

**MINUTES**

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

May 27, 2014

West Hawai'i Civic Center, Liquor Control Conference Room, 74-5044 Ane Keohokalole Hwy, Kailua-Kona

MEMBERS PRESENT: Mr. Kenneth Kaneshiro, Chairperson  
Mr. Rick Robinson, Vice-Chairperson  
Mr. Russell Arikawa  
Mr. David Greenwell  
Ms. Susan Lee Loy  
Mr. Craig Takamine  
Mr. Jay Uyeda  
Mr. Quirino Antonio, Jr., Manager-Chief Engineer, Department of Water Supply (ex-officio member)

ABSENT:

Ms. Brenda Iokepa-Moses, Water Board Member  
Mr. Duane Kanuha, Director, Planning Department (ex-officio member)  
Mr. Warren Lee, Director, Department of Public Works (ex-officio member)

OTHERS PRESENT: Ms. Kathy Garson, Deputy Corporation Counsel  
Ms. Cynthia Moreira, Derrick's Well Drilling and Pump Services, Inc.  
Ms. Tammy Duchesne, Superintendent, Kaloko-Honokōhau National Historical Park  
Mr. Jeff Zimpfer, National Parks Service  
Mr. Riley Smith, Lanihau Properties  
Mr. Bill Shontell, Surety Kohala Corporation  
Mr. Ron Goncalves  
Mr. George Wilkins  
Mr. Bret Yager, West Hawai'i Today

Department of Water Supply Staff

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

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- 1) CALL TO ORDER – Chairperson Kaneshiro called the meeting to order at 10:01 a.m.
  - 2) STATEMENTS FROM THE PUBLIC

*(Mr. Riley Smith, representing Lanihau Properties, testified regarding Item 8(A)2 and 3, Palani Well Grant of Easement and Bill of Sale; Deed. The following testimony is verbatim.)*

MR. SMITH: Good morning, Chair, members of the Water Board. My name is Riley Smith; I'm the President of Lanihau Properties. We're the owner of the Palani Well that we're in the process of completing and working to dedicate to the Department of Water Supply. We're Item 8(A)2 on your

Agenda today. I just want to let you know that we've run into some complications with our pump, and we're cooperating with our contractor, the Department, our consultant team, as well as the owner, working to resolve the problem with the pump. Our intent is to fix it, and to address the Department's concerns prior to your June meeting. So I just wanted to let you know that we're (in) cooperation with Lanihau's attorney and the Department's attorney; we're deferring this Item to a future Board meeting. Okay. Thank you.

CHAIRPERSON KANESHIRO: Thank you. I'd like to call Bill Shontell.

*(Mr. Bill Shontell, representing Surety Kohala Corporation, testified on North Kohala water. The following testimony is verbatim.)*

MR. SHONTELL: Hi, aloha. My name is Bill Shontell; I'm a resident of Hāwī, and um...North Kohala-born, raised, um...Kohala High School graduate...married a Kohala girl, raised my family in Kohala, so basically I live in Kohala. Uh...I'm also the Executive Vice President, Chief Operating Officer, of Surety Kohala Corporation, and we own and self-manage what used to be the assets of the former Kohala Sugar Company. So I have some familiarity with the North Kohala community and land use issues in North Kohala, so... Why am I here wasting you guys' time? North Kohala is what I want to talk about; it's not on the Agenda, but I did want to make a Public Statement. The reason I'm here is this newspaper that is printed in North Kohala, the Kohala Mountain News. And specifically, this issue is the May 24, 2014, issue. And this is a very good newspaper, actually. We cover a lot of subjects in Kohala, um...sports stuff, community stuff. Actual news. And they do a real good job of researching and presenting a balanced view on things. So I'm reading through the paper, Page 1, Page 3. Oh! A letter...somebody complaining about the postmaster in Hāwī, May Day, Mahalos, Margaret Wille, a report on Council stuff, Viewpoints, blah, blah, blah, blah. Articles, more sports, a lotta sports in Kohala...um, but I get to Page 9, and the title on the particular article is "NKCDP AC Reviews Recommendations to DWS"...North Kohala Community Development Plan Action Committee... Now, what these guys are doing is, apparently, they're generating an extensive and detailed report in regards to water supply in North Kohala. These are given with the goal of improving... I'm reading from the article: "Improving public relations between DWS and the North Kohala Community, and for assuring an adequate water supply system for present and future needs." They give a bunch of recommendations, but the two that stand out...that attracted my attention was: 1. "Add more wells and connect wells (for) redundancy." The other one was: "Lift the moratorium on new water commitments in North Kohala." Interesting article. They get other things for read, so keep going. Page 12, Page 15, Page 13. Page 16 and 17. Ho, my goodness! Talking about porosities and permeabilities...cones of ascension... All kinds of good stuff...sustainable yields, water management, so on and so forth. Now, why I bringing this thing up? Uh, for years, I've had to listen to people in Kohala whine to me, complain to me, express concern to me about their inability to develop their family parcels... Uh, their inability to divide something up for their kids to live there. So...I live in Kohala. Other people want that, too. But every time these guys tell me this, I say, well how come? What do you do? And the answer is...oh, I cannot get water meter; I cannot do what I wanna do for my kids. So to make a long story short, why am I here, yapping at you guys about this thing in North Kohala? Well, over the years, I've been thinking...well...what can we do to help? Uh, I didn't say "*solve the problem.*" I said "help." So...one of the things I wanted to put on the table...put in you guys' ears...something for you guys to think about is...we have a well, which we drilled in 2006-2007, outside of Hāwī. And the reason we drilled this well was for a resort development that we were gonna do in Māhukona. We've lost that project; we're not gonna do 'um. So I got a well that we cannot use. Maybe it's something, you know, that we can throw into the, you know, pot of stew for everybody here to think about...trying to come up with a solution to the problem in North Kohala. No more water. People cannot, you know, plan for their future. No can develop; no can get affordable housing. Kids gotta move out of Kohala...families gotta move outta Kohala... Lack of economic development, blah, blah, blah, blah. So...since I had to drop my son off at the airport this morning, who's went to Mānoa...they just had finals. He came back for the weekend, so I dropped him off at the airport; he gonna fly back Honolulu. And I think about him, and I

think, you know, I wouldn't mind if my son could stay in Kohala, buy one affordable place... Oh, one minute remaining... So that's why I came here...to offer one possible piece of the puzzle...to solve the problem in North Kohala: lack of water and the inability to continue development for our people in Kohala. That's all I got. If anybody get any question, you know, contact me...whatever you guys wanna do, lemme know.

3) APPROVAL OF MINUTES

The Chairperson entertained a Motion to approve the Minutes of the April 22, 2014, Water Board meeting.

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

4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA

ACTION: Mr. Robinson moved to accept Supplemental Agenda Item 6(A), WATER TREATMENT PROPOSAL NO. 2014-04, FURNISHING AND DELIVERING POLYMERS TO WAIMEA WATER TREATMENT PLANT; seconded by Mr. Arikawa, and carried unanimously by voice vote.

5) HĀMĀKUA:

A. **DRINKING WATER STATE REVOLVING FUND RESOLUTION NO. 2014-02:**

*(Note: Resolution requires roll call vote)*

Resolution No. 2014-02 is for the project for which DWS has submitted a loan application, under the Drinking Water State Revolving Fund (DWSRF). One of the prerequisites for the loan is a Resolution approved by the Water Board. This Resolution is specifically identified for the following project: JOB NO. 2011-971, KAPULENA WELL DEVELOPMENT – PHASE 2, and authorizes the Manager–Chief Engineer or Deputy to execute loans and/or grants with the State Department of Health for up to \$2,664,824.00.

The Manager-Chief Engineer recommended that the Water Board adopt DRINKING WATER STATE REVOLVING FUND RESOLUTION NO. 2014-02, subject to the approval of Corporation Counsel.

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

The Manager-Chief Engineer said that this Resolution is required by the Department of Health (DOH) Safe Drinking Water division; DWS applied for a DWSRF loan for this project. This Resolution moves the loan process forward, he said.

ACTION: The Secretary took a roll call vote: Ms. Lee Loy (Aye); Mr. Uyeda (Aye); Mr. Robinson (Aye); Chairperson Kaneshiro (Aye); Mr. Greenwell (Aye); Mr. Arikawa (Aye); Mr. Takamine (Aye). Motion carried with Seven (7) Ayes, Zero (0) Nays; and One (1) Absent, Ms. Iokepa-Moses.

6) SOUTH KOHALA:

A. **WATER TREATMENT PROPOSAL NO. 2014-04, FURNISHING AND DELIVERING POLYMERS TO WAIMEA WATER TREATMENT PLANT:**

Bids for this project were opened on May 22, 2014 at 2:00 p.m., and the following are the bid results.

Bidder	Amount
Pural Water Specialty Co., Inc.	\$387,672.39

Phoenix V LLC dba BEI Hawai'i	\$454,902.94
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<u>Bidder</u>	<u>Amount</u>
Pural Water Specialty Co., Inc.	\$387,672.39
Contingency	\$ 62,327.61
<b>TOTAL CONTRACT PRICE:</b>	<b><u>\$450,000.00</u></b>

The estimated quantity of polymers needed for the 24-month period of the contract, as determined by the County, is 408,076.20 pounds, at \$0.95 per pound.

The reason for the high contingency is that due to past experiences, the dosage of polymers used at the time of the plant test is lower than at other times of the year. As the quality of water goes down during the year due to unstable weather conditions, more polymers are used to meet the water quality requirements of the State of Hawai'i, Department of Health.

