

REGULAR MEETING MINUTES  
BOARD OF WATER SUPPLY  
**Thursday, March 19, 2009**

The Board of Water Supply, County of Kaua'i, met in regular meeting at its office in Lihu'e on Thursday, March 19, 2009. Chairperson Leland Kahawai called the meeting to order at 9:45 a.m. On roll call, the following answered present:

BOARD: Mr. Leland Kahawai, Chairperson  
Mr. Dee Crowell  
Mr. Donald Fujimoto  
Mr. Raymond McCormick  
Mr. Randall Nishimura  
Mr. Roy Oyama

Absent & Excused: Mr. Ian Costa

STAFF: Ms. Wynne M. Ushigome  
Mr. Gregg Fujikawa  
Mr. William Eddy  
Mr. Keith Fujimoto  
Mr. Bruce Inouye  
Ms. Faith Shiramizu  
County Attorney Al Castillo Jr.

Absent & Excused: Mr. Paul Ganaden

GUESTS: Mr. Lindsay Crawford, Kukui'ula Development LLC (9:53 a.m. to 11:05 a.m.)  
Mr. Tom Shigemoto, A&B Properties (left at about 11:05 a.m.)  
Mr. Max Graham, Po'ipu Beach Hotel (left at about 9:50 a.m.)  
Mr. Mike Kiggen, Po'ipu Beach Hotel (left at about 9:50 a.m.)  
Mr. Cris Steuri, Po'ipu Beach Hotel (left at about 9:50 a.m.)  
Mr. David McChesney, Po'ipu Beach Hotel (left at about 9:50 a.m.)  
Mr. Hobie Beck (left at about 10:47 a.m.)  
Mr. Edward Doi  
Ms. Margie LOO (from about 11:00 am to 11:50 am)

**AGENDA**

Chair Kahawai made the following changes to the Agenda:

Old Business:

1. F1, Status Report from Kukui'ula Development Company (Hawai'i) LLC will be brought up upon the arrival of Mr. Lindsay Crawford
2. The following to be taken up at the end of this Regular Meeting:
  - a. F5, Request Board Approval to Amend the Travel Budget for Board and Staff;
  - b. F6, Discussion and/or Action by the Board on the DOW's Hiring of the Waterworks Legal Advisor; and

- c. F7, Discussion and/or Action by the Board regarding steps, actions, procedures and processes necessary to select a new Manager and Chief Engineer for the Kauai Water Department

**New Business:**

3. Move up G7 to G1, Conveyance of Water Facilities and Consent from CTF Hawaii Hotel Partners Limited Partnership for the Poipu Beach Hotel
4. This matter was resolved and deleted: G2, Request to Testify by Vic and Anne Allen and John McEveety for TMK No. 3-8-16:020, Lihu'e Kaua'i to Transfer their Water Rights from their State Condemned Lot to the Adjacent Property

Mr. Oyama moved to approve the Agenda, as amended, seconded by Mr. D. Fujimoto; motion was carried.

**MINUTES:**

**Regular Meeting – February 19, 2009:**

Mr. Nishimura moved to receive the Regular Meeting minutes of Thursday, February 19, 2009 and place on file, seconded by Mr. Oyama; motion was carried.

**CORRESPONDENCE:**

**Re: Letter from Mr. Stuart Yamada from the State Department of Health Regarding Invitation to AWWA, HI Section Annual Conference and Exposition for May 13-15, 2009, Sheraton Waikiki, Oahu**

Mr. Crowell moved to accept the above correspondence and placed on file, seconded by Mr. D. Fujimoto; motion was carried.

**OLD BUSINESS:**

**Re: Request Board Approval of a Third Contract Amendment for Job No. 04-02, 02-18, WK-14, WK-32, Waterline along Kaehulua, Apopo and Kanaele Roads with Fukunaga and Associates, Kapaā, Kaua'i**

**RECOMMENDATION:** It was recommended that the Board approve the third contract amendment with Fukunaga and Associates, Inc, for additional time to complete the subject project.

**FUNDING:** Not applicable.

**BACKGROUND:**

The projects include the design for:

**Phase I**

- 2,000 Linear Feet of 8-Inch Ductile Iron Pipe along Kaehulua Road.
- Installation and replacement of 3,000 feet of 8" waterline along Apopo Road.

Phase II

- 750 Linear Feet of 6-Inch Ductile Iron Pipe along Sokei and Ua Roads.
- 6,500 Linear Feet of 6-Inch Ductile Iron Pipe along Kaehulua Road.
- 800 Linear Feet of 6-Inch Ductile Iron Pipe along Annie Road.
- 1,600 Linear Feet of 6-Inch Ductile Iron Pipe along Kaehulua Place.
- 1,650 Linear Feet of 6-Inch Ductile Iron Pipe along Kapahi Road.
- 1,000 Linear Feet of 6-Inch Ductile Iron Pipe along Puka Street.
- 460 Linear Feet of 6-Inch Ductile Iron Pipe along Ninaula Road.
- 1,620 Linear Feet of 6-Inch Ductile Iron Pipe along Moalepe Road.
- 950 Linear Feet of 6-Inch Ductile Iron Pipe along Lani Road.
- 1,200 Linear Feet of 6-Inch Ductile Iron Pipe along Waikaea Road.
- 1,500 Linear Feet of 6-Inch Ductile Iron Pipe along Waikaea Road.
- 600 Linear Feet of 6-Inch Ductile Iron Pipe along Honua Road.
- 850 Linear Feet of 6-Inch Ductile Iron Pipe along Ea Road.
- 1,200 Linear Feet of 6-Inch Ductile Iron Pipe along Mailehuna Road.
- 1,300 Linear Feet of 6-Inch Ductile Iron Pipe along Laipo Road.
- 900 Linear Feet of 6-Inch Ductile Iron Pipe along Hassard Road.
- 600 Linear Feet of 6-Inch Ductile Iron Pipe along Hulu Road.

The project consultant, Fukunaga & Associates, has requested additional time to complete the project due to an unforeseen problem with crossing Kanaele (Moikeha) Stream. Additionally, the revised drawings required review by the County Public Works Department, which further delayed the project.

Fukunaga & Associates anticipates that they should be able to complete the design by June 1, 2009 subject to timely reviews by the Department of Water and the County Public Works Department.

Mr. Nishimura moved that the Board approve the third contract amendment with Fukunaga and Associates, Inc, for additional time to complete the subject project, seconded by Mr. Oyama; motion was carried.

**Re: Automated Meter Reading (AMR) Implementation for the Department of Water, County of Kauai, 6<sup>th</sup> Contract Amendment**

RECOMMENDATION: It was recommended that the Board approve the sixth contract amendment with Professional Meter, Inc. (PMI), contractors for this project to account for the actual installations that were completed.

**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 .....	\$	156,536.66
Fourth contract Amendment: .....	\$	20,000.00
Fifth contract Amendment:.....	\$	9,780.00
Sixth contract Amendment:.....	<\$	28,957.94>.....
Total Contract Amount.....		<u>\$ 436,250.72</u>
		<u>\$4,200,410.72</u>

Account No. 101, CIP, Automated Meter  
 Reading implementation for the  
 Department of Water ..... \$4,229,368.66  
 Total Contract Amount..... \$4,200,410.72  
 Balance Remaining ..... \$ 28,957.94

**BACKGROUND:**

PMI has completed the AMR meter change outs in accordance with their contract and the Department has determined the total meters that were changed, including retrofitting some of the existing (Badger) meters, collecting data for the previously DOW installs and the installation of numerous strainers for the compound meters. Although there is still a few minor items to be corrected, we are satisfied with their work and have no concerns in completing the contract. The final meter change-out totals were itemized on the following pages.

