

**DEPARTMENT OF WATER SUPPLY
COUNTY OF HAWAI‘I
WATER BOARD MEETING
AGENDA**

MEETING DATE: January 22, 2008

PLACE: Hilo Operations Center Conference Room; 889 Leilani Street, Hilo, Hawai‘i

TIME: 10:00 a.m.

- 1) CALL TO ORDER - 10:00 a.m. (*please turn cell phones off or set to silent*)
- 2) STATEMENTS FROM THE PUBLIC
- 3) APPROVAL OF MINUTES - Minutes of the December 18, 2007, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
(**Note: Addendum requires Roll Call Vote**)
- 5) NORTH KONA:

A. **QUEEN KAAHUMANU WIDENING PROJECT:**

DWS is proposing to participate with the State and its Contractor to replace and relocate approximately 4,700 lineal feet of existing 16” waterline with new 16” waterline along Queen Kaahumanu Highway. This request was brought to DWS by the State and the Contractor after it was discovered that the existing 16” waterline was not installed per “as-built” drawings. The current project is a design build project and is midway through construction.

Should DWS participate in the project, attached is the breakdown itemizing the costs. Under these provisions, DWS would end up contributing \$389,029.00 which is just an estimate. Due to the option for the State to require the contractor to do the work by Force Account, there is an uncertainty as to the exact figures. A 15 percent contingency will likely cover the potential difference in cost no matter which way the State chooses to proceed with this work. DWS will benefit from this as the existing line is near 40 years old (installed in 1969). There is also the “do-nothing” concept in which case, our existing waterline will remain and the contractor would choose to work around it. This would leave the line in a non-desirable location in relation to the new widened highway as well as remain where we do not have accurate “as-built” plans.

DWS has reviewed the cost estimate as well as the itemized breakdown and finds it acceptable.

RECOMMENDATION: It is recommended that the Water Board approve \$389,029.00 as well as a contingency amount of \$58,355.00 (15%) for a total of \$447,384.00 to be used for

the replacement and relocation of approximately 4,700 feet of 16" waterline for the Queen Kaahumanu Widening project.

B. JOB NO. 2002-806, MAMALAHOA HIGHWAY WATERLINE IMPROVEMENTS – PHASE 2:

The contractor, Isemoto Contracting Co., Ltd., has requested a contract time extension of 90 calendar days. The time extension is requested due to valve control additions at the Holualoa (Hawaiian Tel) and Kaumalumu (Doris) booster pump stations that were not identified in the original project scope of work. The contractor also requests additional time for the start up and testing of the control valves at each site, which cannot be done until the valve control additions are installed. Also, an additional gate valve must be installed at the Doris booster pump station that was not shown on the plans. The installation of the gate valve requires shutdown of a portion of the system and must be advertised in the local newspapers.

This would be the fourth time extension to the contract. The previously approved time extensions are listed below:

- Time Extension #1: Project extended 180 calendar days to allow for revisions to the plans and specifications.
- Time Extension #2: Project extended 180 calendar days due to change in scope of work, project scheduling, and revisions to the plans.
- Time Extension #3: Project extended 90 days due to unforeseen site conditions at Holualoa Well and Reservoir site requiring redesign.

Engineering staff has reviewed the fourth time extension request and finds that the 90 calendar days are justified. If approved, the contract completion date will be extended from January 29, 2008 to April 28, 2008.

RECOMMENDATION: It is recommended that the Board grant this extension of contract time of 90 calendar days to Isemoto Contracting Co., Ltd., for JOB NO. 2002-806, MAMALAHOA HIGHWAY WATERLINE IMPROVEMENTS – PHASE 2.

C. PALANI ROAD TRANSMISSION WATERLINE PROJECT RESOLUTION 08-01:

This resolution is being introduced for the condemnation of a portion of Tax Map Key 7-4-009:072 for the purpose of creating an access and utility easement for a transmission waterline and related access road. This transmission line is to be a key component of the overall plan to bring source water from wells located above Mamalahoa Highway down to the high-demand service areas of North Kona below the highway.

This condemnation is required because the landowner was requesting a selling price that was 250% of the assessed value determined during a recent appraisal of the affected property.

RECOMMENDATION: It is recommended that the Board approve this resolution and authorize the Department and Corporation Counsel to continue with the condemnation process.

D. MAKAPALA BACK-UP WELL AND SITE FOR REPLACEMENT RESERVOIR RESOLUTION 08-02:

This resolution is being introduced for the condemnation of a portion of Tax Map Key 5-2-005:Portion 014, Lot 78, for the purpose of acquiring the property surrounding an existing USGS well which was funded by DWS. This site is adjacent to our existing tank and well site. Even though the new DWS well recently went on-line to support the Makapala system, this USGS well is now needed as the back-up source for the Makapala system due to the loss of the spring that was previously the primary source for the Makapala Water System. In addition, it is necessary to condemn enough land at the same location to provide a site for a replacement tank for the existing Makapala Reservoir because it was damaged during the earthquake.

This condemnation is required because the new landowner was unwilling to sell the necessary portion of land to DWS.

RECOMMENDATION: It is recommended that the Board approve this resolution and authorize the Department and Corporation Counsel to continue with the condemnation process.

6) SOUTH KONA:

A. HOOKENA STANDPIPE INTERIM LETTER AGREEMENT:

The Department is in negotiations to purchase or enter into a long term lease for the piece of property that our Hookena Standpipe facility is located on. A previous short term letter agreement was entered between the owners and DWS from September 1, 2007, through December 31, 2007, for DWS to continue utilizing the property for "rent" of \$1,500.00 per month. DWS encountered problems with the surveying of the property and therefore requested, and the owners have graciously agreed, to extend the letter agreement through June 30, 2008, upon the same terms. Payment would be required to be made in a lump sum of \$9,000.00 by January 31, 2008.