The Manager-Chief Engineer recommended that the Board award the contract for WATER TREATMENT PROPOSAL NO. 2014-04, FURNISHING AND DELIVERING POLYMERS TO WAIMEA WATER TREATMENT PLANT, to Pural Water Specialty Co., Inc., for the bid price of \$387,672.39, plus \$62,327.61 in contingency, for a total contract price of \$450,000.00, 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 contract period is from July 1, 2014, to June 30, 2016.

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

Mr. Robinson asked what polymers are used for.

The Manager-Chief Engineer said they are part of the water treatment process of raw water stored in Waimea. He confirmed that this was for treating surface water.

Mr. Robinson asked if the surface water is filtered and the polymers assist in binding the material in the water.

The Manager-Chief Engineer confirmed this; the polymers cause coagulation; the polymers help reduce the turbidity of the surface water.

Mr. Ikeda said that the process is to clean up the water before it goes through the treatment plant. There are particles floating around in the raw surface water, so the chemicals (i.e., the polymers) are injected and mixed up to adhere to the particles. The resulting mass turns into sludge, and flows into the sludge basin for disposal.

Mr. Uyeda asked if the polymers were in powder form or in solution form.

Mr. Ikeda said the polymers are in solution form.

Mr. Uyeda asked if they sell it in powder form for drinking water applications, as they do for waste water.

Mr. Ikeda said he was not sure, but DWS's Water Treatment Plant is set up for the liquid form of polymers.

ACTION: Motion carried unanimously by voice vote.

7) NORTH KONA:

A. **DISCUSSION OF DRAFT RESPONSE FROM WATER BOARD REGARDING THE COMMISSION ON WATER RESOURCE MANAGEMENT'S REQUEST FOR CONSULTATION ON THE KALOKO-HONOKŌHAU NATIONAL PARK SERVICE PETITION TO DESIGNATE KEAUHOU AQUIFER SYSTEM AREA (NORTH KONA), HAWAII AS A GROUND WATER MANAGEMENT AREA:**

*Ms. Lee Loy asked that this Item be taken up, along with Item 7(B), at the end of the meeting, because the room will need to be cleared for the Executive Session.*

B. **EXECUTIVE SESSION RE: DRAFT RESPONSE FROM WATER BOARD REGARDING THE COMMISSION ON WATER RESOURCE MANAGEMENT'S REQUEST FOR CONSULTATION ON THE KALOKO-HONOKŌHAU NATIONAL PARK SERVICE PETITION TO DESIGNATE KEAUHOU AQUIFER SYSTEM AREA (NORTH KONA), HAWAII AS A GROUND WATER MANAGEMENT AREA:**

*(Moved to the end of the Agenda.)*

C. **JOB NO. 2013-995, KAHALU'U D DEEPWELL REPAIR & IMPROVEMENTS:**

*(Deferred from the April 22, 2014, Water Board Meeting.)*

The contractor, Derrick's Drilling and Pump Services, LLC, addressed the Board to appeal the Department's decision to deny a time extension for JOB NO. 2013-995, KAHALU'U D DEEPWELL REPAIR & IMPROVEMENTS.

Just prior to today's meeting, Ms. Cynthia Moreira, representing Derrick's Drilling and Pump Services, LLC, distributed to the Board a summary of email traffic to the manufacturers involved in the pump repair and the people on the Mainland who helped her get the pump ready for shipping back to the Big Island. She noted that she did not yet have a confirmed date from National Pump Company when the pump would be shipped. She referred to her most recent correspondence with the manufacturer, dated May 16, 2014. The entire process has been handed over to Mr. Patrick McNulty, National Pump's Director of Operations. That letter stated that the pump was in assembly on May 16, 2014, but there was no date given for when the repairs would be completed. Ms. Moreira said that her company had provided all of the information that National Pump requested, including a photo of the motor and the lateral (which she said is a measurement for the shaft). She said she was reluctant to venture a guess, but she figured that the pump should be ready in two or three weeks. However, she said that she had not confirmed that with National Pump yet.

Mr. Uyeda asked about mentions in the email trail of Beylik Drilling and Pump Service, Inc. He asked whether Beylik had done some work for Derrick's.

Ms. Moreira said she had not wanted to bring that up, because it really has nothing to do with Derrick's. For some reason, when Ms. Moreira finally managed to contact Mr. Mike Huppman of Flowserve, he told Ms. Moreira that he could not proceed with the repair project because there was a financial mishap with Beylik. She did not know why that should affect her company, but Mr. Huppman held back production for about a week because of the financial problem involving Beylik. Ms. Moreira contacted DWS's engineer in charge of the project, Mr. Eric Takamoto, who in turn contacted Beylik. The matter was cleared up within a week, and Ms. Moreira contacted Mr. Huppman again, at which time he said things were okay. Ms. Moreira said she really did not know what that was all about.

Mr. Uyeda said it was too bad that Derrick's got pulled into a situation that does not even involve Derrick's.

Ms. Moreira said when she asked Mr. Huppman what the Beylik situation had to do with her company, Mr. Huppman made it clear that he was not happy that Derrick's had gotten the job instead of Beylik.

Mr. Uyeda said that it appears that National Pump Company appears to be at fault for not putting the pump back into production. He asked if National Pump was willing to ship the pump back by air.

Ms. Moreira said she did not think it was an item that could be shipped by air; if it is longer than 12 feet, cargo planes cannot handle it. She said that they expedited the pump from American Turbine in Fresno, California to National Pump in Glendale, Arizona. She said that along the way, National Pump needed more information regarding the motor, because they were going to couple it with the pump. She said that was when Derrick's came in, because Derrick's has the motor already.

Mr. Robinson noted that the pump was 216 inches in length, so that would be way over the air cargo limit.

Ms. Moreira said yes, she always has problems with air freight when Derrick's has to ship in any pipe or pump or motor over 12 feet.

Ms. Lee Loy thanked Ms. Moreira for doing the email summary; the previous email trail provided was rather confusing. She noted that the biggest gap in time was the four weeks when Derrick's had trusted that the manufacturer was repairing the pump, and then Derrick's went back and checked on the status. The summary clarified things, Ms. Lee Loy said.

Ms. Moreira confirmed that the gap had to be due to the four- to five-week waiting period from American Turbine to do the repairs.

Mr. Uyeda said he forgot what the Motion was.

Ms. Lee Loy asked to be refreshed on what the objective was for this Item.

The Manager-Chief Engineer said that the original contract completion date was to be April 30, 2014, and last month, the Water Board granted Derrick's a time extension until today for completion of the project, and for Derrick's to provide more information for the Board regarding what had happened between the Mainland supplier and Derrick's. He said that the official contract completion date is today, but obviously the project is not going to be completed today. The Manager-Chief Engineer said that Derrick's is asking the Board today for another contract extension; this is really up to the Board. He said that based on the email traffic between Derrick's and the Mainland suppliers, it is very difficult for DWS to administratively grant a time extension; DWS does not see the justification for granting a time extension. The decision is really up to the Board, but there are issues regarding formal contracts such as the one that DWS has with Derrick's. He said he did not know what kind of contracts that Derrick's has with these suppliers on the Mainland, and it was not clear whether Derrick's has any recourse from these suppliers. The Manager-Chief Engineer did not know how much more sympathetic the Board and DWS could be here, beyond the time extension already granted to Derrick's last month. There is no definite time schedule for the pump at this point in time, he said. The hope was that there would be some kind of idea as to when this project can be completed, he said. Based on the information given today, it is very difficult administratively to justify a time extension, the Manager-Chief Engineer said.

Mr. Greenwell said he thought that the Manager-Chief Engineer was right; the Board has been against time extensions, and DWS Administration has done a good job on curbing time extensions. However, Derrick's has always been in the bidding and has come in with good prices and has come in with

winning bids. He said that the Board needs to look at this request carefully, because Derrick's is a local company, and sometimes the Board needs to help local companies out a little bit.

Ms. Moreira said she truly appreciated that. She said that Derrick's really has no control whatsoever when dealing with Mainland manufacturers. Usually, Derrick's does not run into problems like the current situation; this is a very unusual and very lengthy problem. Derrick's usually has everything done on time, and completes its projects on time. In the rare instances when Derrick's does not come in on time, it is Derrick's own fault for the delay. However, that is not the case in the current situation; Ms. Moreira said that she has been pretty much on top of this project since Day One; she really did not understand why she was having such a hard time getting answers from everybody. Derrick's does its best; Derrick himself does good work and is respected, she said. She said she appreciated Mr. Greenwell's comment.

Mr. Robinson asked about Beylik's involvement.

Ms. Moreira said she believed it was a financial matter, but she could not understand the connection between Derrick's and Beylik – they are two different companies. She asked why anyone would withhold a pump and motor for another company, when the project was Derrick's project. Ms. Moreira said she could not understand that, but there was no arguing about it. She decided the best thing to do was to contact DWS's Mr. Takamoto, because as the engineer in charge, he has a relationship with all of the contractors. Mr. Takamoto contacted Beylik; Ms. Moreira felt it was not her place to contact Beylik and bring up such a sensitive subject.

Mr. Robinson noted that Mr. Huppman wrote to Ms. Moreira in January 2014, saying he was glad that the Beylik thing was all cleared up, and that the pump and motor should be shipped out by the end of that week. However, there is still no idea when they are going to get the pump back to Derrick's.

