

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

**MEETING DATE:** October 22, 2019

**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 September 24, 2019, Public Hearing on the Power Cost Charge and the September 24, 2019, Minutes of the Regular Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)  
**(Note: Roll Call Required)**

5) **EXECUTIVE SESSION REGARDING OPEN LITIGATION:**

The Board anticipates convening an executive meeting for the purposes of discussing the legal rights, duties and liabilities of the Board concerning open litigation against the Board, as authorized by Hawai‘i County Charter Section 74.6 and Hawai‘i Revised Statutes (“HRS”), Section 92-4 and 92-5(a)(4). The Board wishes to have its attorney present, in order to consult with the board’s attorney on its questions and issues pertaining to the board’s powers, duties, privileges, immunities, and liabilities pursuant to HRS Section 92-5(a)(4). A two-thirds vote of the members present, pursuant to HRS Section 92-4, is necessary to hold an executive meeting, provided that the affirmative vote constitutes a majority of the board.

6) **PUNA:**

A. **2018 KILAUEA LOWER EAST RIFT ZONE ERUPTION:**

Staff will provide the Water Board with an update on the Department’s efforts as related to the eruption event last year. For discussion purposes, no action at this time.

7) **SOUTH HILO:**

A. **FEASIBILITY STUDY FOR A SECOND SOURCE FOR THE UPPER KAŪMANA WATER SYSTEM:**

The Department is requesting to perform a feasibility study for a second source for the upper Kaūmana portion of the South Hilo water system. This area of the water system is currently serviced by the Saddle Road Well located on Tax Map Key (3) 2-5-041:047. Should the well fail, the Department would need to submit a request to the Department of Health (DOH) to

utilize for emergency purposes, the ‘Ōla‘a Flume Spring Source that is deemed under the direct influence of surface water and currently not approved for use.

The feasibility study will evaluate options including, but not limited to, the installation of a treatment plant and appurtenant facilities to have the ‘Ōla‘a Flume Spring source meet the requirements of DOH and the estimated operating cost; and the drilling, testing and outfitting of a new well and appurtenant facilities. The feasibility study is intended to inform the Department of requirements to provide an approved back-up source.

The estimate for the study is \$100,000.00.

**RECOMMENDATION:** It is recommended that the Water Board approve the Department to conduct a FEASIBILITY STUDY FOR A SECOND SOURCE FOR THE UPPER KAŪMANA WATER SYSTEM and enter into a professional services agreement, subject to the approval of Corporation Counsel as to form and legality, and that either the Chairperson or the Vice-Chairperson be authorized to sign the documents.

**B. VEHICLE BID NO. 2019-09, FURNISHING AND DELIVERING VEHICLES TO THE DEPARTMENT OF WATER SUPPLY:**

Bids were opened on October 10, 2019, at 2:00 p.m. and following are the bid results:

	<b>Inter Pacific Motors, Inc., dba Orchid Isle Auto Center</b>	<b>IK Motors Inc. dba Kamaaina Motors</b>	<b>Big Island Motors, Inc., dba Hilo Kona Mazda Subaru</b>	<b>Kamaaina Nissan, Inc.</b>
<b>Part “A” - ONE (1) ONLY ½-TON COMPACT EXTENDED CAB PICK-UP, 4-WHEEL DRIVE, W/LIFT GATE</b>				
Total Delivery Price:	\$42,601.00	No Bid	No Bid	\$38,519.88
Delivery Time (Calendar Days)	210			180
<b>Part “B” - ONE (1) ONLY FULL-SIZE PICKUP, SERVICE BODY, 4-WHEEL DRIVE, W/LIFT GATE</b>				
Total Delivery Price:	\$57,965.00	No Bid	No Bid	No Bid
Delivery Time (Calendar Days)	310			
<b>Part “C” - ONE (1) ONLY FULL-SIZE PICK-UP W/SERVICE BODY, 4-WHEEL DRIVE</b>				
Total Delivery Price:	\$52,743.00	No Bid	No Bid	No Bid
Delivery Time (Calendar Days)	310			
<b>Part “D” ONE (1) ONLY 1-TON CREW CAB WITH SERVICE BODY, 4-WHEEL DRIVE, W/LIFT GATE</b>				
Total Delivery Price:	\$64,051.00	No Bid	No Bid	No Bid
Delivery Time (Calendar Days)	310			

