

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

AGENDA

MEETING DATE: May 23, 2006

PLACE: Hilo Operations Conference Room; 889 Leilani Street, Hilo, HI

TIME: 10:00 a.m.

- 1) CALL TO ORDER - 10:00 a.m.
- 2) STATEMENTS FROM THE PUBLIC
- 3) APPROVAL OF MINUTES - Minutes of the April 25, 2006, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
(Note: Addendum requires Roll Call Vote)

5) SOUTH HILO:

A. **JOB NO. 2004-856, WAIAKEA OFFICE PLAZA RENOVATION AND REPAIRS:**

One bid was received and opened on May 11, 2006; and following is the bid result:

<u>Bidder</u>	<u>Amount</u>
Site Engineering, Inc.	\$60,800.00

Project Scope: The project consists of furnishing and installing the following items in place, new aluminum multi-slide doors, including all necessary accessories, in place complete and operable per plans and specifications.

The project estimate is \$60,000.00. Funding for this project will be from the Department's C.I.P. Budget. The contractor will have 180 calendar days to complete this project.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2004-856, WAIAKEA OFFICE PLAZA RENOVATION AND REPAIR, to the sole bidder, Site Engineering, Inc., for their bid amount of \$60,800.00 plus \$4,200.00 in construction contingency for a total contract amount of \$65,000.00, and that either the Chairman or the Vice-Chairman be authorized to sign the contract(s), subject to review as to form and legality of the contract(s) by Corporation Counsel.

B. JOB NO. 2003-812, SOUTH HILO G. I. PIPELINE & SERVICE LATERAL REPLACEMENT:

The Department of Public Works (DPW) is requiring scarifying and resurfacing of the roads within the subject project. This information was not provided to the Department of Water Supply (DWS) during the design phase and was approved by DPW with a note that roads in “good” condition or better shall have the entire lane scarified and resurfaced. It was decided that since DPW did not provide the specific information needed to include the exact roads on the plans at the time of bidding, DWS would bid the project out as done in the past, with trench patching only. The current requirement to scarify and resurface the entire lanes is consistent with what they are now requiring for all projects.

The DWS has provided an estimate of \$170,373.00 for the additional cost to the contract should all of the roads (10) be deemed in “good” condition or better (see attachment of 2/9/06). This estimate is for additional work beyond the required trench patching that the contractor is already required to do.

The original contract contingency amount is \$112,869.00, and there are several outstanding change order issues that may require a substantial increase in the contract amount with the remaining work. It is anticipated that the majority of the original contingency will be used by changes in the scope of work other than the additional resurfacing work.

RECOMMENDATION: It is recommended that the Board approve an additional \$170,373.00 in contingencies for JOB NO. 2003-812, SOUTH HILO G. I. PIPELINE & SERVICE LATERAL REPLACEMENT, so the contractor can proceed with the repair work. The total cost of the project would then be \$1,694,110.00.

C. JOB NO. 2006-886, JANITORIAL SERVICES AT THE WAIAKEA OFFICE PLAZA (2006-2007):

Bids were opened on April 7, 2006 with the following results:

BIDDER	HAMAKUA WING	KAPOHO WING	KA’U WING	GRAND TOTAL
HAWAI’I ISLAND REMOVAL SERVICE, LLC	Upper Level - \$592.61/mo.	Upper Level - \$904.64/mo.	Upper Level - \$856.88/mo.	\$4,600.00/mo.
	Lower Level - \$592.61/mo.	Lower Level - \$808.63/mo.	Lower Level - \$844.63/mo.	
TIMESAVERS RESIDENTIAL/ OFFICE CLEANING	Upper Level - \$684.38/mo.	Upper Level - \$684.38/mo.	Upper Level - \$1,368.75/mo.	\$5,475.00/mo.
	Lower Level - \$684.37/mo.	Lower Level - \$684.37/mo.	Lower Level - \$1,368.75/mo.	

The Department is proposing to reduce the low bidder’s Kapoho Wing, Upper Level, cost of \$904.64 to \$765.19 by eliminating the DCCA office. The proportionate reduction is based on the total area of the Upper Level Kapoho Wing of 3,542 square feet and the DCCA area of 546 square feet. The Grand Total amount of the low bidder would then be adjusted to \$4,460.55.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2006-886, JANITORIAL SERVICES AT THE WAIAKEA OFFICE PLAZA (2006-2007) to the low bidder, Hawai'i Island Removal Service, LLC for the adjusted bid amount of \$4,460.55/month or \$53,526.60 for the period July 1, 2006 to June 30, 2007, and that the Chairman or the Vice-Chairman be authorized to sign the documents, subject to approval of the Corporation Counsel.

6) NORTH KONA:

A. **PETITIONER: KEITH KING:**

Adoption of the Declaratory Order regarding the Board's declaratory ruling that Section 3-5 (Connections) and Section 3-6 (Facilities Charge) of the Rules and Regulations of the Department of Water Supply, County of Hawai'i, apply to Keith King's property, despite the fact that his property was included in the Kona Coastview/Wonderview Improvement District and he prepaid the special assessment.

