

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

MEETING DATE: July 26, 2022

TIME: 10:00 a.m.

PLACE: Liquor Control Conference Room, Hilo Lagoon Centre, 101 Aupuni Street, Room 230, Hilo, Hawai‘i

Due to the expiration of Governor Ige’s COVID-19 Emergency Proclamation, members of the public are encouraged to continue face masking, physical distancing, and sanitizing, as outlined in the County of Hawai‘i Coronavirus Best Practices, Living with Coronavirus in our Community.

Public testimony may be done in person or in writing by email (dws@hawaiiidws.org), fax (808-961-8657), or by mail: 345 Kekūanaō‘a Street, Suite 20, Hilo, HI 96720. Please indicate agenda item submitting for. All testimony, regardless of time of receipt, will be part of the permanent record.

- 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 June 28, 2022, Public Hearing on the Power Cost Charge
 - Minutes of the June 28, 2022, 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 increased since the last Power Cost Charge rate was determined. The Department proposes to increase the Power Cost Charge from \$2.48 to **\$2.75** 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>
July 1, 2022	\$2.48
May 1, 2022	\$2.34
March 1, 2022	\$2.02
November 1, 2021	\$2.15
June 1, 2021	\$1.85
December 1, 2020	\$1.71

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 August 23, 2022, at 9:45 a.m., to receive testimony on increasing the Power Cost Charge from \$2.48 to \$2.75, effective September 1, 2022.

6) **SOUTH KOHALA:**

A. JOB NO. 2020-1160, PARKER #2 DEEPWELL REPAIR – REQUEST FOR ADDITIONAL FUNDS AND TIME EXTENSION:

The Contractor, Beylik/Energetic A JV, is requesting a contract change order for additional work that was required for necessary modifications to the new discharge head. The new discharge head was needed due to an unavoidable issue which occurred during the initial removal of the pump, motor, and column pipe. The description of the additional work and associated fees are as follows:

Item	Description	Amount
Original Contract Amount:		\$783,000.00
Original Contingency Amount:		\$78,000.00
1 st Additional Funds Request (Approved 12/19/2021)	Removal of the existing discharge head, furnish new discharge head and replacement of nine damaged 10” x 20’ long galvanized steel column pipes.	\$42,000.00
2nd Additional Funds Request	Modifications to the new discharge head. Inclusive of labor, shipping and other related costs.	\$7,909.00
Total Revised Contract Amount:		\$910,909.00

The Contractor is also requesting a contract time extension of 137 calendar days, due to the modifications of the discharge head. This delay was beyond the control of the Contractor.

Ext. #	From (Date)	To (Date)	Days (Calendar)	Description
1	02/28/2022	05/02/2022	63	Replacement of existing discharge head due to column assembly exceeding lifting capacity of discharge head plate.
				Replacement of nine (9) damaged column pipes due to incidental work.
2	05/02/2022	05/16/2022	14	Delays to discharge head manufacturing.
3	05/16/2022	09/30/2022	137	Delays due to modifications of the discharge head.
Total Days (including this request)			214	

Staff reviewed the request for the additional funds and time extension and found that the \$7,909.00 and 137 calendar days are justified. *Note: Payment of this work shall be performed by force account.*

RECOMMENDATION: It is recommended that the Board approve an increase in contingency of \$7,909.00 to Beylik/Energetic A JV, for a total project cost of \$910,909.00, and approve a contract time extension of 137 calendar days for JOB NO. 2020-1160, PARKER #2 DEEPWELL REPAIR. If approved, the contract completion date will be revised from May 16, 2022, to September 30, 2022.

B. CONSTRUCTION RIGHT OF ENTRY FOR THE LĀLĀMILO 10-MG RESERVOIR IN THE DISTRICT OF SOUTH KOHALA, TAX MAP KEY (3) 6-8-001:001:

The Department of Water Supply awarded the Lālāmilo 10-MG Reservoir Project at its May 24, 2022, meeting to Isemoto Contracting Co., Ltd. The construction contract has been executed and the proposed reservoir site and construction staging area is currently under ownership of PR Puu Pa LLC. The Department is currently working with the owners to acquire rights to the proposed reservoir lot. In order to begin construction work for the project prior to the completion of the acquisition, DWS intends to execute a Construction Right of Entry Agreement with the land owner.

RECOMMENDATION: It is recommended that the Water Board approve the subject Construction Right of Entry Agreement for the Lālāmilo 10-MG Reservoir site, including the construction staging area in the District of South Kohala, Tax Map Key (3) 6-8-001:001, subject to the review and approval of Corporation Counsel, and that the Chairperson or the Vice-Chairperson be authorized to sign the document.

7) **MISCELLANEOUS:**

A. **DEDICATIONS:**

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. **Dedication Deed**

Grantor: Hawai‘i Island Community Development Corporation

Tax Map Key (3) 2-8-026:031

Pepe‘ekee, South Hilo, Island of Hawai‘i, Hawai‘i

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. **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.

C. **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.

D. **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. Update on Establishment of Permitted Interaction Group, Re: Capacity Expansion
4. Report to the Board – Council Bill 180
5. Employee of the Quarter (2nd Quarter 2022)

**E. EXECUTIVE SESSION REGARDING POTENTIAL DISPUTED SETTLEMENT -
JOB NO. 2016-1056, WAI'AHA DEEPWELL REPAIR, DISTRICT OF NORTH KONA:**

The Board anticipates convening an executive meeting for the purposes of an attorney-client confidential discussion regarding the above-entitled matter.

Pursuant to Section 92-5(a)(4) Hawai'i Revised Statutes, the purpose of the executive meeting is to consult with the Board's attorney on questions and issues pertaining to the Board's duties, privileges, immunities, and liabilities. A two-thirds vote is necessary to hold an executive meeting, provided that the affirmative vote constitutes a majority of the Board.

F. CHAIRPERSON'S REPORT:

Chairperson to report on matters of interest to the Board.

8) ANNOUNCEMENTS:

1. **Next Meeting:** August 23, 2022, 10:00 a.m., at the West Hawai'i Civic Center, Room B2, Building B, Second Floor, 74-5044 Ane Keohokalole Highway, Kailua-Kona, Hawai'i, preceded by a Public Hearing on the Power Cost Charge at 9:45 a.m., if approved by the Board today.

9) 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 (808) 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.

Board Packet Pursuant to Hawai'i Revised Statutes, Section 92-7.5, the board packet provided to members of the board for this meeting is available for public inspection during regular business hours at the Department of Water Supply office, 345 Kekūanaō'a Street, Suite 20, Hilo, Hawai'i.

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