

BOARD OF WATER SUPPLY

CITY AND COUNTY OF HONOLULU
630 SOUTH BERETANIA STREET
HONOLULU, HI 96843



January 22, 2013

KIRK CALDWELL, MAYOR

DUANE R. MIYASHIRO, Chairman
MAHEALANI CYPHER, Vice Chair
THERESIA C. McMURDO
ADAM C. WONG
KAULANA H. R. PARK

ROSS S. SASAMURA, Ex-Officio
GLENN M. OKIMOTO, Ex-Officio

ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

ELLEN E. KITAMURA, P.E.
Deputy Manager and Chief Engineer

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NOTICE

The Regular Meeting of the Board of Water Supply will convene on Monday, January 28, 2013, at 2:00 p.m. in the Board Room, Public Service Building, 630 South Beretania Street, Honolulu, Hawaii.

SPEAKER REGISTRATION

The Board of Water Supply is committed to allowing public testimony at open meetings of the Board.

Please provide your name, phone number and subject matter of testimony when registering **prior to the day of the meeting** by one of the following options:

1. Emailing to board@hbws.org;
2. Faxing to 748-5079;
3. Calling 748-5061;
4. In person – 630 S. Beretania Street, Room 311

Persons wishing to testify may also register by filling out the registration form **on-site on the day of the meeting**.

Persons who have not registered to testify will be given an opportunity to speak on an item following the oral testimonies of the registered speakers.

Testimony is limited to three minutes and shall be presented by the registered speaker only.

WRITTEN TESTIMONY

Written testimony may be emailed to board@hbws.org or faxed to 748-5079, **prior to the day of the meeting**, for distribution at the meeting.

13 copies are requested if written testimony is submitted **on-site on the day of the meeting**.

If submitted, written testimonies, including the testifier's address, email address, and phone number may be posted on the Board of Water Supply website.

PHYSICALLY CHALLENGED REQUESTS

Any physically challenged person requiring special assistance should call 748-5061 for details **at least one day prior to the meeting date**.

The agenda for the January 28, 2013 Regular Meeting of the Board of Water Supply is as follows:

ITEMS REQUIRING BOARD ACTION

1. Approval of the Minutes of the Regular Meeting Held on December 17, 2012
2. Topics for Future Board Meetings

ITEMS FOR INFORMATION

1. Revision of the 2012-2013 Capital Improvement Program Budget – Amendment No. 1
2. Financial Update for the Quarter Ended December 31, 2012
3. Recruitment Status
4. Status Update of Groundwater Levels at All Index Stations
5. Water Main Repair Report for December 2012
6. Quarterly Capital Improvement Program Status Report
7. Training at University of Hawaii Law School on Trust Obligations of State and County Governments

EXECUTIVE SESSION

1. Approval of the Minutes of the Executive Session Meeting Held on November 26, 2012
2. Approval of the Minutes of the Executive Session Meeting Held on December 17, 2012
3. To Consider the Evaluation of the Chief Engineer, Where Consideration of Matters Affecting Privacy Will be Involved [HRS §92-5(a)(2)]

MINUTES

REGULAR MEETING OF THE BOARD OF WATER SUPPLY

January 28, 2013

At 2:00 PM on January 28, 2013 in the Board Room of the Public Service Building at 630 South Beretania Street, Honolulu, Hawaii, Board Vice Chair Cypher called to order the Regular Meeting. Vice Chair Cypher conducted the meeting due to Chair Miyashiro's laryngitis.

Present: Duane R. Miyashiro, Board Chair
Mahealani Cypher, Vice Chair
Theresia C. McMurdo
Kaulana H. R. Park

Also Present: Ernest Lau, Manager and Chief Engineer
Tracy Burgo
Paul Kikuchi
Stuart Wong
Daryl Hiromoto
Barry Usagawa
Karen Tom
Jason Takaki
Ross Sasamura, Department of Facility Maintenance

Others Present: Krishna Jayaram, Deputy Corporation Counsel
Marilyn Ushijima, Deputy Corporation Counsel

Absent: Adam C. Wong
Glenn M. Okimoto

APPROVAL
OF MINUTES

Approval of the Minutes of the Regular Meeting held on December 17, 2012

MOTION
TO APPROVE

Theresia McMurdo and Kaulana Park motioned and seconded, respectively, to approve the Minutes of the Regular Session Meeting of December 17, 2012. The motion was unanimously carried.

"January 28, 2013

TOPICS FOR
FUTURE BOARD
MEETINGS

Chairman and Members
Board of Water Supply
City and County of Honolulu
Honolulu, Hawaii 96843

Chairman and Members:

Subject: Topics for Future Board Meetings

We would like to take this time to allow the members of the Board to inform us of any topic or concern pertaining to Board of Water Supply operations that the Board would want addressed at future Board Meetings.

Respectfully submitted,

/s/ ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer"

DISCUSSION:

Chair Miyashiro requested an update on the new billing system, customers' experiences with the Call Center, feedback on the use of the BWS website, and any collection issues.

Vice Chair Cypher requested a briefing on the ClearCom contract and the status of the BWS Master Plan.

Mr. Lau responded that he will have updates for these topics at future Board meetings, including a strategy on the recruitment process that Board Member Wong previously requested.

ITEM FOR INFORMATION NO. 1

"January 28, 2013

REVISION OF
THE 2012-2013
CAPITAL
IMPROVEMENT
PROGRAM
BUDGET -
AMENDMENT
NO. 1

Chairman and Members
Board of Water Supply
City and County of Honolulu
Honolulu, Hawaii 96843

Chairman and Members:

Subject: Revision of the 2012-2013 Capital Program Budget –
Amendment No. 1

The current Capital Improvement Program (CIP) Budget shall be amended as described below:

1. Increase the appropriation for the following CIP project:

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
<u>Item No. 2</u> SYSTEM ASSESSMENT AND ASSET MANAGEMENT PLANNING			
OPERATING FUND	P&E	1,000,000	2,000,000

The additional funds will be used in the first phase of this project's three phases to analyze the root causes of main breaks and for condition assessments of existing pipelines. The purpose of the root cause analysis will identify the reasons for main breaks so the department can develop a proactive program to reduce the number of main breaks. The pipeline condition assessment will employ state of the art test equipment to identify leaks and to help determine the useful life of pipelines. The goal of the root cause analysis and condition assessment is to prolong the life of Board of Water Supply pipelines, reduce the number of breaks, reduce water loss due to leaks and to develop a pipeline repair and rehabilitation program that will be more cost effective than the wholesale replacement of pipelines.

2. Reduce the appropriation for the following CIP projects:

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
<u>Item No. 5</u> PUMP RENEWAL AND REPLACEMENT			
OPERATING FUND	CONST	3,500,000	2,845,000

Based on historical expenditures, the department noted that the actual low bid costs were running approximately 20 percent lower than estimated costs. The department is recommending this reduction to reflect a more realistic cost projection. This recommended cost revision was coordinated with Water System Operations.

Item No. 7 PACIFIC
HEIGHTS BOOSTER
RENOVATION

OPERATING FUND	CONST	1,500,000	-0-
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The project design has been delayed due to an unforeseen 8-month State Historic Preservation Division (SHPD)/Hawaiian Electric Company review and approval of a new electrical vault to meet a 30-foot setback requirement. The design concept was finally approved by SHPD on June 14, 2012. This project is in the pre-final design phase with a design consultant having to incorporate the SHPD approved design. This project will be budgeted for construction in fiscal year 2013-2014.

Item No. 9 BERETANIA
PUMP STATION
RENOVATION

OPERATING FUND	P&E	50,000	-0-
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The department needs to re-scope and re-prioritize this project in the long range CIP. Design of this renovation project was started in fiscal year 2003 and completed in 2005. This project was never budgeted for construction and the design contract was closed. In preparation for a contract in the current fiscal year to update the previously completed plans, it was determined that significant changes to the project scope are required. Rather than update the old plans, this project will be submitted as a new project with an updated scope of work and cost estimate.

3. Increase the appropriation of the CIP Contract Adjustment Account:

	<u>Appropriation</u>	
	<u>Present</u>	<u>Proposed</u>
OPERATING FUND	4,600,000	5,805,000

The appropriate pages of the current Capital Improvement Program Budget will be revised for distribution.

Respectfully submitted,

/s/ ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer"

The foregoing was for information only.

DISCUSSION:

Board Member McMurdo inquired about the \$1 million increase for the System Assessment and Asset Management Planning. Mr. Lau explained that initially they anticipated \$1 million for the project; however after discussions with the consultant, they found it would cost a lot more to do conditional assessment in the pipelines. The work requires getting instruments into the pipelines while the pipelines are still in service and assessing the pipe as the instruments move along. The other method is to assess the pipelines from the outside to determine the thickness of the walls that remain in the pipelines.

Ms. McMurdo inquired if it's worth reconditioning and saving old pipelines. Mr. Lau explained that it wouldn't be affordable to the customers if they go purely by the age of the pipeline and do wholesale replacements. Instead, they plan on determining the condition of the pipeline even if it's old, to see if there are particularly bad sections that could be replaced in order to get more years out of that pipeline before replacing it entirely. The root cause analysis and condition assessment will look for causes of main breaks, and perhaps changes to design and construction practices, even operational practices like reducing pressure in the system could help reduce the breaks.

Mr. Lau responded to Ms. McMurdo's inquiry stating that they are procuring a consultant firm for this project who has been successful in their work with other water utilities on the mainland.

In response to Board Member Park's inquiry regarding the \$1.5 million appropriated for the Pacific Heights Booster Renovation project, Mr. Lau responded that he will have the Capital Projects Division recheck the construction budget estimates for this project to see if \$1.5 million will be adequate.

ITEM FOR INFORMATION NO. 2

"January 28, 2013

FINANCIAL
UPDATE

Chairman and Members
Board of Water Supply
City and County of Honolulu
Honolulu, Hawaii 96843

Chairman and Members:

Subject: Financial Update for the Quarter Ended
December 31, 2012

The following Board of Water Supply's financial reports and graphs are attached:

- Budget vs Actual Revenue and Expense Totals
- Statement of Revenues, Expenses and Change in Net Assets
- Balance Sheet
- Budget vs Actual Appropriation Budget – Total BWS Summary
- Graph of Budget vs Actual Expenses from Capital Projects
- Graph Representing Operating Expenditures by Category
- Graphs of Total Budgeted Operating Expenditures and Total Budgeted Operating Revenues

Respectfully submitted,

/s/ ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

Attachments"

The foregoing was for information only.

