

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

MEETING DATE: December 15, 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 November 24, 2015, Water Board meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA
(Note: Addendum requires Roll Call Vote)
- 5) SOUTH HILO:

A. VEHICLE AND EQUIPMENT BID NO. 2015-10, FURNISHING AND DELIVERING VEHICLES AND EQUIPMENT TO THE DEPARTMENT OF WATER SUPPLY:

Bids were opened on December 3, 2015, 2015 at 2:00 p.m., and the following are the bid results:

	Inter Pacific Motors, Inc., dba Orchid Isle Auto Center	Bacon-Universal Company, Inc.	David S. Deluz, Sr. Enterprises dba Big Island Toyota, Inc.
Part “A”			
One (1) only 2015 or later, 1-ton crew cab, with service body pickup 4-wheel drive			
Total delivery price	\$49,124.12	No Bid	No Bid
Delivery time (calendar days)	240	xx	xxx
Part “B”			
One (1) only 2015 or later, full-size pickup with Regular cab, service body and lift gate, 4-wheel drive			
Total delivery price	\$44,244.93	No Bid	No Bid
Delivery time (calendar days)	240		

Part "C"			
One (1) only 2015 or later, mid-size extended cab Pickup, 4-wheel drive			
Total delivery price	\$29,331.34	No Bid	No Bid
Delivery time (calendar days)	180		
Part "D"			
One (1) only 2015, or later, mid-size extended cab Pickup with lift gate 4-wheel drive			
Total delivery price	\$32,175.10	No Bid	No Bid
Delivery time (calendar days)	210		
Part "E"			
One (1) only 2015 or later, mid-size extended cab Pickup, 4-wheel drive, manual transmission			
Total delivery price	\$28,714.68	No Bid	\$31,925.84
Delivery time (calendar days)	180		120
Part "F"			
One (1) only 2015 or later, 7-passenger mini-van, Front wheel drive			
Total delivery price	No Bid	No Bid	No Bid
Delivery time (calendar days)			
Part "G"			
One (1) only 2015 or later, 3-ton capacity Forklift			
Total delivery price	No Bid	\$33,333.12	No Bid
Delivery time (calendar days)		60	
Part "H"			
One (1) only 2015 or later, 1-ton dump truck, 4-wheel drive			
Total delivery price	\$49,911.62	No Bid	No Bid
Delivery time (calendar days)	240		

RECOMMENDATION: It is recommended that the Board award VEHICLE AND EQUIPMENT BID NO. 2015-10, FURNISHING AND DELIVERING VEHICLES AND EQUIPMENT TO THE DEPARTMENT OF WATER SUPPLY, to:

- Inter Pacific Motors, Inc., dba Orchid Isle Auto Center, for Parts A, B, C, D, E, and H at a total cost of \$233,501.79; and
- Bacon-Universal Company, Inc., for Part G at a total cost of \$33,333.12,

and that either the Chairperson or the Vice-Chairperson be authorized to sign the contract subject to approval of the contracts as to form and legality by Corporation Counsel.

For Part “F,” for which no bids were received, staff will seek alternate methods of procurement, in accordance with Procurement Rules.

B. EQUIPMENT BID NO. 2015-11, FURNISHING AND DELIVERING SURVEYING EQUIPMENT TO THE DEPARTMENT OF WATER SUPPLY:

This procurement consists of surveying equipment, including a total station and data collector, as well as necessary accessories to replace the equipment that was deemed irreparable.

Bids were opened on December 3, 2015, 2015 at 2:30 p.m., and the following are the bid results.

Description	Bidder	Delivery Time (calendar days)	Amount
Surveying Equipment, including total station, data collector, and accessories	Hubs Hawai‘i, Inc.	60 days	\$29,900.00

Staff has reviewed the bid, and finds it acceptable. The estimate was \$30,000.00.

RECOMMENDATION: It is recommended that the Water Board approve the bid and Award the contract for EQUIPMENT BID NO. 2015-11, FURNISHING AND DELIVERING SURVEYING EQUIPMENT TO THE DEPARTMENT OF WATER SUPPLY, to Hubs Hawai‘i, Inc. for \$29,900.00, and to authorize the Chairperson or Vice-Chairperson to execute the contract documents subject to review and approval of Corporation Counsel.

