

MINUTES

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

August 22, 2006

ROYAL KONA RESORT, RESOLUTION ROOM

- MEMBERS PRESENT: Mr. Loren Heck, Chairman
Mr. Thomas Goya, Vice-Chairman (10:10 a.m.)
Mr. George Harai
Ms. Millie Kim
Mr. Ivan Mochida (10:10 a.m.)
Mr. Riley Smith
Mr. George Wilkins
Mr. Milton D. Pavao, Manager, Department of Water Supply
(ex-officio member)
- ABSENT: Mr. Bernard Konanui, Water Board Member
Ms. Paula Helfrich, Water Board Member
Mr. Christopher Yuen, Director, Planning Department
(ex-officio member)
Mr. Bruce McClure, Director, Department of Public Works
(ex-officio member)
- OTHERS PRESENT: Ms. Katherine Garson, Deputy Corporation Counsel
Mr. Brennon Morioka, Deputy Director, State of Hawai'i, Department
of Transportation
Ms. Sara Peck
Mr. Fred Housel
Ms. Barbara Housel
Mr. D. Huddleson
Ms. D. Huddleson
Ms. Brenda Ford
- Department of Water Supply Staff
- Mr. Quirino Antonio, Jr., Deputy Manager
Mr. Kurt Inaba, Engineering Division Head
Mr. Keith Okamoto, Engineering Division
Mr. Lawrence Beck, Engineering Division
Mr. Daryl Ikeda, Chief of Operations
Ms. Elaine Chiu, Operations Division
Mr. Richard Tsunoda, Waterworks Controller
Mr. Richard Sumada, Assistant Waterworks Controller

CALL TO ORDER - Chairman Heck called the meeting to order at 10:09 a.m.

STATEMENTS FROM THE PUBLIC

1) Ms. Sara Peck

CHAIRMAN HECK: Sara Peck. Is Sara Peck here?

S. PECK: Yes I am.

CHAIRMAN HECK: Could you please come up to the front desk; and if you could, well I mentioned your name twice now, but if you could introduce yourself and mention what on the Agenda or what item you are speaking about for the Minutes, appreciate that. And I believe the Board does have an outline of the subject matter, and there are some large maps in addition.

S. PECK: In case you want them. Thank you for hearing my comments today and reviewing the situation. I, this morning, placed -, the secretary placed on your chair, a statement to you concerning or outlining the situation with what we have got. Basically, I co-own a parcel immediately adjacent and slightly south of your Waiaha water tank, 50% co-ownership with an individual and his wife. The individual's wife passed away, and the individual now is stricken with Alzheimer's. So in order for the conservator to sell that interest, we need to expand that property. It is 1.772 acres. It says five here, but it's two acres -, two acres to consolidate and subdivide, according to Mr. Chris Yuen, Planning Director. He suggested that I attempt to talk to you about getting that amount of property over which our easement for access actually goes to the property over an easement you provided. I've also brought a copy -, I don't know if that is in your papers, but a copy of the original Grant of Easement for access to the property, which has ten conditions to it. And in my paper to you, I'm saying -, I'm suggesting for conditions that we retain the ten conditions as well as allow the Department of Water Supply to have any future easements or that may become necessary to accommodate your facility. Also, you have on that same piece of property another easement to an adjacent parcel so it is basically a piece of property with a whole lot of easements, is what it is. But there will be -, we need about 13,400 square feet to make the two acres so that we can move forward to consolidate and resubdivide that parcel. The reason this will be useful is that then Mr. Baughman's estate, the conservator, will realize more income for the sale of his property. We're having trouble finding a buyer right now who will buy into a 50% partnership, and also it's impossible for a buyer to obtain financing at this point in time on a situation like this. So in order to provide funding for Mr. Baughman to remain in the regency under the care that he needs, this is what we need to do. Any questions?

CHAIRMAN HECK: This is on Item 6(B) on our Agenda; and unless there are any questions right now, we could have you stay until that time. There may be some questions at that time.

S. PECK: Okay. Thank you.

2) Mr. Fred Housel

F. HOUSEL: Good morning. I'm Fred Housel, and my wife and a number of neighbors are here also. We all live in the Tomi Tomi Drive area, and we have some concerns regarding the Palani Transmission Line project, which we would like to express. It does appear on the Agenda. We would certainly, obviously, in the interest of time, like to move it up on the Agenda, if possible, so that we don't keep everybody tied up.

CHAIRMAN HECK: Did you have anything to mention at this time?

F. HOUSEL: No, I think your suggestion was good that we talk about it during the discussion of the Agenda item.

CHAIRMAN HECK: Okay, and that would be Item E on the Agenda. We will see how that works.

F. HOUSEL: Okay. Thank you.

3) Ms. Brenda Ford

B. FORD: Good morning. My name is Brenda Ford, and I'm from Captain Cook; and I have two issues to discuss with you this morning that are not on your Agenda. My request is that they be agendized for the next meeting.

The first issue is something that I have testified about over the last nine years and nothing has been done. That is the salt content in the water in Kailua. I have known about this problem because 11 years ago when I first moved to this island with my husband, I started having severe salt retention problems that actually forced me into the doctor's office. I could not understand what the problem was because I was drinking copious amounts of water to flush my system of the salt. Unknown to me at the time, the Water Department was, and still is, supplying water to Kailua-Kona at 300 to 600 parts per million of salt. Medically safe water is 30 parts per million or less. I didn't know about this for a long time and wound up on diuretics, which has some pretty nasty side effects; but nonetheless, I did contact the Department of Water Supply nine years ago and found out what the problem was. Instead of flushing my system of the salt that normally comes in our food, whether you cook it at home, unless you're eating just a straight vegetarian type diet without salt, you eat in a restaurant just in large quantities of salt. So instead of flushing my body, what I was doing was exacerbating the problem by drinking the salty water. Now it is true that the EPA has never set a standard for sodium, but that's not a reason for the County of Hawai'i not to set a standard that is medically safe. We are a resort community. We are also a very large retirement community. We are an aging population. Since I moved out of Kailua-Kona, I have not had this problem except one time when the pump on the well that serves my residence went out and they proceeded to pump Kailua water up the hill; and then I started having the problems again, called the Department one more time, and sure enough, there was salt in the water. And we had plenty customer complaints –, community complaints at that time. My request is that since not a single new well has been provided in Kailua-Kona in the last 11 years, is that this body do something, I suggest reverse osmosis units, associated with the wells in Kailua-Kona for sure. Not necessarily every

well in the County has this problem. For sure, Kailua has it. We need to be providing good, clean water. We are, but we need to be providing low salt water. We have the highest incidence of diabetes in the State on this island. We have an elderly population that needs to have water that they don't have to purchase at six and eight dollars a gallon coming out of their tap. So I ask this body to investigate the situation and put it on the Agenda for next month and see what you can do to help us get better water in Kailua-Kona. We are paying the same rates as everybody else on the island for water that is medically not safe for a large portion of our population.

