

REGULAR MEETING MINUTES
BOARD OF WATER SUPPLY
Thursday, February 14, 2008

The Board of Water Supply, County of Kaua'i, met in regular meeting at its office in Lihu'e on Thursday, February 14, 2008. Chairperson Roy Oyama called the meeting to order at 10:50 a.m. On roll call, the following answered present:

BOARD: Mr. Roy Oyama, Chairperson
Mr. Ian Costa
Mr. Dee Crowell
Mr. Leland Kahawai
Mr. Steven Kyono

Absent & Excused: Mr. Donald Fujimoto
Ms. Bernie Sakoda

STAFF: Ms. Wynne M. Ushigome
Mr. Gregg Fujikawa
Mr. Paul Ganaden
Mr. William Eddy
Mr. Keith Fujimoto
Mr. Bruce Inouye
Ms. Faith Shiramizu
Ms. Amy Esaki
Mr. Dustin Moises
Ms. Debra Togioka (present at about 1 pm)
Deputy County Attorney Mona Clark

GUESTS: Mr. Ken Rainforth, County Housing Agency (left mtg. at about 10:58 am)
Ms. Barbara Pendragon, County Housing Agency (left mtg. at about 10:58 am)
Mr. Kevin Hurst, Jensen of Hawai'i (left mtg. at about 10:58 am)
Ms. Judy Taafuli (left mtg. at about 10:58 am)

AGENDA

Chair Oyama re-ordered the Agenda to have Old Business No. F6, Request Board Approval for Additional Funding for Contract 474 for Special Counsel to Provide Advice, Counsel, and/or Representation in Civil Matters in the Court System including, but not limited to Administrative Law, Personnel Law, Labor and Employment Law to be taken up at 11:00 a.m. when our off-island legal counsel would be available on standby for a conference call for about a ½-hour period.

Acting Manager Ushigome also recommended that New Business No. G3, Request Board to Approve Additional Funding for a Financial Management Planning Analysis, Facility Reserve Charge Study and Water Rate Analysis, should be taken up after the RFP Committee Report under Strategic Business Plan No. I1c.

Mr. Kyono moved to approve the Agenda, as re-ordered, seconded by Mr. Costa; motion was carried.

MINUTES

Mr. Kahawai moved to receive the Regular Meeting minutes of the Thursday, January 10, 2008 Meeting and place on file, seconded by Mr. Costa; motion was carried.

CORRESPONDENCE: None

OLD BUSINESS

Re: Request by the Kaua'i County Housing Agency to Amend a Condition of Approval of Water Meters for Affordable Housing Component of Ordinance No. PM-2004-368 and Subdivision S-2005-3, Kawaihau Ridge Subdivision/Jensen of Hawai'i Inc., TMK: 4-6-39-29, Kapa'a Homesteads, Kauai

Mr. Ken Rainforth and Ms. Barbara Pendragon of the County Housing Agency and Mr. Kevin Hurst, Jensen of Hawaii were present at the meeting.

RECOMMENDATION:

The Department concurred with the County Housing Agency's request and recommended that the Board amend its conditional approval to allow the Applicant to substitute Lot 2 for Lot 1 for affordable housing purposes, and to exchange the interim limitation of one meter and dwelling unit per lot from Lot 2 to Lot 1.

FUNDING: N/A

BACKGROUND:

The developer intends to CPR two (2) lots into 2-unit CPRs, allowing for each lot to have two (2) affordable dwelling units each. Effectively, there would be a total of four affordable "units" on two (2) lots. The Board intended that each of the four (4) affordable units have an individual water meter; therefore, the Board granted two meters each for the affordable lots. Based on the applicant's representation, Lot 1 and Lot 3 were identified as the lots, which would accommodate the affordable housing units.

Upon further review by the County Housing Agency, they determined that a future roadway access easement across Lot 1 reduced its potential developable area of the affordable housing units and conflicted with Condition #3 of Ordinance No. PM-2004-368. Condition #3 of Ordinance required two (2) contiguous lots, each a minimum of 10,000 sq. ft. in size. With the easement encumbrance over and across the lot, the "buildable" area would be less than the required 10,000 sq. ft. As such, the Housing Agency declined to accept Lot 1 and they are requesting that the Board amend its previous motion to correctly identify the affordable housing lots as Lot 2 and Lot 3 and amend the one (1) meter one dwelling per lot restriction on Lot 2. Instead, Lot 1 will be restricted to the one (1) meter and one dwelling unit on each lot.

Mr. Kyono moved to approve to amend its conditional approval to allow the Applicant to substitute Lot 2 for Lot 1 for affordable housing purposes, and to exchange the interim limitation of one meter and dwelling unit per lot from Lot 2 to Lot 1, seconded by Mr. Kahawai; motion was carried.

Mr. Rainforth, Ms. Pendragon and Mr. Jensen all left the meeting at about 10:58 a.m.

Re: Quarterly Report on Manager's Top 4 Goals for Year 2007

Acting Manager Ushigome reported on the following:

Recommendation: Not Applicable

Project Funding: Not Applicable

Background:

Manager's Top 4 Goals for the Year 2007:

1. Fill key departmental vacancies and improve office work area (Admin)
2. Improve internal communications-Strategic Business Plan (Admin)
3. Install AMR system (Fiscal-Special Projects-Operations)
4. Develop the Water Use and Development Plan (Water Resources & Planning)

Departmental Vacancies

Current vacancies and status of the filling the positions:

Manager and Chief Engineer Board decided to procure the services of a job search firm to assist with the selection process.

EM-7 Engineer
2 EM-5 Positions Checked with DPS on the status of revising the DOW's Table of Organization, Personnel Director met with his staff, the reorganization action is pending review and recommendations by DPS staff.

Operations Staffing Position descriptions have been drafted, however, the new class specifications for these positions need to be worked on.

Engineer/Planner No progress since our last report.

On query by Mr. Kyono, Acting Manager Ushigome stated that a correction need be made as there was some progress as the Department has finally received a listing of eligibles for engineers and will be doing interviews soon.

SCADA/Electronic Tech Met with staff to work on defining the position, in conjunction with establishing an annual maintenance contract with the SCADA system integrator.

Internal Communications

Improved communication remains an ongoing process and commitment.....it is an important goal and I continue to working on trying to improve open discussions and dialog with and among the staff.

AMR System

Notice to proceed issued on January 11, 2008 to our contractor. Pre-construction meeting scheduled for February 12, 2008. The installation pilot test area will be from Isenberg to Kapaia. The shut-off period to install the new meter is about 10-20 minutes.

On query by Mr. Crowell, Acting Manager Ushigome replied that there are about 400 homes that are part of the pilot test area and the pilot program should start about March 10, 2008, with the completion of the contract in about 15 months.

Water Use and Development Plan

Reviewed the scope and requirements of the Kaua'i Water Use and Development Plan, need to finalize consultant contract and coordinate development of the plan with the State Commission of Water Resource Management (CWRM).

The above 2007 goals are still ongoing and request that the Board concur that my 2007 goals continue to be my 2008 goals.

Mr. Crowell moved to receive this report for the record, seconded by Mr. Kyono; motion was carried.

