

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

MEETING DATE: April 22, 2008

PLACE: Hilo Operations Center Conference Room; 889 Leilani Street, Hilo, Hawai'i

TIME: 10:00 a.m.

- 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 March 25, 2008, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
(Note: Addendum requires Roll Call Vote)
- 5) SOUTH KOHALA:

A. DEPARTMENT OF THE ARMY RIGHT-OF-ENTRY FOR ENVIRONMENTAL ASSESSMENT AND RESPONSE, TAX MAP KEY 6-6-002:043, SOUTH KOHALA, HAWAII:

The United States Army Corps of Engineers' Formerly Used Defense Sites (FUDS) Program is requesting to access the subject property for the purpose of performing an environmental assessment and response since the property has been identified as being located in the area known as the Former Waikoloa Maneuver Area. The Department of Water Supply (DWS) has facilities within this State property (makai of Queen Kaahumanu Highway at the Puako Road intersection) and is being requested to execute this right-of-entry in conjunction with the State Department of Land and Natural Resources or as an occupant of the State-owned parcel.

RECOMMENDATION: It is recommended that the Board approve the Right-of-Entry document subject to the review and approval of the Manager and Corporation Counsel and to allow either the Chairperson or the Vice-Chairperson to execute the document.

B. JOB NO. 97-684, PUUKAPU-NIENIE BOOSTER PUMP STATION NO. 1 AND NO. 2 REPLACEMENT:

The contractor, Dick Pacific Construction Co., Ltd. (Dick Pacific), is requesting for a contract time extension from May 31, 2005, to November 20, 2007 (or 903 calendar days). The specified pumps did not meet the factory certified efficiencies; and after several attempts to correct the situation, the pump sub-contractor, Beylik Drilling & Pump Service, Inc. (Beylik), claimed that the field conditions did not match the design conditions; and therefore, in the

field, the pumps could not perform to the certified test conditions (which was based on the design parameters). After consulting with Akinaka & Associates, Ltd., the Department of Water Supply (DWS) agreed that there would be no cost or benefit justification to make alterations or corrections to try and improve the efficiencies.

After review and discussion by all parties, it was mutually agreed upon that DWS would accept the pumps as installed with a 2-year warranty in lieu of the required 1-year warranty. Also, the pump contractor will be responsible for one year of the additional energy cost as determined by the DWS. It should also be noted that the pumps were originally installed and ready to be tested in October 2004 and have been in use by DWS since July 2005.

This would be the sixth extension of contract time:

- 1st extension - Inclement weather and supplier shipping delay (78 calendar days)
- 2nd extension - Supplier shipping delay (31 calendar days)
- 3rd extension - Telemetry line installation delay (61 calendar days)
- 4th extension - Telemetry line installation delay (61 calendar days)
- 5th extension - Repair/retest efficiencies for pumps. (151 calendar days)

If approved, the contract completion date will be moved from May 31, 2005, to November 20, 2007.

RECOMMENDATION: It is recommended that the Water Board approve the contract time extension of 903 calendar days to the contractor, Dick Pacific Construction Co., Ltd., for JOB NO. 97-684, CONSTRUCTION OF THE PUUKAPU-NIENIE BOOSTER PUMP STATION NO. 1 AND NO. 2 REPLACEMENT.

6) NORTH KONA:

A. **JOB NO. 2006-891, KAHALUU SHAFT PUMPS CASING MODIFICATION:**

The contractor, Beylik Drilling and Pump Service, Inc., has requested a contract time extension of 60 calendar days (see attached). This is due to a delay in the start of the repair work on the Kahaluu Shaft Hil-A-Vator. Currently, the Hil-A-Vator is not operating safely when there is a load on it. Also, there is a concern regarding properly licensed contractors to repair it.

This is the second time extension to the contract. The first time extension request granted 61 calendar days to allow for repair work on the Hil-A-Vator and extended the contract completion date from February 27, 2008, to April 28, 2008.

Engineering staff has reviewed the request and finds that the 60 calendar days are justified. If approved, the contract completion date will be extended from April 28, 2008, to June 27, 2008.

RECOMMENDATION: It is recommended that the Board grant this extension of contract time of 60 calendar days to Beylik Drilling and Pump Service, Inc., for JOB NO. 2006-891, KAHALUU SHAFT PUMPS CASING MODIFICATION.