The second issue that I would like to discuss today is the Kona Community Hospital. I am a member of the South Kona Community Emergency Response Team. We are trained under FEMA guidelines by the Fire Department here in Hawai'i. We are trained to be alternate and/or backup first responders in case of a disaster. We don't run into the fires and out on the highway and do these strange things. But if there was a large disaster of any type and the professionals could not get into our area to help our citizens, the South Kona Community Emergency Response Team would respond and we do small fire suppression. Think garbage can -, 32-gallon garbage can size fires; nothing bigger than that. We do light search and rescue. We do not do the kind of extraction the fire fighters do. That takes very intensive professional skills that we do not have. But we do light search and rescue, remove people from buildings. We do triage, and we do first aid. We do things that other people in the community who are not medically trained cannot do. We will do that. In the course of a disaster drill for decontamination at the Kona Community Hospital, it became horribly apparent that we've got a serious problem. The way the well that serves the hospital is designed is that the well serves a tank, and the hospital gets its water on a gravity feed from that tank. There is no direct connection to the main line -, the main distribution line. So that tank has emptied out somewhere between three and five times in the last four years, leaving the hospital without water. In addition to that, when we set up the decontamin -, I did not set it up--it was set for us -; but when we used the decontamination unit, the water pressure was so low that only one of the showers in the decon (sic) unit could be used at a time. Now if we have a large decontamination problem of bioterrorism or some kind of a massive spill of hazardous material, we need to get several people through these showers quickly, get them stripped, get them through the showers, and get them on the other side before they can even enter the emergency room of the hospital. And one shower operating is not going to do it in a large disaster. The hospital has purchased pumps in order to boost the water pressure to some portions of the hospital because the 40 pounds per inch is not going to do it. But the whole hospital is basically operating on this gravity feed. We have a problem here. In a disaster, especially any kind of a mass-casualty disaster, the emergency services that the County provides or the State provides to the hospital--that is the Police, the Fire, the Civil Defense, and the hospitals, must remain operational. A hospital cannot operate without water. So we need to do something about this. One thing that I am suggesting is that any well that serves a hospital have a backup generator on it. This particular well has no backup generation. In fact, I don't know that any of the wells in the County have backup generation. But we're supposed to be able to take care of ourselves for three days -, up to three days before the State and/or the Feds show up to help us out. To the best of my knowledge, the County does not own a single reverse osmosis unit-- certainly nothing containerized that could be transported into a disaster area. The hospital has no backup pump, and it seems to me that the connection is inappropriate in this day and age; I mean, I've worked -, and when the time this was done -, but it's no longer going to be effective for us. So I'd like to have this issue also put on the Agenda, and you can request that the head of maintenance of the hospital or the hospital

administrator come to the meeting. I think it would be appropriate. I'm speaking as a community emergency response person. I do not speak for the hospital; but I recognize that this is a serious problem, and we need help. Thank you.

CHAIRMAN HECK: The first item that you mentioned, Mr. Pavao will be speaking to in his Manager's Report.

B. FORD: Alright.

CHAIRMAN HECK: That is the Water Quality.

B. FORD: Okay, I'll be here.

CHAIRMAN HECK: Do you have any written information regarding the hospital water system?

B. FORD: No. As I said, I'm not speaking for the hospital; only as an emergency response team member.

CHAIRMAN HECK: Alright.

B. FORD: And so you need to get -, have them come to talk to you with the information. Yes sir?

T. GOYA: Thank you for coming again.

B. FORD: Thank you.

T. GOYA: And we understand your concerns. It has been a standard item in the Manager's Report and on a monthly basis -, activities regarding this concern.

B. FORD: The sodium or the hospital?

T. GOYA: No. This is on your first item.

B. FORD: Sodium.

T. GOYA: Sodium and the water quality in Kona in general. There are a number of projects being worked on right now to improve the water quality in Kona.

B. FORD: Okay. I appreciate that. The last time I testified before this body, the distribution lines were being changed; but it would have -, they told us it would have no impact on reducing sodium in the water. Thank you.

Introduction of New Employee:

CHAIRMAN HECK: Before we get into Approval of the Minutes, I would like to ask Daryl if he could please introduce a new employee that we have just acquired.

D. IKEDA: Yeah, I'm very happy to announce that as of August 1, we hired a new Civil Engineer IV for the Baseyard. This is Elaine Chiu.

CHAIRMAN HECK: Welcome.

D. IKEDA: She will be a real asset for the Department as well as Operations.

CHAIRMAN HECK: Excellent. George?

G. WILKINS: I would like to register an objection that your employee is being assigned to the Hilo Baseyard and not to the Kona Baseyard.

D. IKEDA: We're trying to fill the staff at Kona Baseyard as well.

CHAIRMAN HECK: Well, that will be in the Minutes. So we now move on to Approval of the Minutes.

APPROVAL OF MINUTES:

ACTION: Mr. Goya moved to approve the Minutes of the July 25, 2006, Water Board Meeting; seconded by Mr. Wilkins and carried unanimously by voice vote.

ACTION TO MOVE AGENDA ITEMS UP:

Chairman Heck suggested that the Board move up Items **6(B)**, *Tax Map Key 7-5-015:008 - Waiaha Site*; **8(E)**, *Job No. 2003-823, Palani Road Transmission Waterline*, and Item **8(D)**, *Informational Briefing by Department of Transportation*, in that order, to the top of the Agenda.

ACTION: Mr. Goya so moved; seconded by Mr. Mochida and carried unanimously by voice vote.

NORTH KONA:

B. TAX MAP KEY 7-5-015:008 – WAIAHA SITE:

A request was received to convey a portion of this site, for access purposes, to an individual. The Manager stated that the Department has no objections to this, but only one concern; and that is the property is owned by the County of Hawai'i--not the Department of Water Supply.

Mr. Inaba pointed out a small corner of the property, under an existing easement the Department has, that the Department would request be removed. Ms. Peck presented a larger map of the property as well. A portion was condemned and consolidated with another piece. The only issue is Ms. Peck would need to go through the subdivision process to take that piece out again, and then get everything through the County.

The Manager commented that basically, this Department does not have an objection, as long as the County is okay with it.

Mr. Wilkins noticed a slight disparity between what the Department showed on its map provided to the Board and the amount that Ms. Peck would need to make a full two acres (about 800 to 900 square feet). He asked if there would be any problem in closing that gap to enable Ms. Peck's parcel to be two acres.

The Manager replied that the Department would try to accommodate that as much as possible, as long as it does not interfere with the Department's operations.

Ms. Peck added that it would all be subject to the outcome of the survey.

The Manager stated that the Department would work with her surveyor as well to make sure that, if possible, she could have the full two acres. He asked that she have her surveyor call Mr. Inaba. He also mentioned the small building on the property, which used to be the Department's Kona Baseyard. There is a group that wants to turn it into a historical building, so it cannot be destroyed.

Mr. Goya asked what the Department's financial interest is in the land; also, if the building and access to it would be affected.

The Manager replied the Department has no financial interest in the land; and the building should not be impacted because it is far enough on the other side of the property.

Mr. Ikeda added that the group interested in the building wants to move it to another location.

Mr. Smith asked, for clarification, if the acquisition of this and any costs to consolidate/resubdivide would be borne by Ms. Peck and also what the zoning was. (The Manager and Ms. Peck confirmed that the costs would be borne by Ms. Peck. Manager added that the zoning is A-1.)

Ms. Kim asked if this is area is where a proposed subdivision is coming in; and if so, how that may impact the facilities.

Ms. Peck was aware of a Coffee Grounds #1 and #2 PUD (Planned Urban Development) proposal before the Planning Director that surrounds the whole parcel.

In response to Chairman Heck's question if there was a recommendation from the Department, the Manager replied that there was none; but in order to avoid delays, the Board may want to recommend conveyance of the parcel, provided all conditions are met and expenses are borne by

the requestor. If that is approved, the Department can go through the procedures, assuming the County is agreeable.

Ms. Garson stated that since the property is owned by the County, it is the Council that will act. What may happen is that the Department would provide a statement to the Council on the appropriateness of this request. The Motion should not be an agreement to convey but more of a Motion to give the Manager the authority to support this position before Council or something to that effect.

The Manager stated it is basically that, if the Board agrees to this, the Department cooperates with Ms. Peck, and testifies to the Council, if necessary.

ACTION: Mr. Smith moved that the Board agree to cooperate with the applicant's request to consolidate/resubdivide the parcel and provide any information that is requested from the County Council and authorize the Manager to act on the Board's behalf; seconded by Mr. Goya and carried unanimously by voice vote.

MISCELLANEOUS:

E. **JOB NO. 2003-823, PALANI ROAD TRANSMISSION WATERLINE:**

Mr. Housel testified on this project, which is scheduled to start next year.

