

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

MEETING DATE: July 25, 2023

TIME: 10:00 a.m.

PLACE: Department of Water Supply, Hilo Operations Baseyard, 889 Leilani Street,
Hilo, Hawai‘i

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 June 27, 2023, 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 decreased since the last Power Cost Charge rate was determined. The Department proposes to decrease the Power Cost Charge from \$2.70 to \$2.64 per thousand gallons as a result of this decrease. Power cost charges over the past two years were as follows:

<u>Effective</u>	<u>PCC</u>
April 1, 2023	\$2.70
January 1, 2023	\$3.04
November 1, 2022	\$2.87
September 1, 2022	\$2.75
July 1, 2022	\$2.48
May 1, 2022	\$2.34

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 22, 2023, at 9:45 a.m., to receive testimony on decreasing the Power Cost Charge from \$2.70 to \$2.64, effective September 1, 2023.

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 46 calendar days, due to delays by the vendor supplying components for the discharge piping. The vendor has been experiencing short staffing and a change of management through the duration of the project. 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 46 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.
2	3/31/2023	6/16/2023	77	Manufacturer delays in motor production.
3	6/16/2023	8/15/2023	60	Manufacturer requests motor substitution, delaying shipment.
4	8/15/2023	9/30/2023	46	Manufacturer delays in valve production.
Total Days (including this request)			334	

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 46 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 August 15, 2023, to September 30, 2023.

7) **SOUTH KONA**

A. **JOB NO. 2021-1179, KE‘EI #2A & #3B BOOSTER REPAIR – REQUEST FOR TIME EXTENSION**

Chair: Is there any testimony for this item?

The Contractor, Beylik/Energetic A JV is requesting a contract time extension of 177 calendar days, due to delays from the Manufacturer with responding to and addressing Department comments and concerns regarding equipment submittals, and due to delays from Manufacturer recommended material changes and mechanical seal design change. This was beyond the control of the Contractor.

Staff reviewed the request for the time extension and the accompanying supporting documentation and found the 177 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	01/13/2023	07/07/2023	175	Delays from Manufacturer regarding Department comments and concerns for equipment submittals and Manufacturer recommended material and design changes.
2	07/07/2023	12/31/2023	177	Delays from Manufacturer with addressing comments from the Department for equipment and material substitution requests.
Total Days (including this request)			352	

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 177 calendar days to Beylik/Energetic A JV, for JOB NO. 2021-1179, KE'EI #2A & #3B BOOSTER REPAIR. If approved, the contract completion date will be revised from July 7, 2023 to December 31, 2023.

8) **SOUTH KOHALA**

- A. JOB NO. 2023-1223, WAIMEA WATER TREATMENT PLANT (WWTP) SLUDGE REMOVAL (*Note: This matter was deferred on June 27, 2023. There was no motion made to approve the recommendation.*)
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Chair: Is there any testimony for this item?

This project generally consists of furnishing all labor, materials, tools, and equipment necessary to remove and dispose of settled sludge from the Waimea Water Treatment Plant 2.7 MG reservoir, for a period not to exceed one year.

Bids for this project were opened on June 8, 2023, at 2:00 p.m., and the following is the bid result:

Bidder	Bid Amount
2B Environmental, Inc.	\$0.29125/Gallon

RECOMMENDATION: It is recommended that the Board award the contract for WAIMEA WATER TREATMENT PLANT SLUDGE REMOVAL, JOB NO. 2023-1223 to the lowest responsible bidder, 2B Environmental, Inc., for a unit price of \$0.29125 per gallon, on an as-needed basis with a total contract amount not to exceed \$350,000.00, 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. The sludge removal contract shall be from July 1, 2023 to June 30, 2024.

B. JOB NO. 2021-1171 (REBID), LĀLĀMILO B DEEPWELL 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 30 calendar days, due to delays from staff shortages at the Manufacturer’s facility. This was beyond the control of the Contractor.

Staff reviewed the request for the time extension and the accompanying supporting documentation and found the 30 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	02/28/2023	05/15/2023	76	Delays from Manufacturer.
2	05/15/2023	06/14/2023	30	Delays from Manufacturer.
3	06/14/2023	07/31/2023	47	Delays from Manufacturer and Department requested modifications.
4	07/31/2023	08/30/2023	30	Delays from Manufacturer.
Total Days (including this request)			183	

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 30 calendar days to Derrick’s Well Drilling and Pump Services, LLC, for JOB NO. 2021-1171 (REBID), LĀLĀMILO B DEEPWELL REPAIR. If approved, the contract completion date will be revised from July 31, 2023 to August 30, 2023.

9) MISCELLANEOUS

A. DEDICATIONS:

- 1) Grant of Easement and Bill of Sale
 Grantor: Hope Services Hawai‘i, Inc.
 Tax Map Key (3) 1-5-006:017
 Wā‘iākā‘hiula, Puna, Island of Hawai‘i, Hawai‘i
 Facilities Charge: \$79,235.00 Date Paid: 5/19/2023
 Final Inspection Date: 5/23/2023
 Water System Cost: \$125,874.85

Chair: Is there any testimony for this item?

- 2) Grant of Easement and Bill of Sale
(SUB-19-001925)
Grantor: Mailani Development LLC
Tax Map Key (3) 2-4-080:013 (portion)
Waiākea, South Hilo, Island of Hawai‘i, Hawai‘i
Facilities Charge: \$158,470.00 Date Paid: 11/7/2022
Final Inspection Date: 6/15/2023
Water System Cost: \$169,125.00

Chair: Is there any testimony for this item?