Ms. Moreira said that Derrick's had provided them with the information that they requested, regarding the measurement of the top of the motor; she believed that the measurement they needed was for the lateral of the pump. The manufacturer also wanted photos because they had no records from American Turbine regarding the pump. Derrick's tried to tell them that the pump was coupled up, and ran for over a year at Kahalu'u; Ms. Moreira wondered why, then, they did not have records for it. Apparently, when the merger between American Turbine and National Pump went through, the files were taken, and National Pump said they had no records on that pump. Therefore, Derrick's had to provide them with new information, which is apparently really critical. She said there was a one-sixteenth margin of error on the lateral, but said she did not really understand what that meant. In any event, Derrick's provided them with that information last week, and the May 16, 2014, letter was the last correspondence that Derrick's had with the manufacturer.

Mr. Arikawa thanked Ms. Moreira for the timeline, and asked what the estimated delivery date would be.

Ms. Moreira said she guessed that the completion before delivery would be in about two or three weeks, because the manufacturer has the information they needed.

Mr. Arikawa asked how long it would take to install the pump.

Ms. Moreira said that Derrick was pretty fast, and to install it would take a week or two.

Mr. Arikawa asked whether it would take two weeks at the most.

Ms. Moreira said it would be two weeks at the most. However, she said Derrick visited the job site, where some excavation work was being done and the power was cut. It was not clear what was going

on, and Derrick was taken a bit off-guard; DWS was doing major excavation by the transformer pad at the site.

Mr. Arikawa asked whether five weeks would be enough time to get everything done, including taking delivery and doing the installation.

Ms. Moreira said yes, if everything goes as planned.

Mr. Arikawa asked whether six weeks would be okay.

Ms. Moreira said that would be okay, providing Derrick's gets the pump in time. She noted that her first time extension request was to September, to provide enough time for testing after the pump is installed.

Ms. Moreira said she was not sure how everything was going to pan out after the pump is installed; she was not clear whether DWS would be ready for testing at that time. Testing is part of the contract, she added.

Chairperson Kaneshiro said that at this point, somebody needed to make a Motion on whether or not to provide a time extension.

Ms. Garson said the Motion should also state how long the time extension would be.

Mr. Greenwell said that he would make a Motion. He thought that September was a little bit excessive; he thought that August 1 or the end of July would be better. The Board needs to push this forward.

Ms. Moreira said that when she asked for September, she was seeking a bit of a cushion because she did not know how matters stood with the pump.

Mr. Greenwell said he understood; Ms. Moreira must have been totally lost. He asked her if the pump would be delivered within three weeks.

Ms. Moreira said that she was hopeful that it would be two or three weeks for the manufacturer to complete the repair, and ocean freight always takes 10 days. The pump would be coming from Arizona to the port at Los Angeles. Ocean freight to Hilo always leaves on a Saturday, and takes 10 days to arrive. Shipping to Kona takes a three additional days, so Derrick's usually trucks it over themselves, so Ms. Moreira figured it would be three to four weeks for delivery.

MOTION: Mr. Greenwell said his Motion was for the time extension to be to August 1.

Chairperson Kaneshiro asked if Mr. Greenwell wanted his Motion to stipulate how many additional weeks the time extension would be, instead of a date.

Ms. Garson said there is a Motion to grant a time extension to August 1; she asked if there was a second to enable the Board to discuss the Motion.

Mr. Arikawa seconded.

Mr. Uyeda said that he would prefer instead that the time extension went until the July Board meeting; in case in the meantime there was an issue regarding a further delay in the pump's delivery, the Board could discuss it. He said that the pump would be delivered by the July meeting.

Mr. Arikawa and Ms. Garson noted that the Board meeting would be held on July 22.

Mr. Uyeda said that by that time, the Board would have more information to work with, instead of waiting until August 1. He said he was willing to grant a time extension, because Derrick's was caught between a rock and a hard place over the pump issue.

Chairperson Kaneshiro asked Mr. Uyeda if he wanted to amend the Motion.

AMENDED MOTION: Mr. Uyeda moved to amend the time extension date from August 1 to July 22; Ms. Lee Loy seconded.

Ms. Lee Loy said that her concern was that the Board had already granted Derrick's a 30-day time extension; this is now turning into a 90-day time extension. She agreed with Mr. Uyeda that if the Board has an opportunity to discuss the matter again, the Board will have time to reevaluate the situation.

ACTION: Amended Motion carried unanimously by voice vote.

Chairperson Kaneshiro asked the Secretary to read back the Amended Motion.

The Secretary said that the Amended Motion is to change the extension date from August 1 to July 22, the date of the July Board meeting.

ACTION: Motion carried with six (6) Ayes: (Ms. Lee Loy, Mr. Uyeda, Chairperson Kaneshiro, Mr. Greenwell, Mr. Arikawa and Mr. Takamine) and one (1) Nay: (Mr. Robinson).

Ms. Moreira said that she would forward any updates on the pump to Mr. Takamoto or Mr. Clyde Young as things go along before the next Board meeting (i.e. on June 24).

D. **PROFESSIONAL SERVICES AGREEMENT - WATER USE AND DEVELOPMENT PLAN UPDATE:**

The Department has reviewed information from the Planning Department's North Kona Community Development Plan (CDP), as well as the USGS Scientific Investigations Report 2011-5078, and feels that this information offers the opportunity to amend/update the current Water Use and Development Plan (WUDP) that could significantly affect the information for two of the aquifer sector areas (Hualālai and West Mauna Kea) in the WUDP. It is the Department's desire to do amendments to the WUDP that would significantly change the information that is required for all agencies including the Planning Department, as well as the Commission on Water Resource Management (CWRM). We feel that keeping critical information within the plan up to date will help everyone to make better decisions, as well as avoid planning that would otherwise be done differently with the updated information.

This project will require a consultant which will be procured through the professional services procedures. It is expected that this contract will be approximately \$50,000.00, and will be funded from the Department's Capital Improvements Budget (CIP). We also expect the update to take approximately six months.

The Manager-Chief Engineer recommended that the Board approve the Water Use and Development Plan Update as a project to be added to the Department's 2015 CIP Budget.

MOTION: Mr. Robinson moved to approve; seconded by Mr. Arikawa.

The Manager-Chief Engineer explained that this request is to amend the current WUDP regarding sustainable yield and population projections, etc. This stems from the discussion surrounding the NPS petition to designate the Keauhou Aquifer as a Water Management Area, he added.

Mr. Robinson expressed frustration that because of the NPS petition, DWS is going to have to spend \$50,000.00 to hire a consultant to amend the WUDP. This comes despite all of the years of hard work and time spent by the community to do the Kona Community Development Plan (CDP), he said.

The Manager-Chief Engineer said that one of the questions that has arisen amid the NPS petition was the full build-out situation in Kona. Full build-out would take Kona far beyond the current sustainable yield numbers in place, but DWS wants to stress that full build-out is being brought forward to provide better, more updated projections that are consistent with what the Kona CDP came up with. It does not mean that full build-out is necessarily going to happen, he said. DWS is working closely with the Planning Department and the Kona CDP Action Committee so that the information will be consistent.

Mr. Robinson said he did not want to sound like a broken record, but it frustrates him that the Kona community spent all that time going to all those meetings of the Kona CDP, which was a plan that was created by the community. It was a lot of work. He said it was frustrating that now DWS has to go spend \$50,000.00, which the ratepayers are going to fund, to refute everything that has been foisted on the community by the NPS petition.

The Manager-Chief Engineer said he shared Mr. Robinson's frustration, because there was indeed a lot of time spent at community meetings in Kona to present DWS's case. He expressed the hope that this amendment to the WUDP will translate into fewer future public testimonies, public information readings, etc. DWS does spend a lot of time on this, and the Department shares Mr. Robinson's frustration.

Mr. Robinson asked who was going to explain to the hundreds of members of the Kona community that all their time and hard work on the Kona CDP was for naught. He said that all of these community initiatives mounted by the County and the State seem to have been a waste of time.

The Manager-Chief Engineer said it would be DWS that would talk to the community. He explained that the consultant will come in, and DWS will do the additional legwork on the amendment to the WUDP. After that, the amendment would go to the County Council for adoption, and it would also go to CWRM for their blessing. He said he was not sure if this could be done by December (i.e., when CWRM makes their decision regarding the petition).

The Deputy, to clarify, said that the amendment would incorporate all of the work that was done by the Kona CDP; he noted that the WUDP was done *prior to* the Kona CDP being finalized. DWS recognizes that there is a lot of information now available, regarding such elements as sustainable yield and population projections. He noted that the 2010 U.S. Census came out after the current WUDP. DWS believes that there is enough good, more up-to-date information available now that justifies updating a **portion** of the WUDP, which is what DWS wants to do. The WUDP was designed to be a dynamic document that is meant to be updated as better information becomes available, so that is what DWS wants to incorporate into the amendment.

Ms. Lee Loy asked when the current WUDP was done.

The Deputy said the WUDP was adopted by Council in 2010, so actually the work was done primarily in 2009.

Ms. Lee Loy asked for confirmation that the \$50,000.00 was being earmarked to update just a portion of the WUDP.

The Deputy confirmed that DWS would not be updating the entire WUDP. There are a couple of aquifer sectors in West Hawai'i, including the Hualālai sector that includes the Keauhou Aquifer

System, for which DWS has more current information available that warrants an update. The amendment will probably involve two sections of the WUDP.