DISCUSSION:

Chief Financial Officer Paul Kikuchi informed the Board that at the Board's request of having the budget projections more accurately reflect reality, they have instructed staff to prepare their 2014 budget in accordance with their actual needs and not to just budget for a flat expenditure pattern. Also at the Board's request, the Board will have online access to financial reports. Instructions on how to access these reports will be provided to the Board shortly.

In response to Mr. Park's inquiry, Mr. Kikuchi confirmed that two reasons for the increase in revenues were due to the low rainfall and the rate increases. Mr. Park commended BWS as he noticed that compared to 2011, the Board's financials have improved.

Ms. Cypher questioned if they should revisit the rate schedule for adjustments. Mr. Lau recommended against any changes to the rates right now because of the newly implemented billing system. Any rate change would require a full development and testing process. He suggests allowing the new system to stabilize before reanalyzing the rates. The master plan will look at rates possibly beyond 2016. A large amount of the funds collected by the rate increase should go toward the Capital Improvement Program (CIP), so the Department's challenge is to be able to encumber, contract and build. Mr. Kikuchi stated that they will be in the third year of the scheduled five-year rate increase on July 1, 2013. At that time they will conduct a study to check the validity of the rates, which is part of the master plan.

Mr. Park inquired if the operating expenses of \$65 million excluded the CIP. Mr. Kikuchi replied that the \$65 million excludes the CIP and Mr. Lau stated that the total CIP is about \$49 million.

Budget vs. Actual
Revenue and Expense Totals
As of December 31, 2012

	YTD Actuals	YTD Budget	Favorable/ (Unfavorable) Variance
Revenues	93,821,000	92,050,000	1,771,000
Operating Expenses	(65,030,000)	(81,055,000)	16,025,000
Net Revenues (expenditures)	<u>28,791,000</u>	<u>10,995,000</u>	<u>17,796,000</u>

Board Of Water Supply
Statement of Revenues, Expenses And Change In Net Assets
For the Six Months Ending December 31, 2012

Current Month Actual	% Revenue	Last Year Actual	% Revenue	Description	Year to Date Actual	% Revenue	Last Year to Date Actual	% Revenue	% Change
REVENUE									
13,517,605.35	100.00	12,381,781.89	100.00	OPERATING REVENUE	92,833,089.77	100.00	77,448,183.15	100.00	19.86
13,517,605.35	100.00	12,381,781.89	100.00	REVENUE	92,833,089.77	100.00	77,448,183.15	100.00	19.86
OPERATING EXPENSES									
2,244,686.12-	16.61	2,250,694.40-	18.18	LABOR COSTS	13,009,652.12-	14.01	13,941,117.47-	18.00	6.68-
745,539.18-	5.52	692,894.81-	5.60	SERVICES	4,615,268.87-	4.97	3,701,173.56-	4.78	24.70
180,462.44-	1.34	323,172.13-	2.61	SUPPLIES	1,242,102.56-	1.34	1,264,939.45-	1.63	1.81-
1,589.87-	.01	7,320.41-	.06	EDUCATION & TRAINING	38,877.45-	.04	81,885.74-	.11	52.52-
2,200,205.73-	16.28	2,459,885.51-	19.87	UTILITIES	13,239,061.13-	14.26	13,238,925.45-	17.09	
191,389.68-	1.42	148,375.38-	1.20	REPAIR AND MAINTENANCE	2,240,218.66-	2.41	836,772.63-	1.08	167.72
1,367,438.75-	10.12	1,393,302.50-	11.25	MISC	8,073,784.63-	8.70	7,973,243.90-	10.29	1.26
1,128,217.73-	8.35	1,164,460.66-	9.40	RETIREMENT SYSTEM CONTRIBUTIO	8,972,183.25-	9.66	10,086,590.17-	13.02	11.05-
50,006.92	.37	56,326.35-	.45	MISC EMPLOYEES' BENEFITS	29,205.79	.03	388,380.84	.50	92.48-
8,009,522.58-	59.25	8,496,432.15-	68.62	OPERATING EXPENSES	51,401,942.88-	55.37	50,736,267.53-	65.51	1.31
713,003.77-	5.27	806,737.16-	6.52	NON OPERATING REVENUE AND EXPE	3,761,965.45-	4.05	3,474,497.35-	4.49	8.27
1,634,602.35	12.09	293,018.04	2.37	CONTRIBUTION IN AID	6,794,247.02	7.32	5,343,618.58	6.90	27.15
4,217,084.14-	31.20	4,945,672.11-	39.94	OTHER EXPENSES	25,027,480.99-	26.96	26,488,622.23-	34.20	5.52-
2,212,597.21	16.37	1,574,041.49-	12.71	Change In Net Assets	19,435,947.47	20.94	2,092,414.62	2.70	828.88

Board Of Water Supply
Balance Sheet
As of December 31, 2012

Description	Amounts			Change	
	Current	Last Month End	Last Year End	This Month	This Year
ASSETS					
CURRENT ASSETS	36,322,272.92	36,274,821.98	29,929,783.03	-3,176,276.17	1,614,515.54
RESTRICTED ASSETS	10,926,220.60	3,286,982.86	15,265,512.23	966,825.86	-13,461,276.92
INVESTMENTS	188,574,981.46	193,574,235.22	177,147,005.65	5,727,684.42	10,684,816.57
OTHER ASSETS	9,753,728.08	10,280,945.61	12,241,142.86	353,112.24	-441,873.58
PROPERTY / PLANT	1,141,131,490.99	1,141,084,341.08	1,146,384,229.53	1,240,451.66	-2,556,570.51
TOTAL ASSETS	<u>1,386,708,694.05</u>	<u>1,384,501,326.75</u>	<u>1,380,967,673.30</u>	<u>5,111,798.01</u>	<u>-4,160,388.90</u>
LIABILITIES					
CURRENT LIABILITIES	15,635,846.14	13,977,533.05	23,812,976.19	581,426.83	-15,037,939.79
OTHER LIABILITIES	29,056,910.66	30,065,045.73	30,179,563.60	-86,971.32	-468,090.02
BONDS PAYABLE, NONCURRENT	293,659,531.70	294,314,939.63	298,052,675.43	-1,136,757.76	-1,748,007.76
LIABILITIES	<u>338,352,288.50</u>	<u>338,357,518.41</u>	<u>352,045,215.22</u>	<u>-642,302.25</u>	<u>-17,254,037.57</u>
NET ASSETS					
RETAINED EARNINGS	353,988,104.49	351,069,780.42	431,878,292.93	2,918,324.07	
FUND BALANCE	594,633,831.66	594,633,831.66	594,633,831.66		
RESERVE FOR ENCUMBRANCES	80,298,521.93	83,216,846.00		-2,918,324.07	
CURRENT YEAR CHANGES TO FU	19,435,947.47	17,223,350.26	2,408,333.49	3,273,196.94	13,093,648.67
NET ASSETS	<u>1,048,356,405.55</u>	<u>1,046,143,808.34</u>	<u>1,028,920,458.08</u>	<u>3,273,196.94</u>	<u>13,093,648.67</u>
TOTAL LIABILITIES AND NET ASSETS	<u>1,386,708,694.05</u>	<u>1,384,501,326.75</u>	<u>1,380,965,673.30</u>	<u>2,630,894.69</u>	<u>-4,160,388.90</u>

