

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

**AGENDA**

**MEETING DATE:** December 20, 2005

**PLACE:** Hilo Operations Center Conference Room; 889 Leilani Street, Hilo, Hawai'i

**TIME:** 10:00 a.m.

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- 1) CALL TO ORDER - 10:00 a.m.
- 2) STATEMENTS FROM THE PUBLIC
- 3) APPROVAL OF MINUTES - Minutes of the November 22, 2005, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)  
(Note: Addendum requires Roll Call Vote)
- 5) SOUTH HILO:

A. **PROFESSIONAL SERVICES AGREEMENT:**

Professional Services Agreement for the following Department of Water Supply project is currently being considered. However, the project is not listed on the Department's current 5-year Capital Improvement Projects list.

1) Andrade Camp Water System Improvements

This project is to replace an old plantation water system for Andrade Camp in Pepekeo. The residents plan to utilize the loan and grant program from USDA. DWS will prepare plans and administer the project. The loan will be paid off by the residents of Andrade Camp.

Estimated Construction Cost is \$600,000.00

Estimated Consultant Services is \$60,000.00

**RECOMMENDATION:** It is recommended that the Board approve the professional services agreement for the design, plans, and survey for Andrade Camp Water System Improvements, subject to the procurement process, and that either the Chairman or the Vice-Chairman be authorized to execute the agreement, subject to approval of our Corporation Counsel.

B. **JOB NO. 2004-848, KULAIMANO BOOSTER STATION IMPROVEMENTS:**

The contractor, Ed Higa General Contracting, requests a 50 working-day time extension. This request is due to a delay in shipment of the transducer. This transducer is a replacement

for a unit that was installed; however, the cable length was too short. DWS preferred that a new transducer with longer cable be ordered instead of installing an additional junction box. The contractor expects delivery at the end of January at the earliest. Letter from the contractor is attached.

Staff has reviewed the request and finds that the 50 working days are justified.

**RECOMMENDATION:** It is recommended that the Board approve a contract time extension of fifty (50) working days from December 19, 2005, to March 3, 2006, to Ed Higa General Contracting, for JOB NO. 2004-848, KULAIMANO BOOSTER STATION IMPROVEMENTS.

6) **HAMAKUA:**

A. **FEE FOR TEMPORARY USE - JOB NO. 95-621, POHAKEA WATER SYSTEM IMPROVEMENTS:**

In 1991, the Department agreed to pay Mr. Ed Broussard \$1,000.00 for the temporary use of a portion of his property (TMK 4-3-012:022) that is adjacent to our existing tank and pump site (TMK 4-3-012:021). For a period not to exceed two (2) years, the additional site was to be used to construct a temporary tank that would be in operation while the related improvements for the subject project were completed. Additionally, a new pump site as shown on the attached map, encompassing a portion of his property would be conveyed to DWS for the construction of a new pump. In exchange and contingent on the completion of the entire project, that would include the demolition of the existing tank and pump, the temporary use would be extinguished and the existing tank and pump site would be turned over to him.

Due to various challenges with easements and the design, the construction of the entire project has far exceeded the agreed to 2 years duration. In addition, the Department, during all this time, has occupied both the existing tank and pump site, as well as the new pump site.

In view of the above, Mr. Broussard has asked to renegotiate the fee for the temporary use of his property. After discussions between the Department and Mr. Broussard, it was felt that a flat fee of \$10,000 would be fair compensation for this use.

**RECOMMENDATION:** In order to bring closure to this project and this outstanding unresolved occupancy concern, it is recommended that the Board approve the payment of \$10,000.00 to Mr. Ed Broussard for the temporary use of a portion of TMK 4-3-012:022.

7) **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.

1. **GRANT OF EASEMENT AND BILL OF SALE**  
MAILANI VIEW ESTATES  
Subdivision Application No. 2003-067  
Grantor: CL & D NINE, LLC  
E.W.O.: 2004-081  
T.M.K.: (3) 7-5-010:052 & 065  
Lots: 18 plus 2 roadway lots  
Zoning: RS-20  
Facilities Charge: \$88,000.00 (16 additional lots @ \$5,500.00) Paid: 12/09/05  
Capital Assessment Fee: \$8,000.00 (16 lots @ \$500.00) Paid: 12/09/05  
Final Inspection Date: May 27, 2005  
Water System Cost: \$107,800.00
  
2. **GRANT OF EASEMENT AND BILL OF SALE**  
GARY HANSON SUBDIVISION  
Subdivision Application No. 2003-036  
Grantor: Kaloko Kai, LLC  
E.W.O.: 2005-105  
T.M.K.: 7-3-008:065  
Lots: 3  
Zoning: A-3A  
Facilities Charge: \$11,000.00 (2 additional lots @ \$5,500.00) Paid: 11/09/05  
Capital Assessment Fee: \$1,000.00 (2 additional Lots @ \$500.00) Paid: 11/09/05  
Final Inspection Date: 12/02/05  
Water System Cost: \$35,533.00
  
