

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

MEETING DATE: March 24, 2009

- A.) TIME:** 9:40 a.m. (Regular Meeting)
PLACE: Waimea Community Center, 65-1260 Kawaihae Rd, Kamuela, Hawai'i.
- B.) TIME:** 11:30 a.m.
PLACE: Assemble at Waimea Community Center, 65-1260 Kawaihae Rd, Kamuela, HI, for **site visit** to Waimea Treatment Plant, (65-1190 Spencer Road, Kamuela, HI) to view the Waimea Reservoir repairs. Members of the public must have their own transportation to the site. Meeting will recess during transit, and reconvene in front of the Waimea Treatment Plant site. Gates to the site will be closed, but unlocked so that members of the public can gain access. (*For directions, see Announcements item below.*)

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- 1) CALL TO ORDER – 9:40 a.m. (*please turn cell phones off or set to silent*)
 - 2) STATEMENTS FROM THE PUBLIC
 - 3) APPROVAL OF MINUTES
Minutes of the February 24, 2009, Water Board Meeting
 - 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA
(**Note: Addendum requires Roll Call Vote**)
 - 5) SOUTH HILO:

A. JOB NO. 2007-926, HAKALAU IKI SPRING REMEDIATION:

The Department of Health Safe Drinking Water Branch has directed the Department to conduct a minimum 28-day monitoring period of the raw water from the Hakalau Iki Spring prior to allowing start-up of this spring source. During this monitoring period, the Contractor, Ed Higa General Contracting, will be on stand-by while the Department uses the new water monitoring equipment. In addition to the 28-day monitoring period, the Contractor has requested a 29 calendar-day time extension. This request is due to delays beyond the control of the contractor and consists of 13 rain-out days (17 calendar days), and 12 calendar days to do additional work to install the water conductivity monitoring equipment needed for the raw water monitoring described above. The total time extension requested is therefore 57 calendar days.

Note: 1.) The cost needed for the Contractor to furnish and install the water conductivity monitoring equipment for the monitoring work is available from the project's contingency fund. 2.) The new soda ash feed equipment will not be needed during this monitoring period.

Staff has reviewed the request and finds that the 57 calendar days are justified. This is the second time extension request.

Request	Time Requested	From	To
First Time Extension	62 Calendar Days	January 27, 2009	March 30, 2009
Second Time Extension	57 Calendar Days	March 30, 2009	May 26, 2009

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 57 calendar days for this project. The contract completion date will be revised from March 30, 2009 to May 26, 2009.

B. STEVE SHROPSHIRE HAKALAU AGREEMENT:

The developer, Shropshire Group, LLC (Steve Shropshire) is proposing to enter into an agreement (see attached) to allow DWS to acquire land for a tank and well site for the Hakalau Water System. The additional storage and well site will allow the Department to increase the water availability in the area and reduce the reliance on surface waters. In exchange, Mr. Shropshire will obtain 25 units of water, 8 of which will be available upon execution of this agreement. The additional 17 units will be available only upon successful completion of a tank & well by the Department.

Staff has reviewed this agreement and finds it acceptable as well as in concurrence with our 20-year Water Master Plan.

RECOMMENDATION: It is recommended that the Water Board approve the Water Facilities Agreement and that either the Chairperson or the Vice-Chairperson be authorized to execute the Agreement subject to the review and approval by Corporation Counsel.

6) SOUTH KOHALA:

A. JOB NO. 2007-919, EARTHQUAKE DAMAGED TANK REPAIRS, GROUP #2 (N. KONA/S. KOHALA), COUNTY OF HAWAII, STATE OF HAWAII, FEMA-1664-DR-HI, FIPS NO. 001-UVKJ8-00:

(This item was deferred from the 2/24/09 Water Board Meeting.)

