

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

MEETING DATE: July 24, 2018

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 June 26, 2018, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
(Note: Addendum requires Roll Call Vote)
- 5) SOUTH HILO:

**A. REQUEST FOR EXECUTIVE SESSION PERTAINING TO STATUS OF
FILING OF FIRST AMENDED COMPLAINT IN *HAWAI‘I CONFERENCE OF
THE UNITED CHURCH OF CHRIST v. WATER BOARD OF THE COUNTY OF
HAWAI‘I, Civ. No. 18-1-111:***

Plaintiff Hawai‘i Conference of the United Church of Christ (“HCUCC”) filed its first amended complaint against the Water Board on May 18, 2018 alleging breach of a lease agreement between the Water Board and HCUCC entered into on January 7, 1977. The Department and Deputy Corporation Counsel, Jessica Yeh, would like to provide an update as to the status of this matter.

The Water Board anticipates convening an executive meeting, closed to the public, pursuant to Hawai‘i Revised Statutes, Sections 92-4 and 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 with regards to the civil suit filed above.

6) SOUTH KOHALA:

A. **FOLLOW-UP PRESENTATION TO JUNE 26, 2018 STATUS UPDATE FOR LĀLĀMILO WINDFARM OPERATIONS BY DEPARTMENT AND REQUEST FOR EXECUTIVE SESSION RE: STATUS UPDATE AND LĀLĀMILO WIND COMPANY'S REQUEST FOR ANNUAL COMMITMENT TO PURCHASE:**

Per the Board's request, the Department will provide follow up information to some of the remarks made by Lālāmilo Wind Company LLC ("LWC") at the June 26, 2018, Board meeting pertaining to the status of Lālāmilo Windfarm operations and the request made by LWC for the Board's commitment to purchase 8,000 kWh per calendar year. The Department is available to comment and/or to answer any questions that the Board may have.

The Water Board anticipates convening an executive meeting, closed to the public, pursuant to Hawai'i Revised Statutes, Sections 92-4 and 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 with regards to the request made by LWC and its obligations under the Power Purchase Agreement.

7) MISCELLANEOUS:

A. **DEDICATIONS:**

We 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**

(For Guy Wire Purposes)

Grantor: Water Board of the County of Hawai'i

Grantee: Hawaiian Electric Light Company, Inc. and Hawaiian Telcom, Inc.

Tax Map Key: (3) 4-5-010:121 (portion)

2. **GRANT OF EASEMENT AND BILL OF SALE**

SUB. No. 16-001596

Grantor: W. H. Shipman, Limited, a Hawaii corporation

Tax Map Keys: (3) 1-6-002:Portions 019, 020, 021, 022 and 099

Facilities Charge: \$12,560.00 Date Paid: 4/26/2018

Final Inspection Date: 7/13/2018

Water System Cost: \$101,422.00

3. **GRANT OF EASEMENT AND BILL OF SALE**

Ninole View Estates

SUB. No. 11-001109

Grantor: Shropshire Group, LLC

Tax Map Keys: (3) 3-2-005 003, 004, 006, 007, and 011
 Facilities Charge: \$2,380.00 Date Paid: 7/2/2015
 Final Inspection Date: 5/18/2018
 Water System Cost: \$50,500.00

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. MATERIAL BID NO. 2018-13, FURNISHING AND DELIVERING 750kVA STEP-DOWN TRANSFORMER FOR LALAMILO D DEEPWELL FOR THE DEPARTMENT OF WATER SUPPLY, DISTRICT OF SOUTH KOHALA, COUNTY OF HAWAI'I, STATE OF HAWAI'I:

This bid consists of paying for all equipment, materials, taxes, and shipping necessary to furnish and deliver a 750kVA step-down, pad-mounted transformer for Lālāmilo D Deepwell, to the Department of Water Supply's Pana'ewa Warehouse at 23 Makalika Street, Hilo, Hawai'i.

