

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

**MEETING DATE:** June 27, 2017

**TIME:** 10:00 a.m.

**PLACE:** Department of Water Supply, Operations Center Conference Room  
889 Leilani Street, Hilo, Hawai‘i

- 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 – May 23, 2017, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)  
**(Note: Addendum requires Roll Call Vote)**
- 5) **ADOPTION OF PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW AND DECISION AND ORDER FOR 4-25 -17 CONTESTED CASE HEARING REGARDING WATER SERVICE ACCOUNT NUMBER 7000944-10 (TMK 1-3-008:071), ( In the Matter of the Appeal of Edward Frazer):**

The above Contested Case Hearing took place on April 25, 2017, in accordance with Chapter 91 of the Hawai‘i Revised Statutes and Rule 2-5 of the Rules and Regulations of the Department of Water Supply.

For review and adoption the Findings of Fact, Conclusions of Law and Decision and Order.

6) HĀMĀKUA:

**A. JOB NO. 2011-971, KAPULENA WELL DEVELOPMENT PHASE 2 AND SUPPORTING FACILITIES:**

The contractor, Jas. W. Glover, Ltd., is requesting a contract time extension of 36 calendar days. This is the third time extension request for this project.

Ext. #	From (Date)	To (Date)	Days (Calendar)	Reason
1	02/19/2017	06/22/2017	123	Inclement and unworkable weather conditions (5 working days) and excess delays obtaining the building department permit (additional 116 calendar days)
2	06/22/2017	07/03/2017	11	Inclement and unworkable weather conditions (1 working day) and change order work (6 working days).

Ext. #	From (Date)	To (Date)	Days (Calendar)	Reason
3	07/03/2017	08/08/2017	36	Delays due to state highway permitting delay and change order work (36 calendar days).
Total Days (including this request)			170	

The contractor's time extension request of 36 calendar days is requested due change order work and delays due to permitting.

RECOMMENDATION: It is recommended that the Board grant this contract time extension of 36 calendar days to Jas. W. Glover, Ltd. for JOB NO. 2011-971, Kapulena Well Development Phase 2 and Supporting Facilities. If approved, the contract completion date will be extended from July 3, 2017, to August 8, 2017.

7) SOUTH KOHALA:

A. ASSIGNMENT OF WATER ALLOCATION PURSUANT TO THE PARKER WELLS 3 AND 4 TRI-PARTY AGREEMENT:

The Assignor, Tokyu Corporation, is intending to grant, assign, transfer and convey its rights to and allocation of water to Assignee, DHL Mahi Propco, LLC, from the Lalamilo Wells A, B, C and D, and Parker Wells 1, 2, 3 and 4. This assignment will not impact other allocation recipients within the Mauna Lani Services, Inc. Development Area prior to the date of this assignment. All other terms and conditions in the Parker Wells 3 and 4 Tri-Party Agreement between the Assignor, Mauna Kea Properties, Inc., and the Water Board of the County of Hawai'i shall remain unchanged.

RECOMMENDATION: It is recommended that the Water Board approve this Assignment of Water Allocation subject to the transfer of title of Tax Map Key (3) 6-8-001:052 to DHL Mahi Propco, LLC, and authorize either the Chairperson or the Vice-Chairperson to execute the document subject to the review and approval of the Corporation Counsel.

8) NORTH KONA:

A. JOB NO. 2017-1062, KALAOA #1 DEEPWELL REPAIR:

This project consists of paying for all labor, materials, tools and equipment necessary for the replacement of the existing deep well submersible pump and motor, power cable and all appurtenant materials, such as cable guards, strapping, etc; chlorination and testing of the well and pumping assembly; and electrical work; in accordance with the specifications.

Bids for this project were opened on June 15, 2017, at 2:00 p.m., and the following are the bid results:

Bidder	Bid Amount	Adjusted Bid Amount (for purposes of bid award)*
Beylik Drilling & Pump Service, Inc.	\$897,850.00	\$852,957.50
George M. Oye, Inc.	\$898,833.00	

\*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 (Beylik Drilling and Pump Service, Inc.)	\$ 897,850.00
2) Contingencies (10.0%)	\$ 89,785.00
<b>Total Cost:</b>	<b><u>\$ 987,635.00</u></b>

Funding for this project will be from DWS's CIP Budget under Deepwell Pump Replacement. The contractor will have 270 calendar days to complete this project. The Engineering estimate for this project was \$750,000.00.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2017-1062, KALAOA #1 DEEPWELL REPAIR, to the lowest responsible bidder, Beylik Drilling and Pump Service, Inc., for their bid amount of \$897,850.00, plus \$89,785.00 for contingencies, for a total contract amount of \$987,635.00. 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.

**B. JOB NO. 2016-1049, KAHALU'U BOOSTERS A, B & D REPAIR:**

The contractor, Beylik Drilling & Pump Service, Inc., requests consideration for a time extension due to issues with pump manufacturer.

For discussion and possible action.

