

# LATE TESTIMONY

LINDA LINGLE  
GOVERNOR



PROCUREMENT POLICY BOARD  
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LESLIE S. CHINEN  
DARYLE ANN HO  
KEITH T. MATSUMOTO  
RUSS K. SATO  
PAMELA A. TORRES

AARON S. FUJIOKA  
ADMINISTRATOR

**STATE OF HAWAII  
STATE PROCUREMENT OFFICE**

P.O. Box 119  
Honolulu, Hawaii 96810-0119  
Tel: (808) 587-4700 Fax: (808) 587-4703  
<http://hawaii.gov/spo>

**TESTIMONY  
OF  
AARON S. FUJIOKA  
ADMINISTRATOR  
STATE PROCUREMENT OFFICE**

**TO THE  
HOUSE COMMITTEE  
ON  
CONSUMER PROTECTION & COMMERCE**

April 21, 2010

9:30 AM

HR 136, Proposed HD1

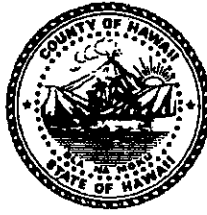
**ESTABLISHING AN INVESTIGATIVE COMMITTEE TO INVESTIGATE THE COUNTY  
OF HAWAII DEPARTMENT OF WATER SUPPLY.**

Chair Herkes, Vice Chair Wakai, and committee members, thank you for the opportunity to submit testimony on HR 136, Proposed HD1. This resolution requests the State Procurement Office (SPO) to gather, analyze, and interpret information provided to the investigative committee, report this information to the investigative committee, work under the direction of the committee, provide technical, staffing and other assistance to the committee and includes coordinating the day-to-day work of the committee.

The SPO on a daily basis provides services to all 20 state and county procurement jurisdictions. At this time, the SPO has very finite resources available to manage its daily activities and program operations. Vacant and now abolished positions largely due to retirements have left the SPO operations without the resources to maintain existing services. SPO has gone from 23 positions to a current count of 13 and out of the 10 vacancies, 5 professional staff that had procurement compliance responsibilities alone amounted to over 140+ years of procurement experience lost due to retirements with no replacements. A number of program operations and services have been discontinued due to this severe reduction in resources. As we face the impending retirements of additional personnel within the year, SPO will continue to evaluate the services we are able to provide to all jurisdictions. The SPO does not have the resources to support this resolution.

Thank you.

William P. Kenoi  
Mayor



William T. Takaba  
Managing Director

Walter K.M. Lau  
Deputy Managing Director

## County of Hawai'i Office of the Mayor

25 Aupuni Street, Suite 2603 • Hilo, Hawai'i 96720 • (808) 961-8211 • Fax (808) 961-6553  
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April 21, 2010

Honorable Robert N. Herkes, Chair  
And Members of the House Committee  
on Consumer Protection & Commerce  
Hawai'i State Capitol, Room 016, 9:30 a.m.  
Honolulu, Hawai'i 96813

RE: H.R. 136 Proposed HD1, ESTABLISHING AN INVESTIGATIVE COMMITTEE TO  
INVESTIGATE THE COUNTY OF HAWAII DEPARTMENT OF WATER SUPPLY

Aloha, Chair Herkes and Members of the Committee:

Thank you for this opportunity to present testimony on H.R. 136 and the proposed HD1 for this resolution, which would establish an investigative committee to determine the status of the planned water system in the Ocean View-Kahuku area.

As you know, the County strongly supports this project, and recently committed \$400,000 in County funds to allow for installation of a 300,000-gallon concrete storage tank that is larger than had been proposed in the original project design. A second standpipe is also being planned at the request of residents who were concerned that a single standpipe might not meet the needs of the community.

These design changes have caused delays in the project, but the end result will be a better system that will more efficiently meet the needs of area residents. Hawai'i County Department of Water Supply now estimates the project will be completed in about 14 months, and we would like to see the department focus all of its efforts on completing the project as quickly as possible.

The department is now working with the contractor to prepare a report that will answer the concerns raised in the body of this resolution, and we suggest the Legislature may wish to review that report before proceeding with plans for an investigative committee.

Mahalo for your consideration.

Aloha,

William P. Kenoi  
MAYOR



**DEPARTMENT OF WATER SUPPLY • COUNTY OF HAWAI'I**

345 KEKŪANAŌ'A STREET, SUITE 20 • HILO, HAWAI'I 96720

TELEPHONE (808) 961-8050 • FAX (808) 961-8657

April 21, 2010

Honorable Robert N. Herkes, Chair  
And Members of the House Committee  
on Consumer Protection & Commerce  
Hawai'i State Capitol, Room 016  
Honolulu, Hawai'i 96813

**RE: H.R. 136 Proposed HD1, ESTABLISHING AN INVESTIGATIVE COMMITTEE TO  
INVESTIGATE THE COUNTY OF HAWAI'I DEPARTMENT OF WATER SUPPLY**

Dear Chair Herkes and Members of the Committee:

I, Quirino Antonio, Jr., Deputy Manager of the Department of Water Supply of the County of Hawaii, appreciate this opportunity to provide testimony on your proposed HR 136, HD 1.

