

## MINUTES

### DEPARTMENT OF WATER SUPPLY COUNTY OF HAWAI'I WATER BOARD MEETING

November 24, 2020

Via WebEx/Host Location: Department of Water Supply, 345 Kekūanaō'a Street, Suite 20, Hilo, HI

MEMBERS PRESENT VIA WEBEX: Mr. William Boswell, Jr., Chairperson  
Mr. Eric Scicchitano, Vice-Chairperson  
Mr. David De Luz, Jr.  
Mr. Nestorio Domingo  
Ms. Judy Howard  
Mr. Zendo Kern  
Mr. Benjamin Ney  
Ms. Julie Hugo  
Mr. Keith K. Okamoto, Manager-Chief Engineer, Department of Water Supply (ex-officio member)

ABSENT: Mr. Kenneth Sugai, Water Board Member  
Director, Planning Department (ex-officio member)  
Director, Department of Public Works (ex-officio member)

OTHERS PRESENT VIA WEBEX: Ms. Diana Mellon-Lacey, Deputy Corporation Counsel  
Ms. Diane Noda, Deputy Director, Department of Environmental Management  
Ms. Charmaine Felipe, Department of Environmental Management

#### Department of Water Supply Staff

Mr. Kawika Uyehara, Deputy  
Mr. Richard Sumada, Waterworks Controller  
Ms. Candace Gray, Assistant Waterworks Controller  
Mr. Kurt Inaba, Engineering Division Head  
Ms. Judith Hayducsko, Chief of Operations  
Mr. Clyde Young, Operations Division  
Mr. Eric Takamoto, Operations Division  
Mr. Warren Ching, Energy Management Analyst

1) CALL TO ORDER – Chairperson Boswell called the meeting to order at 10:00 a.m. Roll call was taken for Board Members present. Mr. De Luz, Mr. Domingo, Ms. Howard, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell were in attendance.

#### 2) STATEMENTS FROM THE PUBLIC

Chairperson Boswell asked if there were any Statements from the Public. The Secretary replied there were none.

3) APPROVAL OF MINUTES

ACTION: Mr. Kern moved for approval of the Minutes of the October 21, 2020, Public Hearing on the Proposed Water Rates; seconded by Ms. Howard. There being no comments, Motion was carried by roll call vote: Ayes: 8 - Mr. De Luz, Mr. Domingo, Ms. Howard, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell; Absent: 1 – Mr. Sugai.

Deputy Uyehara made a point of order. There were issues with the Facebook live feed and asked to pause for five minutes to get the issue resolved.

MOTION TO RECESS

Mr. Kern moved to recess; seconded by Mr. Ney and carried by roll call vote: Ayes: 8 - Mr. De Luz, Mr. Domingo, Ms. Howard, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell; Absent: 1 – Mr. Sugai. (RECESS: 10:05 a.m. to 10:10 a.m.)

CALL BACK TO ORDER: Chairperson Boswell called the meeting back to order at 10:10 a.m. He picked up on Item 3, Approval of Minutes for the 10/27/20 Board Meeting and asked for a Motion to approve.

ACTION: Mr. Ney moved for approval of the Minutes of the October 27, 2020, Regular Board Meeting; seconded by Mr. Domingo. There being no comments, Motion was carried by roll call vote: Ayes - 8 (Mr. De Luz, Mr. Domingo, Ms. Howard, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell); Absent - 1 (Mr. Sugai).

4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA - none

ACTION TO MOVE AGENDA ITEM UP

The Manager-Chief Engineer asked if the Board could move up Miscellaneous, Item 9C, Revision to Department of Water Supply Rules and Regulations, as members from the Department of Environmental Management were in attendance.

Chairperson Boswell called for a Motion to move up Item 9C.

ACTION: Mr. Ney moved to advance Agenda Item 9C; seconded by Mr. Kern and carried by roll call vote: Ayes - 8 (Mr. De Luz, Mr. Domingo, Ms. Howard, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell); Absent - 1 (Mr. Sugai).

9) MISCELLANEOUS:

**C. 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 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.

A public hearing will have been held prior to this Board meeting to accept public testimony on the proposed changes.

The Manager-Chief Engineer recommended that the Water Board approve the proposed changes to the Rules and Regulations of the Department of Water Supply, County of Hawai‘i.

MOTION: Mr. Kern moved for approval of the recommendation; seconded by Mr. Scicchitano.

The Manager-Chief Engineer asked if anyone from the Department of Environmental Management wished to say anything.

Ms. Noda stated that at the previous Water Board meeting, they did answer a number of questions from the Water Board; and unless there were any other questions from the Board, she requested that this revision to the Department of Water Supply Rules and Regulations be made.

There being no questions, Chairperson Boswell asked for a roll call vote.

ACTION: Motion was carried by roll call vote: Ayes – 8 (Mr. De Luz, Mr. Domingo, Ms. Howard, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell); Absent - 1 (Mr. Sugai).

(Ms. Noda and Ms. Felipe left the meeting at 10:17 a.m.)

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 \$2.01 to \$1.71 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>
August 1, 2020	\$2.01
February 1, 2020	\$1.90
October 1, 2019	\$2.00
June 1, 2019	\$1.96
February 1, 2019	\$1.89
August 1, 2018	\$1.94

A public hearing will have been held prior to this Board meeting to accept public testimony on this change.

The Manager-Chief Engineer recommended that the Board approve the decrease of the Power Cost Charge from \$2.01 to \$1.71, effective December 1, 2020.

