

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

MEETING DATE: June 26, 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 – Minutes of the May 22, 2018, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
(Note: Addendum requires Roll Call Vote)
- 5) **PRESENTATION BY BROWN AND CALDWELL ON JOB NO. 2017-1061,
POWER SYSTEM STUDIES:**

Brown and Caldwell will be doing a presentation of their findings to date for Keahuolū, Honokōhau, Hualālai and Keopu deepwells.

- 6) SOUTH HILO:
 - A. **DISCUSSION AND REQUEST FOR EXECUTIVE SESSION PERTAINING TO FILING OF FIRST AMENDED COMPLAINT IN HAWAI‘I CONFERENCE OF THE UNITED CHURCH OF CHRIST v. WATER BOARD OF THE COUNTY OF HAWAI‘I, Civ. No. 18-1-111 AND REQUEST TO HIRE SPECIAL COUNSEL FOR THE WATER BOARD:**

Plaintiff Hawai‘i Conference of the United Church of Christ (“HCUCC”) filed its first amended complaint against the Water Board on May 18, 2018 alleging breach of a lease agreement between the Water Board and HCUC entered into on January 7, 1977. The Department would like to advise the Board of its option to retain outside counsel for this matter.

The Water Board anticipates convening an executive meeting, closed to the public, pursuant to Hawai‘i Revised Statutes, Sections 92-4 and 92-5(a)(4), for the purpose of consulting with the Water Board’s attorney on questions and issues pertaining to the Water Board’s powers, duties, privileges, immunities and liabilities with regards to the civil suit filed above, and its ability to hire or retain outside counsel for the matter.

7) SOUTH KOHALA:

A. **WATER TREATMENT PROPOSAL NO. 2018-08, FURNISHING AND DELIVERING COAGULANTS TO THE WAIMEA WATER TREATMENT PLANT:**

Bids were opened on June 7, 2018, at 2:00 p.m.; and following are the bid results:

Bidder	Bid Amount
Pural Water Specialty Co., Inc.	\$250,800.00
Phoenix V LLC dba BEI Hawai'i	\$281,853.00

<u>Bidder</u>	<u>Amount</u>
1) Pural Water Specialty Co., Inc.	\$250,800.00
2) Contingency	<u>149,200.00</u>
TOTAL CONTRACT PRICE	\$400,000.00

The reason for the high contingency is that as the source water's turbidity increases during the year due to unstable weather conditions, more coagulants are used to meet the water quality requirements of the State of Hawai'i, Department of Health.

RECOMMENDATION: It is recommended that the Board award the contract for WATER TREATMENT PROPOSAL NO. 2018-08, FURNISHING AND DELIVERING COAGULANTS TO THE WAIMEA WATER TREATMENT PLANT, to Pural Water Specialty Co., Inc., for the bid price of \$250,800.00 plus \$149,200.00 in contingency, for a total contract price of \$400,000.00 and that either the Chairperson or the Vice-Chairperson be authorized to sign the contract, subject to review as to form and legality of the contract by Corporation Counsel. The contract period shall be from July 1, 2018, to June 30, 2020.

B. **STATUS UPDATE FOR LĀLĀMILO WIND COMPANY OPERATIONS:**

Lālāmilo Wind Company LLC has requested to provide an update of its windfarm operations. The Department is available to comment and/or to answer any questions that the Board may have.

8) MISCELLANEOUS:

A. **DEDICATIONS:**

We received the following documents for action by the Water Board. The water systems have been constructed in accordance with the Department's standards and are in acceptable condition for dedication.

- 1. Grant of Easement and Bill of Sale**
Ola Hou Estates, Phase 2

Subdivision No. 95-119
 Grantor: Graphic Images Hawaii Inc.
 Tax Map Key: (3) 1-6-003: 010 (portion)
 Facilities Charge: \$99,000.00 Date Paid: *TBA*
 Final Inspection Date: 5/12/2018
 Water System Cost: \$378,800.00

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

B. MATERIAL BID NO. 2018-06, FURNISH BASE COURSE, SAND, COLD MIX, HOT MIX, AND NO. 3F ROCK TO THE DEPARTMENT OF WATER SUPPLY

At the May 22, 2018, Water Board Meeting, the Water Board voted to defer awarding Parts 2A, 2B, 2C, and 2D for District II.