Board Of Water Supply
Budget vs Actual Appropriation Budget - Total BWS Summary

1/11/2013

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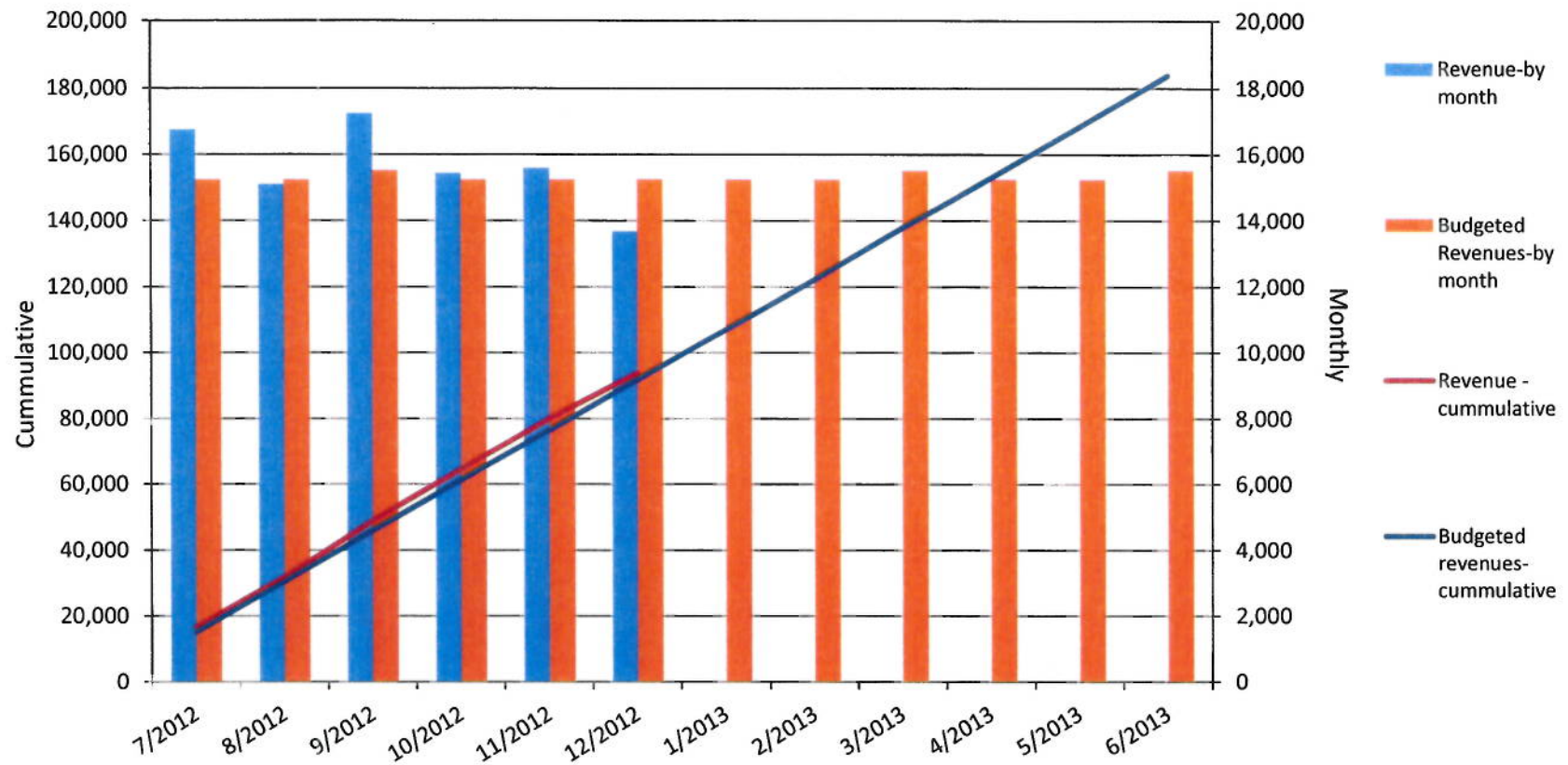
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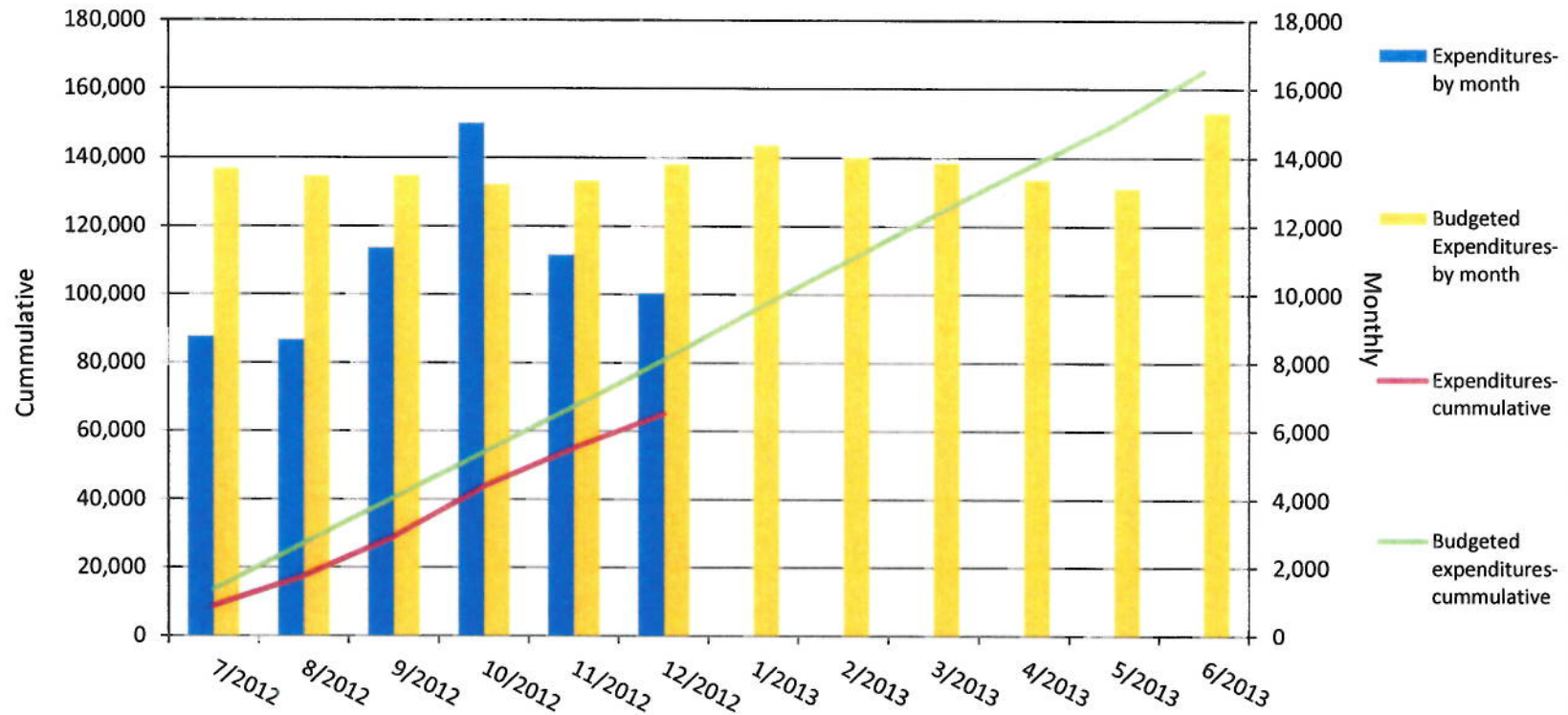
BUSINESS UNIT ALL

YTD-TO-DATE				FOR THE FISCAL YEAR					
YTD Actuals	YTD Budget	Avail/ (Over)	%	Object Description	Revenues/ Expend	Open Encumb	Annual Budget	Avail/ (Over)	%
93,821	92,050	(1,771)	1.92-	REVENUE	93,821		184,103	90,282	49.04
				OPERATING EXPENSES:					
14,903	20,330	5,427	26.69	Personnel Services	14,903		40,803	25,900	63.48
				MATERIALS AND SUPPLIES					
4,053	7,373	3,320	45.03	Services	2,541	1,512	15,642	11,589	74.09
3,976	3,862	(114)	2.95-	Supplies	1,835	2,141	7,897	3,921	49.65
69	199	130	65.33	Education & Training	66	3	435	366	84.14
	5	5	100.00	Utilities			10	10	100.00
1,546	2,625	1,079	41.10	Repairs & Maint	1,104	442	5,306	3,760	70.86
4,668	5,295	627	11.84	Misc	4,475	193	11,264	6,596	58.56
409	619	210	33.93	Equipment	65	344	2,328	1,919	82.43
10,248	11,094	846	7.63	Debt Service	10,248		22,189	11,941	53.81
				FIXED CHARGES:					
13,824	16,303	2,479	15.21	Utilities	13,824		32,606	18,782	57.60
1,650	1,650			Case Fees	1,650		3,300	1,650	50.00
3,324	3,540	216	6.10	Retirement System Contribution	3,324		7,080	3,756	53.05
6,360	8,160	1,800	22.06	Misc Employees' Benefits	6,360		16,320	9,960	61.03
65,030	81,055	16,025	19.77	TOTAL OPERATING EXPENDITURES	60,395	4,635	165,180	100,150	60.63
28,791	10,995	(17,796)		NET REVENUES (EXPENDITURES)	33,426	(4,635)	18,923	(9,868)	

