

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

**MEETING DATE:** December 17, 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 November 26, 2019, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)  
**(Note: Roll Call Required)**
- 5) POWER COST CHARGE:

Departmental power costs from all power sources decreased since the last Power Cost Charge rate was determined. The Department proposes to decrease the Power Cost Charge from \$2.00 to \$1.90 per thousand gallons as a result of this decrease. Power cost charges over the past two years were as follows:

<u>Effective</u>	<u>PCC</u>
October 1, 2019	\$2.00
June 1, 2019	\$1.96
February 1, 2019	\$1.89
August 1, 2018	\$1.94
April 1, 2018	\$1.88
December 1, 2017	\$1.62

Before the Power Cost Charge is changed, a Public Hearing should be scheduled to accept public testimony.

RECOMMENDATION: It is recommended that the Board approve holding a Public Hearing on January 28, 2020, at 9:45 a.m., to receive testimony on decreasing the Power Cost Charge from \$2.00 to \$1.90 effective February 1, 2020.

- 6) **PRESENTATION BY BROWN AND CALDWELL ON JOB NO. 2017-1061,  
POWER SYSTEM STUDIES:**

Brown and Caldwell will be doing a presentation of their findings to date for North Kona high level water deepwells. The outcome of these findings should not be used as a single solution for all of our existing and/or future wells. There are well-specific issues that are unique based on a number of factors. The general recommendations are also dependent on each site and existing conditions and should always be revisited as additional information becomes available.

7) SOUTH HILO:

A. **JOB NO. 2019-1115, PANA‘EWA WELL A REPAIR – REQUEST FOR ADDITIONAL FUNDS:**

The contractor, Derrick’s Well Drilling & Pump Services, LLC, is requesting a contract change order for additional work in association with the installation of the Pana‘ewa Well A for the amount of \$12,174.81. The description of additional work and associated fees are attached.

Original Contract Amount: \$ 98,000.00  
Original Contingency Amount: \$9,800.00  
1<sup>st</sup> Additional Contingency Request: \$8,003.05

1<sup>st</sup> Change Order: \$250.64  
2<sup>nd</sup> Change Order: \$5,377.60

**Total Revised Contract Amount: \$115,803.05**

RECOMMENDATION: It is recommended that the Board approve an increase in contingency of \$8,003.05 to Derrick’s Well Drilling & Pump Services, LLC, for JOB NO. 2019-1115, PANA‘EWA WELL A REPAIR. If approved, the total revised contract amount shall be \$115,803.05.

B. **JOB NO. 2012-983, KAI‘E‘IE MAUKA FACILITY IMPROVEMENTS – REQUEST FOR TIME EXTENSION:**

The contractor, Isemoto Contracting Co., Ltd., is requesting a contract time extension of 56 calendar days. This time extension request will allow the contractor to complete the project after experiencing a delay in the issuance of a building permit for this project. The delay was beyond the control of the contractor.

Staff reviewed the request for a contract time extension and finds the 56 calendar days justified.  
*Note: There are no additional costs associated with this time extension.*

1<sup>st</sup> time extension – 56 calendar days

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 56 calendar days to Isemoto Contracting Co., Ltd., for JOB NO. 2012-983, KA‘IE‘IE MAUKA FACILITY IMPROVEMENTS. If approved, the contract completion date will be extended from December 13, 2019, to February 7, 2020.

8) SOUTH KOHALA:

A. **JOB NO. 2018-1085, PARKER #1 DEEPWELL REPAIR – REQUEST FOR TIME EXTENSION:**

The contractor, Beylik Drilling & Pump Service, Inc., is requesting a contract time extension of 91 calendar days. The contractor encountered fit-up issues with the spare pump and motor equipment furnished by the Department of Water Supply (DWS), which are currently being addressed by the supplying vendor. These delays were beyond the control of the contractor.

Staff reviewed the request for a contract time extension and found that only 62 calendar days of the requested time can be considered justified. *Note: There are no additional cost associated with this time extension.*

1<sup>st</sup> time extension – 61 calendar days (Due to replacement check valves)

2<sup>nd</sup> time extension – 92 calendar days (Due to replacement discharge case)

3<sup>rd</sup> time extension – 62 calendar days

**RECOMMENDATION:** It is recommended that the Board approve a contract time extension of 62 calendar days to Beylik Drilling & Pump Service, Inc., for JOB NO. 2018-1085, PARKER #1 DEEPWELL REPAIR. If approved, the contract completion date will be revised from November 30, 2019, to January 31, 2020.

**B. JOB NO. 2011-970, WAIKOLOA RESERVOIR NO. 1 EARTHQUAKE REPAIRS – CONTRACT TIME EXTENSION:**

The contractor, Henry's Equipment Rental & Sales, Inc., is requesting a contract time extension of 344 calendar days to compensate for the unworkable days caused by the DWS request to suspend construction activities in July 2019.

The DWS issued the July 2019 work suspension because it was necessary to modify some of the Reservoir repair and improvements design details due to the discovery of unforeseen conditions of the existing reservoir (structure, concrete panel lining, north and northeast facing exterior embankments and rain runoff accumulation at the west side of the reservoir).

The DWS recommends a 30-calendar day extension to the January 5, 2020, contract completion date.

The 30 calendar days will allow time for the State of Hawai'i, Department of Land and Natural Resources (DLNR), Dam Safety Program, to complete its review and approval of the design modifications of the reservoir repairs and improvements; for the DWS to analyze construction cost estimates associated with the design modifications; and for the DWS to review a revised construction schedule to accurately reflect the time necessary to complete the modified scope of work.