Mr. Nishimura moved that the Board approve the sixth contract amendment with Professional Meter, Inc. (PMI), contractors for this project to account for the actual installations that were completed, seconded by Mr. D. Fujimoto; motion was carried.

**Re: Job No. 94-3, K-10, 0.5 Million Gallon Kalaheo Storage Tank, Kalāheo, First Contract Amendment with ParEn, dba Park Engineering**

**RECOMMENDATION:**

It was recommended that the Board approve the first contract amendment to Park Engineering in the amount of \$8,310.00 for additional post-design and construction support for this project. It was further requested that the Board allocate \$8,308.00 from Account 106B, CIP Reserve to fund the balance needed for the amendment.

**FUNDING:**

TOTAL AVAILABLE:.....\$324,366.00  
 Contract No. 282, Park Engineering, Kalaheo Storage  
 Tank and Connection Pipeline.....\$324,364.00  
 Balance..... \$ 2.00  
 Addendum #1 ..... <\$ 8,310.00>  
**Total Additional Fund Required, Account No.106B, CIP Reserve..... <\$ 8,308.00>**

Contract amount after amendment ..... \$332,674.00

**BACKGROUND:**

The consultant for this project (PAREN, dba Park Engineering) has determined that they've exceeded their post design/construction support for this project by \$8,310.00. The construction support was not originally included in their contract, however was later funded by the Board at its November 17, 2004 meeting. The Department has reviewed their request and it appears to be reasonable.

Mr. Oyama moved to approve the first contract amendment to Park Engineering in the amount of \$8,310.00 for additional post-design and construction support for this project and approved the allocation of \$8,308.00 from Account 106B, CIP Reserve to fund the balance needed for the amendment, seconded by Mr. D. Fujimoto; motion was carried.

## **NEW BUSINESS:**

**Re: Conveyance of Water Facilities and Consent from CTF Hawaii Hotel Partners Limited Partnership, an Ohio limited partnership (formerly known as SHC Hawaii Hotel Partners Limited Partnership, an Ohio limited partnership); Latham Properties, Inc., a Hawaii corporation; Kuahiwi Holdings LLC, a Hawaii limited liability company; and Waiawa Properties LLC, a Hawaii limited liability company (formerly known as Knudsen-Baldwin LLC, a Hawaii limited liability company), for the Poipu Beach Hotel, TMK: (4) 2-8-017:017, TMK: (4) 2-8-017:018, TMK: (4) 2-8-017:019 and TMK: (4) 2-8-017:022, Koloa District, Kauai, Hawaii**

Mr. Max Graham, Po'ipu Beach Hotel, Mr. Mike Kiggen, Po'ipu Beach Hotel, Mr. Cris Steuri, Po'ipu Beach Hotel, Mr. David McChesney, Po'ipu Beach Hotel were all present at the meeting.

It was recommended that the Conveyance of Water Facilities and Consent document be approved; whereby, CTF Hawaii Hotel Partners Limited Partnership, an Ohio limited partnership (formerly known as SHC Hawaii Hotel Partners Limited Partnership, an Ohio limited partnership); Latham Properties, Inc., a Hawaii corporation; Kuahiwi Holdings LLC, a Hawaii limited liability company; and Waiawa Properties LLC, a Hawaii limited liability company (formerly known as Knudsen-Baldwin LLC, a Hawaii limited liability company), transfer unto the Board of Water Supply, County of Kauai, all of its right, title and interest to: one (1) each, 4-inch ductile iron lateral for 3" compound meter; one (1) each, 4-inch gate valve, including C.I. valve box & cover for 3" compound meter lateral; one (1) each, 6-inch ductile iron lateral for 6" detector check; one (1) each, 6-inch gate valve, including C.I. valve box & cover for 6" detector check lateral; two (2) each, fire hydrant assembly with 1-4 1/2" & 1-2 1/2" outlet; and two (2) each, 6-inch gate valve, including C.I. valve box & cover for fire hydrant; in place complete, for the Poipu Beach Hotel, TMK: (4) 2-8-017:017, TMK: (4) 2-8-017:018, TMK: (4) 2-8-017:019 and TMK: (4) 2-8-017:022, Koloa District, Kauai, Hawaii.

Grant of Easement not required.

Mr. D. Fujimoto moved to approve the Conveyance of Water Facility from CTF Hawaii Hotel Partners Limited Partnership, seconded by Mr. Oyama; motion was carried.

*Mr. Graham, Mr. Kiggen, Mr. Steuri, Mr. McChesney, all left the meeting at about 9:50 a.m.*

**Re: Request to Testify by Mr. Hobey Beck on his Request to Adjust his Excessive Water Bill for his Property at TMK: 4-6-06:085, CPR 0002, Kapa'a, Kaua'i**

Mr. Hobey Beck was present at the meeting.

Acting Manager Ushigome gave the following report:

**RECOMMENDATION:**

It was recommended that the Board review this situation and consider possibly amending the Section IX – Adjustment of Bills for Undetected Leaks and Unforeseen Damages, under Part 2 of the Department’s Rules and Regulations.

**FUNDING:** Not applicable.

**BACKGROUND:**

On 12/3/07, one of the Department of Water’s Meter Readers was reading the subject water meter and noticed that it was spinning very fast indicating a water leak inside the property. The Meter Reader called his supervisor who subsequently notified Mr. Beck and then shut the valve at the meter. See Exhibit “A” for a plot of the subject water meter usage.

Mr. Beck investigated and determined that his 2” PVC waterline severed inside of a culvert structure at a ditch crossing and he hired a repairman to replace the failed section of pipeline.

Mr. Beck then filed with the Department for a water bill adjustment and submitted the required paperwork. The Department’s Billing Section determined that a total of 2,758 thousand gallons of water in excess of the average water bill was lost in the leak. The total un-adjusted amount of the water bill to the customer was \$12,694.96.

On about 8/5/08, an adjustment was made by the Department of Water in accordance with the Department’s Rules. The adjustment allowed for one-half of the bill to be forgiven by the Department and required the customer to pay the remaining approximate one-half of the water bill which amounted to \$6,328.60. See Exhibits “A” and “B” for reference.

On 1/26/09 Mr. Beck submitted a request to the Department for further adjustment of the water bill stating he could not pay the bill without financial assistance. As instructed by the Manager, the Meter Reader Supervisor and the Acting Chief of Operations met Mr. Beck at the subject site on 1/30/09. They inspected the culvert area and Mr. Beck explained how the leak went unnoticed until reported by the Meter Reader. It appears that the severed 2” PVC discharged through the culvert and into the ditch. Since there is flowing water on either side of the ditch, the relatively high flow leaking water was not noticed.

As shown on Exhibit “C”, Mr. Beck’s un-adjusted water bill consisted of:

20, 000 gallons billed at the 1<sup>st</sup> tier rate of \$2.45 per 1,000 gallons (\$49.00),  
Another 20,000 gallons billed at the 2<sup>nd</sup> tier rate of \$3.10 per 1,000 gallons (\$62.00),  
2,718,000 gallons billed at the 3<sup>rd</sup> tier rate of \$4.40 per 1,000 gallons (\$11,959.20),  
and the power adjustment charge on 2,758,000 gallons billed at \$0.22 per 1,000 gallons (\$606.76).

