

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

MEETING DATE: January 27, 2015
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 December 16, 2014, Water Board meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA
(Note: Addendum requires Roll Call Vote)
- 5) PUNA:

A. JOB NO. 2013-996 REBID, PĀHOA DEEPWELL A REPAIR:

This project generally consists of the demolition and construction of a new well pump pad and replacement of the existing deep well 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 December 11, 2014, at 2:30 p.m., with a protest being filed with the Department regarding the requirements of the bid. The protest has subsequently been retracted after an explanation of the specifications was provided. The following are the bid results:

Bidder	Bid Amount
Beylik Drilling and Pump Service, Inc.	\$134,040.00
Derrick’s Well Drilling and Pump Services, LLC.	\$160,000.00

Project Costs:

1) Low Bidder (Beylik Drilling and Pump Service, Inc.)	\$134,040.00
2) Contingencies (10%)	\$ 13,404.00
Total Cost:	<u>\$147,444.00</u>

Funding for this project will be from DWS’s CIP Budget under Deepwell Pump Replacement. The contractor will have 180 calendar days to complete this project. The Engineering estimate for this project was \$191,100.00.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2013-996, REBID, PĀHOA DEEPWELL A REPAIR, to the lowest responsible bidder, Beylik Drilling and Pump Service, Inc., for their bid amount of \$134,040.00 plus \$13,404.00 for contingencies, for a total contract amount of **\$147,444.00**. 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.

6) SOUTH KOHALA:

A. **JOB NO. 2011-972, LĀLĀMILO WIND FARM REPOWERING PROJECT -- RENEWABLE ENERGY SERVICE AND POWER PURCHASE AGREEMENT; LEASE FROM STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES AND SUBLEASE TO LĀLĀMILO WIND COMPANY, LLC:**

DWS staff appeared before the Board of Land and Natural Resources on January 9, 2015 regarding the request for the Lease and Sub-lease for the subject properties, encompassing a total of 83.997 acres, and will provide a report at the January 27, 2015, Water Board meeting.

The Renewable Energy Service and Power Purchase Agreement (PPA) will also be discussed.

B. **EXECUTIVE SESSION RE: JOB NO. 2011-972, LĀLĀMILO WIND FARM REPOWERING PROJECT -- RENEWABLE ENERGY SERVICE AND POWER PURCHASE AGREEMENT; LEASE FROM STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES AND SUBLEASE TO LĀLĀMILO WIND COMPANY, LLC:**

The Water Board anticipates convening an executive meeting, closed to the public, pursuant to Hawai'i Revised Statutes, Sections 92-4, 92-5(a)(4), 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.

7) NORTH KONA:

A. **JOB NO. 2008-934, KONA OCEAN VIEW PROPERTIES WATER SYSTEM IMPROVEMENTS:**

The contractor, Koga Engineering & Construction, Inc., requested a contract change order to increase the amount of pavement restoration. Due to the existing condition of the road, the contractor had disturbed more than what was estimate in the original scope. The cost to cover this increase is more than the remaining contingency amount of \$58,950.10. However, as USDA Rural Development is funding this project, there are still grant funds available to cover this change order.

DWS and Koga have agreed to the amount of pavement restoration and USDA Rural Development has approved the use of the remaining grant funds to cover the change order amount of \$183,150.00 to complete this work. The additional funds required are \$124,199.90. The revised contract amount will be \$1,357,899.90.

Staff is requesting a time extension to February 28, 2015.

RECOMMENDATION: It is recommended that the Board approve additional funds of \$124,199.90, as well as grant a time extension to the contract for JOB NO. 2008-934, KONA OCEAN VIEW PROPERTIES WATER SYSTEM IMPROVEMENTS, to bring the completion date from November 1, 2014 to February 28, 2015. If approved, a contract change order will be processed, and the revised contract amount will be \$1,357,899.90, with a contract completion date of February 28, 2015.

8) MISCELLANEOUS:

A. DEDICATION OF WATER SYSTEMS:

The Department has received the following document for action by the Water Board. The water system has been constructed in accordance with the Department's standards and is in acceptable condition for dedication.

