

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

MEETING DATE: June 28, 2016
TIME: 10:00 a.m.
PLACE: Department of Water Supply, Operations Center, Conference Room, 889 Leilani Street, Hilo, HI.

- 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 May 24, 2016, Public Hearing on the Power Cost Charge
 - Minutes of May 24, 2016, regular Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA
(Note: Addendum requires Roll Call Vote)
- 5) SOUTH HILO:

A. JOB NO. 2015-1035, CONSTRUCTION OF THE SANTOS LANE AND NOHEA STREET G.I. PIPELINE & SERVICE LATERAL REPLACEMENT:

This project generally consists of replacing the current 2-inch Galvanized Iron (G.I.) pipeline to 6-inch Ductile Iron Pipe, relocating existing service laterals, installation of fire hydrants, and restoring existing asphalt pavement.

Bids for this project were opened on June 16, 2016, at 2:30 p.m., and the following are the bid results:

Bidder	Bid Amount	Adjusted Bid Amount (for purposes of bid award)**
Loeffler Construction, Inc.	\$648,555.00*	\$636,415.00
Ludwig Construction, Inc.	\$788,958.82	\$749,510.88
Jas W. Glover, Ltd.	\$911,100.00	\$894,266.77
Nan, Inc.	\$996,813.00	\$935,868.35
Isemoto Contracting Co., Ltd.	\$1,049,482.40	\$976,305.08
Koga Engineering & Construction, Inc.	\$1,168,560.00	\$1,107,265.00

*Bids were allowed to be corrected because of minor computation errors, in accordance with DWS General Requirements and Covenants and Hawai‘i Administrative Rules.

**Bids were adjusted (for the purposes of award) to provide credits for use of Hawai‘i Products and participation in the State Apprenticeship Program, in accordance with Hawai‘i Administrative Rules.

Project Costs:

1) Low Bidder (Loeffler Construction, Inc.)	\$ 648,555.00
2) Construction Contingency (10%)	\$ 64,855.00
Total Cost:	<u>\$ 713,410.00</u>
3) State Appropriation Funding	\$ 550,000.00
Total Cost to DWS:	<u>\$ 163,410.00</u>

For this project, \$550,000.00 will be funded from the State Appropriation to the County. Funding for the remaining balance, \$163,410.00, will be from CIP funds. The contractor will have 270 calendar days to complete this project. The Engineering estimate for this project was \$642,910.00.

RECOMMENDATION: It is recommended that the Board approve \$163,410.00 funding for the contract, JOB NO. 2015-1035, SANTOS LANE & NOHEA STREET G.I. PIPELINE & SERVICE LATERAL REPLACEMENT, for the lowest responsible bidder, Loeffler Construction, Inc., for their bid amount of \$648,555.00, plus \$64,855.00 for construction contingency, for a total contract amount of \$713,410.00, subject to review as to form and legality of the contract by Corporation Counsel.

The Contract will be executed between the County and the lowest responsible bidder, and administered by DWS.

B. RESOLUTION NO. 2016-03, APPROVING RECEIPT AND EXPENDITURE OF MONIES FOR THE CONSTRUCTION OF PI'IHONUA-KŪKŪAU RESERVOIR AND TRANSMISSION IMPROVEMENTS (FUNDED BY THE DRINKING WATER STATE REVOLVING FUND):

(Note: Resolution requires roll call vote)

DWS submitted a loan application to fund this project with the Drinking Water State Revolving Fund (DWSRF). One of the prerequisites for the loan is a Resolution approved by the Water Board. Bids were higher than the original loan amount indicated in Resolution 2016-02. Thus, this Resolution No. 2016-03 seeks to supersede Resolution No. 2016-02. This Resolution is specifically identified for the following project: JOB NO. 1994-590 PI'IHONUA-KŪKŪAU RESERVOIR AND TRANSMISSION IMPROVEMENTS, and authorizes the Manager-Chief Engineer or the Deputy to execute loans and/or grants with the State Department of Health for up to \$9,500,000.00.

RECOMMENDATION: It is recommended that the Water Board adopt DRINKING WATER STATE REVOLVING FUND RESOLUTION NO. 2016-03, subject to the approval of Corporation Counsel.

6) NORTH HILO:

A. JOB NO. 2016-1052, LAUPĀHOEHOE DEEPWELL B REPAIR:

This project generally consists of the replacement of the existing deep well submersible pump and motor, power cable, column pipe, column couplings and all appurtenant materials; chlorination of well and pumping assembly; and completion of a pump efficiency test.