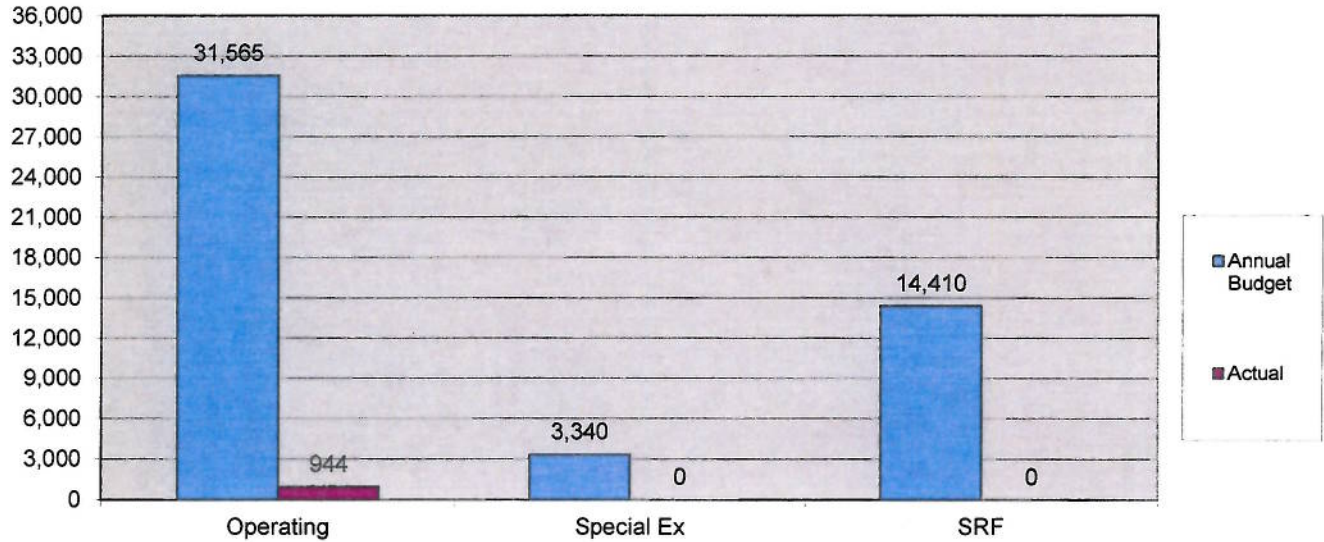
BUDGETED OPERATING REVENUES FY 2013



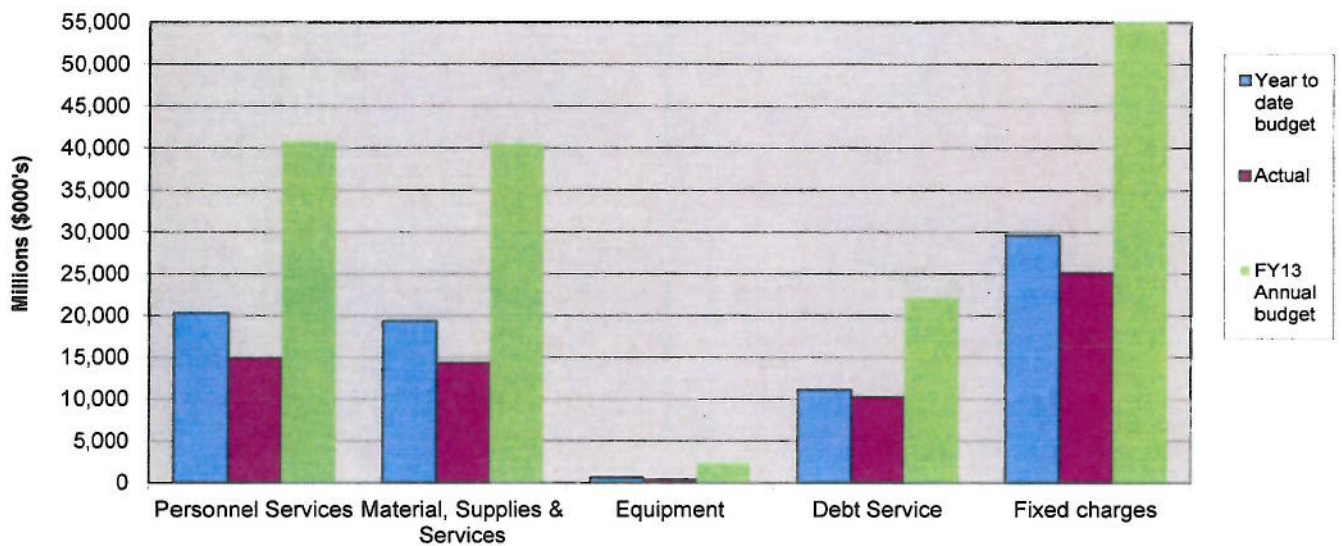
BUDGETED OPERATING EXPENDITURES FY 2013



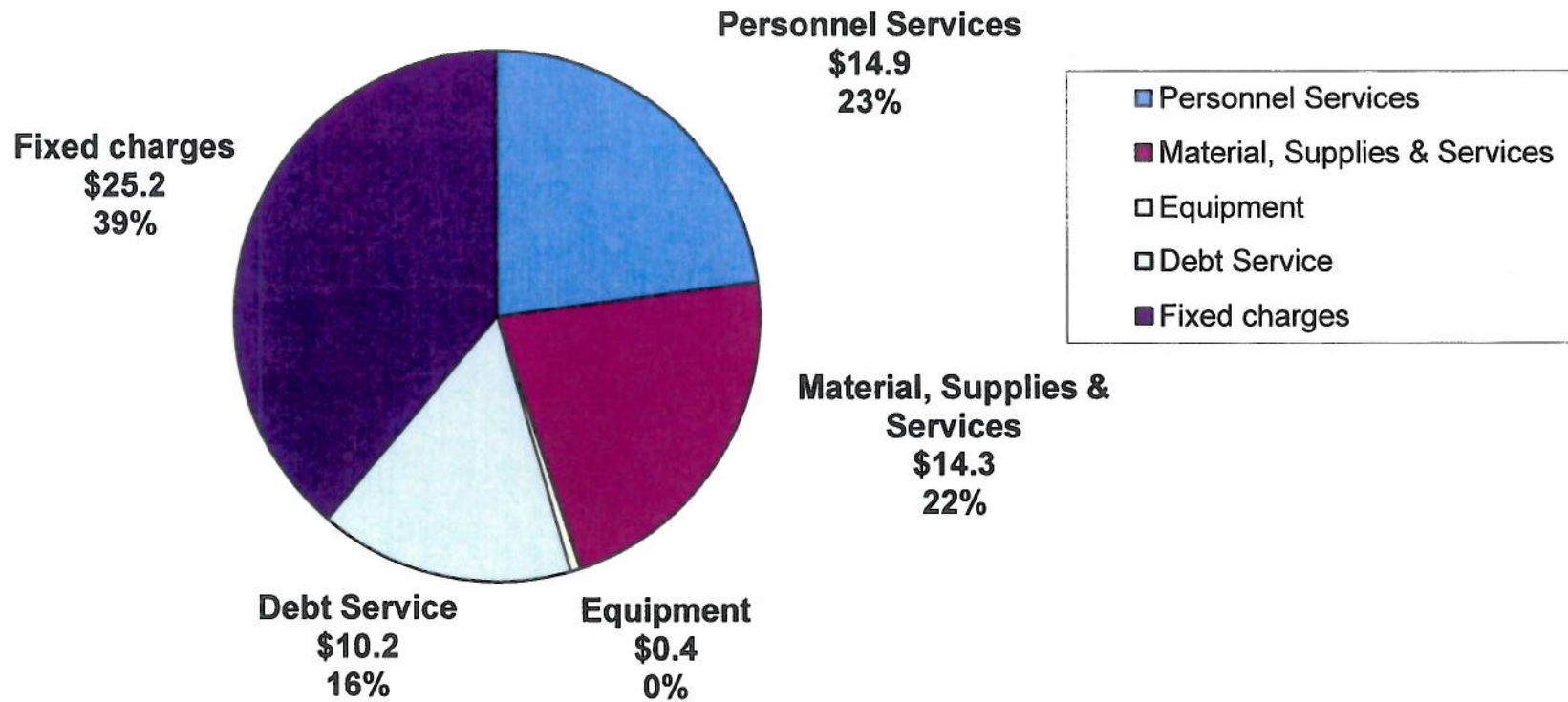
FY 2013 Capital Program (Annual Budget vs. Actual Expenditures and Encumbrances)
as of December 31, 2012 (millions of dollars)



Operating Expenditures by Category (Budget vs. Actual Expenditures and Encumbrances)
as of December 31, 2012 (millions of dollars)

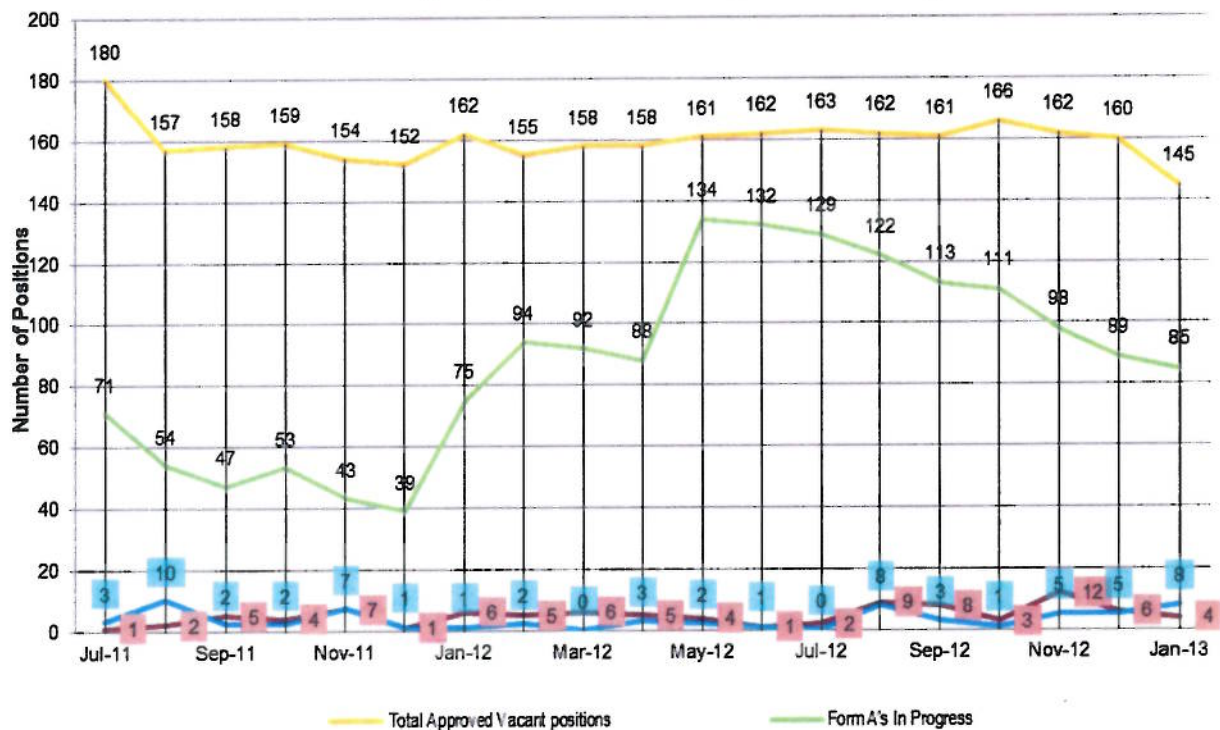


Total Operating Expenditures -\$65.0
As of December 31, 2012
(millions of dollars)



ITEM FOR INFORMATION NO. 3

**Positions Filled for the Period of
July 1, 2011 through January 16, 2013**



DISCUSSION:

Mr. Lau responded to Mr. Park's inquiring stating that the graph does not reflect the amount of retirees or employees who left the Department. That number would be reflected somewhat on the orange line, total approved vacant positions.

ITEM FOR INFORMATION NO. 4

"January 28, 2013

**GROUNDWATER
LEVELS**

Chairman and Members
Board of Water Supply
City and County of Honolulu
Honolulu, Hawaii 96843

Chairman and Members:

Subject: Status Update of Groundwater Levels at All Index
Stations

There are three aquifer index wells within low groundwater status for the production week that ended on January 12, 2013. Kaluanui and the Kaimuki index wells are under a caution status, and Punaluu is under an alert condition.

The weekly production average for the period was 136.10 million gallons per day.

The Board of Water Supply rainfall index for the month of December was 49 percent of normal, with a 5-month moving average of 59 percent. As of January 8, 2013, the U. S. Drought Monitor status reports D0 (abnormally dry) and D1 (moderate) conditions along the leeward coast and Waianae mountain range only; an improvement from December conditions. The rainfall events during the first week of 2013 have resulted in observable aquifer head gains.

Respectfully submitted,

/s/ ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

Attachments”

The foregoing was for information only.

DISCUSSION: There were no comments or discussion.

