

MINUTES

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

June 27, 2023

Department of Water Supply, Hilo Operations Baseyard, 889 Leilani Street, Hilo, Hawai'i

MEMBERS PRESENT: Mr. Steven Hirakami, Chairperson
Mr. Stephen Kawena Lopez, Vice-Chairperson (came in later)
Mr. Thomas Brown, Water Board Member
Ms. Julie Hugo, Water Board Member
Mr. Michael Pono Kekela, Water Board Member
Mr. Benjamin Ney, Water Board Member
Mr. Keith K. Okamoto, Manager-Chief Engineer,
Department of Water Supply (ex-officio member)

ABSENT: Mr. Michael Bell, Water Board Member
Ms. Kea Keolanui, Water Board Member

Director, Planning Department (ex-officio member)
Director, Department of Public Works (ex-officio member)

OTHERS PRESENT: Ms. Suzanna Tiapula, Deputy Corporation Counsel

DEPARTMENT OF WATER SUPPLY STAFF:

Mr. Kawika Uyehara, Deputy
Mr. Kurt Inaba, Engineering Division Head
Ms. Candace Gray, Waterworks Controller
Mr. Gregory Goodale, Chief of Operations
Mr. Warren Ching, Energy Management Analyst
Mr. Alvin Inouye, Water Operations Superintendent
Ms. Sunshine Carter, Private Secretary
Ms. Nora Avenue, Recording Secretary

- 1) CALL TO ORDER – Chairperson Hirakami called the meeting to order at 10:00 a.m. A quorum of seven Board Members were in attendance.
- 2) STATEMENTS FROM THE PUBLIC – Pursuant to HRS §92-3, oral testimony may be provided entirely at the beginning of the meeting, or immediately preceding the agenda item. There were no statements from the public at this time.
- 3) APPROVAL OF MINUTES:
 - Minutes of the May 23, 2023, Water Board Meeting

ACTION: Mr. Ney moved to approve the Minutes of May 23, 2023. Seconded by Mr. Kekela and carried unanimously by voice vote. Mr. Bell and Ms. Keolanui were absent.

4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA – None.

5) NORTH HILO

A. JOB NO. 2021-1162 (REBID), LAUPĀHOEHOE DEEPWELL B REPAIR – REQUEST FOR TIME EXTENSION

The Contractor, Derrick’s Well Drilling and Pump Services, LLC., is requesting a contract time extension of 60 calendar days, due to delays by the motor manufacturer. Due to the motor’s poor performance test results the manufacturer has requested to provide a substitute equal motor. These setbacks were beyond the control of the Contractor.

Staff reviewed the request for the time extension and the accompanying supporting documentation and found the 60 calendar days to be justified. *Note: There are no additional costs associated with this time extension.*

Ext. #	From (Date)	To (Date)	Days (Calendar)	Reason
1	10/31/2022	3/31/2023	151	Manufacturer delays in providing submittals and receiving materials for pump production.
2	3/31/2023	6/16/2023	77	Manufacturer delays in motor production.
3	6/16/2023	8/15/2023	60	Manufacturer requests motor substitution, delaying shipment.
Total Days (including this request)			288	

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 60 calendar days to Derrick’s Well Drilling and Pump Services, LLC, for JOB NO. 2021-1162 (REBID), LAUPĀHOEHOE DEEPWELL B REPAIR. If approved, the contract completion date will be revised from June 16, 2023 to August 15, 2023.

MOTION: Mr. Kekela moved for approval of the recommendation. Seconded by Mr. Ney.

CHR. HIRAKAMI: Is there any discussion?

MR. OKAMOTO: Yes. So this one is for a delay beyond the contractor’s means for the motor substitution. What I wanted to kind of share with the Board, and we have Greg here for technical information, is one of those things that actually is good for both the department and the contractor. During the course of the work to test the units, it was determined that the motor that was specified wasn’t up to stuff, basically, so they requested a substitution of an equal or better piece of equipment. This is the kind of back-and-forth between the department and the contractor, that is actually good when it comes to something like this. So this type of delay is, for me, easier to swallow because the end result is a benefit to both sides. But if you have any detailed questions—

MR. NEY: Just one question in regards to—looking at past incidences, when they have a performance test that doesn’t check out, just for documentation, that the Water Department is present, just so we don’t have potential, which I won’t go into the issue, but potential for grey areas on what happened in past situations.

MR. OKAMOTO: Eric, do you have anything to add on past witnessing?

MR. NEY: Just to validate what they're doing is correct.

MR. TAKAMOTO: Normally, in past practice, as far as witnessing goes, we require the contractor to get a third-party certifying pump testing to witness on behalf of the department.

MR. NEY: So okay, okay.

MR. TAKAMOTO: That's what we rely upon.

MR. NEY: That's been in place, or is that new?

MR. TAKAMOTO: It's been in place for a long time.

MR. NEY: Okay. Because the story should align, right?

MR. TAKAMOTO: Yeah.

MR. NEY: If something happens?

MR. OKAMOTO: And we've run into that in the past, so that's why Eric folks implemented that as part of our process.

MR. NEY: Okay.

MR. OKAMOTO: Our resources, we cannot fly our guy up there.

MR. NEY: Right.

MR. OKAMOTO: We're just stretched too thin.

MR. NEY: But also, like in post-checking the installation.

MR. OKAMOTO: Yeah, but our guys will check on the field, the installation of the pump and motor.

MR. NEY: Okay. Yeah, that was more along the lines of the installation, not the pump itself.

MR. OKAMOTO: Okay, but the pump test itself is critical. In the past, we've had situations where they would come, and supposedly meet spec, right? But after we witnessed it in the field, it didn't appear to be. Anyway, good question. Thanks, Eric.

MR. KEKELA: Have you guys worked with these two types of pumps before?

MR. OKAMOTO: Yes. So normally, the common combination, and correct me if I'm wrong, Eric, if you have a Simflo pump, typically it's mated to a Sunstar motor. That's the common combination.