Milton Pavao, our Manager, apologies for not being here personally. He has a scheduled meeting at HOVE this afternoon with the district's council member, the contractor and representatives of the community to address construction issues.

For the record, the Department is not in favor of the proposed resolution.

The following is a timeline of events that occurred, funds that were expended or encumbered in contracts, and future events towards final completion.

- **May 2005** - Legislature passes Act 178, appropriating the \$6M. Funds to lapse in June 2008.
- **July 2005** – State Comptroller issues Appropriations Warrant No. 234.
- **October 2005** – County of Hawai'i requests Governor to release funds.
- **March 2006** – Governor and Budget and Finance release funds with Allotment Advice No 06-0444.
- **November 2006** – SSFM contracted for \$0.16M to plan and design Phase 1 (Exploratory Drilling). Contract also includes locating the well/storage and fill sites and pipeline route, and environmental assessment.
- **June 2007** – Supplemental contract for an additional \$0.28M executed with SSFM to prepare a design/build process for Phase 2 due to time limitation.
- **August 2007** – Exploratory Drilling Contract for \$1.9M executed.
- **May 2008** – Design/build contract for \$3.4M for Phase 2 executed. Note, contract executed to encumber funds scheduled to lapse in June 2008; time extension would not be considered by Legislature. Further, Phase 2 cannot proceed until final results of Phase 1, Exploratory Well Drilling.
- **May 2009** – Phase 1 completed. Phase 2 proceeding with design and permit approvals; construction to tentatively start in December 2009.

Honorable Robert N. Herkes, Chair  
And Members of the House Committee  
on Consumer Protection & Commerce  
April 21, 2010  
Page Two

- **August 2009** – Community desires a larger capacity reservoir and additional standpipe. Existing funds at that time insufficient for increases.
- **November 2009** – County Council approves \$0.4M for larger reservoir and additional standpipe as requested by community.
- **Present** – Contractor finalizing design and securing all necessary permits to increase reservoir capacity and add additional standpipe. Pipes stored at well site and material stockpiled at fill site.
- **Future** – Phase 2 construction to be completed in 15 months (second half of 2011).

The following is the project budget:

- Land Acquisition - \$0.236M
- Consultant - \$0.441M
- Phase 1 - \$1.922M
- Phase 2 - \$3.401M
- Phase 2 Add - \$0.400M (County Funds)
- Total \$6.400M

The delays in this project have been experienced due to our desire to accommodate as much as possible the desires of the community's selected representatives.

The Department has been working closely with the consultants and contractor to bring this important project for the community to fruition. It is our intent to have the project completed by the end of 2011.

Sincerely yours,



Quirino Antonio, Jr., P.E.  
Deputy Manager

The following statements are provided as evidence in support of HR 136 HDI.

I was a member of the Board of Directors of the Dept. of Water Supply in 2003 when the DWS commissioned D.W. Beck to develop their 2004-2009 Strategic Plan, which led to their 20-year Water Master Plan. Through a series of workshops, the most pressing current and future issues facing the DWS were identified. Seven conditions were identified as in need of a "desired future condition", (Page 5, 2004-2009 Strategic Plan). The current conditions that concerned the Board were:

**CURRENT (2003) DWS CONDITIONS:**

- 1) "Missing or in some cases inadequate staff skills and numbers." The Board recommended that in house "Resident Core Competencies" should be available within the DWS to enable response to requests, responses and directives to reduce outsourcing.

**Ocean View Water Project:**

Initially, the DWS met their deadlines to encumber the \$6,000,000. In the years that have followed, The Ocean View Water Project has suffered continuous delays. Response to requests from the Ocean View Community Development Corp. for regular updates are irregular, with no reported "tentative" deadlines being met. It is questionable if communication with outsourced contractors is clear or timely. Final contracts and change of order approvals are not completed by the DWS in a timely manner.

- 2) The Board's second Current Condition they felt DWS needed to improve was, "Insufficient ability to use, invest, and financially manage money; need more funds to achieve goals."

**Ocean View Water Project:**

As the DWS continues with the design stage of this project, the original plan continues to be downsized. The 300,000 gal. storage tank was downsized to a 100,000 gal. tank. This caused the Ocean View Community Development Corp. to request an additional \$400,000 through our County Council Representative Guy Enriquez. The County Council voted unanimously in favor, recognizing the total inadequacy of having a 100,000 gal. storage tank meet the demands of the current 6,000 residents. The number of standpipes for commercial water haulers was reduced from four to two, which will cause substantially longer lines of trucks waiting for water. The EA approved plan for the location of spigots and standpipes was substantially changed to save money. The result has been to further delay progress by creating a poorly designed substitute plan and now, disapproval of homeowners adjacent to the fill station. I question how the \$6,000,000 the State so generously granted the County for Ocean View was budgeted. I know of no report stating the details of that budget. Approved contractors must have bid on the various phases and plans of this project. DWS must know what they have agreed to pay outsourced contractors. However, after five years into this project, contracts with contractors such as DYK are still not final, and we are told "Bolton will need to re-evaluate the whole job from design to construction."