Since it was about 11 a.m., Old Business No. 6 for Additional Funding for a Special Counsel was taken up as our Special Counsel was on standby.

Re: Request Board Approval for Additional Funding for Contract 474 for Special Counsel to Provide Advice, Counsel, and/or Representation in Civil Matters in the Court System including, but not limited to Administrative Law, Personnel Law, Labor and Employment Law

Acting Manager Ushigome reported on the following:

Recommendation:

Recommend Board approval for additional funding of \$35,000 for special legal counsel to advise, counsel and/or represent the Department and Board, in matters including, but not limited to Administrative Law, Personnel Law and Labor and Employment Law.

Funding:

Account No. 271, Contractual Services	
Total Available Funding	\$100,000.00
Total Funds Requested	<\$ 35,000.00>
Balance Remaining	\$ 65,000.00
Acct No. 271, Contract 474,	
Goodsill Anderson Quinn & Stifel	<\$25,000.00>
Additional Funds Requested	<\$35,000.00>
Total Funding Required for Contract 474	<\$60,000.00>

Background:

The contract scope of services remained the same; however, the consultant is requesting additional funding to cover his out-of-pocket expenses and fees.

EXECUTIVE SESSION:

Pursuant to Hawaii Revised Statutes (HRS) §92-7(a), the Board may, when deemed necessary, hold an executive session on any agenda item without written public notice if the executive session was not anticipated in advance. Any such executive session shall be held pursuant to HRS §92-4 and shall be limited to those items described in HRS §92-5(a).

1. Pursuant to Haw. Rev. Stat. Sections 92-4 and 92-5(a)(4), the purpose of this executive session is to receive a briefing and to consult with legal counsel for the purposes of deliberating and decision on Contract 474 for Special Counsel to Provide Advice, Counsel, and/or Representation in Civil Matters in the Court System including, but not limited to Administrative Law, Personnel Law, Labor and Employment Law and potential privileges and liabilities of the Department as it relates to the project.

The briefing and consultation involves consideration of the powers, duties, privileges, immunities and/or liabilities of the Board and the County as they relate to this agenda item.

Chair Oyama read the Executive Session Notice. Mr. Crowell moved to go into Executive Session at 11:05 a.m., seconded by Mr. Costa; motion was carried. Chair Oyama verified that there was no Board discussion or public testimony

Recess: 11:05 – 11:15 a.m. All staff was excused from the meeting.

Waterworks Legal Advisor Esaki reminded the Board that this Executive Session consists of personnel matters that need to be kept confidential.

The Regular Meeting was called back to order at 11:45 a.m.

Re: Request Board Approval for Additional Funding for Contract 474 for Special Counsel to Provide Advice, Counsel, and/or Representation in Civil Matters in the Court System including, but not limited to Administrative Law, Personnel Law, Labor and Employment Law

Mr. Costa moved to approve for additional funding of \$35,000 for special legal counsel, seconded by Mr. Kahawai; motion was carried.

OLD BUSINESS

Re: Water Transmission Agreement – Kalihiwai Bay Estates Water Association (KBWA) and the Board of Water Supply, First Amendment

Mr. Crowell, who works for Princeville at Hanalei, recused himself from voting due to a possible conflict of interest.

Mr. K. Fujimoto gave the following report:

RECOMMENDATION: It was recommended that the Board approve the first amendment to the Water Transmission Agreement with Kalihiwai Bay Estates Water Association, revising the number of customers affected from 12 to 13.

FUNDING: Not applicable.

BACKGROUND:

The Board of Water Supply approved the Water Transmission Agreement at its January 21, 2004 meeting agreeing to purchase water through KBEWA's water system after Hurricane Iniki damaged the Department's pipeline servicing 13 residential customers on the Princeville side of Kalihiwai Stream. The agreement initially noted 12 customers, however this was in error. The amendment to the agreement is to correct this error. All other conditions of the agreement remain the same.

On query by Mr. Costa, Mr. K. Fujimoto stated that the initial meter count was off.

Mr. Costa moved to approve the first amendment to the Water Transmission Agreement with Kalihiwai Bay Estates Water Association, revising the number of customers affected from 12 to 13, seconded by Mr. Kyono; motion was carried.

Re: Additional Funding for Job No. 03-02, Phase II, HW-02, HW-03, Facilities Renovation at various DOW sites, Wainiha-Haena Tank

Mr. K. Fujimoto gave the following report:

RECOMMENDATION: It was recommended that the Board approve the first contract amendment with Brown and Caldwell, consultants for this project to prepare and process:

1. an after-the-fact Conservation District Use Application (CDUA) for the existing 0.10 MG Haena Steel Tank and
2. a National Pollutant Discharge Elimination System (NPDES).

It was further recommended that the Board reallocate \$34,000.00 from Account No. 106B, CIP Reserve to fund the balance required.

FUNDING:

Total Fund Available.....		\$338,000.00	
Contract No. 428, Brown and Caldwell			
Job No. 03-02, Benovations at the			
Wainiha Steel Tank:	<\$322,182.00>		
Brown and Caldwell Change Order.....	\$ 31,719.00		
Contingency approx. 5%	\$ 18,099.00		
Total.....	<\$ 49,818.00>		<\$372,000.00>
Additional Funds Requested, Account No.106B, CIP Reserve.....			< <u>\$ 34,000.00</u> >

BACKGROUND:

During the preparation and processing of the Environmental Assessment and Conservation District Use Application for the Wainiha booster pumps and Haena steel tank renovations, it was discovered that a CDUA was not done for the tank. Therefore, an after-the-fact CDUA will need to be prepared and approved by the Department of Land and Natural Resources along with the CDUA for the renovation work.

Additionally, the amount of proposed grading for the tank renovations exceeds an acre, requiring the preparation and processing of a National Pollutant Discharge Elimination System permit with the Department of Health.

The project consultants, Brown and Caldwell submitted a proposal of \$31,719.00 for the work, which appears reasonable.

Mr. Kyono moved to approve the first contract amendment with Brown and Caldwell, seconded by Mr. Costa; motion was carried.

Re: Automated Meter Reading (AMR) Implementation for the Department of Water, County of Kauai, Third Contract Amendment

Mr. K. Fujimoto gave the following report:

RECOMMENDATION: It was recommended that the Board approve the third contract amendment with Professional Meter, Inc. (PMI), contractors for this project to:

- 1. provide water usage profiling on all meters and
- 2. strainers for the compound meters.

It was further recommended that the Board reallocate \$156,536.66 from *Account No. 101b, 'Oma'o 6-Inch Waterline Along 'Oma'o Road, LO-11*, to fund the balance required. This project is not expected to begin in the current budget year.

