

**DEPARTMENT OF WATER SUPPLY
COUNTY OF HAWAII
WATER BOARD MEETING**

MEETING DATE: July 22, 2014
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 the June 24, 2014, Water Board meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA
(**Note: Addendum requires Roll Call Vote**)
- 5) SOUTH KOHALA:

A. JOB NO. 2014-1010, LĀLĀMILO A DEEPWELL REPAIR:

This project generally consists of the replacement of the existing well vertical hollow shaft motor, pump, column pipe, enclosing tube, lineshaft, lineshaft bearings and all appurtenant equipment, such as strapping, chlorination of the well and pumping assembly, in accordance with the plans and specifications.

Bids for this project were opened on July 10, 2014, at 2:00 p.m., and the following are the bid results:

Bidder	Bid Amount
Beylik Drilling and Pump Service, Inc.	\$333,909.00
Derrick's Well Drilling and Pump Services, LLC	\$345,000.00

Project Costs:

1) Low Bidder (Beylik Drilling and Pump Service, Inc.)	\$ 333,909.00
2) Contingencies (10%)	\$ 33,390.90
Total Cost:	<u>\$ 367,299.90</u>

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 \$424,000.00.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2014-1010, LĀLĀMILO A DEEPWELL REPAIR, to the lowest responsible bidder, Beylik Drilling and Pump Service, Inc., for their bid amount of \$333,909.00 plus \$33,390.90 for contingencies, for a total contract amount of **\$367,299.90**. 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. 2014-1008, LĀLĀMILO D DEEPWELL REPAIR:

This project generally consists of the replacement of the existing deepwell submersible motor, pump, power cable, column pipe and appurtenances and chlorination of the well and pumping assembly, in accordance with the plans and specifications.

Bids for this project were opened on July 10, 2014, at 2:30 p.m., and the following are the bid results:

Bidder	Bid Amount
Beylik Drilling and Pump Service, Inc.	\$261,509.00
Derrick's Well Drilling and Pump Services, LLC	\$278,000.00

Project Costs:

1) Low Bidder (Beylik Drilling and Pump Service, Inc.)	\$ 261,509.00
2) Contingencies (10%)	\$ 26,150.90
Total Cost:	\$ 287,659.90

Funding for this project will be from DWS's CIP Budget under Deepwell Pump Replacement. The contractor will have 360 calendar days to complete this project. The Engineering estimate for this project was \$330,000.00.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2014-1008, LĀLĀMILO D DEEPWELL REPAIR, to the lowest responsible bidder, Beylik Drilling and Pump Service, Inc., for their bid amount of \$261,509.00 plus \$26,150.90 for contingencies, for a total contract amount of **\$287,659.90**. 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.

C. WATER TREATMENT PROPOSAL NO. 2014-04, FURNISHING AND DELIVERING POLYMERS TO WAIMEA WATER TREATMENT PLANT:

At the May 27, 2014, Water Board meeting, the Board awarded the contract for Water Treatment Proposal No. 2014-04, Furnishing and Delivering Polymers to Waimea Water Treatment Plant, to Pural Water Specialty Co., Inc., at the bid price of \$387,672.39, plus a contingency of \$62,327.61, for a total contract price of \$450,000.00.

Subsequent to the award, a letter of protest was received by the Department, contesting that the disparity of the water quality at the time of the full-scale plant testing for each of the bidders was so substantial that the comparison was unfair.

After reviewing the protest, the Department has upheld the protest, and will be re-bidding the contract using the jar test method of determining the optimal dosage of each polymer. The polymers will be tested using the same water on the same day. This method will eliminate any discrepancy of the water quality for each polymer that will be submitted for the bid.

RECOMMENDATION: It is recommended that the Board cancel the award for WATER TREATMENT PROPOSAL NO. 2014-04, FURNISHING AND DELIVERING POLYMERS TO WAIMEA WATER TREATMENT PLANT, to Pural Water Specialty Co., Inc., and re-bid the contract, using the jar test method of determining the optimal dosage of the polymer to be used for the bid.

6) NORTH KOHALA:

A. **DISCUSSION OF SURETY WELL/HALA‘ULA WELL:**

A status report for Hala‘ula Well will be provided, with discussion on potential use of the Surety Well.

7) NORTH KONA:

A. **JOB NO. 2013-995, KAHALU‘U D DEEPWELL REPAIR & IMPROVEMENTS UPDATE:**

The contractor, Derrick’s Drilling and Pump Services, LLC, will address the Board to update the Department on the status of JOB NO. 2013-995, KAHALU‘U D DEEPWELL REPAIR & IMPROVEMENTS, and to request a time extension.

B. **NORTH KONA HIGH LEVEL GROUNDWATER STUDY:**

A draft scope of work has been developed for the subject study. The scope includes monitoring of the six (6) high level wells, four (4) basal wells (3 of which are monitoring wells) and one (1) high level monitoring well (for analysis purposes) for a 12-month period, and to include an analysis of any impact on the basal wells due to pumping of the high level wells. Periodic reports will be made and data will be submitted monthly.

