

MEETING MINUTES
BOARD OF WATER SUPPLY
Thursday, February 27, 2014

The Board of Water Supply, County of Kaua'i, met in regular meeting at the Board Conference Room in Lihu'e on Thursday, February 27, 2014. Chairperson Clyde Nakaya called the meeting to order at 10:07 a.m. The following Board members were present:

BOARD: Mr. Clyde Nakaya, *Chairperson*
Ms. Laurie Ho
Mr. Hugh Strom
Mr. Raymond McCormick
Mr. Sherman Shiraishi
Mr. Larry Dill

EXCUSED/ABSENT: Mr. Michael Dahilig

Quorum was achieved with 6 members present at the time of roll call.

STAFF: Mr. Kirk Saiki
Mr. Ryan Smith
Ms. Marites Yano
Mr. Dustin Moises
Ms. Regina Flores
Mr. Keith Aoki
Ms. Kim Tamaoka
Mr. Jeff Mendez
Ms. Sandi Nadatani-Mendez
Ms. Mary-jane Garasi
Deputy County Attorney Andrea Suzuki

GUESTS: Mr. Randall Nishimura, former Board Chair
Mr. Hal Parrott, Private Citizen
Deputy County Attorney, Marc Guyot

ACCEPTANCE OF AGENDA

Mr. Shiraishi moved to rearrange the agenda by moving New Business Item #4 Manager's Report No. 14-31 - Contract No. 5360, IT Review and Assessment, Strategic Planning and Implementation, Fiscal staffing update before Item #8, Manager's Report No. 14-34 - 2nd Amendment for contract No. 560, IT Review and Assessment, Strategic Planning and Implementation; seconded by Mr. Strom; with no objections, motion carried with 6 ayes.

Mr. Dill moved to accept the agenda as amended; seconded by Mr. Shiraishi; with no objections, motion carried with 6 ayes.

MEETING MINUTES

Review and approval of:

Regular Board Meeting – January 23, 2014

Mr. Strom moved to defer the approval of the Regular Board Meeting Minutes of January 23, 2014 due to grammar discrepancies and extended review from Board Members; seconded by Mr. Shiraishi; with no objections, motion was carried with 6 Ayes.

Review and approval of:

Public Hearing – Benefit Zones – January 23, 2014

Ms. Ho requested to correct spelling on page 2; “Procedures” not “rocedures.”

Mr. Shiraishi moved to approve the Public Hearing – Benefit Zone minutes of January 23, 2014 as amended; seconded by Mr. Dill; with no objections, motion was carried with 6 ayes.

Review and approval of Executive Session:

Executive Minutes – January 23, 2014

Mr. Shiraishi moved to approve the Executive Session minutes of January 23, 2014; seconded by Mr. Dill; with no objections, motion was carried with 6 ayes.

E. CORRESPONDENCE/ANNOUNCEMENTS

1. Correspondence from Ms. Bonnie Bator, dated January 27, 2014 regarding Community Outreach Meeting, Water Plan 2020 Kahili High Level Well Energy Savings Project: Cost Savings Analysis

Mr. Shiraishi moved to receive correspondence from Ms. Bonnie Bator, dated January 27, 2014 regarding Community Outreach Meeting, Water Plan 2020 Kahili High Level Well Energy Savings Project: Cost Savings Analysis; seconded by Mr. Dill; with no objections, motion was carried with 6 ayes.

F. OLD BUSINESS

1. Manager’s Report No. 12-56 - Determination of Reasonable Benefit from Expansion Project Impact Fees without Establishing Benefit Zones, Public Hearing Results

BACKGROUND:

On January 23, 2014, a Public Hearing was held with no opposition to the Determination of Reasonable Benefit from Expansion Project Impact Fees without Establishing Benefit Zones.

Acting Manager and Chief Engineer, Mr. Saiki recommended the Department assess expansion project impact fees without establishing benefit zones.

Mr. Dill moved to receive Manager’s Report No. 12-56 - Determination of Reasonable Benefit from Expansion Project Impact Fees without Establishing Benefit Zones, Public Hearing Results with the amendment stating there was one (1) attendee, Mr. Hal Parrott; seconded by Mr. Shiraishi; with no objections, motion was carried with 6 ayes.

