

**MINUTES**

DEPARTMENT OF WATER SUPPLY  
COUNTY OF HAWAI‘I  
WATER BOARD MEETING

November 26, 2019

West Hawai‘i Civic Center, Building G, 74-5044 Ane Keohokalole Highway, Kailua-Kona, Hawai‘i

MEMBERS PRESENT: Mr. William Boswell, Jr., Chairperson  
Mr. Nestorio Domingo  
Mr. Leningrad Elarionoff  
Mr. Zendo Kern  
Mr. Kenneth Sugai  
Mr. David De Luz, Jr. (10:10 a.m.)  
Mr. Keith K. Okamoto, Manager-Chief Engineer, Department of Water Supply (ex-officio member)

ABSENT: Mr. Eric Scicchitano, Vice-Chairperson  
Mr. Bryant Balog, Water Board Member  
Ms. Julie Hugo, Water Board Member  
Director, Planning Department (ex-officio member)  
Director, Department of Public Works (ex-officio member)

OTHERS PRESENT: Ms. Diana Mellon-Lacey, Deputy Corporation Counsel  
Ms. Lerisa Heroldt, Deputy Corporation Counsel  
Mr. Jeff Zimpfer, National Park Service  
Mr. Riley Smith (11:17 a.m.)  
Mr. Kai White, Student Intern, Mayor’s Office (11:17 a.m.)

Department of Water Supply Staff

Mr. Kawika Uyehara, Deputy  
Mr. Warren Ching, Energy Management Analyst  
Mr. Kurt Inaba, Engineering Division Head  
Mr. Richard Sumada, Waterworks Controller  
Mr. Daryl Ikeda, Chief of Operations  
Mr. Clyde Young, Operations Division  
Ms. Judith Hayducsko, Operations Division

- 1) CALL TO ORDER – Chairperson Boswell called the meeting to order at 10:00 a.m.
- 2) STATEMENTS FROM THE PUBLIC - None
- 3) APPROVAL OF MINUTES

Chairperson Boswell noted that an amendment was needed for the Minutes of the October 22, 2019, Water Board Meeting.

MOTION: Mr. Elarionoff moved to amend the Minutes; seconded by Mr. Sugai.

Chairperson Boswell stated that on Page 20, paragraph number six, 18% was used in lieu of 18 cents. Out of the whole report, that was the only error. He asked if there were any comments. There being none, he called for the vote.

ACTION: Motion to approve the Minutes, as amended, was carried unanimously by voice vote.

4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA - none

5) **EXECUTIVE SESSION REGARDING OPEN LITIGATION:**

The Board anticipates convening an executive meeting for the purposes of discussing the legal rights, duties and liabilities of the Board concerning open litigation against the Board, as authorized by Hawai‘i County Charter Section 74.6 and Hawai‘i Revised Statutes (“HRS”), Section 92-4 and 92-5(a)(4). The Board wishes to have its attorney present, in order to consult with the board’s attorney on its questions and issues pertaining to the board’s powers, duties, privileges, immunities, and liabilities pursuant to HRS Section 92-5(a)(4). A two-thirds vote of the members present, pursuant to HRS Section 92-4, is necessary to hold an executive meeting, provided that the affirmative vote constitutes a majority of the board.

ACTION TO ENTER EXECUTIVE SESSION: Mr. Kern moved that the Board enter Executive Session; seconded by Mr. Domingo and carried by roll call vote (Ayes: 5 - Messrs. Domingo, Elarionoff, Kern, Sugai, and Chairperson Boswell; Nays: 0; Absent: 4 – Ms. Hugo and Messrs. Balog, De Luz, and Scicchitano).

(Executive Session began at 10:02 a.m. and ended at 11:15 a.m.)

Chairperson Boswell called for a Motion to go back into regular session. (Ms. Heroldt left the meeting after Executive Session.)

ACTION: Mr. Sugai so moved, seconded by Mr. Domingo and carried unanimously by voice vote.