MR. TAKAMOTO: Yeah, they are partners.

MR. KEKELA: So in this case, they're changing the motor, not necessarily the pump?

MR. OKAMOTO: Yes.

MR. KEKELA: And has that happened before, where they came out and saying something like, “Hey, we’re going to switch out one this one.”

MR. TAKAMOTO: This is a rather unique situation where it turned out to be their side proposes to do a substitution.

MR. OKAMOTO: I guess that’s why I commented earlier, this is the kind I’d like to see. Because typically, manufacturers who work together, like you stick with each other, yeah. So the fact that this came from their side to substitute a Hitachi motor for the Sunstar motor. You know, they’re not locked in. So, we have more options for a successful pump and motor combination.

CHR. HIRAKAMI: Any other questions? If not, the motion on the floor is to approve a contract time extension of 60 calendar days to Derrick’s Well Drilling and Pump Services, for Job No. 2021-1162 (Rebid), for Laupāhoehoe Deepwell B Repair; if approved, the contract completion date will be revised from June 16, 2023 to August 15, 2023. All in favor of the motion say “aye.”

ACTION: There being no further discussion. Motion was carried unanimously by voice vote. Mr. Bell and Ms. Keolanui were absent.

CHR. HIRAKAMI: Moving on to Item 6, South Kohala.

6) SOUTH KOHALA

A. JOB NO. 2019-1107, LĀLĀMILO 10 MG RESERVOIR – This matter was deferred at the Water Board’s May 23, 2023 meeting.

The landowner of Tax Map Key (TMK) (3) 6-8-001:001, PR PUU PA, and the Department of Water Supply (DWS), have negotiated a proposed acquisition of the proposed Reservoir Lot which, upon execution of this Purchase and Sale Agreement, would include the execution of the Construction Right of Entry (previously approved by the Water Board at its meeting on August 23, 2022) that also includes the Staging Area for construction. The proposed Limited Warranty Deed would be granted in fee to DWS, and the proposed Water Agreement is included, which allocates 50 water units to the main parcel (TMK (3) 6-8-001:001). The basic terms of this Purchase and Sale Agreement, Limited Warranty Deed, and Water Agreement are as follows:

DWS to:

- Purchase Reservoir Lot at the Purchase Price of \$400,000.00; and
- Grant 50 equivalent water units to TMK (3) 6-8-001:001 subject to the proposed Water Agreement including a Facilities Charge Credit of \$150,000.00.

PR PUU PA to:

- Subdivide the Reservoir Lot;
- Provide immediate access to the Reservoir Lot (2.9-acre portion of TMK (3) 6-8-001:001) and Staging area (2.6-acre portion of TMK (3) 6-8-001:001 adjacent to “Reservoir Lot”) via Construction Right of Entry; and
- Grant the Reservoir Lot via a Limited Warranty Deed to DWS upon completion of the Subdivision.

Staff has reviewed the proposed Purchase and Sale Agreement as well as the Limited Warranty Deed and finds that the terms above, along with the proposed Water Agreement for the 50 equivalent water units, are acceptable.

RECOMMENDATION: It is recommended that the Water Board approve the Purchase and Sale Agreement, Limited Warranty Deed, and the Water Agreement and authorizes the Chairperson or Vice-Chairperson to execute the documents subject to the review and approval of the Corporation Counsel.

CHR. HIRAKAMI: Do I have a motion?

MOTION: Mr. Ney moved for approval of the recommendation. Seconded by Ms. Hugo.

CHR. HIRAKAMI: Is there any discussion on this?

MR. OKAMOTO: Yeah, and again, my apologies to Chair and the Board. Staff, landowner and their respective legal representation, was working up until late last week to finalize the documents; and thank you to Corporation Counsel. This is Suzanna (Tiapula) by the way; she's sitting in for Diana as our Corporation Counsel.

So in essence, the documents before you represent the negotiated agreement that staff and landowner came to for the purchase of the property. It's basically a split between cash, credit, and water commitments, so we think it's a fair deal. So of course, the devil was in the details, the legal details, some of the language within these documents. So if you have any questions—I know you didn't have time to really review it.

CHR. HIRAKAMI: Yeah, just to clarify for the agreement of a minor amount of cash, \$10.00, there have been facilities (INAUDIBLE) purchased and water tanks, right?

MR. OKAMOTO: Yeah.

CHR. HIRAKAMI: Could you tell us just how much we vote on?

MR. OKAMOTO: Yeah. So good question, Mr. Chair. So actually, it's not a small amount of cash.

MS. HUGO: \$400,000.

MR. OKAMOTO: It's \$400,000.

MR. NEY: Is that a fair market precise or is that—?

MR. OKAMOTO: It was based on—

MR. NEY: Who appraised that?

MR. OKAMOTO: Maybe, Kurt, if you could explain the background to that?

MR. INABA: They had gotten another appraisal. We had provided an appraisal. Based on information that's publicly available, you know, our appraiser came up with a value. But they said that—they qualified that, that this is based on the information we have. Parker Ranch had their appraiser do it, and they have information from their sales, internal that are not publicly available, and

so their appraiser, based on that, you know, took that amount. They did two appraisals, one was a purchase and one was a lease. You know, so based on that, our appraiser had agreed that definitely their appraisal would not (INAUDIBLE) that, given that information. Well, it wouldn't have been what they came up with, given the information that Parker Ranch has. So based on the appraisal that Parker Ranch provided, that's how we came up with this negotiated amount.

MR. OKAMOTO: So it's one of those deals that was like a comparable type of sale, but because it's a private landowner, it's not available for public record. I think we even had to acknowledge or agree to like non-disclosure of that particular transaction. But it was available to our appraiser.

MR. INABA: No, it was not available.

CHR. HIRAKAMI: So, are they going to subdivide the land or are they just covering all metes and bounds?