G. NEW BUSINESS

1. Manager’s Report No. 14-28 - Request Board Approval of the Volunteer Agreement with Mike Fernandes for Grounds Maintenance of the DOW Nonou 0.2 MG Tank Site

BACKGROUND:

Acting Manager and Chief Engineer, Mr. Saiki recommended that the Board approve the annual Agreement allowing Mr. Michael Fernandes to continue providing voluntary site maintenance of the (inactive) Nonou 0.2 MG Tank Site, in Wailua. Mr. Fernandes has done the site maintenance for the past 20 years except for a one year gap. Mr. Fernandes has agreed to start the site maintenance again.

The Board discussed the following items:

- Tank is abandon and not connected to the water system
- Site is secured by fencing and a locked gate
- Concerns with Homeland Security with surrounding water systems and Pressure Reducing Valves (PRV)
- Addressing security with a non-employee volunteer
- In the agreement, the volunteer understands that he/she is personally liable for any negligent acts

Deputy County Attorney, Andrea Suzuki was unsure if there were Homeland Security laws relating to county water. Recommendations through the American Water Works Association could be reviewed and accepted by the county.

The worst case scenario would be the contamination of the water system. Mr. Shiraishi said the agreement was well drafted and protects the Department, provides disclosure and waivers.

Mr. Shiraishi moved to approve Manager's Report No. 14-28 - Request Board Approval of the Volunteer Agreement with Mike Fernandes for Grounds Maintenance of the DOW Nonou 0.2 MG Tank Site subject to:

- 1) Due diligence on the Homeland Security issue. If there are Homeland Security issues based on the agreement, either party can terminate at any time.
- 2) The Department to follow up on security issues and a background check on Mr. Fernandes; seconded by Mr. Dill; with no objections, motion was carried with 5 ayes, 1 nay (HS)

2. Manager's Report No. 14 – 29 - Reallocate Funds for Job No. 05-02 (HW-12), Drill and Test Wainiha Well No. 4 back to Build America Bond (BAB) Fund

BACKGROUND:

Acting Manager and Chief Engineer Mr. Saiki reported the reason for reallocating funds for Job No. 05-02 (HW-12), Drill and Test Wainiha Well No. 4 back to Build America Bond (BAB) Fund was that the Robinson land owner had an additional requirement for the site. This requirement needed to be redesigned with additional costs. The Department decided to cancel the construction project and to return funds back to the BAB fund.

DISCUSSION:

Chair Nakaya questioned why the Department did not consult with the land owner during the process?

Civil Engineer VI, Mr. Aoki explained that the land owner initially was okay with the location of the well site. After the land owner reviewed the site drawings, the land owner did not realize the well site was closer to an existing road and expressed some concerns.

Mr. Shiraishi moved to approve Manager's Report No. 14 – 29 – to Reallocate Funds for Job No. 05-02 (HW-12), Drill and Test Wainiha Well No. 4 back to Build America Bond (BAB) Fund; seconded by Mr. McCormick; with no objections, motion was carried 6 ayes.

3. Manager's Report No. 14 – 30 – Proposed Deferral of July 2014 Water Rate Increase Commission Support Clerk pointed out that Manager's Report No. 14-30 (iPads/hard copy) reflected the incorrect report number which should be Manager's Report No. 14-30 (not 13-30).

Acting Manager and Chief Engineer, Mr. Saiki recommended to the Board to defer the water rate increase effective July 1, 2014 for six (6) months which was based on the \$9.5M increase in the Capital Improvement Projects (CIP) reserve. \$7M is appropriated this fiscal year ending June 30, 2014 with \$12M in unassigned funds.

The Facility Reserve Charge (FRC) funds have adequate funding of \$2.5M to support this fiscal year's debt service payment. Although this fiscal year has adequate funding, the DOW would have to come back to the Board in April to establish an Inter Fund policy to be able to fund the debt service from the Water Utility Fund.

Waterworks Controller, Ms. Yano explained the FRC fund in the Fiscal Report (*page 100 in iPad*).

- Year to Date FRC = \$485,000
- July 1, 2013 = \$2.6M
- BAB = \$278,000 by year end
- \$3M - expected to be spent this year
- Pay out of Debt Service occurs - February 1st and August 1st

Acting Manager and Chief Engineer, Mr. Saiki will review Board Policy No. 26, Emergency Reserve Fund and Board Policy 27, Debt Service Reserve Funds to make sure the changes made to Board Policy No. 3, Expenditure of Water Utility Funds are in concurrence with one another.