PUMPAGE, HEAD, AND RAINFALL REPORT
Week of 1/06/13 to 1/12/13

STATION	MGD	HEAD	STATION	MGD	HEAD	STATION	MGD	HEAD		MGD	HEAD
METRO			WINDWARD			EWA-WAIAANAE (CONT)			PH (CONT)		
KULIOUOU	0.00					MAKAHA IV	0.00		PEARL CITY II	1.01	
WAILUPE	0.00		WAIMANALO II	0.19		MAKAHA V	0.74		PEARL CITY III	0.33	
WAIALAE-IKI	0.00		WAIMANALO III	0.10		MAKAHA VI	0.00		WAIU	1.75	
AINA KOA	0.12		KUOU I	0.48		MAKAHA SHAFT	0.03	12.44	NEWTOWN	1.21	
AINA KOA II	0.51		KUOU II	0.07		KAMAILE	0.00		KAONOHI I	0.69	
WAIALAE SHAFT	0.00		KUOU III	0.26		WAIAANAE I	0.16		WAIMALU I	0.00	
MANOA II	0.00		LULUKU I	1.01		WAIAANAE II	0.48		AIEA	0.06	
PALOLO	0.86		HAIKU	0.28		WAIAANAE III	0.00		AIEA GULCH 497	0.38	
KAIMUKI HIGH	3.32	23.09	IOLEKAA	0.01		MAKAKILO	2.55		AIEA GULCH 550	0.22	
KAIMUKI LOW	0.28		KAHALUU	0.00		HONOULIULI I	1.00		HALAWA 277	0.00	
WILDER	7.53		WAIHEE	0.00		HONOULIULI II	7.07		HALAWA 550	0.00	
BERETANIA HIGH	4.73	22.94	KAHANA	0.80		SUBTOTAL:	14.18		KAAHUMANU MTR (-)	0.00	
BERETANIA LOW	0.60		PUNALUU I	0.00	15.49	IMPORT FROM PH			KAAMILO FLO MTR (-)	0.00	
KALIHI HIGH	0.70	22.31	PUNALUU II	1.49		KAPOLEI LINE BSTR	1.08		KUNIA I	4.76	18.52
KALIHI LOW	1.01		PUNALUU III	1.16		HONOULIULI LB FLOW	14.15		KUNIA II	1.77	
KAPALAMA	1.12		KALUANUI	0.95		EWA BEACH FLOW	3.68		KUNIA III	1.31	
KALIHI SHAFT	8.14		MAAKUA	0.28		HONOULIULI I (-)	-1.00		HOAEAE	7.63	
MOANALUA	1.12	18.93	HAUULA	0.01		HONOULIULI II (-)	-7.07		EWA SHAFT	0.00	
SUBTOTAL:	30.06					SUBTOTAL:	10.84		WAIPAHU INTCON. (-)	-1.91	
			KAHUKU	0.31					EWA-WAIAANAE (-)	-10.84	
IMPORT FROM PH			OPANA			PEARL HARBOR			PH LOCAL USE:	24.43	
HALAWA SHAFT	9.68	16.38	WAIALEE I	0.00		WAIHAWA	2.56		TOTAL SUBURBAN:	59.38	
KAAMILO	0.00		WAIALEE II	0.00		WAIHAWA II	0.00				
KALAUAO	8.58	16.88	SUNSET BEACH	0.00		MILILANI I	3.49		KALAUAO SPRINGS	0.66	
PUNANANI	10.50		SUBTOTAL:	7.39		MILILANI II	0.00		BARBERS POINT (NP)	0.81	
KAONOHI II	0.00					MILILANI III	0.61		GLOVER TUNNEL (NP)	0.54	
WAIMALU II	0.00	14.90	WIND. EXPORT	0.50		MILILANI IV	0.42				
KAAHUMANU	0.92					WAIPIO HTS.	0.81		HEAD CONDITION		
HECO WAIU	2.78		HALEIWA-WAIALUA			WAIPIO HTS. I	0.23		CAUTION	ALERT	CRITICAL
MANANA	0.00		HALEIWA	0.56		WAIPIO HTS. II	0.36		Kaluanui	Punaluu	
KAHUMANU FLOW MT	0.00		WAIALUA	2.49		WAIPIO HTS. III	0.43		Kaimuki		
KAAMILO FLOW MTR	0.00		SUBTOTAL:	3.04		WAIPAHU	1.91	18.28			
TOTAL IMP/EXP WAI. INT:	1.91					WAIPAHU II	1.24				
IMPORT FRM WIND:	0.50		EWA-WAIAANAE			WAIPAHU III	0.00				
SUBTOTAL:	34.86		MAKAHA I	0.69		WAIPAHU IV	3.43				
			MAKAHA II	0.23		PEARL CITY SHAFT	0.00	14.67			
TOTAL METRO:	64.92		MAKAHA III	1.22		PEARL CITY I	0.57				

CWRM PERMITTED USE FOR BWS POTABLE SOURCES						PUMPAGE	2013	2012	GRAVITY	2013	2012
WATER DISTRICTS	A	B	C	D	E	SUBURB.	59.38	58.50	SUBURB.	11.48	9.07
	PERMITTED USE		DIFF. B-A	YEAR/ DATE	DIFF. D-A	METRO	64.92	65.54	METRO	0.32	0.37
		2013				TOTAL:	124.30	124.04	TOTAL:	11.80	9.44
HONOLULU	45.27	30.38	-14.89						Manoa	0.17	
WINDWARD	25.21	16.87	-8.34			NUUANU #5			Palolo	0.15	
NORTH SHORE	4.08	2.79	-1.29			(rainfall)	6.12"	0.03"	Waim. I&II	0.18	
WAIHAWA	4.27	2.56	-1.71						Waim. III&IV	0.19	
WAIAANAE	4.34	4.03	-0.31						Waihee incl.	0.99	
EWA-KUNIA	15.88	10.62	-5.26						Waihee tun.	6.02	
PEARL HARBOR	92.66	67.07	-25.59						Luluku	0.11	
TOTAL:	191.71	134.31	-57.39						Haiku	0.00	
									Kahaluu	2.30	
									Waia. C&C	1.37	
									Waia plant.	0.31	

DROUGHT STATUS REPORT
DRAFT IN MGD

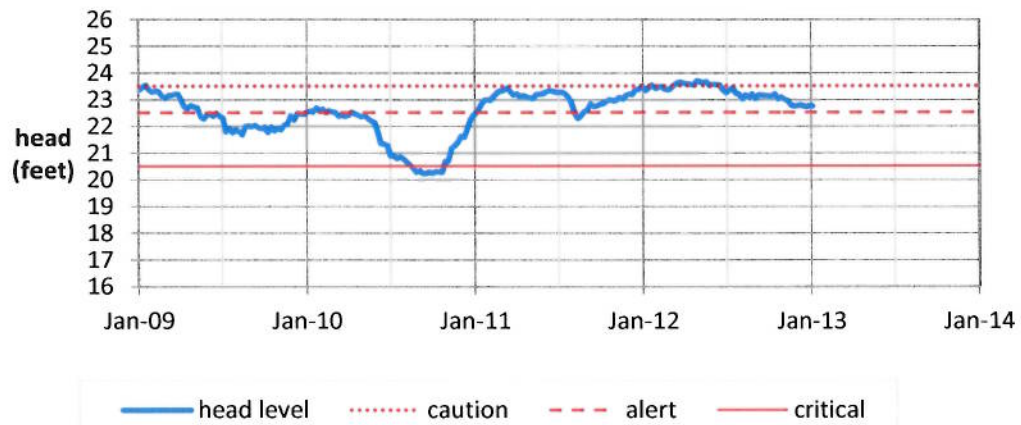
WATER USE DISTRICT	AUTHORIZED USE	2012	12/30-1/05 2013	2012	1/06-1/12 2013				
HONOLULU	45.27	32.18	30.91	32.07	30.88				
WINDWARD	25.21	13.78	20.18	14.35	16.38				
NORTH SHORE	4.08	3.56	3.42	3.57	3.35				
WAHIAWA	4.27	2.89	2.47	2.98	2.56				
EWA-WAIAANAE	20.22	21.27	26.59	21.84	26.70				
PEARL HARBOR	92.66	56.65	57.14	58.69	56.23				
TOTAL	191.71	130.32	140.71	133.49	136.10				

Accounts for in-district pumpage and transfers

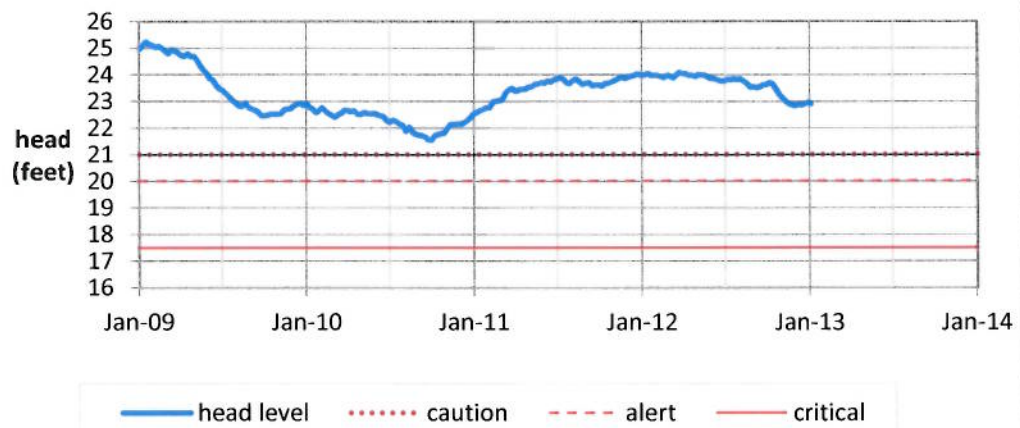
HEAD IN FEET

		2012	12/30-1/05 2013	2012	1/06-1/12 2013				
HONOLULU									
KAIMUKI		23.33	22.74	23.43	23.09				
BERETANIA		23.98	22.89	24.04	22.94				
KALIHI		23.02	22.21	23.03	22.31				
MOANALUA		19.57	18.80	19.53	18.93				
PEARL HARBOR									
HALAWA		17.25	16.25	17.17	16.38				
KALAUAO		17.49	16.83	17.40	16.88				
PEARL CITY		15.38	14.64	15.29	14.67				
WAIPAHI		19.41	18.20	19.33	18.28				
KUNIA		19.38	18.45	19.31	18.52				
EWA-WAIAANAE									
MAKAHA		14.02	12.55	14.01	12.44				
WINDWARD									
PUNALUU		16.48	15.35	16.16	15.49				
KALUANUI		17.08	15.27	16.66	15.38				
NORTH SHORE									
WAIALUA		11.12	11.34	11.07	11.28				

