

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

MEETING DATE: June 26, 2012

TIME: 10:00 a.m.

PLACE: Department of Water Supply, Operations Center Conf. Rm., 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 the May 22, 2012, Water Board meeting

4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA
(Note: Addendum requires Roll Call Vote)

5) SOUTH HILO:

A. MATERIAL BID NO. 2012-01, FURNISHING AND DELIVERING WATER METERS, BRASS GOODS, FIRE HYDRANTS, VALVES, CHLORINATORS, PUMPS, PIPES, FITTINGS, SCADA, MOTORS, AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK:

Bids were opened on May 10, 2012, and the Department at the May 22, 2012 Board meeting asked to defer the following items:

- No. 10 (1”-2” water meters); No. 51 (Surge Protection Devices); No. 52 (Power Monitoring Equipment); No. 54 (High Powered Licensed Radio Equipment); No. 55 (Licensed Radio Equipment); No. 59 (Industrial Electronic Components); No. 60 (Enclosures); No. 61 (Pre-Fabricated RTU Panels); No. 62 (Automation and Control Systems); No. 63 (Programming Services); No. 70 (Mag Meters) and No. 71 (Direct Current Mag Meters).

These items were deferred because vendors need to be compliant with Hawai‘i Compliance Express (HCE). The vendors have come into compliance.

RECOMMENDATION: It is recommended that the Board award the contract to the following bidder for MATERIAL BID NO. 2012-01, FURNISHING AND DELIVERING WATER METERS, BRASS GOODS, FIRE HYDRANTS, VALVES, CHLORINATORS, PUMPS, PIPES, FITTINGS, SCADA, MOTORS AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK, on an as-needed basis, as listed below, and that either the Chairman or the Vice-Chairman be authorized to sign the contract(s), subject to review as to form and legality of the contract(s) by Corporation Counsel. The contract period shall be from July 01, 2012, to June 30, 2013.

PART NO.	DESCRIPTION	BIDDER	AMOUNT
10	1” – 2” WATER METERS	Badger Meter, Inc.	\$15,682.50
51	SURGE PROTECTION DEVICES	Akamai Controls, Inc.	\$28,067.23
52	POWER MONITORING EQUIPMENT	Dynatek, Inc.	\$43,301.00

54	HIGH POWERED LICENSED RADIO EQUIPMENT	Akamai Controls, Inc.	\$2,615.61
55	LICENSED RADIO EQUIPMENT	Akamai Controls, Inc.	\$44,000.00
59	INDUSTRIAL ELECTRONIC COMPONENTS	Dynatek, Inc.	\$18,284.50
60	ENCLOSURES	Akamai Controls, Inc.	\$104,010.01
61	PRE-FABRICATED RTU PANELS	Dynatek, Inc	\$41,885.00
62	AUTOMATION AND CONTROL SYSTEMS	Control Systems West, Inc.	\$49,884.35
63	PROGRAMMING SERVICES	Dynatek, Inc	\$749.00
70	MAG METERS	Akamai Controls, LLC	\$228,988.12
71	DIRECT CURRENT MAG METERS	Akamai Controls, LLC	\$194,671.26

6) MISCELLANEOUS:

A. 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.

1. **LICENSE NO. 764**

(This item was deferred from the May 22, 2012, Board meeting.)

(Non-Exclusive Right) (Benefit (B))

Lālāmilo Offsite Water Systems and New Lālāmilo 1.0 MG Reservoir

Licensors: State of Hawai‘i, Department of Hawaiian Home Lands

Tax Map Key: (3) 6-6-001:077 portion

Final Inspection Date: *TBA*

Water System Cost: *TBA*

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 HAULING BID NO. 2012-06, PRICE AGREEMENT TO PROVIDE WATER HAULING SERVICES TO VARIOUS LOCATIONS ISLAND-WIDE (ON AN AS-NEEDED BASIS) FOR THE DEPARTMENT OF WATER SUPPLY, DISTRICTS – ENTIRE ISLAND:

Bids were opened on May 9, 2012, and the Department at the May 22, 2012, Board meeting asked that this Item be deferred. This was deferred because vendors need to be compliant with Hawai‘i Compliance Express (HCE); the vendor has come into compliance.

1. **Carnor Sumida dba ACR Water Hauling**

4,000-, 4,200- and 5,000-gallon water trucks (price for all districts):

Regular Hours \$85.35/hr.

Overtime Hours \$97.09/hr.