6) **SOUTH HILO:**

A. **JOB NO. 2019-1104, KULA‘IMANO WELL A REPAIR – REQUEST FOR TIME EXTENSION:**

The contractor, Derrick’s Well Drilling & Pump Services, LLC, is requesting a contract time extension of 69 calendar days. The pump manufacturer has notified the contractor that the lead time for the delivery of the pump will exceed the project completion date. These delays were beyond the control of the contractor.

Staff reviewed the request for the contract time extension and the accompanying supporting documentation and found that only 31 calendar days of the requested time can be considered justified.

*Note: There are no additional costs associated with this time extension.*

1<sup>st</sup> time extension – 31 calendar days

The Manager-Chief Engineer recommended that the Board approve a contract time extension of 31 calendar days to Derrick’s Well Drilling & Pump Services, LLC, for JOB NO. 2019-1104, KULA‘IMANO WELL A REPAIR. If approved, the contract completion date will be revised from November 30, 2019, to December 31, 2019.

MOTION: Mr. De Luz moved for approval of the recommendation; seconded by Mr. Kern.

The Manager-Chief Engineer stated that from the detailed background provided, this seems to be another one of those situations where the supplier could not meet the schedule, which is outside of the control of the contractor. Staff reviewed the request; and out of the 69 days requested, 31 were felt to be justified. Mr. Young was available for technical questions.

Chairperson Boswell asked what makes the bowls on our pumps so special that the industry standard is something different.

Mr. Young replied that there are quite a few manufacturers that make the Stainless Steel bowls. In response to Chair's question, then, if it was an erroneous comment, he replied it was because the manufacturer was gearing up to go toward Stainless Steel anyway. There was an email in the supporting documents checking to see if the contractor could get it in a much quicker time. He was not sure why it took the manufacturer so long.

The Manager-Chief Engineer noted that the Notice to Proceed was May 5; and starting in September, correspondence shows that the contractor was following up with the supplier, asking where the equipment was and trying to figure out their schedule.

Mr. Young stated that it finally did get shipped last week so it is estimated to take two to three weeks to get it on the Big Island, arrival being the first or second week of December. It should only take them about a week to get it installed; therefore, 31 days should be adequate.

Mr. Domingo asked if there are any other customers on this island requiring Stainless Steel.

Mr. Young replied there are quite a few manufacturers that make Stainless Steel bowls so he was pretty sure there would be other customers that require it.

Mr. Elarionoff asked if staff talks to the contractor during the reviews for time extension, or do they just decide on paper and that is it; and if so, whether the decision was amicable with the contractor.

Mr. Young replied that staff talks with them and gets an idea when they feel the job can be completed. This decision was amicable with the contractor.

ACTION: Motion was carried unanimously by voice vote.

7) MISCELLANEOUS:

A. **MEMORANDUM OF AGREEMENT FOR THE SUPPORT OF THE EMERGENCY STANDBY POWER CONNECTION AT CRITICAL SITES:**

The Department of Water Supply (DWS) is proposing to enter into an agreement with the Hawai'i Emergency Management Agency to facilitate the allocation of FEMA Hazard Mitigation Grant Program (HMGP) funds to DWS' emergency standby power connection at critical sites project. This project involves the installation of power transfer switches at four well sites (Pana'ewa, Pi'ihonua #3, Keonepoko Nui and Honokōhau), all of which have standby generators on-site. DWS will be required to provide a match of at least \$57,858.30, which is 25% of the estimated total project cost. DWS will be responsible for the procurement of the construction.

The Manager-Chief Engineer recommended that the Board authorize either the Chairperson or the Vice-Chairperson, on behalf of the Water Board, to enter into an agreement with the Hawai'i

Emergency Management Agency for the support of the emergency standby power connection at critical sites, subject to review as to form and legality by Corporation Counsel.

MOTION: Mr. Kern moved for approval of the recommendation; seconded by Mr. De Luz.

The Manager-Chief Engineer stated that this Memorandum of Agreement allows the Department to take advantage of the Hazard Mitigation Grant Program funded by the Federal Emergency Management Agency (FEMA) which means this project to help mitigate disasters basically at a 75% discount. It will allow the Department to be more “plug and play” with its generators instead of having to send personnel out to do hard wiring. Should an event occur, it will be easier to hook up the generators and get power to the facilities. Mr. Ching was present to answer detailed questions.