Bids for this project were opened on June 16, 2016, at 1:30 p.m., and the following are the bid results:

Bidder	Bid Amount
Derrick's Well Drilling & Pump Services, LLC	\$101,000.00
Beylik Drilling and Pump Service, Inc.	\$133,060.00

Project Costs:

1) Low Bidder (Derrick's Well Drilling & Pump Services, LLC)	\$ 101,000.00
2) Construction Contingency (10%)	\$ 10,100.00
Total Cost:	<u>\$ 111,100.00</u>

Funding for this project will be from DWS's CIP Budget under Deepwell Pump Replacement. The contractor will have 210 calendar days to complete this project. The Engineering estimate for this project was \$128,000.00.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2016-1052, LAUPĀHOEHOE DEEPWELL B REPAIR, to the lowest responsible bidder, Derrick's Well Drilling & Pump Services, LLC, for their bid amount of \$101,000.00, plus \$10,100.00 for construction contingency, for a total contract amount of **\$111,100.00**. It is further recommended that either the Chairperson or the Vice-Chairperson be authorized to sign the contract, subject to review as to form and legality of the contract by Corporation Counsel.

7) NORTH KONA:

A. **JOB NO. 2016-1047, KALOKO MAUKA #3 BOOSTERS A & B REPAIR:**

This project generally consists of the replacement of the existing booster pumps, discharge heads, motors, and all appurtenant materials, such as mechanical seal, pre-lube tubing, etc.; chlorination and testing of the boosters and pumping assembly; and selective reconfiguration and replacement of above ground discharge piping assembly; in accordance with the specifications.

Bids for this project were opened on June 16, 2016, at 2:00 p.m., and the following are the bid results:

Bidder	Bid Amount
Derrick's Well Drilling and Pump Services, LLC	\$203,000.00
Beylik Drilling and Pump Service, Inc.	\$204,600.00
Performance Systems, Inc.	\$346,000.00

Project Costs:

1) Low Bidder (Derrick's Well Drilling and Pump Services, LLC)	\$ 203,000.00
2) Contingencies (10.0%)	\$ 20,300.00
Total Cost:	<u>\$ 223,300.00</u>

Funding for this project will be from DWS's CIP Budget under Deepwell Pump Replacement. The contractor will have 210 calendar days to complete this project. The Engineering estimate for this project was \$145,000.00.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2016-1047, KALOKO MAUKA #3 BOOSTERS A & B REPAIR, to the lowest responsible bidder, Derrick's Well Drilling and Pump Services, LLC, for their bid amount of \$203,000.00, plus \$20,300.00 for contingencies, for a total contract amount of **\$223,300.00**. It is further

recommended that either the Chairperson or the Vice-Chairperson be authorized to sign the contract, subject to review as to form and legality by Corporation Counsel.

8) **MISCELLANEOUS:**

A. DEDICATIONS:

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. BILL OF SALE

Seller: One Puako Bay, LLC
Tax Map Keys: (3) 6-9-002: 001, 002, 030, 033, 034, 035 & 036
Facilities Charge: \$71,500.00 Date Paid: 5/25/2016
Final Inspection Date: 4/01/2016
Water System Cost: \$61,200.00

2. GRANT OF EASEMENT AND BILL OF SALE

Grantors: Innovations Public Charter School Foundation and Revocable Trust of Stanley A. Gomes, Daniel B. Bolton, Malia L. Bolton, Daniel R. Bolton and Kirstina L. Bolton
Tax Map Keys: (3) 7-5-010: 001, 7-5-017: 008 and 7-5-017: 045
Facilities Charge: \$44,000.00 Date Paid: 6/20/2016
Final Inspection Date: 6/16/2016
Water System Cost: \$144,000.00

3. BILL OF SALE

Seller: State of Hawai'i, Department of Accounting and General Services
Tax Map Key: (3) 2-1-012: 009 and 078
Facilities Charge: *Not applicable*
Final Inspection Date: 12/05/2014
Water System Cost: \$68,262.00

RECOMMENDATION: It is recommended that the Water Board accept these documents subject to the approval of the Corporation Counsel, and that either the Chairperson or the Vice-Chairperson be authorized to sign the documents.

B. AMENDED DEPARTMENT OF WATER SUPPLY RULES AND REGULATIONS:

The Water Board, at its March 22, 2016, meeting, approved proposed amendments to DWS Rules and Regulations. In an effort to improve collection of balances owed the Department for water service, as well as to clarify and standardize existing rules, changes to Sections 1-1, 3-1, 3-4, 3-8, 3-10, 3-11, 3-21, 3-22, 3-27 and 4-8 were proposed.

In order to accept public testimony on this change, a Public Hearing will have been held just prior to this meeting.

RECOMMENDATION: It is recommended that the Water Board approve the proposed changes to the Rules & Regulations of the Department of Water Supply, County of Hawai'i.