MR. OKAMOTO: So our intent, again like Kurt said, there were two options, purchase or lease. We always prefer purchase. For us, it's cleaner and we don't have to—if we install infrastructure that we could potentially not have ownership of the property that it sits on, in perpetuity.

MR. INABA: It's also a little cheaper in the long run.

MR. OKAMOTO: So their lease proposal, for us, you know, after we reviewed it, it wasn't as favorable as a purchase agreement.

CHR. HIRAKAMI: But the purchase is for a separate thing?

MR. OKAMOTO: Yeah. It will be subdivided out.

MR. INABA: Subdivided out, yeah.

MR. OKAMOTO: But own by the Board.

MR. LOPEZ: Question?

MR. OKAMOTO: Yes.

MR. LOPEZ: To show my ignorance here, this Water Agreement, is that what we call commitment?

MR. OKAMOTO: With a Water Agreement, the capacity of this Board is to negotiate beyond just cash purchase for property. What we try to do is try to find a balance between how much cash we're going to pay, and to come up to that value that they say the property was worth, cash plus a commitment of water units as well as a credit of facilities with this. So that combined, was negotiated for the acquisition of the property. So that's what these different documents kind of spell out.

MR. LOPEZ: Right, but I'm still like targeting the Water Agreement. Like 50 equivalent units of water, so how do I interpret that in this contract? What's the result?

MR. OKAMOTO: Okay, so for example, a typical water unit is good enough for one single-family residence. So if Parker Ranch wanted to do a 50-unit subdivision, they could now with these 50 equivalent units of water.

MR. LOPEZ: Because they have 50, yeah?

MR. OKAMOTO: Yeah, right.

MR. LOPEZ: They could do less?

MR. OKAMOTO: They can do less, do commercial.

MR. LOPEZ: They couldn't do more, provide water?

MR. OKAMOTO: Yeah, if they did more, than it would go beyond what this Agreement says. It may require some additional improvements.

MR. LOPEZ: And does that commitment stay with this Agreement or can it be it transferred?

MR. OKAMOTO: It stays with this—well, commitments typically stay with an identified property, so it stays with the property, yeah, for the term of the agreement.

MR. LOPEZ: The term. He can't take this 50 and sell 20 to somebody else?

MR. OKAMOTO: No.

MR. LOPEZ: Okay.

CHR. HIRAKAMI: Somebody else could develop on their property?

MR. LOPEZ: On that property, which is covered by the—

MR. OKAMOTO: Right.

MR. LOPEZ: Okay, thank you very much.

MR. OKAMOTO: Those are great questions.

MR. NEY: Those no monetary component to the water units either. I mean, basically it's more water we're going to be selling, I mean, I don't see there's a negative effect of allocating those.

MR. OKAMOTO: And that's one of the tools that we have in our toolchest, to assist with negotiations, because it does have value to the landowner if they have water available.

CHR. HIRAKAMI: Most of the facilities are charges. (INAUDIBLE)

MR. OKAMOTO: The facilities charged, is that charge that we assess for a water connection, which is typically about \$6,000?

MR. INABA: \$6,095 for 5/8-inch meter.

MR. OKAMOTO: A typical meter which services a single-family household.

CHR. HIRAKAMI: So they have up \$150,000 credit on that proposed (INAUDIBLE)

MR. OKAMOTO: Yeah, so if you divide that by \$6,095, you'll see about how many units they have facilities charged credits for. So that's the value, as well. Good questions, thank you. Thanks, Kurt.

CHR. HIRAKAMI: Any other discussion?

MR. OKAMOTO: And Kurt gave you guys a map.

MR. INABA: Yeah, I know you guys kind of asked, it would be nice to see, kind of a perspective of where it is.

MR. NEY: Yeah, where it is on the property.

MR. INABA: We got the information just for information. The tank would be about 225 feet in diameter, roughly 45 feet high; but in comparison, the windmills, the max height is like 200 feet high, with five kind of in the area, this on the other side, so you can see where the windfarm is.

MR. OKAMOTO: So this is another one, if we can, once the construction kind of gets started, I think it might be worth a field trip so then you guys can see the windmills. I think at that point, we can do some explanations of how they work together. This project, to me, is a total win for not just the department but for the State energy goals and things like that, so it shows that the department and the Board is doing our part in trying to reduce our energy footprint, make better use of renewable energy and things like that. I think this is going to be one of the biggest systems like this in the State.

CHR. HIRAKAMI: So there are four Parker wells and one of our wells, and will they all be feeding the reservoir, or is there a reservoir there now?

MR. OKAMOTO: Yeah, so maybe Kurt can explain the details.

MR. INABA: So there are four Lālāmilo wells, what we call "Lālāmilo wells, and four Parker wells, kind of spread out like this.

CHR. HIRAKAMI: Right, four Parker wells.

MR. INABA: The four Parker wells will feed directly into this reservoir, which would feed into the existing two million below, which the Lālāmilo wells directly feed into. If for some reason we had to, the bypass is there, that would also the Lālāmilo wells to pump into this reservoir. But right now, we're looking at how the system is operating. The four Parker wells should be able to fill up this 10 million—

CHR. HIRAKAMI: And that's their wells that they're operating?

BOARD MEMBERS: It's all of our wells.

MR. OKAMOTO: It's called Parker wells.

MR. INABA: It's just the land it's located in.

CHR. HIRAKAMI: Okay, yeah, yeah. And those are the leases, right?

MR. OKAMOTO: No, we own those properties.

CHR. HIRAKAMI: We own the properties, okay.

MR. OKAMOTO: The Board does.

MR. NEY: I think, too, Keith described like “more efficient use of the wind turbines” because now you can store and utilize the wind turbine at different times; and too, I think this is forward-looking, forward-planning under your guys’ part because (INAUDIBLE) kind always kind of lags behind the (INAUDIBLE) with infrastructure. So, it’s a good thing.

MR. OKAMOTO: Yeah, it is.