ACTION: Mr. Ney moved for approval of the recommendation; seconded by Mr. Domingo. There being no comments, Motion was carried by eight (8) ayes – Mr. De Luz, Mr. Domingo, Ms. Howard, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell; Absent: 1 – Mr. Sugai.

6) NORTH KOHALA:

A. JOB NO. 2019-1105, KA‘AUHUUHU #2 BOOSTERS A, B & C REPAIR:

This project generally consists of furnishing all labor, materials, tools and equipment necessary to replace three (3) existing booster pumps, motors and appurtenances in accordance with the specifications.

Bids for this project were opened on November 12, 2020, at 2:00 p.m., and the following are the bid results:

<b>Bidder</b>	<b>Bid Amount</b>
Beylik Drilling & Pump Service, Inc.	\$367,270.00
Water Resources International, Inc.	\$385,000.00

Project Costs:

1) Low Bidder (Beylik Drilling & Pump Service, Inc.)	\$367,270.00
2) Contingencies (10.0%)	<u>\$36,727.00</u>
<b>Total Cost:</b>	<b><u>\$403,997.00</u></b>

Funding for this project will be from DWS’ CIP Budget under Repair and Maintenance. The contractor will have 270 calendar days to complete this project. The Engineering estimate for this project was \$320,000.00.

KA‘AUHUUHU #2 BOOSTERS A, B & C REPAIR History:

Boosters A & B: Original Installation: May 1988

Booster C:

Original installation: May 1988

Repaired: November 1997

The Manager-Chief Engineer recommended that the Board award the contract for JOB NO. 2019-1105, KA‘AUHUUHU #2 BOOSTERS A, B & C REPAIR, to the lowest responsible bidder, Beylik Drilling & Pump Service, Inc., for their bid amount of \$367,270.00, plus \$36,727.00 for contingencies, for a total contract amount of \$403,997.00. 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.

MOTION: Mr. Kern moved for approval of the recommendation; seconded by Ms. Howard.

The Manager-Chief Engineer noted that the Department got its money’s worth out of these boosters. They are still operational, but it is time to replace them.

Chairperson Boswell commented that it was a good service life. There being no further comments, he asked for a roll call vote.

ACTION: Motion was carried by eight (8) ayes – Mr. De Luz, Mr. Domingo, Ms. Howard, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell; Absent: 1 – Mr. Sugai.

**B. JOB NO. 2016-1045, HALA‘ULA WELL DEVELOPMENT - PHASE II - REQUEST FOR TIME EXTENSION:**

The contractor, Goodfellow Bros., LLC, is requesting a contract time extension of 255 calendar days due to land ownership and site access issues. Currently, the project is 44% complete. These delays were beyond the control of the contractor.

Staff has reviewed the request for the contract time extension and the accompanying supporting documentation and found that the 255 calendar days are justified. Note: There are no additional costs associated with this time extension.

1<sup>st</sup> time extension – 255 calendar days

The Manager-Chief Engineer recommended that the Board approve a contract time extension of 255 calendar days to Goodfellow Bros., LLC, for JOB NO. 2016-1045 HALA‘ULA WELL DEVELOPMENT - PHASE II. If approved, the contract completion date will be revised from November 18, 2020, to July 31, 2021.

MOTION: Ms. Howard moved for approval of the recommendation; seconded by Mr. Ney.

The Manager-Chief Engineer provided some background on this item. The Department moved forward with the understanding that site access was underway. In the meantime, there was either a miscommunication or transition period between one owner and the next owner, and some of the land issues needed to be addressed while moving forward with construction. The Department did not want to stop the award because it was confident these land issues would be resolved. At this point, it did affect the contractor’s schedule. Mr. Inaba was available if there were more questions.

Mr. Domingo asked if it meant there is no easement or public access at this time.

Mr. Inaba replied that the Department executed a Right-of-Entry; however, during the transition period between ownership, it was delayed. That Right-of-Entry was finally executed in June of 2020. The Department is also in the process of doing the formal subdivision and easement for the tank and well site, including access to the site.

The Manager-Chief Engineer noted that the Department does have the legal right to do construction on the property. There is no formal transfer of land at this point, but there is the Right-of-Entry.

ACTION: Motion was carried by eight (8) ayes – Mr. De Luz, Mr. Domingo, Ms. Howard, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell; Absent: 1 – Mr. Sugai.

7) SOUTH KOHALA:

**A. WATER TREATMENT BID NO. 2020-09, FURNISHING AND DELIVERING OF VARIOUS TREATMENT CHEMICALS (LIQUID AMMONIA; 50% LIQUID CAUSTIC SODA; C-9 POLYPHOSPHATE; 38% SODIUM BISULFITE; 50% SULFURIC ACID; 12.5% SODIUM HYPOCHLORITE; 50% SODIUM HYDROXIDE; ACCU-TAB TABLETS AND SODA ASH) TO THE WAIMEA WATER TREATMENT PLANT:**

Bids were opened on November 12, 2020 at 1:30 p.m. and the following are the bid results:

	<b>Phoenix V LLC dba BEI Hawai'i</b>	<b>Shannon Chemical Corporation</b>	<b>South Pacific Gold Combine LLC DBA Chemstation Hawaii</b>	<b>JCI Jones Chemicals, Inc.</b>
A. Liquid Ammonia (50 per year) Cost per 100 lb. cylinders	No Bid	No Bid	No Bid	No Bid
B. 50% Liquid Caustic Soda (26 per year) Cost per dry ton	<b>\$1845.12</b>	No Bid	No Bid	No Bid
C. C-9 Polyphosphate (60 per year) Cost per 30-gallon drum	\$1003.78	\$1407.07	<b>\$999.87</b>	No Bid
D. 37% Sodium Bisulfite (12 per year) Cost per <del>275-gallon tote</del> 50-gallon drum	<b>\$503.12</b>	No Bid	No Bid	No Bid
E. 50% Sulfuric Acid (12 per year) Cost per 750 lb. drum	<b>\$705.77</b>	No Bid	No Bid	No Bid
F. 12.5% Sodium Hypochlorite (24 per year) Cost per 53 gallon drum	<b>\$267.85</b>	No Bid	No Bid	No Bid
G. G~ 50% Sodium Hydroxide (6 per year) Cost per 650 pound drum	<del>\$330.52</del> <b>\$321.63</b>	No Bid	No Bid	No Bid
H. Accutab SI (120 per year) Cost per 60 pound bucket	<b>\$196.41</b>	No Bid	No Bid	No Bid
I. Soda Ash (850 per year) Cost per 50 # bag	<b>\$28.80</b>	No Bid	\$31.40	No Bid

The Manager-Chief Engineer recommended that the Board award the contract for WATER TREATMENT PROPOSAL NO. 2020-09, FURNISHING AND DELIVERY OF VARIOUS TREATMENT CHEMICALS (LIQUID AMMONIA, 50% LIQUID CAUSTIC SODA, C-9 POLYPHOSPHATE, 38% SODIUM BISULFITE, 50% SULFURIC ACID, 12.5% SODIUM HYPOCHLORITE, 50% SODIUM HYDROXIDE, ACCU-TAB TABLETS AND SODA ASH) TO THE WAIMEA WATER TREATMENT PLANT, DISTRICT OF SOUTH KOHALA, (ON AN AS-NEEDED BASIS) to South Pacific Gold Combine LLC DBA Chemstation Hawaii for Section C and to Phoenix LLC dba BEI Hawai'i for Sections B, D, E, F, G, H and I, at the unit prices listed above, for the period from January 1, 2021, through June 30, 2022, and that either the Chairperson or the Vice-Chairperson be authorized to sign the contracts, subject to review as to form and legality of the contracts by Corporation Counsel. For the Sections where no bids were received, alternate procurement means will be used.

MOTION: Ms. Howard moved for approval of the recommendation; seconded by Mr. Kern.

The Manager-Chief Engineer stated that there are two corrections to be made in the table. In Item D in the first column, instead of “Cost per 275-gallon tote,” it should be “Cost per **50-gallon drum.**” The second correction is to Item G, where the bid amount in the first bidder column should be **\$321.63** instead of \$330.52.

Mr. De Luz asked if, logistically, because the bids are so close in Item C, it would make sense to go with one supplier for all of the items and whether that would increase efficiency from an administration standpoint in dealing with only one vendor.

The Manager-Chief Engineer replied that these are competitive bids and there is accountability in awarding to the lowest bidder. Although there is some discretion with the Chief Procurement Officer, what is listed here is a clean bid. Although it is less than \$4.00 per drum in the difference, it would cause the Department more administrative matters to award to the other bidder. He understood the point though.

Mr. De Luz thanked the Manager-Chief Engineer for the explanation.

ACTION: Motion was carried by eight (8) ayes – Mr. De Luz, Mr. Domingo, Ms. Howard, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell; Absent: 1 – Mr. Sugai.

8) NORTH KONA:

A. **JOB NO. 2017-1063, SOURCE WATER ASSESSMENT - NORTH KONA MID-LEVEL MONITORING WELL - REQUEST FOR TIME EXTENSION:**

The contractor, Derrick’s Well Drilling & Pump Services, LLC, is requesting a contract time extension of 35 calendar days due to the project being put on hold to allow the contractor and consultant to work together to resolve unexpected drilling conditions. Currently, the project is 85% complete. 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 35 calendar days are justified. Note: There are no additional costs associated with this time extension.

- 1<sup>st</sup> time extension – 335 calendar days (due to DWS unable to obtain a Conservation District Use Application prior to securing Well Construction Permit) *approved at the 12/17/2019 Water Board Meeting*
- 2<sup>nd</sup> time extension – 60 calendar days (due to COVID-19 and cave-ins during drilling) *approved at the 9/22/2020 Water Board Meeting*
- 3<sup>rd</sup> time extension – 35 calendar days

The Manager-Chief Engineer recommended that the Board approve a contract time extension of 35 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 26, 2020, to November 30, 2020.

MOTION: Mr. Scicchitano moved for approval of the recommendation; seconded by Ms. Howard.

The Manager-Chief Engineer explained that this was from unexpected drilling conditions where cave ins caused the need to come to the Board for a time extension. This time extension request is to account for the time it took the contractor and the consultant to come up with a solution on what to do moving forward. Mr. Inaba was available for questions.

Mr. Ney noticed the contract completion date revision would extend it to November 30, which is only five to six days away. He questioned why the Board is voting on something that, realistically, is only for that amount of days because it is only being brought to the Board on the 24<sup>th</sup>.

The Manager-Chief Engineer explained that the Department likes to bring time extension requests before the Board before the contract date expires. This should have been brought to the Board back in October; but essentially, if it is not approved and the contract dates remains October 26, the contractor would be subject to liquidated damages. He added that the contractor should be substantially complete by November 30.