FUNDING:

Proposal from Professional Meter Inc.,	
Best and final offer (BAFO), January 12, 2006:	\$3,764,160.00
First contract Amendment:	\$ 184,710.00
Second contract Amendment:	\$ 94,182.00
Third contract Amendment:	<u>\$ 156,536.66</u>
Total Contract Amount.....	< <u>\$4,199,588.66</u> >

Account No. 101, CIP, Automated Meter Reading implementation for the Department of Water	<u>\$4,043,052.00</u>
Balance Required, Account No. 101b	< <u>\$ 156,536.66</u>>

BACKGROUND:

The (Badger) water meters selected for this project has the capability of recording meter readings every hour for approximately 2½ years. This would allow the Department to obtain the individual water usage profile of customers, which would resolve complaints of the meter accuracy. The water usage profile would also detect

and prove the customer's excessive water usage. The cost for this capability is \$7.00 per meter (\$14.00 for compound meters), which we feel is justified as it would allow Department to easily resolve customer complaints on meter inaccuracies and customer leakages.

Badger has indicated that the compound meters would record water usage more accurately if outfitted with strainers. The strainers would also prolong the life of the meter. The justification seems reasonable and would be at a minimal cost with the change out of the meters.

Mr. K. Fujimoto added that not all of the meters would be able to have these features, as it depends on the spacing within the meter box.

Mr. Kyono moved to approve the additional funding and to reallocate the \$156,536.66 from *Account No. 101b, 'Oma'o 6-Inch Waterline Along 'Oma'o Road, LO-11*, to fund the balance required, seconded by Mr. Kahawai, motion was carried.

Re: Discussion, deliberation and decision-making or action regarding steps, actions, procedures and processes necessary to select a new Manager and Chief Engineer for the Kauai Water Department

Acting Manager Ushigome reported that Cooperative Personnel Services (CPS) was present at the January 2008 meeting to review their scope of services and recruitment strategy with the Board in Executive Session. In accordance with the County Charter, the Board is tasked with hiring the Manager.

Acting Manager Ushigome is not involved with the Board's discussion of this item, nor is she assisting them with the selection process of the Water Manager. The Board has retained CPS; therefore, she will rely on CPS to apprise the Board of the status of their work. She added that the only personnel involved in the Manager recruitment are the Board, First Deputy County Attorney Kawate and the private secretary.

CPS submitted an updated summary of the work completed as of February 8, 2008 for the Board's information as follows:

RECRUITMENT OPENED: Friday, February 1st
FINAL FILING DATE: Friday, March 7th
PRINT ADVERTISEMENTS:

- Honolulu Star Advertiser, Honolulu Star Bulletin, Maui News, Hawaii Tribune Herald

The secretary explained that the ad was not in The Garden Island Newspaper as CPS informed us that if you advertise in the Honolulu Advertiser, you could also advertise in the Kauai Island News. CPS felt that there was a broader base that received the Kauai Island News than The Garden Island Newspaper. On query to Chair Oyama, he concurred with CPS' decision to advertise locally via the Kauai Island News/Honolulu Advertiser.

WEB POSTINGS (all ongoing unless otherwise noted)

- American Water Works Association
- American Water Works Association (Hawaii Chapter)
- American Society of Civil Engineer
- National Association of Clean Water Agencies
- Hawaii Jobs on Demand
- Jobs Hawaii
- Kauai Help Wanted

OUTREACH

- Sending over 600 letters and brochures to potential candidates and referral sources on February 11th
- Sent 65e-mails and electronic brochures to members of AWWA and ASCE Hawaii members

CANDIDATE INTEREST

- Received phone 3 inquiries to date
- Received 6 applications: 0 are qualified

The final brochure was passed out to the Board at the meeting. Mr. Crowell moved to receive CPS' report, seconded by Mr. Costa.

The secretary reminded the Board of the upcoming Special Board Meetings that would be held in Executive Session for the Manager recruitment. The meetings will be held on Monday, March 24, 2008 at 10:00 a.m. for the Board to review the top candidates and Friday, April 18, 2008 at 10:00 a.m. at the DOW's Board Room for the Board to interview the top candidates.

Motion was carried.

NEW BUSINESS

Re: Request Board to Cancel Board Policy No. 21, Travel Policy and Procedures

Recommendation:

The Department recommended that the Board delete Board Policy No. 21, Travel Policy and Procedures.

Background:

The Board previously requested that this policy be an administrative matter; therefore, SOP 50, Travel Policy and Procedures, was created instead as a departmental Standard Operating Procedure.

This was for housekeeping purposes only.

Mr. Kyono moved to approve the deletion of Board Policy No. 21, Travel Policy and Procedures, seconded by Mr. Kahawai; motion was carried.

Re: Request Board to Approve the Amendment to the Board's Rules of Procedure

Recommendation:

The Department recommended that the Board approve amending their Rules of Procedure, Rule I – Meetings, to reflect the change in the week that the Board Meetings are held.

Background:

The Board at the December 13, 2007 Board Meeting approved to change the monthly Board Meeting dates from 3rd Tuesday to 2nd Thursday; therefore, a revision was needed to reflect the change of the week of the month in the Rules of Procedure.

This was also for housekeeping purposes only.

Mr. Kahawai moved to approve amending the Board's Rules of Procedure, Rule I – Meetings, to reflect the change in the week that the Board Meetings are held, seconded by Mr. Costa; motion was carried.

Re: Conveyance of Water Facility from Jose T. Domingo and Marcelina J Domingo, Moi Road, TMK: (4) 1-8-13:032, Hanapepe, Kauai, Hawaii

It was recommended that the Conveyance of Water Facility document be approved; whereby, Jose T. Domingo and Marcelina J Domingo transfers unto the Board of Water Supply, County of Kauai, all of its right, title and interest to the following item:

One each - 1" single service lateral for 5/8" water meter.

in place complete, in accordance with the as-built construction drawings for INSTALLATION OF 2ND SINGLE SERVICE LATERAL FOR LOT 68, prepared by PORTech Engineering, LLC., Moi Road, Hanapepe, Kauai, Hawaii.

A Grant of Easement is not required.

Mr. Kyono moved to approve the Conveyance of Water Facility from Jose T. Domingo and Marcelina J. Domingo, seconded by Mr. Costa; motion was carried.

Re: Conveyance of Water Facility from Calipjo Properties LLC, for the Water Meter Relocation and 2-inch Detector Check Plan for Lots 1055-A-1 and 1055-B-1; TMK: (4) 3-3-11:009, Lihue, Kauai, Hawaii

It was recommended that the Conveyance of Water Facility document be approved; whereby, Calipjo Properties LLC, transfer unto the Board of Water Supply, County of Kauai, all of its right, title and interest to: one (1) each, 2 ½-inch copper single service lateral for 2" detector check meter, for the Water Meter Relocation and 2-inch Detector Check Plan for Lots 1055-A-1 and 1055-B-1; TMK: (4) 3-3-11:009, Lihue, Kauai, Hawai'i.

Grant of Easement not required.

Mr. Kyono moved to approve the Conveyance of Water Facility from Calipjo Properties LLC, seconded by Mr. Costa; motion was carried.

Re: Conveyance of Water Facility from Amante Balisacan and Marietta Balisacan, Clint Yago, Sr. and Merry J. Yago, Akuli Street, TMK: (4) 3-7-08:049, Hanamaulu, Kauai, Hawaii

It was recommended that the Conveyance of Water Facility document be approved; whereby, Amante Balisacan and Marietta Balisacan, Clint Yago, Sr. and Merry J. Yago transfers unto the Board of Water Supply, County of Kauai, all of its right, title and interest to the following item:

One each - 1" single service lateral for 5/8" water meter

in place complete, in accordance with the as-built construction drawings for WATER METER PLAN SERVICING LOT 76, prepared by Esaki Surveying and Mapping, Akuli Street, Hanamaulu, Kauai, Hawaii.