The Manager-Chief Engineer said that this amendment to the WUDP in no way changes DWS's direction regarding its opposition to the NPS petition. The object is to have consistent information, he said.

Chairperson Kaneshiro asked whether DWS coordinates with all of the nine other CDP Action Committees on the Big Island regarding water needs. This is very important because these CDPs are a grassroots effort that the community developed.

The Manager-Chief Engineer said that DWS is definitely working closely with all of the CDP Action Committees.

Chairperson Kaneshiro said that he was sure that the CDPs are looking at expanding their housing, etc., and that will require water. He asked if DWS was aware that having sufficient water was a priority for these CDPs.

The Manager-Chief Engineer said that DWS provides to the CDPs and the Planning Department whatever information there is regarding DWS's existing water system facilities, existing water systems, well capacities, etc., when additional improvements or infrastructure need to be built.

ACTION: Motion carried unanimously by voice vote.

E. **PROFESSIONAL SERVICES AGREEMENT - NORTH KONA HIGH LEVEL GROUNDWATER STUDY:**

The Department, in its efforts to better monitor the high level water in the North Kona deepwells, requests to hire a consultant to collect the necessary data (water level, drawdown and temperature). The study is intended to monitor the wells on a monthly basis for a 12-month period, and will provide the Department a tool in helping to determine the sustainability of the wells. It is anticipated that the study will cost approximately \$100,000.00, and will be funded from the Department's Capital Improvements (CIP) Budget.

The Manager-Chief Engineer recommended that the Board approve the North Kona High Level Groundwater Study as a project to be added to the Department's 2015 CIP Budget.

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

The Manager-Chief Engineer said that he recalled that several years ago, Mr. Greenwell had asked him about the water levels in DWS's wells; the Manager-Chief Engineer could not answer him definitively at the time, and he had to go back to ask staff whether water levels were stable or fluctuating, etc. Staff provided some information to the effect that water levels were okay, but the information was not definitive. The current request is aimed at providing more consistent, continuous information on water levels in DWS's wells. The reason that DWS has not been able to provide definitive information on water levels is because the monitoring equipment had deteriorated; DWS does not have water level monitoring equipment. Without that monitoring equipment, DWS would need to manually get water level measurements, which takes some effort to do. The Manager-Chief Engineers said that hopefully this project will provide better information regarding water levels.

Mr. Greenwell asked whether the State helps with monitoring water levels, temperatures, etc., of wells.

The Manager-Chief Engineer said the State used to be helpful, but amid the poor economy, the State is no longer able to provide that continuous monitoring help to DWS. DWS is on its own regarding such monitoring, he said. He reiterated that monitoring water levels takes a lot of effort.

Mr. Greenwell said that he was asking because in the past, the State came to monitor a well that he used to work with; the State took readings on temperature, water levels, etc. He asked for confirmation that the State does not do that for DWS anymore.

The Manager-Chief Engineer confirmed this; on occasion, the State or the USGS may ask to take measurements at one of DWS's wells, but that is not an ongoing thing.

Mr. Robinson asked for confirmation that DWS would be unable to pull out a chart to answer questions about consistent water levels in the Keauhou Wells or the like.

The Manager-Chief Engineer confirmed that DWS would be unable to provide any kind of spreadsheet information showing consistent water level readings, because there are no such consistent readings.

Mr. Greenwell noted that this proposed contract is for a 12-month period. He asked whether this contract involves the purchase of any monitoring/measuring equipment.

The Manager-Chief Engineer said it would be something that DWS would want to own and have at its wells to get continuous readings; he asked the Deputy if that was the intent here.

The Deputy said the answer is yes and no; if the scope of the contract were to include the purchase of equipment specifically for this study, it would become DWS's equipment. However, that is not the case with this particular effort, he said. The anticipated contractors would have to supply their own monitoring equipment and provide DWS with the information regarding static water levels, draw-down, pumping, recovery after pumping, temperatures, etc. This information is what DWS is trying to get through this study, in order to better understand this high-level aquifer system, and what the situation is with DWS's high-level water. The Deputy said that the equipment would be the contractor's equipment, with which the contractor will be providing data to DWS.

Ms. Lee Loy said that good information helps the Board make good decisions. She said this study is very expensive, and asked how many wells the study would look at.

The Deputy said DWS currently has six high-level wells, and Mr. Riley Smith's Palani Well will make seven.

Ms. Lee Loy asked Mr. Sumada if DWS has the funds available in the Budget for this big line item.

Mr. Sumada said the funds are available in the CIP Budget.

The Deputy said there is a line item on the five-year CIP Budget for this, labeled "North Kona Well." That is where the funding will come from, he said.

Mr. Uyeda said he found it troubling as a Board member to hear that equipment has been deteriorating, and now DWS needs an independent consultant to do readings. He asked for elaboration on how certain equipment at these six or seven wells would be reinstalled. He also asked why DWS is only measuring levels in the high-level wells. He asked whether DWS should instead be measuring all of the wells in the North Kona area, to get a better idea of the situation. He asked what equipment is needed to do the measurements, and asked whether the study should be expanded to include all of the wells in the North Kona area.

The Manager-Chief Engineer said that DWS could take a good look at the scope of the work, and probably could include the basal wells as well as the high-level wells. This could include both North and South Kona, he said.

Mr. Uyeda said he is not a geologist; he asked if it made a difference whether all of the wells were included. He asked whether DWS should concentrate on the high-level wells, which may not affect the basal water. He said he did not know; that was the reason for his question.

The Manager-Chief Engineer said that DWS definitely does not know, and the idea is to try to know.

The Deputy said DWS could incorporate some kind of simultaneous monitoring of a down-gradient basal source, as well as the high-level water. The reason that the basal wells were not initially included is that DWS is monitoring the basal wells for chlorides in-house. However, Mr. Uyeda's suggestion is a good one, and DWS can do simultaneous monitoring.

Mr. Uyeda said that maybe the monitoring could instead be in certain strategic points where there are upstream high-level wells; that might be really beneficial.

The Manager-Chief Engineer said that it would be great to know whether or not a well is going to affect another well that is in the basal aquifer immediately downstream of that well, especially when DWS does pump testing, etc. He said that DWS could come up with a good strategy to get that kind of information.

Mr. Uyeda asked how much above and beyond what DWS is already doing this new study would achieve, based on DOH requirements to report monthly.

The Manager-Chief Engineer said that it would be a little bit more, because DOH only requires information such as chloride levels, and CWRM requires reports of DWS's pumpage (i.e., not water level information). Knowing what DWS's water levels are would be helpful, and the 12-month study would show whether or not water levels fluctuate. Water levels could be affected by the tides; the levels are definitely affected by rainfall.

Mr. Robinson asked for confirmation that DWS will bid this project out, and the Department will show the Board the scope of the contract regarding what information will be requested from the contractor.

The Manager-Chief Engineer said he was pretty sure that DWS can present the Board with the scope of work, to better understand what DWS is getting for this work.

Mr. Robinson asked whether the information will include things like elevation of the water, salinity, etc.

The Deputy noted that the Item involves a request for approval of a Professional Services Agreement, which is a different method of procurement. If the Board is not comfortable with approving at this time, the Department can come before the Board with a more defined scope before proceeding with this procurement.

Mr. Robinson said he is in favor of approving, but he would just like to see the scope.

The Deputy said DWS can certainly provide that.

Ms. Lee Loy agreed that she wanted to see the scope, too. She said that Mr. Uyeda touched on a snapshot of the high-level wells vis a vis what is going on with basal wells in strategic locations; this will give the Board a good understanding of what is going on. She said that if that could be folded into the scope, it would make her feel a lot better.

Mr. Greenwell asked whether DWS planned to replace the monitoring equipment; he asked whether DWS intended to always go out for bids on monitoring water levels. If DWS plans to replace the deteriorated equipment, it needs to put that purchase into the scope.

The Manager-Chief Engineer said that he was not sure whether there actually was equipment that could last; the monitoring equipment that DWS previously had had deteriorated very fast; he wondered if there was something else that DWS could purchase and install that would give better service.

Mr. Greenwell said it probably was not worth it.

Chairperson Kaneshiro reiterated what the Board was about to vote on: a study with an approximate cost of \$100,000.00, which would come out of the CIP Budget.

ACTION: Motion carried unanimously by voice vote.

8) 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.

*(Item 1 was deferred from the April 22, 2014, Water Board meeting.)*

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

Project Name: Keāhole Gardens PUD  
Subdivision Application No. 07-000698  
Grantor/Seller: Keāhole Gardens Limited Partnership  
Tax Map Key: (3)7-3-054: 010, 043 and 044  
No. of Lots: 13                      Zoning: RS10  
Facilities Charge: \$55,000        Date Paid: 03/24/2011  
Final Inspection Date: 06/02/2010  
Water System Cost: \$67,516.00

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

Project Name: Palani Ranch Well No. 1  
Grantor/Seller: Palani Ranch Company, Inc.  
Tax Map Key: (3)7-4-002:008 (Portion)  
No. of Lots: N/A                      Zoning: N/A  
Facilities Charge: N/A  
Final Inspection Date: 05/13/2014  
Water System Cost: \$5,058,903.02

**3. DEED**

Project Name: Palani Ranch Well No. 1 (Same as above)  
Grantor/Seller: Palani Ranch Company, Inc.  
Tax Map Key: (3)7-4-002:021

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: Mr. Robinson voted to defer to the June Board meeting Items 2 and 3 regarding Palani Well, based on Mr. Riley Smith’s testimony; seconded by Mr. Uyeda, and carried unanimously by voice vote.

