

**MINUTES**  
**DEPARTMENT OF WATER SUPPLY**  
**COUNTY OF HAWAI‘I**  
**WATER BOARD MEETING**  
**February 25, 2020**

**Hilo Operations Center Conference Room, 889 Leilani Street, Hilo, Hawai‘i**

MEMBERS PRESENT: Mr. William Boswell, Jr., Chairperson  
Mr. David De Luz, Jr.  
Mr. Nestorio Domingo  
Ms. Judy Howard  
Ms. Julie Hugo (10:04 a.m.)  
Mr. Zendo Kern  
Mr. Benjamin Ney  
Mr. Kenneth Sugai  
Mr. Keith K. Okamoto, Manager-Chief Engineer, Department of Water Supply (ex-officio member)

ABSENT: Mr. Eric Scicchitano, Vice-Chairperson  
Director, Planning Department (ex-officio member)  
Director, Department of Public Works (ex-officio member)

OTHERS PRESENT: Ms. Diana Mellon-Lacey, Deputy Corporation Counsel  
Ms. Nancy Cook-Lauer  
Mr. Fred Camero, Beylik Drilling & Pump Service, Inc.  
Mr. Alexander Lesaca  
Mr. Jeff Zimpher (10:03 a.m.)  
Mr. Sheldon and Ms. Vicki Batin (11:22 a.m.)

DEPARTMENT OF  
WATER SUPPLY STAFF: Mr. Kawika Uyechara, Deputy  
Mr. Warren Ching, Energy Management Analyst  
Mr. Kurt Inaba, Engineering Division Head  
Mr. Richard Sumada, Waterworks Controller  
Ms. Judith Hayducsko, Chief of Operations (Temporary Assignment)  
Mr. Eric Takamoto, Operations Division  
Mr. Clyde Young, Operations Division  
Mr. Sheldon Batin (guest: Ms. Vicki Batin)

- 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

ACTION: Mr. Kern moved for approval of the January 28, 2020, Water Board meeting; seconded by Mr. Ney and carried unanimously by voice vote.

ACTION: Mr. Kern moved for approval of the January 28, 2020, Minutes of the Public Hearing on the Power Cost Charge; seconded by Mr. De Luz and carried unanimously by voice vote.

- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA - none
- 5) **PRESENTATION OF AUDITED FINANCIAL STATEMENTS – JUNE 30, 2019**

Copies of the Department’s Audited Financial Statements for the fiscal year ended June 30, 2019, have been distributed to Board Members. Mr. Chad Funasaki of N&K CPAs, Inc., was present and reviewed the Audit report.

Mr. Funasaki began by reviewing Pages 4 through 6--the responsibilities of management for the financial statements, and what they, as auditors, are responsible for. Their opinion on Page 5 is an unmodified opinion that the financial statements are fairly presented. Also on Page 5 is a Prior Period Adjustment, which relates to a misstatement that was made in a previous year, when they had to restate the opening balances, which will be covered later. In “Other Matters,” they have what is called Required Supplementary Information, which is Management’s discussion and analysis, pension and OPEB (Other Post-Employment Benefits) disclosures. Those are required and are present in the report. On Page 6, “Other Reporting Required by Government Auditing Standards” covers the purpose of the report and is a required paragraph to be included.

Pages 7 through 11 are Management’s Discussion and Analysis. Basically, it covers management’s views on the highlights or issues, and why things changed during the past year. If anything changes to the balances, it could be referred to in this section.

Pages 12 through 13 are the Statements of Net Position, or the Balance Sheet. There is a significant decrease in cash. It was at \$20 million in 2019, and was \$28.2 million in 2018, so roughly a 29% decrease. Total current assets are \$45.5 million versus \$42.8 million, roughly a 6% increase. Capital Assets are relatively consistent with last year. Total assets decreased about 2%. Total assets and deferred outflows in resources are roughly a \$4.7 million decrease from 2018. On Page 13, total liabilities were relatively flat or consistent with 2018. Deferred inflows are roughly a 16% increase; but total net position decreased by about 2%. Page 14, Statements of Revenues, Expenses, and Changes in Net Position, is the income statement. Water sales did well--a \$14.2 million increase, or 9% from 2018. Total operating expenses, \$58.9 million, or roughly 5% increase. Contributions in aid of construction went down quite a bit--38% decrease from 2018. Change in net position, or your net income or net loss, was similar with 2018, \$5.5 million for 2019, and \$5.4 million for 2018.

Page 15 shows the decrease in cash. In cash flows from operating, financing, and investing activities, probably the biggest reason why there is a decrease would be the debt proceeds, at \$14.4 million coming in 2018 and \$2.4 million in 2019, related to bonds. That is probably the biggest reason why there is a net decrease of 8.1% in 2019. The cash inflow was 3.7%.

Page 16 basically reconciles net operating loss through net cash provided by operating activities. Starting with net loss, you add back all of your non-cash items like depreciation expense provision for doubtful accounts, and the non-cash related items are added back. Your changes are in your balance sheet items. Therefore, you come out with net cash provided by operating activities which was \$5.6 million, roughly a \$1 million decrease from 2018, or 6.6%. The primary driver for the decrease is the debt proceeds.

The rest of the report are notes. He pointed out that there were no changes or additions to accounting policies. This year, there is no GASB (Government Accounting Standards Board) to

implement. Last year, there was the OPEB (Other Post-Employment Benefits) implementation, which knocked down that position. In the years prior to that, the pension liability was added and they were two large numbers in the past two years. This year has been relatively quiet. There will be others coming soon.

To get an idea of what is on the horizon, you go to Pages 20 through 22. The summary of significant accounting policies are shown with their effective dates. Some may not have an impact on the Department, but some will. In the event there is an impact to the Department, they will work with management to get ready for them. The rest of the notes are pretty status quo. The pension and OPEB disclosure talks about actuaries and estimates. He asked if there were any questions.

Mr. De Luz stated that depreciation is difficult because there is no value as far as the consequence on a tax benefit. It is more of a reconciliation of assets and accepted accounting principles. He asked if the Department does a replacement life comparison to their depreciation schedule on these assets--not necessarily the vehicles, but more the fixed assets such as pipelines, tanks, etc. The reason for his question is that it may be helpful for the Board to understand how a rate charge will need to be considered for future banking because some of this will be 20 years down the road. If you do a two to three percent increase specifically for that to bank, it could potentially offset a significant rate increase.

