

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

MEETING DATE: August 26, 2008

PLACE: Royal Kona Resort, Resolution Room; 75-5852 Alii Drive, Kailua-Kona, HI

TIME: 10:00 a.m.

- 1) CALL TO ORDER - 10:00 a.m. (*please turn cell phones off or set to silent*)
- 2) STATEMENTS FROM THE PUBLIC
- 3) APPROVAL OF MINUTES - Minutes of the July 22, 2008, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
(**Note: Addendum requires Roll Call Vote**)

5) SOUTH HILO:

A. **KAWAILANI TANK UPDATE:**

A project update will be provided. For discussion.

6) NORTH HILO:

A. **JOB NO. 2005-870, PROVIDING FOR THE ACQUISITION OF PRIVATE PROPERTY SITUATE IN THE DISTRICT OF NORTH HILO, COUNTY OF HAWAII AND STATE OF HAWAII, IDENTIFIED AS PORTIONS OF TMK NO. (3) 3-6-003:003, FOR THE NEW LAUPAHOEHOE 0.5-M.G. RESERVOIR SITE:**

The Laupahoehoe 0.5-M.G. Reservoir is an approved C.I.P project designed to replace the current deteriorating 100,000-gallon reservoir and to increase storage. Due to the strategic location, a portion of TMK (3) 3-6-003:003 is necessary to construct the new reservoir while temporarily keeping the existing one in service. The current owners, Robert and Janice Stanga, have agreed to sell the Water Board the necessary 0.5 acres of land at the price of \$17,500.00, based on a fair market appraisal done by Peter L. Crackel, plus any escrow fees.

RECOMMENDATION: It is recommended that the Water Board approve the land purchase and that either the Chairperson or the Vice-Chairperson be authorized to sign any necessary legal documents, subject to review as to form and legality by Corporation Counsel.

7) SOUTH KOHALA:

A. **WAIKOLOA RESERVOIR EARTHQUAKE DAMAGE REPAIRS:**

A project update will be provided. For discussion.

8) NORTH KONA:

A. **JOB NO. 2005-880, KAHALU'U SHAFT TANK HYDROELECTRIC GENERATION PROJECT:**

This project involves the installation of a 40 KW hydroelectric generation unit at the Kahalu'u Shaft Tank location in North Kona District. The project consists of installing a new equipment pad, a new pressure reducing valve (PRV) and a 40kW hydroelectric generation unit. The new hydroelectric system parallels the PRV and allows operation of the system as it was prior to installing the unit. The hydro-unit is electrically inter-tied to Hawaii Electric Light Company, Inc. (HELCO), service connection located on the control building. The electricity produced by the hydro-unit will be used on-site. Any excess power generated will be accounted for by HELCO and credited to DWS for future power usage at the site based on HELCO's Net Metering contract.

The purpose of HELCO's Net Metering contract is to allow DWS to store unused energy credits when the electricity produced by the hydro-unit at Kahalu'u Shaft exceeds site energy usage. The energy credits will be used when the energy required for the site exceeds the output of the hydro-unit.

RECOMMENDATION: It is recommended that the Board approve the attached HELCO Net Metering contract for management of electric energy by HELCO as produced by DWS at Kahalu'u Shaft Hydro unit.

B. **TRANSFER OF EQUIVALENT UNITS OF WATER FROM TAX MAP KEY 7-3-010:027 TO TAX MAP KEY 7-3-028:102:**

The Department has received a request from Wainani 42, LLC, the current owner of TMK Parcel 7-3-010:027, to approve a one-time transfer of ten (10) water commitments, which were originally established for Parcel 7-3-010:027 under the Haseko Tri-Party Agreement. The action would transfer the commitments from Parcel 7-3-010:027 to TMK Parcel 7-3-028:102, which is owned by RS 10 Kalaoa, LLC, a Hawai'i limited liability company. TMK Parcel 7-3-028:102 resides within the North Kona Water System area and therefore meets the criteria set forth in the Haseko Tri-Party Agreement to allow the transfer with the approval of the Water Board.

RECOMMENDATION: It is recommended that the Water Board approve the one-time transfer of water commitments for ten (10) equivalent units from Parcel 7-3-010:027 to Parcel 7-3-028:102 as allowed under *Section 5 – Assignability* of the Haseko Tri-Party Agreement dated May 4, 2000.

G. 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.

H. WATER RATE STUDY:

For discussion by the Water Board on results of the final report.

I. MANAGER'S REPORT:

- 1) The Manager will provide a status of the Hawaiian Ocean View exploratory well.
- 2) The Manager will provide a status of the Kona Water Quality.
- 3) The Manager will provide an update on negotiations with Kamehameha Investment Corporation.
- 4) Resolution by Councilman Pilago on Reservoir Repairs

J. CHAIRMAN'S REPORT:

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

11) ANNOUNCEMENTS:

1. **Next Meeting:**

The next meeting of the Water Board will be held on September 23, 2008, 10:00 a.m., in the Hilo Operations Center Conference Room, 889 Leilani Street, Hilo, Hawai'i.

12) STATEMENTS FROM THE PUBLIC

13) 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 Shiota 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, Hilo, Hawai'i.