It was recommended herein that an adjustment be made as follows:

**Assumption No. 1 Adjustment is based on entire consumption in excess of the first block be calculated based on the 2<sup>nd</sup> Block Rate of \$3.10 per 1000 gallons (Effective Jan. 1, 2007)**

	<u>Consumption (000)</u>	<u>Water Charge</u>	<u>Power Adjustment</u>	<u>Total Charge</u>	<u>% of Bill</u>
Billed	2,758	\$12,088.20	\$606.76	\$12,694.96	100.0%
Adjustment	1,378	7,790.20	303.16	8,093.36	63.8%
Corrected to	1,380	4,298.00	303.60	4,601.60	36.1%

**Assumption No.2 Adjustment is calculated based on two-thirds of the excess over the consumer's normal water bill based on the previous six months average and based on the 3<sup>rd</sup> Block Rate at \$4.40 per 1,000 gallons (Effective Jan. 1, 2007)**

	<u>Consumption (000)</u>	<u>Water Charge</u>	<u>Power Adjustment</u>	<u>Total Charge</u>	<u>% of Bill</u>
Billed	2,758	\$12,088.20	\$606.76	\$12,694.96	100.0%
Adjustment	1,837	8,015.80	404.14	8,419.94	66.3%
Corrected to	921	4,072.40	202.60	4,275.02	33.7%

The subject customer's current adjusted water bill is \$6,328.50. It is recommended to adjust the water bill to a total of \$4,275.02.

The rationale is the excess consumption due to an undetected leak should not be charged at the highest tiered rate. Use the middle tier to establish the two-thirds reduction instead of (current) one-half.

If the Board decides to adopt the two-thirds adjustment change, the Department will prepare an administrative policy to be formally revised and effectuated by a Rule Amendment.

*Mr. Lindsay Crawford was present at the meeting at about 9:53 a.m. Mr. Shigemoto was present at about 10:00 a.m.*

County Attorney Castillo expressed his concern that the Board should keep the wisdom of the rules/policies separate from Mr. Beck's request to testify. As Mr. D. Fujimoto wanted to further discuss the rules/policies, County Attorney Castillo recommended that the Board move into Executive Session.

Unanticipated questions relating to the Rules and policies necessitated the Board to go into Executive Session as stated below and pursuant to H.R.S. §92-7(a).

**EXECUTIVE SESSION:**

***Pursuant to H.R.S. §92-7(a), the Commission 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 H.R.S. §92-4 and shall be limited to those items described in H.R.S. §92-5(a).***

Mr. Nishimura moved to go into Executive Session at about 10:05 a.m. to discuss the basis and Department's application of the Rules which allowed a billing adjustment for undetected leaks, seconded by Mr. D. Fujimoto. There was no Board discussion and no public testimony. Motion was carried. Staff was excused from the meeting.

*The Regular Meeting reconvened at 10:37 a.m.*

On query by Mr. D. Fujimoto, Acting Manager Ushigome explained that the meter readers noticed the high water usage, with the meter's dial spinning; therefore, reported it to Mr. Beck and the meter was closed at that time. Acting Manager Ushigome added that by the time the meter reader noticed the high usage it was after the fact as the Department has a bi-monthly billing period.

Mr. Eddy stated that the meter was leaking for about a 2-month period. Mr. Beck added that they have isolated the area of the leak but still have not found the leak. Mr. Eddy discussed that the leak is located somewhere within the culvert structure.

Mr. D. Fujimoto moved to accept the Department's recommendation for other reasons than what was stated because this is a very unusual situation with extenuating circumstances, when he was notified about the leak, that the homeowner attempted to fix it right away, and felt that he wanted to give some relief as recommended by the Department of \$4,275.02, seconded by Mr. Oyama for discussion purposes.

Acting Manager Ushigome stated that she wanted to establish and include a justification to document that this situation is special and unique.

Mr. Crowell stated that Mr. Beck's problem was compounded by his water rates going into the 3<sup>rd</sup> and highest tier of our water rate structure.

Mr. D. Fujimoto stated that the basis of his motion was that he felt this situation was special and very unique with extenuating circumstances and not intentional. Based on Mr. Beck's system, it is very hard to determine if there is a leak. Mr. D. Fujimoto hoped that the Department could find a way in the future to determine leaks earlier.

On query by Mr. Nishimura, Mr. D. Fujimoto discussed that the further reduction would not be per policy but felt that this situation was special and unique.

On query by Mr. Oyama, Acting Manager Ushigome stated that per policy the Department's initial adjustment of 50% reduction was correct.

Mr. D. Fujimoto stated that he understood that the customer also needs to take some of the responsibility for his plumbing and felt that Mr. Beck should be proactive to resolve his plumbing problem to prevent any future leaks. Therefore, Mr. D. Fujimoto felt that Mr. Beck needed to take some of the responsibility of the cost.

Chair Kahawai called for the vote. The following voted aye: Dee Crowell, Donald Fujimoto, Ray McCormick and Leland Kahawai. The following voted nay: Roy Oyama and Randall Nishimura. Motion was carried.



Chair Kahawai informed Mr. Beck that a revised water bill would be sent to him.

*Mr. Beck left the meeting at about 10:47 a.m.*

**Re: Status Report by Kukui'ula Development Company (Hawai'i) LLC**

Mr. Lindsay Crawford of Kukui'ula Development and Mr. Tom Shigemoto of A&B Properties were all present at the meeting.

Acting Manager Ushigome gave the following report:

Kukui'ula has submitted a monthly status update on their project. *As part of their Approval of a DOW Waiver, Release & Indemnity Agreement Request for: 1) Subdivision Y Cottages, S-2005-25, TMK: (4) 2-6-016: 016 thru 088; and, 2) Subdivision Y Custom Home Sites, S-2005-25; and, 3) Subdivision M1/M4 Custom Home Sites, S-2005-21, Kukui'ula Development, Kukui'ula, Kaua'i, Hawai'i, the Board requested monthly status updates on Kukui'ula's project.*

**Waiver, Release and Indemnity Agreements**

The Department signed the Waiver, Release and Indemnity (WR&I) Agreement for a custom home (Lot 24) in Subdivision M1/M4. The KDC included language into the WR&I agreement to clarify and confirm that they will maintain the circulation of water through their on-site water system and pay for the cost of the water used as proposed in their commission plan at the established rates.

The Department allowed the issuance of the building permits concurrent with KDC finalizing the recordation of the WR&I agreement with the Bureau of Conveyances. To date, the Department has not received the recorded WR&I from Kukui'ula.

Prior to executing any additional WR&I agreements for Subdivisions Y and M1/M4, KDC agreed to prepare a Memorandum of Agreement (MOA) which memorializes the requirements for circulating water through the subject development. This agreement will specify that KDC agrees to pay for the cost of the water at the DOW's established general use rates. The MOA will be a separate document from the WR&I agreement. Once the MOU is finalized and executed, the DOW will sign the remainder of the WR&I Agreements and its related building permits.

**Piwai 0.1MG Tank**

**Re: Request Board Consideration and/or Approval of Kukui'ula Development Company (Hawaii) LLC Regarding their Proposed Solution to the 0.1 Million Gallon (MG) Piwai Storage Tank Spillway Elevation Discrepancy**

The Department received KDC's letter dated February 10, 2009, however, since staff not had a chance to review the statements and claims made by KDC. An internal meeting with the staff to review the options to address mitigating the Piwai Tank spillway is scheduled on Monday, March 16, 2009. A meeting with KDC and their consultants is scheduled for March 24, 2009.

**Kukui'ula's Update Report:** Submitted by Lindsay Crawford, Senior Project Manager of Kukui'ula Development Company (Hawaii) LLC.