F. HOUSEL: This is in reference to the proposed Palani Road Transmission project, which is scheduled, I believe, to start next year. We attended the informational meeting on July 20 at Kealahou High School and also we received a copy of the Draft Environmental Assessment and we've reviewed this with most of our neighbors. A number of neighbors are here today--not all could be here--but we have some general concerns about what was addressed in the Draft EA and what was not addressed; and we feel that we wanted to express our concerns about and hopefully try to resolve some of the problems we see in this project that once the construction starts. We want to make it well understood that we are not anti-progress. We realize this is an important pipeline project, and we want to support it; but we have some issues that concern the quality of our lifestyle within our neighborhood and that we want to bring to the Board's attention so that hopefully we can resolve the problems. I'll go through the list. The -, as this project is expected to take as long as two years to complete and it's going right down the heart of our neighborhood, there is going to be substantial disruption to our lifestyles and so that is part of the basis of our concerns too. I'll go through our list of items that we are concerned about and just mention these.

The one concern I had -, that we all had, was the route that is specified comes down from Mamalahou Highway down Kuni Road, which is an old homestead road, and then joins Tomi Tomi and goes both north and south the length of Tomi Tomi. We questioned was there an alternative route that might work better that might have less disruption to our neighborhood function. It seemed like the possibility of bringing the line down the northern boundary of the undeveloped Liliuokalani Trust land might be more appropriate rather than dig up all of our streets and we have to deal with it for two years. And so we were looking for some kind of a response to -, if that route was evaluated and how that would compare with what is proposed.

The second issue we have is that the existing water service in the Kuni/Tomi Tomi area is really substandard compared to what is currently available with new water service. All of the residents mauka of Tomi Tomi Drive have to transport their water from their meter on Mamalahoa down to their property at their expense. Most of the lines are over half a mile long and are difficult to maintain and costly to replace. And we also see substantial water pressure variations; and so, basically, what we are asking for here is we believe to resolve these problems, provide satisfactory water service to local residences, it is only reasonable to request that the Department of Water Supply provide water service to all local residents from the new transmission line. That would be a big improvement.

The third item we have in the upper Tomi Tomi Drive area -, there are no fire hydrants. The only fire hydrants that are within a half a mile are on Palani Road; and if we have -, this is especially critical because there is only one way in and out of Tomi Tomi Drive. There are no connectors presently. So if we ever have a fire up there -, a major fire, there is a serious problem, you know, it could be a real disaster. And so as this transmission line is going right through the middle of the neighborhood, we're asking you to consider putting fire hydrants in so we have some fire protection.

The fourth item is Kuni Street, which is a homestead road, and much of Tomi Tomi are one-lane roads. The draft EA does not address the length of delays in and out of Tomi Tomi Drive area by local residents during construction of the line. Also, other than stating dust control and noise will be managed, there is no specific language in the draft EA as to how ingress and egress will be managed and how dust and noise will be managed. We are asking that this be specified and that we have a common understanding of how these are going to be managed, especially in light of a good portion of the roads are single lane. That is going to be extremely difficult; and if there is a medical emergency, we grow coffee on our land and so we have a need to bring equipment in, we have a need to bring helpers in, and so that is important; and potentially has a major effect on our business.

The last item is will Kuni and Tomi Tomi Drive be repaved after construction? I think you are probably aware that Kuni and Tomi Tomi are listed by the County as roads in limbo. They have never been maintained by the County or the State and so are in pretty sad shape. Once equipment is brought in to do the trenching that is necessary for the pipeline, there probably won't be much left of those roads. And so we would like to ask the question, what will be done to repave and repair all of the damage that is caused by the construction and all the heavy equipment traffic coming in? So these are our major concerns. Thank you.

CHAIRMAN HECK: I want to thank you for a very clear and concise report, and in writing, so that we can review this in the future as well as now. Does the Manager have any comments on this at this time?

M. PAVAO: Yeah, I do. Also here today is Larry Beck, who is in charge of the project. He is our project engineer for this project. Larry, if I leave anything out, please jump in, and Kurt, you too. The first thing--alternate routes and the thing about it's going to take two years. The total project will take two years, but disruption to the local residents in a specific area probably will only take

about a month because the contractor is not going to be there on that particular road all two years. The whole project is two years. By the way, just one clarification. This is one of the projects that you eluded to that the Department was working on in an effort to solve Ms. Ford's concerns about the quality of water in Kailua. The intent of this project is to bring the very high-quality water that is located up mauka Kona down to Kailua so that we can reduce the shaft pumping. As you know, we reported to you many times, most of the projects we are doing in Kona are in an effort to reduce the shaft pumping to get the chloride levels down. This is one project that would be the first project to accomplish that. Going on to the next -, oh as far as what alternate routes were evaluated, originally this project was to come down Palani Road; but we realized that was an impossibility. There is no way we could have done that--not with the traffic that is on Palani Road right now. So this alternate route was looked at very carefully to see how we could come down and accomplish the same mission and stay off Palani. This is the route that was selected. As far as number two, Kuni, the existing service in the area is substandard. I really don't know what substandard means, what do you mean by substandard?

F. HOUSEL: Well, the fact that we have to maintain our own lines over half mile long and replace those as they degrade over time.

M. PAVAO: That's not substandard. There are a lot of people that do that. It's not substandard.

F. HOUSEL: Well, substandard in the way that if we build a new house somewhere else in a developed area, it's highly likely that our water meter will be right near our property line and we wouldn't have to have a half-mile long waterline to get water supply. That's what we're talking about, substandard. Also substandard is in the water pressure variations as a result of those lines.

M. PAVAO: As a result of the customer line.

F. HOUSEL: That's right.

M. PAVAO: Those meters were granted up on Mamalahoa when there was no water system on Palani Road. You probably had your meter for over 20 years, I would assume.

F. HOUSEL: Yes, I think the meter has been there over 20 years, right.

M. PAVAO: The alternative is to get service off Palani Road. They can do that. The reason why we don't give services off this particular line is this is a transmission line. This is only to transmit water. It's not a distribution line. And the reason why we don't give services off transmission lines is because when the tanks call [for water] and the transmission line flows, we're going to have a lot of variation in pressure; and we don't want to subject our customers to that. That's the reason we don't normally give meters off the transmission lines. As far as -, and it's further back but I'll bring it up now while I'm talking about transmission -, as far as the fire hydrant, you said there are no fire hydrants. Fire hydrants we possibly can provide on the transmission because nobody consumes from the hydrant. It's only going to be used when there is a fire, and we probably can do that. Larry, that's not an impossibility, right? As far as providing hydrants?

L. BECK: Physically possible. There may be a lack of pressure when the hydrant was being used;

but if it is a pumper truck, they can probably drop water at the pressure they need.

M. PAVAO: Yeah. So that's doable. The hydrants are doable. We can go back to the consultant and have him take a look at possible areas to put a hydrant in. Putting a hydrant in may require obtaining easements because the right-of-way may not be that wide. As far as one-lane roads, I think we already discussed this, that the project is two years; but in any given segment of the area, the contractor is not going to be there for more than a month maybe. Maybe not even a month. Because the contractor would want to get in there and get out as fast as possible. As for reasonable request for traffic and delay, I recall at the last meeting we had, we had mentioned that this would be looked at and this would be addressed at the final design as far as opening the road. I think we also mentioned that we plan to have another meeting when the contractor is selected so that we can sit down with the contractor and with the residents to come up with something reasonable as far as allowing traffic back and forth. So I think we made that pretty clear at the last meeting. Will Tomi Tomi and Kuni be repaved back to construction? I assure you the road will be left in a better condition than it is when we started. I assure you that. That provision is always in our construction contracts. So that will be taken care of.

F. HOUSEL: But what does that mean exactly? Does that mean paved or what exactly does that mean?

M. PAVAO: We can provide some pavement, yes.

F. HOUSEL: Some pavement?

M. PAVAO: Yeah. (Mr. Inaba provided the Manager with some information – inaudible). So we are going to pave the -? So we are going to pave it.