B. JOB NO. 2002-806, MAMALAHOA HIGHWAY WATERLINE IMPROVEMENTS – PHASE 2:

The contractor, Isemoto Contracting Co., Ltd., has requested a contract time extension of 180 days (see attached letter). The time extension is requested due to problems in trying to interface with the Department's existing SCADA system at the Kona Baseyard. The contractor is trying to start up and test the pressure-reducing valve (PRV) at the Hawaiian Tel Booster Pump Station (requires SCADA control), which must be completed before any of the remaining sites can be tested for proper operation. Once the SCADA issues have been resolved and the Hawaiian Tel PRV can be satisfactorily tested, the contractor needs additional time to complete the SCADA work at the remaining sites and perform the necessary testing of those sites.

This would be the fifth time extension to the contract. The previously approved time extensions are listed below:

- Time Extension #1: Project extended 180 calendar days to allow for revisions to the plans and specifications.
- Time Extension #2: Project extended 180 calendar days due to change in scope of work, project scheduling, and revisions to the plans.
- Time Extension #3: Project extended 90 days due to unforeseen site conditions at Holualoa Well and Reservoir site requiring redesign.
- Time Extension #4: Project extended 90 days due to valve control additions that were not shown on the plans and the installation of an additional valve at the Holualoa Well site, also not shown on the plans.

Engineering staff has reviewed the fifth time extension request and finds that the 180 calendar days are justified. If approved, the contract completion date will be extended from April 28, 2008, to October 25, 2008.

RECOMMENDATION: It is recommended that the Board grant this extension of contract time of 180 calendar days to Isemoto Contracting Co., Ltd., for JOB NO. 2002-806, MAMALAHOA HIGHWAY WATERLINE IMPROVEMENTS – PHASE 2.

C. JOB NO. 2004-839, KEOPU-PUUHONUA PRODUCTION WELL AND 1.0-MG RESERVOIR:

The contractor, Isemoto Contracting Co., Ltd., requests a 91-calendar day time extension. This request is due to delays beyond the control of the contractor with processing the building permit (see attached request from the contractor). This is the first time extension request. Staff has reviewed the request and finds that the 91 calendar days are justified.

RECOMMENDATION: It is recommended that the Board approve a contract time extension to Isemoto Contracting Co., Ltd., of 91 calendar days from August 19, 2008, to November 18, 2008, for JOB NO. 2004-839, KEOPU-PUUHONUA PRODUCTION WELL AND 1.0-MG RESERVOIR.

7) KA‘U:

A. **JOB NO. 2005-873, CONSTRUCTION OF NA‘ALEHU DEEPWELL MCC BUILDING:**

The contractor, Site Engineering, Inc., has requested for a contract time extension of 133 calendar days (see attached letter).

Due to delays in the submitted review process for the motor soft starter equipment, additional time is needed to account for the long lead times for getting the equipment. The starter is expected to arrive in approximately 14 to 16 weeks. In addition, the contractor will need 3 weeks to install and make it operational. This will be the first time extension to the contract. Staff has reviewed the request and finds that the 133 calendar days are justified. If approved, the contract completion date will be extended from April 27, 2008, to September 7, 2008.

RECOMMENDATION: It is recommended that the Board grant this extension of contract time of 133 calendar days to Site Engineering, Inc., for JOB NO. 2005-873, CONSTRUCTION OF NA‘ALEHU DEEPWELL MCC BUILDING.

8) MISCELLANEOUS:

A. **DEDICATION OF WATER SYSTEM:**

The Department received the following document for action by the Water Board. The water system has been constructed in accordance with the Department’s standards and is in acceptable condition for dedication.