DISTRICT II	Edwin Deluz Trucking & Gravel, LLC	WHC LTD dba West Hawai'i Concrete
Part 2A – 3/4-Inch Base Course (cost per ton)	Non-responsible	\$15.44
Part 2B – 1½-Inch Base Course (cost per ton)	Non-responsible	\$13.98
Part 2C – No. 3F Rock (cost per ton)	Non-responsible	\$24.33
Part 2D - #4 Sand (cost per ton)	Non-responsible	\$27.49

RECOMMENDATION: It is recommended that the Board award the contract for MATERIAL BID NO. 2018-06, FURNISH BASE COURSE, SAND, COLD MIX, AND NO. 3F ROCK TO THE DEPARTMENT OF WATER SUPPLY, District II – Parts 2A, 2B, 2C, and 2D to the lowest responsive, responsible bidder, WHC LTD dba West Hawai'i Concrete, for the amounts shown above, and that either the Chairperson or the Vice-Chairperson be authorized to sign the contract, subject to review as to form and legality of the contract by Corporation Counsel. The contract period shall be from July 1, 2018, to June 30, 2019.

C. SERVICE BID NO. 2016-07, PROVIDE HIGH SPEED WIDE AREA NETWORK CONNECTIVITY BETWEEN FIVE OFFICE LOCATIONS, DEPARTMENT OF WATER SUPPLY, ISLAND WIDE:

The Department requested the contractor, Oceanic Time Warner Cable, LLC, to provide a proposal for increased high-speed internet services at five office locations island wide.

Our current Wide Area Network (WAN) includes bandwidth speeds of 5Mbs (Ka‘u), 10Mbs (Kona), 20Mbs (Waimea & Hilo Baseyard) and 20Mbs (Hilo Main office) with a 20Mbs connection to the Internet. The proposed revised services include no change to Ka‘u, upgrade to 20Mbs for Kona, upgrade to 50Mbs for Waimea and Hilo Baseyard, and upgrade to 100Mbs for Hilo Main office.

The increase in bandwidth speeds are required to support technology which necessitates additional resources through the Internet connection for Internet services, cyber security, email, and email archival services. The increase in speeds to our WAN connections will increase productivity while utilizing applications such as geographic information systems (GIS), document management (Laserfiche), daily backup replications, and all other applications since our data is stored on servers.

The increased bandwidth will revise our current monthly recurring charges from \$2,909.30 to \$4,603.04 for the remaining 36 months of the contract.

Original Contract Amount: \$ 175,703.83

1st Contingency request: \$ 60,974.64 (\$1,693.74 increase per month x 36 months)

Total Revised Contract Amount: \$ 236,678.47

Funding will be from the Department’s FY2018-2019 Operating Budget.

RECOMMENDATION: It is recommended that the Board approve an increase in contingency of \$60,974.64 for a total contract amount of \$236,678.47, to Oceanic Time Warner Cable, LLC, for SERVICE BID NO. 2016-07, PROVIDE HIGH SPEED WIDE AREA NETWORK CONNECTIVITY BETWEEN FIVE OFFICE LOCATIONS, DEPARTMENT OF WATER SUPPLY, ISLAND WIDE. 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 of the contract 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. **POWER COST CHARGE:**

Departmental power costs have increased as a result of Hawai‘i Electric Light Company, Inc. (HELCO), billings. The Department proposes to increase the Power Cost Charge from \$1.88 to \$1.94 per thousand gallons to reflect this increase. In order to accept public testimony on this change, a Public Hearing should be scheduled before the Power Cost Charge is increased.

RECOMMENDATION: It is recommended that the Board approve holding a Public Hearing on July 24, 2018, at 9:45 a.m., to receive testimony on increasing the Power Cost Charge from \$1.88 to \$1.94, effective August 1, 2018.

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. Department of Water Supply Energy Report
4. East Rift Zone Update

H. **CHAIRPERSON’S REPORT:**

1. Chairperson to report on matters of interest to the Board.
2. Site visit for August - per discussion at the May meeting, a site visit to Waimea Treatment Plant would be a good experience for existing as well as new Board members to see another larger scale project of the Department. As public attendance of the visit to Waimea Water Treatment Plant in August would be dangerous or impracticable due to its status as an active construction site, it is recommended that the Board approve a limited meeting for a site visit for the August meeting pursuant to Hawai‘i Revised Statutes § 92-3.1(a)(1).
3. Update on Board members’ attendance at American Water Works Association National Conference June 11 to 14, 2018

9) **ANNOUNCEMENTS:**

1. **Next Regular Meeting:**

The next meeting of the Water Board will be July 24, 2018, 10:00 a.m., at the Department of Water Supply, Hilo Operations Center Conference Room; 889 Leilani Street, Hilo, Hawai‘i

2. **Following Meeting:**

The following meeting of the Water Board will be August 28, 2018, 10:00 a.m. at the West Hawai‘i Civic Center, **Liquor Control Conference Room (Building B)**; 74-5044 Ane Keohokalole Highway, Kailua-Kona, 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.