Mr. Funasaki agreed it is a good idea to start planning ahead.

Mr. De Luz stated it may require looking at the Department's rules to have that reserve; otherwise, it could get mingled in with operating revenue, which becomes a difficult scenario when you are doing collective bargaining and they see all this money there. From a policy side, it is going to differentiate between replacement and expansion. They are not the same thing. Unfortunately, when someone thinks capital improvement, they think it is expansion of the system; however, capital improvement might be a replacement expenditure. He hoped to give more definition to some of these things so people can understand why they are needed. There may never be enough money to grow and expand the system but you could potentially have sufficient reserves to anticipate replacement.

Chairperson Boswell asked if he was correct in that the Department does not accrue cash and limits the amount of cash it has on hand. It might be better to borrow that money when those costs came up. They are unforeseen costs so there is no time schedule.

Mr. Sumada explained that the Department actually does what is being discussed. It is part of the five-year rate study that the Department puts together every five years. The plan includes a CIP reserve; and every year, the rates are set at a certain level and part of the revenue generated is set aside specifically for future replacement/repairs of the system. When the consultant makes their presentation to the Board in April, she can describe how it works. Until this money is used, it is invested and reported on the balance sheet.

Mr. De Luz asked if there is a contingency fund on the balance sheet that shows it as not being available for operating costs, and so you have an offset in investment, so it is essentially zero. The representation is key. There was a situation this year where a policy maker felt that the Department was not investing enough into expanding the system. He believed it is a separate issue to how we are going to grow the system. He guessed that over a 20-year period, that number will be between \$20 million and \$50 million. The gravity of how the rates are done is based on need; not anticipation of the future. This utility has the opportunity to potentially do that. When you look at

the cost of water, it is one of the least expensive things. The problem is when you get an 8 or 9% increase all of a sudden, people will ask why so much. It may be just a policy to initiate within the Department to differentiate because right now, it just shows as investment income. It is not shown as being a contingent liability.

Mr. Sumada stated that the Department tracks how much there is available to be spent.

Mr. Funasaki continued with the second report, which is on Pages 55 to 57. This is a report on internal control over financial reporting. Page 55 defines what a deficiency is; and on Page 57, there were capital assessment fees imposed. To put it generally, it was shown as a liability on the balance sheet; but in accordance with GASB Statement 33, this financial reporting for non-exchanged transactions, after considering what the facts and circumstances were, should have been shown as revenue in an earlier year. That amount was \$1.6 million. As mentioned earlier, in the prior period adjustment in the audit report, we had to restate the opening net position balance to reflect this \$1.6 million as opposed to bringing in revenue in 2019. The conditions are highlighted, what the effect was, and their recommendation. There are various fees the Department collects. Maybe it was just looking at what the transaction is and what is the proper treatment required in accounting. The Department's response is shown on Page 59. For the prior written finding, on Page 60, for strengthening controls over logical access in the financial accounting software, that was accomplished, and he assumed this new one would go away next year. That concluded his report.

Mr. Ney asked if smaller projects could be funded without going to bonds and borrowing money. He agreed with the thought that it is better to put money aside. Obviously, if you have certain projects that cost millions, it would require borrowing, but smaller projects could come from that fund.

The Manager-Chief Engineer stated that is essentially what the Department is doing.

Mr. Sumada added that the Department is able to put aside enough money to pay for well repairs and small construction projects.

Mr. Ney asked if there a threshold or amount where the decision is made to either fund it or if it has to be borrowed.

Mr. Sumada replied that there is no threshold, but what the driving factor is if the Department presents a project to the State Department of Health's State Revolving Loan Fund and they approve it, that is how the Department has been financing larger projects for the past several years.

Mr. Ney asked about other funding mechanisms and if the Department has a bond rating.

The Manager-Chief Engineer and Mr. Sumada explained that the Department does not carry a bond rating for the State Revolving Loan Fund. If the Department were to go for bonds, it would piggyback with the County of Hawai'i who has a strong bond rating. That would take County Council approval.

Mr. Funasaki pointed out that the rating is mentioned on the bottom of Page 11.

Mr. Domingo asked why the capital assessment fees were only specific to the Kona area and not other areas such as Nā‘ālehu. He mentioned he has never noticed it on his bill and wondered if it was implemented or not.

The Manager-Chief Engineer explained that it is not on the water bill. It is a fee that is assessed to a potential developer and tied to the future water units for their proposed development. This was a fee that was established by the Water Board some twenty plus years ago.

Mr. Inaba noted that it began in 1986 and stopped in 2004.

The Manager-Chief Engineer stated that he understood the intent was to create a fund for development of water sources in the Kona area. It came to light recently because the Department utilized that funding for the Wai‘aha project and the question came up that maybe it should not have been counted as a liability but more of a revenue. It is not a fee that is imposed on developments moving forward since 2004.

Mr. Funasaki stated that it was more of the timing when revenue was recognized.

Mr. De Luz stated that the OPEB (Other Post-Employment Benefits) seems to be the most unpredictable item which can impact the rates if it continues to increase. It is a misrepresentation of these amounts. They are deferred but they are going to come due one day. When the Department goes through its rate study, this should be a note in the study so what we are doing is the best case trending of our operational picture, but that is beyond our ability to control and one of the things we need to look at is what can you and your team control.

The Manager-Chief Engineer that that, unfortunately, this is one of the things we cannot control; but a note will be made of this and it would be a good discussion to have when Harris & Associates comes in. Besides OPEB and the pension, there are unfunded mandates from the Environmental Protection Agency, the State Department of Health, State Procurement requirements, and Office of Safety and Health Administration. A lot of things are beyond our control when it comes to operating costs for a business. We try to factor them in but have to make some assumptions along the way.

The Board thanked Mr. Funasaki for his presentation. He left the meeting at 10:30 a.m.

6) **DEPARTMENT OF WATER SUPPLY PROPOSED OPERATING AND 5-YEAR CAPITAL IMPROVEMENT PROJECTS (C.I.P.) BUDGETS FOR FISCAL YEAR 2021:**

The Department’s Fiscal Year 2021 Operating Budget, totaling \$55,373,200, and 5-Year C.I.P. Budget for Fiscal Year 2021-2025, totaling \$135,100,000, have been distributed for the Board’s review.