Mr. Crawford reported on the following:

Water System Completion:

All water system improvements were completed, tested and operating where needed to serve current demands in Kukui'ula and the region. DOW and Kukuiula are working to finalize all remaining as-builts, conveyances, grants of easements and cost breakdowns, ultimately leading to issuance of Certification of Completion for each remaining facility. Kukui'ula is targeting late April for receipt of Certification of Completion for all remaining system improvements.

The total cost of offsite water system improvements now installed by Kukui'ula is in excess of \$24 million. In return and to secure water usage rights, Kukuiula proposes that a formal "will serve" water agreement be executed between DOW and Kukuiula.

Piawai 0.1 MG Tank Spillway:

Kukuiula submitted a letter to DOW dated February 10, 2009 outlining our position and recommendations to resolve the spillway issue. A meeting with DOW staff is scheduled for March 24, 2009 to discuss a final solution. As such, Kukuiula recommended deferring this discussion and action on this matter to the April Board meeting.

Waiver, Release and Indemnity Agreements:

Waivers for the first ten building permits (Subdivision Y Cottages to be built by Kukui'ula) have been signed and recorded. The waiver for our first Custom Home building permit (Subdivision M4, Lot 24) was signed by Acting Manager Ushigome on March 5, 2009 (Mahalo!)

Waivers for the next seven Cottage lots in Subdivision Y were submitted to the DOW in October 2008. Waivers for (12) more Cottage lots in Subdivision Y will be submitted next month.

As stated earlier, both the DOW and Kukui'ula are working diligently to finalize all remaining items leading to DOW's final acceptance (and Certification of Completion), which will eliminate the need for additional waivers. Depending on how expeditiously these Certificates of Completion accomplished, not all of these last Cottage lot waivers may be needed. However, until such time Kukuiula will continue to rely on waivers to allow timely, much needed, starts of construction.

Water Master Plan Update:

Kukui'ula resubmitted the potable water master plan, now titled "Potable Water Master Plan for the Work Force Housing to DOW on February 12, 2009, and has elected to keep in place the original (May 2004), previously DOW approved "Kukuiula Potable Water Master Plan Report" prepared by Austin, Tsutsumi & Associates, Inc.

Commercial and Residential Openings/Occupancies:

The anticipated grand opening of the Kukui'ula Village Shopping Center is summer of 2009.

The first residential homes in Subdivisions Y and M1M4 are under construction and should be ready for occupancy in fall of 2010.

Plantation Core began construction in September 2008 and should be ready for occupancy in late 2010.

Discussion:

Mr. Crawford concurred with Acting Manager Ushigome's Board Report and thanked her for processing their Waiver, Release and Indemnity Agreement for Eric Linthicum.

Mr. Crawford discussed that he has been working with Mr. Inouye of the DOW staff to finalize the last of the conveyance documents and hope to not have to do any more waivers.

He will also submit next week the draft Memorandum of Understanding for the Department's review that would cover the circulation of water and payment of its water fees.

Mr. Crawford added that if they do not finish the conveyance documents shortly, they potentially may have another 12 waivers submitted in the next month or so for the Y Cottages. He was not sure whether they would need all of the waiver documents or not.

Mr. Crawford added that a meeting has been scheduled next week to discuss the resolution of the Piwai Tank Spillway; therefore, the agenda item below would need to be deferred until they and the DOW had a chance to meet to discuss.

Re: Request Board Consideration and/or Approval of Kukuiula Development Company (Hawaii) LLC Regarding their Proposed Solution to the 0.1 Million Gallon (MG) Piwai Storage Tank Spillway Elevation Discrepancy

Mr. Nishimura moved to receive both staff and Kukui'ula's reports and place on file, seconded by Mr. Oyama; motion was carried.

*Mr. Lindsay Crawford and Mr. Tom Shigemoto left the meeting at about 10:51 a.m.*

**NEW BUSINESS**

**Re: Request for Resolution No. 8 (08/09) Adoption, Pertaining to State Revolving Fund (SRF) Funding for DW212-0004 Pipeline Replacement for Lihue Town; DW406-0007 Waimea Main Replacement; DW407-0001 Kilauea Elementary School Off-Site Water System Improvements (Job No. WKK-09)**

Recommendation:

Your approval is requested again to adopt Resolution No. 8 (08/09) with clarification regarding the signatories for loan agreements. The resolution will specifically state that the Board Chair will be the signatory on the loan agreements after review by the Manager and Chief Engineer.

This resolution is required to complete Drinking Water State Revolving Fund (DWSRF) loan agreements for the various projects listed. The loan agreements are between the Board of Water Supply and the State Department of Health.

Mr. D. Fujimoto moved to approve Resolution No. 8 (08/09), seconded by Mr. Oyama; motion was carried.

**Re: Conveyance of Water Facility from Mark L. Soppeland and Nancy S. Soppeland, TMK: (4) 5-1-05:101, Puu Pane Subdivision, Unit 1, (south) Wailapa Road, Kilauea, Kauai, Hawaii.**

It was recommended that the Conveyance of Water Facility document be approved; whereby Mark L. Soppeland and Nancy S. Soppeland transfers unto the Board of Water Supply, County of Kauai, all of its right, title and interest to a single service connection for 5/8" water meter, in place complete, in accordance with the as-built construction drawings for WATER SERVICE INSTALLATION PLAN FOR LOT 2, UNIT A, prepared by Wagner Engineering Services, TMK: (4) 5-1-05:101, Puu Pane Subdivision, Unit 1, (south) Wailapa Road, Kilauea, Kauai, Hawaii.

A Grant of Easement is not required.

Mr. Nishimura moved to approve the Conveyance of Water Facility from Mark L. Soppeland and Nancy S. Soppeland, seconded by Mr. Oyama; motion was carried.

**Re: Conveyance of Water Facility from Wilson I. Miyashiro, Bruce Miyashiro, Wilson I. Miyashiro, Jr. and Philip K. Miyashiro, TMK: (4) 4-6-09:015, Hauaala Road, Kapaa, Kauai, Hawaii**

It was recommended that the Conveyance of Water Facility document be approved; whereby Wilson I. Miyashiro, Bruce Miyashiro, Wilson I. Miyashiro, Jr. and Philip K. Miyashiro transfers unto the Board of Water Supply, County of Kauai, all of its right, title and interest to a double service connection for 5/8" water meters and 1 – 2-inch gate valve with cast iron valve box and cover, in place complete, in accordance with the as-built construction drawings for WATER METER PLAN SERVICING LOT 183, prepared by Esaki Surveying and Mapping, Inc., TMK: (4) 4-6-09:015, Hauaala Road, Kapaa, Kauai, Hawaii.

A Grant of Easement is not required.

Mr. Nishimura moved to approve the Conveyance of Water Facility from Wilson I. Miyashiro, Bruce Miyashiro, Wilson I. Miyashiro, Jr. and Philip K. Miyashiro, seconded by Mr. Oyama; motion was carried.