CHR. HIRAKAMI: Any other discussion for the very important—call for the vote to approve Purchase and Sale Agreement, Limited Warranty Deed, and Water Agreement, and authorizes me or the Vice-Chairman to execute the documents. All in favor of this motion say “aye.”

ACTION: There being no further discussion. Motion was carried unanimously by voice vote. Mr. Bell and Ms. Keolanui were absent.

CHR. HIRAKAMI: We’re going down to Item B.

B. JOB NO. 2021-1171 (REBID), LĀLĀMILO B DEEPWELL REPAIR – REQUEST FOR TIME EXTENSION

The Contractor, Derrick’s Well Drilling and Pump Services, LLC, is requesting a contract time extension of 47 calendar days, due to delays from the Manufacturer. This was beyond the control of the Contractor.

Staff reviewed the request for the time extension and the accompanying supporting documentation and found the 47 calendar days to be justified. *Note: There are no additional costs associated with this time extension.*

Ext. #	From (Date)	To (Date)	Days (Calendar)	Reason
1	02/28/2023	05/15/2023	76	Delays from Manufacturer.
2	05/15/2023	06/14/2023	30	Delays from Manufacturer.
3	06/14/2023	07/31/2023	47	Delays from Manufacturer and Department requested modifications.
Total Days (including this request)			153	

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 47 calendar days to Derrick’s Well Drilling and Pump Services, LLC, for JOB NO. 2021-1171 (REBID), LĀLĀMILO B DEEPWELL REPAIR. If approved, the contract completion date will be revised from June 14, 2023 to July 31, 2023.

MOTION: Ms. Hugo moved for approval of the recommendation. Seconded by Mr. Kekela.

CHR. HIRAKAMI: We're opening it up for discussion.

MR. OKAMOTO: Okay, this one is, in part, due to actually our request for modifications to the discharge head, so of course that's not the contractor's fault, right? We had requested a change after the contract was awarded, but for a good reason. I believe it was so the discharge head can accommodate a sounding tube to help us monitor down-hole conditions. I think besides that, might have been a delay on materials. If you have any questions, Greg came back specifically early from his surgery, such dedication.

CHR. HIRAKAMI: So this is pretty much a standard time extension for 47 calendar days. End date is July 31st, 2023. All in favor of this motion say "aye."

ACTION: There being no further discussion. Motion was carried unanimously by voice vote. Mr. Bell and Ms. Keolanui were absent.

CHR. HIRAKAMI: And moving on to Waimea Water Treatment Sludge Removal.

C. JOB NO. 2023-1223, WAIMEA WATER TREATMENT PLANT (WWTP) SLUDGE REMOVAL

This project generally consists of furnishing all labor, materials, tools, and equipment necessary to remove and dispose of settled sludge from the Waimea Water Treatment Plant 2.7 MG reservoir, for a period not to exceed one year.

Bids for this project were opened on June 8, 2023, at 2:00 p.m., and the following is the bid result:

Bidder	Bid Amount
2B Environmental, Inc.	\$0.29125/Gallon

RECOMMENDATION: It is recommended that the Board award the contract for WAIMEA WATER TREATMENT PLANT SLUDGE REMOVAL, JOB NO. 2023-1223 to the lowest responsible bidder, 2B Environmental, Inc., for a unit price of \$0.29125 per gallon, on an as-needed basis with a total contract amount not to exceed \$350,000.00, and 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. The sludge removal contract shall be from July 1, 2023 to June 30, 2024.

CHR. HIRAKAMI: So we need a motion.

MR. OKAMOTO: Actually, if it's okay with Suzanna Tiapula, before that happens, we just—you know, again, working until the 11th hour to check, but this particular bidder is not HCE compliant, so we're going to need to defer this. Do we still need to go through the discussion or just ask for a deferral at this point?

MS. TIPULA: And address them when they are compliant?

MR. OKAMOTO: Yeah, so we'll defer it until the next month. Staff would like to request a deferral of this agenda item.

ACTION: Ms. Hugo moved to defer Item No. 6 (C), Job No. 2023-1223, to July 25, 2023 Water Board meeting. Seconded by Mr. Ney and was carried unanimously by voice vote. Mr. Bell and Ms. Keolanui were absent.

CHR. HIRAKAMI: Moving down to Number 7.

7) **NORTH KONA**

A. **JOB NO. 2021-1181, KEAUFHOU BOOSTER A REPAIR – REQUEST FOR TIME EXTENSION**

The Contractor, Beylik/Energetic A JV, is requesting a contract time extension of 104 calendar days, due to delays by the pump manufacturer providing submittals. These setbacks were beyond the control of the Contractor.

Staff reviewed the request for the time extension and the accompanying supporting documentation and found only 98 calendar days to be justified. Six (6) days were deducted from the Contractor’s request as these were attributed to the Department reviewing the submittals, and there shall be at least fourteen (14) days allowed for the Department to review. *Note: There are no additional costs associated with this time extension.*

Ext. #	From (Date)	To (Date)	Days (Calendar)	Reason
1	3/31/2023	6/13/2023	74	Manufacturer delays in providing submittals.
2	6/13/2023	9/19/2023	98	Manufacturer delays in providing submittals.
Total Days (including this request)			172	

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 98 calendar days to Beylik/Energetic A JV, for JOB NO. 2021-1181, KEAUFHOU BOOSTER A REPAIR. If approved, the contract completion date will be revised from June 13, 2023 to September 19, 2023.

CHR. HIRAKAMI: Do I have a motion?

MOTION: Mr. Kekela moved for approval of the recommendation. Seconded by Mr. Ney.

CHR. HIRAKAMI: Any discussion on this?

MR. OKAMOTO: Yes, Kawena.

MR. LOPEZ: And this example, when a contractor asks for a number of days, do we come back and say, “No, you can’t have that many.” Is it like, “Oh, too bad, this is all you get?”

MR. OKAMOTO: Yeah, so staff does that evaluation and brings it to the Board. So just because they ask, doesn’t mean they get. We review and see what is justifiable.

