

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

**MEETING DATE:** August 23, 2022

**TIME:** 10:00 a.m.

**PLACE:** West Hawai‘i Civic Center, Room B2 (Second Floor), 74-5044 Ane Keohokalole Highway, Kailua-Kona, 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 Kekūānaō‘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 – Pursuant to HRS §92-3, oral testimony may be provided entirely at the beginning of the meeting, or immediately preceding the agenda item.
- 3) APPROVAL OF MINUTES – July 26, 2022, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)  
**(Note: Roll Call Required)**
- 5) CONTESTED CASE HEARING (NOTICED FOR 10:00 A.M.):

*Chair: Is there any testimony for this item?*

**Water Service Account No. 007-93006260-10**

The above Contested Case Hearing is to take place in accordance with Chapter 91 of the Hawai‘i Revised Statutes and Rule 2-5 of the Rules and Regulations of the Department of Water Supply.

The issues involved in the above-referenced hearing will be Mr. J. Vasconcellos, Jr.’s, appeal of the proposed Shut-off Notice for Account No. 007-93006260-10 and the Department’s Findings of Fact, Conclusions of Law and Decision after the Administrative Hearing held on June 3, 2022.

This hearing is being set pursuant to Mr. Vasconcellos’ request of June 16, 2022, for the hearing to be held at the August 23, 2022, Water Board Meeting.

6) **POWER COST CHARGE:**

*Chair: Is there any testimony for this item?*

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     |

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

**RECOMMENDATION:** It is recommended that the Board approve the increase of the Power Cost Charge from \$2.48 to \$2.75 per thousand gallons, effective September 1, 2022.

7) **SOUTH HILO:**

**A. JOB NO. 2020-1146, HILO OPERATIONS BASEYARD EMERGENCY GENERATOR REPLACEMENT – REQUEST FOR ADDITIONAL FUNDS:**

*Chair: Is there any testimony for this item?*

At the May 24, 2022, Water Board meeting, a request for additional funds of \$107,839.00 was approved. The Total Revised Contract Amount was misstated as \$1,572,763.00 and should have been \$1,572,865.00. This is for informational purposes.

**B. JOB NO. 2020-1146, HILO OPERATIONS BASEYARD EMERGENCY GENERATOR REPLACEMENT - REQUEST FOR TIME EXTENSION:**

*Chair: Is there any testimony for this item?*

The Contractor, Isemoto Contracting Co., Ltd., is requesting a contract change time extension of 162 calendar days. The Contractor was delayed due to changes to the project scope and the reasons noted below. These delays were beyond the control of the Contractor.

| Ext. # | From (Date) | To (Date)  | Days (Calendar) | Reason   |
|--------|-------------|------------|-----------------|--|
| 1      | 8/12/2021   | 4/20/2022  | 251             | Delays in receiving the building permit during transition to new permitting system.  |
| 2      | 4/21/2022   | 7/11/2022  | 82              | Delays in receiving the building permit during transition to new permitting system.  |
| 3      | 7/12/2022   | 12/20/2022 | 162             | Additional work associated with Change Order #4 and Change Order #5 for replacement of metal paneling; additional disconnect switches; |

|                                     |  |  |     |   |
|-------------------------------------|--|--|-----|---|
|                                     |  |  |     | and replacement of circuit breaker and new surge protection device for caretaker's cottage. |
| Total Days (including this request) |  |  | 495 |   |

Staff reviewed the request for contract time extension and the accompanying supporting documents and found the 162 calendar days justified. *Note: The additional costs associated with this time extension was approved at the May 24, 2022, Water Board meeting.*

**RECOMMENDATION:** It is recommended that the Board approve a contract time extension of 162 calendar days to Isemoto Contracting Co., Ltd., for JOB NO. 2020-1146, HILO OPERATIONS BASEYARD EMERGENCY GENERATOR REPLACEMENT. If approved, the contract completion date will be revised from July 11, 2022, to December 20, 2022.

8) NORTH KOHALA:

A. **JOB NO. 2021-1177, HĀWĪ #2 BOOSTER C REPAIR – REQUEST FOR TIME EXTENSION:**

*Chair: Is there any testimony for this item?*

The contractor, Derrick's Well Drilling & Pump Services, LLC, is requesting a contract time extension of 59 calendar days due to unforeseen motor manufacturer delays. This is the first time extension request for this project.

| Ext. #                              | From (Date) | To (Date)  | Days (Calendar) | Reason                     |
|-------------------------------------|-------------|------------|-----------------|----------------------------|
| 1                                   | 8/30/2022   | 10/28/2022 | 59              | Motor manufacturer delays. |
| Total Days (including this request) |             |            | 59              |                            |

Staff reviewed the request for the contract time extension and the accompanying supporting documentation and finds the 59 calendar days justified. *Note: There are no additional costs associated with this time extension.*

**RECOMMENDATION:** It is recommended that the Board approve this contract time extension of 59 calendar days to Derrick's Well Drilling & Pump Services, LLC, for JOB NO. 2021-1177, HĀWĪ #2 BOOSTER C REPAIR. If approved, the contract completion date will be revised from August 30, 2022, to October 28, 2022.