F. HOUSEL: Okay. Will that be in the contract?

M. PAVAO: Yes.

K. INABA: Not necessarily the entire easement.

F. HOUSEL: What will be paved?

K. INABA: A one road lane.

M. PAVAO: A one-lane road will be paved.

K. INABA: And whatever is damaged; also they gotta go back, and like you said, replace it to existing or better condition.

F. HOUSEL: Okay, well now the lower part of Tomi Tomi is pretty well broken up now. And once more equipment comes in, it's going to be much worse. And it's really going to need completely repaving. Will you do that?

K. INABA: I'm not sure what the contract provides for that lower Tomi Tomi.

L. BECK: We haven't completed the contract to that extent yet.

M. PAVAO: Is there going to be waterline in the lower portion of Tomi Tomi?

L. BECK: No. It will be a short section because we're going to hopefully cut across the McClean property and/or Palani No. 3. So below that and between actual Palani Road, we will not have a waterline.

M. PAVAO: Okay. We're not going to have a waterline there; *but* if the contractor uses this road as access and does damage the road, I assure you the road will be repaired to better than what it is now. And if they don't, you come see us.

F. HOUSEL: Okay. And are there certain standards that it will be -, that it will meet--the road quality?

M. PAVAO: Standards?

F. HOUSEL: Yes. I mean, will it be a certain thickness of asphalt on it?

M. PAVAO: Oh, yeah, we will specify the thickness in the contract.

F. HOUSEL: Okay.

CHAIRMAN HECK: Mr. Wilkins?

G. WILKINS: I'd like to just pin down one item. Will this be done to County secondary road standards such as a 3-inch thickness of asphalt on base course?

M. PAVAO: Mr. Wilkins, we're not in the road business. We'll patch the road to better condition than what it was, but I don't think it's reasonable to expect us to put in a county road.

G. WILKINS: Okay. I nearly bottomed out my wife's sedan, driving in Tomi Tomi. So it can't get much worse.

M. PAVAO: I assure you, when we leave that area, it will be better than what it is now. It won't be worse; it will be better.

F. HOUSEL: Will the contract specify the length of delays and how the contractor is going to allow people to get in and out?

M. PAVAO: Normally that is not in the contract, but we can discuss that with the consultant and see. And as I mentioned, when we come back to the next meeting, I hope you guys would come so that we can discuss that again with the consultant. And also, when the Board approves the contract for the contractor.

F. HOUSEL: Yeah, we'd definitely like to be in that discussion.

M. PAVAO: We'll definitely try to hold a meeting prior to actual construction.

F. HOUSEL: Okay. When will the contract be let?

M. PAVAO: I'm hoping we can advertise for bids in December; and knowing the bid process and because we are a government entity and we got so much rules to play by because people don't trust us--I had to say that--by the time you're looking at the actual physical onsite construction, assuming we go out in December, you're probably looking at May.

F. HOUSEL: Possibly a May start.

M. PAVAO: Yeah. That's assuming everything goes okay.

F. HOUSEL: Right. And things do happen. I understand.

M. PAVAO: Oh yeah.

R. SMITH: Is this project in an EA state or is it in design?

M. PAVAO: Both. It's EA. The basic backbone has been made. The specifics haven't been designed yet, pending the comments of the EA.

R. SMITH: I think a lot of these comments really should be passed on to the author of the EA.

M. PAVAO: Yeah. There have been lots of letters that come in. We referred them to the person doing the EA, and they will be addressed.

R. SMITH: Who is that?

K. INABA: Ron Terry.

L. BECK: He couldn't be here today. He knew about this meeting, but (inaudible).

M. PAVAO: Mr. Terry was at the last community meeting we had in Kona. So he is aware of the discussions and the concerns.

M. KIM: Mr. Housel, we really appreciate learning what we did this morning and seeing this very nice exchange going on; but I'm wondering did you not bring it up with the Department before, and why you are here? Why did you feel you need to bring it here? I'm sure you've been talking with the Department staff prior to today?

M. HOUSEL: Well actually, we were first notified of this project from Ron Terry last November; and he said there would be a public meeting coming up. And so I didn't hear anything from him as

of March of this year, and so I emailed him and asked him if he knew when the meeting was coming and he didn't at that time. And so then we received a notice approximately July 10 of a public meeting coming up on the 20th of July. We called a number of our neighbors, and none of them had been notified. None of them knew about the meeting. So, consequently, at the public information meeting, there were only two or three neighbors there so very few people got to express their concerns about this. And so we're really trying to play catch-up here. Now we did send a letter in--our neighborhood group--to comment on the informational meeting and on the EA and so we sent a similar letter in but we really because we haven't had any response so far from our letter, we wanted to make sure that it was known by everyone on the Board what our concerns were.

M. PAVAO: In all fairness to the Department, Larry could you explain what we did to publicize the meeting?

L. BECK: We did our normal advertising in both papers. We were also aware that Ron Terry was going to be notifying some of the folks along the route so actually we thought we were doing more than the normal notification.

M. PAVAO: It was published in the paper, and was it multiple days?

L. BECK: Yes, two weekends.

M. PAVAO: So we did publish in both papers.

M. KIM: It's just that I know our Department folks are always available and accessible and so I'm surprised that you didn't contact them and try to get some answers there as well.

L. BECK: Well, he has written us a letter; and we received it maybe a week and a half ago, but I knew this meeting was coming up; I knew you had been talking to George; so I figured we'd wait until this meeting happened and then get you some written answers.

F. HOUSEL: Right. That was not that the Department hadn't responded, but we just wanted to make sure that we got our message across.

I. MOCHIDA: You know, we're trying to work with the County and the State with the roads and things, so one suggestion, if funds are available, go and see your councilman and ask the County if they can repave the whole road after we dig it up. Because if your road is that bad, it's due for a pavement. So if you can work it out at the same time, you'll save the Department of Water some money if we don't have to pave.

F. HOUSEL: Well, we've had numerous discussions with Bruce McClure; and, in fact, we saw him two weeks ago at the road meeting in Kona. And I asked him who is going to be responsible for the repaving the road, and he said he felt the Department of Water Supply should.

I. MOCHIDA: Well we'll patch it, yeah; but if your whole road is unrepairable and it's time for repaving. If they have the funds and they're gonna repave, then its -, what we don't want is people

to pave the road then we go in there and dig it up and patch it and it looks like hell. So we're trying to improve the system as we go.

F. HOUSEL: Sure. Well, see as I mentioned before, Tomi Tomi is one of the roads in limbo, which has never been County maintained.

I. MOCHIDA: Oh.

F. HOUSEL: There is a project now going on with the Department of Public Works to identify those roads and decide which ones need to be done first, but that's still in the future somewhere. So that's why we want to get clarification that once this projects starts, okay, who is responsible here.

R. SMITH: One additional comment. I know Ron Terry, and he is a very responsible consultant I think, statutorily, he is supposed to notify every landowner within 500 feet when they do an EA so if any of your neighbors did not get an official notice, it's the landowner that is supposed to be notified so I'm sure Larry is administering the contract and will make sure that proper notices do go out to all the landowners.

F. HOUSEL: We would ask for that please.

R. SMITH: He's required to do it and they provide certification that it was mailed out to everybody.

F. HOUSEL: Will that go out by mail do you think?

R. SMITH: Work with Larry. He'll confirm that it was done properly.

F. HOUSEL: Okay.

M. PAVAO: And, just for information, we will have another community meeting soon; and we will have another one just prior to construction.

F. HOUSEL: Good. Please keep us informed.

M. PAVAO: Yeah. We'll publicize it in the papers.

F. HOUSEL: Sometimes we don't always see it in the paper. Could you also, on the notice that we received by email from Ron Terry, it said that the notice was posted on the Department of Water Supply web page; and I looked for it there, and I could not find it. And so if you please could take a look at that and ensure that the notice does get posted on your web page.

M. PAVAO: We will.

T. GOYA: My comment was just to echo what Mr. Smith said about Ron Terry as a consultant. And also a suggestion that maybe we could include an update on our monthly report, Item F(3) –

Manager's Report, on a monthly basis so we can keep track of what is going on.