ACTION: Mr. Robinson moved to approve Item 1 regarding Keāhole Gardens PUD; seconded by Ms. Lee Loy, and carried unanimously by voice vote.

**B. GASOLINE BID NO. 2014-05, FURNISHING AND DELIVERING GASOLINE AND DIESEL TO THE DEPARTMENT OF WATER SUPPLY:**

Bids for this project were opened on May 14, 2014, at 1:30 p.m., and the following are the bid results.

<b>Part “A”</b>	<b>Hilo Baseyard</b>	<b>Hawai‘i Petroleum, Inc.</b>	<b>Big Island Energy Co., LLC dba Akana Petroleum</b>
1.	Unleaded Gasoline (delivered gallon price) <i>Estimated 55,000 gallons/year x 2 years</i>	\$4.12/gal. = \$453,200.00	<b>\$3.6244/gal.</b> <b>= \$398,684.00</b>
<b>Part “B”</b>	<b>Kona Baseyard</b>		
1.	Unleaded Gasoline (delivered gallon price) <i>Estimated 25,000 gallons/year x 2 years</i>	\$4.32/gal. = \$216,000.00	<b>\$3.7390/gal.</b> <b>= \$186,950.00</b>
2.	Low-Sulfur Diesel (delivered gallon price) <i>Estimated 3,000 gallons/year x 2 years</i>	\$6.03/gal. = \$36,180.00	<b>\$4.0280/gal.</b> <b>= \$ 24,168.00</b>
<b>Part “C”</b>	<b>Waimea Baseyard</b>		
1.	Unleaded Gasoline (delivered gallon price) <i>Estimated 30,000 gallons/year x 2 years</i>	\$4.27/gal. = \$256,200.00	<b>\$3.6765/gal.</b> <b>= \$220,590.00</b>

The Manager-Chief Engineer recommended that the Water Board award the contract for GASOLINE BID NO. 2014-05, FURNISHING AND DELIVERING GASOLINE AND DIESEL TO THE DEPARTMENT OF WATER SUPPLY, to **Big Island Energy Co., LLC dba Akana Petroleum**, for Parts A-1, B-1, B-2, and C-1, at the bid 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 contract period shall be from July 1, 2014 to June 30, 2016.

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

Mr. Greenwell asked whether the Hilo and Waimea Baseyards buy diesel.

Mr. Ikeda said yes, they buy diesel, but they get it from the Department of Public Works (DPW). Kona has an above-ground 2,000-gallon tank, with compartments. There is a compartment holding 1,500 gallons of gas, and another compartment containing 500 gallons of diesel. However, the Hilo, Ka‘u and Waimea Baseyards get their diesel from DPW.

ACTION: Motion carried unanimously by voice vote.

**C. MATERIAL BID NO. 2014-01, FURNISHING AND DELIVERING WATER METERS, BRASS GOODS, FIRE HYDRANTS, VALVES, PIPES, FITTINGS, AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK:**

Bids were received and opened on May 14, 2014, at 2:00 p.m. The contract period for all Parts is one year, from July 1, 2014 to June 30, 2015. All Parts are established price agreements for materials on an “As-Needed Basis.”

**RECOMMENDATION:** It is recommended that the Board award the contract to the following bidders for MATERIAL BID NO. 2014-01, FURNISHING AND DELIVERING WATER METERS, BRASS GOODS, FIRE HYDRANTS, VALVES, PIPES, FITTINGS, AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK, on an as-needed basis, as listed below, 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 contract period shall be from July 1, 2014 to June 30, 2015.

<b>PART NO.</b>	<b>DESCRIPTION</b>	<b>BIDDER</b>	<b>AMOUNT</b>
1	DUCTILE IRON PIPE, PUSH-ON TYPE JOINT	Ferguson Enterprises, Inc.	\$90,850.00
2	DUCTILE IRON FITTINGS	Ferguson Enterprises, Inc.	\$28,477.45
4	NUTS, BOLTS, AND THREADED RODS	AP Water Supply, Inc. dba HIW Hawaii	\$47,703.08
5	COPPER TUBING	Ferguson Enterprises, Inc.	\$105,689.00
6	GALVANIZED PIPES T&C (THREADED & COUPLED)	Ferguson Enterprises, Inc.	\$11,935.60
8	METER BOXES	AP Water Supply, Inc. dba HIW Hawaii	\$49,600.00
9	METER COVERS	Ferguson Enterprises, Inc.	\$3,581.00
10	AUTOMATIC METER READING UNIT	Ferguson Enterprises, Inc.	\$422.33
11	5/8" WATER METERS	National Meter & Automation, Inc.	\$113,400.00
13	BADGER RECORDALL SERIES METER PARTS	National Meter & Automation, Inc.	\$541.25
14	1"- 2" WATER METERS	National Meter & Automation, Inc.	\$23,887.50
19	FIRE HYDRANTS	Ferguson Enterprises, Inc.	\$94,386.05
20	MUELLER FIRE HYDRANT PARTS	AP Water Supply, Inc. dba HIW Hawaii	\$4,390.75
21	MUELLER FIRE HYDRANT EXTENSION KITS	AP Water Supply, Inc. dba HIW Hawaii	\$4,506.00
22	AMERICAN DARLING FIRE HYDRANT PARTS	Ferguson Enterprises, Inc.	\$7,358.88
23	AMERICAN DARLING FIRE HYDRANT EXTENSION KIT	Ferguson Enterprises, Inc.	\$7,619.15
24	BALL METER VALVES	Ferguson Enterprises, Inc.	\$56,125.00
25	BALL VALVE, PACK JOINT X METER COUPLING / FIP	Ferguson Enterprises, Inc.	\$33,635.80
26	COMPRESSION JOINT COUPLING	Ferguson Enterprises, Inc.	\$5,298.00
27	PACK JOINT COUPLING	Ferguson Enterprises, Inc.	\$37,732.75
28	CORPORATION AND CURB STOPS – BALL TYPE	Ferguson Enterprises, Inc.	\$73,619.90
29	PRESSURE REGULATORS	Ferguson Enterprises, Inc.	\$1,078.79
30	HOSE BIBBS	Ferguson Enterprises, Inc.	\$2,966.50
31	INVERTED MARKING PAINT	Ferguson Enterprises, Inc.	\$10,324.00
32	AIR RELIEF VALVES	Ferguson Enterprises, Inc.	\$8,652.00
33	DUCKBILL CHECK VALVES	Ferguson Enterprises, Inc.	\$70,410.95
34	VALVE BOX DEBRIS CAP	CBC, Inc.	\$147.84

35	GATE VALVES – 3” AND LARGER, 125# CLASS	Ferguson Enterprises, Inc.	\$31,982.80
36	GATE VALVES – 3” AND LARGER, 250# CLASS	Ferguson Enterprises, Inc.	\$52,328.79
37	BUTTERFLY VALVES	AP Water Supply, Inc. dba HIW Hawaii	\$8,750.00
38	AUTOMATIC CONTROL VALVES	AP Water Supply, Inc. dba HIW Hawaii	\$1,210,047.00
39	ANTI-CAVITATION VALVES	AP Water Supply, Inc. dba HIW Hawaii	\$284,964.00
40	PUMP CONTROL BALL VALVES	CBC, Inc.	\$294,650.37
42	HATCH FRAMES AND COVERS	BK, Inc.	\$13,080.00

For the following Sections: 3 (Flange Gaskets), 7 (High Density Polyethylene Pipe), 12 (Neptune T-10 Series Meter Parts), 15 (Compound Water Meter), 16 (Turbine Meters and Strainers), 17 (Detector Check Meters), 18 (Fire Service Meters), and 41 (Reservoir Level Indicator), no bids were received.

For the Sections where no bids were received, staff shall obtain quotations in the best interest of the Department.

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

The Manager-Chief Engineer said that this Item and the next couple of Items, are bids to establish a price list for the next fiscal year. This alleviates the need to constantly go out for quotes. He noted that for items on the list that did not get bids, DWS would be securing quotes in accordance with procurement requirements.

Mr. Greenwell asked whether vendors force DWS to take all of the items upon the bid; he asked if vendors let DWS draw according to need.

The Manager-Chief Engineer confirmed that DWS draws according to whenever it needs additional stock items.

Mr. Greenwell asked whether DWS needs to buy items and store them in-house.

The Manager-Chief Engineer said no, DWS does not have the storage space. Instead, DWS relies on the suppliers to store items, and DWS buys items according to when the items are needed, he said.

Mr. Ikeda said these are just As-Needed Items, and some of the items might not even be ordered during the year. In case DWS needs an item, there is a contract for the price, so DWS does not have to get quotes for it.

Mr. Robinson asked what a Solid State Reduced Voltage Soft Starter is; he noted that the price for it was \$5,438,000.00.

Mr. Ikeda said that it is not just a single starter; it is a whole list of starters at DWS’s wells. The whole list combined came to that \$5,000,000-plus figure.

The Manager-Chief Engineer noted that the soft starter item was included in the next Item on the Agenda, 8(D), and the Board is still discussing the previous Item, 8(C).

Mr. Uyeda asked how much inventory DWS carries on its shelves, and asked what its value was.

Mr. Sumada said that inventory is listed on the Financial Statement, and it currently stands at \$1.2 million. Inventory has stood at around that figure for the past several years, he added.

Ms. Lee Loy said that these bids essentially lock in prices for a year.

The Manager-Chief Engineer confirmed this.