The Board approved this study at its May 27, 2014, meeting, and requested details on the study’s scope. Staff has reviewed the scope and finds it acceptable.

RECOMMENDATION: It is recommended that the Water Board approve the scope of work for the professional services agreement for the North Kona High Level Groundwater Study.

8) 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. **GRANT OF EASEMENT**

Grantor: Hale Wailani Partners, LLC
Tax Map Key: (3) 6-2-001: 075 Portion

2. **GRANT OF EASEMENT**

Grantor: University of the Nations, Inc.
Tax Map Key: (3) 7-5-010: 003 Portion

3. **GRANT OF EASEMENT**

Nakahara Commercial Subdivision
Grantor: S. NAKAHARA, LLC
Tax Map Key: (3) 6-5-007: 006

RECOMMENDATION: It is recommended that the Water Board accepts 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. DISCUSSION REGARDING LEGISLATIVE AUDITOR’S LETTER DATED JUNE 17, 2014, REGARDING PERFORMANCE AUDIT OF THE DEPARTMENT OF WATER SUPPLY METER AWARD PROCEDURES AND METER COMPLIANCE REVIEWS, AND PROCEDURES REGARDING THE HAWAIIAN OCEAN VIEW ESTATES (HOVE) WATER SYSTEM STANDPIPE STATION (RESOLUTION 312-12):

The Legislative Auditor, Bonnie S. Nims, sent a letter to the Manager-Chief Engineer on June 17, 2014, which states in part: “We have completed our preliminary survey regarding the proposed performance audit and our review did not identify any significant threats or risk areas. Due to other priority audits, we terminated our audit of Department of Water Supply (DWS) standpipe station in June 2014. Given our commitment to oversight of the County of Hawai‘i, we may re-announce this audit at a later date. We will notify you by separate memorandum if we initiate a new audit.”

For discussion.

C. DISCUSSION OF AMENDING RULES AND REGULATIONS REGARDING PLACING RESPONSIBILITY WITH PROPERTY OWNERS FOR TENANTS’ DELINQUENT BILLS:

For discussion.

D. PROFESSIONAL SERVICES AGREEMENT -- ENERGY STUDY UPDATE FOR THE DEPARTMENT OF WATER SUPPLY:

Professional services for energy study update.

- Consultant: To be determined.
- Estimated Fee: \$65,000.00.

The Department recognizes the need to conduct an island-wide energy study update during Fiscal Year 2014-2015, to make sure DWS maximizes energy savings opportunities. The last study was completed in 2004. Funding will be provided by Hawaii Energy Services, a company tasked with managing HELCO’s energy rebate program.

RECOMMENDATION: It is recommended that the Board approve signing a Professional Services Agreement to Conduct an Energy Study Update for the Department of Water Supply, and authorize the Chairperson or Vice-Chairperson to sign the document, subject to review as to form and legality by Corporation Counsel.

E. DEPARTMENT OF WATER SUPPLY LEASE FOR SCANNER/COPIERS:

The Department of Water Supply requested quotations for leasing six full-function copy machines for a five-year period. The copy machines will replace existing leased/rented machines in Hilo (4 machines), Waimea and Kona. The quotations are listed below:

- | | |
|---------------------------|-----------------------|
| • Canon Solutions America | No Bid |
| • Ricoh USA, Inc. | \$1,352.50/mo. |
| • Xerox Corporation | \$1,345.07/mo. |

Staff has reviewed the quotations and finds the quotations/lease agreements acceptable, and recommends award to the low bidder, Xerox Corporation.

RECOMMENDATION: It is recommended that the Board award the lease to Xerox Corporation for six scanner/copy machines at **\$1,345.07/mo.**, and authorize the Manager-Chief Engineer to execute the lease agreement, subject to the approval of Corporation Counsel.

F. 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.

G. 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.

H. MANAGER-CHIEF ENGINEER'S QUARTERLY REPORT:

Report on the second quarter of 2014 by the Manager-Chief Engineer, with discussion.

I. MANAGER-CHIEF ENGINEER'S REPORT:

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

- 1) Pu'ukala/Kona Ocean View Properties Subdivision Improvement District Update
- 2) Waikoloa Reservoir No. 1 Update
- 3) Kawaiiani Tank Update
- 4) Public Information and Education Specialist Update
- 5) Employee of the Quarter

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 will be held at 10:00 a.m. on August 26, 2014, at 10:00 a.m. at the West Hawai'i Civic Center, Community Center, Bldg. G, 74-5044 Ane Keohokalole Hwy, Kailua-Kona, HI.

2. **Following Meeting:**

The following meeting of the Water Board is scheduled for September 23, 2014, at the Department of Water Supply, Operations Center Conference Room, 889 Leilani Street, Hilo, 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.