- 3) The DWS Board's third Current Condition stated in 2003 was "CIP priorities continually change; volatile and unpredictable conditions; CIP approach is highly reactionary." The Board recommended long-range commitments to priorities, with appropriate adjustments on an annual basis.

#### Ocean View Water Project:

In that the DWS has been gifted the \$6,400,000 for this project, there is no reason to lower the priority based on their CIP. However, DWS continues to act in, "continually change; volatile and unpredictable conditions;". If it's not a result of CIP concerns, perhaps it's a result of resentment due to the County putting them in charge of this project when they don't have the time. Perhaps Mr. Pavao, the Manager of the DWS, is tired of being harassed by members of the community of Ocean View. I really don't know why this project has languished for so long. I only speculate on what I suspect. It is my sincere hope passing HR 136 HDI will provide some answers and finally help draw this project to completion.

- 4) "Union and civil service rules create staffing problems and contribute to inefficiencies. The Board felt that the DWS needed to have the, "ability to more efficiently use human resources."
- 5) The fifth Condition the Board determined the DWS needed to focus energy and resources on stated that the "Water supply is falling short of demand (supply and distribution systems) within existing and future areas." We believed that new water supplies and facilities to provide service to existing and future customers were needed. Under explanatory comments, the Board Gap Analysis stated that "future customers" included, "growth within areas presently served as well as potential service to areas not currently served (compliant with the County's General Plan).

#### Ocean View Water Project:

Ocean View was never considered as a candidate to develop any water system by the DWS. Mr. Pavao has always stated that the responsibility of the DWS is to their customers (rate payers) only. He felt it would be unfair to use their money to fund any water projects in new areas. Ocean View Community Development Corp. argued that by the fact that water-hauling companies were purchasing and delivering DWS water to Ocean View residents daily, we were customers. Furthermore, we were paying over ten times the general customer rate, covering the cost of a private truck delivery system which saved DWS the cost of delivering the water to Ocean View.

Even though the fifth condition caused the DWS Vision Statement to be changed to include serving areas not currently served, DWS has not complied. Unless pressure continues to remind DWS to follow their Vision Statement and the County's General Plan, I'm certain they will continue to ignore any CIP funding toward future growth areas on the Island.

- 6) The Board felt that DWS was “struggling to comply with EPA/DHS standards and regulations; small margin for error.” We felt that the DWS was struggling to keep up.

#### Ocean View Water Project:

Continuous changes in plans and simply not providing documents in a timely fashion may have more to do with DWS's struggles in this project. EPA and DHS have stringent requirements, but certainly DWS has many years of experience complying with their needs.

- 7) The last “Current Condition” the Board felt was a challenge stated, “Potable water is currently being used for agriculture purposes.” The goal is to “wean current agriculture customers off potable water. This may require finding alternative non-potable sources.”

#### Ocean View Water Project:

Knowing this is a huge challenge for DWS, Ocean View does not expect agricultural water to be available through the DWS any time in our future. If it weren't for the State and County's support, there would be no water at all in our future. However, Ocean View Community Development Corp. is currently working on plans to tap into a non-potable surface water source in Waiohinu. Volcanoes (Kahuku) National Park has vowed to work with us to help provide a right of way across Park land.

I provide these facts and observations as I know them with the hope that passing HR 136 HDI will finally provide the people of Ocean View potable water after over 35 years of struggle.

Sincerely,

Loren Heck - President  
Ocean View Community Development Corporation  
PO Box 6045, Ocean View, Hi 96737



*The following is an example of a DWS update from the Information and Education Specialist dated April 13<sup>th</sup> 2010.*

## Aloha HOVE Community Contacts for DWS Updates,

This email is an update regarding the HOVE Water Facilities Project. After collaborating with Shari Komata, the Project Engineer, the following is the most current information: at this time, plans are being reviewed and finalized with DWS. The Disability and Communication Access Board (DCAB) has completed their review of the plans. The National Pollutant Discharge Elimination System NPDES permit has been applied for. The Contractor is working on permits for grading and stockpiling materials. Surveying of the whole project is tentatively set for the end of this month. Waterline installation tentatively set for end of May, and construction of the reservoir is tentatively set for June. At this time, pending any further changes to the plan, completion of this project is scheduled around April 2011.

Mahalo,

Kanani Aton

Public Information and Education Specialist

*Please note the wording, **tentatively, around, and pending further changes.** This rare update expresses terms we have become used to seeing. We are all well aware that everything DWS states may happen around any time in the future will simply be delayed.*



The following email dated April 14, 2010 (one day after the Public Information and Education Specialist's update) was from Shari Komata DWS Chief Engineer for the Ocean View Water Project in response to my question regarding how June could possibly be the month work on the tank would begin. I stated that DYK had told me that their design of the tank would begin as soon as a final contract was signed with DWS, and Dan Bolton stated that he couldn't continue his part of the plans for the tank until he got a change of order approved. Work on the two sets of plans were on hold until DWS did their part. It looks to me as if contractors are blaming DWS for delays and DWS is putting the responsibility for delays on the contractors finishing their work.

Loren Heck

Hi Loren,

Until plans are finalized, anything may change. We are giving the best dates we currently have based upon Bolton's tentative schedule, which is if all goes as he had planned. The schedule probably has changed but I do not have a more updated schedule as there are design changes and Bolton will need to re-evaluate the whole job from design to construction. We plan to meet with Bolton in the next week or so to discuss some changes to the project, until then this is the best information we have.