A Grant of Easement is not required.

Mr. Kyono moved to approve the Conveyance of Water Facility from Amante Balisacan and Marietta Balisacan, Clint Yago, Sr. and Merry J. Yago, seconded by Mr. Costa; motion was carried.

Re: Conveyance of Water Facility from Huna Kala, LTD., for the 2nd Water Meter Installation Plan for Parcel 20, Wawae Place, TMK: (4) 2-4-02:020, Lot 68-C, Kalaheo, Kauai, Hawaii

It was recommended that the Conveyance of Water Facility document be approved; whereby, Huna Kala, LTC. transfers unto the Board of Water Supply, County of Kauai, all of its right, title and interest to the following item:

Waterline: 1 ea. 1 inch copper lateral for One (1) - 5/8 inch meter

in place complete, in accordance with the as-built construction drawings for CONSTRUCTION PLANS FOR 2ND WATER METER INSTALLATION PLAN FOR PARCEL 20, prepared by Portech Engineering, Inc., Kalaheo, Kauai, Hawaii.

A Grant of Easement is not required at this time.

Mr. Kyono moved to approve the Conveyance of Water Facility from Huna Kala, Ltd., seconded by Mr. Costa; motion was carried.

Re: Conveyance of Water Facility from Audrey C. Akita wife of Dwight Akita Sr., John A. Camara husband of Phyllis F. Camara, Walter R. Camara husband of Phyliss H. Camara, and Manuel Camara Jr., for the 3 – 5/8 Inch Water Meters for Audrey Akita Being Lot 11 and Lot 30-D, Poohiwi Road, TMK: (4) 2-4-05:039, Kalaheo, Kauai, Hawaii

It was recommended that the Conveyance of Water Facility document be approved; whereby Audrey C. Akita wife of Dwight Akita Sr., John A. Camara husband of Phyllis F. Camara, Walter R. Camara husband of Phyllis H. Camara, and Manuel Camara Jr. transfers unto the Board of Water Supply, County of Kauai, all of its right, title and interest to the following item:

Waterline:

- 1 ea. 1- 1/2 inch copper double service lateral for Two (2) - 5/8 inch meters
- 1 ea. 1 inch copper single service lateral for One (1) - 5/8 inch meter

in place complete, in accordance with the as-built construction drawings for CONSTRUCTION PLANS FOR 3 – 5/8 INCH WATER METERS FOR AUDREY AKITA BEING LOT 11 AND LOT 30-D, prepared by Kodani and Associates, Inc., Kalaheo, Kauai, Hawaii.

A Grant of Easement is not required at this time.

Mr. Kyono moved to approve the Conveyance of Water Facility from Audrey C. Akita wife of Dwight Akita Sr., John A. Camara husband of Phyllis F. Camara, Walter R. Camara husband of Phyllis H. Camara, and Manuel Camara Jr., seconded by Mr. Costa; motion was carried.

Re: Conveyance of Water Facility from Kiahuna Fairways, LLC, for the Off-Site Water Facilities for Pili Mai at Poipu, U-2006-10, Z-IV-2006-13, PDU 2006-11, TMK: (4) 2-8-14:033, Poipu, Kauai, Hawaii

It was recommended that the Conveyance of Water Facility document be approved; whereby Kiahuna Fairways, LLC transfers unto the Board of Water Supply, County of Kauai, all of its right, title and interest to the following items:

Detector Check and Compound Meter:

- 1 EA 16" x 8" Tapping Tee
- 8" Ductile Iron Waterline for Detector Check Meter
- 40 LF Lateral and Appurtenances
- 1 EA 8" Ductile Iron Piping for 8" Detector Check, with Concrete Meter Vault with Watkins Aluminum Double Leaf Door Cover
- 2 EA 8" Gate Valve, including C.I. Valve Box & Cover for 8" Detector Check Lateral
- 1 EA 16" x 6" Tapping Tee
- 40 LF 6" Ductile Iron Waterline for Domestic Meter Lateral and Appurtenances
- 1 EA 6" Ductile Iron Piping for 6" Compound Meter, with Concrete Meter Vault with Watkins Aluminum Double Leaf Door Cover
- 2 EA 6" Gate Valve, including C.I. Valve Box & Cover for 6" Compound Meter Lateral
- 1 EA 16" x 2" Bronze Service Saddle
- 50 LF 2" Copper Bypass Line and Appurtenances

Fire Hydrants:

- 6 EA Fire hydrant Assembly w/1 - 4-1/2" & 1 - 2-1/2" Outlet,
 - 3 EA 6" Gate Valve, including C.I. Valve Box and Cover
 - 3 EA 6" Butterfly Valve, including C.I. Valve Box and Cover
 - 4 EA 16" x 6" Tapping Tee
 - 110 LF 6" Ductile Iron Waterline for Fire Hydrant Laterals
- and Appurtenances
- 2 EA 12" x 6" Tapping Tee

in place complete, in accordance with the as-built construction drawings for CONSTRUCTION PLANS FOR PILI MAI AT POIPU prepared by Esaki Surveying and Mapping, Inc., Poipu, Kauai, Hawaii.

Mr. Kyono moved to approve the Conveyance of Water Facility from Kiahuna Fairways, LLC, seconded by Mr. Costa; motion was carried.

REPORTS

Re: Statement of Kaua'i County Water Department's Revenues and Expenditures

Waterworks Controller Ganaden reported that as of December 2007: 1) Water Sales are about \$800,000 over what was projected and water consumption is about 5% higher than the same time last year. Currently, January/February, 2008 is starting to drop again; and 2) Pumping/electrical is about \$200,000 over the projection.

Mr. Costa moved to receive the Statement of Kaua'i County Water Department's Revenues and Expenditures report and placed on file, seconded by Mr. Kyono; motion was carried.

Re: Public Relations Specialist's Monthly Update Regarding DOW Public Relation Activities

Public Relations Specialist Faith Shiramizu gave the following report::

Re: Public Relations Update

Employee Events: The Holly Jolly Rockers, hosted a lunch as a thank you to the department for the support that was given to allow them time to practice. Food was purchased from Garden Island Barbeque and Big Save with the Gift Certificates received for placing 2nd in the Holly Jolly Song Contest. Additional funds and food were contributed by members of the Holly Jolly Rockers.

On query by Mr. Kyono, Ms. Shiramizu stated that the Holly Jolly Rockers included the following DOW personnel: Musicians/Singers: Bekki Malapit, Wynne Ushigome and Fay Tateishi and Dancers/Singers: Norma Imada (choreographer), Tess Yano, Deb Togioka, Clarita Remigion and Faith Shiramizu.

Drinking Water State Revolving Fund: The \$4,000,000.00 Kapilimao 0.5 MG Tank loan application has been submitted to the Department of Health, Safe Drinking Water Branch for processing.

