

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

MEETING DATE: August 25, 2009

TIME: 10:00 a.m.

PLACE: Royal Kona Resort, Resolution Room, 75-5852 Ali'i Drive, Kailua-Kona

- 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 July 28, 2009, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA
(Note: Addendum requires Roll Call Vote)
- 5) SOUTH HILO:

A. JOB NO. 2007-926, HAKALAU IKI SPRING REMEDIATION:

The contractor, Ed Higa General Contracting, has requested a 25-calendar day time extension. This request is due to delays beyond the control of the contractor, and consists of 16 rain-out days (22 calendar days), and 3 calendar days for Hawaiian Telcom to troubleshoot and repair the telephone service at the Tank Site.

Note: There is no additional cost associated with this time extension.

Staff has reviewed the request and finds that the 25 calendar days are justified. This is the fifth time extension request.

- 1st time extension – 62 calendar days (due to rain-outs and additional work)
- 2nd time extension – 57 calendar days (due to rain-outs and additional work)
- 3rd time extension – 35 calendar days (due to rain-outs and additional work)
- 4th time extension – 49 calendar days (to repair faulty conductivity equipment)
- **5th time extension –25 calendar days**

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 25 calendar days to Ed Higa General Contracting for JOB NO. 2007-926, HAKALAU IKI SPRING REMEDIATION. If so approved, the contract completion date will be revised from August 18, 2009 to September 12, 2009.

B. JOB NO. 2005-863, HONOMŪ PRODUCTION WELL AND 0.3 MG RESERVOIR:

The contractor, Isemoto Contracting Co., Ltd., requests a time extension. This request is due to modifications to the contract scope requested by the Department (riprap and grass slope areas), as well as delay due to a subcontractor. This is the second time extension request.

Staff has reviewed the request and finds that the request due to delays caused by the subcontractor is not justified. However, 30 calendar days for the additional work, as well as 9 working days for rain-out (confirmed with the Department inspector), are justified.

The original contract completion date was May 14, 2009.

First time extension (approved at April 28, 2009 Water Board Meeting):

- Plus 81 calendar days for permit: August 3, 2009
- Plus 25 working days for rain-out: September 9, 2009

This time extension:

- Plus 30 calendar days for additional work: October 9, 2009
- Plus 9 working days for rain-out: October 22, 2009

RECOMMENDATION: It is recommended that the Board approve a contract time extension, of thirty (30) calendar days, plus nine (9) working days, from September 9, 2009 to October 22, 2009, to Isemoto Contracting Co., Ltd. for JOB NO. 2005-863, HONOMŪ PRODUCTION WELL AND 0.3 MG RESERVOIR.

6) HĀMĀKUA:

A. **JOB NO. 95-621, CONSTRUCTION OF THE PŌHĀKEA WATER SYSTEM IMPROVEMENTS, HĀMĀKUA, HAWAI‘I, COUNTY OF HAWAI‘I, STATE OF HAWAI‘I:**

The contractor, Willocks Construction Corporation, has requested a 93-calendar day time extension. This request is due to delays beyond the control of the contractor, and consists of 2 rain-out days and 91 calendar days for pump replacement at Station “B” and Station “C”.

The pump replacement at Station “B” is due to an unanticipated problem with the water system hydraulics when the pumps are in operation. These pumps are being supplied by the 50,000-gallon Ka‘āpahu Tank about 2.6 miles away. The water is then pumped to the 0.10-MG Pōhākea Tank, which is about a mile away. During the initial pump startup on June 15, 2009, the pressure in the waterline between Ka‘āpahu Tank and Station “B” dropped more than anticipated. The flow meters showed that more water was being pumped than anticipated, which explained the larger-than-expected pressure drop. This is not believed to be a design error, but rather because the “C” Factor from the Water System Standards used to determine friction losses does not match the actual field conditions. To rectify this problem and to improve the overall efficiency of the water system, DWS staff have decided to replace these pumps with *smaller* pumps. An alternate high pressure bypass was looked into, but the cost of this bypass would be approximately \$40,000. Funds for replacing these pumps will come from the project’s available contingency.

Note: The Department is awaiting a cost proposal from the contractor. The initial estimate for removing the existing pumps, as well as furnishing, installing, and testing the two replacement pumps, will be approximately \$19,000.

The pumps at Station “C” (at the Pōhākea Tank Site) have abnormally high amperage readings that may be due to moisture in the motor housing. To verify this, the pumps would have to be removed and shipped to the pump supplier for bench testing. The cost to bench test and replace the motors (approximately \$16,000) approaches the cost for new pumps. For reliability and safety reasons, the contractor decided to replace these pumps. Payment for replacing these two pumps will be made by the contractor. The cost for this pump replacement will be approximately \$19,000.