The Kaua'i Department of Water needs to notify the Honolulu Board of Water Supply (HBWS) of the deferral by March 14th in order to defer the July 1st 2014 Water Rate Increase. It takes HBWS two (2) months to test the changes in billing rates.

Mr. Dill suggested deferring the rate increase matter to the Finance Committee for recommendations. Without having any DOW projects, the rate increase would be not justified.

Acting Manager and Chief Engineer, Mr. Saiki and Civil Engineer IV, Mr. Keith Aoki provided a status of DOW projects:

- Seven (7) to eight (8) projects are 80% - 90% designed
- Projects encumbered next year would be \$3M
- Approximately \$12M projects are split funded
- BAB funded – \$5M+ is out of \$12M

Construction Project Management Officer, Mr. Moises added that \$7M is appropriated but is not encumbered. He added that construction projects are not part of the \$12M.

Mr. Randall Nishimura, former Board Chair provided his testimony and suggested that the Board know what the impact on the draft budget would be before making a decision.

Mr. Shiraishi moved to defer Manager's Report No. 14 – 30 – Proposed Deferral of July 2014 Water Rate Increase and to refer to the Finance Committee; seconded by Mr. Dill; with no objections, motion was carried with 6 ayes.

F. **OLD BUSINESS**

2. Manager's Report No. 13-19 – Discussion and approval of Assistant Chief of Operations, Position #2400 Table of Organization

BACKGROUND:

In December 2012, the Department requested that the Board re-establish the position of Assistant Chief of Operations. This request was prompted by a November 2009 letter requesting Leave Without Pay to Certain Appointed Positions via Executive Order 03-02. The former Department Manager approved the request on November 2009. Between November 2009 and December 2012 the position was abolished by the Department. The County's Department of Personnel Services (DPS) informed the Department that the positions should not have been abolished if the person could return to the position.

At the December 2012 Board Meeting, the Board was briefed on the re-establishment of the Assistant Chief of Operations position. Following this Board Meeting, the proposed Operations Division organization chart was signed by the Board Chairperson on December 20, 2012.

Acting Manager and Chief Engineer Mr. Saiki recommended that unless otherwise directed by the Board, the Department will consider the Assistant Chief of Operations as an *established* position that can be filled. The position is budgeted for the latter part of this fiscal year.

DISCUSSION:

Deputy County Attorney, Marc Guyot clarified that the Board accepted the communication but did not vote on approving the communications during the Executive Session on December 20, 2012. What was missing in the Executive Session minutes was the vote of the Board in open session to ratify the signed Table of Organization.

Acting Manager and Chief Engineer, Mr. Saiki noted that the Department has interviewed candidates but a selection has not been made. The County's DPS approved the signed Table of Organization. For fiscal year 2013-2014, the Assistant Chief of Operations is funded for four (4) months that ends June 30, 2014.

Water Plant Superintendent, Ryan Smith explained that the two (2) Water Service Supervisors (Mr. Virgil Kapanui and Mr. Chris Nakamura) currently perform the duties of the Water Field Superintendent position which is the reason the Water Field Superintendent position was never filled.

DISCUSSION:

Mr. Moises gave a background on the Assistant Chief of Operations position and explained when Mr. Bill Eddy became the Deputy Manager, the Manager and Chief Engineer at that time deleted the Assistant Chief of Operations position and created two (2) SR-24 positions for the Water Plant Superintendent (filled) and Field Superintendent (not filled). When Mr. Eddy left the Department, the Assistant Chief of Operations position was reestablished.

Mr. Dill moved to go into Executive Session for Manager's Report No. 13-19 – Discussion and approval of Assistant Chief of Operations, Position #2400 Table of Organization; seconded by Mr. McCormick; with no objections; motion was carried with 6 ayes. (Roll Call: LH, HS, RM, SS, LD, CN)

At 11:05 a.m. the Board moved into Executive Session to take up I. Executive Session Items #2 & #3.

Deputy County Attorney, Marc Guyot read the follow Executive Session language:

2. *Pursuant to Hawai'i Revised Statutes Sections 92-4 and 92-5(a)(4), the purpose of this executive session is to provide the Board with a briefing regarding the Re-Establishment of Assistant Chief of Operations - Position #2400. This briefing and consultation with the Board counsel involves the consideration of the powers, duties, privileges, immunities and/or liabilities of the Board and the Department as they relate to this agenda item.*

3. *Pursuant to Hawai'i Revised Statutes Sections 92-4 and 92-5(a)(4), the purpose of this executive session is to provide the Board with a consultation regarding the process of hiring a new Manager and Chief Engineer. This briefing and consultation with the Board counsel involves the consideration of the powers, duties, privileges, immunities and/or liabilities of the Board and the Department as they relate to this agenda item.*

At 12:07 p.m., Chair Nakaya called the Regular Board Meeting back to order.