ACTION: Motion carried unanimously by voice vote.

**D. MATERIAL BID NO. 2014-02, FURNISHING AND DELIVERING ELECTRICAL SUPPLIES, SCADA, MOTORS, CHLORINATORS, AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK:**

Bids were opened on May 14, 2014, at 2:30 p.m. The contract period for all Parts is one year, from July 1, 2014 to June 30, 2015. All Parts are established price agreements for materials on an “As-Needed Basis.”

The Manager-Chief Engineer recommended that the Board award the contract to the following bidders for MATERIAL BID NO. 2014-02, FURNISHING AND DELIVERING ELECTRICAL SUPPLIES, SCADA, MOTORS, CHLORINATORS, AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK, on an as-needed basis, as listed below, and that either the Chairperson of 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 contract period shall be from July 1, 2014 to June 30, 2015.

<b>PART NO.</b>	<b>DESCRIPTION</b>	<b>BIDDER</b>	<b>AMOUNT</b>
15	INDUSTRIAL MOTOR LEAD CABLE	TK Process Hawaii, LLC	\$33,144.55
16	INDUSTRIAL CONTROL WIRING	TK Process Hawaii, LLC	\$4,870.08
17	JUNCTION BOXES & ENCLOSURES	TK Process Hawaii, LLC	\$76,155.44
19	NON-AUTOMATIC TRANSFER SWITCH	TK Process Hawaii, LLC	\$147,575.74
20	SOLID STATE REDUCED VOLTAGE SOFT STARTER	TK Process Hawaii, LLC	\$5,438,097.32
21	VARIABLE FREQUENCY DRIVES	TK Process Hawaii, LLC	\$248,629.58
22	SURGE PROTECTION DEVICES	TK Process Hawaii, LLC	\$24,364.50
24	POWER MONITORING EQUIPMENT	TK Process Hawaii, LLC	\$64,854.75
25	CIRCULAR CHART RECORDER	TK Process Hawaii, LLC	\$10,818.41
27	PRE-FABRICATED RTU PANEL	Control Systems West, Inc.	\$36,369.87
28	AUTOMATION AND CONTROL SYSTEMS	Control Systems West, Inc.	\$45,160.77
31	GROUNDING EQUIPMENT	TK Process Hawaii, LLC	\$446.74
32	COMMUNICATIONS HARDWARE	TK Process Hawaii, LLC	\$77,555.73
33	HIGH POWERED LICENSED RADIO EQUIPMENT	TK Process Hawaii, LLC	\$2,990.23
34	LICENSED RADIO EQUIPMENT	TK Process Hawaii, LLC	\$7,762.06
35	AUTODIALERS	TK Process Hawaii, LLC	\$1,057.49
36	PRESSURE TRANSDUCER	TK Process Hawaii, LLC	\$1,671.02
38	PRESSURE TRANSDUCER - RESERVOIR LEVEL	TK Process Hawaii, LLC	\$2,499.03
39	PRESSURE TRANSMITTER	TK Process Hawaii, LLC	\$1,842.20

40	LIQUID LEVEL SENSOR	TK Process Hawaii, LLC	\$7,021.19
41	FLOW SWITCH	TK Process Hawaii, LLC	\$1,723.42
42	ELECTROMAGNETIC FLOW METERS	AP Water Supply, Inc. dba HIW Hawaii	\$509,315.00
43	VENTURI DIFFERENTIAL FLOW METER	CBC, Inc.	\$312,310.74
47	CHEMICAL FEEDER PUMP	TK Process Hawaii, LLC	\$7,120.31
49	DIGITAL CHLORINE CYLINDER SCALE	TK Process Hawaii, LLC	\$5,972.00
55	DIGITAL HIGH-RESOLUTION CONTROLLER	TK Process Hawaii, LLC	\$2,593.02
58	SUBMERSIBLE MOTORS - REFURBISH / REWIND	Beylik Drilling and Pump Services, Inc.	\$1,643,300.00
59	LEAK NOISE DATA LOGGERS	Wong's Equipment & Service	\$51,711.78
60	LIGHT EMITTING DIODE LUMINARIES	TK Process Hawaii, LLC	\$13,667.40
61	INFRARED WINDOWS	TK Process Hawaii, LLC	\$4,510.20

For the following Sections: 1 (Arc Flash PPE – Daily Wear), 2 (Arc Flash PPE – Supplemental), 3 (Electrical Gloves & Testing), 4 (Digital Multimeter & Testing), 5 (Electrical Safety Equipment), 6 (Electrical Tape), 7 (Duct Seal Compound), 8 (Liquidtight Flexible Non-Metallic Conduit & Fittings), 9 (Liquidtight Flexible Metallic Conduit & Fittings), 10 (Rigid PVC Conduit & Fittings), 11 (EMT Conduit & Fittings), 12 (Rigid Galvanized Steel Conduit & Fittings), 13 (Unistrut Channel and Hardware), 14 (Electrical Connectors & Terminations), 18 (Heavy Duty Safety Switch), 23 (3 Phase Monitor Relay), 26 (Industrial Electronic Components), 29 (Programming Services), 30 (Uninterruptable Power Supply), 37 (Pressure Transducer – Discharge Pressure), 44 (Chlorine Residual Analyzer – Reagentless), 45 (Water Quality Equipment), 46 (Reagents and Standards), 48 (High Density Polyethylene Discharge Tubing), 50 (Stand Alone Chlorine Gas Detector), 51 (Chlorinator), 52 (Chlorine Gas Feeder), 53 (Ultrafiltration Package Plant), 54 (Industrial Actuators), 56 (Mechanical Seals), and 57 (Motors), no bids were received.

For the Sections where no bids were received, staff shall obtain quotations in the best interest of the Department.

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

Mr. Robinson said he would now go back to his question about the \$5 million soft starter. He asked if that was one item or a bunch of items all together.

Mr. Ikeda said it is one item, but there all different sizes of soft starters, and all of them are listed. He said he was not sure exactly how many soft starters there are. They are not broken up when DWS does its bids; DWS just takes the total lowest bid. Otherwise, it becomes a nightmare, because there are so many items, Mr. Ikeda said. He did not know exactly how many items there are on the list, but added all up they come to \$5 million.

Mr. Robinson asked whether it could actually be a sub-set all by itself, with a whole list of detailed items.

Mr. Ikeda said yes. DWS has the list when it draws the contract; every item has its unit price on there, and when DWS orders, it orders by the unit price.

Mr. Arikawa asked out of curiosity why there were two different material bids, instead of just one.

Mr. Ikeda said they were broken up into two bids because the Department figured that the first half was a lot of field stuff, and the second half was more electrical (i.e., pumps, motors, etc.) DWS figured that they would do the vendors a favor by breaking the material bid into two bids. He said that this was an experiment, but next year DWS will go back to having just *one* material bid because it turns out that it is easier to do so.

Mr. Robinson asked the Department to have information on the soft starters at the next meeting.

Mr. Ikeda asked whether Mr. Robinson wanted to know how many soft starters there are.

Mr. Robinson said yes, that would be really helpful for him, because the \$5 million was a big number.

The Manager-Chief Engineer said it is a big number, and that he would have the same question.

The Deputy explained that the soft starters are used so that DWS does not do the full draw on HELCO's system; the soft starter steps up the draw on the system, and it is equipment that is needed at all of DWS's deepwells. DWS has at least 60 soft starters for wells, along with larger boosters. The soft starters are basically to increase the draw on the HELCO system, so that it is not an instantaneous flick of the switch at full draw. DWS can clarify how many soft starters there are, he said. The list is as-needed, because DWS does not plan to replace them all at one time. He gave as an example that if the soft starter for Pana'ewa Booster A is needed, DWS will have a unit price to purchase that particular soft starter.

ACTION: Motion carried unanimously by voice vote.

E. **MATERIAL BID NO. 2014-06, FURNISH BASE COURSE, SAND, COLD MIX, HOT MIX, AND NO. 3F ROCK TO THE DEPARTMENT OF WATER SUPPLY:**

Bids for this project were opened on May 15, 2014, at 1:30 p.m., and the following are the bid results.