CHAIRMAN HECK: Anything else from the Board? (none) Thank you very much.

F. HOUSEL: Thank you.

(Ms. Peck, Mr. & Mrs. Housel, Mr. Huddleson, and Ms. Huddleson left the meeting at 11:04 a.m.)

D. INFORMATIONAL BRIEFING – DEPARTMENT OF TRANSPORTATION:

Mr. Brennon Morioka, Deputy Director of the Department of Transportation (DOT), was present to discuss matters of concern with the Water Board, as outlined in a letter to Mr. Morioka from this Department.

Mr. Morioka thanked the Department and the Board for inviting him to have an open discussion on this topic. He addressed each point as follows:

1. *What is the State DOT's policy on State highway right-of-way as it relates to the utility corridors? Often times, the DOT staff is so restrictive on using public lands for this purpose that private easements are pursued since it takes less time.*

Response: The utility corridors, as a concept, is a fairly new concept to the department. We have not necessarily used it as much in the past; however, we are very open to it and are actually implementing it on a number of our current projects that we are either going through EIS or through design; namely, Waimea Bypass and Kawaihae Bypass projects. Those will definitely have utility corridors as a part of our project and as a part of the right-of-way. We do want to encourage the use of utility corridors so that we can accommodate utilities, both public and private, within our rights-of-way and minimize the future impacts of utility changes or our road widening or road improvement projects as well so that there is better coordination between all of the stakeholder agencies. But going to a utility corridor where you have multiple users, multiple agencies, it does also lead to other problems as well as far as coordination and collaboration between the agencies. Not all agencies are as willing to share their plans with the department on a timely basis. Not necessarily the public, but more so the private utilities such as electric and telecommunications utilities, and more so on Oahu because they do not like showing up front where they are taking their lines. But on the larger issue of just public utilities utilizing DOT right-of-way, as a policy, we are very supportive and it is encouraged in the administrative rules as well as in the Code of Federal Regulations (CFR). That is something we are willing to accommodate for public utilities.

2. *Plan review time by DOT staff usually takes 8 to 10 months for a single service lateral crossing the State highway. A few years ago, this highway-crossing permit could be gotten in one day and without the need for a plan that is costing us in an excess of \$3,000.00. Construction plan review time takes even longer, many times over a year. Is there a way the review time can be shortened?*

Response: We can always do better. Part of it is staffing levels versus work demand. Our staffing levels have remained the same, if not decreased because of shortages of engineers. The Department [of Water] has probably experienced the same thing that we have in that there are not as many engineers as we need. This is also happening at the same time when

development is just booming. And so the demand for project and plan reviews has increased. With that, you are going to have more delays or it is going to take longer for an agency to provide that review or approval. We are looking at other ways to alleviate some of the workload off our engineering staff and looking at second- or third-party reviews where we have independent consultants do the basic reviews for us so that our staff can focus on more of the policy issues or the policy review of plan review. We are also looking at A&E's (architects and engineers) -, managing A&E's so that our people can focus more on the managerial level of DOT internal functions rather than the day-to-day oversight of our consultants. These are some of the things we are trying to change in order to alleviate the workload of our DOT staff. One thing that may be also contributing to the longer review or approval process, not necessarily of the review itself, but just of the approval process, is our requirement to use occupancy permits. This is not something new but something that is being enforced and implemented and is more of a direction by the Office of the Attorney General. They are requiring us to use occupancy permits for all utilities, both public and private. Any time you have legal counsel getting involved, it adds one more step in the process, especially when they need to go back and forth as well. In the past, to my understanding, they could just bring in a permit and get a same-day approval. Now there is much more oversight. There are more hands and more eyes getting their fingers onto these documents, and that obviously is going to add more time. However, we are trying to improve our side; but there is also the other side, and it is not necessarily just Department of Water but all other agencies coming to the department, including developers as well. Similar with us, our workload has increased with decreased staff. Consultants also have been experiencing much more workload with the same amount of staff as well. With that, we have also seen a diminishing return in the quality of their submittals as well. The less quality we get as a part of our submittals, the longer it takes us to review them as well. I did not just send these questions to our Big Island district. I sent it to all four districts to see whether there is some kind of consistency among all four; and all four came back with the same response, which is that it might take 8 to 10 months in total approval process time, but that is not the amount of time we spent on reviewing. On average, we take six to eight weeks reviewing a single submittal. That may be long in some people's eyes, but that is kind of where we are right now. That does not mean that submittal is going to be approved the first time through. What has been consistently returned back to me from districts that are doing the reviews is it takes three or four iterations from the consultants, and that is partly a matter of quality of the submittals. For me, it is difficult to say that because I am coming from the consultant industry. To lay some of the blame on the consulting industry is hard for me because it is a part of professional pride. It is something we do need to address. We have had discussions with developers in telling them you have to have more vigilance over your consultants and the quality of work they are providing to the departments. We would ask the same of that for any other government agency as well.

3. *The required content of plans submitted to the highway division has increased drastically. Is it possible to cover some of these concerns by applicable notes: Example, a service lateral plan requires a topographic survey. We would like to try and keep the cost down since our customers ultimately pay for it.*

Response: Consistently, from all of the districts, is, yes, absolutely, many of these concerns can be addressed through either typical plans, typical sections, or applicable notes on a case-by-case basis. That is where, addressing the tenth question on the letter, I will get to it

at the end; but it all comes back to communication, and we are more than happy to meet very early on to discuss on any specific project, what items we can minimize by putting in notes or typical details to reduce the amount of work this needed. As for topos for service lateral, it is not DOT policy to require one. Districts are saying that it has typically been the decision of the consultants to go forward with doing a topo survey. I do not know if it is a communication concern there between us and the departments and the departments and the consultants, but we are more than happy to sit down and discuss either staff level to staff level or myself coming and talking with my staff and Mr. Pavao and his staff. I think it is something we can definitely work on and try to minimize. Obviously, I think for service lateral connections where you have complex surface topography and difficult connections, topos may be prudent to do; but for very simple service lateral connections, we do not require topos.

4. *State highway policy of assessing a fee for easements on their rights of way. Does this apply to other government agencies?*

Response: Our rights-of-way policy is that we do accommodate public utilities in our highway right-of-way, traditionally at no cost to the public utility or only involves direct cost reimbursement for replacement of rights-of-way. I do understand that there have been instances where our policy has been to charge County agencies for an easement if it is determined by the DOT that the County facility is more for a private use or for private purposes. I think that is on a case-by-case basis. Obviously, from the question, there must have been instances in which DOT has charged Department of Water. I do not know what those instances are, but, again, I think that is another one where if we communicate a little better, that is something we can resolve fairly easily.

5. *The rights of a public utility to be on State rights-of-way. How does the Hawai'i Revised Statutes address this issue?*

Response: This is actually more addressed in our Administrative Rules, Section 19-105-2. Basically the policy states that State rights-of-way are there to help accommodate public utilities as it is a greater service to the public because we are both providing a service, maybe not the same service, but we are both there to share serving the public in the cheapest and most effective way possible. This is also addressed in 23CFR, which is the Federal regulations which govern the way Highways is operated under Federal highways administration.

6. *The restrictive construction requirements imposed by State Highways Division that has made construction costs soar. Example, sandbags and silt fences that service no purpose.*

Response: This is a common complaint and is not one that is just borne by County agencies but also by the DOT itself. This is more of an effect because of EPA mandates through the NPDES permits. The DOT Highways Division, as well as our Airports Division, is currently under a consent decree by the EPA. So any violation of storm water or surface water runoff are subject to very stiff fines. So we have been very strict in our NPDES or our BMP (Best Management Practice) requirements, and obviously this will increase the cost of construction; however, in conversations, I have learned that maybe the DOT has not been consistent in our application or enforcement of these BMP's and I think that is something I would like to get more feedback from you as well as other agencies in the way that we deal with private contractors versus our DOT contractors and project-to-project that may deal with the same type of grading activities or same type of drainage facilities that we are trying to protect but maybe we are not having the contractors implement their BMP's in the same

fashion from job to job; and I think that is something that we do need to be looking at correcting if that, in fact, is the case out in the field. That is where I would look to you for feedback on how we are performing because we need to be held accountable for our policy decisions as well in the fairness of its application. On Oahu, our NPDES permits are actually much more strictly enforced. We are not currently as restrictive on the neighbor islands, but we are moving there. Currently, City and County of Honolulu will be soon under the same consent decree that we are; and all neighbor island counties will likely be facing the same thing from the EPA as they move outwards from Honolulu.