As the reviews and approvals progress, the DWS will be better able to determine a reasonable contract time extension and a cost estimate to complete the modified project scope of work.

Staff reviewed the request for the contract time extension and found that an extension of 30 calendar days is justified. *Note: There are no additional costs associated with this time extension.*

1<sup>st</sup> time extension - 30 calendar days.

**RECOMMENDATION:** It is recommended that the Board approve a contract time extension of 30 calendar days to Henry's Equipment Rental & Sales, Inc., for JOB NO. 2011-970, WAIKOLOA RESERVOIR NO. 1 EARTHQUAKE REPAIRS. If approved, the contract completion date will be revised from January 5, 2020, to February 4, 2020.

9) NORTH KONA:

**A. 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 10 calendar days. Logistical issues associated with the vendor furnishing and delivering the shroud delayed the delivery of the shroud. 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 (due to incorrect motor lead length and shroud)

3<sup>rd</sup> time extension – 10 calendar days

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 10 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 December 1, 2019, to December 11, 2019.

**B. JOB NO. 2016-1043, WAI’AHA WATER SYSTEM IMPROVEMENTS - TRANSMISSION – REQUEST FOR TIME EXTENSION:**

This time extension is to allow contractor to complete the waterline work on the three stream crossings. The designs of the crossings were revised to address Department of Public Works concerns and to eliminate impacting the profile of flood waters at the crossings. These concerns and redesigns occurred after the job was bid out. The contractor could not construct the stream crossings while doing other critical path work, hence the stream crossings are now the critical path items. The contractor will need more time to complete the work and is requesting for 210 calendar days to complete the redesigned stream crossings.

Staff has reviewed the request and finds that the time extension request is justified to complete the work required for the project. *Note: There are no additional costs associated with this time extension.*

1<sup>st</sup> time extension – 210 calendar days

RECOMMENDATION: It is recommended that the Board grant this extension of contract time, of two hundred ten (210) calendar days, to Isemoto Contracting Co., Ltd., for JOB NO. 2016-1043, WAI’AHA WATER SYSTEM IMPROVEMENTS – TRANSMISSION. If approved, the contract completion date will be revised from November 1, 2019, to May 28, 2020.

**C. JOB NO. 2017-1063, SOURCE WATER ASSESSMENT – NORTH KONA MID-LEVEL MONITORING WELL:**

The contractor, Derrick’s Well Drilling & Pump Services, LLC, is requesting a contract time extension of 365 calendar days. The contractor experienced delays caused by the Department unable to obtain a Conservation District Use Application permit prior to securing the Well Construction Permit. During this period to obtain the permit, the project was put on hold and no activity occurred.

The Office of Conservation and Coastal Lands (OCCL) determined that, before granting a Conservation District Use Application (CDUA) for the proposed monitoring well, the unpermitted status of the project parcel’s subdivision of Tax Map Key No. 7-3-009:027 from its original Tax Map Key No. 7-3-009:017, must be addressed first. This permit as well as the Site Plan has been approved as of December 2, 2019 and the contractor may now begin work at the site.

These delays were beyond the control of the contractor.

Staff reviewed the request for contract time extension and the accompanying supporting documentation and found that only 305 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 – 305 calendar days

**RECOMMENDATION:** It is recommended that the Board approve a contract time extension of 305 calendar days to Derrick’s Well Drilling & Pump Services, LLC, for JOB NO. 2017-1063, SOURCE WATER ASSESSMENT – NORTH KONA MID-LEVEL MONITORING WELL. If approved, the contract completion date will be revised from October 27, 2019, to August 27, 2020.

**D. ASSIGNMENT OF WATER UNITS – WELL DEVELOPMENT AGREEMENT – LANIHAU PROPERTIES, LLC, WEST HAWAI’I BUSINESS PARK, LLC, AND PALANI RANCH COMPANY, INC.**

The Developer of the subject agreement is assigning four (4) Water Units from their allotment to Tax Map Key (3) 7-4-008:057, subject to the approval of the Water Board. DWS staff has reviewed the assignment of units and finds that it is consistent with the intent of the First Supplemental Well Development Agreement (Section 4.d. – Assignment of Equivalent Units), which is to another property of the Owner, that is in the process of being sold.

**RECOMMENDATION:** It is recommended that the Water Board approve the assignment of four (4) Water Units from the WELL DEVELOPMENT AGREEMENT and the FIRST SUPPLEMENTAL WELL DEVELOPMENT AGREEMENT (Palani Well) from the receiving parcel, Tax Map Key (3) 7-4-008:005 to Tax Map Key (3) 7-4-008:057.

10) MISCELLANEOUS:

A. **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.

B. **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.

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

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

1. Kapulena Well – Department of Health press release
2. North Kona Wells
3. Retirees of the Department

D. **CHAIRPERSON'S REPORT:**

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

11) ANNOUNCEMENTS:

1. **Next Regular Meeting:** - January 28, 2020, 10:00 a.m.; Department of Water Supply, Hilo Operations Center Conference Room, 889 Leilani Street, Hilo, Hawai'i.
2. **Following Meeting:** - February 25, 2020, 10:00 a.m.; Department of Water Supply, Hilo Operations Center Conference Room, 889 Leilani Street, Hilo, Hawai'i.

12) 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.