

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

**DATE:** March 23, 2021

**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](mailto: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, March 22, 2021, 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](mailto:dws@hawaiiidws.org) no later than 12 noon, Monday, March 22, 2021, 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 February 23, 2021, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
- 5) **POWER COST CHARGE:**

Departmental power costs from all power sources increased since the last Power Cost Charge rate was determined. The Department proposes to increase the Power Cost Charge from \$1.71 to \$1.85 per thousand gallons as a result of this increase. Power cost charges over the past two years were as follows:

<u>Effective</u>	<u>PCC</u>
December 1, 2020	\$1.71
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

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 April 27, 2021, at 9:45 a.m., to receive testimony on increasing the Power Cost Charge from \$1.71 to \$1.85, effective May 1, 2021.

6) **DEPARTMENT OF WATER SUPPLY PROPOSED OPERATING AND 5-YEAR CAPITAL IMPROVEMENT PROJECTS (C.I.P.) BUDGETS FOR FISCAL YEAR 2022:**

The Department’s Fiscal Year 2022 Operating Budget, totaling \$54,913,800, and 5-Year C.I.P. Budget for Fiscal Year 2022-2026, totaling \$145,700,000, have been distributed for the Board’s review. A public hearing was held prior to this meeting to accept testimony. The Board may change either Budget or adopt them as presented over two readings.

**RECOMMENDATION:** It is recommended that the Board approve the Department’s Fiscal Year 2022 Operating and C.I.P. Budgets on this first of two readings.

7) **SOUTH HILO:**

A. **JOB NO. 2021-1161, PI‘IHONUA #3 BOOSTER A REPAIR:**

This project consists of furnishing all labor, materials, tools and equipment necessary to remove the existing booster pump, motor, discharge head and all appurtenant materials; discharge piping work; and complete an efficiency test; in accordance with the specifications.

Bids for this project were opened on March 11, 2021, at 2:00 p.m., and the following are the bid results:

<b>Bidder</b>	<b>Bid Amount</b>
Derrick’s Well Drilling & Pump Services, LLC	144,460.00
Water Resources International, Inc.	155,500.00

**Project Costs:**

1) Low Bidder (Derrick’s Well Drilling & Pump Services, LLC)	\$144,460.00
2) Contingencies (~10.0%)	<u>\$ 14,440.00</u>
<b>Total Cost:</b>	<b><u>\$158,900.00</u></b>

Funding for this project will be from DWS’ Energy CIP. The contractor will have 240 calendar days to complete this project. The Engineering estimate for this project was \$160,000.00.

**RECOMMENDATION:** It is recommended that the Board award the contract for JOB NO. 2021-1161, PI‘IHONUA #3 BOOSTER A REPAIR, to the lowest responsible bidder, Derrick’s Well Drilling & Pump Services, LLC, for their bid amount of \$144,460.00, plus \$14,440.00 for contingencies, for a total contract amount of \$158,900.00. 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.

B. **PETITION FOR DECLARATORY RULING: PETITIONER - ZAK SHIMOSE (OWNER OF TAX MAP KEY 2-5-045:026):**

The Department received a Petition for Declaratory Ruling alleging that DWS dug ditches across the petitioner’s property from DWS’ reservoir lot (Tax Map Key 2-5-045:012). In 1973, the land owner and developer, Foremost Hawai‘i Associates (Developer), as part of required improvements for the Kaumana Estates (Gentry Homes) Subdivision, dedicated the reservoir lot along with the improvements already in place by way of a Dedication Deed. The Developer’s construction plans approved in 1972 with the tank site plans approved in 1973 show the improvements of the tank site which includes both ditches as described by the petitioner. At that time, the Developer owned the

large parcel of which the reservoir lot was created as well as the Kaumana Estates (Gentry Homes) Subdivision parcel(s).

The petitioner's lot, Tax Map Key 2-5-045:026, was granted final subdivision approval in 2016 by Subdivision No. 09-000903 which was owned and developed by Coramaca Farms, LLC.

In accordance with Section 92-5 HRS, the Board may wish to hold an executive session to consult with the Board's attorney on questions relating to the Board's powers, duties, privileges, immunities and liabilities related to a declaratory ruling.