7. *Policy for abandoning old pipelines in place.*

Response: The DOT has adopted a no abandonment policy, and that was primarily triggered because of some of the liability issues we are facing in Honolulu with many of the abandoned fuel lines within our rights-of-way. However, we have been making exceptions to our no abandonment policy for water departments as long as there are no hazardous materials in your pipelines and the water department must sign an MOU which holds them responsible for whatever is abandoned and then no further use of those abandoned facilities would be used without the DOT's consent. The MOU is the impetus of the Attorney General's Office as well. This was spurred by the IDPP or Iwelei District Partners in the Nimitz area near Honolulu Harbor where we have a number of abandoned fuel lines, which we have no idea who owns them, when they were transferred, when the use stopped, what is even in the lines, and EPA is coming in and saying there is a bunch of fuel that is just sitting in our ground, floating. We are disputing that, but this is raising liability issues as far as abandoning pipes. We are more concerned with pipes containing hazardous or flammable materials rather than things that just contain potable water.

8. *Policies for water meter box locations in cut or fill road sections.*

Response: I do understand that your Department prefers to install meter boxes on the roadway shoulders, rather than in cut or fill sections because of the ease for reading meters. This is fine with the DOT; however, what it does is creates another issue with our use and occupancy agreements. I understand that the position that the Department of Water has taken is that anything beyond the water meter becomes private property or it is the consumer's responsibility; but what that puts on the DOT is that now for every single private utility, because it now becomes a private utility, we have to have individual use and occupancy agreements with every single homeowner. If that is one direction we need to take, then that is one direction we need to take. It does add more cost to the consumers because now we have to go through legal review, etc. But if there is some way we can work something out on some kind of blanket policy for the waterline, regardless of whether it is before or after the water meter box, as long as it is within our rights-of-way, we would love to have discussions on how we might be able to handle that.

9. *Utility relocation policy for State initiated road improvements.*

Response: This was one I was a little confused about, in reading the HRS, because cost sharing and cost allocation is defined in the HRS; but that is more so for private utilities such as HECO, MECO, and HELCO. For public utilities such as waterlines for water departments, the DOT bears 100% of the relocation cost for DOT initiated road projects. I am hopeful that clarifies some of that policy.

10. *Other issues that may arise from our Department or Board.*

Response: I wanted to make one point, and that is communication is critical for us. As public servants, we are obligated to work together as public agencies on providing the best

level of service that we can for our stakeholders, which is the public. We encourage communication at the earliest level, as early as possible, on any issue, so that we can identify obstacles or hurdles that we might be able to overcome, at the very beginning, before you or we or a developer spends too much money moving forward and then hitting a wall and now having to start all over again. That does not benefit any of us, or the public. I am more than happy to come talk to this Board or Mr. Pavao and his staff at any time, and I do require that of our staff as well because our Governor has made a point that all of her deputies and directors must be out in the community and talking to the various county agencies and various community organizations because that is the only way we will all get onto the same page. Part of the problem is lack of information by the public, lack of information by other public agencies; and I think that is where a lot of your concerns have arisen from, because you did not know some of the policy statements the department has. I am more than happy to answer questions and am more than happy to come back and talk to you again.

Discussion

The Manager stated that this was very helpful information. He asked about the plan review time. In the eight to ten months, it rarely ever goes back and forth. It stays with the district office for that long on a single review. These plans are so straightforward, there is nothing controversy about it.

Mr. Morioka replied he would check to see what the hold up is. It may be the use and occupancy requirement that is taking up the bulk of the time.

The Manager also mentioned the assessing of fees for easements to right-of-ways and the comment of it being for public and not private purposes. He wondered how that distinction between public and private purposes is made by the DOT because all of the Department of Water Supply waterlines are for private purposes.

Mr. Morioka replied that it is discretionary by their rights-of-way branch and by their administration so when it comes down to just a policy call, that is something where communication would help mitigate the problem.

The Manager gave an example where a developer, maybe a mile away, wants to string the waterline; but by doing so, the Department would pick up many customers.

Mr. Morioka replied that when developers ask their department if it would be okay to put a waterline for their development into DOT rights-of-way, the first question asked of them is if it will be dedicable to the County. That makes a difference in the level of the discussion and how early they need to include their rights-of-way staff in the process.

Mr. Ikeda asked about the service laterals because currently, the Department of Water Supply has a consultant doing it. One of their frustrations is they submit their plans to the DOT, get the comments back, address it; and when they resubmit it, there are different comments from DOT. It is like they have a different set of checklists every time they resubmit and not everything is covered on their first review.

The Manager added that in all fairness, this Department gets accused of that as well.

Mr. Morioka stated that while he was a consultant, that was also one of his complaints. He agreed that it is an area that needs to be worked on. He agreed that if it was looked at once, they should not come up with more reasons to send it back if it is missed the first time. If they are going to do just scan reviews, then they should not do a review at all. They should do thorough reviews and catch everything possible to minimize the amount of areas missed the first time. This should also help with the number of iterations.

Mr. Beck asked if the DOT has a set of guidelines and a checklist that is actually handed out to consultants to help them become better informed of what the DOT is looking for.

Mr. Morioka replied he believed they do, but maybe not necessarily for water connections. He knew of a general checklist for traffic control plans. He added that he would check on it; and if there is one specific to this Department, he would have it sent over.

Mr. Wilkins asked about the volcano highway down in Ocean View to at least Waiohinu. The State right-of-way is potentially a very valuable one for the Department of Water Supply to occupy in order to bring water up from South Point Road or Waiohinu to Ocean View Estates if they cannot develop a good well. The problem, as he understood it, is there seems to be no response from DOT when questions are asked about putting a pipeline onto that right-of-way to bring water up to the high country.

Mr. Morioka replied that he could not comment on that but could talk to his staff. He realized they need to do a better job of being responsive.

Mr. Wilkins commented that this would be a good example where having a “bible” of DOT’s specific policies and examples would be extremely helpful.

Mr. Morioka stated that he had Title 19 HAR with him if the Department wanted a copy of it. It provides general policies and guidelines but does not go into specifics, which come in the manner of implementation, which gets down to staff level and its day-to-day business. He informed Mr. Wilkins that he would follow up on his question.

Mr. Harai was also concerned with the amount of time for review (8 to 10 months). If the consultants could have guidelines, it would help cut down on plans going back and forth.

In response to Ms. Kim’s question of whether any other county water departments have asked these questions of the DOT, Mr. Morioka replied that this Department was the first to invite him to have this open discussion. He appreciated being invited and hoped to be invited back.

Mr. Goya stated that the Board would like to invite Mr. Morioka to its water conferences so he could join in on discussions and formally talk about some of these things addressed for the Board.

Ms. Kim thanked Mr. Morioka for attending the meeting. It was very informative for the Board.

Mr. Morioka indicated he would also provide a written response to Mr. Pavao's letter and would reiterate some of the things discussed as well as other questions asked by the Board and the Department.

The Manager appreciated that Mr. Morioka sent his letter to all four districts so they are all aware of the problems that exist out there. That, in itself, may help speed things up.

Chairman Heck was pleased that this worked out well and encouraged keeping the communications open.

The Manager thanked Mr. Smith for being instrumental in contacting Mr. Morioka to invite him here today. This has been very helpful and informative.

RECESS: 11:37 a.m. to 11:45 a.m.