Mr. Domingo stated that he had an issue with unexpected drilling conditions. Although it was explained, he was not clear about it and it seemed like an open-ended thing.

Mr. Inaba replied that what happened in this case was while they were drilling and were at the water table, the sides were caving in and that had to be addressed. If the issue were not addressed, they would not have been able to reach the depth they wanted to. The contractor has worked with the consultant to go to an adequate depth where the consultant feels is necessary for them to take water readings for water temperature and water quality. By the time of the October Water Board Meeting, the contractor was hoping that a video log would be adequate to determine the next steps; but after the consultant looked at it, they requested to meet at the site, and there was not enough time to make it to that meeting for the time extension. As the Manager-Chief Engineer mentioned, the contract is almost complete. They are finishing up the fencing work. The drilling and casing are complete at this point.

Mr. Domingo thanked Mr. Inaba for explaining it very well, but he would rather see it addressed earlier, as was indicated.

Mr. Scicchitano respectfully disagreed with Mr. Domingo and thought it was justified. He appreciated the Department bringing it to the Agenda once everything was discovered.

The Manager-Chief Engineer explained that sometimes there needs to be a balance of being concise with all of the details. He appreciated the comments from the Board. For added information, when a well is drilled, it is never as easy as you think. Sometimes you hit geology that is unexpected; you hit a cinder layer and everything will start caving in. You can keep drilling, but it will keep caving in. Depending on how bad the situation is, you can actually take the risk of losing your bit down the hole if everything collapses on the bit. Some solutions have been to put grout down the hole to seal it up and then drill through the grout. Sometimes you hit blue rock and there is a drift in the plumbness that you do not want to carry too far. You might think drilling has taken place in the area before and you would know what you will be facing, but you could drill at a slightly different location and come up with subsurface conditions. By stating “unexpected drilling conditions” does not mean anything is being hidden. It is just that it is sometimes difficult to put in every detail.

Mr. Ney commented that the information Goodfellow submitted was lacking in detail and was glad it was clarified today by staff. He stated it would be helpful if the Secretary could forward any updates, whether it be the conveyance issue, for example, or whatever the case may be. That way when it comes to the day of the meeting, the Board is pretty well filled in and not having to “pick your mind” about too many things.

The Manager-Chief Engineer appreciated the suggestion and stated that the Department tries to find a balance between including whatever information is out there without making it a 20-page agenda.

**ACTION:** Motion was carried by eight (8) ayes – Mr. De Luz, Mr. Domingo, Ms. Howard, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell; Absent: 1 – Mr. Sugai.



9) MISCELLANEOUS:

A. DEDICATION OF WATER SYSTEM:

The Department 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 and Bill of Sale  
Grantor: State of Hawaii, Department of Defense  
Hawaii Army National Guard  
Tax Map Key: (3) 2-1-012: 003  
Facilities Charge: \$27,500.00 Date Paid: 10/5/2020  
Final Inspection Date: To be announced  
Water System Cost: To be announced

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.

MOTION: Ms. Howard moved for approval of the recommendation; seconded by Mr. Ney.

The Manager-Chief Engineer stated that the contractor has yet to complete work. There are some items that still need to be resolved. This item needs to be removed from this agenda. It was deferred last month, which is why it appeared here. Moving forward, because there are still some uncertainties and it is a private job that will be dedicated to the Department, he asked that it be removed from this agenda and placed on an agenda when the time is appropriate.

Chairperson Boswell called for a motion to remove this item from the agenda.

ACTION TO REMOVE: Mr. Kern so moved; seconded by Ms. Howard and carried by eight (8) ayes – Mr. De Luz, Mr. Domingo, Ms. Howard, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell; Absent: 1 – Mr. Sugai.

B. MATERIAL BID NO. 2020-01, FURNISHING AND DELIVERING PIPES, FITTINGS, WATER METERS, FIRE HYDRANTS, BRASS GOODS, VALVES, ELECTRICAL SUPPLIES, ELECTRICAL EQUIPMENT, SCADA, WATER QUALITY EQUIPMENT, CHLORINATORS, MOTORS, AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK:

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

The contract period for all Parts is eighteen (18) months, from January 1, 2021, to June 30, 2022. All Parts are established price agreements for materials on an "As-Needed Basis." Each section contained multiple items for bidding and comparison purposes, and the bid amounts are not of actual procurement or expenses during this 18-month period.

The Manager-Chief Engineer recommended that the Board award the contract to the following bidders for MATERIAL BID NO. 2020-01, FURNISHING AND DELIVERING PIPES, FITTINGS, WATER METERS, FIRE HYDRANTS, BRASS GOODS, VALVES, ELECTRICAL SUPPLIES, ELECTRICAL EQUIPMENT, SCADA, WATER QUALITY EQUIPMENT, CHLORINATORS, MOTORS AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY

STOCK, on an as-needed basis, as listed below, and that either the Chairperson of the Vice-Chairperson be authorized to sign the contract(s), subject to review as to form and legality of the contract(s) by Corporation Counsel. The contract period shall be from January 1, 2021, to June 30, 2022.

