

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

DATE: April 27, 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@hawaiidws.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, April 26, 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@hawaiidws.org no later than 12 noon, Monday, April 26, 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. (*Secretary will take roll call of Board Members in attendance*)
- 2) STATEMENTS FROM THE PUBLIC
- 3) APPROVAL OF MINUTES – 1) Minutes of the March 23, 2021, Public Hearing on the Department’s Fiscal Year 2022 Operating and C.I.P. Budgets and 2) Minutes of the March 23, 2021, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
- 5) **POWER COST CHARGE:**

At the Water Board’s March 23, 2021, meeting, scheduling of a Public Hearing was approved for April 27, 2021; however, the notice requirements were not met to carry out the hearing on that date. The Department proposes scheduling a Public Hearing on the Power Cost Charge, for May 25, 2021, at 9:45 a.m., to accept public testimony on the proposed increase to take effect on June 1, 2021.

RECOMMENDATION: It is recommended that the Board approve holding a Public Hearing on May 25, 2021, at 9:45 a.m., to receive testimony on increasing the Power Cost Charge from \$1.71 to \$1.85, effective June 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 March 23, 2021, to accept testimony. The Board may change either Budget or adopt the budgets 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 *second* of two readings.

7) SOUTH KOHALA:

A. **WATER TREATMENT PROPOSAL NO. 2018-08, FURNISHING AND DELIVERING COAGULANTS TO THE WAIMEA WATER TREATMENT PLANT - REQUEST FOR ADDITIONAL FUNDS:**

A contract increase is requested to cover the cost for additional coagulant ordered and delivered to the Department. This overordering was identified recently. The Department reviewed the possibility of returning the overordered coagulant, but the return freight and restocking fees were not justifiable. In addition, the overordered coagulant can be used to process and treat the surface water at the Waimea Water Treatment Plant. This chemical is supplied on an "as needed basis," and the cost has been included in the Department's annual budget.

RECOMMENDATION: It is recommended that the Board approve an increase of \$13,360.00 for this contract, WATER TREATMENT PROPOSAL NO. 2018-08, FURNISHING AND DELIVERING COAGULANTS TO THE WAIMEA WATER TREATMENT PLANT. If approved, this total contract amount would be increased from \$470,000.00 to a new total contract price of \$483,360.00.

8) NORTH KONA:

A. **JOB NO. 2020-1153, AIR CONDITIONING REPLACEMENT AT FIVE (5) WELL SITES – REQUEST FOR TIME EXTENSION:**

The contractor, Hawai'i Air Conditioning, Inc., is requesting a contract time extension of 39 calendar days due to unforeseen equipment delivery delays and the additional scope of work required. 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 39 calendar days justified. *Note: There are additional costs associated with this time extension which are within the existing contingency.*

1st time extension – 39 calendar days

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 39 calendar days to Hawai'i Air Conditioning, Inc., for JOB NO. 2020-1153, AIR CONDITIONING REPLACEMENT AT FIVE (5) WELL SITES. If approved, the contract completion date will be revised from April 26, 2021, to June 4, 2021.

9) MISCELLANEOUS:

A. **DEDICATION OF WATER SYSTEMS:**

We received the following documents for action by the Water Board. The water systems have been constructed in accordance with the Department's standards and are in acceptable condition for dedication:

1. Grant of Easement and Bill of Sale

Grantor: Ellen Garver Koizumi
Subdivision No. 2004-000037
Tax Map Key: (3) 7-3-005:030
Facilities Charge: \$30,475.00 Date Paid: 2/25/2021
Capital Assessment Fee: \$2,500.00
Final Inspection Date: 2/9/2021
Water System Cost: \$76,534.00

2. Grant of Easement (for water meter)

Grantors: Thomas L.H. Yeh and Aileen K.F. Yeh; Vern Masaji Yamanaka and Catherine Yamanaka
Tax Map Key: (3) 7-4-006:048 (portion), WM-1, Lot 2-A (portion)

3. Grant of Easement (for water meter)

Grantor: CP San Felipe 300 LLC
Tax Map Key: (3) 7-4-006:048 (portion), WM-2, Lot 2-F (portion)

4. Grant of Easement (for water meter)

Grantor: CP San Felipe 300 LLC
Tax Map Key: (3) 7-4-006:048 (portion), WM-3, Lot 2-E (portion)