A tank by DYK is pretty much set; however, the piping to the tank and the ground preparation will fall upon Bolton so DYK will not be scheduled until Bolton is ready and we are still making adjustments to that part of the design. As we are on a tight budget, we are trying to obtain the best system that DWS will be able to maintain and operate while providing an end product that the community can use. So it's going to take some work between DWS and Bolton to negotiate what we can achieve with our budget and therefore, our upcoming meeting. The schedule will probably change in our next update.

Sincerely,  
Shari Komata

Milton Pavao

April 15, 2010  
Manager  
Hawaii County, Dept. of Water Supply

As the newly appointed President and Chair of the Ocean View Community Development Corporation, I've been asked by our County Council Representative, Guy Enriques, to consult with the board members of OVCDC and come up with ten specific questions regarding the Ocean View Water Project to be discussed at Ocean View Community Center April 21 at 4:00.

After a twenty-year quest for funding, the OVCDC was able to acquire \$6,400,000 for this project with full support from the State and County. On November 23, 2004, a representative committee for Ocean View complied with a request from Mayor Kim to formulate a formal written request stating the preferred location of a well site, the general design and location of the commercial standpipes and public spigots, and any other specifics we determined important for the Ocean View Water Project. We based our request on the March 2004 Kau to South Kona Water Master Plan.

In the last six years, the six thousand residents of Ocean View have become increasingly concerned regarding what appears to be a lack of progress toward the completion of this crucial water project. They are quite aware that the OVCDC is their representative body in charge of communication with the Dept. of Water Supply. They expect that we should have an understanding of how the DWS is progressing. Board members of OVCDC are asked the same question as they go to the market or get their mail. "When will we get our water?" Emails and phone calls are beginning to spill over to representatives in the State and County.

The OVCDC would like to be able to respond to the community of Ocean View, but communication from the DWS has slowed down and we have no reliable facts or specific dates of completion of any future phases of the project.

The following ten questions are those with the highest priority, chosen from many concerns the community of Ocean View and the OVCDC have. We need your help to help us understand the challenges we all face.

1) Can you explain the following apparent bureaucratic delays: Since

securing \$400,000 from the County in October 2009 for upgrading the water tank from 100,00 gals to 300,000 gals, has your chief contractor, Dan Bolton received his change of order approval? We understand he and DYK can't complete their tasks without it. DYK stated on April 13th that they could not move forward with the design without Mr. Bolton having that document. DYK also stated that they were still waiting for a final contract to sign with the DWS. In addition to these documents, have you applied for a NPDES permit yet? What dates do you expect to provide these documents?

2) 3-phase power will be needed at the well site, yet HELCO states they have not been contacted by DWS to request this service. They say that once the paper work is filled out, it will take 8 - 10 months to complete the work. By what date will DWS contact HELCO to request the work to begin?

3) Prior to determining the first and second fill station designs, no water haulers were consulted and the input from the OVCDL seems to have been ignored. The first plans were E.A. approved, then February 2010, a substantially different and revised plan was submitted, creating probable legal action by one of the neighboring property owners. How can this new and completely different plan have E.A. approval, and why were the location of the spigots and commercial filling stations moved? Knowing you have no means to enforce a 250 gal. maximum fill at public spigots, and probably no plan to enforce compliance of water hauling commercial trucks to be properly insured or licensed by the PUC, would you like OVCDL to help? How do you explain the tentative start to this critical phase of the project after all this time?

after years of planning, lack of money is a reason used by DWS to downgrade various phases of the project. We would like to see the budget; what has been spent, and what is projected to be spent, in order to understand this dilemma. When can you provide this information?

5) Since January 2009, what progress or work has been specifically applied to this project? Has any phase of the project been completed?

6) Has the pump design been completed and ordered?

7) Are the DWS and Dan Bolton in synch? Are lines of communication clear and open?

8) Is Kahuku Park still going to be provided a water source to hook into?

9) Since the beginning of this project, we have become increasingly frustrated with continuous time extensions in the planning stages, and a lack of specific dates associated with any phase of planning, let alone work completion. In addition, communication with the OVCDC has slowed down considerably from the promised monthly reports. The last public report used the word tentatively as a preface to all current phases of the project: Surveying to be finished tentatively end of April, water line installation to begin tentatively end of May, water tank construction tentatively set for June. The final sentence was a disclaimer stating, At this time, pending any further changes to plans, completion of this project is scheduled around April 2011. . . . History tells us that the only fact we can count on is that the projected completion date will continue to change along with changes to plans. On April 14th, your chief engineer in charge of this project was forthright in stating, Until plans are finalized, anything may change. It is going to take some work between DWS and Dan Bolton to negotiate what can be achieved. Bolton will need to re-evaluate the whole job from design to construction. . . The schedule will probably change in our next update. Assuming this is true, the previous tentative dates do not seem remotely realistic. We would appreciate a higher level of accountability and more specific and reliable scheduling in reports. Can we expect a change in the future?