MR. LOPEZ: But are they already aware that you're—

MR. GOODALE: We may communicate it to them that we are not only going to give them the time that we feel like it's valid. So they may ask for 100 days, but we feel like it's only valid for 75, we'll communicate that to them, that we only find 75 days to be appropriate.

MR. LOPEZ: And then the Board approves?

MR. OKAMOTO: Yeah.

MR. LOPEZ: Okay, thank you.

MR. OKAMOTO: So what happens after a Board action like this, our project manager of the particular project will work with our Contracts folks. An actual letter will go to the contractor, saying that, you know, this many days was approved at the Board meeting. So if they have questions or want further discussion, then they can communicate with staff.

MR. LOPEZ: Yeah, but typically not caught off-guard and they already know.

MR. OKAMOTO: Typically.

MR. GOODALE: Yeah.

MR. LOPEZ: Thank you.

MR. GOODALE: We try to keep a really clear line of communication. Obviously, we've only got a few of these folks, so we want to make sure it's really transparent.

MR. KEKELA: Is there a reason why these delays are a few more days than the original delay for the same, providing for delay through (INAUDIBLE).

MR. GOODALE: Again, I mean, we kind of rely on the contractor to come back and tell us what they think, the appropriate time; but until they can give some explanation as to what it's attributed to. I mean, each one is kind of going to be a little bit unique, yeah, it's not like a cookie-cutter. And again, for us, if we saw something that looked it was too much like a cookie-cutter, from another project or whatever, we would ask those specific questions like, "Well, how come this?" Again, like back to the other issue, if we didn't see that it was appropriate for that many days, we would also communicate that back to them.

MR. OKAMOTO: So if you look at some of the background documentation, you can see the questions that were posed, the responses that the contractor got back from the supplier, which included maybe some questions back for the department to answer in the green font.

If you notice, six days were taken off the request because they couldn't—days for our review, which took us six days for our staff to review, but we're not going to respond instantaneously, when they sent in the question. We typically have like 14 days to review and respond. I think our staff did it in six or something like that, so kudos to our staff for responding so quickly, and that's why we took out that amount of days from their request because they were acting like we needed to respond that exact same day that they sent the question.

CHR. HIRAKAMI: So all these extensions, time is money. Are there any costs to the department, loss of income, or is there any financial impact for all these delays?

So basically, this is a change to the contract, this time extension. It's changing the completion date for the contract, which then relieves them of those liquidated damages. We're still not getting the product in service, but at the same time we're saying, "We're okay with this delay because it was beyond your control," if that makes sense. So yeah, any delay actually does have an impact, but we're relieving them and not assessing that impact on the contractor because we're saying it wasn't their fault.

CHR. HIRAKAMI: What strategies do they have to eliminate these kinds of delays? Do they have strategies, like engineering strategies or order strategies, or strategies to minimize the delays because ultimately, they're coming to us a lot for—it's almost a given that this Board will grant them a time delay. I mean, are there any strategies that we could help them communicate to the manufacturer?

MR. OKAMOTO: Yeah.

MR. GOODALE: Some of the things that we might incorporate would be things like shipping, like if it's possible to do airfreight as opposed to on the barge. We may request that to try and get the system back up. But we've also—as you can see if you read through, you know, the history and the communication between the contractor and their subcontractors, Sometimes we've had issues where we've requested it to be like, say airfreight, to get it expedited, but the subcontractor may miss that, and so it got put on the barge inadvertently, so then we may end up with the additional time that we weren't anticipating because thought it was going to be air freight. But it might not have been under the direct purview of the contract, it might have been something the sub did. So again, try to think those things into account.

You know, again, at the end of the day somebody is responsible for this thing, but we also try to be reasonable when it comes to some of those kinds of things. If we saw that it was (INAUDIBLE), like negligence in terms of time that it took, we would bring that up to the contractor, but that's just one example of an opportunity we might have to try to expedite, getting the project back online. The other thing is, we might try and specify materials that are more easily accessible. You know, sometimes you could specify things that aren't easily obtained, and that might drag out the timeline, in terms of being able to get the equipment back online. So, all those things are taken into consideration.

MR. OKAMOTO: I think part of it is, you know, when we establish these contracts, the timeframe is based on our historical experiences. I think what COVID has done, and it seems it's kind of across the board that there are supply chain issues everywhere, a ripple effect to our industry, as well. So a lot of it I think is due to that, these most recent time extensions and why the contractors cannot—when we typically bid it out, they know how long the duration of the contract is. So if they have concerns at that time, even before the bid, they will let us know; you know, "Hey, no way because the pumps are backed up six months," or whatever, they would have let us know, but none of that happened because I think a lot of the contractors, suppliers, manufacturers still weren't quite sure yet. So, they bid. I think now that they've got the contract, and trying to get the materials and everything put together to ship here, is when they're seeing the real timetable show up.

So what our staff does typically is—if you see the correspondence, there are typical submittals that they have to send in. We review and approve before they finalize their order. So that's all part of the process, to help not only making sure we are getting the right equipment, meaning the specs and everything, but it's also like a tracking tool, to make sure that they're sending that timely, we're

responding timely, the order is being made timely, and then at that point, it's kind of up to the manufacturers and suppliers to put together the stuff to get shipped out. So, good question. I don't have an answer on how to make it better yet.

CHR. HIRAKAMI: Yeah, I'm interested in what the motive is. Could be too lenient. The contractor doesn't put pressure on the supplier, and if we're so lenient, we might be—if we were more strict about it, say if we came to the Board and they ask 98 days, could it be that the Board says, “No, we're giving you 60 days.” Could it be done on this Board? That's a Corporation Counsel—

MR. OKAMOTO: Yeah, the Board ultimately has that decision to decide that. Our job is to provide you the information to make that decision.