**Re: Conveyance of Water Facility from Gordon Ralph Smith & Colleen Reiko Santoki Smith; Kevin K. Kanehe & Deanna T. Kanehe; Bheemdev Meetarbhan & Linda Diane Holenski; and Susan Scott Reghi, as Trustee of The Susan Scott Reghi Self-Trusteed Revocable Trust, for the 4<sup>th</sup> 5/8-inch Domestic Service Connection for TMK: (4) 5-1-05:052, Lot 1, Unit 3, Kilauea, Hanalei District, Kauai, Hawaii**

It was recommended that the Conveyance of Water Facility document be approved; whereby, Gordon Ralph Smith & Colleen Reiko Santoki Smith; Kevin K. Kanehe & Deanna T. Kanehe; Bheemdev Meetarbhan & Linda Diane Holenski; and Susan Scott Reghi, as Trustee of The Susan Scott Reghi Self-Trusteed Revocable Trust, transfer unto the Board of Water Supply, County of Kauai, all of its right, title and interest to: one (1) each, 1-inch copper single service lateral for 5/8" water meter, in place complete, for the 4<sup>th</sup> 5/8-inch Domestic Service Connection for TMK: (4) 5-1-05:052, Lot 1, Unit 3, Kilauea, Hanalei District, Kauai, Hawaii.

Grant of Easement not required.

Mr. Nishimura moved to approve the Conveyance of Water Facility from Gordon Ralph Smith & Colleen Reiko Santoki Smith; Kevin K. Kanehe & Deanna T. Kanehe; Bheemdev Meetarbhan & Linda Diane Holenski; and Susan Scott Reghi, seconded by Mr. Oyama; motion was carried.

**Re: Conveyance of Water Facilities and Consent from CTF Hawaii Hotel Partners Limited Partnership, an Ohio limited partnership (formerly known as SHC Hawaii Hotel Partners Limited Partnership, an Ohio limited partnership); Latham Properties, Inc., a Hawaii corporation; Kuahiwi Holdings LLC, a Hawaii limited liability company; and Waiawa Properties LLC, a Hawaii limited liability company (formerly known as Knudsen-Baldwin LLC, a Hawaii limited liability company), for the Poipu Beach Hotel, TMK: (4) 2-8-017:017, TMK: (4) 2-8-017:018, TMK: (4) 2-8-017:019 and TMK: (4) 2-8-017:022, Koloa District, Kauai, Hawaii**

It was recommended that the Conveyance of Water Facilities and Consent document be approved; whereby, CTF Hawaii Hotel Partners Limited Partnership, an Ohio limited partnership (formerly known as SHC Hawaii Hotel Partners Limited Partnership, an Ohio limited partnership); Latham Properties, Inc., a Hawaii corporation; Kuahiwi Holdings LLC, a Hawaii limited liability company; and Waiawa Properties LLC, a Hawaii limited liability company (formerly known as Knudsen-Baldwin LLC, a Hawaii limited liability company), transfer unto the Board of Water Supply, County of Kauai, all of its right, title and interest to: one (1) each, 4-inch ductile iron lateral for 3" compound meter; one (1) each, 4-inch gate valve, including C.I. valve box & cover for 3" compound meter lateral; one (1) each, 6-inch ductile iron lateral for 6" detector check; one (1) each, 6-inch gate valve, including C.I. valve box & cover for 6" detector check lateral; two (2) each, fire hydrant assembly with 1-4 1/2" & 1-2 1/2" outlet; and two (2) each, 6-inch gate valve, including C.I. valve box & cover for fire hydrant; in place complete, for the Poipu Beach Hotel, TMK: (4) 2-8-017:017, TMK: (4) 2-8-017:018, TMK: (4) 2-8-017:019 and TMK: (4) 2-8-017:022, Koloa District, Kauai, Hawaii.

Grant of Easement not required.

Mr. Nishimura moved to approve the Conveyance of Water Facility from CTF Hawaii Hotel Partners Limited Partnership, Latham Properties, Inc., Kuahiwi Holdings LLC, and Waiawa Properties LLC for the Po'ipu Beach Hotel, seconded by Mr. Oyama; motion was carried.

## **REPORTS**

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

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

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

Public Relations Specialist Faith Shiramizu gave the following report:

**Fun Committee:** As reported in the Issues Champion Report, the upcoming events include a clean up the office day on March 20<sup>th</sup> and a hike up the Sleeping Giant followed by lunch and tennis at the Wailua Houselots Park, on March 22<sup>nd</sup>.

**McGruff:** Attended a McGruff Character Training session on O'ahu on March 11<sup>th</sup>. Since the DOW no longer has active trained McGruff characters, plans are to work more closely with KPD for McGruff school visitations to educate the children on safety.

The Office of the Attorney General, who oversees the program, will also assist with proper training and refresher training for all DOW employees that drive vehicles with the McGruff decals on them.

The McGruff Coalition will be meeting at the DOW on April 9, 2009.

**Apollo Kaua'i:** On February 19<sup>th</sup>, Gregg Fujikawa did an excellent job of presenting a brief overview of where our water comes from and water security as it pertains to energy and the cost of water and what happens if and when our supply of diesel is diminished. He was able to adapt his Power Point presentation to include the direction the group preferred. Gregg was also very professional as he fielded questions and suggestions from the Apollo Kaua'i members. There were 25-30 people in attendance.

**Contractors Association of Kaua'i:** The CAK held a special meeting on March 5<sup>th</sup> where Wynne provided an overview of where the department is at, more specifically, projects that are upcoming and which ones have been submitted to take advantage of the Stimulus Funds as they become available. Other speakers were Russ Saito, DAGS Comptroller and Mayor Bernard Carvalho. Questions followed their presentations. There will be a follow up meeting in May where more specifics on projects will be discussed.

The department will be participating in the 17<sup>th</sup> Annual CAK Home Show which will be held on April 3 and 4, 2009 at the Kaua'i War Memorial Convention Hall.

**Koloa Elementary School Career Fair:** Attended the Koloa Elementary School Career Fair on March 4<sup>th</sup>. It was a simple presentation to 4 groups of fourth and fifth graders, sharing information about the variety of careers available at the DOW.

**SRF/Stimulus:** We have been pushing as many of the projects that qualify for SRF Loans forward with most of the load on the shoulders of our Special Projects Division, (Keith and Dustin). Final Loan Agreements for Stable 1.0 MG Tank & Connecting Waterlines and Kapilimao 0.5 MG Tank should be in place by the end of March.

Several projects are in place to utilize funding through the Stimulus Package as we work closely with the DOH in getting the pieces ready for quick action once they have their guidelines clarified by EPA.

**Pipe Tapping Team:** The Women's Pipe Tapping Team and possible Men's Pipe Tapping Team met to review guidelines and responsibilities of the department as well as the individual team members. Given the budget cuts put forth by the Administration, the team will be awaiting a decision on the amount of financial support they can expect from the DOW.

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

**Re: Acting Chief of Operations' Summary Report on the Monthly Operational Maintenance Report**

Mr. Nishimura moved to receive the Monthly Operational Maintenance Report and placed on file, seconded by Mr. Oyama.

On query by Mr. Nishimura, Mr. Eddy stated that the Operations Re-Org is with the DOW to respond to the Department of Personnel Services (DPS) concerns.

Acting Manager Ushigome added that she just met with Mr. Eddy for the next step on the Ops Re-Org is to post for the Chief of Operations position. The Ops Re-Org does include 3 mid-level supervisory positions. The Department needed to provide the necessary justification to DPS as those 3 positions may affect duties from the Chief of Operations position as well as the Water Service Supervisor positions.

**Re: Manager's Update for February, 2009 to March, 2009**

Acting Manager Ushigome reported on the following:

**CONTRACTS AWARDED BY THE MANAGER:**

**I. Bid for Laboratory Testing**

MWH Laboratories .....\$2,000.00  
(Phase II, V testing of our new sources (wells) for 2009)  
(Funding from the DOW's Safe Drinking Water Act Account No. 59)

**PUMP INSTALLATION PERMITS SIGNED BY MANAGER:** None.

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

**Affordable Housing Update:**

Affordable Housing Task Force (AHTF) meeting was held on Monday, March 9, 2009 at Pi'ikoi Conference Room A.