The Interim Loan Agreement for Stable Tank is being circulated for signatures. Process has been started for an Interim Loan Agreement for Haena Steel Tank and Wainiha Booster Pump Renovation.

Conservation: The Conservation and Leak Detection Cross County Collaboration Workshop was very informative. Honolulu Board of Water Supply (HBWS) shared information and demonstrated the different types of Leak Detection equipment and provided tips on the RFP process regarding Leak Detection products and services. The Investigation section gave a presentation on their AMR Program, (They are currently using the 4th generation of Sensus Meters). HBWS also has a Large Meter Program that monitors meters larger than 3 inches, saving the department and some of their customers' water and money. They also have a growing Recycled Water System. The Big Island shared their experiences on their Permalog Leak Logger Project. There was discussion regarding current Water Conservation Programs happening on all islands, with a possibility of coordinating a state-wide promotion.

The bottom line is that O'ahu and the Big Island, with leak detection programs being implemented, has greatly lowered the amount of unaccounted for water on their islands by detecting leaks and repairing them. Customers and the department both realized savings financially as well.

Automated Meter Reader: Communications to the general public is being developed to inform them of the upcoming island-wide installation of meters.

Mr. Costa moved to receive the Public Relations Update and placed on file, seconded by Mr. Kahawai; motion was carried.

RE: SUMMARY REPORT OF MONTHLY OPERATIONAL MAINTENANCE:
For information, a written report of the DOW's monthly operational maintenance was submitted to the Board by Acting Chief of Operations William Eddy.

Mr. Eddy also reported that the Department is working on finalizing the paperwork for a proposed re-organization of the Operations Division; once finalized, it would be submitted to the Department of Personnel Services (DPS). The proposed re-org would have a separate layer of superintendents.

Mr. Eddy also gave updates on his Division's projects that they have been tasked to do.

Mr. Costa moved to receive the Operational Maintenance Report and placed on file, seconded by Mr. Kahawai; motion was carried.

RE: MANAGER'S UPDATE FOR JANUARY, 2008 to FEBRUARY, 2008

CONTRACTS AWARDED BY THE MANAGER: None.
PUMP INSTALLATION PERMITS SIGNED BY MANAGER: None.

WAIVER, RELEASE, AND INDEMNITY AGREEMENTS SIGNED BY THE
MANAGER: None.

Affordable Housing Update:

Updates on Affordable Housing Task Force (AHTF) Projects:

1. DHHL – Anahola Residence Lots Unit 6, Pi'ilani o Kekai, Phase 1: No progress
2. Habitat - Eleele I Luna Subdivision Phase 2: Granted tentative subdivision approval, No progress
3. Puhi Self-Help Subdivision – Grove Farm is responsible for completing the booster pump and off-site waterline improvements prior to DOW building permit/water meter approvals. Real Property is assigning Tax Map Key numbers to the subdivided lots. Self-Help anticipates 14 of 41 building permits applications will be requested in January '08. County Housing Agency will contact Grove Farm on completion of the Puhi 393 Booster Pump Station.

The following outstanding items are still required for certification of completion:

- a. Approved field pump test certification;
- b. Submittal of all required spare parts and owners operation/installation manuals;
- c. Removal of the temporary booster connections;
- d. Return of the temporary booster pump to the DOW Baseyard;
- e. Final inspection by DOW;
- f. As-built tracings;
- g. As-built cost breakdown, and;
- h. Conveyance of water facilities.

On query by Chair Oyama, Mr. K. Fujimoto stated that the outstanding items above would not take too much time to complete, possibly a week. Only the conveyance document would take a little longer as it would need to go to the Board for approval.

4. Kauai Lagoons – Kapule Project: No progress. The final Water Study Report has been submitted to the Department of Water. The 31 affordable units will be serviced by a new water meter, which will require development of off-site source and storage improvements. The Marriot Corporation is responsible for this project.
5. Kauai Lagoons – Waipouli Courtyard: No progress
6. Kalepa Village Phase III & IV – Phase III- 40 unit multi-family development estimated occupancy by March 2008. DOW approved building permits for Phase IV in December '07, pending review at Planning.
7. Princeville Employee Homes: No report
8. Kukui'ula Employee Housing –
 - Developer working with DOW on revising KDC Water Master Plan to include the workforce housing project.
 - KDC intends to request to execute a Waiver, Release and Indemnity Agreement with DOW, in order to apply for building permit approvals.

- KDC requesting to delete requirement for proposed Poi'pu Road waterline (looped connection). DOW finalizing water system improvements in its review of the amended water masterplan.
 - KDC intends to request building permit approval prior to final subdivision map approval by the Planning Commission.
9. Koheha Loa (Hanama'ulu Triangle): DOW reviewed the Water Mater Plan for the AMFAC/JMB Lihu'e-Hanama'ulu Master Planned Community Lands and met with the consultant on November 7, 2007. Kodani & Assoc. is currently revising the water master plan.
 10. Paanau Village, Phase 2 – County Housing Agency added Phase 2 of Paanau Village as an affordable County project for tracking by the AHTF. This affordable housing project is included in the Kukui'ula Master Plan.

Next Affordable Housing Task Force meeting scheduled for Monday, February 11, 2008 at Pi'ikoi Conference Room A.

Request to Testify at Water Board Meetings:

Attached is the current instruction sheet for anyone requesting to testify at our Water Board Meetings; the report was inadvertently not included in the January Board packet.

Legislative Update:

These are the following water-related bills in both the House (and Senate). **HB 3264** relating to capital improvement projects for the 14th, 15th and 16th representative districts. The 14th, 15th and 16th districts include the geographic area of Hanalei-Waipouli, Lihu'e-Koloa, and Koloa-Waimea, respectively. The Department of Water's CIP projects for fiscal year 2007-2008 were carried over and are included in this house bill. The proposed bill identifies the following water system improvements:

- Kīlauea non-potable irrigation study
- Waimea Canyon Drive 12-inch waterline upgrade (fire protection for
- Wailua-Kapa'a 0.5 MG storage tank (Makaleha)
- Wailua-Kapa'a 12-inch waterline extension
- Anahola Well No. 4
- Hanalei 8-inch waterline upgrade (fire protection for Hanalei School)

HB 2593 relating to drought mitigation and appropriates funds for drought mitigation projects in each County.

SB 2037 (non-water related) relating to amending HRS 343-5 which require an environmental assessment for actions that propose the use of state or county lands or the use of state and county funds, other than funds to be used for feasibility or planning studies for possible future programs.....For the purposes of this section, state or county lands shall not include an existing public street, road, or highway as defined in section 291-1, or any existing trail or bikeway.

Wet Weather Event:

During the recent wet weather event, the Department experienced a water outage in Wainiha-Ha'ena, pump outage at Maka Ridge in Hanalei and transmission main break along Kaumuali'i Highway in Kekaha. Our crews (both in the field and in the

office) were dispatched to repair the leaks, issue press releases, gather resources, sample water quality, etc. Together, through it all...we weathered the storm. Also, I would like to thank State DOT Highways for their help at Wainiha Bridge No. 2 where rising flood waters and debris from the Wainiha River dislodged the 6-inch waterline on the bridge. While on the other side of the island, crews were repairing a major waterline break, which undermined a large section of pavement along a portion of Kaumuali'i Highway in the vicinity of the Kikiaola Boat Harbor entrance. Due to the severely unstable conditions, one lane of traffic was immediately closed to ensure the safety of motorists by minimizing the potential collapse of the AC pavement.