9) MISCELLANEOUS:

A. We 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**

(1.0 MG Concrete Water Tank and appurtenances)

Kona View Estates Subdivision

Grantor: RCFC Kaloko Heights, LLC

Tax Map Key: (3) 7-4-026: 031 (Tank Site);

7-4-026: 033 portion (Access and Utility Easement "B-9" Part 2);

7-4-026: 040 portion (Access and Utility Easement "B-9" Part 1);

7-4-026: 033 portion (Access and Utility Easement "A-1" Part 2);

7-4-026: 004 portion (Access and Utility Easement "B-10")

Final Inspection Date: 4/28/2017

Water System Cost: \$4,400,000.00

**2. GRANT OF NON-EXCLUSIVE EASEMENT**

(Portion of Piihonua-Kukuau Water Transmission Line Project)

Grantor: State of Hawai'i, Board of Land and Natural Resources

Tax Map Key: (3) 2-5-006: portion 142

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. WATER USE AND DEVELOPMENT PLAN UPDATE - KEAUHOU AQUIFER SYSTEM AREA:**

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The Water Use and Development Plan Update for the Keauhou Aquifer System has been granted authorization by the Commission on Water Resource Management and the Water Board subsequently held public hearings at its April 25, 2017, meeting in Hilo and its May 23, 2017, meeting in Kona. Per the County Code, Chapter 29-3, after holding the public hearings (one each in East and West Hawai‘i), the Water Board shall transmit the proposed amendments to the County Council for approval. Upon approval by the Council, the plan update will be submitted to the Commission on Water Resource Management for adoption and incorporated in the Hawai‘i Water Plan.

Based on the public hearings at the Water Board Meetings, comments have been addressed and the Water Use and Development Plan Update for the Keauhou Aquifer System is ready for submission to the County Council.

RECOMMENDATION: It is recommended that the Water Board authorize the Department to submit the Water Use and Development Plan Update for the Keauhou Aquifer System to the County Council for their action.

**C. MATERIAL BID NO. 2017-01, FURNISHING AND DELIVERING PIPES, FITTINGS, WATER METERS, FIRE HYDRANTS, BRASS GOODS, VALVES, ELECTRICAL SUPPLIES, ELECTRICAL EQUIPMENT, SCADA, WATER QUALITY EQUIPMENT, CHLORINATORS, MOTORS AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK:**

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At the Water Board meeting on May 23, 2017, the Water Board deferred the award for Parts 14 and 15 for the subject bid (Part 14 – Badger Recordall Series Meter Parts for the amount of \$4,264.60 and Part 15 – 1”-2” Water Meters for the amount of \$22,010.75) to Badger Meter, Inc. dba National Meter & Automation. Since that time, the reason for the deferral has not changed.

RECOMMENDATION: It is recommended that the Board defer the award for Parts 14 and 15 for MATERIAL BID NO. 2017-01, FURNISHING AND DELIVERING PIPES, FITTING, WATER METERS, FIRE HYDRANTS, BRASS GOODS, VALVES, ELECTRICAL SUPPLIES, ELECTRICAL EQUIPMENT, SCADA, WATER QUALITY EQUIPMENT, CHLORINATORS, MOTORS AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK, until its next meeting.

**D. MATERIAL BID NO. 2017-02, FURNISH BASE COURSE, SAND, COLD MIX, HOT MIX, AND NO. 3F ROCK TO THE DEPARTMENT OF WATER SUPPLY:**

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At the last Water Board meeting on May 23, 2017, the Water Board voted to defer awarding Parts 2A, 2B and 2C for District II of the bid. Upon further evaluation, it was determined that the lowest responsive, responsible bidder is WHC LTD dba West Hawaii Concrete with the bid amounts below:

Part A – ¾ -Inch Base Course (Cost per ton)	\$14.97
Part B – 1½ -Inch Base Course (Cost per ton)	\$13.57
Part C – No. 3F Rock (Cost per ton)	\$23.62

**RECOMMENDATION:** It is recommended that the Board award the contract for MATERIAL BID NO. 2017-02, FURNISH BASE COURSE, SAND, COLD MIX, HOT MIX, AND NO. 3F ROCK TO THE DEPARTMENT OF WATER SUPPLY, to WHC LTD dba West Hawaii Concrete for Parts 2A, 2B and 2C for District II for the amounts shown 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.

E. **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.

F. **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.

G. **POWER COST CHARGE:**

Departmental power costs have increased as a result of Hawai'i Electric Light Company, Inc. (HELCO), billings. The Department proposes to increase the Power Cost Charge from \$1.69 to \$1.73 per thousand gallons to reflect this increase. In order to accept public testimony on this change, a Public Hearing should be scheduled before the new Power Cost Charge is increased.

**RECOMMENDATION:** It is recommended that the Board approve holding a Public Hearing on July 25, 2017, at 9:45 a.m., to receive testimony on increasing the Power Cost Charge from \$1.69 to **\$1.73**, effective August 1, 2017.

H. **MANAGER-CHIEF ENGINEER'S REPORT:**

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

- 1) Matters of interest to the Board
  - a) North Kona water restriction
- 2) Retiree of the Department of Water Supply

I. **CHAIRPERSON'S REPORT:**

Chairperson to report on matters of interest to the Board.

10) **ANNOUNCEMENTS:**

1. **Next Meeting:**

July 25, 2017, at the Department of Water Supply, Operations Center Conference Room; 889 Leilani Street, Hilo, Hawai'i

2. **Following Meeting:**

August 22, 2017, at the West Hawai'i Civic Center, Community Center (Building G); 74-5044 Ane Keohokalole Highway, Kailua-Kona, HI

11) 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 Doreen Jollimore, 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.