Updates on AHTF Projects:

1. DHHL – Anahola Residence Lots Unit 6, “Pi'ilani o Kekai, Phase 1: County Housing Agency is reviewing a MOU which would allow DHHL to work with the developer to issue credits or financial assistance to qualified applicants.
2. Habitat - Eleele I Luna Subdivision Phase 2: Project includes 106 lots and one park. County Attorney reviewing road lots. Habitat intends to develop Phase 2 into multiple increments.

The land exchange documents will be on the Council agenda for approval. The developer Kaua'i Habitat was granted a CDBG award for the Phase II sewerline construction. Currently, DPW, Wastewater and Planning are reviewing the construction drawings.

3. Kauai Lagoons – Courtyard at Waipouli: Revised final subdivision map includes the “parking lot”, map will be circulated to the agencies for review. Deadline to complete and occupy the project is June 18, 2009 per the project's Housing Agreement.
4. Kauai Lagoons – Kapule Project - The 31-unit affordable housing project received their grading permit from DPW. Building permits are currently being processed at the Buildings Division.
5. Kukui'ula Employee Housing – In February, the developer has resubmitted the revised WMP to DOW.
6. Kohea Loa (Hanamaulu Triangle) - DOW received and is reviewing the revised December 22, 2008 draft version of the Grove Farm Amfac/JMB Lihue Hanamaulu Potable Water Master Plan. DR Horton has downsized and does not intend to construct the 444-unit Hanama'ulu Triangle development in the near future, but would like to complete the permit conditions during this economic downturn.
7. Paanau Village, Phase 2 - The Housing Agency will depend on the engineering design to determine the access to the project site.
8. State Affordable Housing Parcels – Housing Agency preparing RFQ list for EIA for the State Land Parcel project.

Next meeting of the AHTF is scheduled for Monday, April 13, 2009, at the Pi'ikoi Conference Room A at 10:00am-11am.





**Niimalu-Nawiliwili Community Planning Project (NNCPP-Judy Webb):**

To date, the Department has not received an executed copy of a Waiver, Release and Indemnity Agreement from NNCPP allowing Ms. Judy Webb to use the existing meter issued to NNCPP. No action has been taken.

**Opaekaa Fall Subdivison**

The Private Water System Waiver, Release and Indemnity Agreement for TMK: (4) 4-2-003:012; (4) 4-2-003:065; (4) 4-2-003:066 is still being reviewed by the County Attorney's Office.

**Manager's Farewell:**

I wish thank the Board and especially the staff for their support during my stint here at the Water Department. This will be my last Manager's Update report to the Board.

To my staff, thank you for allowing me to work alongside you and for the all the knowledge imparted upon me through the process. Your trust, respect and friendship will always be remembered. The work at the Water Department is vital, for we are entrusted to provide, manage and protect our most valued resource. What a tremendous challenge.....I am truly blessed to have worked with each one of you.

Needless to say, there have been challenges and we certainly didn't agree on every issue. Through our conversations, your acknowledgement of our accomplishments, your appreciation of the efforts taken to move our projects and Department forward have been reassuring and rewarding.

In closing as I reflect upon my time here at the Department, there are just two simple thoughts (from one simple mind) that I hope to leave with you. The first is "do what is right". The second is "live your life with no regrets" .....to put your heart in everything you do.

Mr. Nishimura moved to receive the Manager's Update and place on file, seconded by Mr. Costa.

**Judy Ta'afuli Webb**

Acting Manager Ushigome added that this matter may be back on the Board agenda as she was unable to get the approval and all of the signatures from all of the condo association members for an indemnification supplement agreement to transfer a water meter to her lot. The initial agreement that was signed by all parties neglected to have an indemnification included; therefore, Mr. Max Graham decided to not touch the original agreement and to instead to have an amendment to the agreement. However, not all of the condo owners are willing to sign the amendment to the agreement. Therefore, Ms. Webb may be returning to the Board to request assistance to get her water meter.

Motion was carried.

**Note of thanks:**

Chair Kahawai thanked Mr. Fujikawa for his presentation to Apollo Kauai, along with the assistance of Acting Manager Ushigome and Ms. Shiramizu. Also, he thanked Acting Manager Ushigome for her presentation to the Contractor's Association of

Kauai's dinner. He was thankful to the Department's staff for informing the public on the DOW projects.

Mr. Nishimura also thanked Mr. K. Fujimoto and his staff, Mr. Moises and the inspectors on their hard work with our Water Plan 2020 projects. Mr. K. Fujimoto also thanked Mr. Inouye for he was the one that started most of the CIP projects before he came on board in his present capacity.

Chair Kahawai added that the Department's Water Bucks Program is an avenue that our employees do get recognized.

Mr. Oyama suggested that letter of thanks be sent to these employees. It was so noted.

Motion was carried.

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

Matter deferred to the end of this meeting.

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

No additional report.

**Re: Report of the Sub-Committee of the Whole Committee of the Kaua'i County Board of Water Supply**

No report.

**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**

Ms. Shiramizu reported on the following:

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

Re: Report from Issue Champions

**Issue No. 1, Morale:**

- a. Fun Committee Events: March 20<sup>th</sup> will be a Cleanup Day which includes lunch for participating employees. March 22<sup>nd</sup> is the rescheduled Sleeping Giant hike followed by lunch (on your own) and possibly tennis. Second Quarter will bring a crabbing outing and a cookout.

- b. Facilities Plan Committee met to start discussions and share needs and ideas, while awaiting the Professional Services List.
- c. Rewards Committee: will be meeting to select the Employee of the Quarter from the WATER Bucks awarded in the First Quarter.

**Issue No. 2, Strong and Qualified Workforce:**

Recruitment

- 1) Accountant Position – Documents were sent to DPS to proceed with the recruitment for this new position.
- 2) Civil Engineer III (Water Resources & Planning Division) - Interviews to be scheduled shortly. Awaiting list of eligibles.
- 3) Engineering Drafting Technician III - Recruitment re-opened. Currently no eligibles. Will follow-up with DPS on status.
- 4) Equipment Operator – Performance test to qualify applicants onto the eligibles' list is completed. Requesting for list of eligibles & interview to follow.
- 5) Ops Reorg - Continue to work on the return submittal from DOW to DPS.
- 6) Plant Electrician - Awaiting names from DPS
- 7) SCADA Position – Position is being reviewed within DOW on responsibility & complexity of duties.
- 8) Water Meter Mechanic - Selection completed. Awaiting pre-employment physical results. If all clear, will proceed with start date.
- 9) Water Service Investigator – Currently, no list of eligibles
- 10) Waterworks Inspector Aid – Documents submitted to DPS to proceed with the recruitment to fill the vacant position.
- 11) Waterworks Inspectors I / II / III levels – Currently, no list of eligibles.
- 12) Welder – Currently, no list of eligibles.

Training

- 1) National Rural Water Association (NRWA) continues to conduct monthly training until September 9, 2009.
- 2) Plans being made for Ray Ohta to conduct training sessions for front office.

**Issue No. 3, Water Quality:**

- a. Sample site work order for Kuamoo Rd. submitted in September, but no work yet.
- b. New sites chosen for routine sampling to replace sites that were hard to access or have been removed
- c. Main break monitoring on hold, pending finalizing procedures and follow up between both the Lab and Operations
- d. New Issue #3 champion or co-champion should be from Operations.
- e. Decided to go with Triggered Monitoring Plan for the new GWR.
- f. Sampling sources to see if any will present problems with fecal indicators if triggered monitoring is required.