1. **GRANT OF EASEMENT AND BILL OF SALE**

Subdivision Application No. 2004-00235 (Alii Heights, Unit 2, Phase VI)

Grantor: TOWNE KEAUHOU LLC

TMK: (3) 7-7-008:096

E.W.O.: 2006-057

Lots: 6

Zoning: RS-15

Facilities Charge: \$33,000.00

Paid: 4/17/2006

Final Inspection Date: 1/16/2008

Water System Cost: \$27,523.90

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

B. **MATERIAL BID NO. 2008-07, FURNISHING AND DELIVERING STEP-UP TRANSFORMER FOR PARKER WELL NO. 1; FURNISHING AND DELIVERING ELECTRIC MOTORS FOR KEONEPOKO NUI DEEPWELL NO. 1, PACIFIC PARADISE, WAIĀKEA UKA CAMP 7, HUALĀLAI, PALANI 2, KAHALU‘U, AND KALOKO MAUKA 3 BOOSTER PUMPS, FOR THE DEPARTMENT OF WATER SUPPLY:**

Bids were opened on April 9, 2008; and the following are the bid results:

	Derrick's Well Drilling & Pump Service, LLC	Gexpro	Kaman Industrial Technologies Corp.	Pacific Liquid & Air Systems	TK Process Hawaii, LLC	Water Resources International, Inc.
Part A, Parker Well No. 1 - One (1) only pad mount, step-up transformer rated 650 KVA minimum						
Total delivery price	No Bid	\$38,947.14	\$33,691.00	No Bid	\$43,709.07	\$46,838.18
Part B, Keonepoko Nui Deepwell No. 1 - One (1) only 200 HP vertical, hollow shaft 460 volt motor						
Total delivery price	\$27,636.25	No Bid	\$19,320.00	\$23,229.02	\$24,787.08	\$30,148.16
Part C, Pacific Paradise Booster Pump - One (1) only 20 HP vertical, hollow shaft 230 volt motor						
Total delivery price	\$3,589.45	No Bid	\$2,435.00	\$2,916.65	\$3,803.18	\$4,254.39
Part D, Waiakea Uka, Camp 7, Booster - One (1) only 40 HP vertical, hollow shaft 460 volt motor						
Total delivery price	\$5,845.78	No Bid	\$3,821.00	\$4,593.72	\$5,879.76	\$7,042.91
Part E, Hualalai Booster Pump - One (1) only 30 HP vertical, hollow shaft 460 volt motor						
Total delivery price	\$4,390.00	No Bid	\$3,010.00	\$3,645.81	\$4,585.54	\$5,363.24
Part F, Palani 2 Booster Pump - One (1) only 60 HP vertical, hollow shaft 460 volt motor						
Total delivery price	\$8,449.00	No Bid	\$5,425.00	\$6,562.46	\$8,124.94	\$9,352.28
Part G, Kahaluu Booster Pump - One (1) only 100 HP vertical, hollow shaft 460 volt motor						
Total delivery price	\$13,015.15	No Bid	\$8,597.00	\$10,322.85	\$12,669.19	\$14,222.29
Part H, Kaloko Mauka 3 Booster Pump - One (1) only 30 HP vertical, hollow shaft 230 volt motor						
Total delivery price	\$4,390.00	No Bid	\$3,010.00	\$3,645.81	\$4,585.59	\$5,363.24

RECOMMENDATION: It is recommended that the Water Board award the contract for MATERIAL BID NO. 2008-07, FURNISHING AND DELIVERING STEP-UP TRANSFORMER FOR PARKER WELL NO. 1; FURNISHING AND DELIVERING ELECTRIC MOTORS FOR KEONEPOKO NUI DEEPWELL NO. 1, PACIFIC PARADISE, WAIĀKEA UKA CAMP 7, HUALĀLAI, PALANI 2, KAHALU‘U, AND KALOKO MAUKA 3 BOOSTER PUMPS, to the low bidder, Kaman Industrial Technologies Corp., for Parts A, B, C, D, E, F, G, and H at a cost of \$79,309.00, and that either the Chairperson or the Vice-Chairperson be authorized to sign the contract subject to approval of the contract as to form and legality by Corporation Counsel.

C. WATER TREATMENT BID NO. 2008-06, A - FURNISHING AND DELIVERING LIQUID CHLORINE TO VARIOUS LOCATIONS IN THE ISLAND OF HAWAI‘I (ON AN AS-NEEDED BASIS); B - FURNISHING AND DELIVERING LIQUID AMMONIA TO WAIMEA WATER TREATMENT PLANT, DISTRICT OF SOUTH KOHALA (ON AN AS-NEEDED BASIS); AND C - FURNISHING AND DELIVERING 50% LIQUID CAUSTIC SODA TO WAIMEA WATER TREATMENT PLANT, DISTRICT OF SOUTH KOHALA (ON AN AS-NEEDED BASIS):

Bids will be opened on April 17, 2008; and a report and recommendation will be provided at the meeting.