<b>SECTION NUMBER</b>	<b>DESCRIPTION</b>	<b>BIDDER</b>	<b>AMOUNT</b>
1	DUCTILE IRON PIPE, PUSH-ON TYPE JOINT	Pacific Pipe Company, Inc.	\$60,900.00
2	DUCTILE IRON FITTINGS	Pacific Pipe Company, Inc.	\$94,127.65
3	DUCTILE IRON SOLID BODY SLEEVES	Pacific Pipe Company, Inc.	\$49,100.00
4	FLANGE GASKETS	No Bids	
5	NUTS, BOLTS, AND THREADED RODS	No Bids	
6	COPPER TUBING	Pacific Pipe Company, Inc.	\$91,490.45
7	GALVANIZED PIPES T&C (THREADED & COUPLED)	Pacific Pipe Company, Inc.	\$21,063.75
8	METER BOXES	Pacific Pipe Company, Inc.	\$48,230.00
9	METER COVERS	Pacific Pipe Company, Inc.	\$19,175.00
10	AUTOMATIC METER READING UNIT	No Bids	
11	SMART WATER METERS	No Bids	
12	ULTRASONIC WATER METERS	Badger Meter, Inc.	\$33,436.00
13	5/8" WATER METERS	Badger Meter, Inc.	\$47,268.00
14	NEPTUNE T-10 SERIES METER PARTS	No Bids	
15	BADGER RECORDALL SERIES METER PARTS	Badger Meter, Inc.	\$3,893.55
16	1"- 2" WATER METERS	Badger Meter, Inc.	\$8,834.80
17	COMPOUND WATER METERS	Badger Meter, Inc.	\$9,748.96
18	TURBINE METERS AND STRAINERS	Badger Meter, Inc.	\$18,050.24
19	DETECTOR CHECK METERS	Integrated Water Systems, LLC	\$4,283.00
20	FIRE SERVICE METERS	Integrated Water Systems, LLC	\$27,758.00
21	FIRE HYDRANTS	Pacific Pipe Company, Inc.	\$103,470.00
23	MUELLER FIRE HYDRANT PARTS	No Bids	
24	MUELLER FIRE HYDRANT EXTENSION KITS	No Bids	
25	BALL METER VALVES	Pacific Pipe Company, Inc.	\$59,997.50
26	BALL VALVE, PACK JOINT X METER COUPLING / FIP	Pacific Pipe Company, Inc.	\$38,270.00
27	COMPRESSION JOINT COUPLING	Pacific Pipe Company, Inc.	\$7,550.00
28	METER FLANGE COUPLING	Pacific Pipe Company, Inc.	\$4,110.00
29	PACK JOINT COUPLING	Pacific Pipe Company, Inc.	\$42,157.95
30	CORPORATION AND CURB STOPS – BALL TYPE	Pacific Pipe Company, Inc.	\$96,893.00

<b>SECTION NUMBER</b>	<b>DESCRIPTION</b>	<b>BIDDER</b>	<b>AMOUNT</b>
31	PRESSURE REGULATORS	HD Supply Facilities Maintenance DBA USABlueBook	\$2,699.86
32	HOSE BIBBS	No Bids	
33	INVERTED MARKING PAINT	Safety Systems & Signs Hawaii, Inc.	\$11,472.00
34	AIR RELIEF VALVES	Pacific Pipe Company, Inc.	\$24,710.00
35	SLOW CLOSING AIR/VACUUM VALVES	No Bids	
36	SILENT CHECK VALVES	Pacific Pipe Company, Inc.	\$99,876.70
37	DUCKBILL CHECK VALVES	Pacific Pipe Company, Inc.	\$91,121.00
38	GATE VALVES – 3” AND LARGER, 125# CLASS	Pacific Pipe Company, Inc.	\$38,819.00
39	GATE VALVES – 3” AND LARGER, 250# CLASS	Pacific Pipe Company, Inc.	\$56,650.00
40	AUTOMATIC CONTROL VALVES	Pacific Pipe Company, Inc.	\$1,515,719.38
41	ROTARY PUMP CONTROL VALVES AND ACTUATION	No Bids	
42	RESERVOIR LEVEL INDICATOR	TK Process Hawaii, LLC	\$7,762.65
43	HATCH FRAMES AND COVERS	Pacific Pipe Company, Inc.	\$31,910.00
44	EMERGENCY EYEWASH/SHOWER STATIONS	Safety Systems & Signs Hawaii, Inc.	\$153,939.70
45	TOXIC GAS MONITORS	TK Process Hawaii, LLC	\$619,364.79
46	SIGNAL LIGHTING	Graybar Electric Company, Inc.	\$107,750.00
47	ARC FLASH PPE – DAILY WEAR	TK Process Hawaii, LLC	\$5,517.69
48A	SUPPLEMENTAL PPE	Safety Systems & Signs Hawaii, Inc.	\$21,629.14
49	ELECTRICAL GLOVES	Safety Systems & Signs Hawaii, Inc.	\$1,122.36
50	DIGITAL MULTIMETER & TESTING	TK Process Hawaii, LLC	\$5,993.75
51	ELECTRICAL SAFETY EQUIPMENT	Graybar Electric Company, Inc.	\$3,817.00
52	ELECTRICAL EQUIPMENT TESTING SERVICES	TK Process Hawaii, LLC	\$3,263.04
53	ELECTRICAL TAPE	Graybar Electric Company, Inc.	\$12,225.00
54	ELECTRICAL SPLICING AND TERMINATION	Graybar Electric Company, Inc.	\$7,350.00
55	ELECTRICAL CONNECTORS & TERMINATIONS	Graybar Electric Company, Inc.	\$7,695.50
56	INDUSTRIAL MOTOR LEAD CABLE	TK Process Hawaii, LLC	\$114,159.10
57	INDUSTRIAL CONTROL WIRING	Graybar Electric Company, Inc.	\$7,965.00