Chairperson Boswell asked if this is a series of phases where the Department is installing these generators.

Mr. Ching replied that this will cover four of the seven sites that have generators. Three more will need to be done after this. This is for sites that already have generators on them. If the Department can get more support, it will look into sites that do not have generators on them since the generators are portable and can be brought to the site and plugged in, eliminating any type of wiring situation, and bringing safety into consideration.

The Manager-Chief Engineer noted that this funding came about because of previous Kauai and Oahu flood damage and is administered through HIEMA (Hawai‘i Emergency Management Agency). This Department is able to take advantage of this funding program, even though the flood damage was not on this island. The Department is also trying to work with FEMA and HIEMA to see if there are funds that could be tapped into related to the Kīlauea Lava Flow.

Mr. De Luz asked if portable water tankers would be something the Department might be able to secure with this funding as well. In the event of a catastrophic loss, the private sector would probably not be available, and if the Department’s system is impaired but the well can still pump, that might be something to consider.

The Manager-Chief Engineer replied that there are restrictions on the program, but it could be looked into.

Mr. Ikeda stated that this is for HAZARD mitigation so water tankers do not qualify.

Mr. Inaba mentioned the possibility of FEMA 428 alternate procedures funds.

Mr. De Luz suggested the Department might want to consider talking with the Fire Department to see if it could possibly convert tankers to non-potable water, if needed. They have smaller 4,000-gallon tankers that are usually placed in the rural areas. When it is an emergency, there is such limited time to coordinate, so it might be something to think about.

The Manager-Chief Engineer stated that perhaps the CDBG (Community Development Block Grant) funding or funds for rural areas might be available, but it would be checked into.

Mr. De Luz also mentioned Opportunity Zone funding and wondered if water infrastructure improvement investment might be something that might be advantageous for investors. It is a quasi-public/private sector initiative. Because of the nature of how water development is, it could

potentially lead to a source where, through a water agreement, a developer may make an investment, get access to water, and after ten years, the Department would own the facility.

Mr. Kern stated that as long as the private sector has the capital gains to invest, it might be something to consider.

The Manager-Chief Engineer stated that the Department is always looking to see if there are other ways to get funding.

Mr. Domingo asked if this project is only specific to the areas indicated and if the procurement for construction is separate from the \$57,858.30.

The Manager-Chief Engineer replied that these are specific locations that do not have power transfer switches for the generators.

Mr. Ching added that the total project cost is \$231,433.00 and the Department will be able to use that amount to procure the power transfer switches and will be doing the procurement.

In response to Mr. Elarionoff's question of what constitutes a critical site, Mr. Ching replied they would be areas supporting a health care facility or a population center.

Mr. De Luz suggested taking advantage of a press release to address the Department's proactiveness in these areas.

ACTION: Motion was carried unanimously by voice vote.

**B. MONTHLY PROGRESS REPORT:**

Mr. Inaba reported that for the Hala'ula Well Development, Phase 2, project in North Kohala, the contractor should be breaking ground soon. They received their State Highway permit. They want to do the front of the school area during the school's winter break. This is for the waterline along the State Highway portion, which is almost two miles of pipe. Aside from the portion going along the State Highway, the rest goes up from the Highway to the well site.

For the North Kona Mid Level Deep Well Development, Phase 1 project, the Department had the Right-of-Entry executed and the consultant is planning to go ahead with their work.

Mr. Domingo stated that it is nice to see the Queen Ka'ahumanu Highway Widening project indicating 100% complete.

Mr. Inaba noted that he was not sure if the State had closed out on their side, but for this Department's portion, it is 100%.

Mr. Domingo asked about the Kahalu'u Shaft Inclined Lift Replacement and if, once the cart arrives here in four weeks, testing would begin.

Mr. Inaba replied that at the next Water Board meeting, there should be a presentation by the contractor about the cart and what needed to be addressed. At this point, when the cart arrives, the contractor will need to schedule a shut-down to remove the existing cart and have the new one installed. Once installed, they will do the physical test to make sure it is operating properly. They did their own test on the ramp with weights to simulate carrying the capacity of the cart on their own track. They had to re-do the gear box which set them back a little.