Bids for this project were opened on July 12, 2018, at 2:00 p.m., and the following are the bid results:

Bidder	Bid Amount
Alpha Electric Supply, Inc.	Non-Responsive
American Electric Co., LLC	\$73,225.46

Project Costs:

1) Low Bidder (American Electric Co., LLC)	\$73,225.46
Total Cost:	<u>\$73,225.46</u>

Funding for this project will be from the Department of Water Supply's (DWS) Capital Improvements Projects (CIP) Budget under Deepwell Pump Replacement. The contractor will have 150 calendar days to complete this project.

RECOMMENDATION: It is recommended that the Board award the contract for MATERIAL BID NO. 2018-13, FURNISHING AND DELIVERING 750kVA STEP-DOWN TRANSFORMER FOR LĀLĀMILO D DEEPWELL FOR THE DEPARTMENT OF WATER SUPPLY, DISTRICT OF SOUTH KOHALA, COUNTY OF HAWAI'I, STATE OF HAWAI'I, to the lowest responsible bidder, American Electric Co., LLC, for their bid amount of **\$73,225.46**. 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. **MAINTENANCE BID NO. 2018-05, REPAIR & MAINTENANCE OF EMERGENCY BACK-UP GENERATOR SETS, DEPARTMENT OF WATER SUPPLY – CONTINGENCY ADDITION:**

The Department is requesting to add a contingency amount to the original contract amount to cover costs for materials associated with repairs, on an as-needed basis. The contract (two-year term, from July 1, 2018 to June 30, 2020) includes provisions for call-out repair services on an as-need basis. All materials required for repairs are to be billed to the Department at cost-plus pricing, in accordance with the contract. However, a budgetary amount for these materials were not included in the original contract amount.

Project Costs:

Original Contract Amount:	\$ 82,890.56
Contingency Request (materials only):	<u>\$ 22,109.44</u>
Total Revised Contract Amount:	\$105,000.00

The additional funds will come from the Department of Water Supply's Operations Budget.

RECOMMENDATION: It is recommended that the Board approve the contingency amount of \$22,109.44 for a total contract amount of \$105,000.00 for MAINTENANCE BID NO. 2018-05, REPAIR & MAINTENANCE OF EMERGENCY BACK-UP GENERATOR SETS, DEPARTMENT OF WATER SUPPLY.

D. **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.

E. **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.

F. **POWER COST CHARGE:**

The Department proposes to increase the Power Cost Charge from \$1.88 to **\$1.94** per thousand gallons, to reflect an increase as a result of Hawai'i Electric Light Company, Inc. (HELCO), billings. A Public Hearing will have been held prior to this Board meeting to accept public testimony on this change.

RECOMMENDATION: It is recommended that the Board approve the increase of the Power Cost Charge from \$1.88 to **\$1.94**, effective August 1, 2018.

G. MANAGER-CHIEF ENGINEER’S REPORT:

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

1. North Kona Wells
2. Hawaiian Ocean View Well
3. East Rift Zone Update
4. Employee of the Quarter

H. CHAIRPERSON’S REPORT:

1. Chairperson to report on matters of interest to the Board.
2. Site visit for August - per discussion at the May meeting, a site visit to Waimea Treatment Plant would be a good experience for existing as well as new Board members to see another larger scale project of the Department. As public attendance of the visit to Waimea Water Treatment Plant in August would be dangerous or impracticable due to its status as an active construction site, it is recommended that the Board approve a limited meeting for a site visit for the August meeting pursuant to Hawai‘i Revised Statutes § 92-3.1(a)(1).
3. Update on Board members’ attendance at American Water Works Association National Conference June 11 to 14, 2018

8) **ANNOUNCEMENTS:**

1. **Next Regular Meeting:**

The next meeting of the Water Board will be August 28, 2018, 10:00 a.m. at the West Hawai‘i Civic Center, **Liquor Control Conference Room (Building B)**; 74-5044 Ane Keohokalole Highway, Kailua-Kona, Hawai‘i.

2. **Following Meeting:**

The following meeting of the Water Board will be September 25, 2018, 10:00 a.m., at the Department of Water Supply, Hilo Operations Center Conference Room; 889 Leilani Street, Hilo, Hawai‘i.

9) **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.