

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

DATE: September 22, 2020

TIME: 10:00 a.m.

PLACE: Via web conferencing. Host location: 345 Kekūanaō‘a Street, #20, Hilo, Hawai‘i. The public may view the meeting via live stream at <https://www.facebook.com/HawaiiDWS>

Written Testimony: Anyone wishing to provide testimony on an agenda item may also do so by email to dws@hawaiiidws.org, facsimile to (808) 961-8657, or by mail to the Department of Water Supply at 345 Kekūanaō‘a Street, Hilo, HI 96720. Written testimony should be submitted no later than 12 noon, Monday, September 21, 2020, to be acknowledged at the board meeting. All written testimony, regardless of time of receipt, will be part of the permanent record.

Oral Testimony: Those that want to provide oral testimony during the meeting must email dws@hawaiiidws.org no later than 12 noon, Monday, September 21, 2020, with your name, phone number, email address, and the agenda item you wish to testify on. You may be asked to register and your testimony will be included via the web conference application.

- 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 25, 2020, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
- 5) **WATER RATE STUDY:**

The consulting firm of Harris & Associates was contracted to determine water rates for the Department for the 5-year period Fiscal Year 2021 to Fiscal Year 2025. The Water Board determined that due to uncertainties of the financial impacts of COVID 19, only rates covering a 1-year period beginning January 1, 2021, would be determined at this time. Changes to rates after this 1-year period would be made after conducting an analysis of the economy and financial condition of the Department and an updated rate study.

At its August 25, 2020, Board meeting, the Water Board approved a 13% water rate increase to be effective January 1, 2021, for a period of one (1) year. The water rate schedule associated with this increase has been circulated for the Water Board’s review. Also included is an increase to the Department’s Facilities Charge, which are the rates assessed to recoup the capital costs of water systems from new connections. These charges were last updated in 2003.

Before water rates are changed, the Water Board is required to conduct a public hearing.

RECOMMENDATION: It is recommended that the Board conduct a public hearing via Web Conferencing, on October 21, 2020, at 6:00 p.m. Hawai‘i Standard Time to accept testimony on the Board’s proposed rate increases.

6) SOUTH HILO:

A. **JOB NO. 2020-1146, HILO OPERATIONS BASEYARD EMERGENCY GENERATOR REPLACEMENT:**

This project generally consists of furnishing all labor, materials, tools and equipment necessary for constructing Hilo Operations Baseyard Emergency Generator Replacement, including demolition work, generator shelter, civil site work, access gates, mechanical work, electrical work and structural work, in accordance with the plans and specifications, ready for operation.

Bids for this project were opened on September 10, 2020, at 1:30 p.m., and the following are the bid results:

Bidder	Bid Amount
Close Construction, Inc.	Non-Responsive
Isemoto Contracting Co., Inc.	\$1,384,052.00
Site Engineering, Inc.	\$1,399,246.00
Jas. W. Glover, Ltd.	\$1,450,200.00

Project Costs:

1) Low Bidder (Isemoto Contracting Co., Inc.)	\$1,384,052.00
2) Contingencies (~10.0%)	<u>\$ 138,348.00</u>
Total Cost:	<u>\$1,522,400.00</u>

Funding for this project will be from DWS' CIP Budget. The contractor will have 270 calendar days to complete this project. The Engineering estimate for this project was \$950,000.00.

Baseyard History:

Hilo Operations Emergency Generator:
Original Installation: 1986

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2020-1146, HILO OPERATIONS BASEYARD EMERGENCY GENERATOR REPLACEMENT, to the lowest responsible bidder, Isemoto Contracting Co., Inc., for their bid amount of \$1,384,052.00, plus \$138,348.00 for contingencies, for a total contract amount of \$1,522,400.00. 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.

7) SOUTH KOHALA:

A. **JOB NO. 2019-1122, LĀLĀMILO A DEEPWELL REPAIR – REQUEST FOR TIME EXTENSION:**

The contractor, Derrick's Well Drilling & Pump Services, LLC, is requesting a contract time extension of 14 calendar days due to incomplete equipment furnished by the manufacturer. These delays were beyond the control of the contractor.

Staff reviewed the request for the contract time extension and the accompanying supporting documentation and found that the 14 calendar days are justified.

1st time extension – 30 calendar days (due to Gicon pump not able to be refurbished) *approved at the 4/28/2020 Water Board Meeting*

2nd time extension – 77 calendar days (due to manufacturing lead time of new Simflo pump) *approved at the 5/26/2020 Water Board Meeting*

3rd time extension – 21 calendar days (due to COVID-19) *approved at the 8/25/2020 Water Board Meeting*

4th time extension - 14 calendar days

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 14 calendar days to Derrick’s Well Drilling & Pump Services, LLC, for JOB NO. 2019-1122, LĀLĀMILO A DEEPWELL REPAIR. If approved, the contract completion date will be revised from September 5, 2020, to September 19, 2020.