In addition, the bad weather and extremely muddy conditions prevented crews from accessing our Maka Ridge well site. The Maka Ridge pump, which normally provides water to Hanalei town could not be reset and started for nearly a week after it tripped. During the interim, water was temporarily supplied from Princeville Utilities. The Department would like to take this opportunity to thank Larry Dill and his staff for their assistance in providing needed water to our Hanalei customers during this storm event.

Mr. Costa moved to receive the Manager's Update and placed on file, seconded by Mr. Kyono; motion was carried.

Re: Report of the Finance Committee of the Kaua'i County Board of Water Supply

This matter was taken care of at the Finance Committee Meeting.

STRATEGIC AND BUSINESS PLAN AND NEEDS ASSESSMENT

Re: Updates on the Kaua'i Water Department's Strategic and Business Plan and Water Plan 2020 Program Sustainability Services

PR Specialist Shiramizu gave the following report from the issue champions:

Update Report of Strategic Goals and Implementation Status from the Issues Champion:

Ms. Shiramizu added that the Issue Champions are now meeting twice a month, once to prepare for the Board Report to the Board and the second to discuss any matters brought up by the Board as a followup.

Reports on Issue 2, Personnel and Issue 5, Accountability

Many of the tactics for all 5 issues overlapped in some areas and the Issue Champions, as stated previously, has decided to focus on Issues 2 and 5. Specific topics we are currently addressing are as follows:

Cell Phone Policy: The Cell Phone Committee completed a proposed policy, which was submitted to our Acting Manager and Chief Engineer, Division Heads and Legal Advisor. Revisions are being made based on the input received.

Attendance Policy: The Draft Attendance Policy will be sent to Division Heads for peer review.

Personnel Matters: The Personnel area is where the bulk of the focus is, with most of the responsibilities falling upon Debra. There are a couple of Re-Org processes being addressed, each with many components that need to be completed and approved.

- Operations Re-Org documents are nearing completion, with Position Descriptions and Justification for new or adjusted positions and class descriptions being researched and fine-tuned before submittal to DPS and Mayor's Office. The goal is to get it right the first time by anticipating and addressing the consistency issues that DPS will base the approval on.
- Engineering Re-Org is awaiting a response from DPS, (a request was made to have a written response prior to this Board Meeting.)
- Employee Manual continues to be worked on. The County Attorney's Office and DPS are to provide comments to the Board. (As a note of interest, after an update at the January 31st Monthly Meeting, comments were made that everything in the Handbook/Manual is already in place and is not a cure all. Even if a complete document is presented to each employee, it won't make a difference if it's still not enforced.)
- Training on specific policies for supervisors will be arranged to help them understand their responsibilities in enforcement of these policies.
- Researching the hiring of an assistant for our Acting Manager and Chief Engineer (an assistant or contract hire).
- Inquiry to Hawai'i Employer's Council (HEC) for resources of firms to contact that have Government HR experience to assist with preparing the needed documents for the various projects we are working on.
- County Progressive Discipline Policy has been in place since September 1991 and referred to at times as a guide when administering disciplinary action at the DOW. Letters will be sent to the HGEA and UPW notifying them of the implementation of the progressive disciplinary action policy, in compliance with the respective BU contract agreements. Training will be set up for supervisors and all employees will be notified of the policy and practice. Implementation would then be expected by all employees.
- Submit request to DPS for county-wide supervisor training on specific bargaining unit agreements be organized, so all supervisors will understand their responsibilities from the employers' view point.

Reports from other Issue Champions:

Although the focus is on Issue Nos. 2, Personnel and 5, Accountability, other issue champions are still working concurrently on their own issues as well.

Issue No. 1, Morale:

As part of the improving communication aspect to improve morale, we continue to produce newsletters, ensure that a monthly meeting is held providing updates on projects as well as sharing information that may be of interest to other employees.

Issue No. 3, Water Quality:

1. One of the primary goals of Issue No. 3: a safe, reliable and sustainable water supply must be assured, is to maintain and upgrade the infrastructure water system. The Board has tasked the Department to prepare a request for proposal to select a program manager for the Water Plan 2020 Sustainability Plan. An RFP Committee has been established and the process for selecting the program manager is ongoing.
2. We have two sampling stations in place and the location for a third exists. We will try and have sampling stations required in the WSS. Main break monitoring can start anytime. We have to get the communications with Ops going.

Issue No. 4, Workplace Efficiencies:

1. It was suggested by RW Beck to get Microsoft Visio software that can do flow charts to visually assist staff in documenting work processes. Our IT personnel is working on getting a license for us so that we can get several Microsoft Visio software for all divisions. Each division head/supervisor has assigned 1-2 people in their area to be responsible to document their work processes. This documentation would ensure that we are all on the same page to completely finish a work process and will also help other divisions to understand what the process is, which may result in a bonus of improving morale in some areas as the internal and external customer benefits. This would also help with succession planning when our employees retire to assist with an easier transition as new employees come on board.
2. Another one of the strategies of Issue 4 is to Implement State-of-the-Art Technologies for Efficient System Operation, which mainly consists of the Automated Meter Reading (AMR) System, which has been ongoing project for a while and implementation is upcoming soon.

Mr. Costa suggested adding SCADA to Workplace Efficiencies. Since it is basically in place, the possibility of expansion? Mr. Eddy also mentioned that the DOW is also looking into expanding its Geographic Information System (GIS). Mr. Costa added that the County is already looking into a County-wide GIS system.

Mr. Costa moved to receive the Issue Champions Report and place on file, seconded by Mr. Kahawai; motion was carried.

Affordable Housing:

An updated progress report on the Affordable Housing Projects was submitted to the Board by Mark Salmon with RW Beck for their review.

It included a progress report for each project and of note was that in many cases the estimated dates for when the projects will be in service have been revised outward.

Details are provided below.

- ✓ The Kapilimao 0.5 MG Storage Tank final design is complete with the exception of permits. In January the consultant made the surprise announcement that it would

take five additional months to obtain permits. No explanation has been given regarding why this element of the project was so misestimated.

- ✓ AMFAC Shaft 11 Renovation Phase 1B (Field Pump Testing) topographic surveying and hazardous materials testing are underway.
- ✓ The early start of Phase 2 of AMFAC Shaft 11 Renovation is delayed pending completion of the consultant procurement process. Depending upon the consultant selected, contract negotiations may further delay the start.
- ✓ Staff and consultant are currently obtaining right-of-entry from adjacent landowner at the Kapahi 1.0 MG Storage Tank. Topographic surveying is complete, and investigations regarding tank configurations that can minimize or eliminate the need for easements from the adjacent landlord are underway.
- ✓ Final design for the Kapa'a Homesteads 0.5 MG Storage Tank is complete. DOW staff will now advertise the project for bids.
- ✓ Scope and fee negotiations are complete with HDR Engineering (Hawai'i Pacific Engineers) and the contract is being circulated for signatures.
- ✓ SSFM continues final design of the Akulikuli Tunnel renovation. Several technical issues have arisen and SSFM has an urgent need to meet with DOW staff to discuss them and maintain progress.

