

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

MEETING DATE: November 22, 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 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 October 25, 2022, Public Hearing on the Power Cost Charge
 - Minutes of the October 25, 2022, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
(Note: Roll Call Required)
- 5) **PRESENTATION OF COUNTY OF HAWAI‘I AUDIT REPORT ON CONTINGENCY PLANS (FOLLOW-UP):**

Chair: Is there any testimony for this item?

Copies of the County of Hawai‘i, Office of Legislative Auditor, “Department of Water Supply Contingency Plans Follow-up,” Report No. 2022-06, dated October 20, 2022, have been distributed to Board members. The County’s Legislative Auditor, Tyler J. Benner, will present to the Board.

- 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 \$2.87 to **\$3.04** 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> |
|-------------------|------------|
| November 1, 2022 | \$2.87 |
| 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 |

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 December 20, 2022, at 9:45 a.m., to receive testimony on increasing the Power Cost Charge from \$2.87 to \$3.04, effective January 1, 2023.

7) SOUTH KOHALA:

A. **JOB NO. 2004-847, CONSTRUCTION OF THE PUAKŌ WATERLINE REPLACEMENT:**

Chair: Is there any testimony for this item?

Bids for this project were received and opened on October 31, 2022, at 2:00 p.m., and the following are the bid results:

| Bidder | Bid Amount | Adjusted Bid Amount w/Preferences* |
|---------------------------------------|-------------------|---|
| Drainpipe Plumbing & Solar LLC | \$5,781,520.01 | \$5,781,520.01 |
| Goodfellow Bros, LLC | \$6,485,550.00 | \$6,161,272.50 |
| Isemoto Contracting & Demolition, LLC | \$9,182,810.00 | \$8,723,669.50 |
| Jas. W. Glover, LTD | \$10,174,800.00 | \$10,174,800.00 |
| Koga Engineering & Construction, Inc. | \$7,657,000.00 | \$7,274,150.00 |
| Nan, Inc. | \$7,481,645.00 | \$7,107,562.75 |

**Bids were adjusted (for purposes of award) to provide credits in the State Apprenticeship Program, in accordance with Hawai'i Administrative Rules*

Project Scope: This project involves construction of approximately 11,500 linear feet of new 12" and 8" zinc coated ductile iron waterline, 112 service laterals, 24 fire hydrants and appurtenances along Puakō Beach Drive. It is also anticipated that the construction will take approximately 1 year to complete (365 days). The engineers estimate for the project was \$4,700,000.00.

Project Cost:

| | |
|--|------------------------------|
| 1) Low Bidder (Drainpipe Plumbing & Solar LLC) | \$5,781,520.01 |
| 2) Construction Contingency (10%) | <u>578,152.00</u> |
| Total Construction Cost: | <u>\$6,359,672.01</u> |

Funding for this project will be funded by a State Revolving Fund loan.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2004-847, CONSTRUCTION OF THE PUAKŌ WATERLINE IMPROVEMENTS, to the lowest bidder, Drainpipe Plumbing & Solar LLC, for their bid amount of \$5,781,520.01 plus \$578,152.00 for construction contingency, for a total contract amount of \$6,359,672.01, and 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. JOB NO. 2020-1160, PARKER #2 DEEPWELL REPAIR – REQUEST FOR ADDITIONAL FUNDS:

Chair: Is there any testimony for this item?

The Contractor, Beylik/Energetic A JV is requesting a contract change order for additional work that was required for machining new column pipe to install a positive seal check valve directly connected to the pump and to submerge the positive seal check valve within the water column. 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 12/21/2021) | 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 |
| 2 nd Additional Funds Request (Approved 7/26/2022) | Modifications to the new discharge head. Inclusive of labor, shipping and other related costs. | \$7,909.00 |
| 3 rd Additional Funds Request | Machining work to contractor supplied 10” x 5’ column pipe and replacement of 10” x 17’ column pipe with extra 10” x 20’ column pipe. | \$5,903.15 |
| Total Revised Contract Amount | | \$916,812.15 |

Staff reviewed the request for the additional funds and found that the \$5,903.15 is justified. The contractor also requested a contract time extension of 7 calendar days but that request was not 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 \$5,903.15 to Beylik/Energetic A JV, for a total project cost of \$916,812.15 for JOB NO. 2020-1160, PARKER #2 DEEPWELL REPAIR.

8) **MISCELLANEOUS:**

A. **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.

B. 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.

C. 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. Department of Water Supply Energy Report
3. Pacific Water Conference, February 7 to 9, 2023 – Hawai'i Convention Center, Honolulu, Hawai'i

D. 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.

E. 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.

F. 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.

G. ELECTION OF CHAIRPERSON AND VICE-CHAIRPERSON FOR 2023:

Board to elect Chairperson and Vice-Chairperson for the 2023 term.

H. CHAIRPERSON'S REPORT:

Chairperson to report on matters of interest to the Board.

9) ANNOUNCEMENTS:

1. **Next Meeting:** - December 20, 2022, 10:00 a.m., at the Liquor Control Conference Room, Hilo Lagoon Centre, 101 Aupuni Street, Room 230, Hilo, Hawai'i.

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."