

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

MEETING DATE: October 25, 2022

A) **TIME:** **10:00 a.m. (Regular Meeting)**
PLACE: Waimea Community Center (next to the ball park); 65-1260 Kawaihae Road,
Kamuela, Hawai‘i

B) **TIME:** **Site Visit Immediately Following Recess of Regular Board Meeting**
PLACE: Assemble at, for site visit to Waimea Water Treatment Plant, (65-1190 Spencer Road,
Kamuela, HI) to view the Waimea Water Treatment Plant Upgrades project. Members
of the public must have their own transportation to the site. Meeting will recess during
transit and reconvene in front of the Waimea Water Treatment Plant site. Gates to the
site will be closed but unlocked so that members of the public can gain access. (*For
directions, see Announcements item below.*)

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 – 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 – Minutes of the September 27, 2022, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
(**Note: Roll Call Required**)
- 5) **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 \$2.75 to **\$2.87** 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>
September 1, 2022	\$2.75
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

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 \$2.75 to \$2.87, effective November 1, 2022.

6) NORTH HILO:

A. **JOB NO. 2021-1162 (REBID), LAUPĀHOEHOE DEEPWELL B REPAIR – REQUEST FOR TIME EXTENSION:**

Chair: Is there any testimony for this item?

The Contractor, Derrick’s Well Drilling and Pump Services, LLC., is requesting a contract time extension of 151 calendar days, due to delays by the manufacturer providing submittals and receiving materials for pump production. These setbacks were beyond the control of the Contractor.

Staff reviewed the request for the time extension and the accompanying supporting documentation and found the 151 calendar days to be justified. *Note: There are no additional costs associated with this time extension.*

Ext. #	From (Date)	To (Date)	Days (Calendar)	Reason
1	10/31/2022	3/31/2023	151	Manufacturer delays in providing submittals and receiving materials for pump production.
Total Days (including this request)			151	

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 151 calendar days to Derrick’s Well Drilling and Pump Services, LLC., for JOB NO. 2021-1162 (REBID), LAUPĀHOEHOE DEEPWELL B REPAIR. If approved, the contract completion date will be revised from October 31, 2022, to March 31, 2023.

7) SOUTH KOHALA:

A. AGREEMENT REGARDING FACILITIES CHARGE PAYMENT FOR MASTER LANDSCAPE WATER METER:

Chair: Is there any testimony for this item?

The developer, SCD ML II, LLC, an associated entity of Stanford Carr Development, LLC, is proposing to enter into an agreement to pay Facilities Charges owed for a Master Landscape Water Meter totaling \$410,199.10. A temporary meter was installed for construction purposes and has since been used for the permanent landscaping needs via the Tri-Party Agreement between Mauna Lani Services, Mauna Kea Properties, and the Department of Water Supply (DWS). While SCD ML II, LLC is entering into a settlement agreement to complete the construction of the overall development, they are proposing to arrange payments semi annually until September 1, 2024, or payment in full upon the construction loan closing, whichever is sooner.

It is proposed that upon execution of this agreement, a Master Landscape Agreement also be executed by the account holder, which would properly identify the service for irrigation purposes.

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

8) MISCELLANEOUS:

A. RESOLUTION NO. 2022-01, APPROVING RECEIPT AND EXPENDITURE OF MONIES FOR THE DEPARTMENT OF WATER SUPPLY CAPITAL IMPROVEMENT PROJECTS FUNDED BY THE DRINKING WATER STATE REVOLVING FUND (DWSRF); AND AUTHORIZING THE MANAGER-CHIEF ENGINEER OR DEPUTY TO REDUCE, REPLACE, AND ALLOCATE UP TO \$25,000,000.00 IN MONIES FOR SAID PROJECTS, IN THE FORM OF A LOAN AGREEMENT OR GRANT BETWEEN THE STATE OF HAWAI'I AND DEPARTMENT OF WATER SUPPLY, COUNTY OF HAWAI'I:

Chair: Is there any testimony for this item?

DWS is submitting a loan application to fund Capital Improvement Projects with the Drinking Water State Revolving Funds (DWSRF). One of the prerequisites for the loan is a Resolution approved by the Water Board. This Resolution authorizes the Manager-Chief Engineer or the Deputy to execute loans and/or grants with the State Department of Health for up to \$25,000,000.00.

RECOMMENDATION: It is recommended that the Water Board adopt DRINKING WATER STATE REVOLVING FUND RESOLUTION NO. 2022-01, subject to the approval of 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. Update on Establishment of Permitted Interaction Group, Re: Capacity Expansion
3. Employee of the Quarter (third quarter of 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. EXECUTIVE SESSION: MANAGER-CHIEF ENGINEER AND DEPUTY EVALUATION AND COMPENSATION FOR CALENDAR YEAR 2022:

The Board anticipates convening an executive meeting to consider the evaluations of the Manager-Chief Engineer and Deputy 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.

G. MANAGER-CHIEF ENGINEER AND DEPUTY EVALUATION AND COMPENSATION FOR CALENDAR YEAR 2022:

Chair: Is there any testimony for this item?

Discussion/action on Manager-Chief Engineer and Deputy evaluation and compensation.

H. CHAIRPERSON'S REPORT:

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

9) ANNOUNCEMENTS:

1. Next Meeting:

The next meeting of the Water Board will be November 22, 2022, at the West Hawai'i Civic Center, Room B2, Building B, Second Floor, 74-5044 Ane Keohokalole Highway, Kailua-Kona, Hawai'i.

2. Site Visit Today:

Site visit to Waimea Water Treatment Plant, (65-1190 Spencer Road, Kamuela, HI) to view and discuss Waimea Water Treatment Plant Upgrades project. **Directions:** From Kawaihae Road, turn on Lindsey Road past Parker School and continue mauka; turn right onto Kapi'olani Street and keep going to the end of the street. Turn left onto Spencer Road. At the first paved driveway to the right is the Department of Water Supply gate (this is the first gate leading to the Waimea Water Treatment Plant). Meeting will take place at the Waimea Water Treatment Plant site, which is at the end of the road after passing through a second gate.

10) 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."