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

Mr. De Luz noted that billed water has gone down due to a change in the Department's closing for billing transactions starting this fiscal year. He asked if the timing is part of the reason, as noted in the footnote, and if an accurate trend will be from this coming July and the twelve months moving forward to compare.

Mr. Sumada replied that was correct. In July, the sharp decline was noticed, and it was because of the timing of the cut-off.

Mr. De Luz noted that even with the amount of wells that are down, the Department seems to be getting more proficient in distributing water and storage so that the impact to the water user is minimal. The system seems to have redundancy in place, and perhaps people impacted in those communities would appreciate knowing that the Department is taking a more conservative approach when asking for conservation. It is also important to appreciate and let our employees know that the job is getting done.

**D. MANAGER-CHIEF ENGINEER'S REPORT:**

The Manager-Chief Engineer to provide an update on the following:

1. North Kona Wells

The Deputy reported that ten out of fourteen sources are operating. The four offline are Makalei, Palani, Wai'aha, and Holualoa. For Makalei, the developer's engineer is working on the redesign and still projecting early 2020 for bidding out. For Wai'aha, there is a litigative hold; therefore, no comment on that. For Holualoa, the January 31, 2020, deadline is still current; and for Palani Well, the time extension was to take it to December 1, 2019, but word was received from the contractor that they are expecting the shroud by December 2 and will probably be coming next month for a time extension, looking at ten days to get everything installed.

2. Department of Water Supply Energy Report

Mr. Ching reviewed that power costs for the third quarter were down 2.1% from the same quarter last year. The Department gained one HELCO account, putting the total accounts at 158. HELCO's energy rate was down 5% from the previous quarter, which reflects the change in our total power costs. Our demand has not changed from previous quarter. Going back to the demand, there was a big jump between the third and fourth quarter of 2018 due to HELCO's base rate changing. The power cost charge is still at \$2.00 per thousand gallons.

Mr. De Luz asked if there is a delta as far as efficiency in regard to water loss and what it is as far as energy costs if we were to mitigate our loss. He was curious because the greatest cost for us is distribution and there are meters that the Department will be working on. It will be interesting to see how that correlates to the efficiency. With the meters and monitoring, we can probably start getting some data.

Mr. Ching reviewed some of the data logger results, and leak detection and mitigation is definitely a big part of that because not all leaks go noticed. It is an important issue as far as energy. In the Fiscal Year 2018/2019 end-of-year summary, looking at the total cost, there was an increase of 9.7% from previous year. From the energy standpoint, there was an increase of

2.8% from the previous year. HELCO rate has been trending up on top of more energy use and more consumption between this fiscal year and the previous fiscal year. The majority of the energy went toward North Kona and producing water.

Mr. Domingo asked if the 44% was entirely attributable to operating the pumps.

Mr. Ching replied that it goes to pumps and booster pumps which are also used in the system.

Mr. Elarionoff asked about the pie chart where it indicates 1.4% used in Offices. He asked why that was included.

Mr. Ching replied that Offices includes energy used at all of the baseyards, Hilo, Kona, Waimea, and Ka'ū.

Mr. De Luz mentioned that, from a public relations side, when the Department goes for a rate increase, it should emphasize the efficiency with how water is produced and is distributed in more volume but at a lower cost per gallon. Raising rates is something that is looked at very seriously and is the last alternative.

Mr. Elarionoff commented that he did not agree with blowing your own horn.

Mr. Domingo noted that North Kona is at 44% but the water bills are standard throughout the island. North Kona is the highest power cost, Ninole - zero, and Hakalau - zero, but they pay the same rate.

Mr. Ching explained that North Kona is not the most expensive in terms of producing water, but because they use so much of it, that is the reason the most energy is used there.

Mr. Kern added that it is not a breakdown in cost, per district, to produce the water but is based on volume with some other metrics included.

Mr. Ching replied that was correct. It reflects how much water each district uses in comparison to the whole. There are other factors in play also.

(Mr. White left the meeting.)