NORTH KOHALA:

A. JOB NO. 2002-805, MAKAPALA PRODUCTION WELL AND SUPPORTING FACILITIES:

The Board considered a request from the contractor, Isemoto Contracting Co., Ltd., for a time extension of 56 working days. This request is due to delays resulting from the asphalt shortage as well as HELCO's estimated time to obtain their required easements.

This is their third time extension request. The first time extension was 170 calendar days (delays in the building permit processing, modifications to the access road and changes in the motor controls). The second time extension was 9 working days (rain-out days).

Staff has reviewed this third time extension request and finds that the 56 working days are justified.

The Manager recommended that the Board approve a contract time extension to Isemoto Contracting Co., Ltd., of fifty-six (56) working days from August 10, 2006, to October 31, 2006, for JOB NO. 2002-805, MAKAPALA PRODUCTION WELL AND SUPPORTING FACILITIES.

ACTION: Mr. Mochida moved for approval of the Manager's recommendation; seconded by Mr. Smith and carried unanimously by voice vote.

NORTH KONA:

A. HYDROELECTRIC PROJECTS:

The Department is investigating ways to reduce its energy costs. The two 40 kw hydroelectric projects listed below will help the Department by allowing us to use the energy that would

otherwise be wasted through a pressure reducing valve. These projects are not listed on the Department's current 5-year Capital Improvements Projects list. Funding is to come from the \$25 million General Obligation Bonds.

- 1) Kaloko Tank #2 Hydroelectric Generation Project
Job No. 2005-879

This project will be subsidized by the U.S. Department of Agriculture in the amount of \$175,000.00. The Department of Water Supply's portion is estimated at \$300,000.00.

Note: The estimated payback time based on electrical savings is 6 years.

- 2) Kahaluu Shaft By-pass Hydroelectric Project
Job No. 2005-880

Project cost is estimated to be \$550,000.00

Note: The estimated payback time based on electrical savings is 6 years.

The Manager recommended that the Board approve the two new projects as they are not on the current 5-year Capital Improvements Projects list and that they be included in the current 5-year C.I.P. list.

MOTION: Mr. Harai moved for approval of the Manager's recommendation; seconded by Mr. Mochida.

Mr. Smith commented that he followed up with staff; and they explained that on Item No. 1, the USDA funding is a grant so there is no repayment. Also, the maintenance costs associated with both of these inline hydros is minimal and the estimated payback is six years for both projects so he is in favor of them.

ACTION: A vote was taken on the Motion. Motion was carried unanimously by voice vote.

B. TAX MAP KEY 7-5-015:008 – WAIHAHA SITE:

Taken up earlier.

KAU:

A) JOB NO. 2000-765, PAHALA 0.5 MG RESERVOIR:

The contractor, Isemoto Contracting Co., Ltd. (Isemoto), has submitted change proposals of \$168,650.00 for the following additional work items:

Lava tube excavation/backfill per soils engineers requirements:	\$127,348.00
Seismic Cables:	\$ 29,299.00
Float control valves (for surface source):	\$ 2,982.00
Veneer Wall at entrance:	\$ 9,021.00

The existing contingency is \$125,000.00. Staff has requested for breakdowns and will be evaluating the proposals for acceptability.

Based on Isemoto’s proposal of \$168,650.00 and the remaining work to be done, staff has determined that an additional \$50,000.00 in contingencies should be adequate to complete the project.

Isemoto has also requested a time extension of 28 calendar days. This third time extension request is due to rescheduling of the waterline connection work per DWS request. The first time extension was for 280 calendar days (recording petroglyphs). The second time extension was for 298 calendar days (excavation/backfill of lava tube and seismic reinforcing).

Staff has reviewed the request and finds that the 28 calendar days are justified.

The Manager recommended that the Board approve an increase in the contract contingency of \$50,000.00 and a contract time extension of twenty-eight (28) calendar days from September 1, 2006, to September 29, 2006, to Isemoto Contracting Co., Ltd., for JOB NO. 2000-765, PAHALA 0.5 MG RESERVOIR.

ACTION: Mr. Goya moved for approval of the Manager’s recommendation; seconded by Mr. Mochida and carried unanimously by voice vote.

MISCELLANEOUS:

A. EQUIPMENT BID NO. 2006-08, FURNISH AND DELIVER A BACKHOE AND TRAILER TO THE DEPARTMENT OF WATER SUPPLY:

One (1) bid was received and opened on August 14, 2006; and following is the bid result:

	Bidder - Allied Machinery Corporation
One (1) Only 2006 or Later Backhoe and Trailer (Waimea Baseyard)	Bid Amount: \$96,400.00
	Taxes & Fees: <u>4,016.02</u>
	Total Delivery Price: \$100,416.02
	Delivery Time 180 calendar days

The Manager recommended that the Board award the contract for EQUIPMENT BID NO. 2006-08, FURNISH AND DELIVER A BACKHOE AND TRAILER TO THE DEPARTMENT OF WATER SUPPLY, to Allied Machinery Corporation, for their bid amount of \$100,416.02, and that either the Chairman or the Vice-Chairman be authorized to sign the contract(s), subject to review as to form and legality of the contract(s) by Corporation Counsel.

ACTION: Mr. Mochida moved for approval of the Manager’s recommendation; seconded by Mr. Smith and carried unanimously by voice vote.

B. MONTHLY PROGRESS REPORT:

No questions.

C. REVIEW OF MONTHLY FINANCIAL STATEMENTS:

Mr. Goya noted the approximately 33 more vacancies to fill.

D. INFORMATIONAL BRIEFING – DEPARTMENT OF TRANSPORTATION:

Taken up earlier.

E. JOB NO. 2003-823, PALANI ROAD TRANSMISSION WATERLINE:

Taken up earlier.

F. MANAGER’S REPORT:

- 1) Kona Coastview/Wonderview Improvement District project – the Department is having a bit of a problem connecting the meters to the customer lines, but it is more an internal problem with the County and the contractor. Ms. Garson is helping and hopes are to resolve soon to get the project completed.
- 2) USGS Drilling Program – Mr. Ikeda is assigned to putting out a bid for sale of the rig and other equipment. Mr. Ikeda hopes to have the bid out soon. Mr. Wilkins commented that he has been checking the used rig sales catalog on the internet (around Houston). He did not see anything of a capacity of going for more than \$250,000.00. He would be very surprised if much money is received for this rig with only a 1,000-foot drilling capacity. The Manager commented that the Department received assistance in getting a value on the equipment, and it is about \$125,000.00. The good news is there has been some interest in the equipment.
- 3) Kona Water Quality – close to one agreement with a private developer to bring the high level water down to the lower areas, through corridors. Also, the Palani project discussed earlier will assist in getting the water transmitted to the lower Kona areas and reduce the shaft pumping. The project in the shaft to improve the water quality by pumping a different way is still being worked on. The Department is continually working with Kamehameha Investment Corporation and another developer. In relation to Ms. Ford’s earlier testimony, the Department is trying to reduce pumping from the shaft. The water being served to Kailua is also being blended with the Kahaluu well fields so the total chlorides are reduced. The Department is aware of the high salt content; however, it is not 600 parts per million. It is much less.

In response to Mr. Smith’s question about the schedule to modify the Kahaluu Well Shaft, Mr. Ikeda reported that it is being worked on by his staff, but was interrupted by the Lalamilo Well going down. The Manager described what the project will entail.

In response to Chairman Heck's question if it is a 2-year project, the Manager replied in the affirmative, so both that one and the Palani project should be completed around the same time.

Chairman Heck also mentioned the meeting he had missed where desalination was discussed and asked if the Department deemed it feasible or not.

The Manager replied that it is not feasible. The technology is wonderful, but the problem is the extreme expense to get rid of the brine that comes from the water after it is treated. The Department felt that the modifications it will do to the shaft pumping will be faster, safer, and less costly.

Mr. Okamoto added that it is not only the brine but also the maintenance required to clean the membranes. To dispose of it properly is also an issue.