PROJECTS UNDER DESIGN:

- 1) Job 02-03, KW-14, KW-15, 12" Waterline along Kaumualii Highway and Waimea Canyon Drive (Consultant: Park Engineering) – Plans and specifications under review.
- 2) Job 04-06, KW-05, KW-20, Waimea Well A and Kekaha Well B Renovations (Consultant: Engineering Solutions) – Completed the final plans and specifications.

- 3) Job 04-04, PLH-09, Pipeline Replacement for Lihue Town (Consultant: Akinaka & Associates) – Consultant preparing the revised plans and specifications to address the DOW's review comments.
- 4) Job 03-02, HW-03, (Phase II), Wainiha Booster and Haena Tank Renovations (Consultant: Brown & Caldwell) – Consultant preparing the revised plans and specifications to address the DOW's review comments.
- 5) Job 05-07, K-07, Waha, Wawae and Niho Roads Main Replacement (Consultant: Akinaka & Associates) – Design completed.
- 6) Job 05-01, KW-16, KW-23, Waimea Town Waterline (Consultant: Hawaii Pacific Engineers) – Consultant preparing the revised plans and specifications to address the DOW's review comments.
- 7) Job 02-18 WK-32 Phase II, Kaehulua Road Waterline (Consultant: Fukunaga & Associates) – Received Board approval and additional funding to proceed with the Phase II design.
- 8) Job 04-02, WK-14 Phase II, Apopo Road Waterline (Consultant: Fukunaga & Associates) – Received Board approval and additional funding to proceed with the Phase II design.
- 9) Job KW-28 Amfac Shaft (Consultant: Brown & Caldwell)
  - a. Received the MPA results, which indicates that the well water is not affected by the surface (pond) water.
  - b. Forwarded to consultant to finalize reports.
- 10) Job 02-06, WKK-15 Kilauea Tank #2 (Consultant: Kodani & Associates) – Negotiating with landowners of the proposed tank site.
- 11) Job 05-02, H-8 Drill and Test Hanalei Well #2 (Consultant: Kodani & Associates) – Negotiating with landowners of the proposed well site.
- 12) Job No. 02-24, WK-02 Renovate Akulikuli Tunnel, Phase 2 (Consultant: SSFM International) – Consultant preparing the preliminary plans.
- 13) Job 05-02, HW-12 Drill and Test Wainiha Well #4 (Consultant: Kodani & Associates) – Consultant preparing the Environmental Assessment.
- 14) Job 02-14, Kapahi (Ornellas) Tank (Consultant: Belt Collins)
  - a. Negotiating with landowners adjacent to the existing Ornellas Tank site.
  - b. Also investigating a potential new tank site.
- 15) Job WK-39 Kapaa Homesteads Well #4 (Consultant: Hawaii Pacific Engineers)
  - a. Received the final well selection report.
  - b. Proceeding with the Environmental Assessment for the proposed well at the Ornellas Tank site.

**PROJECTS UNDER CONSTRUCTION:**

- 1) Job 94-3, K-10, Kalaheo 0.5MG Reservoir, Booster Pumps and Connecting Pipelines (Consultant: Paren, Inc.) (Contractor: Kauai Builders) – Project 99.47% complete.

- 2) Job A-11, Anahola Well 3 (Consultant: Akinaka and Associates) (Contractor: TOMCO) – Project 89% complete.
- 3) Job 03-02, A-04, KW-06, (Phase I), Anahola 0.15 MG Tank and Kekaha Shaft Renovations (Consultant: Brown and Caldwell) (Contractor: TOMCO) – Project is 95% complete.
- 4) Job 05-03, KW-25, 03-03, KW-24, Kapilimao 0.5MG Tank and 03-03 Generator Shelter (Consultants: Brown and Caldwell, Kodani & Associates)(Contractor: Kauai Builders)
  - a. Bid opening held.
  - b. Kauai Builders is the apparent low bidder.
- 5) Job 03-01, KW-03, Elepaio Road 8" Waterline (Consultant: Engineering Solutions) (Contractor: Cushnie Construction) – Project is 64% complete
- 6) Job 02-14, WK-08, 03-03, WK-15, Kapaa Homesteads 0.5 MG Tank and Makaleha Generator Shelter (Consultants: Belt Collins, Kodani & Associates, Contractor: Kauai Builders) – Project is 14% complete.
- 7) Job WK-42 Phase I, 1 MG Stable Tank and Control Valves (Consultant: Tom Nance Water Resource Engineering, Contractor: Kauai Builders) – Project is 24% complete.
- 8) Job WK-42 Phase II, Kaapuni Road Waterline for Stable Tank (Consultant: Hawaii Pacific Engineers, Contractor: Earthworks Pacific, Inc.) – Project is 12% complete.
- 9) Job 02-18, WK-32, 04-02, WK-14, Phase I, Kaehulua & Apopo Roads Waterlines (Consultant: Fukunaga & Associates, Contractor: Earthworks Pacific, Inc.) – Project is 64% complete.
- 10) Job 97-10, WKK-14 Kilauea Booster Pump Station (Consultant: Austin Tsutsumi, Contractor: Oceanic Companies) – Project is 96% complete.
- 11) Job No. 02-05, HE-10A & PLH-41 12-Inch Waterline along Ulaula & Uliuli Roads, Eleele and 8-Inch Pressure Reducing Valve, 400 GPM Booster Pump & 6" Connecting Main, Nawiliwili (Consultant: Kodani & Associates, Contractor: Earthworks Pacific) – Project is 98% complete.
- 12) Job No. 05-04, KW-27, 12-Inch Waterline along Kaumualii Highway, Elepaio Road to Huakai Road, Kekaha (Consultant: Fukunaga & Associates, Contractor: Earthworks Pacific)
  - a. Held the pre-construction meeting on March 5, 2009.
  - b. Notice to proceed date is April 6, 2009.

**Issue No. 4, Workplace Efficiencies:**

- a. For the AMR Program, there are only a couple of meters left that need to check for reliability.
- b. Envision a work process manual to document divisional work processes
  1. Processes need to be reviewed and updated to ensure proper customer service.
  2. Will setup internal meetings.
  3. Will be documented using Microsoft Visio software.
- c. Jeff Mendez continues to work to broaden our information base for our Geographic Information System

**Issue No. 5, Accountability:**

- a. Cell phone policy implementation pending.
- b. Request to the Manager to assign a co-champion for Issue No. 5

At a previous Issue Champions meeting, it was suggested that the opportunity to participate as an Issue Champion should be shared with other employees for renewed energy. It was also suggested to have each division head look for volunteers from their division and if none, they should designate a minimum of one person to serve as an issue champion. Each division needs to be represented.

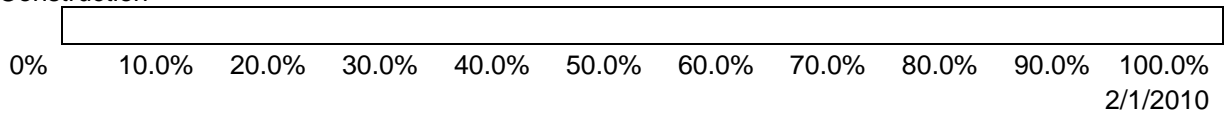
Re: Affordable Housing Projects – Summary Status February 2009 (formerly prepared by RW Beck)

Mr. K. Fujimoto submitted this report as a summary of progress on the Affordable Housing Projects. At this time, there is only one change, for the Kapaa Homesteads Tank at 14%.