CHR. HIRAKAMI: I don't want to put (INAUDIBLE), but at some point, if we demonstrate that, “Hey, you ask for 98 every time. The Board always gives you 98, but this time, the Board is going to give 75,” something like that. It will show that at least we're doing our due diligence and saying, “Hey, what's up with this?” You know, it's almost like a given, like an automatic—I put time (INAUDIBLE), and this Board is nearly a rubber-stamp, “Oh shoot, oh time extension.” So how can we appear more diligent and pass that diligence on to the contractor to pass it on to the supplier?

MR. OKAMOTO: And that's a great question that we've struggled with for years, so as you notice now, we put “*no additional costs associated with this time extension*” request. So if anybody works in the contracting field, they don't like delays. That's costing them money.

CHR. HIRAKAMI: Oh, yeah.

MR. OKAMOTO: Their cost of material, their cost of labor is all going up. They don't like delays. So I just want to make that comment first and foremost. And the second one is, you know, if the Board decides not to provide that amount of days, I just want to caution the Board that they have to have a mechanism or a basis for not going along with their request and our evaluation of their request, otherwise it could be deemed arbitrary. It could be challenged is what I'm trying to say, and maybe Suzanna can elaborate further. That's why when we bring it to the Board, we've done the evaluation, what we think is justifiable, so that burden is on us. But if you decide to deviate from our recommendation without a basis, I just want to caution that it could be challenged, and I don't know what the consequences might be to that.

MR. NEY: Mr. Chair, I think too that you've got to just look at it from the standpoint, is this a direct delay on their part, is this indirect delay because of a third party that's outside? Because the thing is they can after the manufacturer for liquidated damages if they don't deliver the product in time. I mean, I've been in this situation too with my business, sometimes things are back-ordered, and it's just not apparent until later on that, “Hey, we're going to have a delay.” We don't want to rock the boat too much.

MR. OKAMOTO: What has happened in the past, and this is prior to all your folks' terms, we tried to take a really hardline stance with some of these delays, but there wasn't really anything that the local contractors could do to the mainland suppliers, so the only people we ended up hurting was the local contractors.

CHR. HIRAKAMI: I don't think the (INAUDIBLE) separate it, as the attachments that you provide with each of these. Correspondence goes back and forth. Your written recommendations are a big help. I feel very comfortable, quite often following your recommendation. I don't have a reason not to.

MR. OKAMOTO: And that's why we provide it. We try to be as transparent. This is all open-records, too. If people want access to it. So, you're protected as well when we provide this to you. Your decisions are not arbitrary.

MR. NEY: Our emails are all time-stamped.

MS. HUGO: So Keith, I just wanted to be reminded of the purpose of that addition of the language, "There are no additional costs associated with this time extension." It had something to do with liquidated damages.

MR. OKAMOTO: If you recall there was, I don't know how much I can say in an open meeting, I think it had to do with litigation over Waimea Water Treatment Plant.

MS. HUGO: For what they could ask for?

MR. OKAMOTO: Yeah.

MS. HUGO: So is that language included in the letter that goes to the person making the request?

CHR. HIRAKAMI: I think we discussed that, and we wanted to make all of these extensions contingent upon no cost to (INAUDIBLE).

MR. OKAMOTO: You're asking about that letter that we sent back?

CHR. HIRAKAMI: Yeah.

MS. HUGO: The letter, because we don't see that; that you're sending a letter now to the requestor for the extension, and I just thought that it's okay to be in our minutes here, but how is it communicated to the person that we're—

MR. OKAMOTO: Hmm, good point. I'm not sure. We'll double-check on that. Kawika, can you take a look—?

CHR. HIRAKAMI: That should be standard language, our responsibility.

MR. OKAMOTO: Yeah, so that will be part of our standard language when we respond.

CHR. HIRAKAMI: That was the lesson we learned.

MS. HUGO: Right, so I just wanted to make sure everybody can (INAUDIBLE)

MR. OKAMOTO: Right, right, right. Thank you. I appreciate it.

MR. UEHARA: We'll go check.

MR. OKAMOTO: Yeah, and if we don't have it in, we will add it in.

MS. HUGO: Okay, thanks.

CHR. HIRAKAMI: Any more discussion? If not, I'll call for the question. All in favor of extending 98 calendar days to Beylik/Energetic with no additional costs to the County say "aye."

ACTION: There being no further discussion. Motion was carried unanimously by voice vote. Mr. Bell and Ms. Keolanui were absent.

CHR. HIRAKAMI: We'll go to Item B. This is for the Huālalai Deepwell, another request for time extension.

B. JOB NO. 2022-1204, HUALĀLAI DEEPWELL REPAIR – REQUEST FOR TIME EXTENSION

The Contractor, Derrick's Well Drilling and Pump Services, LLC., is requesting a contract time extension of 105 calendar days, due to delays by the pump Manufacturer. The soonest available spot the pump Manufacturer has available to conduct the pump assembly performance test is July 17, 2023. These setbacks were beyond the control of the Contractor.

Staff reviewed the request for the time extension and the accompanying supporting documentation and found only 75 calendar days to be justified. *Note: There are no additional costs associated with this time extension.*

Ext. #	From (Date)	To (Date)	Days (Calendar)	Reason
1	7/2/2023	9/15/2023	75 (Parts A – C)	Manufacturer delays in pump assembly testing.
	8/31/2023	11/14/2023	75 (Part D)	Manufacturer delays in pump assembly testing.
Total Days (including this request)			75	

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 75 calendar days to Derrick's Well Drilling and Pump Services, LLC., for JOB NO. 2022-1204, HUALĀLAI DEEPWELL REPAIR. If approved, the contract completion date will be revised from July 2, 2023 to September 15, 2023 for Parts A – C, and from August 31, 2023 to November 14, 2023 for Part D.

CHR. HIRAKAMI: Do I have a motion to approve?

MOTION: Mr. Ney moved for approval of the recommendation. Seconded by Ms. Hugo.

CHR. HIRAKAMI: Any discussion, questions?