Part "E" - ONE (1) ONLY FULL-SIZE PICK-UP WITH EXTENDED CAB, SERVICE BODY, 4-WHEEL DRIVE, LIFT				
Total Delivery Price:	\$59,873.00	No Bid	No Bid	No Bid
Delivery Time (Calendar Days)	310			
Part "F" - ONE (1) ONLY MID-SIZE REGULAR CAB PICK-UP, 4-WHEEL DRIVE				
Total Delivery Price:	\$32,561.00	\$29,066.37	No Bid	No Bid
Delivery Time (Calendar Days)	180	180		
Part "G" - TWO (2) ONLY 4-DOOR, ALL WHEEL DRIVE/4WD COMPACT CROSS-OVER WAGON OR SUV				
Total Delivery Price:	\$58,530.00	No Bid	\$53,803.46	\$57,626.61
Delivery Time (Calendar Days)	180		90	120
Part "H" - ONE (1) ONLY CREW CAB, 4-WHEEL DRIVE COMPACT PICKUP TRUCK				
Total Delivery Price:	\$36,878.00	\$33,229.50	No Bid	No Bid
Delivery Time (Calendar Days)	180	180		

**RECOMMENDATION:** It is recommended that the Board award VEHICLE BID NO. 2019-09, FURNISHING AND DELIVERING VEHICLES TO THE DEPARTMENT OF WATER SUPPLY, to:

- Inter Pacific Motors, Inc., dba Orchid Isle Auto Center, for **Parts B, C, D and E** at a total cost of \$234,632.00;
- Kamaaina Motors, for **Parts F and H** at a total cost of \$62,295.87;
- Hilo Kona Mazda Subaru, for **Part G** at a total cost of \$53,803.46;
- Kamaaina Nissan, Inc., for **Part A** at a total cost of \$38,519.88;

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

**C. JOB NO. 2018-1099, PANA'EWA WELLS B & C REPAIR – REQUEST FOR TIME EXTENSION:**

The contractor, Beylik Drilling & Pump Service, Inc., is requesting a contract time extension of 92 calendar days. The manufacturer has encountered challenges with furnishing pumps that meet the requirements of the contract specifications. The manufacturer is still working on implementing modifications to improve the pump efficiency to satisfy the contract requirements. These delays were beyond the control of the contractor. *Note: There are no additional costs associated with this time extension.*

1<sup>st</sup> time extension – 92 calendar days

**RECOMMENDATION:** It is recommended that the Board approve a contract time extension of 92 calendar days to Beylik Drilling & Pump Service, Inc., for JOB NO. 2018-1099, PANA'EWA WELLS B & C REPAIR. If approved, the contract completion date will be revised from November 15, 2019, to February 15, 2020.

8) HĀMĀKUA:

A. **JOB NO. 2018-1097, HONOKA‘A BOOSTERS A & B REPAIR – REQUEST FOR TIME EXTENSION:**

The contractor, Derrick’s Well Drilling & Pump Services, LLC, is requesting a contract time extension of 284 calendar days. The scope of work requires booster replacement to be performed in series, thus field measurement of the second suction cannot be done until repair of the first booster is complete. The manufacturer has committed to a ship date of December 13, 2019, for the first booster. Production of the second booster is projected to start in January 2020 with an estimated ship date in July 2020. This delay was beyond the control of the contractor.

Staff reviewed the request for the contract time extension and the accompanying supporting documentation and found that only 224 calendar days of the requested time can be considered justified. *Note: There are no additional costs associated with this time extension.*

1<sup>st</sup> time extension – 224 calendar days.

**RECOMMENDATION:** It is recommended that the Board approve a contract time extension of 224 calendar days to Derrick’s Well Drilling & Pump Services, LLC, for JOB NO. 2018-1097, HONOKA‘A BOOSTERS A & B REPAIR. If approved, the contract completion date will be revised from October 25, 2019, to June 5, 2020.

9) SOUTH KOHALA:

A. **JOB NO. 2019-1108, WAIMEA DEEPWELL REPAIR – CONTRACT TIME EXTENSION:**

The contractor, Beylik Drilling & Pump Service, Inc., is requesting a contract time extension of 108 calendar days. After a significant lead time, the manufacturer fabricated and delivered valves with incorrect threading. The continuous challenges and ultimate failure of the current manufacturer to deliver the correct materials has damaged the confidence of the contractor and the Department that the manufacturer is capable to furnish check valves to the satisfaction of the contract specifications, thus, requiring the contractor to seek an alternate manufacturer. The contractor needs the requested time to furnish check valves from this alternate manufacturer. These delays were beyond the control of the contractor. *Note: There are no additional costs associated with this time extension.*

Staff reviewed the request for the contract time extension and the accompanying supporting documentation and found that only 84 calendar days of the requested time can be considered justified.