Three bids for this project were received and opened on January 22, 2009, at 2:00 p.m.; and the following are the bid results:

<u>Bidder</u>	<u>Amount</u>
Isemoto Contracting Co., Ltd.	\$2,385,615.00
Bolton, Inc.	Non-Responsive
Abhe & Svoboda, Inc.	Non-Responsive

Project Scope: This project consists of the repair and seismic retrofit of six (6) reinforced concrete tanks in N. Kona (2 ea.) and S. Kohala (4 ea.) districts that were damaged in the October 15, 2006 Kiholo Bay Earthquake.

Project Cost:

1) Isemoto Contracting Co., Ltd.	\$2,385,615.00
2) Construction Contingency (10%)	<u>\$238,561.50</u>
Total Construction Cost:	\$2,624,176.50

Contractor Qualifications:

As part of the project plans and specifications, each bidder was required show that they meet specific qualifications for repair work involving the retrofit of tanks for Seismic Zone 4. Of the three (3) bidding contractors, only Isemoto Contracting Co., Ltd. met the qualifications.

Funding for this project will initially be from DWS C.I.P. budget; however, DWS will be pursuing reimbursement from the Federal Emergency Management Agency (FEMA) for up to 75% of the actual construction costs.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2007-919, EARTHQUAKE DAMAGED TANK REPAIRS, GROUP #2 (N. KONA/S. KOHALA), COUNTY OF HAWAII, STATE OF HAWAII, STATE OF HAWAII, FEMA-1664-DR-HI, FIPS NO. 001-UVKJ8-00, to Isemoto Contracting Co., Ltd., for their bid amount of \$2,385,615.00 plus \$238,561.50 for construction contingency for a total contract amount of \$2,624,176.50, subject to review as to form and legality of the contract by Corporation Counsel.

B. ASSIGNMENT OF WATER ALLOCATION PURSUANT TO THE PARKER WELLS 3 AND 4 TRI-PARTY AGREEMENT

The Assignor, Mauna Lani Services, Inc., is intending to grant, assign, transfer and convey its rights to and allocation of water to Assignee, Tokyu Corporation, from the Lalamilo Wells A, B, C and D, and Parker Wells 1, 2, 3 and 4. This assignment shall exclude the portions of such allocation that have been assigned to other owners of property within MLS' Development Area prior to the date of this assignment. All other terms and conditions in the Parker Wells 3 and 4 Tri Party Agreement between the Assignor, Mauna Kea Properties, Inc., and the Water Board of the County of Hawai'i shall remain unchanged.

RECOMMENDATION: It is recommended that the Water Board approve this Assignment of Water Allocation and authorize either the Chairperson or Vice-Chairperson to execute the document subject to the review and approval of the Corporation Counsel.

C. ASSIGNMENT OF USE AND OCCUPANCY AGREEMENT BETWEEN THE STATE OF HAWAI‘I, DEPARTMENT OF TRANSPORTATION AND MAUNA LANI SERVICE, INC. TO THE WATER BOARD OF THE COUNTY OF HAWAI‘I

Mauna Lani Service, Inc. (MLS) constructed a 24-inch waterline within the Queen Kaahumanu Highway pursuant to a portion of the improvements required to serve MLS' Development Area as described in the Parker Wells 3 and 4 Tri-Party Agreement. The Department of Transportation of the State of Hawai‘i (DOT) is requiring that the developer, MLS, execute a Use and Occupancy Agreement (UOA) for this installation of the waterline and make payment to DOT based upon an appraisal by the DOT. DOT and MLS intend to execute the UOA shortly, but payment will be delayed once an appraisal is completed. As part of the dedication of the water system improvements for the Parker Wells 3 and 4 project, the DOT is also requiring that the UOA be assigned by MLS to the Water Board of the County of Hawai‘i.

RECOMMENDATION: It is recommended that the Water Board accept the assignment of the UOA contingent on the execution of the UOA between MLS and the DOT. It is also recommended that the Water Board authorize either the Chairperson or the Vice-Chairperson to execute the Assignment of the Agreement subject to the review and approval of the Corporation Counsel.

