

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

MEETING DATE: October 25, 2016

TIME: 10:00 a.m.

PLACE: Department of Water Supply, Hilo Operations Center Conference Room,
889 Leilani Street, Hilo, Hawai‘i

- 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 August 23, 2016, Public Hearing on Power Cost Charge and Minutes of the August 23, 2016, regular Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
(Note: Addendum requires Roll Call Vote)
- 5) NORTH HILO:

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

The contractor, Derrick’s Well Drilling & Pump Services, LLC, is requesting a contract time extension of 142 calendar days. Staff has reviewed the request and is recommending approval of 142 calendar days, as the Department gave notice to the contractor on June 13, 2016, to suspend work to avoid logistical conflicts with another concurrent project as a matter of safety and to avoid unnecessary delays caused by scheduling conflicts between the two projects. This delay was beyond the control of the contractor. The Department will be issuing the contractor a notice to resume work on November 1, 2016.

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 142 calendar days to Derrick’s Well Drilling & Pump Services, LLC, for JOB NO. 2015-1038, LAUPĀHOEHOE DEEPWELL A REPAIR. If approved, the contract completion date will be revised from September 2, 2016, to January 21, 2017.

6) PUNA:

A. JOB NO. 2016-1054, ‘ŌLA‘A #6 DEEPWELL REPAIR:

This project consists of replacing the existing deep well submersible pump and motor, column pipe, column couplings and all appurtenant materials; chlorination of well and pumping assembly; and completion of a pump efficiency test.

Bids for this project were opened on October 13, 2016, at 2:00 p.m., and the following are the bid results:

Bidder	Bid Amount
Derrick's Well Drilling & Pump Services, LLC	\$229,000.00
Beylik Drilling & Pump Service, Inc.	\$292,000.00

Project Costs:

1) Low Bidder (Derrick's Well Drilling & Pump Services, LLC)	\$ 229,000.00
2) Construction Contingency (10%)	\$ <u>22,900.00</u>
Total Cost:	\$ <u>251,900.00</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 \$168,000.00.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2016-1054, 'OLA'A #6 DEEPWELL REPAIR, to the lowest responsible bidder, Derrick's Well Drilling & Pump Services, LLC, for their bid amount of \$229,000.00, plus \$22,900.00 for construction contingency, for a total contract amount of **\$251,900.00**. 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 of the contract by Corporation Counsel.

7) SOUTH KOHALA:

A. **JOB NO. 2010-964, WAIMEA WATER TREATMENT PLANT COMPLIANCE UPGRADES PHASE 2 – TIME EXTENSION:**

The contractor, Bodell Construction Company, is requesting a contract time extension of 60 additional calendar days due to the following reasons.

DWS' direction to delay demolition of basins #3 & #4	=	36 days
Additional excavation due to existing soil conditions	=	10 days
Additional work caused by heavy rains during Hurricane Madeline	=	<u>14 days</u>
		60 days

Staff has reviewed the request and is recommending approval of 60 calendar days, since these delays were beyond the contractor's control and affected the project's critical path activities.

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 60 calendar days to Bodell Construction Company, for JOB NO. 2010-964, WAIMEA WATER TREATMENT PLANT COMPLIANCE UPGRADES PHASE 2. If approved, the contract completion date will be revised from June 11, 2017, to August 10, 2017.

B. **LĀLĀMILO WINDFARM RENEWABLE ENERGY SERVICE AND POWER PURCHASE AGREEMENT - PROPOSED SECOND AMENDMENT:**

The contractor, Lālāmilo Wind Company LLC (LWC), has completed the installation of the five windmill towers and related improvements and is entering into the testing phase of the contract. During this testing phase, the contractor is proposing to operate the windmills on its own volition, during daylight hours, more specifically, from approximately one hour after sunrise until approximately one hour prior to sunset. During the test period operation, LWC is proposing to provide the power it is generating to the DWS pumps and that DWS would be able

to purchase the power at the rate established in Exhibit C of the First Amendment for the first five-year term. This will not affect the actual term of the contract which will commence when the test period operation is complete and the Habitat Conservation Plan and Incidental Take Permit is complete. During this period, the energy commencement date as well as the energy delivery requirement will not be applicable. Other than what is amended by this proposal, the original Power Purchase Agreement and First Amendment would continue to remain in effect.

RECOMMENDATION: It is recommended that the Water Board approve the “Second Amendment to Renewable Energy Service and Power Purchase Agreement” subject to the approval of the Corporation Counsel and that either the Chairperson or the Vice-Chairperson be authorized to sign the document.

8) MISCELLANEOUS:

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

For discussion and possible action.

B. **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.

C. **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.

D. **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.

E. **MANAGER-CHIEF ENGINEER’S REPORT:**

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

- 1) Matters of interest to the Board
- 2) Employee of the Quarter presentation – 3rd quarter 2016

F. **EXECUTIVE SESSION:**

The Board anticipates convening an executive meeting to consider the evaluation and compensation of the Manager-Chief Engineer, as authorized by Hawai‘i Revised Statutes (HRS), 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. A two-thirds vote, pursuant to HRS Section 92-4, is necessary to hold an executive meeting.

G. **MANAGER-CHIEF ENGINEER'S EVALUATION FOR CALENDAR YEAR 2016:**

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

H. **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 10:00 a.m. on November 22, 2016, at the West Hawai'i Civic Center, Community Center (Building G), 74-5044 Ane Keohokalole Highway, Kailua-Kona, HI.

2. **Following Meeting:**

The following meeting of the Water Board will be held at 10:00 a.m. on December 20, 2016, at the Department of Water, Hilo Operations Center, 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 Doreen Jollimore, 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.