10) Due to the fact that the DWS was forced to take on this project by the County and because there has been past rancor between DWS and OVCDC, has this water project been put on a "non priority" in any way? On more than one occasion, you've expressed your frustration at meetings with the OVCDC. You've even expressed a desire to hand the whole project over to us because of treatment you felt was inappropriate by our water committee chair. Can we put this behind us and move forward?

These questions are presented in the spirit of gaining understanding and finding solutions. The OVCDC would like to help this process and appreciates your help.

Sincerely,  
Loren Heck, President  
Ocean View Community Development Corp.

April 18, 2010

Representative Robert Herkes  
5<sup>th</sup> Representative District  
Hawaii State Capitol, Room 320  
415 South Beretania Street  
Honolulu, HI 96813

Dear Bob,

I am writing in support of HR 136 HD1. As you know, I have been in the vanguard of the effort to bring a water source to Ocean View---a battle that I have been waging for over 20 years. Now that we have had the project funded by the state and the well has been successfully drilled, we have had the completion of the project stalled by ineptitude and gross mismanagement.

I had a letter to the editor published recently in West Hawaii Today. The letter (reprinted below) documents briefly the problems we have encountered. Since the letter was written, I have become aware of three other major problems which stem from the mismanagement of this project:

- 1) The plan for the fill station has been changed and is materially different from that outlined in the Environmental Assessment completed in March 2007. Several of the mitigations promised the adjacent landowners have been removed and the neighbors (who are in agreement with the original plan) are unhappy and threatening legal action.
- 2) The DWS has made no effort to arrange delivery of the required three phase power to the well site. I spoke with Kelly, an engineer at HELCO, who tells me that no plans have been sent to HELCO and it will take 8-10 months after plans are submitted before lines are installed.
- 3) The DWS has not let a contract for the construction of the reinforced concrete tank/reservoir. The lead time in beginning construction may be considerable---a year or more.

All of these factors make any timetable that DWS puts forward for completion of the project a fantasy, and emphasize the ineptitude and gross mismanagement we have had to endure in our attempts to shepherd this process to completion. I am therefore strongly in support of HR 136 HD1

Sincerely,

Don Nitsche  
Chairman, Water Committee  
Ocean View Comm. Dev't. Corp.  
PO Box 6045, Ocean View, HI 96737

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Letter to the Editor---Published in West Hawaii Today March 26, 2010

## OCEAN VIEW WELL

### Audit the project, end the standstill

It seems that when Ocean View is not at the end of the line with regard to government services and infrastructure improvements, we are ignored entirely. A number of us have endeavored for over 15 years to get a local source of water. For our population of 6,900 (based on 2010 Ocean View Dwelling Survey), it is still a 28 mile round-trip to the nearest water source.

Six million dollars was allocated by the state for our water project. Representative Herkes, Senator Kokubun, and Governor Lingle helped tremendously in securing this funding. The well has been drilled and the water source proven 14 months ago at a cost of approximately \$2 million. We are now informed that it will be another year before water flows to our community. This is impossible to understand. Construction of the tank/reservoir, installation of the pump and completion of the loading facility have been at a standstill.

Since the money for the project was supplied largely by the state, I feel that a state audit is definitely called for. The Dept. of Water Supply for the county should be required to explain the innumerable delays in completion of this vital project, how the state taxpayer's money was spent and where the balance of the \$6 million is currently.

Sincerely,

Don Nitsche  
Chairman, Water Committee  
Ocean View Comm. Dev't. Corp.

April 18, 2010

Representative Robert Herkes  
5<sup>th</sup> Representative District  
Hawaii State Capitol, Room 320  
415 South Beretania Street  
Honolulu, HI 96813

Dear Bob,

I am writing to express my strong support of HR 136 HD1. I now serve as president of the Ka`u Chamber of Commerce, as a member of the water committee of OVCDC (Ocean View Community Development Corp.) and I was president of OVCDC 2008-2009. Consequently, I have been involved in the community effort to bring a water source to Ocean View since before the state provided the \$6 million funding of the current project.

The well has been drilled and tests of water quality completed as of January 2009. We know that we have an abundance of high quality water. Unfortunately, it is all still at the bottom of a hole in the ground. In the last 15 months nothing further has been achieved---NOTHING! It can only be through gross mismanagement that this project has been at an absolute standstill since January 2009. The county has the funding, but the Dept. of Water Supply (DWS) has delivered nothing more than promises and platitudes. We continue to try to work with DWS to get the project moving, but to no avail.

There are several other troubling developments which have come to light recently which increase our frustration with the ineptitude and mismanagement of the project:

- 1) The plan for the fill station has been changed recently and is materially different from that outlined in the Environmental Assessment (EA) completed in March 2007. Several of the mitigations promised the adjacent landowners in the EA have been removed from the current plan and the neighbors (who are in agreement with the original plan) are unhappy and threatening legal action. Additionally, all suggestions made by local leaders to Mr. Pavao regarding the number and configuration of truck fill outlets have been ignored, despite his assurances to the contrary in our past meetings. These suggestions were made after OVCDC surveyed our local water haulers to determine their average daily usage and optimize the fill station for the most efficient operation. DWS, to this day has not consulted the water haulers in planning their fill station and chose to ignore our recommendations.
- 2) The DWS has made no effort to arrange delivery of the required three phase power to the well site. Don Nitsche spoke with Kelly, an engineer at HELCO, who informed him that no plans have been sent to HELCO from DWS. Once plans are submitted it will take 8-10 months before the three phase lines are installed.
- 3) The DWS has not let a contract for the construction of the reinforced concrete tank/reservoir. The lead time in beginning construction may be considerable—a year or more.