The Manager-Chief Engineer recommended that the Board approve a public hearing to be held on Tuesday, March 24, 2020, at 9:45 a.m., prior to the Water Board’s regular meeting, to accept public testimony regarding the Department’s Fiscal Year 2021 Operating and C.I.P. Budgets.

**MOTION:** Mr. Domingo moved for approval of the recommendation; seconded by Mr. Sugai.

The Manager-Chief Engineer noted that this budget includes some assumptions as well, highlighted in the six bullet points; but overall, it is a one-half percent decrease from the current fiscal year

budget. Also attached is the five-year CIP, which is the proposed project list over the next five years.

Mr. Domingo noticed that District 9 is getting a big chunk of the programs and asked who determines or prioritizes what projects go into this budget program.

The Manager-Chief Engineer replied it is done collectively with Engineering and Operations staff.

Mr. Domingo stated he would like to see more programs in the District 7 area.

The Manager-Chief Engineer explained that the decisions are based on need, rather than just geographically. From this, you can quickly see that it is probably because Mr. Domingo's district has newer infrastructure, and there is a need to replace older infrastructure in other districts. One big one is the Lālāmilo 10-million gallon reservoir; and the reason why that is up front is because the Department successfully obtained State funding for that and does not want to lose that funding. The other projects are prioritized based on need, condition of the infrastructure, and the communities they serve.

Mr. Kern asked the Manager-Chief Engineer how the Department feels about the CIP numbers each year and whether the Department will be able to keep up with the projects listed.

The Manager-Chief Engineer replied that it is ambitious. Unfortunately, the Department struggles with internal resources, noting it has not hired a new engineer in years. Just the capacity of project management is always a challenge. However, if projects are not budgeted for, there is no potential to do them.

ACTION: Motion to approve a public hearing to be held on Tuesday, March 24, 2020, at 9:45 a.m., to accept public testimony regarding the Department's Fiscal Year 2021 Operating and C.I.P. Budgets was carried unanimously by voice vote.

(Mr. Funasaki and Ms. Nancy Cook-Lauer left the meeting at 10:40 a.m.)

7) SOUTH KOHALA:

A. **JOB NO. 2019-1108, WAIMEA DEEPWELL REPAIR – CONTRACT TIME EXTENSION:**

The contractor, Beylik Drilling & Pump Service, Inc. (Beylik), is requesting a contract time extension of 91 calendar days. The contractor encountered fitment issues with the DWS-supplied equipment during the initial installation attempt and upon performing corrective work to resolve those fitment issues discovered scoring on the pump bearings. The Department has asked the contractor to provide a proposal for replacement of the scored bearing. 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 84 calendar days of the requested time can be considered justified. *Note: There are additional costs of \$39,500.00 associated with this time extension. These associated costs are within the original contingency of \$39,800.00 for this project.*

1<sup>st</sup> time extension – 45 calendar days (due to change in valve material)

2<sup>nd</sup> time extension – 84 calendar days (due to change in valve manufacturer)

3<sup>rd</sup> time extension – 84 calendar days

The Manager-Chief Engineer recommended that the Board approve a contract time extension of 84 calendar days to Beylik Drilling & Pump Service, Inc., for JOB NO. 2019-1108, WAIMEA DEEPWELL REPAIR. If approved, the contract completion date will be revised from January 7, 2020, to March 31, 2020.

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

Mr. Young explained that when Beylik attempted to join the spare pump and motor together (note: equipment supplied by another contractor, Derrick's Well Drilling & Pump Service), they noticed the "stick-down," which is the shaft sticking down from the pump was not the proper length. In order for them to fix that, they had to ship it back to their baseyard in Kapolei for tear-down and see if they had enough shaft material within the pump to adjust for it. In that process, they noticed that the pump bearings were scored. This is a brand-new pump so that should not have happened. Beylik sent a couple of photos, which were included in the supporting documents. Mr. Young gave the Board a 4-inch bowl to pass around and noted the one being discussed is 12 inches. The bearing he brought was relatively smooth; but in the photos, it is grooved. It is suspected that something happened in the testing process of the pump. It may be grit or some kind of contaminants in the test bit. Beylik had to come back and ask for more time to fix the issue, and there will be some additional costs. At the same time, the Department will go back to the original contractor and ask what happened. Unfortunately, the warranty has expired, which is the downside of having spare pumps and motors. They are also talking to the pump manufacturer to see if they can help out; however, they are not obligated because the warranty has passed. The request at this time is not for additional funds because it is within contingency.

Mr. Ney stated that it looked like it had gotten torn up pretty bad. He asked what the cost would be on the bearing.

Mr. Fred Camero of Beylik Drilling replied they were still waiting for costs.

Mr. De Luz asked what "Force Account" meant.

The Manager-Chief Engineer explained that it is a mechanism so the Department can have a change order done for additional work. The contractor has to provide information such as manpower, equipment, and material, which are double checked against invoices and a percentage is given for overhead. Basically, it is a detailed way to authorize a change order.

Mr. De Luz shared his experience of attending the American Water Works Association conference last year. He had similar questions about spare pumps; and because of technical specifics of most pumps and wells, it is very difficult to standardize the system, although the Department is within a Best Practices Plan to work on that and is working on redundancy so they can have two pumps at a well instead of one large one. He mentioned that some of the largest utilities like Los Angeles and Phoenix actually contract with outside services to have on demand. They do not keep them within their municipality. They retest them before they are sent back out. The problem with this Department is the logistics. In this case, it was good to have found it out now rather than when the equipment was in the hole. He had also questioned why there were no spares, but learned about the elements in our environment. Also, the largest

utilities contract almost all of their project management to outside services. Even they do not have the capacity to hire or have enough on staff because each project is unique in its sense. It is not an easy job.

Mr. Ney agreed that it is a logistical nightmare living in Hawai'i trying to expedite anything. Everyone deals with it. By using the same pump for redundancy, that may be the ticket.

Chairperson Boswell called for the vote.

ACTION: Motion was carried unanimously by voice vote.