Staff has reviewed the request and finds the 93 calendar days are justified. This is the eighth time extension request. The breakdown is as follows:

- 1st time extension – 225 calendar days for additional excavation beneath both reservoirs as required by soils engineer
- 2nd time extension – 153 calendar days for redesign of electrical installation (underground installation in lieu of overhead installation)
- 3rd time extension – 152 calendar days for HELCO easement issue
- 4th time extension – 91 calendar days for HELCO easement issue
- 5th time extension – 92 calendar days for HELCO easement issue
- 6th time extension – 1,704 calendar days (due to the delays for HELCO to obtain the easement to Mahuna Tank, and because of the 2006 earthquake and subsequent tank upgrade)
- 7th time extension – 45 calendar days (due to the delays to obtain Department of Public Works approval to cross Bridge 45-3)
- **8th time extension – 93 calendar days**

RECOMMENDATION: It is recommended that the Board approve the contract time extension of 93 calendar days to Willocks Construction Corporation for JOB NO. 95-621, CONSTRUCTION OF THE PŌHĀKEA WATER SYSTEM IMPROVEMENTS, HĀMĀKUA, HAWAI‘I, COUNTY OF HAWAI‘I, STATE OF HAWAI‘I. If so approved, the contract completion date will be extended from August 14, 2009 to November 15, 2009.

7) NORTH KONA:

A. **KONA COMMUNITY HOSPITAL – HALEKI‘I WELL GENERATOR UPDATE**

The Department will provide information and an update on the emergency generator at Haleki‘i Well.

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

The contractor, Isemoto Contracting Co., Ltd., has requested a contract time extension of 153 calendar days, which includes 60 days of continuous testing of the system, as required per the project specifications.

During initial testing of the system, it was discovered that modifications must be made to the new pressure regulating and tank inlet control valves, so that the system can operate properly. In addition, due to ongoing communication errors between the Kona Baseyard SCADA

system and project sites, modifications must be made to the radio telemetry system to allow direct communication between the project sites.

Engineering Division has reviewed the request and finds that the time extension is justified. This would be the ninth 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 Hōlualoa Well and Reservoir site, necessitating redesign.
- Time Extension #4: Project extended 90 days due to valve control additions that were not shown on the plans; and the installation of an additional valve at the Hōlualoa Well site, also not shown on the plans.
- Time Extension #5: Project extended 180 days due to unexpected problems of interfacing with the Kona SCADA system.
- Time Extension #6: Project extended 130 days due to ongoing SCADA problems. Contractor was instructed to suspend SCADA work until upgrades to the existing SCADA system were completed.
- Time Extension #7: Project extended 27 days to allow contractor to coordinate with previous contractor's warranty repairs and replace defective equipment.
- Time Extension #8: Project extended 60 days to allow for continuous testing of the new system, as required per project specifications.

RECOMMENDATION: It is recommended that the Board grant this contract time extension of 153 calendar days to Isemoto Contracting Co., Ltd., for JOB NO. 2002-806, MĀMALAHOA HIGHWAY WATERLINE IMPROVEMENTS – PHASE 2. If approved, the contract completion date will be extended from July 30, 2009 to December 30, 2009.

8) KA‘U:

A. **JOB NO. 2002-809, PĀHALA PRODUCTION WELL AND SUPPORTING FACILITIES:**

The contractor, Isemoto Contracting Co., Ltd., requests a 25-calendar day, no-cost time extension for the additional time required for Hawaiian Telcom to remove their old phone lines from the existing CMU (concrete masonry unit) building that needed to be demolished to complete the access road and driveway.

This is the fifth time extension request. The previously approved time extensions are listed below:

- Time Extension #1: Project extended 97 calendar days to allow for additional time required to obtain the County building permit.
- Time Extension #2: Project extended 42 calendar days to allow for additional time required to return the undersized pump power cable to the Mainland and ship the required pump power cable to the project site.
- Time Extension #3: Project extended 38 calendar days to allow additional time for HELCO to install the new electric service lines.

- Time Extension #4: Project extended 51 calendar days to allow additional time for HELCO to remove the existing transformers and two days of delay due to inclement weather.

This is a no-cost time extension. Engineering staff has reviewed this time extension request, and finds that the additional 25 calendar days are justified. However, the 25-calendar day extension causes the completion date to fall on a Sunday (September 13, 2009). For that reason, the Engineering staff is recommending that the completion date be set for a weekday, i.e., Monday, September 14, 2009.

RECOMMENDATION: It is recommended that the Water Board approve a contract time extension to Isemoto Contracting Co., Ltd. of 26 calendar days from August 19, 2009 to September 14, 2009, for JOB NO. 2002-809, PĀHALA PRODUCTION WELL AND SUPPORTING FACILITIES.