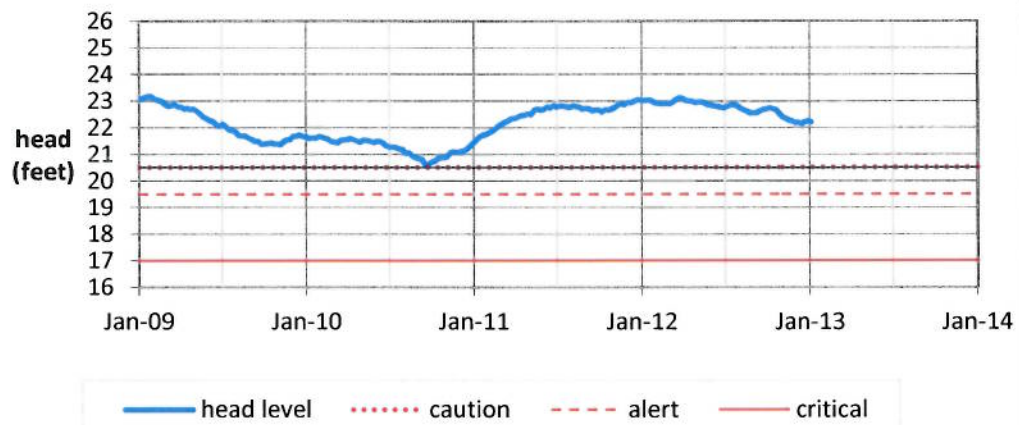
Kaimuki



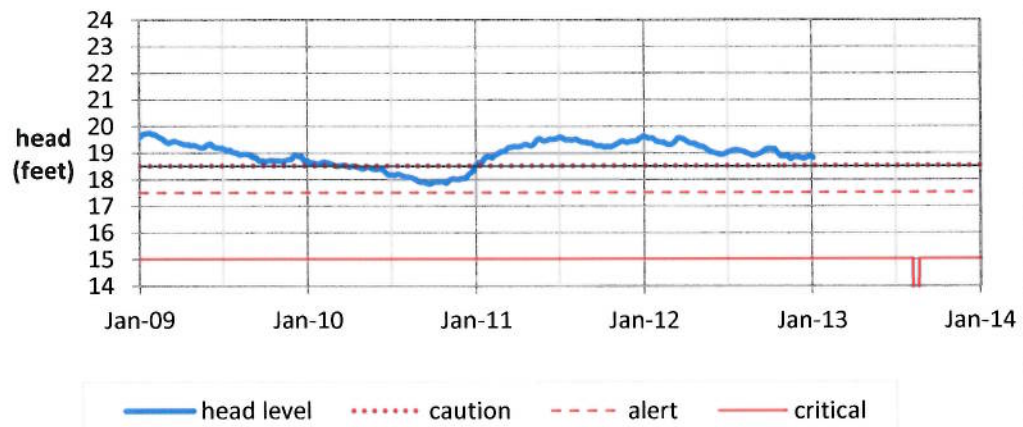
Beretania



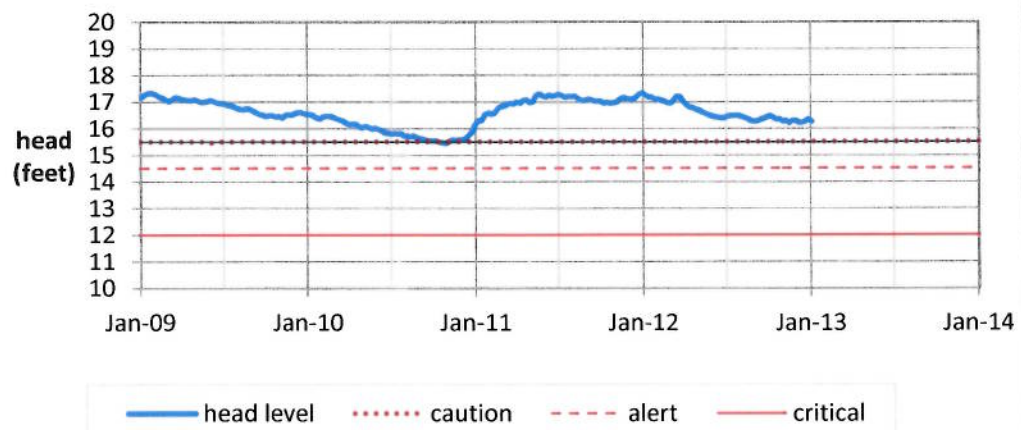
Kalihi



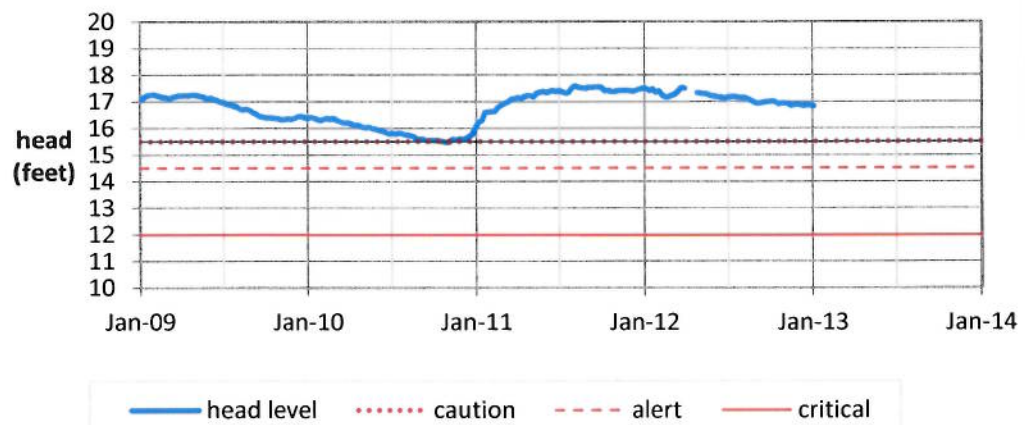
Moanalua



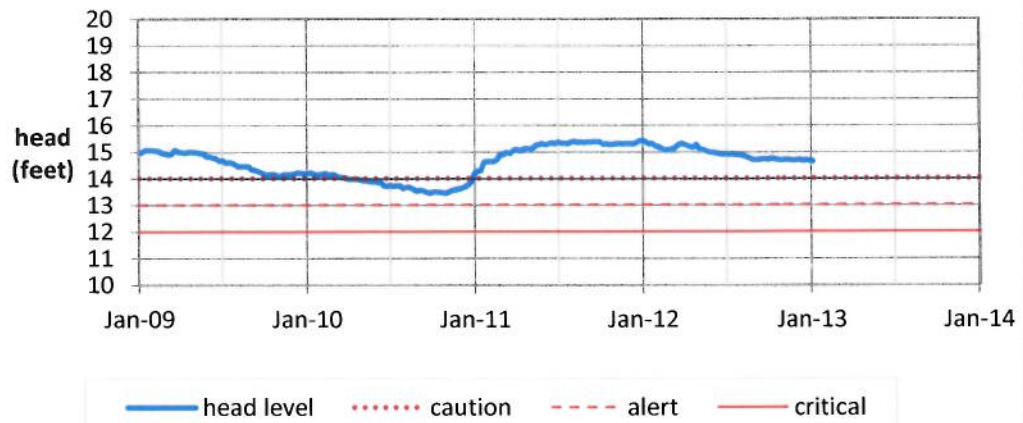
Halawa



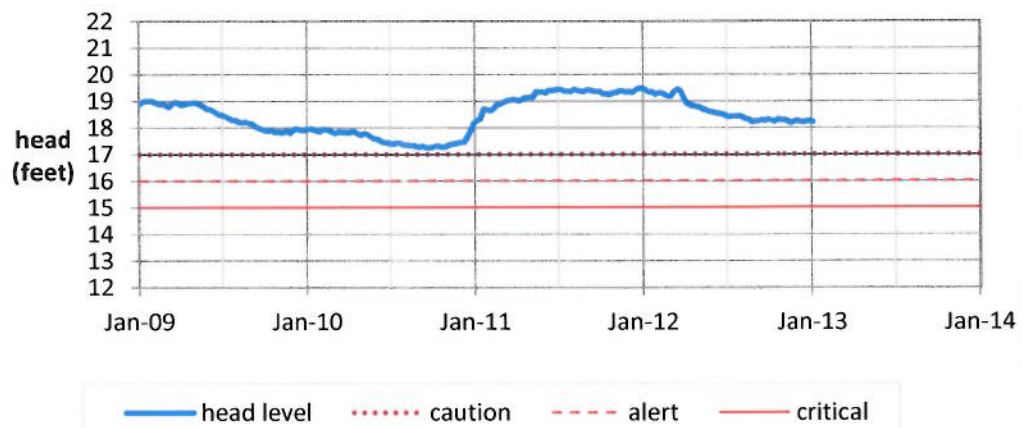
Kalauao



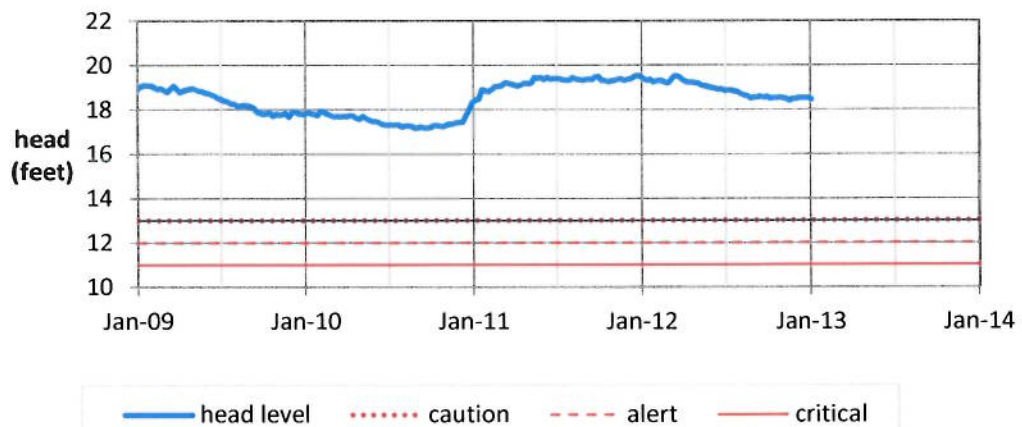