C. **MATERIAL BID NO. 2016-01, FURNISHING AND DELIVERING PIPES, FITTINGS, WATER METERS, FIRE HYDRANTS, BRASS GOODS, VALVES, ELECTRICAL SUPPLIES, ELECTRICAL EQUIPMENT, WATER QUALITY EQUIPMENT, CHLORINATORS, MOTORS, AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK:**

Part Number 58, Unistrut Channel and Hardware, was deferred at the last Water Board meeting because the low bidder, Fastenal Company, was not compliant with the Hawai'i Compliance Express at that time. Since then, Fastenal Company has met all of the requirements to be compliant.

RECOMMENDATION: It is recommended that the Board award the contract for Part 58, Unistrut Channel and Hardware, for MATERIAL BID NO. 2016-01, FURNISHING AND DELIVERING PIPES, FITTINGS, WATER METERS, FIRE HYDRANTS, BRASS GOODS, VALVES, ELECTRICAL SUPPLIES, ELECTRICAL EQUIPMENT, WATER QUALITY EQUIPMENT, CHLORINATORS, MOTORS, AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK to Fastenal Company, on an as-needed basis, at a total price of \$7,105.02, and that either the Chairperson or the Vice-Chairperson be authorized to sign the contract, subject to review as to form and legality of the contract by Corporation Counsel. The contract period shall be from July 1, 2016 to June 30, 2017.

D. **MATERIAL BID NO. 2016-03, FURNISH BASE COURSE, SAND, COLD MIX, HOT MIX AND NO. 3F ROCK TO THE DEPARTMENT OF WATER SUPPLY:**

At the May 24, 2016, Water Board meeting, Parts A (3/4 inch base course at \$14.27 per ton), B (1.5 inch base course at \$12.93 per ton), C (No. 3F rock at \$22.50 per ton), D (#4 sand at \$25.42 per ton) and E (mortar sand at \$43.42 per ton) for District II and Parts A (3/4 in base course at \$19.49 per ton), B (1.5 inch base course at \$17.96 per ton), D (#4 sand at \$36.46 per ton) and E (mortar sand at \$57.76 per ton) for District III were deferred because the low bidder, WHC LTD. dba West Hawai'i Concrete, was not compliant with the Hawai'i Compliance Express at that time.

Since then, the vendor has met all of the requirements to be compliant.

RECOMMENDATION: It is recommended that the Board award the contract for Parts A, B, C, D and E for District II, and Parts A, B, D and E for District III for MATERIAL BID NO. 2016-03, FURNISH BASE COURSE, SAND, COLD MIX, HOT MIX AND NO. 3F ROCK TO THE DEPARTMENT OF WATER SUPPLY, to WHC LTD. dba West Hawai'i Concrete, on an as-needed basis at the unit prices stated above, and that either the Chairperson or the Vice-Chairperson be authorized to sign the contract, subject to review as to form and legality of the contract by Corporation Counsel. The contract period shall be from July 1, 2016 to June 30, 2017.

E. **UPDATE RE: NATIONAL PARKS SERVICE'S PETITION TO DESIGNATE KEAUHOU AQUIFER AS A GROUND WATER MANAGEMENT AREA:**

For discussion and possible action.

F. **EXECUTIVE SESSION RE: NATIONAL PARKS SERVICE'S PETITION TO DESIGNATE KEAUHOU AQUIFER AS A GROUND WATER MANAGEMENT AREA:**

The Water Board anticipates convening an executive meeting, closed to the public, pursuant to Hawai'i Revised Statutes, Sections 92-4, 92-5(a)(2), to discuss mediation as directed by the

Commission on Water Resource Management regarding the National Park Service's petition to designate Keauhou Aquifer as a Ground Water Management Area, and for the purpose of consulting with the Water Board's attorney on questions and issues pertaining to the Water Board's powers, duties, privileges, immunities and liabilities.

G. MONTHLY PROGRESS REPORT:

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

H. 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.

I. MANAGER-CHIEF ENGINEER'S REPORT:

The Manager-Chief Engineer will provide an update on the following:

- 1) Matters of interest to the Board

J. CHAIRPERSON'S REPORT:

Chairperson to report on matters of interest to the Board.

9) **ANNOUNCEMENTS:**

1. **Next Regular Meeting:**

The next meeting of the Water Board is scheduled for 10:00 a.m. on July 26, 2016, at the Department of Water Supply, Operations Center Conference Room, 889 Leilani Street, Hilo, HI.

2. **Following Meeting:**

The following meeting of the Water Board will be held at 10:00 a.m. on August 23, 2016, at the West Hawai'i Civic Center, Community Center, Bldg. G, 74-5044 Ane Keohokalole Hwy, Kailua-Kona, HI.

10) **ADJOURNMENT**

Anyone who requires an auxiliary aid or service for effective communication or a modification of policies or procedures to participate in this Water Board Meeting should contact Janet Snyder, Secretary, at 961-8050 as soon as possible, but no later than five days before the scheduled meeting. 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.