9) **MISCELLANEOUS:**

A. **VEHICLE BID NO. 2008-11, FURNISHING AND DELIVERING VEHICLES TO THE DEPARTMENT OF WATER SUPPLY:**

The contractor, Inter Pacific Motors, Inc., dba Orchid Isle Auto Center, has requested a time extension for the delivery of two (2) mini cargo vans for Part "A" of the subject project. A specific time extension request cannot be made at this time because the mini cargo vans are assembled in Turkey, and the contractor is unable to track the vehicles until they reach U.S. soil.

RECOMMENDATION: It is recommended that the Board approve the contract time extension request for VEHICLE BID NO. 2008-11, FURNISHING AND DELIVERING VEHICLES TO THE DEPARTMENT OF WATER SUPPLY, Part "A" to Inter Pacific Motors, Inc., dba Orchid Isle Auto Center. The length of time for this request will be presented to the Board once the contractor is able to track the location of the vehicles.

B. **ENERGY PERFORMANCE PROJECT:**

Information on status of project to be given.

C. **DEDICATION OF WATER SYSTEMS:**

The Department 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.

(This item was deferred at the 7-28-09 Water Board meeting.)

1. **FIRST AMENDMENT TO LICENSE EASEMENT NO. 722**

Subdivision Application No. 2004-0217B
Lālāmilo Housing Phase I East Subdivision

TMK: (3) 6-6-004:012

EWO NO.: 2007-005 (East)

Owner/Licensors: State of Hawai'i, Department of Hawaiian Home Lands

No. of Lots: 18

Zoning: RS-10

Final Inspection Date: (TBA)
Facilities Charge: \$73,440.00 Date Paid: 7/15/09
Water System Cost: (TBA)

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

D. **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.

E. **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.

F. **POWER COST CHARGE UPDATE:**

The Power Cost Charge for July 2009 was **\$1.59**, compared with \$1.83 in June 2009. This will be further discussed, with possible action by the Board.

G. **WATER RATE STUDY:**

Discussion on the new water rate study that the Department is planning to conduct, to address the shortage of funds being generated from water sales.

H. **BUDGET STATUS AND PROPOSED ACTIONS:**

Status of the current budget will be discussed, along with proposed actions implemented.

I. **MANAGER'S REPORT:**

The Manager will provide an update or status on the following:

1. Update on use agreement on KIC wells
2. Palani Road Transmission Project
3. Sustainability/Energy/Green Team update
4. Hawai'i Water Works Association (HWWA) '09 conference update
5. Proposed County Charter amendments

J. **CHAIRPERSON'S REPORT:**

Chairperson to provide comments and/or information relating to the following matters of concern to the Water Board:

1. Discussion/Action regarding establishing an Ad Hoc Finance Committee -- Discussion/action will include scope of the matters to be investigated by the committee, the number of the members (between 2-4 members) who will be on the committee, and the scope of authority of each member of the committee, should the Board decide to create such a committee.

2. Discussion regarding Proposal CA-4 from Michael Ben, Director of Human Resources, to the County of Hawai'i Charter Commission, regarding Section 8-3 of the Hawai'i County Charter, relating to removal of certain administrative heads appointed by Boards/Commissions.

K. REFERRALS FOR EXECUTIVE SESSION:

1. **KAWAILANI 1.0-MILLION GALLON RESERVOIR:**

The Water Board anticipates convening an executive meeting, closed to the public, regarding the foregoing matter, pursuant to Hawai'i Revised Statutes (HRS) Sections 92-92-4 and 92-5(a)(4), for the purpose of consulting with Water Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities.

2. **WATER BOARD OF THE COUNTY OF HAWAII v. MARK G. JERNIGAN, ET AL., CIV. NO. 09-1-155K (CIRCUIT COURT OF THE THIRD CIRCUIT STATE OF HAWAII):**

The Water Board anticipates convening an executive meeting, closed to the public, regarding the foregoing matter, pursuant to HRS Sections 92-4 and 92-5(a)(4), for the purpose of consulting with Water Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities.

10) **ANNOUNCEMENTS:**

1. **Next Meeting:**

The next meeting of the Water Board will be held on September 22, 2009 at 10:00 a.m. at the Waimea Community Center, 65-1260 Kawaihae Road, Kamuela.

2. **Following Meeting:**

The following meeting of the Water Board will be held on October 27, 2009, at 10:00 a.m. at Department of Water Supply, Operations Center Conference Room, 889 Leilani Street, Hilo.

11) **STATEMENTS FROM THE PUBLIC:**

12) **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 Shirota, Secretary, at 961-8050 as soon as possible, but no later than five days before the scheduled 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.