Chair Nakaya announced the actions that were taken during Executive Session Items #2 & #3.

Executive Session Item #2

Pursuant to Hawai'i Revised Statutes Sections 92-4 and 92-5(a)(4), the purpose of this executive session is to provide the Board with a briefing regarding the Re-Establishment of Assistant Chief of Operations - Position #2400. This briefing and consultation with the Board counsel involves the consideration of the powers, duties, privileges, immunities and/or liabilities of the Board and the Department as they relate to this agenda item.

Chair Nakaya announced that the Board approved to ratify the action taken by the Board on December 20, 2012 including the Table of Organization.

Executive Session Item #3

Pursuant to Hawai'i Revised Statutes Sections 92-4 and 92-5(a)(4), the purpose of this executive session is to provide the Board with a consultation regarding the process of hiring a new Manager and Chief Engineer. This briefing and consultation with the Board counsel involves the consideration of the powers, duties, privileges, immunities and/or liabilities of the Board and the Department as they relate to this agenda item.

The Board authorized Chair Nakaya to conduct a search both internal and external for applicants and to advertise and fill the Manager and Chief Engineer position and to report back to the Board.

G. NEW BUSINESS

5. Manager's Report No. 14 – 32 – Emergency Repairs Contract for Kalāheo Deepwell No. 1

BACKGROUND:

On January 29, 2014, the DOW Operations Division discovered that the Kalāheo Deepwell No. 1 was inoperable due to a broken shaft which is needed as a back up water source. The Department requested for \$85,000 to remove the pump and to repair the broken shaft.

At 12:11 p.m., Mr. Shiraishi exited the meeting.

At 12:13 p.m., Mr. Shiraishi re-entered the meeting.

Mr. Dill moved to approve Manager's Report No. 14 – 32 – Emergency Repairs Contract for Kalāheo Deepwell No. 1; seconded by Mr. Shiraishi; with no objections, motion was carried with 6 ayes.

6. Manager's Report No. 14- 33 – Discussion and approval of Accountant II, Position #2498 Table of Organization

BACKGROUND:

The Board approved the Manager's recommendation in June, 2011. The revised organizational chart included a new position, Meter Reader/Field Collection Representative II. This new position was requested in anticipation of the increased volume of transactions in Billing due to the upcoming conversion of Customer Account System (CAS) to Customer Care & Billing (CC&B) and frequency of billing from bi-monthly to monthly billing.

Upon approval, the Board included the stipulation to revert the Accountant II position back to the Meter Reader/Field Collection Representative II when the Accountant IV is filled.

Since the implementation, the Fiscal Division finds that the Accountant II is needed as a permanent position and that the Meter Reader/Field Collection Representative II is not.

Mr. Shiraishi moved to approve Manager's Report No. 14- 33 – Discussion and approval of Accountant II, Position #2498 Table of Organization; seconded by Mr. Dill; with no objections, motion was carried with 6 ayes.

4. Manager's Report No. 14 – 31 – Contract No. 560, IT Review and Assessment, Strategic Planning and Implementation, Fiscal staffing update

BACKGROUND:

On December 9th, BRIO held a Workshop for the Board to explain Phase 1 of the current contract, the redevelopment of the chart of accounts and the re-implementation of the financial system. The Board requested an update on the staffing capabilities for the go live date of July 1, 2014.

DISCUSSION:

The estimate of overtime is 200 hours and most of the work would be done during the staff's normal work day (30% with more or less costing \$5,000 of over time). Funding is available from vacant positions. Waterworks Info Tech. Officer, Jeff Mendez agreed to track the project and hours to make the deadline by June 30, 2014.

Mr. Shiraishi moved to receive Manager's Report No. 14 – 31 – Contract No. 560, IT Review and Assessment, Strategic Planning and Implementation, Fiscal staffing update; seconded by Mr. Dill; with no objections, motion was carried with 6 ayes.