B. **AGREEMENT FOR ASSIGNMENT AND TRANSFER OF KONA SOURCE AGREEMENT II WATER COMMITMENTS:**

Mr. Tom Schmidt (former owner of Tax Map Key 7-3-024:008) wishes to assign six (6) Kona Source Agreement II water commitments currently assigned to said parcel to Mr. Dennis Smith, the current owner of the same parcel (see attached).

RECOMMENDATION: It is recommended that the Board approve this Assignment Agreement, subject to the approval of the Corporation Counsel and that either the Chairman or the Vice-Chairman be authorized to sign the document.

C. **JOB NO. 2006-884, QUEEN LILI'UOKALANI TRUST (KEAHUOLA) DEEP WELL EMERGENCY REPAIR:**

The contractor, Water Resources International, Inc., has requested a contract time extension of 39 calendar days (see attached). This is due to delays in the manufacture of the National pump. The last e-mail from the supplier indicates a target shipping date of the 2nd week of June. Even with airfreight, the pump may not arrive on the Big Island until the last week of June, since the pump has to be barged from Honolulu to Kawaihae. The contractor will need at least one week to install the new pump and motor.

This will be the first time extension to the contract. Engineering staff has reviewed the request and finds that the 39 calendar days are justified.

RECOMMENDATION: It is recommended that the Board grant this extension of contract time of 39 calendar days to Water Resources International, Inc., for JOB NO. 2006-884, QUEEN LILI'UOKALANI TRUST (KEAHUOLA) DEEP WELL EMERGENCY REPAIR. If approved, the contract completion date will be extended from June 22, 2006, to July 31, 2006.

D. RIGHT OF ENTRY AGREEMENT – SEASCAPE DEVELOPMENT, LLC:

The Developer, Seascape Development, LLC, is requesting a right-of-entry to enter onto the Kalaoa Well and Reservoir site. The Water Board, through Executive Order 02795, was granted control and management of the site with an easement.

The Water Board and the Developer entered into a Water Development Agreement, dated October 4, 2005, requiring the Developer to construct necessary water system improvements. In designing the improvements, the Developer needs to conduct necessary site investigations and survey work.

The effective period of the right-of-entry agreement is from the date of execution till no later than January 1, 2007.

RECOMMENDATION: It is recommended that the Board approve the Right-of-Entry Agreement and authorizes the Chairman or the Vice-Chairman to sign the agreement, subject to review as to form and legality by Corporation Counsel.

E. GRANT AGREEMENT WITH THE US DEPARTMENT OF AGRICULTURE FOR THE KALOKO TANK #2 HYDROELECTRIC GENERATION PROJECT IN NORTH KONA, TAX MAP KEY 7-3-09:30:

Attached is the subject agreement, which allows the Dept. of Water Supply to receive \$175,000 from the Dept. of Agriculture for our Kaloko Tank #2 Hydroelectric Generation Project. DWS in-kind contribution is expected to be about \$25,000. Funding is coming from DWS Operations budget. This project was outlined in our energy savings program.

RECOMMENDATION: It is recommended that the Board give the Manager or Deputy Manager the authority to sign the Grant Agreement and all documentation deemed necessary to effectuate the grant.

7) MISCELLANEOUS:

A. DEDICATION OF WATER SYSTEMS:

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. ONO LANE SUBDIVISION (Subdivision of Lot B)

Subdivision Application No. 2003-093

Grantor: Ono Lane, LLC

TMK: (3) 7-7-007:014

E.W.O.: 2005-097

Lots: 3

Facilities Charge: \$12,190.00

Final Inspection Date: August 9, 2005

Water System Cost: \$46,886.00

Zoning: A-1A

Paid: July 25, 2005

2. GRANT OF EASEMENT AND BILL OF SALE

LOKAHI MAKAI PHASE 2

Subdivision Application No. 2003-107

Grantor: Sonny Ventures, LLC

TMK: (3) 7-3-010:047 & 049

E.W.O.: 2005-070

Lots: 54 (50 + 4 Road) Zoning: RS-10, CN-10

Facilities Charge: \$280,610.00 (44 x \$5,500.00) + (9 x \$4,290.00), Paid: 3/15/05

Capital Assessment Fee: \$26,500.00 (53 x 500.00), Paid: 3/15/05

Final Inspection Date: 3/13/06

Water System Cost: \$499,669.00

3. GRANT OF EASEMENT AND BILL OF SALE

KAHAKAI PLACE SUBDIVISION

Grantor: Surf and Land, LLC

TMK: (3) 7-6-017:068

E.W.O.: 2006-023

Lots: 14 Zoning: RS-7.5

Facilities Charge: \$72,690.00 (1-Extg. \$1,190.00) + (13 x \$5,500.00) Paid: 5/12/06

Capital Assessment Fee: \$6,500.00 (13 x \$500.00) Paid: 5/12/06

Final Inspection Date: 5/11/06

Water System Cost: \$127,000.00

RECOMMENDATION: It is recommended that the Water Board accept 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. WATER TREATMENT PROPOSAL NO. 2006-02, FURNISHING AND DELIVERING POLYMERS TO WAIMEA WATER TREATMENT PLANT:

Bids were opened May 10, 2006, with the following results:

Bidder	Amount
Phoenix V LLC dba BEI Hawaii	\$202,242.80
Pural Water Specialty Co., Inc.	\$252,191.09

<u>Bidder</u>	<u>Amount</u>
Phoenix V LLC dba BEI Hawaii	\$202,242.80
Contingency	<u>57,757.20</u>
TOTAL CONTRACT PRICE:	<u>\$260,000.00</u>

The reason for the high contingency is that due to past experiences, the dosage of polymers used at the time of the plant test is lower than at other times of the year. As the quality of water goes down during the year due to unstable weather conditions, more polymers 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. 2006-02, FURNISHING AND DELIVERING POLYMERS TO WAIMEA WATER TREATMENT PLANT, to Phoenix V LLC dba BEI Hawaii, for the bid price of \$202,242.80 plus \$57,757.20 in contingency for a total contract price of \$260,000.00 and that either the Chairman or the Vice-Chairman be authorized to sign the documents, subject to approval of our Corporation Counsel. The contract period is from July 1, 2006, to June 30, 2008.

C. MAINTENANCE BID NO. 2006-06, MAINTENANCE OF RESERVOIR SITES AND PUMP STATIONS SITES IN THE DISTRICTS OF PUNA, NORTH AND SOUTH HILO, NORTH AND SOUTH KONA, AND NORTH KOHALA FOR THE DEPARTMENT OF WATER SUPPLY:

Bids will be opened on May 18, 2006, at 2:00 p.m.; and the results will be provided at the meeting.

D. MATERIAL BID NO. 2006-07, FURNISHING AND DELIVERING WATER METERS, BRASS GOODS, FIRE HYDRANTS, VALVES, CHLORINATORS, PUMPS, PIPES, FITTINGS, SCADA, MOTORS, AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK:

Bids will be opened on May 18, 2006, at 2:30 p.m.; and the results will be provided at the meeting.

E. MONTHLY PROGRESS REPORT:

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

F. DEPARTMENT OF WATER SUPPLY PROPOSED OPERATING AND CAPITAL IMPROVEMENT BUDGETS FOR FISCAL YEAR 2006-2007:

Budgets for review and discussion.

G. 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.

H. INVENTORY PROCEDURES:

See attached write-up. For information and/or discussion.

I. **AWWA - HAWAII SECTION TAPPING TEAM CHAMPIONS:**

On May 11, 2006, at the American Water Works Association (AWWA) - Hawaii Section Annual Conference at the Renaissance Ilikai Hotel on Oahu, our Department's tapping team won the Section championship. By winning this championship, our tapping team received the honor to represent our Hawaii Section at the national AWWA 126th Annual Conference in Toronto, Canada, in June 2007. In Toronto, they will compete with other Section champions for the national championship.

Members of our Department's tapping team, out of our Waimea Baseyard, are:

- Mr. Leonard Midallia, Lead Pipefitter (Coach)
- Mr. Roy Miyasaki, Lead Pipefitter (Tapping Machine)
- Mr. Norris Gonsalves, Pipefitter (Machine Cranker)
- Mr. Theodore (Ted) Lindsey, Pipefitter (Pipe Man)

The Water Board, as well as the Department, congratulates our tapping team and thanks them for representing us so well. We also extend our best wishes for their eventual competition in Toronto, Canada, in 2007.

J. **MANAGER'S REPORT:**

- 1) The Manager will provide a report/update of the construction/status of the Kona Coastview/Wonderview Improvement District project.
- 2) The Manager will provide an update on the status of the projects undertaken by the USGS Drilling Program and will discuss participation in the Program in general.
- 3) The Manager will provide a report on Kona water quality and various steps being undertaken to improve said water quality, including the obtaining of corridors from various developers/private landowners.
- 4) 2006 Water Board Meeting Schedule - Board to set place for the July 25, 2006, Water Board Meeting.
- 5) Employee of the Quarter

K. **CHAIRMAN'S REPORT:**

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

L. **EXECUTIVE SESSION:**

The Board anticipates convening an executive meeting regarding the following case, pursuant to Section 92-5(a)(4), Hawai'i Revised Statutes (HRS), as amended, for the purpose of consulting with its attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities, including the current status of the litigation. A two-thirds vote, pursuant to HRS Section 92-4, is necessary to hold an executive meeting.

- 1) *Department of Water Supply vs. Lillian Matsumoto, Civil No. 05-1-0080K*

8) ANNOUNCEMENTS:

1. Next Meeting:

The next meeting of the Water Board will be held on June 27, 2006, in the Hilo Operations Center Conference Room, 889 Leilani Street, Hilo, Hawai‘i, as follows:

1. 9:30 a.m. - Public Hearing on the proposed Fiscal Year 2006/2007 Operating and Capital Improvement Budgets
2. 10:00 a.m. - Regular Water Board Meeting

9) STATEMENTS FROM THE PUBLIC

10) 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, 25 Aupuni Street, Hilo, Hawai‘i 96720.