<b>SECTION NUMBER</b>	<b>DESCRIPTION</b>	<b>BIDDER</b>	<b>AMOUNT</b>
58	JUNCTION BOXES & ENCLOSURES	No Bids	
59	HEAVY-DUTY SAFETY SWITCH	No Bids	
60	SOLID STATE REDUCED VOLTAGE SOFT STARTER	TK Process Hawaii, LLC	\$17,803.03
61	MAGNETIC CONTACTORS	TK Process Hawaii, LLC	\$62,763.33
62	MEDIUM-VOLTAGE REDUCED VOLTAGE SOFT STARTER	TK Process Hawaii, LLC	\$41,126.60
64	POWER QUALITY EQUIPMENT	TK Process Hawaii, LLC	\$180,298.69
65	PAD-MOUNTED STEP-UP TRANSFORMER	No Bids	
66	SURGE PROTECTION DEVICES	TK Process Hawaii, LLC	\$69,679.54
67	POWER MONITORING EQUIPMENT	No Bids	
68	INDUSTRIAL ELECTRONIC COMPONENTS	No Bids	
69	PRE-FABRICATED SCADA SOLUTIONS	No Bids.	
70	AUTOMATION AND CONTROL COMPONENTS	Fluid Technologies, Inc.	\$53,887.00
71	AUTOMATION SOFTWARE	Fluid Technologies, Inc.	\$137,531.00
72	PROGRAMMING SERVICES	TK Process Hawaii, LLC	\$715.00
73	UNINTERRUPTIBLE POWER SUPPLY (UPS)	Graybar Electric Company, Inc.	\$8,150.00
74	COMMUNICATION HARDWARE	Graybar Electric Company, Inc.	\$13,940.00
75	LICENSED RADIO EQUIPMENT	TK Process Hawaii, LLC	\$31,952.87
76	UNLICENSED RADIO EQUIPMENT	TK Process Hawaii, LLC	\$15,216.07
77	WELL PRESSURE TRANSDUCER	TK Process Hawaii, LLC	\$36,686.11
78	PRESSURE TRANSDUCER – RESERVOIR LEVEL	HD Supply Facilities Maintenance dba USABlueBook	\$2,561.55
79A	PRESSURE TRANSMITTER	TK Process Hawaii, LLC	\$3,838.13
80	FLOW SWITCH	TK Process Hawaii, LLC	\$1,979.56
81	LEGACY ELECTROMAGNETIC FLOW METER PARTS	Fluid Technologies, Inc.	\$12,996.00
82	UNIVERSAL ELECTROMAGNETIC FLOW METERS	No Bids	
83	REAGENTLESS CHLORINE RESIDUAL ANALYZERS	No Bids	
84	WATER QUALITY EQUIPMENT	HD Supply Facilities Maintenance dba USABlueBook	\$56,173.02

SECTION NUMBER	DESCRIPTION	BIDDER	AMOUNT
85	REAGENTS AND STANDARDS	HD Supply Facilities Maintenance dba USABlueBook	\$6,293.04
86	MULTISTAGE BOOSTER PUMPS	Lenntech USA LLC	\$261,895.00
87	CHEMICAL FEEDER PUMP	HD Supply Facilities Maintenance dba USABlueBook	\$7,659.44
88	DIGITAL CHLORINE CYLINDER SCALE	No Bids	
89	CHLORINE GAS FEEDER	No Bids	
90	TABLET CHLORINATOR & PARTS	No Bids	
91	MECHANICAL SEALS	Engineered Systems, Inc.	\$166,945.81
93	LEGACY LEAK NOISE DATA LOGGER & PARTS	Carlson Sales Hawaii, LLC	\$1,780.10
94	LEAK NOISE DATA LOGGERS	TK Process Hawaii, LLC	\$47,312.13
95	REMOTE PRESSURE MONITORING SYSTEM	No Bids	
96	LIGHT EMITTING DIODE LUMINARIES	Graybar Electric Company, Inc.	\$2,403.15
97	INDUSTRIAL LUBRICANTS	No Bids	

**Sections 22 - Tamper Resistant Fire Hydrants, 63 – Variable Frequency Drives and 92 – Motors, were cancelled per Hawai'i Administrative Rules, Section 3-122-96, in the best interests of the public. For the Sections where no bids were received, alternate procurement means will be used.**

MOTION: Mr. Scicchitano moved for approval of the recommendation; seconded by Mr. Ney.

The Manager-Chief Engineer clarified that this is the Department's typical annual large bid for all of its equipment and materials that are typically stockpiled or purchased throughout the year on an as-needed basis. Some sections have numerous items within them and the amounts in the column to the right do not necessarily mean that much will be purchased in this calendar year; but you have to put what item you want and at least a quantity so vendors can bid. Basically, the right-hand column is for bidding and comparison purposes so the Department can make an award.

Mr. De Luz stated that in light of what is happening in manufacturing and specifically to the Department's type of replacement parts and things of that nature, he wondered if it might be prudent to review it next year, only because of issues that may come about in production or material shortages. It might be necessary to reevaluate to see if there are going to be issues forthcoming. There seem to be some shortages that are current, whether or not the Department has experienced any yet, it might be something to consider keeping in mind in the planning process.