Affordable Housing Projects

Although not directly a part of Plan Implementation, a summary of the Affordable Housing Project activities was included for the Board's reference.

Mark Salmon's Projects' Reports:

1. **(KW-25), Kapilimao 0.5 MG Tank-Summary Project Status Feb, '08**
Project Manager: Mark Salmon -- Design Consultant: Brown and Caldwell

Work underway: permitting

Work ahead: permitting, construction

Current Major Area of Focus: permitting

Potential obstacles: none currently

Tentative Date Project in Service: December 2009

- Summary: Design complete, but consultant announced unexpectedly in January that five additional months would be needed for permit acquisition. Consultant's work is now projected to be completed in May 2008 and DOW staff projects that advertisement, bidding, and contract award will take until December 2008. Notice of FONSI published January 22, 2008.
- Contract Status: Design contract executed.
- Schedule: Recent delay to project announced due to permits. Construction may not begin until 2009.
- Permits: County use and zoning permits are primary outstanding permits.
- Land & Easements: Draft easement maps complete.
- Agency Coordination: See Permits.
- Problems and Proposed Mitigation: Project delayed due to County permits. Explanation from consultant regarding reasons for the surprise delay has not been received. Possibly DOW could ask County to expedite processing.

2. (KW-28), Amfac Shaft 11 Renovation–Summary Project Status Feb. '08
Project Manager: Mark Salmon -- Design Consultant: Brown and Caldwell

Work underway: Hazardous materials sampling and pump testing.

Work ahead: final design, environmental/permitting, construction

Current Major Area of Focus: mobilization of hazmat and pump testing subcontractors

Potential Obstacles: water quantity and quality unknown – testing pending

Tentative Date Project in Service: December 2009

- Summary: Phase 1B – Pump testing is underway. Initial activities are topographic surveying and hazardous materials testing. Preliminary reports are that lead-containing paint and asbestos-containing pipe wrap was found on site, but no PCBs. Final hazmat report due in February.
- Contract Status: Phase 1B contract complete. Phase 2 contract delayed pending completion of consultant procurement.
- Schedule: See Problems and Proposed Mitigation below.
- Permits: No issues.
- Land & Easements: No issues.
- Agency Coordination: No issues.
- Problems and Proposed Mitigation: Consultant procurement process will delay start of Phase 2 (final design).

3. (WK-08), Kapahi 1.0 MG Storage Tank–Summary Project Status Feb. '08
Project Manager: Mark Salmon -- Design Consultant: Belt, Collins

Work underway: final design

Work ahead: final design, environmental/permitting, construction

Current Major Area of Focus: Final design, updated schedule

Potential obstacles: easement acquisition from private landowner

Tentative Date Project in Service: March, 2009

- Summary: Right-of-entry for engineering investigations is being obtained from landowner adjacent to site. Topographic surveying for site completed in January. Issues with adjacent landowner and easement acquisition continue, and alternative tank configurations that minimize or eliminate easement needs are being investigated.
- Contract Status: Final design contract executed.
- Schedule: Current schedule shows project completion in March '09. Updated schedule due.
- Permits: No issues.
- Land & Easements: Consultant and DOW staff obtaining right-of-entry from adjacent landowner for surveying and other engineering investigations.
- Agency Coordination: No issues.
- Problems and Proposed Mitigation: Project configuration and landowner issues not yet resolved. Analysis and final resolution part of current phase scope of work.

4. (WK-09)Kapa'a Homesteads 0.5 MG Storage Tank–Summary Status Report–

Feb. '08 Project Manager: Mark Salmon --- Design Consultant: Belt, Collins
Work underway: final design
Work ahead: bidding and construction
Current Major Area of Focus: final construction documents
Potential obstacles: none currently
Tentative Date Project in Service: July 2009

- Summary: Engineering work is complete. Project is now ready for advertisement and bidding by DOW staff. Current amount in budget for construction is \$2.2 million. Engineer's estimate is \$3.6 million. Request for budget increase will be presented to Board after bids are received.
- Contract Status: Contract complete.
- Schedule: No issues.
- Permits: No issues.
- Land & Easements: No issues.
- Agency Coordination: No issues.
- Problems and Proposed Mitigation: No issues.

5. (WK-39) Kapa'a Homesteads Well No. 4–Summary Status Report–Feb. '08

Project Manager: Mark Salmon
Design Consultant: Selected, but not yet under contract

Work underway: contract negotiation
Work ahead: well design, environmental/permitting and construction
Current Major Area of Focus: consultant contract
Potential obstacles: none currently
Tentative Date Project in Service: December 2009

- Summary: Final contract for site selection and preliminary design sent to HDR for signature on January 28, 2008.
- Contract Status: See above.
- Schedule: No issues.
- Permits: No issues.
- Land & Easements: No issues.
- Agency Coordination: No issues.
- Problems and Proposed Mitigation: Contract negotiations finally complete. Contract could be fully executed by DOW and County as early as February.

6. (WK-02) Akulikuli Tunnel Renovation–Summary Status Report – Feb. '08

Project Manager: Mark Salmon -- Design Consultant: SSFM Int'l

Work underway: final design
Work ahead: final design, environmental/permitting and construction
Current Major Area of Focus: final design
Potential obstacles: water quantity and quality unknown – potential addition of treatment
Tentative Date Project in Service: December 2008

- Summary: Final design underway. Consultant has a number of issues regarding tunnel lining, water rights, water source (groundwater or surface water), and potential treatment for discussion, which we have been trying to arrange a meeting with DOW staff.
- Contract Status: No issues.
- Schedule: Revised project schedule due.
- Permits: No issues.
- Land & Easements: No issues.
- Agency Coordination: No issues.
- Problems and Proposed Mitigation: Consultant has a number of technical issues to discuss with DOW staff for which a meeting needs to be scheduled.

Mr. Costa moved to receive the reports and placed on file, seconded by Mr. Kahawai; motion was carried.

Re: Request for Proposal (RFP) for Program Manager

Acting Manager Ushigome reported on the following:

Although everyone agrees that completing Water Plan 2020 is important and a priority, there needs to be a balance in providing the necessary infrastructure while minimizing the financial impacts on our existing customers and ensuring the Department's ability to cover its debts.

In addition, she recommended and advised the Board to work with the Department on addressing the concerns and comments as presented by the RFP Committee prior to solicitation an RFP for the Program Manager. As previously stated, the funding multi-year contracts with fees in excess of \$75, 000 annually may be inconsistent with the State Statutes (HRS 3-122-149 & 130d-309).

Finally, the Board is aware of my concerns of proceeding with a RFP for the Program Sustainability plan without a first hiring a Manager. And, the Board is well aware of the vacancies of several key management positions in the Department. Filling these upper management positions is necessary and crucial to the successful implementation of the capital improvement program especially an aggressive one like the Board is proposing to move forward with.

