

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

**MEETING CANCELLED
DUE TO LACK OF
QUORUM (4/24/18)**

MEETING DATE: ~~April 24, 2018~~
TIME: ~~10:00 a.m.~~
PLACE: Department of Water Supply, Hilo Operations Center Conference Room
889 Leilani Street, Hilo, Hawai‘i

- 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 –
 - 1) March 27, 2018, Public Hearing on the Fiscal Year 2019 Operating Budget and 5-Year Capital Improvements Budget for the Fiscal Years 2019-2023
 - 2) March 27, 2018, Public Hearing on Power Cost Charge
 - 3) March 27, 2018, Regular Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
(Note: Addendum requires Roll Call Vote)
- 5) CONTESTED CASE HEARING (NOTICED FOR 10:00 A.M.):

Water Service Account No. 970-03200-18

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. Lester Dunn’s appeal of the amounts shown due and owing on Account # 970-03200-18 which include his November 2017 bill totaling \$874.97, and consequently, the appeal of any proposed shut off resulting from failure to pay said amount.

This hearing is being set pursuant to Mr. Dunn’s request on March 15, 2018, for the hearing to be held at the April 24, 2018, Water Board Meeting.

- 6) PUNA:

A. JOB NO. 2016-1054, ‘ŌLA‘A #6 DEEPWELL REPAIR:

The contractor, Derrick’s Well Drilling & Pump Services, LLC, has requested a contract time extension of 216 calendar days (see attached request letter from the contractor). The Department requested that the motor, originally intended for this well repair, be used at a higher priority well repair (Hualālai Deepwell Repair). This directive caused a delay in the completion of the work, as a replacement motor had to be procured.

1st time extension – 216 calendar days

Staff has reviewed the request and is recommending approval of the 216 calendar days, per the Hawai'i Administrative Rules §3-125-18.

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 216 calendar days to Derrick's Well Drilling & Pump Services, LLC, for JOB NO. 2016-1054, 'ŌLA'A #6 DEEPWELL REPAIR. If approved, the contract completion date will be revised from September 29, 2017, to May 3, 2018.

B. JOB NO. 2017-1066, KEAU'OHANA DEEPWELL B REPAIR:

Bids will be opened on April 19, 2018; and a report and recommendation will be provided at the meeting.

7) NORTH KONA:

A. JOB NO. 2017-1077 (REBID), HUALĀLAI DEEPWELL REPAIR:

Bids for this project were opened on April 13, 2018, at 2:00 p.m., and following are the bid results:

Bidder	Bid Amount
Beylik Drilling & Pump Service, Inc.	\$696,080.00
Derrick's Well Drilling & Pump Services, LLC	\$700,000.00

Project Costs:

1) Low Bidder (Beylik Drilling & Pump Service, Inc.)	\$696,080.00
2) Contingencies (9.9%)	<u>69,520.00</u>
Total Cost:	<u>\$765,600.00</u>

This project consists of furnishing all labor, materials, tools and equipment necessary to install a submersible pump and motor, column assembly, sounding tubes, and all appurtenant materials; electrical work; chlorinate the well and pumping assembly; and complete an efficiency test; in accordance with the specifications.

Funding for this project will be from DWS's CIP Budget under Deepwell Pump Replacement. The contractor will have 150 calendar days to complete this project. The Engineering estimate for this project was \$730,000.00.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2017-1077 (REBID), HUALĀLAI DEEPWELL REPAIR, to the lowest responsible bidder, Beylik Drilling & Pump Service, Inc., for their bid amount of \$696,080.00, plus \$69,520.00 for contingencies, for a total contract amount of \$765,600.00. 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.