The Manager-Chief Engineer replied that if something comes up during the timeframe between January 1, 2021, and June 30, 2022, if any of the vendors have an issue with their contract price, the Department would evaluate case by case and deal with it with legal counsel. At this point, if the

contracts are awarded, the Department would have them under contract to retain that price for the contract time period.

Mr. De Luz appreciated that and noted these are very different times. Perhaps in procurement, this is something administratively that might need to be reviewed. There may be different performance requirements interjected in the bids to allow the flexibility in the event that this issue does come up.

The Manager-Chief Engineer replied that the Department does have the same concerns, but thanked Mr. De Luz for his comments.

Mr. Ney asked what would happen if there was a problem with the availability of any items or problems with the vendors not being able to hold these prices due to supply and demand.

The Manager-Chief Engineer replied that the Department does not wait until the last minute to restock items, especially the ones that are used on a regular basis. He appreciated the concerns and hoped that clarified things. There being no further questions, Chairperson Boswell asked for a roll call.

ACTION: Motion was carried by eight (8) ayes – Mr. De Luz, Mr. Domingo, Ms. Howard, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell; Absent: 1 – Mr. Sugai.

C. **REVISION TO DEPARTMENT OF WATER SUPPLY RULES AND REGULATIONS RELATED TO DISCONTINUATION OF WATER SERVICE DUE TO DELINQUENCIES:**

Taken up earlier.

D. **MONTHLY PROGRESS REPORT:**

Mr. Ney asked about the Ka‘auhuhu booster pumps (bid awarded in Section 6A). He stated that he had a lot of clients recently call him regarding issues with breaks or having no water. To give himself an understanding, he asked if he was correct in that these are the booster pumps that pump up from below the dump to the reservoir above Ka‘auhuhu.

Mr. Young replied that yes, these Ka‘auhuhu booster pumps (also known as the Karpovich Booster pumps) move water to the temporary tank above the Ka‘auhuhu area.

Mr. Ney stated that there seemed to be some frequency lately with him getting calls about breaks on Beers Road. When they dispatch out to the area, they find that it is due to a water shut down or something of that nature. It might be just the time of day where the Department of Water Supply cannot get a public message out, but if there is a possibility they can get quicker updates or let the community members know when problems are happening, it might help them understand why.

Mr. Young stated that when main breaks happen, staff will notify management and then it goes to the Department’s Public Information personnel. They get their notices out as quickly as possible.

The Manager-Chief Engineer added that if it is a large enough area, the Department coordinates with Civil Defense and partners with them on their mass notification system. Otherwise, the Department also sends out email blasts. He recommended if there are community organizations that would like to be added to the list, to please let the Department know. If there is an issue, they are always free to call the Department direct at (808) 961-8790, even after hours. Normally, notices are posted as soon as possible on the Department’s website and on social media. His recommendation to all water customers would be to call the Department first if there are issues with water.

E. **REVIEW OF MONTHLY FINANCIAL STATEMENTS:**

Mr. Ney asked how the receivables are looking, possibly coming up slowly with some of the travel ban lifting and more usage in the resort areas.

The Manager-Chief Engineer replied that there are no indications at this point. There are so many variables, it would be hard to make any predictions at this point.

F. **EXECUTIVE SESSION: MANAGER-CHIEF ENGINEER'S EVALUATION FOR CALENDAR YEAR 2020:**

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.

ACTION: Ms. Howard moved to enter Executive Session; seconded by Mr. Scicchitano and carried by roll call vote - eight (8) ayes – Mr. De Luz, Mr. Domingo, Ms. Howard, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell; Absent: 1 – Mr. Sugai.

(Executive Session began at 11:06 a.m. and ended at 11:28 a.m.) Ms. Howard left the meeting.

G. **MANAGER-CHIEF ENGINEER'S EVALUATION FOR CALENDAR YEAR 2020:**

Discussion was held in Executive Session on the Manager-Chief Engineer's evaluation and compensation; and the Board has chosen to defer this to the next Water Board Meeting to allow the evaluation process to be completed. Chairperson Boswell asked for a Motion for this.

ACTION: Mr. Ney so moved; seconded by Mr. Kern and carried by seven (7) ayes – Mr. De Luz, Mr. Domingo, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell; Absent: 2 - Mr. Sugai and Ms. Howard.

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

The Manager-Chief Engineer provided an update on the following:

1. North Kona Wells - the Deputy reported that of the fourteen sources in North Kona, nine are online and five are offline. The five that are offline and in the order they are anticipated to return to service are: Kahalu'u B Well - anticipating it to be online by the end of December this year. Kalaoa Well - they are replacing the pump, motor, and column. Anticipated completion is February of 2021. Palani Well - there has been a delay. Last month, it was reported that the pump and motor were scheduled to be string tested on the mainland, but there was an issue at the testing facility. Staff is working with the contractor to get a firm date on when they can do the string test. Specifications require the contractor to have the pump and motor tested vertically at a special facility to simulate an actual working condition. Wai'aha Well - repair is on litigative hold, and Tom Nance has done some evaluation of the well. Makalei Well - the developer will bid out early 2021. Operations staff in Kona and the engineers in Hilo have worked tirelessly to ensure the system meets the customer's needs. Mr. Domingo thanked the Department for continuing to provide water to the community.