**Job No. 05-03, KW-25, Kapilimao 0.5 million gallon tank:**

- A. Awaiting NPDES review from the Department of Health before issuing notice to proceed.

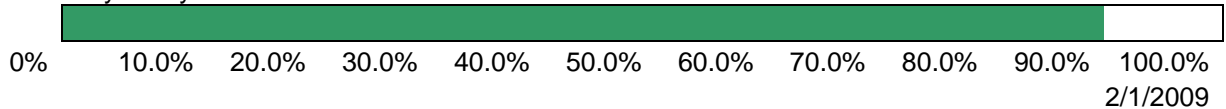
Construction



**Job No. KW-28, Amfac Shaft:**

- A. Awaiting consultant's proposal to clean and seal the shaft from any external influences.

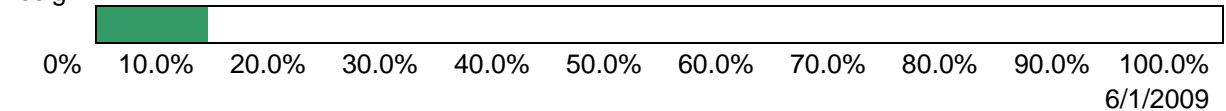
Feasibility Study



**Job No. 02-14, WK-08, Kapahi 1.0 million gallon tank:**

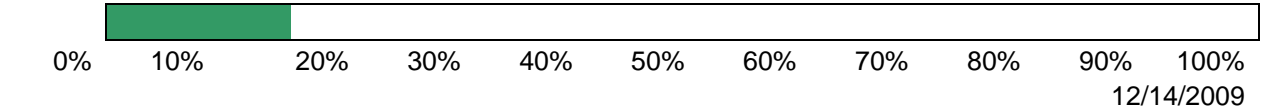
- A. Negotiating with landowner (Al Alamodin) for alternate site.

Design



**Job No. 02-14, WK-09, Kapaa Homesteads 0.5 million gallon tank:**

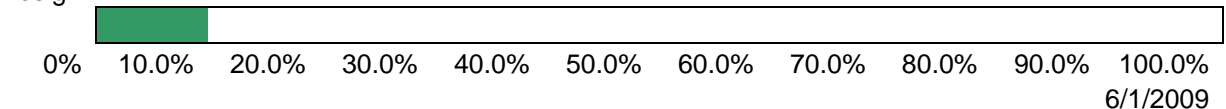
- A. Under construction.



**Job No. WK-39, Kapaa Homestead Well #4:**

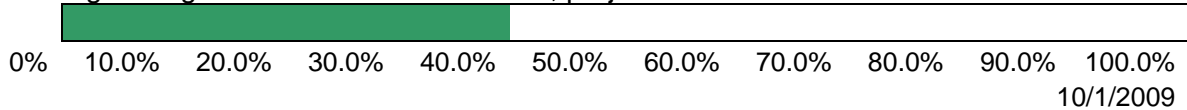
- A. Negotiating with landowner (Al Alamodin) for alternate site.

Design



**Job No. 02-24, WK-02, Akulikuli Tunnel:**

A. Negotiating additional work with SSFM, project consultants.



Mr. Oyama moved to receive the report and placed on file, seconded by Mr. D. Fujimoto; motion was carried.

**OLD BUSINESS:**

*Ms. Margie Loo was present at the meeting at about 11:00 a.m.*

*Recess: 11:07 am to 11:50 am: Finance Committee reconvened its meeting.*

**Re: Request Board Approval to Amend the Travel Budget for Board and Staff**

Mr. Nishimura moved to accept the Finance Committee's recommendations for the settling of claims and budgetary adjustments, seconded by Mr. Oyama; motion was carried.

**Re: Discussion and/or Action by the Board on the DOW's Hiring of the Waterworks Legal Advisor**

Mr. Nishimura reported that he and Board Chair Kahawai met with County Attorney Castillo on March 6, 2009. He gave a brief summary that this meeting with County Attorney Castillo was initiated after the Department of Personnel Services (DPS) ruled that the Department of Water's Legal Analyst would have to be a civil service position should the contract be extended. The Board subsequently voted to attempt to hire the position through the County Attorney's Office, which was the reason for the meeting with County Attorney Castillo.

**Discussion:**

Mr. Nishimura also reported that County Attorney Castillo did not recommend having one attorney servicing both the Board and the Department.

County Attorney Castillo indicated that he would consider our request after reviewing and collecting more information on this position.

County Attorney Castillo requested that any further discussion be in Executive Session.

**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**

Chair Kahawai reported the recruitment for the vacant Manager position closed on Friday, March 6, 2009 and four resumes were received. Copies of the resumes will be forwarded to the Board for review and recommendation in Executive Session.



Staff is available to respond to questions and assist as directed.

**EXECUTIVE SESSION:**

***Pursuant to H.R.S. §92-7(a), the Commission 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 H.R.S. §92-4 and shall be limited to those items described in H.R.S. §92-5(a).***

**REVIEW OF EXECUTIVE SESSION MINUTES: (deferred)**

- a. Regular Meeting: Thursday, November 13, 2008
- b. Regular Meeting: Thursday, December 11, 2008, Parts 1-3
- c. Regular Meeting: Thursday, January 8, 2009
- d. Special Meeting: Wednesday, January 28, 2009
- e. Regular Meeting: Thursday, February 19, 2009

ES-2008-20 (1-8-09) Pursuant to Haw. Rev. Stat §§92-4 and 92-5(a)(2), 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 the Department's hiring of the Waterworks Legal Advisor 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.

ES-2008-8 (June 5, 2008)– Pursuant to Hawaii Revised Statutes Sections 92-4 and 92-5(a)(2), (4), (6) and (8), one of the purposes of this executive session is to consider matters that require confidentiality under state law, to wit, to meet with the Board's legal counsel with regard to the Board's powers, duties, privileges and immunities and/or liabilities, claims and/or potential claims, as such powers, duties, privileges and immunities and/or liabilities, claims and/or potential claims as they relate to the selection of an individual to be given supervisory and/or managerial and/or developmental and/or consultation duties over the Kauai Department of Water and/or the Kaua'i Department of Water's Water Plan 2020. The further purpose of this executive session is to meet with the Board's legal counsel on questions and issues relating to the Board's powers, duties, privileges and immunities and/or liabilities, claims and/or potential claims, as such powers, duties, privileges and immunities. The further purpose of this executive session is to meet with the Board's legal counsel on questions and issues relating to the Board's powers, duties, privileges and immunities and/or liabilities, claims and/or potential claims, as such powers, duties, privileges and immunities.

Mr. Nishimura moved to go into Executive Session at about 11:55 a.m. to discuss the above two (2) Agenda items that were formally noticed under Executive Session and was read by Mr. Nishimura, seconded by Mr. Oyama.

There was no Board discussion and no public testimony. Motion was carried. *Staff was excused from the meeting.*

*The Regular Meeting was called back to order at 11:50 a.m.*

Mr. Crowell moved to receive the above two (2) reports and place on file, seconded by Mr. D. Fujimoto; motion was carried.

**ADJOURNMENT:** There being no further business, Mr. Oyama moved to adjourn the meeting at 1:12 p.m., seconded by Mr. Crowell; motion was carried.

Respectfully submitted,

Rona Miura, Secretary

APPROVED:

Wynne M. Ushigome  
Acting Manager and Chief Engineer

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