**C. EXECUTIVE SESSION:**

The Board anticipates convening an executive meeting to consult with the Board's attorney on 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.

8) **HĀMĀKUA:**

**A. MATERIAL BID NO. 2020-17, FURNISHING AND DELIVERING REPLACEMENT 0.035 MG STEEL RESERVOIR:**

This project consists of furnishing all labor, materials, tools and equipment necessary to furnish and deliver a 35,000-gallon corrugated steel reservoir and all related appurtenances; in accordance with the specifications.

Bids for this project were opened on March 11, 2021, at 1:30 p.m., and no bids were received. Staff will seek alternative procurement per HAR §3-122-35 to procure the required equipment.

9) **SOUTH KOHALA:**

**A. JOB NO. 2020-1160, PARKER #2 DEEPWELL REPAIR:**

This project consists of furnishing all labor, materials, tools and equipment necessary to remove the existing pumping assembly; furnish and install new pump, motor, power cable, column assembly, and all appurtenant materials; electrical work; complete an efficiency test; and refurbish the existing equipment for spare inventory; in accordance with the specifications.

Bids for this project were opened on March 11, 2021, at 2:30 p.m., and the following are the bid results:

<b>Bidder</b>	<b>Bid Amount</b>
Beylik Drilling & Pump Service, Inc.	\$783,000.00*
Derrick's Well Drilling & Pump Services, LLC	\$811,000.00
Water Resources International, Inc.	\$834,655.00*

\* Per General Requirements and Covenants, Section 3.1, the Department exercised its right to waive the defects in bidder's bid in the best interest of the Department. Bidders were permitted to amend non-conforming bid amounts accordingly to render adjusted total amounts.

Project Costs:

1) Low Bidder (Beylik Drilling & Pump Service, Inc.)	\$783,000.00
2) Contingencies (~10%)	\$ 78,000.00
<b>Total Cost:</b>	<b><u>\$861,000.00</u></b>

Funding for this project will be from DWS' CIP Budget under Deepwell Pump Replacement. The contractor will have 300 calendar days to complete the well repair with the Contractor's furnished equipment and refurbished the existing pump and motor set for the Department's future use. The Engineering estimate for this project was \$700,000.00.

**RECOMMENDATION:** It is recommended that the Board award the contract for JOB NO. 2020-1160, PARKER #2 DEEPWELL REPAIR, to the lowest responsible bidder, Beylik Drilling & Pump Service, Inc., for their bid amount of \$783,000.00, plus \$78,000.00 for contingencies, for a total contract amount of \$861,000.00. 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.

10) NORTH KONA:

A. **JOB NO. 2020-1133, KAHALU'U B DEEPWELL REPAIR – REQUEST FOR TIME EXTENSION:**

The contractor, Derrick's Well Drilling & Pump Services, LLC, is requesting a contract time extension of 15 calendar days due to unforeseen delays caused by severe winter weather at the manufacturer's facility on the mainland. These delays were beyond the control of the contractor.

Staff reviewed the request for the contract time extension and the accompanying supporting documentation and finds the 15 calendar days justified. *Note: There are no additional costs associated with this time extension.*

1<sup>st</sup> time extension – 95 calendar days (due to unforeseen well casing conditions and oil lubrication conversion work) *approved at the 2/23/2021 Water Board Meeting*

2<sup>nd</sup> time extension – 15 calendar days

**RECOMMENDATION:** It is recommended that the Board approve a contract time extension of 15 calendar days to Derrick's Well Drilling & Pump Services, LLC, for JOB NO. 2020-1133, KAHALU'U B DEEPWELL REPAIR. If approved, the contract completion date will be revised from March 9, 2021, to March 24, 2021.