2. COVID-19 Update - the Manager-Chief Engineer reported on the latest from the Governor included some clarifications on mask wearing. The Department has updated its internal COVID-19 response plans accordingly. Fortunately, the Department has had no direct positive cases within the workplace. The message to staff is to follow protocols while in the work area and has incorporated some upgrades within certain work areas such as extending cubicle heights with plexiglass or creating barriers with various materials to improve separation between personnel. The Department will continue to suspend its in-person services and handle things by appointment only which seems to be working well. Because there are various options for bill payment, there are very few people that still want to pay by cash. Related to COVID-19 and the Mayor's proclamations and declarations, there will be a new mayor in less than a month. He has plans to reach out to Mayor Elect, Mitch Roth. One of the things he would like to touch bases on are the Corporation Counsel assignments. He took the opportunity to thank Ms. Diana Mellon-Lacey for all of her hard work. Ms. Mellon-Lacey thanked the Manager-Chief Engineer and said it has been a pleasure to work with him and the staff. The Board also thanked her for her service. Mr. De Luz expressed concerns about the Department having some long-standing matters in litigation and hoped the new Corporation Counsel would retain Ms. Mellon-Lacey or allow some type of transition because it creates a very difficult situation when you have to change. He personally wanted to be on record to have Mayor Elect Roth give consideration to the Department's issue in regard to Corporation Counsel, more so because the Department actually pays for a position. Other agencies do not do that, and he hoped consideration would be given to the fact that if given the choice, the preference is to continue with her. Mr. Ney stated he would be happy to sign any letters of support of retention in her position. Chairperson Boswell echoed the same sentiments and added it has been like a team, and it did not seem right to break a team apart because of a newly elected Mayor. Anything that can be done to keep the continuity and team together would be important. Ms. Mellon-Lacey thanked the Board and the Department for the very heartwarming words.
  
3. Department of Water Supply Energy Report - Mr. Ching covered his energy report. On Page 1, the total power costs for the third quarter of this year were about \$3.8 million, which was down about 12.1% from the same quarter last year. Compared to the previous quarter, it was down about 2.2%. He attributed that 12.1% reduction to the drop in oil prices, which happened around the lock-down period. On Page 2, the Department has the same amount of HELCO accounts as last quarter, which are broken down into three different schedules. In third quarter of this year, the cost was about 26.8 cents per kilowatt hour, down about 9.3% from the same quarter last year; and compared to the previous quarter, was up 2.7%. Demand rates for the third quarter were steadier than the energy rates, up 5.9% from the same quarter last year; and compared to the previous quarter, there was no change. The new power cost charge was approved by the Board today, and will be applicable December 1, 2020. On Page 4, he highlighted a project done at the main office to improve the building's "envelope" where window films were installed to help block out the solar heat gain from direct sunlight. Table 2 shows the estimated energy cost impact and below it are infrared pictures showing before and after the window films were installed. The photos show where the sunlight was coming in and where the hottest points were. The result was a 10-degree reduction in the indoor temperature. Mr. Domingo asked if retractable awnings were thought of, and Mr. Ching replied there is overhang on the main office but he could have awnings evaluated for the other Department of Water Supply buildings. Mr. De Luz stated that this is one of the few departments that dedicates this much energy and time to managing its energy efficiency. He suggested it might be worth looking into an electric vehicle fleet and mentioned that Ford will be coming out with an electric F-150 in 2022. The DWS might want to have a discussion with HELCO as they have been a leader in alternative energy fleets and there may be an opportunity to work with a manufacturer to get some vehicles in the fleet that could be tested out. HELCO has done procurement with transportation manufacturers, and this may be an opportunity to explore installing charging stations at the Department's sites. It may be a way of reducing generators; for example, if a pump station



has a generator down, the electric vehicles can double up. The Manager-Chief Engineer thanked Mr. De Luz for that information. The fleet is something to definitely take a look at. Mr. Ching continued with the last page of his report about ongoing projects. The solar PV power purchase agreement is still ongoing with design and permitting before construction. It is hoped to be online by mid-2021. The next project is to replace a booster pump as part of the aging infrastructure replacement, which also increases efficiency. The AC equipment is also dated and is another replacement of replacing aging infrastructure with more efficient, up-to-date equipment. The Board thanked Mr. Ching for the good work.

4. 2021 Water Board Schedule - the Manager-Chief Engineer stated the schedule for 2021 was included in the Board packet. As of now, the locations are listed as Web Conferencing. If the situation changes down the road where in-person meetings can resume, it will be brought to the Board for discussion and scheduling of locations.

I. **CHAIRPERSON'S REPORT:**

1. Chairperson Boswell stated that once again, this has been a very good team and both staff and the Board work well together, working through the agenda and having a lot of intelligent people involved. It is a pleasure working under these conditions, and he enjoys volunteering his time. He thanked Ms. Mellon-Lacey again and hoped she can stay on as Deputy Corporation Counsel.

10) **ANNOUNCEMENTS:**

1. **Next Meeting**

December 22, 2020, at 10:00 a.m. via Web Conferencing.

11) **ADJOURNMENT**

**ACTION:** Mr. Kern moved to adjourn the meeting; seconded by Mr. Ney and carried by roll call vote: Ayes: 7 – Mr. De Luz, Mr. Domingo, Ms. Hugo, Mr. Kern, Mr. Ney, Mr. Scicchitano, and Chairperson Boswell; Absent: 2 - Mr. Sugai and Ms. Howard.

(Meeting adjourned at 12:01 p.m.)

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Recording Secretary

(Approved by Water Board 12/22/20)