- 3) Grant of Easement and Bill of Sale
Grantor: Absolute Builders LLC and Kahealani K. Kaaihili
Tax Map Key (3) 4-5-004:148 (Roadway) (3) 4-5-004:025
Kaa, Hāmākua, Island of Hawai‘i, Hawai‘i
Facilities Charge: \$24,380.00 Date Paid: 7/10/2023
Final Inspection Date: 5/2/2023
Water System Cost: \$56,000.00

Chair: Is there any testimony for this item?

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

- B. MATERIAL BID NO. 2021-04, FURNISHING AND DELIVERING SPARE PUMP AND MOTOR SETS FOR PARKER RANCH DEEPWELL, WAIMEA DEEPWELL, AND KEŌPŪ #1 DEEPWELL, AND REFURBISHING PUMP AND MOTOR SET FOR HALEKI‘I DEEPWELL FOR THE DEPARTMENT OF WATER SUPPLY – REQUEST FOR TIME EXTENSION

Chair: Is there any testimony for this item?

The Contractor, Beylik/Energetic A JV, is requesting a contract time extension of 306 calendar days for Section 1 – Parker Ranch Deepwell, due to submittal and manufacturer scheduling delays; 300 calendar days for Section 2 – Waimea Deepwell, due to submittal and motor testing delays; 311 calendar days for Section 3 – Keōpū #1 Deepwell, due to submittal and manufacturer scheduling delays; and 340 calendar days for Section 4 – Haleki‘i Deepwell, due to shipping and motor repair delays. These delays were beyond the control of the Contractor.

Staff reviewed the request for the time extension and the accompanying supporting documentation and found only 248 calendar days to be justified for Section 1 – Parker Ranch Deepwell, only 263 calendar days to be justified for Section 2 – Waimea Deepwell, only 278 calendar days to be justified for Section 3 – Keōpū #1 Deepwell, and only 279 calendar days to be justified for Section 4 – Haleki‘i Deepwell. *Note: There are no additional costs associated with these time extensions.*

Ext. #	From (Date)	To (Date)	Days (Calendar)	Reason
1	12/11/22	8/16/2023	248	Delay in receipt of equipment submittals, and delays in manufacturer scheduling.
	12/11/22	8/31/2023	263	Delay in receipt of equipment submittals, and delays in motor testing.
	11/11/22	8/16/2023	278	Delay in receipt of equipment submittals, and delays in manufacturer scheduling.
	10/10/22	7/16/2023	279	Delay in shipping of equipment to manufacturer, and manufacturer delays with motor refurbishment.
Total Days (including this request)			248, 263, 278 & 279	

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 248 calendar days for Section 1 – Parker Ranch Deepwell, 263 calendar days for Section 2 – Waimea Deepwell, 278 calendar days for Section 3 – Keōpū #1 Deepwell, and 279 calendar days for Section 4 – Haleki‘i Deepwell to Beylik/Energetic A JV, for MATERIAL BID NO. 2021-04, FURNISHING AND DELIVERING SPARE PUMP AND MOTOR SETS FOR PARKER RANCH DEEPWELL, WAIMEA DEEPWELL, AND KEŌPŪ #1 DEEPWELL, AND REFURBISHING PUMP AND MOTOR SET FOR HALEKI‘I DEEPWELL FOR THE DEPARTMENT OF WATER SUPPLY. If approved, the contract completion dates will be revised from December 11, 2022, to August 16, 2023 for Section 1 – Parker Ranch Deepwell; December 11, 2022, to August 31, 2023 for Section 2 – Waimea Deepwell; November 11, 2022, to August 16, 2023 for Section 3 – Keōpū #1 Deepwell; and from October 10, 2022 to July 16, 2023 for Section 4 – Haleki‘i Deepwell.

C. **MEMORANDUM OF UNDERSTANDING (MOU) TO IMPLEMENT THE EMERGENCY POWER FOR WATER INFRASTRUCTURE PROJECT IDENTIFIED WITHIN THE COMMUNITY DEVELOPMENT BLOCK GRANT – MITIGATION PROGRAM**

Chair: Is there any testimony for this item?

The Department of Water Supply (DWS) is proposing to enter into a MOU with the County of Hawai‘i Planning Department and County of Hawai‘i Finance Department to facilitate the Community Development Block Grant – Mitigation Program (CDBG-MIT) funds allocated to DWS’ Emergency Power for Water Infrastructure project. This project involves the installation of power transfer switches and supporting infrastructure at Pi‘ihonua #1, Pi‘ihonua #3, ‘Ōla‘a #3 and ‘Ōla‘a #4. The federal share will be 100% of the total project cost, not to exceed \$835,000. DWS will be responsible for the procurement of the professional services and construction, in accordance with the MOU.

RECOMMENDATION: It is recommended that the Board approve the MOU with the County of Hawai‘i Planning Department and County of Hawai‘i Finance Department to implement the Emergency Power for Water Infrastructure project identified within the CDBG-MIT, and that either the Chairperson or the Vice-Chairperson be authorized to sign the MOU, subject to review as to form and legality by Corporation Counsel.

D. 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.

E. 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.

F. 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

G. CHAIRPERSON'S REPORT

Chairperson to report on matters of interest to the Board.

10) ANNOUNCEMENTS

Next Meeting: - August 22, 2023, 10:00 a.m., at the West Hawai'i Civic Center, Building G, 74-5044 Ane Keohokālole Highway, Kailua-Kona, Hawai'i.

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 (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."