Pearl City



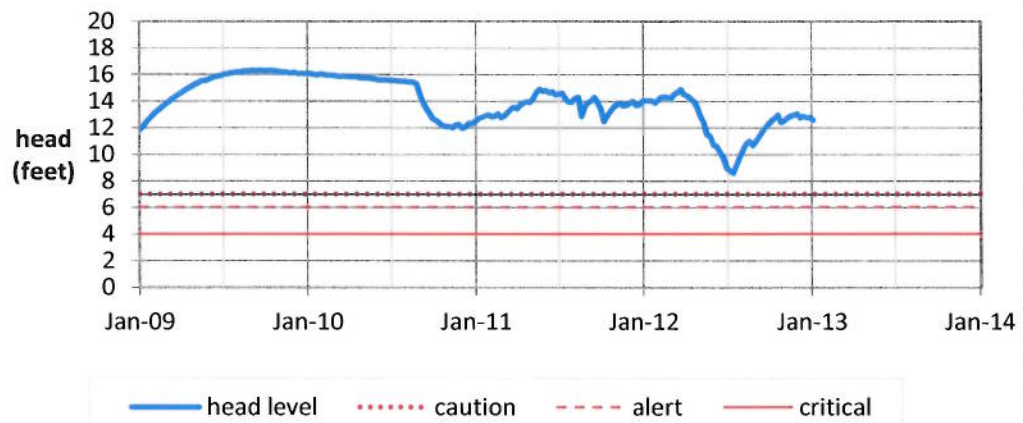
Waipahu



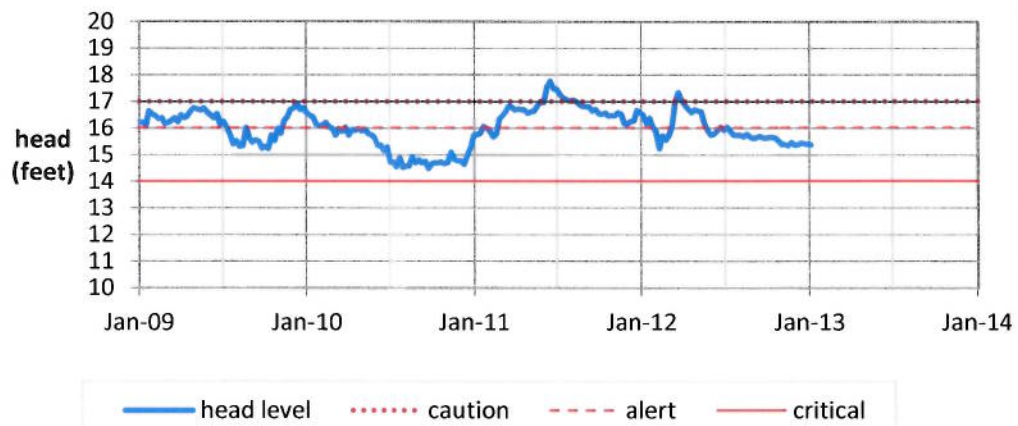
Hoeae-Kunia



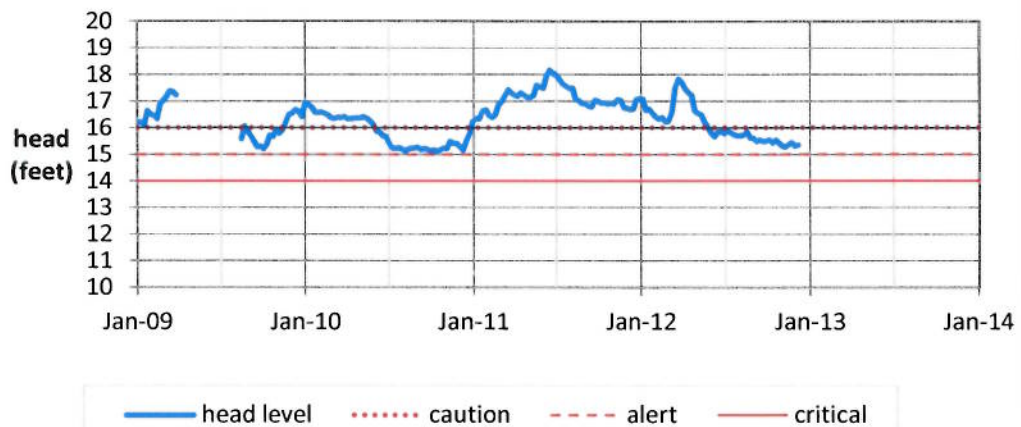
Makaha



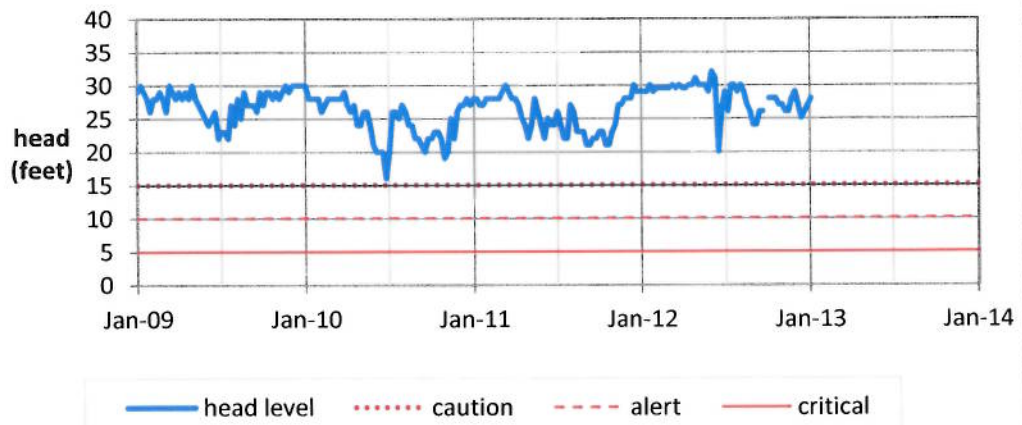
Punaluu



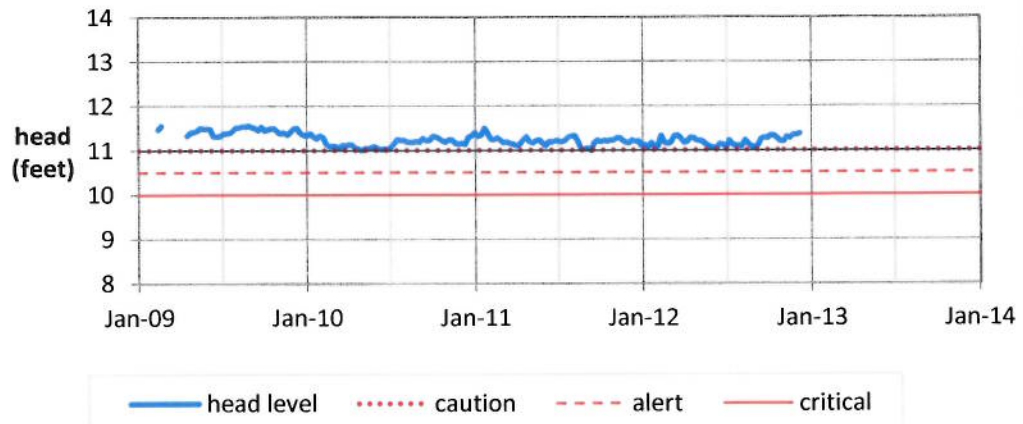
Kaluanui

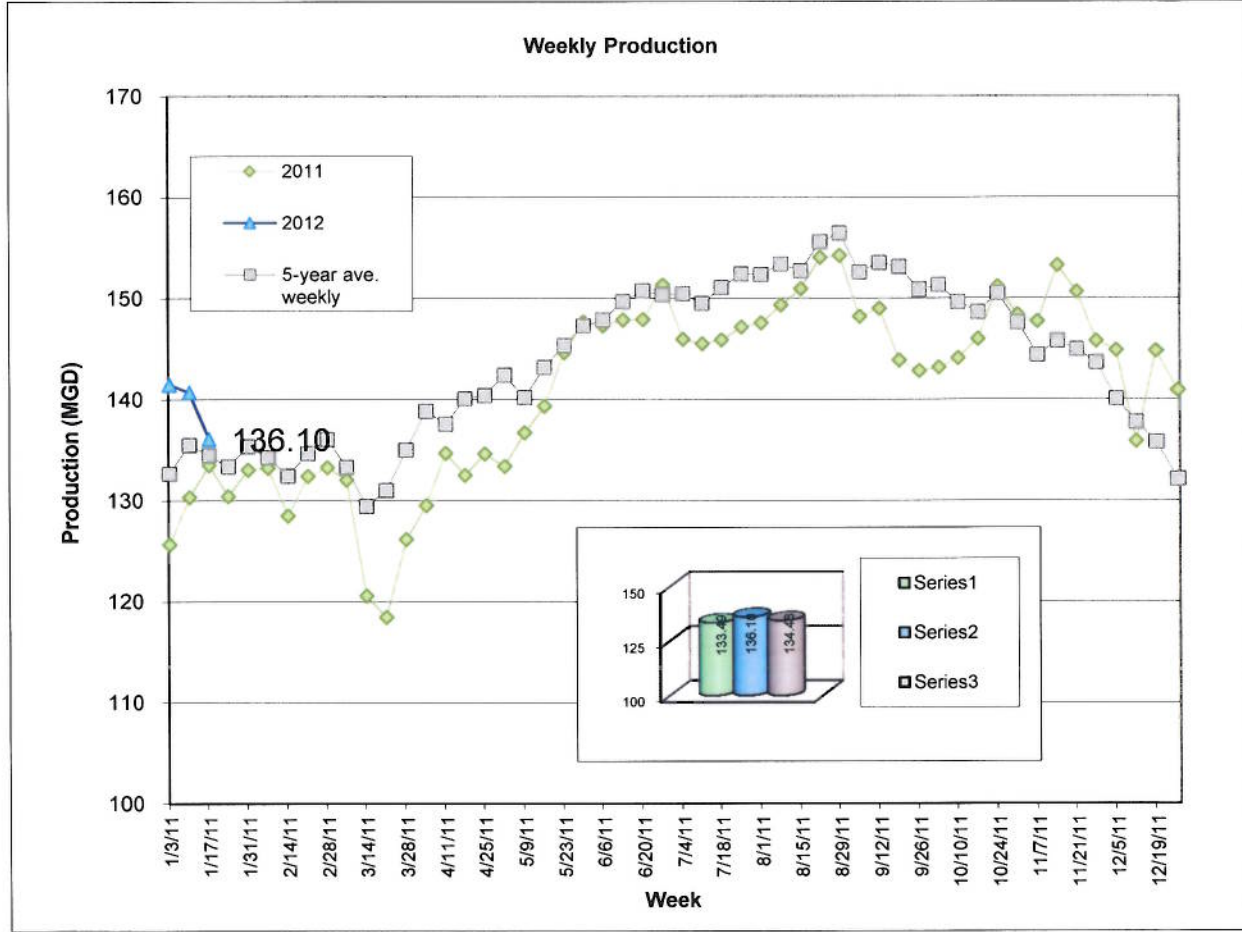
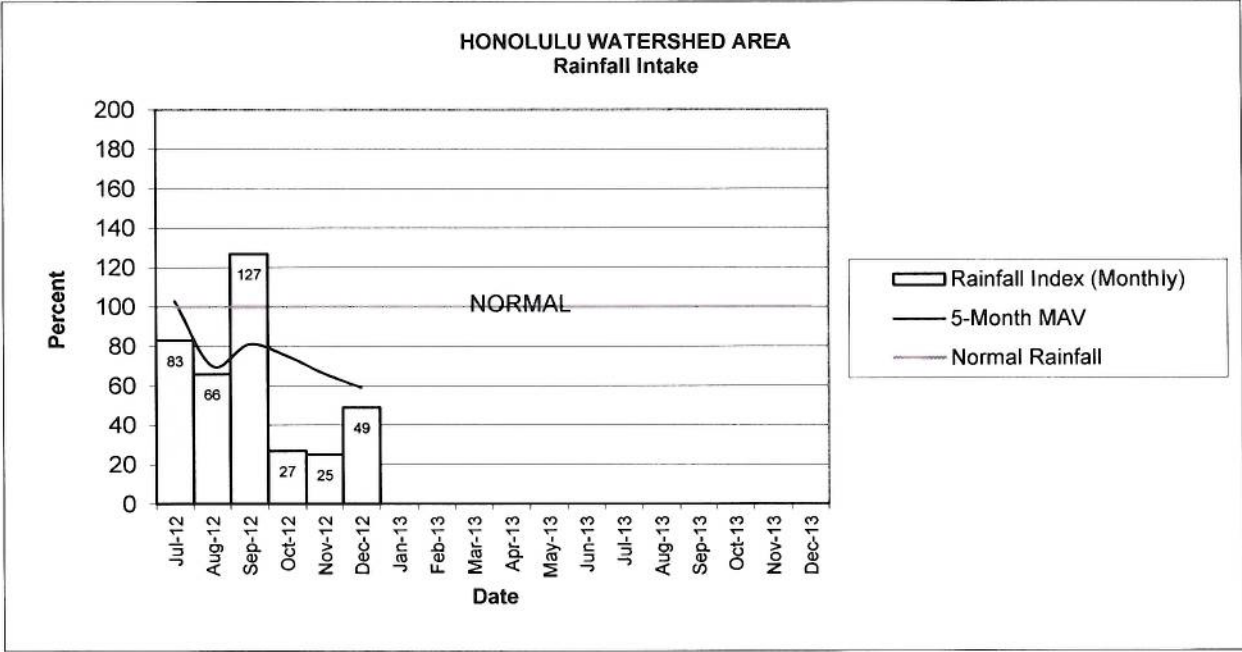