The Manager-Chief Engineer noted that the challenge for this island is that there are 23 separate systems and if the rates were based on the actual cost to run each system, it may not be a road you would want to go down.

Mr. De Luz asked if any water utilities are doing a time-of-day rate. It could go to modifying behavior and use. There is no way to build enough storage to accommodate some of the use, but the time-of-day use might be a way to get the system to be more efficient. It was just a thought. There might be a grant available for a future study to look into that concept.

The Manager-Chief Engineer stated that a water utility has the benefit of having storage on its system, whereas for an electrical utility, not so much. Maybe on some of the high-energy dependent systems, a comprehensive study could be done not only on what was done in the past (maximum day storage and capacity within the mains for water flow) but to incorporate the energy element as well. Say if a 2-million gallon (MG) reservoir could be installed rather than 1 MG and the appropriate land to accommodate it, the Department would benefit from special

time-of-use rates. It may be worth including in CIP projects decision-making. Also, the size of water mains to minimize friction losses might improve energy management. Incorporating energy management into long-term decision making is going to take some effort and cost but is something we want to be going towards, especially in systems where a lot of energy is used. The information from Ms. Hayducsko's water loss audit will help guide what needs to be done and where.

Mr. Domingo mentioned possibly looking at sources of water, other than pumping, especially in the North Kona area.

The Manager-Chief Engineer noted that DWS is are keeping an eye on the progress the Department of Environmental Management is making with their R1 plant in Kealakehe because that might benefit the overall system such as water for non-consumptive uses, which would free up potable water for more high-level needs. Alternate sources, if available, is something that should help.

Mr. De Luz mentioned something that ties in with planning. Because Water is a utility, it would have access to the upgraded radio program that Police and Fire use.

The Manager-Chief Engineer stated that the Department partners with them.

Mr. Ching continued his report with regard to water loss. The diagram shows overall production, consumption, internal use, which is authorized but not metered on the customer side, and then real losses (leaks).

Mr. Domingo asked if the Real Losses of 1,721.533 was in gallons.

Mr. Ching replied it was in million gallons.

Mr. Domingo noted it is significant.

Mr. Ching stated that it is based on our understanding that all of our production meters and consumption meters are reading properly.

Mr. Domingo asked what the plan is to mitigate this loss.

The Manager-Chief Engineer stated that the intent for the water audit is to reduce water losses and will be a continual work in process. Part of that effort is leaks and also comparing meters. It all ties into energy as the water is being pumped.

Mr. Kern noted it is at about 15% real loss and asked what the target is for acceptable loss, although no loss would be the ideal.

Ms. Hayducsko stated that the industry tries not to use percentages any longer because they try and correlate it to this many gallons per mile of conveyance or this many gallons per connection. They are trying to look at more of what is a reasonable amount of water that you would see lost when you have, in our case, over 1,100 miles of water mains. Some of our districts or areas are much tighter than others and we know where we have inundation with the tide coming up in Puakō and we want to replace that main as soon as possible, which is on the CIP. In Hilo, there are mains that are from 1905 to 1940 and some of those connections are not quite as tight.



Mr. Kern stated that it is the benchmark for our island and using all the connectors, length of line, etc., we come down to 15% right now. Using that, he asked what should be an acceptable range or if it is still going to come out to be a percentage at the end of the day.

Ms. Hayducsko replied that we are looking where to get the biggest payoff and are looking at some of the customer meters that need to be upgraded.

Mr. Kern stated that sounded good but asked what the target is.

The Manager-Chief Engineer stated that the hard part about it is that we do not know how accurate this number is because it depends on what is being measured in pumping from the ground, versus what is measured being distributed to the customers. If this loss is based on a faulty measurement, we could get a massive improvement just by changing out all of our source meters and upgrading the customer meters. This will be a continual process, and improving every year is the goal.

Mr. Kern asked if 15% is an acceptable loss.

Ms. Hayducsko explained that this is an island-wide audit. Out of the 23 audits, six systems showed more water sold than was produced. Now it is down to one; a very good improvement. In response to Mr. Kern's question of whether this was more of a meter issue, she replied it was.