8. Manager's Report No. 14- 34 – 2nd Amendment for Contract No. 560, IT Review and Assessment, Strategic Planning and Implementation

BACKGROUND:

Waterworks Info. Tech. Officer, Jeff Mendez reported that the 2nd Contract Amendment for Contract 560 with BRIO is in the total amount of \$370,000. The Department has availability to fund \$300K. It is recommended that the **Board approve the additional amount of \$70,000 from the CIP Reserve Fund (Option 1)** to go into a hosted environment.

\$70,000 includes off site hosting for one (1) year, replication services (the server would be on the business location network). Each night, the offsite host would synchronize data and updates to the server locally. If communication went down, the business location network could still be worked on.

DISCUSSION:

Mr. Mendez explained that there would be very little down time with an offsite server. If the local server crashed with a duplicate hard drive in house, the down time to rebuild the server would take more than a day. The \$300,000 is already budgeted to implement one server and the additional \$70,000 funds would be needed to duplicate off site. It would take approximately 20-30 hours of overtime to do patches, weekly updates and back up which would free up the IT staff. The benefit of an offsite server would be if the primary in house driver and duplicate driver were destroyed, the rebuild would be faster from the offsite server.

Performance of an offsite server is 99.9% faster up time. Additional expenditures would make the new system quicker on the host network. The warranty period is for one (1) year, but there is an option to renew after the one (1) year.

The original contract includes the blank server and software to be installed locally. There would be no services for upgrades after installation.

Mr. Shiraishi amended the motion to re-evaluate the hosting after one year, but Deputy County Attorney Andrea Suzuki made clear that the \$70,000 covered for one year.

Mr. Shiraishi withdrew his request to amend Mr. Dill's motion.

Mr. Dill moved to approve Manager's Report No. 14- 34 – 2nd Amendment for Contract No. 560, IT Review and Assessment, Strategic Planning and Implementation; seconded by Mr. McCormick; with no objections, motion was carried with 6 ayes.

7. Chairperson's Report - Discussion and action steps concerning selection process for a new Manager and Chief Engineer of the Kaua'i County Water Department

This item was discussed during Item I. Executive Session; please see Executive Session Item #3 for the Board's action.

H. REPORTS
MONTHLY

1. Statement of Kaua'i County Water Department's Revenues and Expenditures

BACKGROUND:

Ms. Yano reported on the Budget Status Summary, Water Utility Fund, FRC, BAB Fund and comparative reports and mentioned that there was a drop in water consumption.

Water Utility Fund, Line Item 101 – Capital Improvements \$7.2M is budgeted with \$92,000 unencumbered which was the assigned fund balance. Two (2) to three (3) projects would be awarded by June 2014. Approximately \$3.5M has not been encumbered.

At 12:52 p.m., Chair Nakaya exited the meeting.

Mr. Dill moved to receive the Statement of Kaua'i County Water Department's Revenues and Expenditures; seconded by Mr. McCormick; with no objections, motion was carried with 5 ayes.

2. Report by the Public Relations Specialist on Public Relations Activities

BACKGROUND:

Ms. Tamaoka reported on the Public Relations Activities.

Press Releases:

January 21st – The Department announced community outreach meeting on Jan. 27th, at Kapa'a Middle School's dining room regarding the Cost-Savings Analysis Report for the Kahili Horizontal Directionally Drilled Well.

January 31st – The Department announced the completion of a capital rehabilitation project for the Wainiha-Haena water system.

Blackboard Connect CTY Messages:

January 26th – The Department announced repairs were being made to a water main break in Wailua Homesteads. Updates were sent through the County of Kauai's Facebook webpage.

January 28th – The Department announced a water outage to a portion of Halelani Village, due to a broken valve. Updates were sent through the County of Kauai's Facebook webpage.

Published Articles:

January 22nd – "Kahili well public meeting on tap," by TheGardenIsland.com

January 29th – "No well. No way." by Chris D'Angelo, The Garden Island

February 1st – "Kauai Captured," by Dennis Fujimoto, The Garden Island

February 1st – "Wainiha-Haena water system renovations completed," TheGardenIsland.com

Published Letters to Editor:

January 31st – "Sometimes, aloha just doesn't work," by Gail Rosen, Lihue

January 31st – "Water conservation, not drilling, the answer," by Bonnie P. Bator, Anahola

February 2nd – "Too many red flags on 'Kahili Well' plan," by Jay Perreira, Lihue

Kahili Horizontal Directional Drilled Well – Community Outreach Meeting

The Department held a community outreach meeting regarding the Cost-Savings Analysis Report for the Kahili HDD Well, on Jan. 27th, at the Kapa'a Middle School dining room. The Department did not receive any public comments specifically on the Cost-Savings Analysis Report. The meeting's planning team met on Jan. 30th, to review and assess the outcome of the meeting.