1<sup>st</sup> time extension – 45 calendar days (Due to change in valve material)

2<sup>nd</sup> time extension – 84 calendar days

**RECOMMENDATION:** It is recommended that the Board approve a contract time extension of 84 calendar days to Beylik Drilling & Pump Service, Inc., for JOB NO. 2019-1108, WAIMEA DEEPWELL REPAIR. If approved, the contract completion date will be revised from October 15, 2019, to January 7, 2020.

**B. JOB NO. 2019-1122, LĀLĀMILO A DEEPWELL REPAIR:**

This project consists of furnishing all labor, materials, tools and equipment necessary to refurbish existing pump and motor, reuse column assembly, replace lineshafts and bearings; perform electrical work; borehole alignment survey; chlorinate the well and pumping assembly; and complete an efficiency test; in accordance with the specifications.

Bids for this project were opened on October 10, 2019, at 1:30 p.m., and the following are the bid results:

<b>Bidder</b>	<b>Bid Amount</b>
Derrick's Well Drilling & Pump Services, LLC	\$375,000.00

Project Costs:

1) Lowest Bidder (Derrick's Well Drilling & Pump Services, LLC)	\$375,000.00
2) Contingencies (10.0%)	<u>\$37,500.00</u>
<b>Total Cost:</b>	<b><u>\$412,500.00</u></b>

Funding for this project will be from DWS' CIP Budget under Deepwell Pump Replacement. The contractor will have 120 calendar days to complete this project. The Engineering estimate for this project was \$365,000.00.

Well History:

Lālāmilo A Deepwell:

Original Installation: September 1985

Repaired: August 1992 (replaced pump and entire lineshaft assembly, brush, bail, video)

Repaired: July 2015 (replaced pump and entire lineshaft assembly, brush, bail, video)

Mitigation Measures:

This project will implement the mitigation measures of conducting a borehole alignment survey.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2019-1122, LĀLĀMILO A DEEPWELL REPAIR, to the lowest responsible bidder, Derrick's Well Drilling & Pump Services, LLC, for their bid amount of \$375,000.00, plus \$37,500.00 for contingencies, for a total contract amount of \$412,500.00. 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.

**C. JOB NO. 2018-1089, LĀLĀMILO D DEEPWELL REPAIR – REQUEST FOR TIME EXTENSION:**

The contractor, Beylik Drilling & Pump Service, Inc., is requesting a contract time extension of 84 calendar days. After a significant lead time, the manufacturer fabricated and delivered valves with incorrect threading. The continuous challenges and ultimate failure of the current manufacturer to deliver the correct materials has damaged the confidence of the contractor and the Department that the manufacturer is capable to furnish check valves to the satisfaction of the contract specifications, thus, requiring the contractor to seek an alternate manufacturer. The contractor needs the requested time to furnish check valves from this alternate manufacturer.

These delays were beyond the control of the contractor. *Note: There are no additional costs associated with this time extension.*

- 1<sup>st</sup> time extension – 122 calendar days (Due to addition of 3 check valves)
- 2<sup>nd</sup> time extension – 31 calendar days (Due to change in valve material)
- 3<sup>rd</sup> time extension – 84 calendar days

**RECOMMENDATION:** It is recommended that the Board approve a contract time extension of 84 calendar days to Beylik Drilling & Pump Service, Inc., for JOB NO. 2018-1089, LĀLĀMILO D DEEPWELL REPAIR. If approved, the contract completion date will be revised from October 31, 2019, to January 23, 2020.

10) NORTH KOHALA:

A. **JOB NO. 2019-1113, HĀWĪ #2 BOOSTER B REPAIR:**

This project consists of furnishing all labor, materials, tools and equipment necessary to install one (1) Contractor furnished vertical turbine pump, discharge head, and all appurtenant materials; install Contractor and DWS supplied piping components; electrical work; chlorinate the suction can and pumping assembly; and complete an efficiency test; in accordance with the specifications.