3. **GRANT OF EASEMENT**  
WAI'ULA'ULA SUBDIVISION  
Grantor: Moana Ikena, LLC  
E.W.O.: 2005-056  
T.M.K.: 6-2-013:013, 014, 015, 016, Portion 007 & 017  
Lots: 6  
Zoning: RM-6, RM-15, Open  
Facilities Charge: \$556,875.00 (165 units @ \$3,375.00) Paid: 5/04/98  
Capital Assessment Fee: None  
Final Inspection Date: 12/09/05
  
4. **GRANT OF EASEMENT AND BILL OF SALE**  
STREET IMPROVEMENTS - PALAI PLACE  
Subdivision Application No. 2003-082  
Grantor: HJC Development Corporation  
E.W.O.: 2005-110  
T.M.K.: 2-2-046:008  
Lots: 8  
Zoning: RS-10  
Facilities Charge: \$38,500.00 (7 additional lots @ \$5,500.00) Paid: 12/09/05

Capital Assessment Fee: None  
Final Inspection Date: 12/07/05  
Water System Cost: \$24,500.00

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

ALII HEIGHTS, UNIT 2, PHASE IV  
Grantor: Towne Keauhou, LLC  
E.W.O.: 2005-071  
T.M.K.: 7-7-008: Portion 011  
Lots: 24  
Zoning: RS-15  
Facilities Charge: \$126,500.00 (23 additional lots @ \$5,500.00) Paid: 6/15/05  
Capital Assessment Fee: None  
Final Inspection Date: 12/13/05  
Water System Cost: \$134,198.14

RECOMMENDATION: It is recommended that the Water Board accept these documents subject to the approval of the Corporation Counsel and that either the Chairman or the Vice-Chairman be authorized to sign the documents.

B. **PROFESSIONAL SERVICES AGREEMENT:**

Professional Services Agreement contract for the following Department of Water Supply project is currently being considered. However, the project is not listed on the Department's current 5-year Capital Improvement Projects list.

1) Laboratory Testing Services

Professional: MWH Laboratories

The services are required for compliance with the rules and regulations of the Safe Drinking Water Act as enforced by the Federal Environmental Protection Agency and the State Department of Health.

Fee: \$150,000.00 (estimate for miscellaneous lab testing services over a 2-year period, subject to negotiation)

RECOMMENDATION: It is recommended that the Board award the consultant contract to MWH Laboratories for an estimated fee not to exceed \$150,000.00, and that either the Chairman or the Vice-Chairman be authorized to sign the documents, subject to approval of our Corporation Counsel.

C. **REVISED TABLE OF ORGANIZATION FOR THE OPERATIONS DIVISION:**

1. Currently, the Operations Division has only a Civil Engineer IV position in its Civil Engineering section. This is a licensed position, where there are not many candidates available. The last recruitment consisted of five applicants from the mainland, and no one made the commitment to be interviewed for the position.

It is proposed to create a Civil Engineering series in the Operations Division to have the flexibility to hire and train an unlicensed Engineer. This would mean the creation of Civil Engineer I, II, III, and V positions. The Operations Division currently has a Mechanical Engineer series consisting of Mechanical Engineer I, II, III, IV and V positions; and the proposed additions would be consistent with the Mechanical Engineer series. It is not the intent to recruit for all positions in the series.

2. Currently, the Operations Division has only one Electronic Tech position which services the Department islandwide. With the trend of new equipment going to electronics, it is becoming increasingly difficult for one person to keep up with the maintenance and repair of the equipment. Among his duties, the Electronic Tech position is in charge of the SCADA systems, two-way radios, telemetering, and programming of new equipment such as the motor control centers islandwide.

It is proposed to create a new Electronic Tech position to assist in the maintenance and repair of the Department's electronic equipment islandwide.

**RECOMMENDATION:** It is recommended that the Board approve the creation of the Civil Engineer I, II, III, and V positions to complete the Civil Engineering series for the Operations Division, and the creation of an Electronic Tech position.

**D. PROPOSED TABLE OF ORGANIZATION - ENGINEERING BRANCH - ENGINEERING DIVISION:**

Currently the career series for the Waterworks Construction Project Inspector (WCPI) positions in the Construction Section of Engineering Branch within the Engineering Division; namely, the WCPI I and II, does not allow for flexibility and advancement potential (see current attached Table of Organization (T/O)). The number of WCPI I and II positions, not being equal in number, does not allow for the orderly progression and advancement through the series.

More critically, within the next two to three years, our incumbent Supervising WCPI, two WCPI IIIs, and one WCPI II will be eligible to retire. Should all or the most of these incumbents retire at the same time, the Department will be faced with a dire shortage of experienced project inspectors. In order to prepare for this potential shortage of upper level project inspectors, it is imperative, in the near term, to infuse some flexibility into the T/O to facilitate the recruitment, training, and ultimate advancement of the lower level WCPI I and IIs.