Water Conservation Advisory Group (WCAG):

The State of Hawaii DLNR's Commission on Water Resource Management is updating its "Water Resources Protection Plan, Section 7 – Resource Conservation and Augmentation." PR updated the Department's water conservation program description.

Project Water Education for Teachers (WET):

Ms. Tamaoka met with Mr. Dan Chang, State Department of Health Safe Drinking Water Branch, to discuss the Department's existing contract to develop and implement a statewide Project WET for Source Water Protection Education. Mr. Chang advised Ms. Tamaoka that a plan and schedule should be presented at their next meeting on February 26th. Ms. Tamaoka has registered to attend the 2014

Project WET conference, "Sustaining the Blue Planet 2014: Global Water Education Conference" in Bozeman, Montana, from June 23 to 27, 2014.

Employee Council (EC):

Ms. Tamaoka and Mr. Kevin Pongasi will represent the Department on the EC this year. The EC held a meeting on Feb. 13th. The EC Appreciation Luncheon is scheduled for Thursday, April 17.

Miscellaneous:

- Yearbook Updated – The 2014 Employee Yearbook was completed in January. A digital copy was posted onto the Department's Intranet, and one hard copy was printed per division for employees.
- Hygiene Supplies Drive for Homeless Veterans – The Department donated 353 Project WET Hand Sanitizers to the Kauai RSVP-sponsored Hygiene Supplies Drive on Jan. 17th.
- Career Day – Mr. Dustin Moises and Ms. Tamaoka attended King Kaumuali'i Elementary School's Career Day on Feb. 3rd. Mr. Dustin gave a presentation about the Department and Civil Engineering to approximately 40 fifth grade students. Kalani Dabin, Russell Coyaso and Darren Galas cleaned and transported the Department's mini excavator to the school for the students to view.
- Logo Orders – PR ordered 100 new vehicle decals for the Department's vehicles and equipment. PR also ordered a new batch of employee uniforms, and is working on a new SOP which will provide information on the Department's uniform policy and procedure.

Mr. McCormick moved to receive Public Relations Specialist Report on Public Relations Activities; seconded by Mr. Dill; with no objections, motion was carried with 5 ayes.

3. Chief of Operation's Summary Report on Monthly Operational Activities Report

At 12:54 p.m., Chair Nakaya re-entered the meeting.

Mr. Shiraishi moved to receive Chief of Operation's Summary Report on Monthly Operational Activities Report; seconded by Mr. Dill; with no objections, motion was carried with 6 ayes.

4. Manager's Monthly Update Regarding Activities of Note of the Kaua'i County Water Department

Acting Manager and Chief Engineer highlighted the following:

1. CONTRACTS AWARDED/EXTENSION/AMENDMENTS:

RE: 1st Amendment to Contract No. 520 with Fukunaga & Associates, Inc. for Job No. 10-01, #ANI-01, Pipeline Replacement from Kilauea to 'Anini, Kilauea-Kalihiwai- 'Anini Water System, Kilauea, Kaua'i, Hawai'i

The State Historic Preservation Division (SHPD) required an archaeological monitoring plan. The Planning Department did not require a Special Management Area Permit. Dollars for the SMA permit was used for the archaeological monitoring plan. This had a no cost change and a \$475.00 deduction.

2. Personnel Matters Update:

Operations Division:

Assistant Chief of Water Operations #2400 – Interviews held
Pipe Fitter - Filled

Fiscal Division:

Accounting IV – Filled
Customer Service Representative (CSR) – Interviews held

Engineering Division:

CE II #2458 – DOW reviewing duties - CE II position may move to a CE I position
CE V #2358 – Pending eligible list of applicants. Previously an individual was hired as a CE V but had to move back to the mainland.

3. 2014 Legislative Session Update:

The Department is tracking the following live Bills for this legislative session.