RECOMMENDATION: It is recommended that the Water Board approve the monthly rent payment of \$1,500.00 payable in a lump sum of \$9,000.00 by January 31, 2008, for the period from January 1, 2008, through June 30, 2008, and that the Manager be authorized to execute a final interim agreement letter, subject to review and approval by Corporation Counsel.

7) KA‘U:

A. JOB NO. 2002-809, CONSTRUCTION OF THE PĀHALA PRODUCTION WELL AND SUPPORTING FACILITIES:

Bids were opened on January 3, 2008, at 2:00 p.m.; and following are the bid results:

<u>Bidder</u>	<u>Total Sum Bid</u>
Isemoto Contracting Co., Ltd.	\$1,624,430.00
William C. Loeffler Construction, Inc.	\$2,478,740.00
Bolton, Inc.	\$3,082,680.00

Project Scope:

This project consists of all labor, materials, tools, and equipment necessary for constructing the Pahala Production Well and Supporting Facilities, including construction of waterlines, drainage structures, electrical enclosure, control/chlorination building, asphalt pavement, electrical and SCADA equipment at the well site, SCADA upgrade at the Kau Baseyard, mechanical work, electrical work, structural work, and repairing the existing well ready for operation.

Project Cost:

1) Low Bidder (Isemoto Contracting Co., Ltd.)	\$1,624,430.00
2) Construction Contingency (~11%)	<u>175,570.00</u>
Total Construction Cost:	= <u>\$1,800,000.00</u>

Funding for this project will be from the Department of Water Supply Capital Improvement Project (C.I.P.) Budget. Engineer's estimated cost - \$2,489,209.00.

The contractor will have 270 calendar days to complete this project.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2002-809, CONSTRUCTION OF THE PĀHALA PRODUCTION WELL AND SUPPORTING FACILITIES, to the lowest responsible bidder, Isemoto Contracting Co., Ltd., for their bid amount of \$1,624,430.00 plus \$175,570.00 in construction contingency for a total contract amount of \$1,800,000.00, subject to review as to form and legality of the contract by Corporation Counsel.

8) **MISCELLANEOUS:**

A. **DEDICATION OF WATER SYSTEMS:**

The Department has received the following documents for action by the Water Board. The water systems have been constructed in accordance with the Department's standards and are in acceptable condition for dedication.

1. GRANT OF EASEMENT

For Waterline Purposes

Grantors: Jan Andrade Joaquin and Jody Theriot

TMK: (3) 4-6-010:005 portion

C. **MONTHLY PROGRESS REPORT:**

Submission of Progress Report of Projects by the Department (see attached). Department personnel will be available to respond to questions by the Board regarding the status/progress of any project.

D. **REVIEW OF MONTHLY FINANCIAL STATEMENTS:**

Submission of financial statements and information relating to the financial status of the Department. Department personnel will be available to respond to questions by the Board relating to the financial status of the Department.

E. **WATER RATE STUDY:**

For discussion by the Water Board on results of the final report.

F. **WAIAKEA OFFICE PLAZA MACADAMIA NUT TREE REMOVAL:**

The initial owners of the Waiakea Office Plaza planted four test Macadamia Nut trees on the mauka-Hamakua side of the property. The trees are currently old, disease-ridden, and dying. The trees pose a safety hazard and an obstacle for our groundkeepers. In the best interests of the Department, the trees should be removed. The cost for removal is expected to be less than \$25,000.00; therefore, the informal bid process can be utilized.

RECOMMENDATION: It is recommended that the Board approve the removal of the four Macadamia Nut trees on the Waiakea Office Plaza grounds through appropriate procurement procedures and that either the Chairman or the Vice-Chairman be authorized to sign the contract subject to review and approval of Corporation Counsel.

G. **MANAGER'S REPORT:**

- 1) The Manager will provide the status of the Palani Road Transmission Waterline project.
- 2) The Manager will provide a status of the Hawaiian Ocean View exploratory well.
- 3) The Manager will provide a status of the Kona Water Quality.
- 4) The Manager will provide an update on negotiations with Kamehameha Investment Corporation.
- 5) Ms. Kim to brief the Board on the Hawaii 2050 Sustainability Task Force's final draft plan as it relates to water sustainability.
- 6) Employee of the Quarter (4th quarter of 2007)

H. **CHAIRMAN'S REPORT:**

Chairman to provide comments and/or information relating to matters of concern to the Water Board.

9) ANNOUNCEMENTS:

1. Next Meeting:

The next meeting of the Water Board will be held on February 26, 2008, 10:00 a.m., in the Royal Kona Resort, Resolution Room, 75-5852 Alii Drive, Kailua-Kona, Hawai'i

10) STATEMENTS FROM THE PUBLIC

11) ADJOURNMENT

The meeting place is accessible to persons with disabilities. If you require use of an auxiliary aid or other access accommodation, please contact Doreen Shiota at 961-8050 as soon as possible or at least 5 days prior to the meeting.

The Department of Water Supply is an Equal Opportunity provider and employer.

Notice to Lobbyists: If you are a lobbyist, you must register with the Hawai'i County Clerk within five days of becoming a lobbyist. {Article 15, Section 2-91.3(b), Hawai'i County Code} A lobbyist means "any individual engaged for pay or other consideration who spends more than five hours in any month or \$275 in any six-month period for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials." {Article 15, Section 2-91.3(a)(6), Hawai'i County Code} Registration forms and expenditure report documents are available at the Office of the County Clerk-Council, Hilo, Hawai'i.