D. RENEWAL OF CONTRACT FOR MAINTENANCE AGREEMENT – SOUTH KOHALA, HAMAKUA, AND LAUPAHOEHOE SITES (BRANTLEY CENTER, INC.):

Brantley Center, Inc., presently has a Maintenance Agreement for site maintenance for the Department’s South Kohala, Hamakua, and Laupahoehoe tank and pump sites. They are requesting to renew the Agreement for two years from July 1, 2008, to June 30, 2010. The new rates would be as follows:

Hamakua	-	\$2,446.00/month
Laupahoehoe	-	\$691.00/month
South Kohala	-	\$3,183.00/month

The Department has the right to award the contract to Brantley Center, Inc., without advertising or calling for bids, according to Subsection 103D-1010 of the Hawai‘i Public Procurement Code. Brantley Center, Inc., has submitted the necessary documents to meet the requirement as a qualified rehabilitation facility.

There is a 4.75% increase in their cost from the previous two years. The contract is increasing from \$144,480.00 to \$151,680.00. Brantley Center’s performance has been satisfactory, and the costs are reasonable.

RECOMMENDATION: It is recommended that the Board award the contract for the MAINTENANCE AGREEMENT – SOUTH KOHALA, HAMAKUA, AND LAUPAHOEHOE SITES, to Brantley Center, Inc., for a period of two years from July 1, 2008, to June 30, 2010, at the rates as follows, and that either the Chairperson or the Vice-Chairperson be authorized to sign the documents, subject to approval of our Corporation Counsel:

South Kohala Sites (\$3,183.00/month x 2 years)	\$76,392.00
Hamakua Sites (\$2,446.00/month x 2 years)	58,704.00
Laupahoehoe Sites (\$691.00/month x 2 years)	<u>16,584.00</u>
TWO-YEAR TOTAL:	<u>\$151,680.00</u>

E. MONTHLY PROGRESS REPORT:

Submission of Progress Report of Projects by the Department (see attached). Department personnel will be available to respond to questions by the Board regarding the status/progress of any project.

F. **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.

G. **DEPARTMENT OF WATER SUPPLY PROPOSED OPERATING AND CAPITAL IMPROVEMENT BUDGETS FOR FISCAL YEAR 2008 - 2009:**

The proposed Operating and Capital Improvement Budgets for Fiscal Year 2008-2009 were published in the newspapers for presentation at the Public Hearing held on March 25, 2008, at 9:30 a.m.

RECOMMENDATION: It is recommended that the Board approve the proposed Operating and Capital Improvement Budgets for the Fiscal Year 2008-2009.

H. **BANKING AND CASH MANAGEMENT:**

This Executive Session was deferred by the Board at its January 22, February 26, and March 25, 2008, meetings.

Executive Session

The Board anticipates convening an Executive Session for the purpose consulting with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities and liabilities as per HRS 92-5(a)(4).

I. **WATER RATE STUDY:**

For discussion by the Water Board on results of the final report.

J. **MANAGER'S REPORT:**

- 1) The Manager will provide the status of the Palani Road Transmission Waterline project.
- 2) The Manager will provide a status of the Hawaiian Ocean View exploratory well.
- 3) The Manager will provide a status of the Kona Water Quality.
- 4) The Manager will provide an update on negotiations with Kamehameha Investment Corp.
- 5) Employee of the Quarter Presentation

K. **CHAIRPERSON'S REPORT:**

Chairperson to provide comments and/or information relating to matters of concern to the Water Board.

9) **ANNOUNCEMENTS:**

1. **Next Meeting:**

The next meeting of the Water Board will be held on **May 27, 2008, 10:00 a.m., in the Waimea Community Center** (next to Waimea Ball Park).

10) STATEMENTS FROM THE PUBLIC

11) ADJOURNMENT

The meeting place is accessible to persons with disabilities. If you require use of an auxiliary aid or other access accommodation, please contact Doreen Shirota at 961-8050 as soon as possible or at least 5 days prior to the meeting.

The Department of Water Supply is an Equal Opportunity provider and employer.

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.