**B. JOB NO. 2018-1085, PARKER #1 DEEPWELL REPAIR – CHANGE ORDER REQUEST:**

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The contractor, Beylik Drilling & Pump Service, Inc., is requesting a contract change order for the additional work in association with replacement of the pump/motor coupling and initial attempt to install the well. The description of additional work and associated fees are as follows:

ITEM	DESCRIPTION	AMOUNT
1.	Mobilization and demobilization relating to first attempt to install the well	\$21,000.00
2.	Materials and fabrication of replacement pump/motor coupling	\$10,000.00
3.	Crating and roundtrip shipping of pump and motor	\$4,700.00
	<b>TOTAL</b>	<b>\$35,700.00</b>

Original Contract Amount: \$83,200.00  
 Original Contingency amount: \$8,300.00  
 1<sup>st</sup> Additional Contingency request: \$48,620.00 (Additional 4 positive seal check valves)  
 2<sup>nd</sup> Additional Contingency request: \$13,668.00 (Replacement pump discharge case)  
 3<sup>rd</sup> Additional Contingency request: \$35,700.00  
**Total Revised Contract Amount: \$189,488.00**

The contractor is also requesting a contract time extension of 90 calendar days. The Department requested the contractor provide a replacement pump/motor coupling. These delays were beyond the control of the contractor.

Staff reviewed the request for the contract time extension and the accompanying supporting documentation and finds the 90 calendar days justified.

1<sup>st</sup> time extension – 61 calendar days (due to replacement check valves)  
 2<sup>nd</sup> time extension – 92 calendar days (due to replacement pump discharge case)  
 3<sup>rd</sup> time extension – 62 calendar days (due to fit-up issues with DWS supplied equipment)  
 4<sup>th</sup> time extension – 90 calendar days

The Manager-Chief Engineer recommended that the Board approve an increase in contingency of \$35,700.00 to Beylik Drilling & Pump Service, Inc., for a total project cost of \$189,488.00, and approve a contract time extension of 90 calendar days for JOB NO. 2018-1085, PARKER #1 DEEPWELL REPAIR. If approved, the contract completion date will be revised from January 31, 2020, to April 30, 2020.

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

Mr. Kern asked if the mobilization and demobilization meant that it had to come from off island or was it on island.

Mr. Young replied it was on island.

The Manager-Chief Engineer stated that it is a line item in the bid. If they had to demobilize and remobilize back, they would use the same line item they provided in their initial bid. It is not unusual.

ACTION: Motion was carried unanimously by voice vote.

8) NORTH KONA:

A. **JOB NO. 2019-1118, ALOHA KONA BOOSTER A REPAIR:**

This project consists of furnishing all labor, materials, tools and equipment necessary to replace one (1) booster pump assembly; replace discharge piping components, chlorinate the pumping assembly; and complete an efficiency test; in accordance with the specification.

Bids for this project were opened on February 13, 2020, at 2:00 p.m., and the following are the bid results:

<b>Bidder</b>	<b>Bid Amount</b>	<b>Adjusted Bid Amount (for purposes of bid award)*</b>
Beylik Drilling & Pump Service, Inc.	\$ 163,400.00	N/A
Derrick's Well Drilling Pump Services, LLC	\$ 195,700.00	N/A
Jas. W. Glover, Ltd.	\$ 253,000.00	\$ 252,898.70

\*Bids were adjusted (for the purpose of award) to provide credits for Hawai'i Product Preference, in accordance with Hawai'i Administrative Rules.

Project Costs:

1) Low Bidder (Beylik Drilling & Pump Service, Inc.)	\$163,400.00
2) Contingencies (~10%)	<u>16,300.00</u>
<b>Total Cost:</b>	<b><u>\$179,700.00</u></b>

Funding for this project will be from DWS's CIP Budget under Deepwell Pump Replacement. The contractor will have 210 calendar days to complete this project. The Engineering estimate for this project was \$125,000.00.

Booster History:

Aloha Kona Booster A: Original Installation - April 1980

The Manager-Chief Engineer recommended that the Board award the contract for JOB NO. 2019-1118, ALOHA KONA BOOSTER A REPAIR, to the lowest responsible bidder, Beylik Drilling & Pump Service, Inc., for their bid amount of \$163,400.00, plus \$16,300.00 for contingencies, for a total contract amount of \$179,700.00. It is further recommended that either the Chairperson or the Vice-Chairperson be authorized to sign the contract, subject to review as to form and legality by Corporation Counsel.

MOTION: Ms. Howard moved for approval of the recommendation; seconded by Mr. Sugai.

Chairperson Boswell noted that Booster “A” lasted a long time and asked at what point in time would it have exceeded its optimal rating and start costing more in electricity.

Mr. Ching replied that it is still operating but it has lost its gallons per minute (GPM) to a point where it is time to repair it. Efficiency is down and the unit is worn down. He was sure it went through a few motor replacements but pump is the original.

ACTION: Motion was carried unanimously by voice vote.

**B. JOB NO. 2019-1131, KEAHUOLŪ DEEPWELL REPAIR:**

This project consists of furnishing all labor, materials, tools and equipment necessary to remove the existing pump, motor and column assembly; install a DWS-supplied submersible pump and motor; install the contractor-supplied column assembly, power cable, sounding tube, and all appurtenant materials; well rehabilitation; borehole alignment survey; electrical work; chlorinate the well and pumping assembly; and complete an efficiency test; in accordance with the specifications.

Bids for this project were opened on February 13, 2020, at 1:30 p.m., and the following are the bid results:

<b>Bidder</b>	<b>Bid Amount</b>
Derrick’s Well Drilling & Pump Services, LLC	\$799,000.00
Beylik Drilling & Pump Service, Inc.	\$928,875.00

Project Costs:

1) Low Bidder (Derrick’s Well Drilling & Pump Services, LLC)	\$ 799,000.00
2) Contingencies (10.0%)	<u>79,900.00</u>
<b>Total Cost:</b>	<b><u>\$878,900.00</u></b>

Funding for this project will be from DWS’s CIP Budget under Deepwell Pump Replacement. The contractor will have 150 calendar days to complete this project. The Engineering estimate for this project was \$765,000.00.

Well History:

Keahuolū Deepwell:

Original Installation: May 1996  
 Repaired: April 15, 1999      Final Contract Amount \$128,333.00  
 Repaired: March 10, 2000

Repaired:	March 23, 2004	Final Contract Amount \$200,963.00
Repaired:	July 10, 2006	Final Contract Amount \$520,918.17
Repaired:	May 27, 2012	Final Contract Amount \$119,700.00
Repaired:	January 30, 2017	Final Contract Amount \$270,030.00
Last Repaired:	July 5, 2017	

Mitigation Measures:

This project will implement the mitigation measures of conducting a borehole alignment survey; reducing the well capacity and horsepower to 700 GPM and 400 HP; installing power monitoring on the line and load side of the starting equipment; and installing temperature monitoring.