MR. OKAMOTO: Yes, Kawena.

MR. LOPEZ: Yes, for Chair. Including the date, you said for Parts A and C. Is that correctly A through C?

MR. OKAMOTO: A through C, correct. Yeah, so this one is primarily due to, I think, the scheduling of the testing of the unit, the pump and motor. As you can see, it was another one where it was

evaluated, so what we're recommending to the Board is 75 versus the 105 days that the contractor requested. If you have any questions on this one, Greg and/or Eric are available.

What I do know, is that A through C is for the actual repair of the well, and Part D is for the refurbishing of the old pump and motor that they're going to take out, and seal. Motor, pump and seal.

MR. NEY: Yeah, just curious in regards to essentially the two contractors that did most of the work, do they get stretched thin, I mean overextended on their ability? Because I have a feeling that might sometimes be the case in delays, that there's too much going on, and that they might not be on the ball with, you know, getting orders timely. I'm still waiting for that Puakō project to start.

MR. OKAMOTO: That's a good question. They don't only do projects on our island; they do projects around the State. But that stretched thin component is not a justifiable time extension.

MR. NEY: No it's not, but I have a feeling, you know, if they feel like—you know, time delays that don't get approved, I mean, they're going to factor those into their next bids, and we might see adverse effect of the bidding going up.

MR. OKAMOTO: Possibly, yeah.

MR. NEY: You know, they're going to make up for losses that's why. Just a thought.

CHR. HIRAKAMI: Any further discussion? If not, we have a motion on the floor to approve a contract time extension of 75 calendar days to Derrick's Well Drilling and Pump Services, for Job No. 2022-1204. If approved, the contract completion date will be revised from July 2, 2023 to September 15, 2023 for Parts A – C, and from August 31, 2023 to November 14, 2023 for Part D. All in favor of the motion?

ACTION: There being no further discussion. Motion was carried unanimously by voice vote. Mr. Bell and Ms. Keolanui were absent.

CHR. HIRAKAMI: And going down to another Request for Extension, Item C.

C. JOB NO. 2022-1205, PALANI DEEPWELL A REPAIR – REQUEST FOR TIME EXTENSION

The Contractor, Derrick's Well Drilling and Pump Services, LLC., is requesting a contract time extension of 120 calendar days for Parts A – D and Part E, due to delays in the receipt of the executed contract, and additionally for Parts A – D due to unavailability of the specified coating materials for the discharge head. These delays were beyond the control of the Contractor.

Staff reviewed the request for the time extension and the accompanying supporting documentation and found only 90 calendar days to be justified for Parts A – D, and only 30 calendar days to be justified for Part E. *Note: There are no additional costs associated with this time extension.*

Ext. #	From (Date)	To (Date)	Days (Calendar)	Reason
1	6/1/2023	8/30/2023	90 (Parts A – D)	Delay in receipt of executed contract documents, and unavailability of specified coatings for discharge head.

	7/31/2023	8/30/2023	30 (Part E)	Delay in receipt of executed contract documents.
Total Days (including this request)			90 & 30	

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 90 calendar days for Parts A – D, and 30 calendar days for Part E to Derrick’s Well Drilling and Pump Services, LLC., for JOB NO. 2022-1205, PALANI DEEPWELL A REPAIR. If approved, the contract completion dates will be revised from June 1, 2023, to August 30, 2023 for Parts A – D, and from July 31, 2023 to August 30, 2023 for Part E.

MOTION: Mr. Kekela moved for approval of the recommendation. Seconded by Mr. Ney.

CHR. HIRAKAMI: Any discussion?

MR. OKAMOTO: Yeah, so this one again is outside of the contractor’s control. My understanding is part of it was they didn’t get the contract until sometime later than expected—as well as some coating issues. Coating for stainless steel, I think it was interior and exterior, yeah? As you know, typically it’s not the same you could use for mild steel or ductile iron and things like that. So I think staff spec’d out specific types of coating. Stainless steel, you wouldn’t think needed coating, but they do still corrode, and I guess prone to pitting issues, as well. I think the internal coating was to help with some of that.

CHR. HIRAKAMI: I see there was a lot of delays due to non-answers. There are a lot of communications with Derrick to the suppliers and no answers. It’s kind of like, “Hello, hello, hello.” There’s a whole chain of them, so that alone is a delay, I mean not to his fault. And these kinds of things, can they—sometime this morning, can they shop around for a different supplier or is this specifically for this supplier?

MR. OKAMOTO: Yeah, they can. It just takes—you know, after bid award, substitution becomes limited. It’s really got to be due to non-availability.

CHR. HIRAKAMI: So when they bid, they’re actually bidding from a certain kind of company for that certain kind of product versus another company, and that same kind of (INAUDIBLE).

MR. OKAMOTO: It’s easier to request substitution before the bid is open, then we can evaluate it; if it’s equal or better than what we specify; but once they bid on a specified item and they’re awarded the project, and that’s a contract, that item is now a part of the contract, so to deviate from that, correct me if I’m wrong anybody, but it’s got to be pretty much non-availability.

CHR. HIRAKAMI: But in this case, some of it was the coating.

MR. OKAMOTO: Yeah.

CHR. HIRAKAMI: Clarification from Eric, and at the end say, “No, not that,” and then they went, “Nah, okay,” and they nodded. So there seems to be a lot of back and forth and miscommunication and do clarification from our department when we got involved, and specifically, we’re looking for this type of (INAUDIBLE).

MR. OKAMOTO: I guess that’s the struggle with—that’s why we put the burden on the contractor to show us that you guys have been trying, right, because otherwise, we can only assume that you never

check with the supplier, so we cannot grant you these two weeks because you don't show us that you've tried. You know, you could have said you tried. But this gap, where you see this correspondence and this correspondence, and in this part of time, we're going to say, "That's on you, you didn't try," so I think that's why Derrick's is really good about showing that—they're asking, and if they're not getting answers, it's not their fault.