Mr. De Luz stated that the challenge is there is no accurate baseline yet, which is what they are working towards in the audit. One of the other challenges is how losses are reported, for example, when the Pa'auilo well went down, they were hauling water but not all gets metered. Once all the variables are looked at and criteria established, a baseline can be established and this audit will get that moving.

Mr. Kern stated he would still like to know what that acceptable number is, once it gets completed.

Ms. Hayducsko mentioned the consultant is helping the Department focus on three specific systems and will produce a report for the Management and the Board. This study will take 1½ years to complete. Our validation score for the audits is 58 right now, indicating the confidence of the information and the "validity" of the recommendations should not be used for major infrastructure investments. As the DWS increases data validity and evaluates continuing audit trends, DWS expects to be able to target infrastructure improvements based on payback and public needs.

Mr. Ching continued with some upcoming projects. There are booster pump replacement projects to increase efficiency. Aging booster pumps might not always be at peak efficiency. As for leak detection, the Department received a commitment from Hawai'i Energy to get another 250 loggers, very similar to what was done last year. We are also looking at getting the hydroelectric generator back up and running at the Waimea Water Treatment Plant.

3. Pacific Water Conference - The Manager-Chief Engineer mentioned the conference, February 5 to 6, 2020, Hawai'i Convention Center, Oahu. Board Members who are interested were asked to RSVP the secretary.

**E. EXECUTIVE SESSION: MANAGER-CHIEF ENGINEER'S EVALUATION FOR CALENDAR YEAR 2019:**

The Board anticipates convening an executive meeting to consider the evaluations of the Manager for its annual performance review, as authorized by Hawai'i County Charter Section 7-4.6(d) and Hawai'i Revised Statutes ("HRS"), Sections 92-4 and 92-5(a)(2). The Board wishes to have its attorney present, in order to consult with the board's attorney on its questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities pursuant to HRS Section 92-5(a)(4). A two-thirds vote of the members present, pursuant to HRS Section 92-4, is necessary to hold an executive meeting, provided that the affirmative vote constitutes a majority of the board.

ACTION TO ENTER EXECUTIVE SESSION: Mr. Kern moved that the Board enter Executive Session; seconded by Mr. Domingo and carried by roll call vote (Ayes: 6 - Messrs. De Luz, Domingo, Elarionoff, Kern, Sugai, and Chairperson Boswell; Nays: 0; Absent: 3 – Ms. Hugo and Messrs. Balog and Scicchitano).

(Executive Session began at 12:17 p.m. and ended 12:55 p.m.)

RECESS: The Board took a recess from 12:55 p.m. to 1:02 p.m.

**F. MANAGER-CHIEF ENGINEER'S EVALUATION FOR CALENDAR YEAR 2019:**

Chairperson Boswell turned it over to Mr. Kern to articulate.

Mr. Kern asked if the Board would be reviewing the evaluation at this time or only talking about compensation.

Chairperson Boswell stated that the evaluation could be referenced back to the executive session and that the Board vetted the evaluation process.

Ms. Mellon-Lacey reminded the Board that the evaluation has not been shared with the Manager-Chief Engineer at this time.

Mr. Kern noted that the Board touched on the evaluation during executive session and all concurred with the findings and did not find any issues with it.

ACTION: Mr. Kern moved that for the sake of compensation and parity, that the base will be the Chief of Operations' salary and that the Deputy's salary will be 5% above that and from there, it will be a 5% increase above that for the Manager-Chief Engineer, effective January 1, 2020; seconded by Mr. De Luz.

Chairperson Boswell asked that the tabulated data presented during executive session be shared with the Manager-Chief Engineer.

Discussion took place regarding the form. Mr. Elarionoff stated that the only thing wrong with the form was that by category, total, and "mean," the possible highest was 5. However, they might get the impression that the score is out of 100.

Mr. De Luz thought that the context is the weight; therefore, it is 1/5 or it could be 10 out of 10. The way this is done, each of those five categories are weighted the same.

Ms. Mellon-Lacey, who had tabulated the evaluations from last month, stated that she took an average of the scores because that was all she had to work with. She had not been involved in the origin of this form. She suggested perhaps the Board could develop criteria, particularly if the Manager-Chief Engineer is going to provide his more detailed job duties description, and the Board might want to revisit this later and make a new rating form that weights each category.