B. JOB NO. 2020-1145, WAIMEA WATER TREATMENT PLANT SLUDGE REMOVAL:

This project generally consists of furnishing all labor, materials, tools and equipment necessary to remove and dispose of settled sludge from the Waimea Water Treatment Plant’s holding facilities for a contract period ending June 30, 2021. The estimated amount of sludge to be removed is 1.2 million gallons (MG).

Bids for this project were opened on September 10, 2020, at 2:00 p.m., and the following are the bid results:

Bidder	Bid Amount
2B Environmental, Inc., dba Bob’s Sweetwater Pumping Service	\$374,400.00
Drainpipe Plumbing & Solar, LLC	\$640,000.00

Project Costs:

1) Low Bidder (2B Environmental, Inc., dba Bob’s Sweetwater Pumping Service)	<u>\$374,400.00</u>
Total Cost:	<u>\$374,400.00</u>

Funding for this project will be from DWS’ Operations Budget under Contractual Services. The contractor will have from the date of Notice to Proceed to June 30, 2021, to complete this project on an “As-Needed” basis. The Engineering estimate for this project was \$250,000.00.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2020-1145, WAIMEA WATER TREATMENT PLANT SLUDGE REMOVAL, to the lowest responsible bidder, 2B Environmental, Inc., dba Bob’s Sweetwater Pumping Service, for their bid amount of \$374,400.00, for a total contract amount of \$374,400.00. 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.

8) NORTH KONA:

A. JOB NO. 2017-1063, SOURCE WATER ASSESSMENT - NORTH KONA - REQUEST FOR TIME EXTENSION:

The contractor, Derrick's Well Drilling & Pump Services, LLC, is requesting a contract time extension of 60 calendar days due to the Department's other emergency projects, unforeseen delays due to the COVID-19 Pandemic, as well as unforeseen conditions of the well which are currently being addressed by the Department's consultant. This well is intended to be a monitoring well and, thus, is being constructed in a manner that will allow the Department to collect and monitor groundwater data in the basal lens. These delays were beyond the control of the contractor.

Staff reviewed the request for the contract time extension and the accompanying supporting documentation and found that the 60 calendar days are justified.

Note: There are no additional costs associated with this time extension.

1st time extension – 335 calendar days (due to the requirement of a Conservation District Use Application prior to securing Well Construction Permit) *approved at the 12/17/2019 Water Board Meeting*

2nd time extension – 60 calendar days

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 60 calendar days to Derrick's Well Drilling & Pump Services, LLC, for JOB NO. 2017-1063, SOURCE WATER ASSESSMENT – NORTH KONA. If approved, the contract completion date will be revised from August 27, 2020, to October 26, 2020.

9) MISCELLANEOUS:

A. DEDICATION OF WATER SYSTEM:

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. Grant of Easement

Grantor: Waiaha Ridge, LLC

Subdivision No. 17-001767

Tax Map Key: (3) 7-5-017: 057, 058 and 061

Facilities Charge: \$27,500.00 Date Paid: 9/13/2019

Final Inspection Date: 8/5/2019

Water System Cost: \$20,000.00

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. PROPOSED MEMORANDUM OF UNDERSTANDING AND REVISION TO DEPARTMENT OF WATER SUPPLY RULES AND REGULATIONS RELATED TO DISCONTINUATION OF WATER SERVICE DUE TO DELINQUENCIES:

Hawai'i County Code Section 21-32(f) authorizes the DWS to terminate water services for customers who do not pay their sewer service charges. DWS, in conjunction with the Department of Environmental Management (DEM), has developed proposed rules for implementation of water shut off due to non-payment of sewer fees. The proposed changes to the DWS Rules and Regulations (attached) include Rule 1 Section 1-1 Definitions; Rule 2 Section 2-5 Rules of Practice; Rule 3 Section 3-11 Discontinuation of Water Service, and 3-12 Restoration of Water Service. Further, DWS and DEM have developed a Memorandum of Understanding (MOU) inclusive of compensation to DWS for personnel who assist DEM in implementing water shut off for non-payment of sewer fees.

RECOMMENDATION: It is recommended that the Board approve the MOU between DWS and DEM, and that either the Chairperson or the Vice-Chairperson be authorized to sign the MOU subject to review as to its form and legality by Corporation Counsel. It is further recommended that the Board approve the proposed changes to DWS Rules and Regulations as specified and proceed with a public hearing for rule change in accordance with the requirements of §91-3 Hawai'i Revised Statutes.

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 to provide an update on the following:

1. North Kona Wells
2. COVID-19 Update
3. 2020 Keiki Water Conservation Poster Contest

F. CHAIRPERSON'S REPORT:

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

10) ANNOUNCEMENTS:

1. Next Regular Meeting:

October 27, 2020, at 10:00 a.m. via Web Conferencing.

2. Following Meeting:

November 24, 2020, at 10:00 a.m. **via Web Conferencing** (originally scheduled to take place at West Hawai'i Civic Center; to be changed to web conferencing).

11) 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.

"The Department of Water Supply is an Equal Opportunity provider and employer."