HB1969 – Relating to Water Royalties - Assesses \$1 royalty for every 1000 gallons pumped from the State's aquifers. Dedicating revenues to offset water system project costs. **The DOW has submitted testimony along with Hawai'i County and the Honolulu Board of Water in opposition of this bill**

SB2667 – Relating to State Water Code - Requires a private person or entity to obtain a permit to withdraw ground water in certain counties. Establishes certain counties as a designated water management area. **The DOW has submitted testimony in opposition of this bill.**

SB3094 – Relating to Counties - Empowers counties to impose and enforce liens upon premises served for unpaid water or sewer charges after an opportunity to be heard under chapter 91, HRS. Repeals the authority of each county to take over from the State existing waterworks systems and sewer systems and to enlarge, develop, and improve the same. **The DOW submitted testimony in support of this bill.** This bill allows the county to pass rules or ordinance to allow liens.

Mr. Shiraishi moved to receive Manager's Monthly Update Regarding Activities of Note of the Kaua'i County Water Department; seconded by Mr. Dill; with no objections, motion was carried with 6 ayes.

- a. Report of the BAB Fund pay down as of January 2014

Mr. Shiraishi moved to receive Report of the BAB Fund pay down as of January 2014; seconded by Mr. Dill; with no objections, motion was carried with 6 ayes.

J. TOPICS FOR NEXT WATER BOARD MEETING (March)

1. Draft FY 14-15 Budget –
 - New format for the Draft FY 14-15 Budget will be presented at the Workshop.
 - Budget worksheets will be provided at the March meeting.
 - Budget reports may be done on or before the March agenda posting.
2. Manager's Report No. 14 – XX – New Board Policy proposed draft language for Delegating Routine actions from the Water Board to the DOW's Manager and Chief Engineer regarding Right of Entry
3. Manager's Report No. 13-53 – Job No. PLH-30 – Water Plan 2020 Kahili High Level Well

Energy Savings Project, *Cost Savings Analysis*

4. Inter Fund Borrowing Policy

K. TOPICS FOR FUTURE WATER BOARD MEETINGS (April)

1. Manager's Report No. 13-7 - Part 2 Section IX of the Rules, Adjustment of Bills for Undetected Leaks and Unforeseen Damages Proposed Amendments, Public Hearing Results
2. Manager's Report No. 14-24 - Part 4 Section I of the Rules, General Use Rates Proposed Amendments, SBRRB Results (awaiting Part 4 Section VII, Facilities Reserve Charge to be submitted together)
3. Manager's Report No. 11-28 - Part 5 of the Rules, Facilities Reserve Charge - New Rule, SBRRB Results (awaiting Part 4 Section VII, Facilities Reserve Charge to be submitted together)
4. Manager's Report No. 14-XX - Board discussion and possible action for Unaccounted Water
5. Homeland Security with Water Systems
6. Table of Organization Workshop

L. UPCOMING EVENTS

1. Workshop - Water Plan 2020 Project PLH-39, Lihu'e Baseyard Improvements for the Department of Water, Lihu'e, Kaua'i, Hawai'i and IT Review and Assessment, Strategic Planning and Implementation New Format - Budget FY 14-15 (*March 7, 2014*)
2. Public Hearing - Part 2, Section IX of the Rules, Adjustment of Bills for Undetected Leaks and Unforeseen Damages Proposed Amendments (*Date Pending*)
3. AWWA 2014 Hawaii Section Conference, O'ahu, HI (*May 6-9, 2014*)
4. AWWA 2014 Conference, Boston, MA (*June 8-12, 2014*)
5. Make a Splash, Project WET (*September 18, 2014 Tentative*)
6. HWWA 2014 Conference, Kaua'i, HI (*October 15-17, 2014*)

M. NEXT WATER BOARD MEETING

1. Thursday, March 27, 2014, 10:00 a.m.
2. Thursday, April 24, 2014, 10:00 a.m.
3. Thursday, May 22, 2014, 10:00 a.m.
4. Thursday, June 26, 2014, 10:00 a.m.

At 1:17 p.m., Mr. Dill exited the meeting.

N. ADJOURNMENT

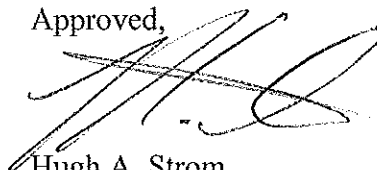
Mr. Shiraiishi moved to adjourn the Regular Board meeting at 1:21 p.m.; seconded by Mr. McCormick; with no objections, motion was carried with 5 ayes.

Respectfully Submitted,



Edie Ignacio Neumiller
Commission Support Clerk

Approved,



Hugh A. Strom
Secretary - Board of Water Supply