		<b>Yamada &amp; Sons, Inc.</b>	<b>WHC LTD dba West Hawai'i Concrete</b>	<b>Grace Pacific LLC</b>	<b>Jas. W. Glover, Ltd.</b>
	<b>DISTRICT I:</b>				
A.	3/4-Inch Base Course (Cost per ton)	\$19.00	No Bid	No Bid	\$18.75
B.	1½-Inch Base Course (Cost per ton)	\$18.00	No Bid	No Bid	\$16.41
C.	No. 3F Rock (Cost per ton)	\$27.00	No Bid	No Bid	\$25.00
D.	#4 Sand (Cost per ton)	\$50.00	No Bid	No Bid	\$40.00
E.	Mortar Sand - ASTM C144 (Cost per ton)	No Bid	No Bid	No Bid	\$64.00
F.	Cold Mix- ASTM D4215-87 (Cost per ton)	\$156.00	No Bid	No Bid	\$145.00
G.	Blended Material 60% #4 Sand and 40% No. 3F Rock (Cost per ton)	\$54.00	No Bid	No Bid	\$50.00
H.	Hot Mix – County Mix IV (Cost per ton)	\$154.00	No Bid	No Bid	\$143.00
	<b>DISTRICT II:</b>	<b>Yamada &amp; Sons, Inc.</b>	<b>WHC LTD dba West Hawai'i Concrete</b>	<b>Grace Pacific LLC</b>	<b>Jas. W. Glover, Ltd.</b>
A.	3/4-Inch Base Course (Cost per ton)	No Bid	\$12.58	No Bid	No Bid

B.	1½-Inch Base Course (Cost per ton)	No Bid	\$11.40	No Bid	No Bid
C.	No. 3F Rock (Cost per ton)	No Bid	\$17.85	No Bid	No Bid
D.	#4 Sand (Cost per ton)	No Bid	\$22.42	No Bid	No Bid
E.	Mortar Sand - ASTM C144 (Cost per ton)	No Bid	\$40.54	No Bid	No Bid
F.	Cold Mix- ASTM D4215-87 (Cost per ton)	No Bid	No Bid	No Bid	No Bid
	<b>DISTRICT III:</b>	<b>Yamada &amp; Sons, Inc.</b>	<b>WHC LTD dba West Hawai'i Concrete</b>	<b>Grace Pacific LLC</b>	<b>Jas. W. Glover, Ltd.</b>
A.	¾-Inch Base Course (Cost per ton)	No Bid	\$17.51	No Bid	No Bid
B.	1½-Inch Base Course (Cost per ton)	No Bid	\$16.14	No Bid	No Bid
C.	No. 3F Rock (Cost per ton)	No Bid	\$31.73	No Bid	No Bid
D.	#4 Sand (Cost per ton)	No Bid	\$32.15	No Bid	No Bid
E.	Mortar Sand - ASTM C144 (Cost per ton)	No Bid	\$53.93	No Bid	No Bid
F.	Cold Mix-ASTM D4215-87 (Cost per ton)	No Bid	No Bid	\$151.00	No Bid
G.	Hot Mix - County Mix IV (Cost per ton)	No Bid	No Bid	\$150.10	No Bid

The Manager-Chief Engineer recommended that the Board award the contract for MATERIAL BID NO. 2014-06, FURNISH BASE COURSE, SAND, COLD MIX, HOT MIX, AND NO. 3F ROCK TO THE DEPARTMENT OF WATER SUPPLY, by Parts to the following for the amounts shown 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.

**District I – Parts A, B, C, D, E, F, G and H to Jas W. Glover, Ltd.**

**District II – Parts A, B, C, D and E to WHC LTD dba West Hawai'i Concrete**

**District III – Parts A, B, C, D and E to WHC LTD dba West Hawai'i Concrete  
Parts F and G to Grace Pacific LLC**

For the Parts where no bids were received, staff shall obtain quotations in the best interest of the Department. The contract period shall be from July 1, 2014, to June 30, 2015.

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

The Manager-Chief Engineer said to anticipate Mr. Arikawa's question, this bid was for companies that operate quarries.

ACTION: Motion carried unanimously by voice vote.

- F. **WATER TREATMENT BID NO. 2014-07, FURNISHING AND DELIVERING A~LIQUID CHLORINE TO VARIOUS LOCATIONS IN THE ISLAND OF HAWAI'I (ON AN AS-NEEDED BASIS); B~LIQUID AMMONIA TO WAIMEA WATER TREATMENT PLANT, DISTRICT OF SOUTH KOHALA (ON AN AS-NEEDED BASIS); C~50% LIQUID CAUSTIC SODA TO WAIMEA WATER TREATMENT PLANT, DISTRICT OF SOUTH KOHALA (ON AN AS-NEEDED BASIS); D~C-9 POLYPHOSPHATE TO WAIMEA WATER TREATMENT PLANT, DISTRICT OF SOUTH KOHALA (ON AN AS-NEEDED BASIS):**

Bids for this project were opened on May 15, 2014, at 2:30 p.m., and the following are the bid results.

		Phoenix V LLC dba BEI Hawai'i	Airgas USA LLC	Shannon Chemical Corp.
	<b>PART A – FURNISH AND DELIVER LIQUID CHLORINE</b>			
I.	HILO DISTRICT a. Pana'ewa Deep Well (125 cylinders per year) Cost per 150-lb. cylinder	\$335.00	No Bid	No Bid
II.	PUNA DISTRICT a. Pana'ewa Deep Well Chlorinator Building (20 cylinders per year) Cost per 150-lb cylinder	\$350.00	No Bid	No Bid
III.	KA'U DISTRICT a. Pāhala Deep Well Chlorinator Building (12 cylinders per year) Cost per 150-lb.cylinder	\$406.50	No Bid	No Bid
IV.	KOHALA DISTRICT a. Waimea Water Treatment Plan Cost per 1,200-lb. cylinder (60 cylinders per year)	\$2,287.00	No Bid	No Bid
	Cost per 150-lb cylinder (60 cylinders per year)	\$369.00	No Bid	No Bid
V.	KONA DISTRICT a. DWS Kona Baseyard (150 cylinders per year) Cost per 150-lb. cylinder	\$376.00	No Bid	No Bid
	<b>PART B – FURNISH AND DELIVER LIQUID AMMONIA</b>			
	a. Waimea Water Treatment Plant (12 cylinders per year) Cost per 150-lb cylinder	No Bid	\$443.72	No Bid
	<b>PART C – FURNISH AND DELIVER 50% LIQUID CAUSTIC SODA</b>			
	a. Waimea Water Treatment Plant (12 cylinders per year) Cost per dry ton	\$1,742.00	No Bid	No Bid
	<b>PART D – FURNISH AND DELIVER C-9 POLYPHOSPHATE</b>			
	a. Waimea Water Treatment Plant Cost per 30-gallon drum	\$914.00	No Bid	\$987.87

The Manager-Chief Engineer recommended that the Board award the contract for WATER TREATMENT PROPOSAL NO. 2014-07, FURNISHING AND DELIVERING A~LIQUID CHLORINE TO VARIOUS LOCATIONS IN THE ISLAND OF HAWAI'I (ON AN AS-NEEDED BASIS); B~LIQUID AMMONIA TO WAIMEA WATER TREATMENT PLANT, DISTRICT OF SOUTH KOHALA (ON AN AS-NEEDED BASIS); C~50% LIQUID CAUSTIC SODA TO WAIMEA WATER TREATMENT PLANT, DISTRICT OF SOUTH KOHALA (ON AN AS-NEEDED BASIS); D~C-9 POLYPHOSPHATE TO WAIMEA WATER TREATMENT PLANT, DISTRICT OF SOUTH KOHALA (ON AN AS-NEEDED BASIS), to Phoenix V LLC dba BEI Hawai'i for Parts A, C and D, and to Airgas USA LLC for Part B, at the unit prices listed above, for the period from July 1, 2014, through June 30, 2016, 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.

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

Mr. Greenwell noted that this bid stipulates “and deliver.” He observed that the vendors would probably not deliver unless it was stipulated, and that would tie DWS’s hands.

The Manager-Chief Engineer said that this bid involves chemicals and hazardous conditions in handling them. The vendors need to adhere to safety requirements in handling these hazardous materials, especially chlorine. DWS’s trucks would need to be equipped with certain safety equipment in order to transport chlorine tanks. DWS is definitely not going to maintain a huge 14-ton truck to just transport material; therefore, DWS gets it delivered by the vendor.

Mr. Ikeda said that this is a limited item anyway, and not many vendors carry chlorine.

Mr. Arikawa noted that this bid too was aimed at locking in prices.

ACTION: Motion carried unanimously by voice vote.

G. **PROFESSIONAL SERVICES AGREEMENT – WATER RATE STUDY:**

Professional services for 5-year water rate study.

- Consultant: To be determined.
- Estimated Fee: \$105,000.00.

The Department recognizes the need to conduct a water rate study for the 5-year period FY16 – FY20 to make sure water revenues are sufficient to provide for the Department’s operating expenses, debt service obligations, and capital improvements needs.

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

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

The Manager-Chief Engineer said that the end of the previous five-year rate study is approaching, and DWS needs another rate study for the next five-year period, so that the Department can determine its rates for the next five years. Therefore, DWS will be hiring a rate study consultant to do the rate study.

ACTION: Motion carried unanimously by voice vote.

H. **AD HOC COMMITTEE REPORT ON STATUS OF SB3094, SD2, HD2, REGARDING THE PLACEMENT OF AUTOMATIC LIENS ON PROPERTY FOR WATER AND WASTEWATER DELINQUENCIES:**

Ms. Lee Loy reported that unfortunately, this bill never made it out of Committee. It was in Joint Committee, where a misunderstanding apparently arose regarding the bill itself. Apparently, some legislators on the Joint Committee failed to understand that this bill was a last-step process. The biggest hiccup seemed to be regarding a deposit. The deposit that a tenant places cannot be used for paying bills, and therein lay the confusion, Ms. Lee Loy said. Going forward, there needs to be a bit better job of communication what this piece of legislation does, she said. It would be helpful to get going a little bit sooner to articulate what the bill is all about, and it would be helpful to build a better partnership with the Realtors’ Association, said Ms. Lee Loy. The foundation for that partnership has been pretty much laid, she added. Ms. Lee Loy did not foresee the need to amend the legislation at this point; the task is more of communicating it better. She said it was disappointing that when questions arose in Conference Committee, the legislators did not reach out to DWS to ask. The bill will be set for next year’s Legislative Session, and Ms. Lee Loy said the same steps will be gone through. DWS will have a

better opportunity over the next nine months to get the rest of the Big Island delegation on board, to articulate what this piece of legislation does for DWS, for DEM's Waste Water Divisions, and for counterparts across the state. Ms. Lee Loy said she had already talked to the Deputy about amending DWS's rules and procedures regarding unpaid water bills, with an eye to having a mechanism to get in front of delinquent bills. She reiterated that this piece of legislation is intended to be the very final step.