Bids for this project were opened on October 10, 2019, at 2:30 p.m., and the following are the bid results:

<b>Bidder</b>	<b>Bid Amount</b>
Derrick’s Well Drilling & Pump Services, LLC	\$155,000.00

Project Costs:

1) Low Bidder (Derrick’s Well Drilling & Pump Services, LLC)	\$155,000.00
2) Contingencies (10.0%)	<u>\$15,500.00</u>
<b>Total Cost:</b>	<b><u>\$170,500.00</u></b>

Funding for this project will be from DWS’ CIP Budget under Deepwell Pump Replacement. The contractor will have 180 calendar days to complete this project. The Engineering estimate for this project was \$150,000.00.

Repair History:

Original Installation: February 1986

**RECOMMENDATION:** It is recommended that the Board award the contract for JOB NO. 2019-1113, HAWI #2 BOOSTER B REPAIR, to the lowest responsible bidder, Derrick’s Well Drilling & Pump Services, LLC, for their bid amount of \$155,000.00, plus \$15,500.00 for contingencies, for a total contract amount of \$170,500.00. 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.

11) NORTH KONA:

**A. JOB NO. 2017-1077, HUALĀLAI DEEPWELL REPAIR - REQUEST FOR ADDITIONAL FUNDS:**

The contractor, Beylik Drilling & Pump Service, Inc., is requesting a contract change order for additional work in association with the installation of the Hualālai Deepwell. The description of additional work and associated fees are as follows (see attached):

ITEM	DESCRIPTION	AMOUNT
1.	Additional True Root Mean Squared (TRMS) Current Transducers	\$12,510.00
2.	(5) 8" API 8 Round Couplings	\$1,124.00
3.	Additional cable reel, spooling, shipping and handling in association with dividing cable to a second spool	\$7,029.00
	TOTAL	\$20,663.00

Staff reviewed the request for additional funds and the accompanying supporting documentation and found that only **\$13,634.00** can be considered justified.

Original Contract Amount: \$696,080.00  
 Original Contingency Amount: \$69,520.00  
 1<sup>st</sup> Additional Contingency Request: \$204,708.07

(Power Cable, Centrilift Service Calls, Additional Installation & Extraction - Beylik, Splicing Work, Installation of Junction Box)

2<sup>nd</sup> Additional Contingency Request: \$13,634.00  
**Total Revised Contract Amount: \$983,942.07**

**RECOMMENDATION:** It is recommended that the Board approve an increase in contingency of \$13,634.00 to Beylik Drilling & Pump Service, Inc., for JOB NO. 2017-1077, HUALĀLAI DEEPWELL REPAIR. If approved, the total revised contract amount shall be \$983,942.07.

**B. JOB NO. 2018-1098, PALANI DEEPWELL A REPAIR – REQUEST FOR TIME EXTENSION:**

The contractor, Derrick’s Well Drilling & Pump Services, LLC, is requesting a contract time extension of 40 calendar days. The delivery of the pump and motor equipment is being delayed due to the installation of an incorrect length motor lead extension (MLE) and failure to furnish a motor shroud by the motor manufacturer. These delays were beyond the control of the contractor. *Note: There are no additional costs associated with this time extension.*

1<sup>st</sup> time extension – 60 calendar days (due to failure of motor manufacturer’s lamination machine)  
 2<sup>nd</sup> time extension – 40 calendar days

**RECOMMENDATION:** It is recommended that the Board approve a contract time extension of 40 calendar days to Derrick’s Well Drilling & Pump Services, LLC, for JOB NO. 2018-1098, PALANI DEEPWELL A REPAIR. If approved, the contract completion date will be revised from October 22, 2019, to December 1, 2019.

12) MISCELLANEOUS:

A. DEDICATIONS:

We 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. **Declaration of Extinguishment of Easement**

**Declarant: Water Board of the County of Hawai'i**

**Owner: Hawai'i Island Community Development Corporation**

Tax Map Key: (3) 2-8-026: Portions of: 001, 002 and 004

Pepe'ekeo, South Hilo, Island of Hawai'i, Hawai'i

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 document.

B. HAWAI'I WATER AGENCY RESPONSE NETWORK (HIWARN) MUTUAL AID AND ASSISTANCE AGREEMENT:

The Department is participating with the other municipal water utilities in the State of Hawai'i in the Hawai'i Water Agency Response Network (HIWARN). This Agreement sets forth the procedures and standards for the administration of mutual aid and assistance in the event of an emergency where resources from other utilities are needed.

RECOMMENDATION: It is recommended that the Water Board approve the Hawai'i Water Agency Response Network (HIWARN) Mutual Aid and Assistance Agreement, subject to the approval of the Corporation Counsel and that either the Chairperson or the Vice-Chairperson be authorized to sign the document.