5. Grant of Easement (for water meter)

Grantors: Garth Hidekichi Yamanaka and Katie Yamanaka; James G. Lee, Jr., Nicole Leilani Schnitzler
Tax Map Key: (3) 7-4-006:048 (portion), WM-4, Lot 2-D (portion)

6. Grant of Easement and Bill of Sale

Grantor: State of Hawai‘i, Department of Defense
Hawai‘i Army National Guard
Tax Map Key: (3) 2-1-012: 003
Facilities Charge: \$27,500.00, Date Paid: 10/5/2020
Final Inspection Date: 4/16/2021
Water System Cost: \$100,000.00

RECOMMENDATION: It is recommended that the Water Board accept these documents subject to the approval of the Corporation Counsel and that either the Chairperson or the Vice-Chairperson be authorized to sign the documents.

B. RENEWAL OF CONTRACT FOR MAINTENANCE AGREEMENT - SOUTH KOHALA, HĀMĀKUA, AND LAUPĀHOEHOE SITES (BRANTLEY CENTER, INC.):

Brantley Center, Inc., presently has a Maintenance Agreement for site maintenance for the Department’s South Kohala, Hāmākua, and Laupāhoehoe tank and pump sites. They are requesting to renew the Agreement from July 1, 2021, to June 30, 2022. The rates would be as follows:

South Kohala	-	\$4,392.35/month x 12 months (23 sites)	=	\$52,708.20
Hāmākua	-	\$2,944.16/month x 12 months (15 sites)	=	\$35,329.92
Laupāhoehoe	-	\$738.48/month x 12 months (3 sites)	=	\$8,861.76
		Total:		\$96,899.88

The Department has the right to award the contract to Brantley Center, Inc., without advertising or calling for bids, according to Subsection 103D-1010 of the Hawai'i Public Procurement Code. Brantley Center, Inc., has submitted the necessary documents to meet the requirements as a qualified rehabilitation facility. There is no increase from their proposal for Fiscal Year 2020-2021. Brantley Center's performance has been satisfactory, and the costs are reasonable. A total of 41 sites are covered by this agreement.

RECOMMENDATION: It is recommended that the Board award the contract for the RENEWAL OF CONTRACT FOR MAINTENANCE AGREEMENT – SOUTH KOHALA, HĀMĀKUA, AND LAUPĀHOEHOE SITES, to Brantley Center, Inc., for a period from July 1, 2021, to June 30, 2022, at a total cost of \$96,899.88, and that either the Chairperson or the Vice-Chairperson be authorized to sign the documents, subject to approval by Corporation Counsel.

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

The Provider, ENRG Hawai'i Solutions, LLC, and its general contractor, Greenpath Technologies Inc., desires to seek a different type of interconnection agreement with the electric utility (HECO) at four (4) DWS locations, per PPA Section 3.5, as seen in the table below:

DWS Location	Interconnection Agreement Type
Hilo Baseyard Microbiological Laboratory Kona Baseyard Waimea Baseyard	Grid-Supply Interconnection Agreement <i>(if Grid-Supply and Grid-Supply-Plus is no longer available, these sites will proceed through a Standard Three-Party Interconnection Agreement)</i>

This Grid-Supply Interconnection Agreement was previously closed to new applicants but has recently reopened. It provides a higher credit to DWS' HECO bill (15.14¢/kWh vs 10.55¢/kWh), for excess energy supplied to HECO, compared to the Grid-Supply-Plus Interconnection Agreement that was approved by the Water Board at its August 2020 meeting.

The following documents need to be completed, for each location, to start the HECO Grid-Supply interconnection application and review process:

- **Distributed Energy Resources Application Submittal Form**
- **Grid-Supply Interconnection Agreement**
 - All required PV system details or technical information to be provided by Provider/contractor, in accordance with the PPA.

RECOMMENDATION: It is recommended that the Water Board approve the DISTRIBUTED ENERGY RESOURCES APPLICATION SUBMITTAL FORM and GRID-SUPPLY INTERCONNECTION AGREEMENT, and that either the Chairperson or Vice-Chairperson be authorized to sign the documents, given that the documents are executed in accordance with the PPA and require no additional cost, subject to form and legality by Corporation Counsel.

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. Employee of the First Quarter 2021
5. Retiree of the Department of Water Supply

G. **CHAIRPERSON'S REPORT:**

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

10) **ANNOUNCEMENTS:**

1. **Next Meeting:** - May 25, 2021, 10:00 a.m., via 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."