Employees of the Quarter – Mr. Sumada said that the Employee of the Quarter for the First Quarter is Ms. Lani Aguinaldo, a Customer Service Representative I with the Finance Division. She has been with DWS for eight years. Ms. Aguinaldo was not able to attend today's meeting because she needed to stay in the office to help amid short-staffing. She has been really helpful and cooperative, especially over the last year or two of short-staffing, Mr. Sumada said. The Manager-Chief Engineer said that Mr. Sumada wanted to nominate his entire Customer Service staff, but Human Resources said no, he could only nominate one person.
- 4) Public Information and Education Specialist Update – Ms. Aton said DWS held three community meetings regarding the Lālāmilo Windfarm in the past month. There has been extensive coverage of the Ocean View repair situation in the media; residents are generally grateful for the expeditious repairs. DWS sent letters of support to the State Senate for the nomination of Mr. Milton Pavao, the former DWS Manager-Chief Engineer, to the

Commission on Water Resource Management (CWRM). Mr. Pavao's nomination is up for full Senate approval today.

J. **CHAIRPERSON'S REPORT:**

Chairperson Taniguchi said that nominations to the two Board vacancies have been submitted by the Mayor's Office to the County Council. Both of the nominees should be confirmed at the next Council meeting on May 1, 2013, so hopefully there will be two more Board members by the May 28 Board meeting.

8) **EXECUTIVE SESSION RE: JOB NO. 2011-972: DESIGN-BUILD-OWN-OPERATE AND MAINTAIN THE LĀLĀMILO WIND FARM REPOWERING PROJECT, DISTRICT OF SOUTH KOHALA:**

The Water Board anticipated convening an executive meeting, closed to the public, pursuant to Hawai'i Revised Statutes, Sections 92-4, 92-5(a)(4), and 92-5(a)(8) 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, and to deliberate or make a decision upon a matter that requires the consideration of information that must be kept confidential pursuant to a state law. A two-thirds vote, pursuant to HRS Section 92-4, is necessary to hold an executive meeting. The Evaluation Committee was to present its findings to the Water Board regarding its evaluation of the Offerors on this project.

ACTION: Ms. Lee Loy moved to go into Executive Session; seconded by Mr. Perry, and carried unanimously by voice vote.

(The Board recessed at 12:03 p.m., and reconvened for Executive Session at 12:04 p.m.; Executive Session ended at 12:16 p.m.)

9) **JOB NO. 2011-972: DESIGN-BUILD-OWN-OPERATE AND MAINTAIN THE LĀLĀMILO WIND FARM REPOWERING PROJECT, DISTRICT OF SOUTH KOHALA:**

ACTION: Mr. Greenwell moved to approve the Department's recommendation for Offeror; seconded by Mr. Perry, and carried unanimously by voice vote.

Mr. Greenwell asked whether it would probably be 60 to 90 days before the Board hears anything more on this subject.

Ms. Garson said that was probable.

10) **ANNOUNCEMENTS:**

1. **Next Regular Meeting:**

The next meeting of the Water Board will be held at 10:00 a.m. on May 28, 2013, at the West Hawai'i Civic Center, Community Center, Bldg. G, 74-5044 Ane Keohokalole Hwy, Kailua-Kona, HI April 23, 2013,

2. **Following Meeting:**

The following meeting of the Water Board will be held at 10:00 a.m. on June 25, 2013, at the Department of Water Supply, Operations Center Conference Room, 889 Leilani Street, Hilo, HI.

Before adjourning, Chairperson Taniguchi noted that tomorrow is Office Professionals Day, and Ms. Lee Loy presented a lei that she herself had made to the Board Secretary, on behalf of the entire Board.

11) ADJOURNMENT

ACTION: Mr. Uyeda moved to adjourn; seconded by Mr. Kaneshiro, and carried unanimously by voice vote.

Chairperson Taniguchi adjourned the meeting at 12:20 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.*