9) SOUTH KOHALA:

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

*Chair: Is there any testimony for this item?*

The Water Board at its July 26, 2022, meeting, approved the Construction Right of Entry Agreement for the reservoir site as well as the staging area that is currently under the ownership of PR Puu Pa LLC. A request has been made to add a provision ensuring invasive or noxious weeds or pests are not transported to or used on the property. All other provisions of the Agreement remain the same and the revised Construction Right of Entry Agreement will supersede the previous version.

The Department of Water Supply (DWS) is continuing to work 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, the DWS intends to execute a Construction Right of Entry Agreement with the land owner.

Staff has reviewed the added provision and finds it acceptable.

**RECOMMENDATION:** It is recommended that the Water Board approve the subject Construction Right of Entry Agreement (superseding the previous version approved at the July 26, 2022, Water Board meeting) 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 either the Chairperson or the Vice-Chairperson be authorized to sign the document.

10) NORTH KONA:

A. **JOB NO. 2021-1181, KEAUFHOU BOOSTER A REPAIR:**

*Chair: Is there any testimony for this item?*

This project consists of furnishing all labor, materials, tools and equipment necessary to remove the existing booster pump assembly; install Contractor furnished vertical turbine pump, discharge head, and all appurtenant materials; chlorinate the suction can and pumping assembly; complete an efficiency and vibration test; daily clean-up of the job site at the conclusion of each work day; and perform all incidental work necessary to complete repair in accordance with the specifications.

Bids for this project were opened on August 11, 2022, at 2:00 p.m., and the following are the bid results:

| <b>Bidder</b>                                  | <b>Bid Amount</b> |
|--|-------------------|
| Beylik/Energetic A JV                          | \$72,950.00       |
| Derrick’s Well Drilling and Pump Services, LLC | \$117,000.00      |
| ALPHA Inc.                                     | NO BID            |

Project Costs:

|                                       |                           |
|---------------------------------------|---------------------------|
| 1) Low Bidder (Beylik/Energetic A JV) | \$72,950.00               |
| 2) Contingencies (10%)                | <u>\$7,295.00</u>         |
| <b>Total Cost:</b>                    | <b><u>\$80,245.00</u></b> |

Funding for this project will be from DWS’ CIP Budget under Deepwell Pump Replacement. The contractor will have 180 calendar days to complete the well repair with the Contractor’s furnished equipment. The Engineering estimate for this project was \$146,850.00.

Booster History:

Keauhou Booster A:  
Original Installation: June 1989

**RECOMMENDATION:** It is recommended that the Board award the contract for JOB NO. 2021-1181, KEAUFHOU BOOSTER A REPAIR, to the lowest responsible bidder,

Beylik/Energetic A JV, for their bid amount of \$72,950.00, plus \$7,295.00 for contingencies, for a total contract amount of \$80,245.00. 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.

11) MISCELLANEOUS:

A. **MEMORANDUM OF AGREEMENT (MOA) FOR THE HARDENING OF PARKER NO. 2, WAI‘AHA AND LĀLĀMILO B WELLS – AMENDMENT NO. 1:**

*Chair: Is there any testimony for this item?*

The Hawai‘i Emergency Management Agency has requested to amend the Memorandum of Agreement (MOA) for the Hardening of Parker No. 2, Wai‘aha, and Lālāmilo B Wells (executed March 7, 2022), in accordance with the Amendment No. 1. This amendment corrects the Period of Performance end date from February 15, 2024, to February 10, 2024, and incorporates required documents to be made a part of the MOA.

**RECOMMENDATION:** It is recommended that the Board approve the Amendment No. 1 to the Memorandum of Agreement with the Hawai‘i Emergency Management Agency for the Hardening of Parker No. 2, Wai‘aha, and Lālāmilo B Wells, and that either the Chairperson or the Vice-Chairperson be authorized to sign the document, subject to review as to form and legality by Corporation Counsel.

B. **MONTHLY PROGRESS REPORT:**

*Chair: Is there any testimony for this item?*

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:**

*Chair: Is there any testimony for this item?*

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:**

*Chair: Is there any testimony for this item?*

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. Department of Water Supply Energy Report

**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.

12) ANNOUNCEMENTS:

1. **Next Meeting:** - September 27, 2022, 10:00 a.m., at the Liquor Control Conference Room, Hilo Lagoon Centre, 101 Aupuni Street, Room 230, Hilo, Hawai‘i.

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 (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.”