6) NORTH HILO:

A. JOB NO. 2015-1038, LAUPĀHOEHOE DEEPWELL A REPAIR:

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

Bids for this project were opened on December 3, 2015, at 1:00 p.m., and the following are the bid results:

Bidder	Bid Amount
Beylik Drilling and Pump Service, Inc.	\$295,405.00
Derrick’s Well Drilling and Pump Services, LLC	\$218,000.00

Project Costs:

- 1) Low Bidder (Derrick’s Well Drilling and Pump Services, LLC.) \$ 218,000.00

2) Contingencies (10.0%)

\$ 21,800.00
Total Cost: \$ 239,800.00

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 \$184,000.00.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2015-1038, LAUPĀHOEHOE DEEPWELL A REPAIR, to the lowest responsible bidder, Derrick’s Well Drilling and Pump Services, LLC, for their bid amount of \$218,000.00, plus \$21,800.00 for contingencies, for a total contract amount of **\$239,800.00**. 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. 2005-870, LAUPĀHOEHOE (MANOWAI’ŌPAE) 0.5 MG RESERVOIR:

The contractor, Yamada Paint Contracting, Inc., dba GW Construction is requesting a contract time extension of 25 calendar days. This is the second time extension request for this project.

Ext. #	From (Date)	To (Date)	Days (Calendar)	Reason
1	10/18/2015	01/08/2016	82	Inclement weather, as well as new access easement
2	01/08/2016	02/02/2016	25	Inclement and unworkable weather conditions (6 working days or 8 calendar days) and our request to stop work to address electrical safety concerns (additional 17 calendar days)
Total Days (including this request)			107	

The contractor’s time extension request of 6 working days is in concurrence with the Department’s tally of reported rain-outs. The 17 additional calendar days are requested due to DWS’s request to stop work due to safety concerns regarding the proximity of the crane to high voltage power lines.

RECOMMENDATION: It is recommended that the Board grant this contract time extension of 25 calendar days to Yamada Paint Contracting, INC. (GW Construction) for JOB NO. 2005-870, LAUPĀHOEHOE (MANOWAI’ŌPAE) 0.5 MG Reservoir. If approved, the contract completion date will be extended from January 8, 2016, to February 2, 2016.

7) **SOUTH KOHALA:**

A. JOB NO. 2014-1015, ĀHUALOA DEEPWELL REPAIR – REQUEST FOR TIME EXTENSION:

The contractor, Derrick’s Well Drilling and Pump Services, LLC, is requesting a contract time extension of 105 calendar days. The Department had requested change order work for increasing the pump setting depth to resolve issues of entrained air from this well, requiring extending the motor flat lead on the existing motor. This action has delayed the installation work, and was beyond the control of the contractor.

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 105 calendar days for JOB NO. 2014-1015, ĀHUALOA DEEPWELL REPAIR. If approved, the contract completion date will be revised from December 31, 2015, to April 15, 2016.

8) NORTH KONA:

A. JOB NO. 2015-1040, KAHALU‘U 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 December 3, 2015, at 1:30 p.m., and the following are the bid results:

Bidder	Bid Amount
Beylik Drilling and Pump Service, Inc.	\$284,400.00
Derrick’s Well Drilling and Pump Services, LLC	\$248,901.23

*Bids were corrected due to an obvious arithmetic error, in accordance with DWS General Requirements and Covenants and Hawaii Administrative Rules.

Project Costs:

1) Low Bidder (Derrick’s Well Drilling and Pump Services, LLC.)	\$ 248,901.23
2) Contingencies (9.9%)	\$ 24,798.77
Total Cost:	<u>\$ 273,700.00</u>

Funding for this project will be from DWS’s CIP Budget under Deepwell Pump Replacement. The contractor will have 240 calendar days to complete this project. The Engineering estimate for this project was \$268,000.00.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2015-1040, KAHALU‘U A DEEPWELL REPAIR, to the lowest responsible bidder, Derrick’s Well Drilling and Pump Services, LLC., for their corrected bid amount of \$248,901.23, plus \$24,798.77 for contingencies, for a total contract amount of **\$273,700.00**. 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. 2014-1019, HŌLUALOA DEEPWELL REPAIR – TIME EXTENSION:

The contractor, Derrick’s Well Drilling and Pump Services, LLC, is requesting a contract time extension of 55 calendar days. The contractor had submitted a request for inspection of substantial completion on September 4, 2015; Department staff verified that all installation work had been successfully completed as stated by the Contractor. Chlorination/start-up testing and efficiency testing were delayed due to reinstallation of starter equipment by Department personnel. While conducting start-up testing, issues with high amps arose, prompting the extraction of the well assembly to diagnose the source of failure, leading to the need for the additional time.