1. **GRANT OF WATER METER EASEMENT**

Project Name: St. Michael the Archangel Parish (Water Meter)
Grantor: Roman Catholic Church in the State of Hawai'i
Tax Map Key: (3) 7-5-008: 006 Portion

2. **BILL OF SALE**

Project Name: Kumau Street Extension Improvements
Seller: State of Hawai'i Department of Transportation, Harbors Division
Tax Map Key: (3) 2-1-007
Facilities Charge: \$13,750.00 Date Paid: 01/08/2015
Final Inspection Date: 01/05/2015
Water System Cost: \$156,410.00

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

B. DISCUSSION REGARDING MEDIATION AS DIRECTED BY COMMISSION ON WATER RESOURCE MANAGEMENT (CWRM) ON NATIONAL PARKS SERVICE'S PETITION TO DESIGNATE KEAUHOU AQUIFER AS A GROUND WATER MANAGEMENT AREA:

For discussion and possible action.

C. EXECUTIVE SESSION RE: MEDIATION AS DIRECTED BY COMMISSION ON WATER RESOURCE MANAGEMENT (CWRM) ON 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.

D. DISCUSSION REGARDING WATERSHED PARTNERSHIPS:

DWS staff met with the Three Mountain Alliance coordinator and consultant regarding the benefits of membership/participation in the cooperative management of state, federal and private lands in the Kīlauea, Mauna Loa, and Hualālai Mountains. This group regularly convenes for the purpose of natural resource management, education, and building consensus on what is best for the shared resources for all in this region. For discussion and possible action.

E. **DISCUSSION OF AMENDING RULES AND REGULATIONS REGARDING PLACING RESPONSIBILITY WITH PROPERTY OWNERS FOR TENANTS' DELINQUENT BILLS:**

(This Item was deferred from the November 25, 2014, Water Board meeting.)

Sub-Committee to report on proposed amendments to the Rules and Regulations regarding placing responsibility with property owners for tenants' delinquent bills, with discussion.

F. **AD HOC COMMITTEE PURSUANT TO HRS SECTION 92-2.5(B) TO PRESENT, DISCUSS AND/OR NEGOTIATE FOR LEGISLATION REGARDING THE PLACEMENT OF SUCH LIENS ON REAL PROPERTY FOR NON-PAYMENT OF WATER BILLS:**

(This Item was deferred from the November 25, 2014, Water Board meeting.)

The Ad Hoc Committee is exploring legislation pursuant to HRS Section 92-2.5(B) which would allow the placement of an automatic lien on property for non-payment of water bills. The Ad Hoc Committee will present, discuss, and/or negotiate for such legislation with any necessary person including, but not limited to, any water or wastewater department or division of any county, and/or with any legislators in the State of Hawai'i.

The Ad Hoc Committee is also exploring a revision of the Department of Water Supply Rules and Regulations to hold a property owner responsible for any water bill for water service to such property, whether or not the property owner resides on the property; and that no water service will be granted to such property until all such delinquencies are paid or other agreement is reached.

For discussion and possible action.

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 QUARTERLY UPDATE:**

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

J. **MANAGER-CHIEF ENGINEER'S EVALUATION FOR CALENDAR YEAR 2014:**

(This Item was deferred from the December 16, 2014, Board meeting.)

Discussion/Action on Manager-Chief Engineer's evaluation and compensation.

K. **EXECUTIVE SESSION:**

The Board anticipates convening an executive meeting to consider the evaluations of the Manager-Chief Engineer, as authorized by Hawai'i Revised Statutes, Sections 92-4, and 92-

5(a)(2), 92-5(a)(4) and Hawai`i County Charter Section 13-20(b), where consideration of matters affecting privacy will be involved, 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.

L. **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) Lava Update
- 3) Public Information and Education Specialist Update
- 4) Employee of the Quarter

M. **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 February 24, 2015, 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 will be held at 10:00 a.m. on March 24, 2015, 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.