

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

**MEETING DATE:** July 25, 2006

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

**TIME:** 10:00 a.m.

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- 1) CALL TO ORDER - 10:00 a.m.
- 2) STATEMENTS FROM THE PUBLIC
- 3) APPROVAL OF MINUTES -
  - 1) Minutes of the June 27, 2006, Public Hearing on the Proposed Operating Budget and Capital Improvements Budget for the Department of Water Supply for Fiscal Year 2006/2007
  - 2) Minutes of the June 27, 2006, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)  
(**Note: Addendum requires Roll Call Vote**)
- 5) DWS SUMMER INTERN PROGRAM:  
  
Introduction of Summer Interns.
- 6) SOUTH HILO:
  - A. **JOB NO. 2002-804, THE CONSTRUCTION OF THE KAIEIE MAUKA PRODUCTION WELL AND SUPPORTING FACILITIES:**

Attached is a copy of a letter dated July 14, 2006, from Isemoto Contracting Co., Ltd., requesting for an extension of contract time for the reasons stated. The additional calendar days (110) are due to changes in realignment of the ductline at our Papaikou Well Site, shipment of the deep well pump, and to re-manufacture the Motor Control Center (MCC) as our Consultant approved a model submitted for substitution that was not approved prior to bid opening. The breakdown of days are as follows: realignment of ductline, 5 days; shipment of deep well pump, 21 days; and re-manufacturing of MCC, 84 days.

This is the first time extension request.

Staff has reviewed this request and finds that the 110 calendar days are justifiable.

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 110 calendar days from July 3, 2006 to October 21, 2006, for JOB NO. 2002-804, THE CONSTRUCTION OF THE KAIEIE MAUKA PRODUCTION WELL AND SUPPORTING FACILITIES.

7) HAMAKUA:

A. **JOB NO. 2005-866, AHUALOA WELL DEVELOPMENT – PHASE 1, RIGHT-OF-ENTRY AGREEMENT FROM DLNR:**

The Department of Land and Natural Resources (DLNR), owner of the parcel where the well will be drilled, has submitted a Right-Of-Entry Agreement to allow surveying, drilling, casing, and testing of an exploratory well. At the request of our Corporation Counsel, the Department of Water Supply would like the Board to review DLNR's Right-of-Entry Agreement for action.

RECOMMENDATION: It is recommended that the Water Board approve this Right-of-Entry Agreement and delegate authority to the Manager to sign the Agreement.

8) NORTH AND SOUTH KOHALA:

A. **JOB NO. 2002-805, MAKAPALA PRODUCTION WELL AND SUPPORTING FACILITIES:**

The contractor, Isemoto Contracting Co., Ltd., requests a 9 working day time extension. This request is due to rain out days.

Staff has reviewed the request and finds that the 9 working days are justified.

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 9 working days from July 28, 2006 to August 10, 2006, for JOB NO. 2002-805, MAKAPALA PRODUCTION WELL AND SUPPORTING FACILITIES.

9) KA'U:

A. **JOB NO. 2000-765, PAHALA 0.5 MG CONCRETE RESERVOIR:**

The Contractor, Isemoto Contracting Co., Ltd., (ICC) has submitted a request for a contract time extension of 298 calendar days to demolish the crust of the cave/lava tube beneath the reservoir and backfill the cavity per the consultant's requirements and a design change in the footing of the reservoir as requested by DWS. The excavation and backfilling of the cave was done after the State Historic Preservation Division (SHPD) requirements to record the petroglyphs were completed and took approximately 90 calendar days (June-August). The design change in the footing required the ordering of seismic cables in lieu of the specified stainless steel clad rebar. DWS felt that the seismic cables should be used in lieu of the stainless steel clad rebar and was uncomfortable with the fact that the rebar could not be

installed per the construction plans. The manufacturing and shipment of the seismic cables delayed the contract by 208 calendar days.

This would be the second time extension for the contract. Engineering staff has reviewed the request and finds that the 298 calendar days are justified.

The first contract time extension was for 280 calendar days for the reporting and recording of the petroglyphs in accordance with SHPD requirements.

**RECOMMENDATION:** It is recommended that the Board grant this extension of contract time of 298 calendar days to Isemoto Contracting Co., Ltd., for JOB NO. 2000-765, CONSTRUCTION OF THE PAHALA 0.5 CONCRETE RESERVOIR. If approved, the contract completion date will be extended from November 7, 2005 to September 1, 2006.