Therefore, it is proposed that four (4) new positions be added to the current Table of Organization (see to the attached copy of the proposed T/O). These new positions include:

- Two (2) Waterworks Construction Project Inspector I, SR16 (one each for Kona and Hilo)
- Two (2) Waterworks Construction Project Inspector II, SR19 (one each for Kona and Hilo)

**RECOMMENDATION:** It is recommended that the Board approve the proposed additions for four (4) new positions in the Waterworks Construction Project Inspector Series, I and II, as shown on the proposed T/O for the Engineering Branch. It is also recommended that staff

coordinate the creation of these new positions in accordance with Department of Civil Service policies and procedures.

**E. TRI-PARTY WATER DEVELOPMENT AGREEMENT - MAUNA LANI SERVICES, INC. (MLS), MAUNA KEA PROPERTIES (MKP), AND DEPARTMENT OF WATER SUPPLY (DWS):**

MLS AND MKP desire to develop Parker 3 and 4 Wells and related infrastructure that will connect to the existing DWS' Lalamilo Water System. These improvements, critical to providing water to the lands previously owned and assured of water commitments from MLS/MKP (Exhibits 1 and 2), include the following (Exhibit 3):

- Two (2) 1,250 gpm deep wells,
- Two (2) 2.0-M.G. prestressed concrete tanks (1,103' and 610' elevations),
- 18,400 lf ductile iron pipe, and
- other appurtenances.

These improvements, totaling approximately \$15 million when completed, will be dedicated to the Water Board and operated by DWS. As MLS/MKP are solely funding this, the Agreement stipulates that they will be allocated ninety percent (90%) and DWS ten percent (10%) of the water.

**RECOMMENDATION:** It is recommended that the Water Board accept the terms and conditions of the Agreement and authorize either the Chairman or the Vice-Chairman to execute the Agreement subject to review and acceptance by the Office of the Corporation Counsel as to form and legality.

**F. ISSUANCE OF GENERAL OBLIGATIONS BONDS:**

The DWS has asked the County to include \$25 million in their proposed issuance of General Obligations Bonds. An Ordinance authorizing the issuance is currently being considered by the County Council. The \$25 million the Department is requesting is to fund three (3) projects. These projects are Palani Road Transmission Pipeline - \$12 million; Waiaha Corridor Pipeline - \$8 million; and Piihonua-Kukuau Transmission Pipeline and Reservoir - \$5 million. Should these projects not be ready for construction during the allotted time to expand the funds, then these funds will be used to finance projects that are ready to be bid upon.

**RECOMMENDATION:** It is recommended that the Board approve that DWS be included in the County of Hawaii issuance of General Obligation Bonds in the amount of \$25 million; that DWS reimburse the County's General Fund for DWS' share of the debt service on the GO bonds and the costs of issuance; and that the Manager be authorized to execute any and all necessary documents to complete and effectuate the issuance.

**G. MONTHLY PROGRESS REPORT:**

Submission of Progress Report of Projects by Department (see attached). Department personnel will be available to respond to questions by the Board regarding the status/progress of any project.

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

Submission of financial statements and information relating to the financial status of the Department. Department personnel will be available to respond to questions by the Board relating to the financial status of the Department.

I. **PROPOSED REVISION TO SERVICE LATERAL INSTALLATION CHARGES FOR STATE RIGHT-OF-WAYS:**

See attached options for a proposed change to the published Water Rates.

RECOMMENDATION: It is recommended that the Board agree in concept to an option provided to revise the published Water Rates and that the Department schedule public hearings in 2006, for that purpose, to accept public input.

J. **MANAGER'S REPORT:**

- 1) The Manager will provide a report/update of the construction/status of the Kona Coastview/Wonderview Improvement District project.
- 2) The Manager will provide an update on the status of the projects undertaken by the USGS Drilling Program and will discuss participation in the Program in general.
- 3) The Manager will provide a report on Kona water quality and various steps being undertaken to improve said water quality, including the obtaining of corridors from various developers/private landowners.
- 4) Water Board Schedule for 2006 - schedule attached

K. **CHAIRMAN'S REPORT:**

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

L. **ELECTION OF CHAIRMAN AND VICE-CHAIRMAN FOR 2006:**

Board to elect Chairman and Vice-Chairman for the 2006 term.

M. **BOARD MEMBERS' SERVICE:**

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

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

N. **MANAGER'S COMPENSATION:**

Discussion and action on Manager's proposed pay increase.

8) ANNOUNCEMENTS:

1. Next Meeting:

The next meeting of the Water Board will be held on January 24, 2006, 10:00 a.m., in the Hilo Operations Center Conference Room, 889 Leilani Street, Hilo, Hawai'i.

9) STATEMENTS FROM THE PUBLIC

10) ADJOURNMENT

*The meeting place is accessible to persons with disabilities. If you require use of an auxiliary aid or other access accommodation, please contact Doreen Shirota at 961-8050 as soon as possible or at least 5 days prior to the 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, 25 Aupuni Street, Hilo, Hawai'i 96720.*