All of these factors make any timetable that DWS puts forward for completion of the project a fantasy, and emphasize the ineptitude and gross mismanagement we have had to endure in our attempts to see this process through to completion. I am therefore strongly in support of HR 136 HD1. I very much appreciate all the help you have given our community in securing the state funding for the OV water project, and your tireless efforts to shepherd it through to completion with us. Mahalo.

Rell Woodward, MD  
PO Box 6381  
Ocean View, HI 96737



KIRK MATTOS  
SHERRY MATTOS  
POST OFFICE BOX 72  
HONAUUNAU, HAWAII 96726-0072  
(808) 938-7670  
(808) 640-1297

April 19, 2010

Representative Robert Herkes  
Via repherkes@Capitol.hawaii.gov

Subject: HR 136 HD1

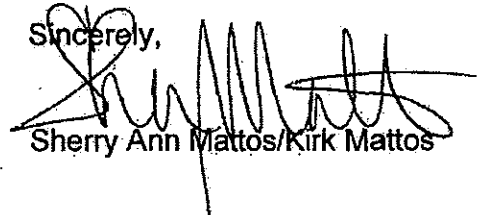
Ocean View Domestic Water Well and Public Standpipe/Spigot  
Facility, Ka'u, Island of Hawaii,

We are in support of HR 136 HD1, attached is our testimony/supporting  
correspondence.

- 1) Letter dated February 10, 2007 from Geometrician (Ron Terry) to  
"Neighboring Property Owner";
- 2) Letter dated March 16, 2007 from Sherry and Kirk Mattos ("Neighboring  
Property Owner") to Geometrician (Ron Terry);
- 3) Letter dated June 7, 2007 from Sherry and Kirk Mattos to Geometrician  
(Ron Terry);
- 4) Letter dated June 30, 2007 from Geometrician to Sherry and Kirk Mattos;
- 5) Letter dated April 1, 2010 from Sherry and Kirk Mattos to County of  
Hawaii Department of Water Supply – after being told of the "revised"  
plans.

We strongly feel that there are many unanswered questions, many  
mismanagement and unaccounted monies and many broken promises that affect us  
and our family directly. WE STRONGLY SUPPORT HR 136 HD1.

Sincerely,



Sherry Ann Mattos/Kirk Mattos

Enclosures

# geometrician

ASSOCIATES, LLC  
integrating geographic science and planning

phone: (808) 982-5831 PO Box 396 Hilo Hawaii 96721 rterry@hawaii.rr.com

February 10, 2007

Dear Neighboring Property Owner:


**Subject: Environmental Assessment for Ocean View Domestic Water Well and Public Standpipe/Spigot Facility, Ka'u, Island of Hawai'i, TMKs 9-2-101:32; 9-2-94:36; 9-2-93:9, 10 & 11**

Our firm is in the process of preparing a Draft Environmental Assessment (EA) for a proposed County of Hawai'i activity, in compliance with Chapter 343, HRS, and Title 11, Chapter 200, HAR.

The Hawai'i County Department of Water Supply (DWS) plans to drill an exploratory well on County of Hawai'i Property within Paradise Circle Makai in Ocean View (see attached map); perform pump tests and water quality analyses on the well; convert the exploratory well to a production well with an expected pump rate of 350 gallon per minute, if appropriate; drill and outfit a similarly sized backup well; construct a 0.5 million gallon reservoir; build water transmission lines from the well along Keaka Parkway to properties at Lehua Lane and the Hawai'i Belt Road; construct a public standpipe/spigot facility at this latter site; and provide a branching water line for fire protection purposes to the end of Keaka Parkway. The project is in response to a need in the fast-growing Ocean View community for a nearby source of potable water for water-hauling trucks and small-quantity residential self-haulers, along with fire protection for Ocean View commercial centers.

The areas of investigation in the Environmental Assessment will include but not be limited to the following: water quality assurance; wastewater treatment; flora, fauna, and ecosystems; traffic impacts; geology, soils, and hazards; flooding and drainage impacts; social, cultural and community impacts; cultural impacts; historic sites; and economic impacts.

I would appreciate your comments on any special environmental conditions or impacts related to the development. Please contact me through any of the means shown on the letterhead above if you have any questions or require clarification.

Sincerely,  


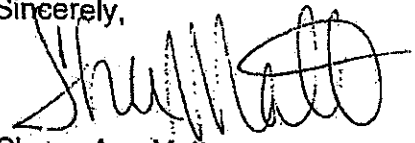
Ron Terry, Principal  
Geometrician Associates

**Attach: Project Location Map**

Geometrician Associates, LLC  
Ron Terry, Principal  
Geometrician Associates  
March 16, 2007  
Page Two

We look forward to your response. Contact my husband Kirk at 938-7670.  
He's has a lot more questions to discuss. Thank you for your anticipated cooperation.