10) MISCELLANEOUS:

A. **DEDICATION OF WATER SYSTEMS:**

The Department 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. BILL OF SALE**

UHH ROADWAY AND INFRASTRUCTURE IMPROVEMENTS FOR USDA FACILITY

Seller: University of Hawai'i

TMK: (3) 2-4-001:122

E.W.O.: 2005-101

Facilities Charge: \$44,000.00                      Paid: 09/23/05

Final Inspection Date: 02/06/06

Water System Cost: \$268,317.00

**2. BILL OF SALE**

NOBRIGA SUBDIVISION

Subdivision Application No. 2004-142

Grantor: Karl M. and Rita S. Nobriga

TMK: (3) 3-5-004:077

E.W.O.: 2006-054

Lots: 1 existing plus 2 additional = 3 total

Facilities Charge: \$11,000.00                      Paid: 06/28/06

Final Inspection Date: 07/06/06

Water System Cost: \$17,900.00

**3. REVOCABLE RIGHT-OF-ENTRY AGREEMENT**

KAIWIKI WATER SYSTEM

Owner: Trustees of the Estate of Bernice Pauahi Bishop

TMK: (3) 2-6-009:008

Right-of-Entry Agreement to enter upon lands owned by the Trustees of the Estate of Bernice Pauahi Bishop to conduct a field survey for land acquisition. The additional land is for the expansion of our Kaiwika Water System Tank Site No. 2.

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. WAIAKEA OFFICE PLAZA LEASE AMENDMENT NO. 1 OF LEASE AGREEMENT NO. 91-30-0011, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS DCCA):**

The DCCA, State of Hawai'i, is a tenant at the Waiakea Office Plaza leasing 546 square feet of office space on the upper level of the Kapoho Wing, Suite 12. This lease amendment extends the term of the lease through June 30, 2008, and provides for rent increases beginning in July 2004 (\$1.80 psf), July 2005 (\$1.90 psf), and July 2006 (\$2.50 psf).

This lease amendment was previously approved by the Water Board at its October 2005 Board meeting. The amendment extended the lease through June 30, 2006 at \$1.90 psf. The signed lease was forwarded to the State on October 25, 2005 but was never approved. After contacting the State regarding the status of the lease, they then wished to extend the term of the lease through June 2008, which brings us to the amendment under consideration.

Current market rates for office space in Hilo start at \$1.25 per square foot plus common area maintenance. Waiakea Office Plaza common area maintenance approximates \$0.80 per square foot.

RECOMMENDATION: It is recommended that the Board approve DCCA Amendment No. 1 of Lease Agreement No. 91-30-0022.

**C. PRESENTATION BY R.W. BECK, INC.:**

R.W. Beck, Inc., will provide the Board with final results of the Water Master Plan and Personnel Needs Assessment. They will also present an update of the Strategic and Business Plan and the Water Rate Study. The presentation is for information purposes and for discussion.

**D. 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.

E. **AUTOMATIC METER READING (AMR) SYSTEM CONTRACT – NEPTUNE TECHNOLOGY GROUP:**

The Department has agreed to terms with Neptune Technology Group to have them supply and install 2,200 AMR meters and related equipment. These meters will allow our meter readers to obtain meter readings via radio signal to either a handheld device or drive-by receiver. Meter readings are then loaded directly into the billing system providing clerical in addition to field efficiencies. Cost to the Department for 2,200 AMR meters, related equipment, software, training, installation, and support is \$644,600.00.

**RECOMMENDATION:** It is recommended that the Board approve the AMR contract with Neptune Technology Group.

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. **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 ending of the USGS Drilling Program and the process to sell off assets.
- 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) Employee of the Quarter presentation – Ms. Candace Pua

H. **CHAIRMAN'S REPORT:**

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

11) **ANNOUNCEMENTS:**

1. **Next Meeting:**

The next meeting of the Water Board will be held on August 22, 2006, 10:00 a.m., at the Royal Kona Resort, Resolution Room; 75-5852 Ali'i Drive, Kailua-Kona, Hawai'i.

12) **STATEMENTS FROM THE PUBLIC**

13) **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.*