11) 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 and Bill of Sale  
Grantor: Moaniala Holdings, LLC (Hilo Hillside Estates, Phases 2 and 3)  
Subdivision Nos. 11-000016 and 16-000026  
Tax Map Keys: (3) 2-4-082:128-134 and (3) 2-4-082:155-157  
Facilities Charge: \$357,500.00 and \$110,000.00 Date Paid: 01/17/2020  
Final Inspection Date: 11/22/2019 and 12/11/2019  
Water System Cost: \$587,115.51 and \$180,741.64

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. VEHICLE BID NO. 2020-04, FURNISHING AND DELIVERING VEHICLES TO THE DEPARTMENT OF WATER SUPPLY:**

Bids were opened on February 11, 2021, at 1:30 p.m.; and following are the bid results (for Part E):

	Inter Pacific Motors, Inc., dba Orchid Isle Auto Center	IK Motors Inc. dba Kamaaina Motors
Part "E" ONE (1) ONLY FULL-SIZE CREW CAB PICK-UP DUALY CHASSIS, WITH SERVICE BODY, MINI-CRANE AND 4-WHEEL DRIVE		
Total Delivery Price:	<b>\$112,115.00</b>	No Bid
Delivery Time (Calendar Days)	<b>310</b>	

*This portion of the bid was deferred on the February agenda.*

RECOMMENDATION: It is recommended that the Board award VEHICLE BID NO. 2020-04, FURNISHING AND DELIVERING VEHICLES TO THE DEPARTMENT OF WATER SUPPLY, to Inter Pacific Motors, Inc., dba Orchid Isle Auto Center, for Part E, at a total cost of \$112,115.00, and that either the Chairperson or the Vice-Chairperson be authorized to sign the contract subject to approval of the contract as to form and legality by Corporation Counsel.

**C. MATERIAL BID NO. 2020-15, FURNISHING AND DELIVERING SPARE DEEPWELL PUMP AND MOTOR SETS FOR HĀWĪ #2 DEEPWELL, PARKER #3 DEEPWELL, AND KEŌPŪ #1 DEEPWELL FOR THE DEPARTMENT OF WATER SUPPLY:**

Bids were received and opened on March 10, 2021, at 2:30 p.m., and the following are the bid results:

SECTION	DESCRIPTION	Beylik Drilling & Pump Service, Inc.	Derrick's Well Drilling & Pump Services, LLC
<b>1</b>	HĀWĪ #2 DEEPWELL	\$314,000.00	\$185,680.47
<b>2</b>	PARKER #3 DEEPWELL	\$519,000.00	\$537,319.53
<b>3</b>	KEŌPŪ #1 DEEPWELL	Non-Responsive	No Bid

The estimated cost for the pump and motor set and refurbished motor, respectively, were as follows:

- Hāwī #2 Deepwell: \$160,000.00
- Parker #3 Deepwell: \$475,000.00
- Keōpū #1 Deepwell: \$310,000.00

RECOMMENDATION: It is recommended that the Board award the contract for MATERIAL BID NO. 2020-15, FURNISHING AND DELIVERING SPARE DEEPWELL PUMP AND MOTOR SETS FOR HĀWĪ #2 DEEPWELL, PARKER #3 DEEPWELL, AND KEŌPŪ #1 DEEPWELL FOR THE DEPARTMENT OF WATER SUPPLY, by Sections to the following bidders for the amounts shown above, and that either the Chairperson or 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:

**Section 1 – Hāwī #2 Deepwell to Derrick's Well Drilling & Pump Services, LLC**

**Section 2 – Parker #3 Deepwell to Beylik Drilling & Pump Service, Inc.**

**Section 3 – Keōpū #1 Deepwell, no valid bids were received for this section. Staff will seek alternative procurement per HAR §3-122-35 to procure the required equipment.**

D. **MONTHLY PROGRESS REPORT:**

Submission of Progress Report of Projects by the Department. Department personnel will be available to respond to questions by the Board regarding the status/progress of any project.

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

Submission of financial statements and information relating to the financial status of the Department. Department personnel will be available to respond to questions by the Board relating to the financial status of the Department.

F. **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. Legislative Matters
4. American Water Works Association (AWWA) Annual Conference and Exposition (ACE) National Conference - June 13 to 16, 2021

G. **CHAIRPERSON'S REPORT:**

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

12) **ANNOUNCEMENTS:**

1. **Next Meeting:** - April 27, 2021, 10:00 a.m., via Web Conferencing

13) **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."