Sincerely,



Sherry Ann Mattos

SHERRY MATTOS  
KIRK MATTOS  
POST OFFICE BOX 72  
HONAUNAU, HAWAII 96726-0072  
(808)939-7101  
(808)640-1297

June 7, 2007

Geometrician Associates, LLC  
Ron Terry, Principal  
Geometrician Associates  
Post Office Box 396  
Hilo, Hawaii 96721

Subject: Environmental Assessment for Ocean view Domestic Water Well  
and Public Standpipe/Spigot Facility, Ka'u, Island of Hawaii,  
TMKs 9-2-101:32; 9-2-94:36; 9-2-93:9, 10 & 11

Dear Mr. Terry,

Nice to have met you at the May 23<sup>rd</sup> meeting.

As you know, we are homeowners and residents immediately adjacent to the Ocean View Domestic Water Well, Reservoir, Transmission and Standpipe/Spigot Facilities proposed for TMKs(3)9-2-101:032 & 037; (3)9-2-093:009, 010 &011; (30)9-2-185:094, 095, 096 in Hawaiian Ocean View Estates, Kau, Hawaii. Our property is identified with TMK(3)9-2-093:012, and our residence is visible in the upper left corner of the photograph labeled "Proposed Standpipe/Spigot Site" on page 3-12 of the Draft Environmental Assessment date May 2007.

The proposal is good for the Hawaiian Ocean View Estates (HOVE) community. But if not handled properly could have a severe negative effect on our property and potentially cause the County of Hawaii to become liable for damages or economic loss caused to our property.

The project can cause noise problems/pollution for us and our property, particularly from large water trucks and the general public. Sound and light intrusion and pollution must be adequately addressed with landscaping, decorative fencing (not just chain link fencing), berms, and other designs that eliminate damages and loss of property value. TMKs (3)9-2-093:009, 010 &011 should be completely fenced in and should also have razor wire at the top of the fencing, such as that existing at the COH Water Supply located on the Old Mamalahoa Highway. We would require the County to also provide adequate foliage (at least six feet in height when planted) adjacent to our property. Our bedroom will be affected the most, it is the closet room

Geometrician Associates, LLC  
Ron Terry, Principal  
Geometrician Associates  
June 7, 2007  
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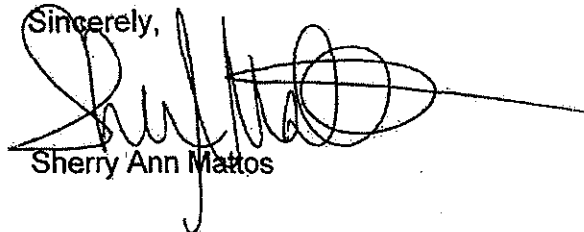
of our residence next to the standpipe/spigot facilities.

Lighting the areas would have a particularly negative effect on our property and residence. Hours of operation, including lighting, must be limited to reasonable hours, such as twelve hours beginning, e.g. at six or seven a.m. and ending at six or seven p.m. Such hours must be enforced with adequate security. Security should include a gate locked during prohibited hours.

If the above matters are not adequately addressed and resolved, "inverse condemnation" or other liability of the County could result us to the loss of value of our property and residence.

We are in favor of this project, provided the County adequately deals with eliminating or severely limiting lighting pollution, sound pollution, privacy, security and limited hours.

We look forward to your response.

Sincerely,  
  
Sherry Ann Mattos

- c. Mark Van Pernis, Esq.  
Director, Office of Environmental Quality Control  
Hawaii County Department of Water Supply

# geometrician

ASSOCIATES, LLC  
integrating geographic science and planning

phone: (808) 969-7090 PO Box 396 Hilo Hawai'i 96721 rterry@hawaii.rr.com

June 30, 2007

Kirk & Sherry Mattos  
PO Box 72  
Honaunau, HI 96726

Dear Mr and Mrs. Mattos:

**Subject: Draft Environmental Assessment (EA) for Ocean View Domestic Water Well, Reservoir, Transmission and Standpipe/Spigot Facilities, Ka'u, Island of Hawai'i, TMKs: (3rd): 9-2-101:32 & 37; 9-2-93:9, 10 & 11; 9-2-185: 94, 95, 96; Various private roads and portion of State Hwy. 11**

Thank you for your comment letter dated June 7, 2007, on the Draft EA. We appreciate your support for the project, particularly in view of your location directly adjacent to the standpipe and spigot facility. We recognize that you may experience some inconvenience and we share your interest in having a secure, orderly attractive facility that will minimize impacts to neighbors. In answer to your specific design suggestions:

- 1. Landscaping and Berms.** During the design phase of the project, the Department of Water Supply (DWS) will contract for a landscaping plan that will include topographic alteration and plantings to beautify the facility and to screen it from view from adjacent properties. With your permission, we would like to consult with you during the preparation of the landscape plan.
- 2. Fencing.** DWS has have found with our Pahoa facility that chain link fencing with no razor wire or barbed-wire is adequate for security purposes. DWS generally utilizes barbed-wire only around facilities in which there is concern for contamination of water sources, because it is unsightly, dangerous, and on occasion entangles wildlife.
- 3. Security and lighting.** DWS agrees that leaving the facility open 24 hours may adversely impact neighboring homes. Final hours have not yet been decided, but DWS is considering restricting water trucks to daytime and early evening hours (except during emergencies, when hours may be extended). The facility will be closed and locked to residents sometime in the early evening and will not reopen until about 6 AM. Any lighting at the facility will be limited to that necessary for safety and operation of the facility, will be shielded (i.e., will not point outward or upward), and will be directed

away from homes. DWS pledges to work with the community to arrive at appropriate hours that allow working families to get water but do not impose undue impacts on neighbors.