B. JOB NO. 2018-1082, HONOKŌHAU DEEPWELL REPAIR:

Bids for this project were opened on April 13, 2018, at 2:30 p.m., and following are the bid results:

Bidder	Bid Amount
Beylik Drilling & Pump Service, Inc.	\$119,000.00
Derrick's Well Drilling & Pump Services, LLC	\$126,600.00

Project Costs:

1) Low Bidder (Beylik Drilling & Pump Service, Inc.)	\$ 119,000.00
2) Contingencies (10.0%)	<u>11,900.00</u>
Total Cost:	<u>\$130,900.00</u>

This project consists of furnishing all labor, materials, tools and equipment necessary to install a submersible pump and motor, column assembly, sounding tubes, and all appurtenant materials; chlorinate the well and pumping assembly; and complete an efficiency test; in accordance with the specifications.

Funding for this project will be from DWS's CIP Budget under Deepwell Pump Replacement. The contractor will have 90 calendar days to complete this project. The Engineering estimate for this project was \$150,000.00.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2018-1082, HONOKŌHAU DEEPWELL REPAIR, to the lowest responsible bidder, Beylik Drilling & Pump Service, Inc., for their bid amount of \$119,000.00, plus \$11,900.00 for contingencies, for a total contract amount of \$130,900.00. 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.

C. NORTH KONA MID-ELEVATION SOURCE DEVELOPMENT – PHASE 1:

The State Department of Land and Natural Resources has cased and tested a deep monitor well at the mid-elevation location (between Māmalahoa Highway and Queen Ka'ahumanu Highway) and results were favorable as to the possibility of the confined aquifer being a sustainable, high-quality potable source for the North Kona water system. It could be of great benefit to the North Kona water system should the mid-elevation confined aquifer be a viable source. The mid-elevation, high-quality water would be the primary source for the lower elevation areas for the system and the high-elevation, high-level wells could then be downsized or utilized as a back-up system. The proposed CIP project would be for Planning, Environmental Study, Well Construction Permit as outlined in the proposed Water Use and Development Plan Update, Site Selection, Exploratory Drilling, Pump Test, and Land Acquisition.

Land Acquisition will only occur if the pump test results are favorable and at which time the determination to move ahead with Phase 2 of the project will also be made.

RECOMMENDATION: It is recommended that the Board approve the proposed DWS CIP project. The rough estimate for the project including consultant fees and land acquisition is \$1,500,000.00.

8) MISCELLANEOUS:

A. WATER TREATMENT BID NO. 2018-09, FURNISHING LIQUID CHLORINE (ON AN AS-NEEDED BASIS):

Bids were opened on April 12, 2018, at 2:00 p.m.; and following are the bid results:

		JCI Jones Chemicals, Inc.
Part	FURNISH LIQUID CHLORINE	
I.	Hilo and Ka'ū Districts: A. Hilo Harbor (130 cylinders per year) Cost per 150-lb. cylinder	\$425.00
II.	Kohala and Kona Districts: A. Kawaihae Harbor (360 cylinders per year) Cost per 150-lb. cylinder	425.00
	Kawaihae Harbor (21 cylinders per year) Cost per 1,200-lb. cylinder	2,800.00

RECOMMENDATION: It is recommended that the Board award the contract for WATER TREATMENT BID NO. 2018-09, FURNISHING LIQUID CHLORINE (ON AN AS-NEEDED BASIS) to JCI Jones Chemicals, Inc., for Parts IA and IIA at the unit prices listed above, for the period from July 1, 2018, through June 30, 2020, 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. 2017-1061, POWER SYSTEM STUDY – AMENDMENT NO. 2:

The consultant, Brown and Caldwell, has submitted a proposal to provide additional services required to address the assessment of the well failures as provided for in Amendment No. 1 that included electrical and power analysis for Hualālai, Honokōhau, Keauhoulu, and Keopu Deepwells. During the many discussions and analyses of the wells and supporting information, it was deemed that there are mechanical issues that should also be addressed to get a better idea of the failures. Also during the discussions, it was clear that the Department's goal is to obtain the most appropriate equipment given the occurrences in the past. The proposal, therefore, includes review and recommendations for well repair specifications for the high-level wells in Amendment No. 1 as well as a summary of recommendations (mechanical and electrical) for Wai'aha, Palani, and Kalaoa Wells. Finally, additional electrical engineering services for over-dutied equipment that can no longer be replaced in kind for 11 sites that resulted from the original contract work.