The Manager-Chief Engineer recommended that the Board award the contract for JOB NO. 2019-1131, KEAHUOLŪ DEEPWELL REPAIR, to the lowest responsible bidder, Derrick's Well Drilling & Pump Services, LLC, for their bid amount of \$799,000.00, plus \$79,900.00 for contingencies, for a total contract amount of \$878,900.00. It is further recommended that either the Chairperson or the Vice-Chairperson be authorized to sign the contract, subject to review as to form and legality by Corporation Counsel.

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

Mr. Domingo asked if this project had taken into account the cost of the DWS-supplied submersible pump and motor, would it have pushed the project to over \$1 million.

Mr. Takamoto replied that the material costs were \$164,000.00. In addition to the typical mobilization, demobilization, and installation, the column pipe is being replaced because the capacity is being reduced, which also requires replacement of the discharge head. The highest cost items are the electric work because of the reduction of the size of the equipment. The voltage is being changed from 4,160 to 2,300 so the transformer also needs to be changed. Another large cost item is the well jetting as part of the well rehabilitation. Well jetting will hopefully result in more water coming back into the well and the water level rising a little.

The Manager-Chief Engineer added that these are all a part of the best practices learned throughout the last several years. Aside from implementing what was learned during the Permitted Interaction Group, the well jetting and borehole alignment study are added as there is some investment required to implement those practices.

In response to Mr. Domingo's question of how deep the well is, Mr. Takamoto replied it is approximately 1,600 feet deep.

Mr. Ney asked if these pumps have a dry-run shut-off feature and if the Department has had issues with pumps wearing out because of dry running conditions.

The Manager-Chief Engineer replied they are not run that way, and that is confirmed with every well installation.

Mr. Kern asked if there was a reason for separating the pump being supplied and whether it had to do with getting into having some standards or the product it is procuring.

The Manager-Chief Engineer replied that the spare pump and motor procurement was a part of the best practices to find some balance in what is on hand. The Department is trying to get spare pumps and motors that could possibly be used in more than one location and/or if they are in a critical facility such as those that serve a hospital. This well was one of those wells programmed for having a spare pump and motor.

Mr. Kern noted that the Board was already having this conversation before he came on board, and now it is coming into implementation. He requested that when the former repairs are listed on the agenda, if the Department could add what the repair was for (example: new pump, etc.), it would help give the Board a better idea of what was going on. He felt that everyone was on the same page as far as efficiency.

The Manager-Chief Engineer agreed that the ultimate goal is to have the system set up with proper asset management where they are turned over for repair before they break, but is still trying to get over this hump.

ACTION: Motion was carried unanimously by voice vote.

C. **JOB NO. 2018-1098, PALANI DEEPWELL A REPAIR – REQUEST FOR TIME EXTENSION:**

The contractor, Derrick's Well Drilling & Pump Services, LLC, is requesting a contract time extension of 25 calendar days. Staff re-evaluated documentation the contractor submitted at last month's Water Board meeting and found that the requested time is justified due to previous logistical issues associated with the delivery of the motor shroud. *Note: There are no additional costs associated with this time extension.*

1<sup>st</sup> time extension – 60 calendar days (due to failure of motor manufacturer's lamination machine)

2<sup>nd</sup> time extension – 40 calendar days (due to incorrect motor lead length and shroud)

3<sup>rd</sup> time extension – 10 calendar days (due to shroud production time and freight schedules)

4<sup>th</sup> time extension – 25 calendar days (due to previous logistical issues with delivery of the shroud)

The Manager-Chief Engineer recommended that the Board approve a contract time extension of 25 calendar days to Derrick's Well Drilling & Pump Services, LLC, for JOB NO. 2018-1098, PALANI DEEPWELL A REPAIR. If approved, the contract completion date will be revised from December 11, 2019, to January 4, 2020.

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

The Manager-Chief Engineer noted that Derrick's Well Drilling did a presentation at last month's meeting and asked for more time. The Board directed the Department to follow up with them on documentation that was given out at the Board Meeting. Through that follow-up, staff found that during a previous time extension, additional time could have been granted; and this is where the 25 days came from, which are now proposed for Board approval.

Mr. Domingo commented that these time extensions and delays seem to be a common occurrence and there should be some consequence to the contractor.

The Manager-Chief Engineer stated that for every contract, if the contractor does not complete it on time, there are liquidated damages.

Mr. De Luz called for the question.

ACTION: Motion was carried unanimously by voice vote.

9) SOUTH KONA:

A. **JOB NO. 2019-1114, KE'EI C DEEPWELL AND BOOSTERS A & B REPAIR –  
CONTRACT TIME EXTENSION:**

The contractor, Beylik Drilling & Pump Service, Inc., is requesting a contract time extension of 121 calendar days. The manufacturer encountered delays with the fabrication and testing of the booster equipment. These delays were beyond the control of the contractor.

Staff reviewed the request for the contract time extension and the accompanying supporting documentation and finds the 121 calendar days justified. *Note: There are no additional costs associated with this time extension.*

1<sup>st</sup> time extension – 121 calendar days

The Manager-Chief Engineer recommended that the Board approve a contract time extension of 121 calendar days to Beylik Drilling & Pump Service, Inc., for JOB NO. 2019-1114, KE'EI C DEEPWELL AND BOOSTERS A & B REPAIR. If approved, the contract completion date will be revised from December 31, 2019, to April 30, 2020.

MOTION: Ms. Howard moved for approval of the recommendation; seconded by Mr. Sugai.

The Manager-Chief Engineer stated that this delay is due to the manufacturer's inability to wrap up their pump test on the booster portion of this project.

Mr. Ney asked if there was anything the contractor could do to put a little pressure on the manufacturer because they have a time-sensitive schedule. There seem to be a lot of delays due to the manufacturer and there must be some way to reconcile it so it is not such a problem in the future.