Again, thank you for your comment, and on behalf of DWS, we look forward to working with you. If you have any further questions about the project, please contact Shari Komata of DWS at 961-8070, Ext. 252.

Sincerely,

A handwritten signature in black ink that reads "Ron Terry". The signature is written in a cursive style with a large, sweeping underline.

Ron Terry, Principal  
Geometrician Associates



SHERRY MATTOS  
KIRK MATTOS  
POST OFFICE BOX 72  
HONOLULU, HAWAII 96726-0072  
(808) 939-7101  
(808) 640-1297

April 1, 2010

County of Hawaii  
Department of Water Supply  
Attn: Milton Pavao  
Kurt Inaba  
Kirino Antonio  
345 Kekuanaoa Street, Suite 20  
Hilo, Hawaii 96720

Subject: Environmental Assessment for Ocean view Domestic Water Well  
and Public Standpipe/Spigot Facility, Ka'u, Island of Hawaii,  
TMKs 9-2-101:32; 9-2-94:36; 9-2-93:9, 10 & 11

We were very surprised this past Saturday, March 27, 2010 to have been approached by Contractor Dan Bolton at our residence located on TMK(3)9-2-093:012. He gave us some surprising and upsetting news as to the Public Standpipe/Spigot Facility in Ocean View. The plans that was originally generated, viewed and presented to the public back in 2007 were not being followed, and were completely altered. Instead we were presented with a totally new plan which has not gone through public hearing, is contrary to the publicly heard plan, and contradicts representations and promises made to us as adjoining land owners which were made to induce us not to contest the plan that was approved.

On March 16, 2007 we sent a letter to Ron Terry, Principal of Geometrician Associates, LLC responding to his February 10, 2007 letter and stating our concerns (copy enclosed). We got no response so we generated a June 7, 2007 letter, (copy enclosed) Mr. Terry responded on June 30, 2007 (copy enclosed). Every representation and promise made by Mr. Terry, on behalf of the County of Hawaii Department of Water Supply, has been disregarded in the revised plan from Mr. Bolton.

Now our residence is going to be negatively affected entirely. The standpipes and spigots have been relocated from the southern most side of TMK(3)9-2-93:9 (farthest from my residence) to right next to my residence. This IS NOT

County of Hawaii  
Department of Water Supply  
Attn: Milton Pavao  
Kurt Inaba  
Kirino Antonio

April 1, 2010  
Page Two

ACCEPTABLE. The standpipes and spigots are in fact on the three easements, not even on the three acres.

It was stated in Mr. Terry's June 30, 2007 letter that the Department of Water Supply would install chain link fencing for adequate security. But now I am told that the facility will not be fenced at all, except for the "front gate." Instead, unsightly boulders which provide much less security will be put in place along my property line. There have been many burglaries in Hawaiian Ocean View Estates, with this County facility being open to the public at least 12 hours a day, while we are away at work, security will be inadequate. Will the County of Hawaii be entirely responsible when my home and property has been invaded?????????

Now, another broken promise, there will be no landscaping or berms. The public will be able to see into my home and see its contents, noise and visual pollution increased.

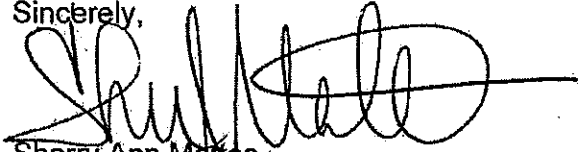
Having the facility right next to my residence, my family will be directly affected by noise and people. Inverse condemnation of a portion of the value of my property will now occur. The County has not had public review of this new and lesser plan, and has broken its promises made as to the approved plan.

This matter needs to be resolved if formal action is to be avoided. We want to be good neighbors, but expect the County of Hawaii to be so too and keep its promises.

County of Hawaii  
Department of Water Supply  
Attn: Milton Pavao  
Kurt Inaba  
Kirino Antonio  
April 1, 2010  
Page Three

We need to set up a meeting to discuss the impact this change in plans will negatively affect our property. Work should cease until we can all come to an amicable solution.

Sincerely,



Sherry Ann Mattos  
Kirk Mattos

Enclosures

- c. Mark Van Pernis, Esq.  
Ron Terry, Geometrician  
Mayor Billy Kenoi  
Hawaii County Council  
Dominic Yagong  
Donald Ikeda  
Jay Yoshimoto  
Dennis "Fresh" Onishi  
Emily Naeole  
**Guy Enriques**  
Brenda Ford  
Kelly Greenwell  
Pete Hoffmann