Staff has reviewed the proposal and finds that the \$311,052.00 is acceptable. If approved the revised contract amount will be:

Original Contract:	\$ 600,000.00
Change Order No. 1:	\$ 209,612.00
This Change Oder:	\$ 311,052.00
Proposed Revised Contract:	\$1,120,664.00

RECOMMENDATION: It is recommended that the Board approve the proposal for the amended scope of work for \$311,052.00 for JOB NO. 2017-1061, POWER SYSTEM STUDY, and that either the Chairperson or the Vice-Chairperson be authorized to sign the contract change order subject to review as to form and legality by Corporation Counsel.

C. MAINTENANCE BID NO. 2018-05, REPAIR AND MAINTENANCE OF EMERGENCY BACK-UP GENERATOR SETS, DEPARTMENT OF WATER SUPPLY:

Bids were opened on April 12, 2018, at 2:30 p.m., and following are the bid results:

Bidder	Bid Amount
Hawthorne Pacific Corp.	Non-Responsive
Power Generation Services, Inc.	\$82,890.56

Project Costs:

Low Bidder (Power Generation Services, Inc.) \$82,890.56

This maintenance agreement consists of furnishing all labor, materials, tools and equipment necessary to inspect, maintain, repair, and test the Department of Water Supply’s twelve (12) emergency back-up generator sets for a two-year term, from July 1, 2018, to June 30, 2020.

Funding for this project will be from DWS’s Operations Budget.

RECOMMENDATION: It is recommended that the Board award the contract for MAINTENANCE BID NO. 2018-05, REPAIR AND MAINTENANCE OF EMERGENCY BACK-UP GENERATOR SETS, DEPARTMENT OF WATER SUPPLY, to the lowest responsible bidder, Power Generation Services, Inc., for a total contract amount of \$82,890.56. 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.

D. 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.

E. 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.

F. DEPARTMENT OF WATER SUPPLY PROPOSED OPERATING AND 5-YEAR CAPITAL IMPROVEMENT PROJECTS (C.I.P.) BUDGETS FOR FISCAL YEAR 2019:

The Department’s Fiscal Year 2019 Operating Budget, totaling \$53,864,000, and 5-Year C.I.P. Budget for Fiscal Years 2019-2023, totaling \$96,200,000, have been distributed for the Board’s review. The Board may change either Budget, or adopt them as presented over two readings.

RECOMMENDATION: It is recommended that the Water Board approve the Department's Fiscal Year 2019 Operating Budget and 5-year C.I.P. Budget for Fiscal Years 2019-2023 on this second of two readings.

G. **MANAGER-CHIEF ENGINEER'S REPORT:**

The Manager-Chief Engineer to provide an update on the following:

1. North Kona Wells
2. Hawaiian Ocean View Well
3. American Water Works Association (AWWA) "Fly-In," Washington, DC
4. Employee of the Quarter

H. **CHAIRPERSON'S REPORT:**

1. Chairperson to report on matters of interest to the Board.
2. Follow up to Final Report of the North Kona Water Permitted Interaction Group

9) **ANNOUNCEMENTS:**

1. **Next Regular Meeting:**

The next meeting of the Water Board will be May 22, 2018, 10:00 a.m., at the West Hawai'i Civic Center, Community Meeting Hale (Building G); 74-5044 Ane Keohokalole Highway, Kailua-Kona, Hawai'i

2. **Following Meeting:**

The following meeting of the Water Board will be June 26, 2018, 10:00 a.m., at the Department of Water Supply, Operations Center Conference Room; 889 Leilani Street, Hilo, Hawai'i

10) **ADJOURNMENT**

Anyone who requires an auxiliary aid or service for effective communication or a modification of policies or procedures to participate in this Water Board Meeting should contact Doreen Jollimore, Secretary, at 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.