The Manager-Chief Engineer acknowledged that it has been an ongoing problem; and the Department requires evidence from the contractor to show that they have been continually following up with their manufacturer. It is recognized, unfortunately, that there are only two contractors bidding on these types of jobs and there are not that many manufacturers that can provide some of the equipment that is specified, that leaves it at the whim of their production and testing schedules. He asked Mr. Camero if he wished to add anything.

Mr. Camero stated that he had submitted a lot of justification for some prior extension requests, which shows him essentially pleading with the manufacturer to ship their equipment.

Mr. Ney asked if it was falling on deaf ears. He understood it is not an assembly line manufacturing plant but thought perhaps more can be done to talk to them to try and improve this.

The Manager-Chief Engineer stated that what the Department is doing is researching if there is other equipment that could be turned to that might be options for consideration. The concern with that is there would not be much history with that manufacturer so it would not be known how well their equipment will perform. On the other hand, the ones the Department is comfortable with are not doing so well either, and that is the challenge.

Mr. Domingo suggested someone could do a site visit of the company.

The Manager-Chief Engineer replied that staff has witnessed tear-downs and have met with representatives at national conferences. It sounds like beating a dead horse, but the Department has been trying for the past several years. The focus is to control what we can control. We are improving our best practices to try and eliminate some of those challenges; but at the end of the day, it is only mainland companies that can provide this equipment.

ACTION: Motion was carried unanimously by voice vote.

10) MISCELLANEOUS:

A. **MATERIAL BID NO. 2017-10, FURNISHING AND DELIVERING SPARE DEEPWELL PUMP AND MOTOR SETS FOR KEAHUOLŪ DEEPWELL AND KE‘EI D DEEPWELL, AND SPARE PUMP FOR NĀ‘ĀLEHU DEEPWELL FOR THE DEPARTMENT OF WATER SUPPLY – REQUEST FOR TIME EXTENSION:**

The contractor, Beylik Drilling & Pump Service, Inc., is requesting a contract time extension of 92 calendar days due to logistical issues associated with the string testing of the pump and motor set for Ke‘ei D Deepwell. These delays were beyond the control of the contractor.

Staff reviewed the request for the contract time extension and the accompanying supporting documentation and finds the 92 calendar days justified. *Note: There are no additional costs associated with this time extension.*

1<sup>st</sup> time extension – 92 calendar days

The Manager-Chief Engineer recommended that the Board approve a contract time extension of 92 calendar days to Beylik Drilling & Pump Service, Inc., for MATERIAL BID NO. 2017-10, FURNISHING AND DELIVERING SPARE DEEPWELL PUMP AND MOTOR SETS FOR KEAHUOLŪ DEEPWELL, AND KE‘EI D DEEPWELL AND SPARE PUMP FOR NĀ‘ĀLEHU DEEPWELL FOR THE DEPARTMENT OF WATER SUPPLY. If approved, the contract completion date will be revised from March 31, 2018, to August 10, 2018.

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

The Manager-Chief Engineer apologized that this is late, but it took the Department working with the contractor this amount of time to get the supporting information to provide this recommendation. At this point, it is well after the fact. All of the equipment has been provided for the contract and this is essentially cleaning house on the contract completion date.

Mr. Kern asked if there was a reason why the bid cannot be put out to the manufacturers instead of contractors to provide the material.

Mr. Takamoto replied that, typically, manufacturers will not bid directly.

Mr. Kern asked if there was any way it could be done direct.

The Manager-Chief Engineer replied it could be looked into. The Department is also considering having its own drilling staff, crew, and equipment. At this point, all options are open for consideration.

Chairperson Boswell suggested before doing that, to increase its engineering staff to bolster its in-house side.

The Manager-Chief Engineer agreed.

ACTION: Motion was carried unanimously by voice vote.

**B. MATERIAL BID NO. 2017-13, FURNISHING AND DELIVERING SPARE DEEPWELL PUMP AND MOTOR SET FOR KEAHUOLŪ DEEPWELL AND REFURBISHING SPARE MOTOR FOR HUALĀLAI DEEPWELL FOR THE DEPARTMENT OF WATER SUPPLY - REQUEST FOR TIME EXTENSION:**

The contractor, Beylik Drilling & Pump Service, Inc., is requesting a contract time extension of 114 calendar days. Delays to this project were due to the manufacturer dropping the pump and motor equipment during the string testing, and the subsequent repairs to the equipment. These delays were beyond the control of the contractor.

Staff reviewed the request for the contract time extension and the accompanying supporting documentation and finds the 114 calendar days justified. *Note: There are no additional costs associated with this time extension.*

1<sup>st</sup> time extension – 114 calendar days

The Manager-Chief Engineer recommended that the Board approve a contract time extension of 114 calendar days to Beylik Drilling & Pump Service, Inc., for MATERIAL BID NO. 2017-13, FURNISHING AND DELIVERING SPARE DEEPWELL PUMP AND MOTOR SET FOR KEAHUOLŪ DEEPWELL AND REFURBISHING SPARE MOTOR FOR HUALĀLAI DEEPWELL FOR THE DEPARTMENT OF WATER SUPPLY. If approved, the contract completion date will be revised from April 22, 2018, to October 4, 2018.

MOTION: Mr. Sugai moved for approval of the recommendation; seconded by Mr. Domingo.

In response to Ms. Howard's question of whether the equipment had been delivered, the Manager-Chief Engineer replied it has been.

Mr. Camero noted that was way after the fact. He did submit an extension request letter about a year and a half ago but did not provide the necessary justifying documentation so it is totally on him why it is so late.

Chairperson Boswell stated that he considered us all partners in the same game.

ACTION: Motion was carried unanimously by voice vote.

C. **DEDICATIONS:**

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.

**Grant of Easement and Bill of Sale**

Grantor: AG-WP MAUNA KEA OWNER, LLC  
Subdivision Nos. 2017-1737 (Lots 5-B, C and D) and 2017-1725 (Lot 5-F)  
Tax Map Keys: (3) 6-2-021:003, 004, & 028 (Lots 5-B, C and D) and (3) 6-2-021:016 (Lot 5-F)  
Facilities Charge: \$26,455.00 Date Paid: TBA  
Final Inspection Date: 2/12/2020  
Water System Cost: TBA

The Manager-Chief Engineer recommended that the Water Board accept these documents subject to the approval of the Corporation Counsel and that either the Chairperson or the Vice-Chairperson be authorized to sign the documents.

