

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

**MEETING DATE:** January 25, 2005

**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 - Minutes of the December 21, 2004, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)  
(Note: Addendum requires Roll Call Vote)
- 5) PUNA:

**A. JOB NO. 2000-767, CONSTRUCTION OF THE OLAA NO. 6 EXPLORATORY WELL:**

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The contractor, Water Resources International, Inc., requests a 33-working day time extension. This request is due to the following:

- 6 working days due to drilling pilot hole additional 83 feet
- 19 working days due to motor lost down the hole during open-hole pump test
- 8 working-days for rain-out

This is the second time extension request for the project. Staff has reviewed the request and finds that the 33 working days are justified.

**RECOMMENDATION:** It is recommended that the Board approve a contract time extension of thirty-three (33) working days to Water Resources International, Inc., from February 18, 2005, to April 8, 2005, for JOB NO. 2000-767, CONSTRUCTION OF THE OLAA NO. 6 EXPLORATORY WELL.

6) SOUTH HILO:

**A. JOB NO. 2004-854, PLANNING, DESIGN AND CONSTRUCTION OF THE REED'S ISLAND WATERLINE IMPROVEMENTS:**

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Two bids for this project were received and opened on January 11, 2005, at 2:00 p.m.; and following are the bid results:

<b>Bidder</b>	<b>Amount</b>
Isemoto Contracting Co., Ltd.	\$554,050.00
Willocks Construction Corporation	\$674,440.00

Project Scope: This project consists of the survey, design, preparation of construction plans and specifications and installing approximately 2,900 lineal feet of 6-inch diameter waterline and related appurtenances. The project will replace the existing galvanized and cast iron waterlines, which are old and leaking. This project was advertised under a “design-build” concept.

Project Cost:

1) Low Bidder (Isemoto Contracting Co., Ltd.)	\$554,050.00
2) Construction Contingency (8.0%)	<u>44,324.00</u>
Total Planning, Design and Construction Cost:	<u>\$598,374.00</u>

The Department of Water Supply’s estimated cost this project was \$291,600.00. Funding for this project will be from the Department’s C.I.P. budget. The contractor will have 90 calendar days from the date of Notice to Proceed to complete the water system construction work for this project.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2004-854, PLANNING, DESIGN AND CONSTRUCTION OF THE REED’S ISLAND WATERLINE IMPROVEMENTS, to the lowest responsible bidder, Isemoto Contracting Co., Ltd., for their bid amount of \$554,050.00 plus \$44,324.00 in construction contingency for a total contract amount of \$598,374.00, subject to review as to form and legality of the contract by Corporation Counsel.

**B. DRINKING WATER STATE REVOLVING FUND RESOLUTION NO. 2005-01:**

Attached is Resolution No. 2005-01 for the project of which we have submitted request for loans under the Drinking Water State Revolving Fund. As part of the requirements, a Resolution is required by the Water Board. The documents have been forwarded to our Corporation Counsel’s office for review. This Resolution is specifically identified for the following project: Job No. 98-705, HONOMU EXPLORATORY WELL.

RECOMMENDATION: It is recommended that the Water Board adopt Resolution No. 2005-01, subject to the approval of Corporation Counsel.

7) HAMAKUA:

**A. JOB NO. 2000-766, CONSTRUCTION OF THE AHUALOA NOS. 1 AND 2, 0.10-MG RESERVOIRS FOR THE DEPARTMENT OF WATER SUPPLY:**

Attached is a letter dated January 13, 2005, from Goodfellow Brothers, Inc., requesting for an extension of contract time for the reasons stated. A change order to overexcavate, “rain-out”

days, and delays by Department of Water Supply and Verizon Hawaii cause the additional 52 working days.

This is the first time extension request for this project. Staff has reviewed this first time extension request and finds that the 52 working days are justifiable.

**RECOMMENDATION:** It is recommended that the Board approve a contract time extension of fifty-two (52) working days to Goodfellow Brothers, Inc., from December 9, 2004, to February 25, 2005, for JOB NO. 2000-766, CONSTRUCTION OF THE AHUALOA NOS. 1 AND 2, 0.10-MG RESERVOIRS.

8) NORTH KOHALA:

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

Two bids for this project were received and opened on January 13, 2005, at 2:00 p.m.; and following are the bid results:

<b>Bidder</b>	<b>Amount</b>
Isemoto Contracting Co., Ltd.	\$1,027,627.00
Dick Pacific Construction Co., Ltd.	\$1,350,000.00

**Project Scope:** This project consists of outfitting a well, including controls, control building, and appurtenant piping/equipment.

**Project Cost:**

1) Low Bidder (Isemoto Contracting Co., Ltd.)	\$1,027,627.00
2) Construction Contingency (~10%)	<u>102,373.00</u>
Total Construction Cost:	<u>\$1,130,000.00</u>

Funding for this project initially will be from DWS C.I.P., with reimbursement from the State DWSRF program.

The contractor will have 270 calendar days to complete this project.

**RECOMMENDATION:** It is recommended that the Board award the contract for JOB NO. 2002-805, CONSTRUCTION OF THE MAKAPALA PRODUCTION WELL AND SUPPORTING FACILITIES, to the lowest responsible bidder, Isemoto Contracting Co. Ltd., for their bid amount of \$1,027,627.00 plus \$102,373.00 in construction contingency for a total contract amount of \$1,130,000.00, subject to review as to form and legality of the contract by Corporation Counsel.

9) NORTH KONA:

A. **ASSIGNMENT OF HASEKO WATER AGREEMENT WATER UNITS:**

This matter was deferred by the Board at its October 26, November 23, and December 21, 2004, Meetings.