Waihee Tunnel



Waialua



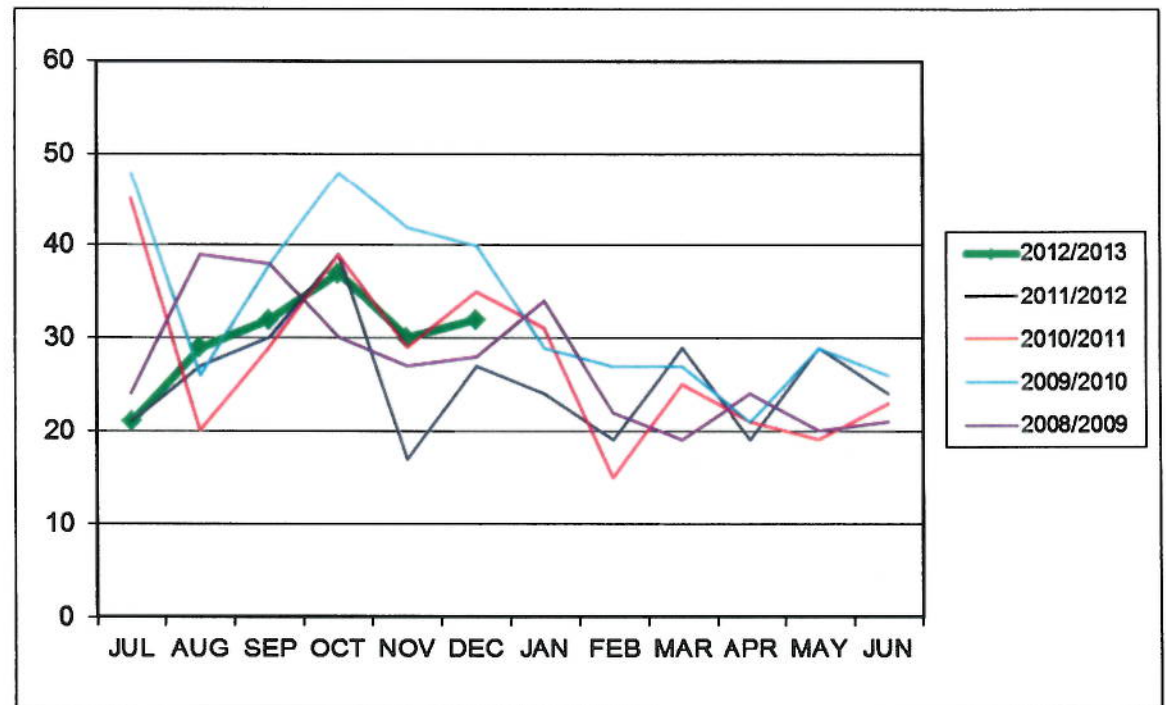


ITEM FOR INFORMATION NO. 5

WATER MAIN REPAIR REPORT for December 2012

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Total
2012/2013	21	29	32	37	30	32							181
2011/2012	21	27	30	39	17	27	24	19	29	19	29	24	305
2010/2011	45	20	29	39	29	35	31	15	25	21	19	23	331
2009/2010	48	26	38	48	42	40	29	27	27	21	29	26	401
2008/2009	24	39	38	30	27	28	34	22	19	24	20	21	326

<u>Date</u>	<u>Address</u>	<u>Size</u>
12/1	963 Kaluanui Rd.	12" C.I.
12/1	154 Uuku St.	8" C.I.
12/2	2004 Pacific Heights Rd.	8" C.I.
12/2	94-431 Hoaeae St.	12" C.I.
12/3	1214 Kuokoa St.	8" C.I.
12/4	Fort Barrett Rd.	8" A.C.
12/4	1561 Ala Aoloea Lp.	8" C.I.
12/5	50 Lihiwai Rd.	10" C.I.
12/5	1609 Ala Makani Pl.	4" C.I.
12/6	135 N. King St.	12" C.I.
12/12	826 Kaahue St.	8" C.I.
12/12	44-104 Hako St.	6" A.C.
12/14	Kihapai St., near Auwai St.	8" C.I.
12/14	709A N. Vineyard Blvd.	12" C.I.
12/15	87-147 Hakimo Rd.	24" C.C.
12/16	670 Halekauwila St.	8" D.I.
12/19	84-104 Kapakai Pl.	8" P.V.C.



12/19	Lowell Pl. & Kokea St.	8" C.I.
12/21	1727 Pali Hwy.	6" C.I.
12/22	2043 Makiki St.	8" C.I.
12/23	59-505 Akanoho Pl.	4" C.I.
12/23	91-504 Huleia Pl.	8" C.I.
12/25	5913 Haleola St.	12" C.I.
12/27	1074 Kolokolo St.	8" D.I.
12/27	1252 Lunalilo Home Rd.	8" D.I.
12/27	1319 Lunalilo Home Rd.	8" D.I.
12/27	1264 Lunalilo Home Rd.	8" D.I.
12/28	963 Kolokolo Pl.	4" D.I.
12/28	1325 Lunalilo Home Rd.	8" D.I.
12/29	2810 Paa St.	12" C.I.
12/30	99-522 Paihi St.	8" C.I.
12/31	5920 Haleola St.	12" C.I.

Bold * - Pro-active Leak
Repair

18 miles of pipelines were surveyed by the Leak Detection Team
in the month of December

DISCUSSION: There were no comments or discussion.

ITEM FOR INFORMATION NO. 6

Quarterly Capital Improvement Program Status Report
Capital Projects Division

Quarter	JUL-SEPT	OCT-DEC	JAN-MAR	APR-JUN	Total Budgeted	Awarded to Date
Design Contracts Awarded (\$)	\$0.00	\$0.00			\$2,510,000.00	\$0.00
Construction Contracts Awarded (\$)	\$0.00	\$572,530.00			\$29,210,000.00	\$572,530.00
Design Contracts Completed (\$)	\$1,650,565.16	\$4,642,047.17				
Construction Contracts Completed (\$)	\$135,300.00	\$0.00				
Totals:	\$1,785,865.16	\$5,214,577.17	\$0.00	\$0.00	\$31,720,000.00	

On Going Design Projects (#)	126
On Going Design Projects (\$)	\$29,700,238.20
On Going Construction Projects (#)	66
On Going Construction Projects (\$)	\$143,958,244.00

DISCUSSION:

Capital Projects Division Program Administrator Jason Takaki noted that this quarterly report is limited to the Capital Projects Division. Mr. Park requested that in addition to showing the dollar amounts for the projects that were awarded and completed, could a projected dollar amount be included for the upcoming six months. Mr. Takaki replied that they will provide that information.

Ms. McMurdo inquired about the reasons for being behind. Mr. Takaki replied that permitting continues to be an obstacle. The engineers want to have permits in place before advertising for bids because they will receive better bids that way. Ms. McMurdo asked what the projection is for the coming quarter. Mr. Takaki responded that their projection is to execute almost all of what is remaining in the fiscal year's budget in this current quarter. There will be some projects that will be pushed into the last quarter and those may be deferred to the subsequent fiscal year. Mr. Lau referred to the previous agenda item for information showing that several projects were being deferred. He noted that some deferrals will cause the total budget amount of \$31 million to drop. Mr. Lau informed the Board that the goal is to not wait until the end of the

fiscal year. Mr. Takaki stated that he met with staff this morning to remind them to be sure they will be able to execute, in a timely manner, the projects that they propose for funding in fiscal year 2014.

Ms. Cypher stated that she hopes the challenges that are preventing execution of projects do not continue much longer because this is why the Board approved the rate increase – to execute the projects to make improvements to the pipelines and system. She wants the Department to have a certain percentage of projects out to bid by the third quarter and not in the last quarter. Mr. Takaki stated that this is their intention.

ITEM FOR INFORMATION NO. 7

TRAINING AT UNIVERSITY OF HAWAII LAW SCHOOL ON TRUST OBLIGATIONS OF STATE
AND COUNTY GOVERNMENTS

DISCUSSION: Ms. Cypher announced that the Board was invited as county level decision makers, along with state decision makers to attend this workshop last week. The workshop, which was attended by Chair Miyashiro and Ms. Cypher, included information about Native Hawaiian customary and traditional rights, but the most important session was on water resources. She suggested inviting the speaker on water resources to attend one of their public meetings to give a presentation. Chair Miyashiro suggested a timeframe of 45 minutes at a regular session meeting that has a light agenda.

MOTION TO
RECESS INTO
EXECUTIVE
SESSION

Upon unanimously approved motion, the Board Recessed into Executive Session Pursuant to [HRS § 92-5(a)(2)] at 2:43 PM to Consider Issues Pertaining to Matters Posted for Discussion at an Executive Session.

OPEN
SESSION

The Board reconvened in open session at 3:02 PM

No action was taken and no decision was made during Executive Session.

MOTION TO
ADJOURN

There being no further business, Vice Chair Cypher at 3:02 PM called for a motion to adjourn the Open Session. Theresia McMurdo so moved; seconded by Duane Miyashiro and unanimously carried.

Respectfully submitted,



LISA K. KIM

APPROVED:



DUANE R. MIYASHIRO
Chairman of the Board

FEB 25 2013

Date

THE MINUTES OF THE REGULAR SESSION BOARD MEETING ON JANUARY 28, 2013 WERE APPROVED AT THE FEBRUARY 25, 2013 BOARD MEETING			
	AYE	NO	COMMENT
DUANE R. MIYASHIRO	X		
MAHEALANI CYPHER	X		
THERESIA C. MCMURDO	X		
ADAM C. WONG	X		
KAULANA H. R. PARK	X		
ROSS S. SASAMURA	X		
GLENN M. OKIMOTO			ABSENT