RFP Committee Report

The following is the RFP Committee's report dated January 25, 2008 for the Board's review, which was submitted by committee members Gregg Fujikawa, Amy Esaki and Dustin Moises:

Ms. Esaki gave the following update:

Pursuant to the Board's direction for this Committee to draft the RFP for a program manager, the Committee has finalized their work product and had it available at the Board Meeting for the Board to review. The Committee members also wish to express their appreciation for the opportunity to work on this innovative and challenging document.

As previously represented in the December 2007 and January 2008 Board meeting, the RFP was submitted for peer review. Since then, the Committee received questions and suggestions from two fellow employees and no comments from the others. The suggested changes were reviewed by the Committee and revisions were made to the document.

Although the document is in its final form, the Committee thought it best to share with the Board the concerns and comments from the peer review and the Committee members as a whole and are as follows:

1. Privatization continues to be an issue and requires resolution by those beyond the Committee members.
2. Budget to hire the Program Manager and the Water Plan 2020 Sustainability Projects continues to be an issue.
3. There is a concern about the size and/or volume to be given to a single contractor. A peer review suggestion is that a pilot project on a smaller scale be considered.
4. Questionable whether the Program Manager will be able or capable to complete the Water Plan 2020 projects in a timely manner as scheduled.
5. What is the extent of the Program Manager's responsibility? The RFP is currently written so that the Program Manager hires the designer and contractor as subs to the Program Manager's contract, which allows the Program Manager to hire a design consultant and a contractor of his choice, including hiring just one firm or contractor for all of the Water Plan 2020 projects.
6. The RFP is written to require the EM-7 engineer to have oversight over the Program Manager. There is a concern about the status of the EM-7 engineer and Manager. The EM-7 should be familiar with the Proposal and should be allowed time to make any necessary changes to the document so that he/she is able to manage the process.
7. Land Acquisition for any new projects or expansion of existing facilities continue to be an issue as is becoming more apparent with the Department's affordable housing projects.
8. There is concern about the quality control for the Water Plan 2020 projects. Will the Department of Water staff be involved with plan review or will the Program Manager be allowed to run with the projects without the Department's input?

The Committee recommended that the aforementioned issues be resolved prior to the issuance of the Request for Proposal to avoid any confusion or possible legal entanglements which would further delay the timely completion of the Water Plan 2020 projects.

On query by Mr. Kyono, Acting Manager Ushigome stated that the Department of Personnel Services (DPS) is having a hard time to justify the movement of the EM-7

position from the Engineering Division to the Administration Division and one of the reasons is the lack of justification on staffing and supervisory functions that have not been established yet. There has been no formal response from DPS on our EM-7 transfer request.

On query by Mr. Kyono, Acting Manager Ushigome stated that this EM-7 transfer request was sent to DPS about the end of 2007. Thereafter, the DOW staff wrote to DPS on the status of our request and gave DPS a February 4, 2008 deadline so that a report could be given to the Board. However, DPS requested a time extension, so it is hoped that DPS will respond prior to the next Board Meeting so a report could be made to give the Board a status report.

On query by Mr. Crowell, Acting Manager Ushigome gave some background of the Program Manager, that in July 2007, our consultant proposed that the Program Manager would oversee 59 Water Plan 2020 projects and spend \$165 million in 5 years. Since then, our Water Plan 2020 project list has been updated and now consists of two phases with 80 projects part of Phase I, which consists of about 40 projects to be completed in a 5-year period and to startup the remaining projects towards the end of the 5-year period. In the meantime, hopefully the DOW staff size would be beefed up and could then shadow the Program Manager to learn more about program management. The intent is to then have the DOW staff take over program management of all of our projects.

Ms. Esaki stated that when they did consult with the County Treasurer on the average dollar amount of a bond float for the entire County, he said that it was about \$35-\$50 million for General Obligation (GO) Bond. To note that the total approximate cost of the total amount of Water Plan 2020 projects is \$250+ million.

Ms. Esaki added that any contract executed for Water Plan 2020 projects, monies have to be certified available.

This matter was to be discussed further in Executive Session.

EXECUTIVE SESSION:

Pursuant to Hawaii Revised Statutes (HRS) §92-7(a), the Board may, when deemed necessary, hold an executive session on any agenda item without written public notice if the executive session was not anticipated in advance. Any such executive session shall be held pursuant to HRS §92-4 and shall be limited to those items described in HRS §92-5(a).

2. Pursuant to Haw. Rev. Stat. Sections 92-4 and 92-5(a)(4), the purpose of this executive session is to consult with legal counsel and Department staff legal questions and issues pertaining to the Board's and Department of Water's liabilities as it relates to the Request for Proposal for a Program Manager. This consultation involves consideration of the powers, duties, privileges, immunities and/or liabilities of the Board and the County as they relate to this agenda item.
3. ES-2008-2 (1-10-08) - Pursuant to Hawai'i Revised Statutes §§92-4 and 92-5(a)(4), the purpose of this executive session is to discuss and consult with staff and the Board's legal counsel on the legal issues relating to R W Beck's

proposed employee manual and to consult with the Board's legal counsel on questions and issues relating to the Board's powers, duties, privileges, immunities, and/or liabilities and take such action as the Board may deem appropriate with respect to the foregoing item.

Chair Oyama read the Executive Meeting Session notice for the 2 items above. There was no Board discussion and no public testimony. Mr. Kyono moved to enter into Executive Session at 12:55 p.m., seconded by Mr. Costa; motion was carried. Staff was excused from the meeting.

4. Review of Executive Session Minutes: January 10, 2008, Section 1 & 2 – Mr. Costa moved to receive the January 10, 2008, Section 1 & 2, Executive Session minutes and place on file, seconded by Mr. Crowell; motion was carried.

Recess: 12:55 p.m. to 1:00 p.m. The Regular Meeting reconvened at 2:00 p.m.

Mr. Costa moved to receive the RFP Committee's Report, seconded by Mr. Crowell; motion was carried.

Mr. Costa also moved to invite our consultant, RW Beck, to be present at our next Board Meeting to give the Board a status report on their contract, to discuss some deliverables and potential follow-up action to carry out Water Plan 2020, seconded by Mr. Crowell; motion was carried.

Re: Financial Management Planning Analysis, Facility Reserve Charge Study and Water Rate Analysis - *This matter is on hold.*

Status of CEVII – Engineering Division Reorganization Proposal:

As discussed in Agenda Item F.8, the Board is still in the process of recruiting for a Manager. In addition to the vacant Manager's position, the Board decided to reorganize the Engineering Division by transferring the Civil Engineer VII (Chief of Engineering) to the Administration Division. The CE VII would be in-charge of overseeing the Program Manager in implementing the WP2020 Sustainability Program. To date, this reorganization proposal is not approved by DPS.

ADJOURNMENT: There being no further business, Mr. Costa moved to adjourn the meeting at 2:05 p.m., seconded by Mr. Crowell; motion was carried.

Respectfully submitted,

Rona Miura, Secretary

APPROVED:

Wynne M. Ushigome
Acting Manager and Chief Engineer
rm