RECOMMENDATION: It is recommended that the Board approve the price agreement for WATER HAULING BID NO. 2012-06, PRICE AGREEMENT TO PROVIDE WATER HAULING SERVICES TO VARIOUS LOCATIONS ISLAND-WIDE (ON AN AS-NEEDED BASIS) FOR THE DEPARTMENT OF WATER SUPPLY to **Carnor Sumida dba ACR Water Hauling**, at the prices listed above, and that either the Chairperson or the Vice-Chairperson be authorized to sign the

contract(s), subject to review as to form and legality of the contract(s) by Corporation Counsel. The price agreement shall be from July 1, 2012 to June 30, 2014.

C. **AD HOC FINANCE COMMITTEE REPORT:**

The Water Board's Ad Hoc Finance Committee Chairperson, Mr. Art Taniguchi, has been investigating the three focus areas (DWS's policies on credit card use, cash control and vehicle take-home), which encompass the scope of the Committee's work. At this meeting, the Committee may do the following:

- Discussion of DWS's cash handling procedures and proposed changes. Discussion may include a possible switchover to Oahu's billing system.

D. **DISCUSSION REGARDING SECTION 3-10 OF THE DWS' RULES AND REGULATIONS REGARDING METER TESTS AND ADJUSTMENTS OF BILLS:**

Discussion will be held regarding DWS's Rule 3-10 on meter tests and adjustment of bills, and whether the Board is inclined to amend said rule.

E. **CESSATION OF ABNORMAL READING NOTICES:**

(This Item was deferred from the 5-22-12 Water Board meeting.)

The Department is looking for ways to streamline customer service procedures, and to utilize personnel more effectively. One of the areas identified as time-consuming for DWS's meter readers is the manual preparation and mailing of high-reading notices to customers. The meter readers send out approximately 750 of these notices every month, equivalent to approximately 62 man-hours, at a cost of approximately \$1,750.00 per month. By contrast, DWS processes an average of 80 leakage adjustment applications per month, or approximately 11% of the number of notices DWS issues. It turns out that most customers contact the Department after receiving a high water **bill** -- instead of a high-reading notice. High-reading notices are only generated when meters are read every two months, so if a leak were to occur right *after* a meter is read, the earliest that DWS would be able to send the customer a high reading notice would be two months *later*, when the meter was read again.

DWS believes that meter readers' time would be better spent investigating zero-consumption meter readings, which are a symptom of meter failure and a possible source of significant revenue loss. Approximately 10% of meter readings fall into this category, but DWS does not have the manpower to investigate these occurrences. Meanwhile, DWS also needs to increase automatic meter reading (AMR) meter site maintenance, so that meters can continue to be located.

Although DWS's plan is to eliminate the use of high-reading notices, the Department plans to continue notifying customers with extremely high consumption and/or obvious meter issues, by calling them directly and/or leaving a high reading tag at the property at the time the meter is read. DWS is also exploring the possibility of programming its billing system to print a special message on water bills alerting customers of unusually high consumption.

For discussion.

F. **AD HOC COMMITTEE TO ESTABLISH WATER BOARD'S 2012-13 GOALS FOR THE ADMINISTRATION:**

The Department's drafts of its Goals and Strategic Initiatives and Tactics Table, for discussion and possible action.

G. **DISCUSSION OF DRAFT FY2013 EVALUATION FORM:**

For discussion and possible action.

H. ENERGY MANAGEMENT ANALYST UPDATE:

The Energy Management Analyst will provide an update on significant changes or noteworthy areas relating to energy use and the Department's Green Initiatives, including but not limited to:

1. Presentation on Lālāmilo Windfarm -- Overview of the project, status of project, scope and structure of RFP, benefit of the project, and proposed schedule.

I. 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.

J. 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.

K. MANAGER-CHIEF ENGINEER'S REPORT:

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

- 1) Palani Road Transmission Waterline Project
- 2) Hawaiian Ocean View Estates Project
- 3) HELCO/Āhualoa update
- 4) Kawaiiani Tank update
- 5) Pu'ukala/Kona Ocean View Properties Subdivision Improvement District Update
- 6) Update on Delinquencies
- 7) Strategic and Business Plans Update
- 8) Public Information and Education Specialist Update

L. CHAIRPERSON'S REPORT:

Chairperson will raise issues of interest to the Board, including future venues for Board meetings and possible change of meeting time.

7) ANNOUNCEMENTS:

1. **Next Regular Meeting:**

The next meeting of the Water Board will be held at 10:00 a.m. on July 24, 2012, at West Hawai'i Civic Center, **Liquor Control Conference Room, Bldg. B, 2nd Floor**, 74-5044 Ane Keohokalole Hwy, Kailua-Kona, HI. A Public Hearing regarding a proposed increase to DWS's security deposit will be held immediately before the regular meeting, at **9:30 a.m.**

2. **Following Meeting:**

The following meeting of the Water Board will be held at 10:00 a.m. on August 28, 2012, *at a venue to be determined.*

8) 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.