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. JOB NO. 2018-1093, REQUEST FOR PROPOSALS TO PROVIDE A SOLAR PHOTOVOLTAIC ENERGY GENERATION SYSTEM AT FIVE (5) DEPARTMENT OF WATER SUPPLY LOCATIONS:

On April 23, 2019, Greenpath Technologies, Inc. (GTI) was awarded this project based on its Best and Final Offer to design, construct, own, operate and maintain a solar photovoltaic (PV) energy generation system and coat all associated roofs at five (5) separate Department of Water Supply (DWS) offices/baseyards.

Two contracts are prepared under this Job No. 2018-1093:

1. A Power Purchase Agreement between DWS and GTI has been prepared that consist of GTI designing, constructing, owning, operating and maintaining a PV energy generation system at five (5) separate Department of Water Supply (DWS) offices/baseyards, at no cost to DWS. DWS will purchase the generated electricity from GTI at a fixed rate of \$0.18 per kilowatt-hour over a 20-year commercial operation period.



Cost:

- |  |                          |
|--|--------------------------|
| 1) HELCO Allowance: Meter upgrades at Waiakea Office Plaza<br>(not to exceed amount)   | <u><b>\$8,000.00</b></u> |
| 2. A Construction Contract with GTI has been prepared that will consist of furnishing all labor, materials, tools and equipment necessary to install a roof coating on the six (6) roofs that support a photovoltaic system, with 20-year warranty, and replace six (6) existing skylights at the Kona Baseyard. |                          |

Cost:

- |   |                            |
|---|----------------------------|
| 1) Roof Coatings and Skylight Replacement | \$538,363.00               |
| 2) Contingencies (~10%)                   | <u>\$53,637.00</u>         |
| <b>Total Cost:</b>                        | <u><b>\$592,000.00</b></u> |

Funding for the meter upgrade allowance and construction contract will be from DWS' Energy CIP. GTI will have 520 calendar days to complete the construction contract and to begin PV system commercial operation at all sites.

RECOMMENDATION: It is recommended that the Board approve the contracts for JOB NO. 2018-1093, REQUEST FOR PROPOSALS TO PROVIDE A SOLAR PHOTOVOLTAIC ENERGY GENERATION SYSTEM AT FIVE (5) DEPARTMENT OF WATER SUPPLY LOCATIONS, for the proposed Power Purchase Agreement amount of \$0.18 per kilowatt-hour and \$8,000.00, and for the proposed Construction Contract amount of \$538,363.00 plus \$53,637.00 for contingencies, for a total amount of \$592,000.00. It is further recommended that either the Chairperson or the Vice-Chairperson be authorized to sign the contracts, subject to review as to form and legality by Corporation Counsel.

**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. MANAGER-CHIEF ENGINEER'S REPORT:**

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

1. North Kona Wells
2. 2020 Water Board Schedule

**G. EXECUTIVE SESSION: MANAGER-CHIEF ENGINEER'S EVALUATION FOR CALENDAR YEAR 2019:**

The Board anticipates convening an executive meeting to consider the evaluations of the Manager for its annual performance review, as authorized by Hawai'i County Charter Section 7-4.6(d) and Hawai'i Revised Statutes ("HRS"), Sections 92-4 and 92-5(a)(2). The Board wishes to have its attorney present, in order to consult with the board's attorney on its questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities pursuant to HRS Section 92-5(a)(4). A two-thirds vote of the members present, pursuant to HRS Section 92-4, is necessary to hold an executive meeting, provided that the affirmative vote constitutes a majority of the board.

H. **MANAGER-CHIEF ENGINEER'S EVALUATION FOR CALENDAR YEAR 2019:**

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

I. **CHAIRPERSON'S REPORT:**

1. Chairperson to report on matters of interest to the Board.

13) **ANNOUNCEMENTS:**

1. **Next Regular Meeting:**

The next meeting of the Water Board will be November 26, 2019, 10:00 a.m. at the West Hawai'i Civic Center, Community Meeting Hale, Building G, 74-5044 Ane Keohokalole Highway, Kailua-Kona, Hawai'i.

2. **Following Meeting:**

The following meeting of the Water Board will be December 17, 2019, 10:00 a.m., at the Department of Water Supply, Hilo Operations Center Conference Room; 889 Leilani Street, Hilo, Hawai'i.

14) **ADJOURNMENT**

**Anyone requiring an accommodation or auxiliary aid and/or services to participate in this meeting (i.e. sign language, interpreter, large print), please contact the Board 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.