The Manager-Chief Engineer said that it is indeed very disappointing that the bill did not go through. He thanked Ms. Lee Loy and Ms. Garson for their efforts; he believed that the language of the bill was down pat as far as the amendment to the HRS requirements. He agreed that it was a matter of communicating with the legislators. He also thought that the next time there should be a companion House Bill, to go along with the Senate Bill.

Mr. Arikawa thanked Ms. Lee Loy for her hard work, and noted that Governor Neil Abercrombie last year signed a bill that allowed landlords to ask tenants for a pet deposit. He asked Ms. Lee Loy if she could look into getting tenants to pay landlords a utility deposit, like the pet deposit.

Ms. Lee Loy said yes, she was amenable to doing that.

The Manager-Chief Engineer said that DWS already has a requirement for a deposit, with DWS's Rules.

Mr. Arikawa said yes, DWS does, but suggested that landlords could request a utility deposit, the same as a pet deposit.

Ms. Lee Loy said that with the Realtors' Association spearheading things in partnership with DWS, this would make a lot of sense. She said that she and Ms. Garson had taken an existing piece of legislation, and had refined it. There was no money involved in the bill, as far as funding goes, she added. The bill was really a feel-good piece of legislation that would help all of the counties across the state. She said she appreciated the conversation that was coming out of this experience, and encouraged others jumping in.

Chairperson Kaneshiro thanked Ms. Lee Loy, and assured her that next year, the bill will pass.

I. **MONTHLY PROGRESS REPORT:**

No discussion.

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

No discussion.

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 – Mr. Inaba reported that the contractor has about two more weeks to finish up the main line for this subdivision. Bad weather has hampered progress, but the project is still on schedule. DWS is keeping track of rain-out days, to ensure that the contractor, project engineer and inspector are all on the same page.
- 2) Waikoloa Reservoir No. 1 Update – DWS is still waiting to get the environmental report approved by U.S. Fish and Wildlife, but there has been some movement on that, Mr. Inaba said. There has also been some movement on getting the DHHL lands formally approved; DWS's application was submitted to DHHL last week, after DWS defined the specific location within the forest reserve that the DHHL land is situated.

- 3) Kawailani Tank Update – DWS is waiting for final DOH approval of the report by the environmental hygienist; the report may come back with recommendations from DOH regarding how to handle DWS’s site. The contractor has back-filled the area where the petroleum-contaminated soil was removed. The next steps are the final landscaping and paving, as well as the fence installation. Ms. Lee Loy asked how long the hygienist will take. Mr. Inaba said that the report has been submitted already, so it is now just a matter of getting clearance and making sure everything is okay. Mr. Greenwell asked what the problem was regarding DHHL’s ownership of the property at the Waikoloa Reservoir. Mr. Inaba said that the improvements on that side of the Reservoir will actually encroach into what is delineated as the forest reserve, which is entirely DHHL land. DWS needs to beef up the embankment there, and so DWS needs to take a small portion of that land to do the improvements. Mr. Greenwell said he understood that it meant going into the forest reserve; he asked why this had not been sorted out years ago. Mr. Inaba said the final plans involved approaching DHHL about the land; this was the step that would have to wait until those final plans came out. It should not hold DWS back, and is just a matter of getting the paperwork through to DHHL at this point. Mr. Uyeda asked that there be an Agenda Item regarding amending the Rules and Regulations to enable DWS to collect delinquent fees from owners for tenant delinquencies; he wanted to start the conversation on amending the Rules and Regulations. Ms. Lee Loy suggested that delinquent sewer bills should be included in the conversation.
- 4) Public Information and Education Specialist Update – Ms. Aton said that she is working with the County Department of Research and Development on a brochure regarding little fire ants; the brochure hopefully can go out to DWS customers via the billings, she added. DWS put out information to the Hawaiian Ocean View Estates community when their well briefly went down. DWS participated in a Kona Water Roundtable session regarding watershed partnerships. DWS also participated in hurricane preparedness briefings at Civil Defense, with an eye to getting information out in a timely manner. The next Kona Water Roundtable will be held on July 2 at the West Hawai‘i Civic Center; its preliminary theme will be the impacts of designation, and CWRM and others will speak on designation’s effects on Maui.
- 5) Employee of the Quarter – Mr. Alvin Inouye, an Electrician in Kona, was honored as Employee of the Quarter. Mr. Ikeda praised Mr. Inouye, who was hard at work in the field during the Board meeting, as dedicated and innovative in keeping the system going.

The Manager-Chief Engineer noted that Employees of the Quarter become eligible for selection to attend national or state water conferences.

The Manager-Chief Engineer reported that Energy Management Analyst Julie Myhre had resigned. Her responsibilities regarding the ongoing Lālāmilo Windfarm will be handled by other staff members. The Manager-Chief Engineer also touched on the personnel changes at Corporation Counsel, with a new Corporation Counsel, Ms. Molly Stebbins, slated for Council confirmation. He expressed hope that Ms. Garson could stay on as DWS’s attorney.

Mr. Uyeda noted that the DWS Pipe Tapping Team, the state’s defending champions, won at the recent AWWA Convention on Oahu. The victory qualifies the team to compete at next year’s convention.

#### L. **CHAIRPERSON’S REPORT:**

Chairperson Kaneshiro said that among the interesting topics at the AWWA Convention on Oahu were risk management and trench-less installation. Aging water infrastructure is a critical issue that DWS will need to address, he said. Trench-less installation involves horizontal drilling, he said.

Mr. Greenwell noted that at the recent water conferences there has been the constant message about the need to replace aging infrastructure, adding that there are a lot of new techniques to deal with aging

infrastructure. DWS never wants to wind up like Oahu, with its crumbling infrastructure, he said. The Department's CIP Budget should reflect the need to replace aging infrastructure, Mr. Greenwell said.

The Manager-Chief Engineer agreed, and said that the Department is very aware of this need to replace infrastructure; the upcoming water rate study will be looking at that need.

Mr. Takamine said he appreciated the opportunity to attend the AWWA Conference on Oahu, and expressed pride that the Big Island pipe-tapping team won.

Chairperson Kaneshiro encouraged the Board to attend the next water conference in Hawai'i, to be held in October on Kaua'i. He also encouraged the Board to attend the July 2 Kona Water Roundtable, which will be dealing with groundwater management areas.

Ms. Aton said that the topic has not been confirmed yet, but CWRM is slated to talk about the designation process, and the session is expected to deal with past experiences of designation and the effects of designation.

Chairperson Kaneshiro asked the Board to go into Executive Session.

*(The Board took a break at 11:45 a.m., and the Board returned to the room at Noon.)*

7) NORTH KONA:

*(Note: Item 7(B) below was taken up ahead of Item 7(A).)*

B. **EXECUTIVE SESSION RE: DRAFT RESPONSE FROM WATER BOARD REGARDING THE COMMISSION ON WATER RESOURCE MANAGEMENT'S REQUEST FOR CONSULTATION ON THE KALOKO-HONOKŌHAU NATIONAL PARK SERVICE PETITION TO DESIGNATE KEAUHOU AQUIFER SYSTEM AREA (NORTH KONA), HAWAII AS A GROUND WATER MANAGEMENT AREA:**

The Water Board convened an 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.

**ACTION:** Mr. Robinson moved to go into Executive Session; seconded by Mr. Arikawa, and carried unanimously by voice vote.

*(Executive Session began at 12:01 p.m. and ended at 12:18 p.m.)*

A. **DISCUSSION OF DRAFT RESPONSE FROM WATER BOARD REGARDING THE COMMISSION ON WATER RESOURCE MANAGEMENT'S REQUEST FOR CONSULTATION ON THE KALOKO-HONOKŌHAU NATIONAL PARK SERVICE PETITION TO DESIGNATE KEAUHOU AQUIFER SYSTEM AREA (NORTH KONA), HAWAII AS A GROUND WATER MANAGEMENT AREA:**

**MOTION:** Mr. Uyeda moved to have Ms. Garson draft a letter to CWRM Chairperson William Aila, and authorize the Water Board Chairperson to sign the letter; seconded by Mr. Takamine.

Ms. Lee Loy said she wanted to make sure that the following parties were copied into the letter: the Mayor, the County Council, the Governor, the Kona CDP Action Committee, and stakeholders Kamehameha Schools, Queen Lili'uokalani Trust, Palamanui, Kohanaiki, Department of Hawaiian Home Lands, the Natural Energy Laboratory of Hawai'i Authority, State Department of Transportation, the National Park Service and Forest City.

Mr. Robinson reiterated that the Kona community has worked very hard on the CDP, and warned about any attempt made to torpedo their work. He said it was very important that the community be kept informed about the situation regarding the petition.

The Manager-Chief Engineer said that once the Board's letter is sent out, it becomes public record and will be posted on the DWS website.

ACTION: Motion carried unanimously by voice vote.

9) ANNOUNCEMENTS:

1. **Next Regular Meeting:**

The next meeting of the Water Board will be held at 10:00 a.m. on June 24, 2014, 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 is scheduled for July 22, 2014, at 10:00 a.m. at the Department of Water Supply, Operations Center Conference Room, 889 Leilani Street, Hilo, HI.

10) ADJOURNMENT

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

Chairperson Kaneshiro adjourned the meeting at 12:24 p.m.

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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.*