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

Mr. Inaba announced that the **Facilities Charge was paid on February 21, 2020;** and the **Water System Cost is \$404,408.00.**

ACTION: Motion was carried unanimously by voice vote.

D. **JOB NO. 2019-1111, TRANSFORMER MAINTENANCE AND UPGRADE:**

*This item was deferred at the January 28, 2020, Water Board Meeting.*

This project consists of furnishing all labor, materials, tools and equipment necessary to service the Department of Water Supply transformers. Work consists of performing inspection, electrical tests, infrared and ultrasonic surveying, laboratory testing of transformer oil, evaluate and document test results; upgrade work; perform maintenance work according to manufacturer’s recommendations for a period not to exceed one year.

Bids for this project were opened on January 23, 2020, at 2:00 p.m., and following are the bid results:

<b>Bidder</b>	<b>Bid Amount</b>
American Electric Company LLC	\$720,984.00
Core Utility LLC	\$146,650.00 *

\* Bid Amount was corrected.

Project Costs:

1) Low Bidder (Core Utility LLC)	\$146,650.00
2) Contingencies (10.0%)	<u>\$14,665.00</u>
<b>Total Cost:</b>	<b><u>\$161,315.00</u></b>

Funding for this project will be from DWS' CIP Budget under Agreements, Repair and Maintenance. The contractor will have 360 calendar days to complete this project. The Engineering estimate for this project was \$94,600.00.

Mitigation Measures:

This project will implement the mitigation measures of preventative maintenance.

The Manager-Chief Engineer recommended that the Board award the contract for JOB NO. 2019-1111, TRANSFORMER MAINTENANCE AND UPGRADE, to the lowest responsible bidder, Core Utility LLC, for their bid amount of \$146,650.00, plus \$14,665.00 for contingencies, for a total contract amount of \$161,315.00. It is further recommended that either the Chairperson or the Vice-Chairperson be authorized to sign the contract, subject to review as to form and legality by Corporation Counsel.

MOTION: Ms. Howard moved for approval of the recommendation; seconded by Mr. Sugai.

Mr. De Luz asked if the Department owns its own transformers.

Mr. Young replied that the Department owns step-up transformers, but not the pole model ones (on the utility side). These step-up transformers are used right after the starting equipment.

Mr. De Luz asked if they qualify for Hawai'i Energy rebates.

Mr. Ching replied that for well repair projects, the Department works with Hawai'i Energy on whether there are custom rebates.

ACTION: Motion carried unanimously by voice vote.

**E. JOB NO. 2018-1093, REQUEST FOR PROPOSALS TO PROVIDE A SOLAR PHOTOVOLTAIC ENERGY GENERATION SYSTEM AT FIVE (5) DEPARTMENT OF WATER SUPPLY LOCATIONS – FIRST AMENDMENT TO POWER PURCHASE AGREEMENT, INCLUSIVE OF THE TRANSFER AND ASSIGNMENT AGREEMENT:**

The contractor, Greenpath Technologies, Inc., has requested to correct, clarify and assign the Power Purchase Agreement (PPA) in accordance with the First Amendment. The contract price and schedule of work remain unchanged under this amendment.

Under Section 14.5 of the PPA, Greenpath Technologies, Inc., wishes to assign all its interests in the PPA to ENRG Hawaii Solutions, LLC, in accordance with the PPA Transfer and Assignment Agreement.

The Manager-Chief Engineer recommended that the Water Board approve the FIRST AMENDMENT TO POWER PURCHASE AGREEMENT, inclusive of the TRANSFER AND ASSIGNMENT AGREEMENT, and that either the Chairperson or Vice-Chairperson be authorized to sign the documents, subject to form and legality by Corporation Counsel.

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

The Manager-Chief Engineer stated that this is amendment is to clarify a few items as well as reassignment of the Power Purchase Agreement, which to his understanding is quite common in these types of agreements.

Mr. De Luz had a suggestion, only because he had gone through something similar where the vendor defaulted. He suggested the assignment include the original signee to be a guarantor so you do not lose that recourse. Either that or the other opportunity, if it is feasible, for them to post some type of performance bond.

Mr. Ching replied that it is in the PPA. This company is not a special purpose entity to any person. Actually, the owner of ENRG Hawaii Solutions is the majority owner of Greenpath Technologies and also the 100% owner of the commercial roofing company that will be doing the roofing. There is a performance bond as part of it, which now becomes the responsibility of ENRG Hawaii Solutions to maintain.

Mr. De Luz stated he was pretty sure it is a tax strategy why they are doing these assignments; but regardless, he went through a wind turbine situation that went south too, and had tons of bad experiences.

Mr. Kern asked if the bond is for installation of the equipment and if it is for the duration of their agreement.

Mr. Ching replied there are two--one is for installation up until the commercial operation date which is the start of the 20-year term of the PPA and a second one called the operating period security which is for the 20-year term to make sure they perform.

ACTION: Motion carried unanimously by voice vote.

F. **MONTHLY PROGRESS REPORT:**

Mr. Inaba noted that by April, the Pāpa‘ikou Transite and G.I. Pipeline Replacement project should be out to bid.

For the North Kona Mid Level Deep Well Development - Phase 1, the surveyor has gone out to the site and staked out the potential well pad and tank pad. The archaeologist can now go back in and focus on that area for their study. From there, the Department will do a preliminary Engineering and Environmental Assessment.

Mr. Kern asked how long it takes the Department to get Department of Land and Natural Resources, State Historic Preservation Division (SHPD) approval.

Mr. Inaba replied that the Department has projects that are still waiting on it.

Mr. Kern stated that it leads him to believe there is a commonality behind waiting for SHPD approval and SHPD's time runs out. Agencies do not want to take the responsibility to say SHPD's time has run out, they have their EIS done and are moving forward. From his understanding, SHPD is basically okay with that. They have 45 or 90 days to review, make comments, and give it back to the agency.

Chairperson Boswell noted you cannot get a grading permit without it.

Mr. Kern stated that it is a problem, and it is not only affecting private parties. It is affecting various government agencies as well. He thought there should be some push down outside of private parties to ask the Department of Public Works or the Planning Department to move this forward because they have the authority to do it. Everyone thinks it SHPD has the final say, when they do not. The system is not working and perhaps something can be done on the County level.

Chairperson Boswell noted that the private sector would really appreciate that.