Mr. Elarionoff stated that the only reason he brought this up was for management's sake so when they look at the evaluation, they can say they got a 4.8 out of 5. It does not say the score is out of 5.

**G. ELECTION OF CHAIRPERSON AND VICE-CHAIRPERSON FOR 2020:**

For election of Chairperson and Vice-Chairperson for the 2020 term.

MOTION: Mr. Elarionoff moved that the Board keep the Chairperson and Vice-Chairperson in place for the 2020 term; seconded by Mr. De Luz.

In response to Chairperson Boswell's question of whether that could be done in the absence of Vice-Chairperson Scicchitano, Ms. Mellon-Lacey replied that it could, and if he wished, he could decline it when he returns.

MOTION: Mr. Domingo moved that Mr. Boswell be kept as Chairperson but to nominate a new Vice-Chairperson since Mr. Scicchitano has not been regularly attending the meetings.

Chairperson Boswell noted that Mr. Scicchitano's absence was only for a period of time and was legitimate. It was not that he was negligent. He felt that Mr. Scicchitano is very dedicated and is at the Department signing documents more regularly than he can, being from the Kona side.

Ms. Mellon-Lacey noted that Mr. Domingo's motion did not have a second.

SECOND: For the sake of discussion, Mr. Kern seconded Mr. Domingo's motion.

Chairperson Boswell commented that he would stand with his vote for Mr. Scicchitano to be the Vice-Chairperson. He, himself, may bring some unique things to the table because of his experience; but Mr. Scicchitano is a businessman, and he enjoys working with him.

Mr. Elarionoff recalled last year's nominations when he recommended someone from the Hilo side be Vice-Chairperson because Mr. Boswell, as Chairperson, is based in Kona. This was for the purpose of having the island balanced and paperwork flow better.

Mr. De Luz stated that his reason for keeping it status-quo is because the first year, you get your feet wet; and in the second year, you get to know the job. If the two positions stay the same, the communication between the parties and staff will mean more continuity.

Ms. Mellon-Lacey recommended taking the vote for Mr. Domingo's motion.

ACTION: Motion failed by voice vote: Ayes: 1 - Mr. Domingo; Nays: 5 - Messrs. De Luz, Elarionoff, Kern, Sugai, and Chairperson Boswell; Absent: 3 - Ms. Hugo and Messrs. Balog and Scicchitano.

Back to Mr. Elarionoff's nomination, Mr. De Luz moved to accept the nomination of Mr. Boswell as Chairperson and Mr. Scicchitano as Vice-Chairperson for 2020.

Mr. Domingo was asked if he had any other comments. He indicated he had none.

Mr. Elarionoff stated that he felt that the Chairperson and the Vice-Chairperson have done a good job. The other Board members agreed.

**ACTION: Motion to keep the Chairperson Boswell and Vice-Chairperson Scicchitano in place for the 2020 term was carried unanimously by voice vote.**

H. **CHAIRPERSON'S REPORT:**

Chairperson reported that the meeting's context today satisfied the Chairperson's Report. He added that he enjoys working with the Department of Water Supply. The group is proactive, professional, and does a great job, and he appreciates being here.

8) **ANNOUNCEMENTS:**

1. **Next Regular Meeting:**

The following meeting of the Water Board will be **December 17, 2019**, 10:00 a.m., at the Department of Water Supply, Hilo Operations Center Conference Room; 889 Leilani Street, Hilo, Hawai'i. (Messrs. Kern and Sugai noted that they would not be able to make this meeting.)

2. **Following Meeting:**

The following meeting of the Water Board will be January 28, 2020, 10:00 a.m., at the Department of Water Supply, Hilo Operations Center Conference Room; 889 Leilani Street, Hilo, Hawai'i.

9) **ADJOURNMENT**

**ACTION:** Mr. Kern moved to adjourn the meeting; seconded by Mr. De Luz and carried unanimously by voice vote. (Meeting adjourned at 1:18 p.m.)

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Recording Secretary

APPROVED BY WATER BOARD: 12/17/2019