7) NORTH KONA:

A. RIGHT-OF-ENTRY FOR PLANNING & ENGINEERING STUDIES WITHIN DWS MOEAUOA TANK SITE TAX MAP KEY (3) 7-5-001:055 AND 117:

The State of Hawai‘i, Department of Human Services, Housing and Community Development Corporation of Hawai‘i has requested a right of entry into the Department's Moeauoa Tank Site for the purpose of conducting planning and engineering studies for an Environmental Assessment for the development of an exploratory well within the site. The Moeauoa Tank is no longer in use as part of the existing water system because the elevation does not match other reservoirs in the service area.

Engineering staff and Corporation Counsel have reviewed the request and have no objection.

RECOMMENDATION: It is recommended that the Board approve this Right-of-Entry for a period not to exceed 60 days from the effective date of the document and delegate authority to the Manager to sign the document, subject to review as to form and content by Corporation Counsel.

RECOMMENDATION: It is recommended that the Water Board accepts 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 PERFORMANCE CONTRACTING

Presentation will be made to the Water Board regarding the process and benefits of Energy Performance Contracts.

C. 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.

D. DEPARTMENT OF WATER SUPPLY PROPOSED OPERATING AND CAPITAL IMPROVEMENT BUDGETS FOR FISCAL YEAR 2010:

A Public Hearing on the proposed Operating and Capital Improvement Budgets for Fiscal Year 2009-2010 was held today. Public Hearing Notice was published in the Hawai'i Tribune-Herald and in the West Hawai'i Today on March 13 and 15, 2009.

Action to be taken by the Water Board on the adoption of the Fiscal Year 2009-2010 Operating and Capital Improvement Budgets.

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. WATER RATE STUDY:

Discussion on the new water rate study that the Department is planning to conduct, to address the shortage of funds being generated from water sales.

G. MANAGER'S REPORT:

The Manager will provide an update or status on the following:

1. Negotiations with Kamehameha Investment Corporation.
2. Palani Road Transmission Project
3. AWWA ACE 09
4. AWWA Hawai'i Section Conference

H. CHAIRPERSON’S REPORT:

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

Proposed dates and locations for the remainder of 2009 Water Board meetings for review and approval:

April 28	(already set for Hilo)
May 26	KONA
June 23	WAIMEA
July 28	HILO
August 25	KONA
September 22	WAIMEA
October 27	HILO
November 24	KONA
December 15	HILO

9) ANNOUNCEMENTS:

1. **Next Meeting:**

The next meeting of the Water Board will be held on April 28, 2009, 10:00 a.m., at the Department of Water Supply, Operations Center Conference Room, 889 Leilani Street, Hilo.

2. **Site visit at 11:30 a.m. today:**

Site visit to Waimea Treatment Plant, (65-1190 Spencer Road, Kamuela, HI) to view and discuss Waimea Reservoir repairs. **Directions:** From Kawaihae Road, turn on Lindsey Road past Parker School and continue mauka; turn right onto Kapi‘olani Street and keep going to the end of the street. Turn left onto Spencer Road. At the first paved driveway to the right is the Department of Water Supply gate (this is the *first* gate leading to the Waimea Treatment Plant). *Meeting will take place at the Waimea Treatment Plant site, which is at the end of the road after passing through a second gate.*

Before departure, staff to provide background on the Waimea Treatment Plant, and damage and repairs of the reservoirs.

RECESS AND RECONVENE AT 11:30 A.M. AT WAIMEA TREATMENT PLANT SITE FOR REMAINDER OF AGENDA ITEMS

10) SITE VISIT TO VIEW WAIMEA TREATMENT PLANT, 65-1190 SPENCER ROAD, KAMUELA

- a. Overview of treatment plant and 4 MG reservoir. Discuss prior cracks that were identified and remedial work to seal them.
- b. Overview of repairs to the 50 MG open reservoir (mauka of the plant).

11) STATEMENTS FROM THE PUBLIC:

12) 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 Shiota 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.