The Manager-Chief Engineer stated that there was a Bill moving through the Legislature to shift that responsibility to the County but he was not sure if it was still alive.

Chairperson Boswell asked if the Hala'ula Well Development, Phase 2 project was green lighted all the way through to the tank.

Mr. Inaba replied that the grading permit is the only thing holding it up; but the archaeologist's monitoring plan was already approved, and it has been sent to SHPD for the contractor's grading permit approval.

Mr. De Luz noted that this project has been waiting three years.

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

There were no questions on the Monthly Financial Statements. The Manager-Chief Engineer mentioned that Harris & Associates scheduled for the Board's April meeting to do a presentation on the rate study process.

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

The Manager-Chief Engineer provided an update on the following:

1. North Kona Wells – the Deputy reported that for the North Kona water system, four wells actively being worked on are: Wai'aha which is still on litigative hold; Holualoa Well for which a time extension was granted to March 31, 2020; Makalei, in the developer's hands for bidding out for repair, anticipated for the first quarter of this year; and Palani Well, reported last month that pump and motor had gotten installed, and after start-ups, the motor megged zero. Subsequent to last month's meeting, more visits and attempts were made; but the contractor was told to extract the pump and motor, which was completed on the 19<sup>th</sup>. Right now, we are working with the contractor on warranty provisions and crating it to send to the manufacturer for tear down. Also mentioned last month was Keahuolu, which was an agenda item today that has been awarded; and the other one advertised for bids yesterday is Kahalu'u B. That is one of our basal lens wells by Keauhou side.

Chairperson Boswell asked if there will be a column pipe replacement on the Makalei Well because downsizing the motor is pretty substantial. It is one of the few places you can drive around town and see the column pipe laying on the ground.

Mr. Inaba noted it will be about half of the original capacity.

2. 2020 Legislative Session - The Manager-Chief Engineer announced that the two Bills that the Department had concerns about appear to be dead, but the Department is still continuing to track other things to make sure it is not blind sighted. There are some things like affordable housing bills that the Department is watching to make sure it is part of that process.
3. Department of Water Supply Energy Report - Mr. Warren Ching reviewed his Energy Report. Total power cost for 4<sup>th</sup> quarter 2019 was about 4.3 million down 5.5% from same quarter last year. Compared to the previous quarter, it was down 1.2%. For HELCO rates, DWS currently has 159 accounts. The average HELCO energy rate for the 4<sup>th</sup> quarter of 2019 was about 29.6 cents per kilowatt hour, down about 10.2% from the same quarter last year; and compared to the previous quarter, was up .4%. The demand rate for the 4<sup>th</sup> quarter 2019 was \$19.00 per kilowatt. He pointed out an error in this report where he compared the 4<sup>th</sup> quarter 2019 to the third quarter 2018, thus the reason why there is a 24% increase. It actually did not change from the fourth quarter 2018. The Power Cost Charge is currently at \$1.90 as of February 2020. On Page 4, some Hawai'i Energy partnership projects are highlighted. The Department did a few projects with the help of Hawai'i Energy such as Air Conditioning Replacements, LED lighting, now for the well stations; and have their commitment again to partially fund some leak detection loggers.

Mr. De Luz asked if HELCO has a time of use option for this Department.

Mr. Ching replied that they have three different time periods. One is during the day where they want you to use energy so they will give you the lowest rate. The second one is from 5:00 p.m. to 9:00, which is their heavy time period so they will charge twice as much. The third is from 9:00 p.m. to 6:00 a.m., where they will charge about one and a half times the normal rate.

Mr. De Luz stated that in regard to the demand rate, it looks like HELCO is moving from generation to a distributor energy company, which, because the kilowatt hours if they get approved by PGV, will be a flat rate now which will come online after 2030. This demand charge matter is going to become more critical to manage.

- 3a. The Manager-Chief Engineer mentioned that they would be participating in the UH College of Engineering job fair on February 26, 2020.

Mr. De Luz mentioned a program through Santa Barbara that has a program called Akamai Internships. He offered to make an inquiry to see if it would work for this Department. They have interns specifically in the summer that work with their mentors on a specific project. It may be a way to induce people to look at this Department. The Manager-Chief Engineer took Mr. De Luz up on his offer to inquire on behalf of the Department.

4. Employee of the Quarter (4<sup>th</sup> Quarter of 2019) - Ms. Hayducsko stated that out of approximately 160 employees in the Department, 101 currently work for Operations. Mr. Sheldon Batin has worked for the Department since 2007 and has moved his way up from a Building Maintenance Helper to Building Maintenance Worker to his current position which is Lead Building Maintenance Worker in Waimea. His area of the island covers from Mauna Lani to Laupāhoehoe. Of the 23 separate water systems, he is

responsible for 9 of them (the buildings, tanks, etc). Of the 200 tanks on island, he handles 55 of them. He has a team of three; but one of his workers went over to the Pipefitter series. He has trained people from the entry level to getting into other sections, resulting in a more rounded staff. She was very happy to have him recognized today. The Department is lucky to have such great staff.

I. **CHAIRPERSON'S REPORT:**

1. Chairperson Boswell thanked staff for the presentation that was done on the agenda for today, having the pictures and emails as back up. There were reoccurring conversations, and what was deferred from last meeting, for which the Board spent a large amount of time talking about, was on the agenda today, and the Board had another large conversation on it. He asked if it would be possible, in the back-up for an item, to somehow have what the Board already discovered so hopefully everyone is getting their packets and reading them before coming to the meeting. That way, the Board can use this information and what was done with it, and catalogue it to be efficient and not redundant. If there is ever a two-step item to it that we could see what we already talked about last time and try not to bring it up again.

11) **ANNOUNCEMENTS:**

1. **Next Regular Meeting:**

The next meeting of the Water Board will be March 24, 2020, 10:00 a.m. at the West Hawai'i Civic Center, Community Meeting Hale, Building G, 74-5044 Ane Keohokalole Highway, Kailua-Kona, Hawai'i.

2. **Following Meeting:**

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

12) **ADJOURNMENT**

**ACTION:** Mr. De Luz moved to adjourn the meeting; seconded by Mr. Kern and carried unanimously by voice vote.

(Meeting adjourned at 12:07 p.m.)

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Recording Secretary

(APPROVED BY WATER BOARD AT)  
(ITS MARCH 24, 2020, MEETING)