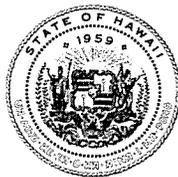


DAVID Y. IGE
GOVERNOR
STATE OF HAWAII

JOSH GREEN
LT. GOVERNOR
STATE OF HAWAII



WILLIAM J. AILA, JR.
CHAIRMAN
HAWAIIAN HOMES COMMISSION
DEPT. COMM. NO. 485

TYLER I. GOMES
DEPUTY TO THE CHAIRMAN

**STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS**

P. O. BOX 1879
HONOLULU, HAWAII 96805

June 30, 2021

The Honorable Ronald D. Kouchi,
President and Members of the Senate
31st State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Scott K. Saiki,
Speaker and Members of the House of
Representatives
31st State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

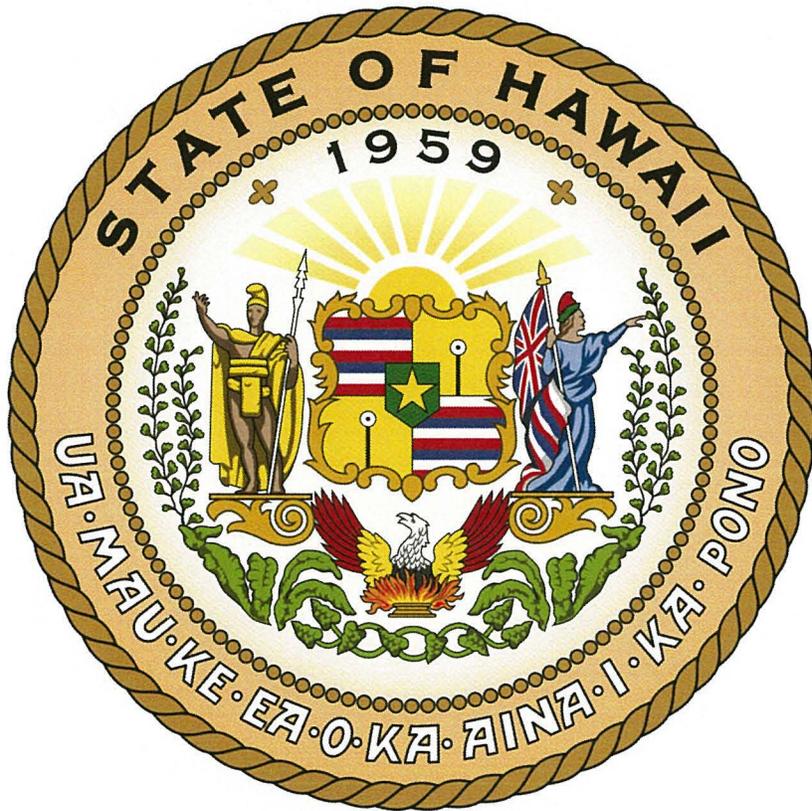
For your information and consideration, I am transmitting a copy of the Progress Report Regarding the Ka'ū Water System to the 2021 Legislature as required by SCR 30, SD1 (2021). In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at <https://dhhl.hawaii.gov/reports/>.

Sincerely,

William J. Aila, Jr., Chairman
Hawaiian Homes Commission

PROGRESS REPORT TO THE LEGISLATURE

RELATING TO SCR30, SD1 (2021)



Prepared by

State of Hawaii
Department of Hawaiian Home Lands

June 30, 2021

SCR 30, SD1 (2021)

REQUESTING THE DEPARTMENT OF HAWAIIAN HOME LANDS, IN CONJUNCTION WITH THE COUNTY OF HAWAII DEPARTMENT OF WATER SUPPLY, TO PROVIDE A PROGRESS REPORT REGARDING THE DEVELOPMENT OF THE KA'Ū WATER SYSTEM

The Department of Hawaiian Home Lands (DHHL), in conjunction with the County of Hawai'i, Department of Water Supply (DWS) submits a Progress Report regarding the development of the Ka'ū Water System. DHHL appreciates the State Legislature appropriating funds to plan, design, and construct the Ka'ū Water System Improvements and can provide any information requested. This Progress Report is due to the State Legislature by June 30, 2021.

Ka'ū Water System Improvements Progress Report

1. Sections 30 and 56 of Act 49, Session Laws of Hawai'i 2017, appropriated \$1,500,000 in general obligation bonds for the plans, design, and construction for the development of the Ka'ū Water System Improvements.
2. Phase 1 of the Ka'ū Water System Improvements includes the design and construction of a one hundred thousand (100,000) gallon concrete water storage tank and appurtenances on Hawaiian Home Lands.
3. The DWS shall maintain and operate the subject water storage tank.
4. The Hawaiian Homes Commission approved \$500,000 in trust funds to supplement design funds of \$178,680 allotted from Sections 30 and 56 of Act 49, SLH 2017, as amended by Act 53, SLH, 2018.
5. On October 30, 2018, Contract No. 67286 was executed with Group 70 International, Inc. dba G70, for the planning and design of the Ka'ū Water System Improvements.
6. On December 31, 2019, Contract No. 68334 was executed with G70 for the design of Phase 1 of the Ka'ū Water System Improvements.
7. DHHL invited twenty-four (24) pastoral lessees to discuss the water needs for each lot and supplemental water availability.
8. The Invitation for Bids occurred on April 22, 2020; bid Opening occurred on May 14, 2020, and Isemoto Contracting Co., Ltd was the low bidder at \$2,736,327.

9. Section 4, Item F-8 and Section 20 of Act 40, SLH 2019, as amended by Act 6, SLH 2020 appropriated \$1,458,327 for Construction cost element to supplement contractor funding provided under Sections 30 and 56 of Act 49, SLH 2017
10. DHHL authorized G70 to submit Draft Archaeological Inventory Survey, pursuant to Historic Preservation 6E and awaits State Historic Preservation Division approval before proceeding with construction.
11. Phase 2 of the project will include upgrade/replacement of four (4) pressure regulating valve stations and appurtenances, the DHHL estimates construction work will amount to approximately \$500,000 and anticipates to bid this project by Spring 2022.
12. Phase 3 of the project, estimated to cost approximately \$15,000,000, is planned to include the design and construction to relocate existing waterline from within the leased pastoral homestead lots to the South Point Road right-of-way, install new water meters to each of the twenty-five (25) lots, and complete the subdivision of twenty-five (25) pastoral lots, subject to County of Hawaii approval; Phase 3 may be further phased into smaller sections to construct at a time dependent on the availability of funding.
13. DHHL continues to collaborate with DWS on development of a Memorandum of Agreement for current and future water consumption and to address outstanding unresolved issues.
14. DHHL also intends to start the planning and feasibility study for developing the Pu'u'eo Farm Lots, originally awarded in the mid-1980's under DHHL's Acceleration Program. To fully improve these awarded lots, DHHL will require future Legislative appropriations.
15. DHHL provides this updated plan to the State Legislature because of the complexities and future costs of the Ka'ū Water System Improvements project, pursuant to S.C.R. No. 30, S.D.1

DHHL appreciates this opportunity to provide to the State Legislature this Ka'ū Water System Progress Report and will continue to meet and discuss with DWS future cooperative efforts to provide additional potable water resources for South Point.