In response to Chairman Heck's question of whether the brine could be trucked away, the Manager replied that it cannot be done that way. It would have to be transported through a pipeline, and the cost would be too great.

Mr. Wilkins asked about the status of the Kalaoa Well that went down about 1½ years ago.

The Manager replied that the Board accepted an agreement with a private developer, and the pump is being replaced with a higher capacity pump. It is close to being back online.

Mr. Smith stated that a concern was raised about whether the Kona water quality meets the EPA standards, and he asked for confirmation on that. (The Manager replied it does.)

Mr. Smith also asked about the issues raised about the Kona Hospital water system--if it was a private system or a Department of Water Supply system.

The Manager replied that the Kona Hospital system, as he recalled, was always in a low-pressure area. The old hospital already had a problem with water pressure; but when they constructed the new hospital, they went to an even higher elevation. The higher the elevation, the less pressure you get. The hospital is being fed by the tank above the school (Konawaena) and Halekii Well. Mrs. Ford is correct in that the Department does not have a backup for Halekii Well. For anyone that has ever been up to Halekii, there is no way you could even get a trailer up there. Any kind of generation would have to be flown in by a helicopter. One of the provisions being done by the Mayor's Office is to assist the Department in getting some generators. One of the key areas was Halekii and the hospital area.

Chairman Heck asked if this could be placed on the Agenda for the September meeting and if staff could contact someone from the Kona Hospital. (The Manager replied in the affirmative.)

Mr. Wilkins stated that in the past few years, groups have been successful in getting National Guardsmen and Marines to supply heavy-lift equipment as an exercise for themselves. He asked if something like this, perhaps out of Pohakoloa, would be available.

The Manager replied there has been no investigation on that; however, he was certain that should a major disaster occur and the Mayor requests the Governor to declare a disaster, he was sure the National Guard and all their support facilities would be available to do something like that.

G. **CHAIRMAN'S REPORT:**

None.

ANNOUNCEMENTS:

1. **Next Meeting:**

The next meeting of the Water Board will be held on September 26, 2006, 10:00 a.m., in the Hilo Operations Center Conference Room; 889 Leilani Street, Hilo, Hawai'i.

STATEMENTS FROM THE PUBLIC

1. **Ms. Brenda Ford**

Chairman Heck asked if Ms. Ford had something further to add at this time. (Ms. Ford came forward.)

B. FORD: Thank you. The 300 to 600 parts per million sodium that I have been discussing have been in the annual reports mailed to my home for many years. It is not a number I just dreamt up one night. The other concern that I have is why is the Water Department relying on developers to produce wells for our public? We the public, the Water Department, should be providing our own wells. We should be planning for those things right now. We should be building those things right now. We have relied, for decades, on developers to provide our roads, our water systems, and everything else. And as most of you know, in Kona, we are in big trouble. We don't have the infrastructure to serve anything. We have very few parks, bad roads, salty water; and it goes on and on. I think it's time that we, as a County, step up to our responsibilities. After all, we, in Kona, are paying exactly the same rates as everyone else for a poor grade of water and the fact that we've got this high sodium content. Kahaluu Well has been overpumped for at least nine years. I have been before this Commission, this Board, multiple times on this; and I understand you have a water improvement plan for five to twenty years, but nine of these years that I have been testifying, where was the plan? So the plan is great, but if you are implementing it based on developers providing the services that we need, I think we are being very shortsighted. We should not be relying on developers anymore. It is not working. In fact, we should be asking ourselves the question—since we have relied on developers and KIC and negotiations and all these things, how is it working for us? It's not. We need to make some changes. I submit that we need to be building our own wells and not waiting for developers, and we need to do something in the short

term. While it may be true that the road to the hospital area is not navigable by a huge semi and tractor and things like that, there may be other ways we can do it. My point is every hospital in this County should have a well with a backup generator--not just Kona Community Hospital. I'm not so shortsighted that I'm thinking it's just our hospital that needs help. All the hospitals need something like this, and we need to plan for these things and we need a Water Board that looks ahead. If the Water Department cannot or will not or has reasons why they cannot do certain things, we need to find ways that we can do it. Reverse osmosis works in almost every community in the world that uses it. It is working at the hotels. I understand that it would take a transmission line of some type to get rid of the brine. I'm not a wizard on that stuff. I'm not pretending to be a wizard, but what we are doing now is not working. And the plan that goes from five to twenty years--at what point will Kona be getting water that is low salt? For a population of aging people with heart problems, kidney problems, and diabetes, it all requires a low sodium diet and the water to flush the system out. We need help and I am asking you -, I can't even tell you how many times I have testified -, I'm asking for us to get some help here. And there's got to be solutions without just always coming up with 'well we can't do it for a number of reasons and so you are going to get water that is going to continue to have high sodium'. I have also asked the question of Mr. Goya on these anticipated gallonages of some of these wells coming on line within the next two years, what is the sodium level anticipated to be? I can't get an answer. It's not Mr. Goya's problem. He is not the person responsible. But when we bring wells online and say we are going to produce X gallons out of this well, an anticipated and estimated gallonage, it seems to me we should be able to say that should drop the sodium content--not the chloride; I don't want to talk about chlorides--it is sodium that is the problem. And I do understand the chemistry of sodium and chloride equals salt, okay, so I have had plenty of chemistry. I understand that. But it is a sodium issue that is of concern to the public here. And it is going to be more of a concern as we go forward. And I think timelines of two, five, and twenty years is too long. We need some quicker fixes and we need a 'can-do' kind of attitude in our Water Department and our Water Board, and I hope that you will support that. And I appreciate your allowing me to speak again. Thank you very much.

M. PAVAO: Mr. Chairman, if I may, for the record. We have done two wells recently and are in the process of doing two more wells. The wells that we are doing now on the high-level aquifer, the chlorides average between 10 to 15 parts.

B. FORD: In those wells. What would it be in the distribution system, in Kailua-Kona, when you add that water to it? I keep asking that question, and I am not getting an answer.

M. PAVAO: Because we don't know the answer because it is not being done yet. The Palani project will be the first project to bring the high-level water into Kailua.

B. FORD: Okay.

CHAIRMAN HECK: I would like to add that I have heard some implementation going on, and two years and so on; but we don't want to ignore the private developers either. I mean that is going to be adjunct. That is going to help. So we are not totally depending on private developers.

B. FORD: No, no. It will help. But I think we are depending too much though. We've got the infrastructure problems throughout our area because we are depending -, we have been too dependent.

G. WILKINS: Let me ask a question.

CHAIRMAN HECK: Certainly.

G. WILKINS: Two questions for the same subject. I understand that the Waiaha Well is not now being pumped for lack of a market for our transmission lines.

M. PAVAO: It is being pumped.

G. WILKINS: To satisfy only high-level users?

M. PAVAO: Well, it's pumped into the waterline that's in the Mamalahoa Highway.

G. WILKINS: Okay. I guess really what I'm asking is when do you expect that the pipeline, for which an easement is being procured now, when that pipeline will exist and can be used to duct Waiaha water down to the lower-level users?

M. PAVAO: Like I said, Palani, we plan to have it advertised December. It's a two-year project. The other project that we're hoping is going to help and may be coming to the Board, maybe next month, is an agreement that will bring Waiaha water down. And if that is successful, there is another agreement just in back of it that we hope is going to materialize too. That will specifically bring the Waiaha water down.

G. WILKINS: Okay. And finally, I just wanted to mention that all of our water is derived from rain which comes from evaporates out of the ocean, which carries salt into the atmosphere and down into the mountain. So under ideal conditions, we will always have salt in our even high-level water.

B. FORD: Right. I would never anticipate we would have zero salt.

G. WILKINS: It won't taste good anyhow.

B. FORD: No, that's true. Thank you.

ADJOURNMENT

ACTION: Mr. Mochida moved for adjournment of the meeting; seconded by Mr. Smith and carried unanimously by voice vote. Meeting adjourned at 12:15 p.m.

Secretary

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