As part of a tri-party agreement dated May 4, 2000, between HASEKO (HAWAII), Inc., Keopuolani Estates Associates (KEA), and the Water Commission, KEA, the owner of TMK 7-5-001:044, was granted forty-six (46) units to be assigned to the same parcel in exchange for a well and well site. Now, SUNRA COFFEE, LLC, successor to KEA, desires to assign fifteen (15) of these units to Wainani 42 LLC to be used on Tax Map Key 7-5-001:027.

Section 5 of the subject agreement provides for the assignment of all or part of the 46 units to other parcels in the North Kona water system, subject to whatever water system improvements are required by the Department.

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

10) 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) **LICENSE EASEMENT NO. 618**  
PUUKAPU-NIENIE WATER SYSTEM  
Licensor: Department of Hawaiian Home Lands  
TMK: (3) 6-4-004; 4-6-011 & 012  
License Easement No. 618 replaces License Easement No. 127, Expired April 30, 2002
- 2) **LICENSE EASEMENT NO. 620**  
PUUKAPU FARM LOTS  
Licensor: Department of Hawaiian Home Lands  
TMK: (3) 6-4-008:various  
License Easement No. 620 replaces License Easement No. 134, Expired July 29, 2002

- 3) **LICENSE EASEMENT NO. 625**  
 PANAewa RESIDENTIAL LOTS, UNIT 6  
 Subdivision Application No. 2002-035  
 Licensor: Department of Hawaiian Home Lands  
 E.W.O.: 2004-061  
 TMK: (3) 2-2-047:001  
 Lots: 1 existing, 40 additional = 41 Total  
 Facilities Charge: \$220,000.00  
 Final Inspection Date: October 29, 2004  
 Water System Cost: \$104,027.61
  
- 4) **BILL OF SALE**  
 ALAHOu STREET WATERLINE IMPROVEMENTS  
 Grantor: Onix Management, Inc., a Nevada corporation  
 E.W.O.: 2004-088 and 2004-090  
 TMK: (3) 7-5-022:075 & 068  
 Facilities Charge: \$44,000.00 and \$48,150.00  
 Capital Assessment Fee: \$2,500.00  
 Final Inspection Date: January 11, 2005  
 Water System Cost: \$55,000.00
  
- 5) **GRANT OF NON-EXCLUSIVE EASEMENTS**  
 UNIVERSITY PARK PHASE IV – NOWELO STREET EXTENSION  
 Grantor: University of Hawai‘i, a body corporate  
 TMK: (3) 2-4-001:122  
*NOTE: This access and utility easement is needed to access the water meter temporarily installed for the USDA Institute of Pacific Islands Forestry laboratory and complex. The projected completion date for Nowelo Street is December 2005.*
  
- 6) **GRANT OF NON-EXCLUSIVE EASEMENTS**  
 UNIVERSITY PARK PHASE IV – NOWELO STREET EXTENSION  
 Grantor: University of Hawai‘i, a body corporate  
 TMK: (3) 2-4-001:122  
*NOTE: This access and utility easement is needed to access the water meter temporarily installed for the USDA Institute of Pacific Islands Forestry laboratory and complex. The projected completion date for Nowelo Street is December 2005.*

**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. ENERGY ENGINEER IV:**

With increasing electric bills, the Department is proposing to create a new position, an Energy Engineer IV. The Department spent nearly \$9.5 million on electric bills this past

fiscal year and is projected to spend \$10.5 million this current fiscal year, even with modest energy savings. In order to maximize the Department's savings, a full time permanent position needs to be created to control these costs. The position will be in the Operations Division under the direct supervision of the Chief of Operations, as shown in the attached Table of Organization.

**RECOMMENDATION:** It is recommended that the Water Board approve the creation of the Energy Engineer IV and the corresponding amendments to the Department's Table of Organization.

C. **MONTHLY PROGRESS REPORT:**

Review of progress report of projects.

D. **REVIEW OF MONTHLY FINANCIAL STATEMENTS:**

Review of financial statements and information.

E. **PRESENTATION BY R. W. BECK:**

R. W. Beck, Inc., to do a one-hour informational presentation to the Board on the following:

- Draft Results of Financial Plan
- Water Service Area Expansion
- Progress Report of Water Master Plan

F. **EXECUTIVE SESSION:**

1) *Disciplinary Actions of Employees*

The purpose of this meeting is: 1) to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities; and 2) to deliberate or make a decision upon a matter that requires the consideration of information that must be kept confidential pursuant to a state or federal law, or a court order, as authorized by Hawai'i Revised Statutes, Sections 92-4 and 92-5(a)(4) and (8).

G. **MANAGER'S REPORT:**

- 1) Kona Coastview/Wonderview status
- 2) USGS Drilling Program
- 3) Kona Water Quality

H. **CHAIRMAN'S REPORT:**

11) ANNOUNCEMENTS:

**Upcoming Meetings:**

1. Special Meeting of the Water Board

Date: January 26, 2005 (Wednesday)

Time: **9:00 a.m.**

Place: Department of Water Supply, Hilo Operations Center Conference Room,  
889 Leilani Street, Hilo, Hawai'i

2. Regular Water Board Meeting

Date: February 22, 2005 (Tuesday)

Time: **10:00 a.m.**

Place: Department of Water Supply, Hilo Operations Center Conference Room,  
889 Leilani Street, Hilo, Hawai'i

12) STATEMENTS FROM THE PUBLIC

13) ADJOURNMENT

**If you require an accommodation or auxiliary aid and/or services to participate in this meeting (i.e., sign language interpreter, and large print), please call this number 961-8050.**

The Department of Water Supply is an Equal Opportunity provider and employer. To file a complaint of discrimination, write: USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14<sup>th</sup> and Independence Avenue, SW, Washington DC 20250-9410. Or call (202) 720-5964 (voice and TDD)