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 55 calendar days for JOB NO. 2014-1019, HŌLUALOA DEEPWELL REPAIR. If approved, the contract completion date will be revised from January 31, 2016, to March 26, 2016.

9) SOUTH KONA:

A. AGREEMENT RE: ASSIGNMENT AND TRANSFER OF RIGHTS TO 50 KEALAKEKUA WATER SOURCE AGREEMENT WATER COMMITMENT UNITS:

1250 Oceanside LLC (Oceanside) has 51 Kealakekua Water Source Agreement (KWSA) equivalent water units that are currently assigned to Tax Map Key (TMK) 8-1-035:001. Oceanside is requesting to transfer the rights of 50 units from this assignment, to Kalukalu Properties (Kalukalu), the owners of TMK 8-1-4:052 and 075. The assignment and transfer of the 50 units would be contingent only upon the approval of the proposed 4th Amendment to Well Site Development Agreement (4th Amendment).

DWS staff has reviewed the request for the transfer of 50 water units per the KWSA, and finds it in accordance with the terms of the KWSA. However, the terms of the 4th Amendment as proposed by Oceanside have not been agreed to by DWS staff. Staff has proposed revisions to the 4th Amendment that have not been agreed to by Oceanside.

RECOMMENDATION: It is recommended that the Water Board **not approve** the AGREEMENT RE: ASSIGNMENT AND TRANSFER OF RIGHTS TO 50 KEALAKEKUA WATER SOURCE AGREEMENT WATER COMMITMENT UNITS, due to lack of agreement on the 4th Amendment between Oceanside and DWS.

B. 4th AMENDMENT TO WELL SITE DEVELOPMENT AGREEMENT, 1250 OCEANSIDE (HÖKULIA) WELLSITE DEVELOPMENT AGREEMENT:

The developers: 1250 Oceanside, LLC (Oceanside), Kalukalu Properties (Kalukalu), and William N. Greenwell (Greenwell) have submitted a proposed “4th AMENDMENT TO WELL SITE DEVELOPMENT AGREEMENT” (4th Amendment). The original agreement and subsequent supplemental and amendments are still in effect. DWS and Oceanside have met regarding the 4th Amendment, and DWS proposed to include voluntary termination language related to the completion of Well Site Improvements; DWS also requested language indemnifying DWS as well as the Water Board, on behalf of all parties (Oceanside, Kalukalu, and Greenwell).

RECOMMENDATION: It is recommended that the Water Board **not approve** the 4th AMENDMENT TO WELL SITE DEVELOPMENT AGREEMENT, as submitted by Oceanside, due to lack of agreement between Oceanside and DWS.

10) MISCELLANEOUS:

A. DEDICATIONS:

The Department has received the following document 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. RELEASE AND CANCELLATION OF GRANT OF EASEMENT

Grantor: Kohanaiki Shores, LLC
Tax Map Key: (3) 7-3-068: 041
(Formerly a portion of TMK: (3) 7-3-068: 003 and 004
Road A of SUB-09-000898)

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

C. **UPDATE RE: NATIONAL PARKS SERVICE'S PETITION TO DESIGNATE KEAUHOU AQUIFER AS A GROUND WATER MANAGEMENT AREA:**

For discussion and possible action.

D. **EXECUTIVE SESSION RE: 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.

E. **DISCUSSION OF AMENDING DWS RULE 3-10, REGARDING LEAK ADJUSTMENTS:**

The Board will discuss the proposals regarding amendments to DWS Rule 3-10, regarding leak adjustments.

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 REPORT:**

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

- 1) Public Information and Education Specialist Update
- 2) Upcoming Legislative Session

I. **ELECTION OF CHAIRPERSON AND VICE-CHAIRPERSON FOR 2016:**

Board to elect Chairperson and Vice-Chairperson for the 2016 term.

J. **CHAIRPERSON'S REPORT:**

Chairperson to report on matters of interest to the Board.

11) ANNOUNCEMENTS:

1. **Next Regular Meeting:**

The next meeting of the Water Board is scheduled for 10:00 a.m. on January 26, 2016, at the Department of Water Supply, Operations Center Conference Room, 889 Leilani Street, Hilo, HI.

2. **Following Meeting:**

The following meeting of the Water Board will be held at 10:00 a.m. on February 23, 2016, at the West Hawai'i Civic Center, Community Center, Bldg. G, 74-5044 Ane Keohokalole Hwy, Kailua-Kona, HI.

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 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.