MR. NEY: We're trying to get product uniformity too, right?

MR. OKAMOTO: Yeah.

MR. NEY: With pumps and stuff?

MR. OKAMOTO: Yeah, but this one is a little different. You know, besides uniformity, we always try to look at ways we can do things better and make things last longer and try to see if that investment is worth the cost.

MR. NEY: Yeah, sure.

MR. OKAMOTO: Stainless is, of course, typically more expensive, but if it's twice as expensive but it's going to last three times longer than it's worth it. What I've got to give kudos to staff is, we're not just going to sit and say, "It works, so let's just keep using them." If there is something better that we can try, we'll give it a shot. But then, we're going to be stuck like this sometimes.

CHR. HIRAKAMI: Any further discussion? If not, all in favor of approving the contract time extension for Derrick's motion say "aye."

ACTION: There being no further discussion. Motion was carried unanimously by voice vote. Mr. Bell and Ms. Keolanui were absent.

CHR. HIRAKAMI: And now we move to the Miscellaneous items.

MISCELLANEOUS

A. KEAUKAHA COMMUNITY ASSOCIATION PRESIDENT PATRICK KAHAWAIOLA'A, ON BEHALF OF CLAYMENT AND KEIKI KAWAI'AE'A, RESIDENTS AT 344 LYMAN AVE., HILO, HAWAII. DISCUSSION ON WATER METER PLACEMENT AND HISTORY OF INSTALLATION

MR. KAHAWAIOLA'A: Again, good morning.

BOARD MEMBERS: Good morning.

MR. OKAMOTO: Please state your name.

MR. KAHAWAIOLA'A: I am Patrick Kahawaiola'a. I am the current president of the Keaukaha Community Association. I appreciate this opportunity to come before the Board to explain the issue on what happened. Maybe, let me digress a little. I'm not here to say that it is the fault of the department. What I believe, it's with the Department of Hawaiian Homes, but you all get involved when Keith and his crew get involved when the meter becomes the focal point of this discussion, and it was through the Department of Hawaiian Homes that predicated my reasons for being here; because when the Lessee asked for help, as to not why the placement of the meter was there, but now

everything back up the meter to the house belongs to the Lessee. So if there's a leak—so when they went to go do their due diligence 15 years later, this house was awarded 15 years ago, that they find that the cushion wasn't proper. The line went from here straight to the house as opposed to going along, you know, way from when you have—

However, when they went to the department to ask, “Hey, is there any kind of help? Why you did that?” What they got from the department, and that's what made me start to get the blood going, was their answer, the department's answer. The Department of Hawaiian Homes' answer was, “Well, you signed a contract with prejudice, so therefore, eat it,” that's basically what they said. “You have no recourse. You signed the contract.” So then for me, as the president, I've been representing these people because they just felt that nobody was listening to them.

I then needed to involve the department because, for one of the reasons, why it's in the middle of a driveway. I still haven't answered that, but it's there. What happened, the Lessees had the repairs done. The meter still sits in the middle of the driveway. But they had the repairs done. They went run the lines up along the side of their property line to the house, and that would probably—and had it properly cushioned, so that made, in fact, prevent this from happening. But my question was then to the department, why was it there, why was the meter there? And if that's—how would it become an issue?

In another case, it was another water meter placed, and I think we had this discussion. Having helped, and I drive around the community, and I find another one in the middle of a driveway, you know, that's the homes being under construction now. Two homes are being under construction now; because the department has this program with Hawai'i Community College, where students come and build a home. So there are two homes on a half-acre lot; flag one is a flag lot. I think it's great for Hawaiians to maybe get an opportunity to get ownership.

I just saw a water meter, and I sent the picture to Keith. It's not them, however, I needed that for Hawaiian Homes. Hawaiian Homes is going through a new administration, so this new administration in their wisdom wrote to me. Well, the thing saying, “It's all the Department of Water's fault. They did it. They did it wrong. They put it here in the middle of the drive.” So I smiled, because right after that message, I had “ding” from Keith, “Nah-uhh, I'm sorry,” you know, that individual—now there's this discussion. So what I don't want to do is to have both departments, one in the County, one in the state, and we the beneficiaries—anyway, my community be in the mix of this, but it is what it is. I deal with what I've got to deal with. If this comes to the County, I've got to come to the County. If I got deal with Hawaiian Homes, I've got to deal. So that is my problem, to come here to find the process that they use; how meters get installed, who has the oversight. You know, because I told Hawaiian Homes, you build a home, you have somebody overseeing those kinds of issues.

And with this case, when I came to Keith, all of a sudden, I'm now bombarded with water issues in Keaukaha, and it's going to be—I know it's going to come before this Board because right now we have a sewer—I'm trying to look at—it's a pilot project they're doing on Desha Ave. They're trying to do a gravity flow; but in order to finish the work, it appears that the waterline that was installed years ago, it goes like that, like that, like this, down, come up, go there. So, it's going to come back to this Water Department. Remember, Keaukaha is going to be 100 years old next year. 2024 it was developed, oh, awarded, so next year it would be 100 years. I'm 79; I was born there, okay.

So the issue of water system in Keaukaha, from 100 years ago, I heard Keith mentioned about the historical things that this Board got to deal with right now, well this is what I believe is going to happen. So there's a question of that water system coming in. What is the water system going to look like Keaukaha? I think the newest, just from the top of my head, the last time a new development was

put in Keaukaha, which was Nahale-A. Nahale-A Street, that's 1993, and that was the placement of the transmission lines from the sewer pump station to its new location, back at the airport. That's the historical part that (INAUDIBLE).

However, full circle, some 30 years later, water is now attached to the sewer in his bill. They can cut your water off if you don't pay for your sewer. That's the problematic thing that this County has done. I've got Nahale-A that's exempted from tying into the sewer. Okay, they're exempted, and they're exempted because of an ROE the County had. An ROE is a Right-of-Entry, that was made in 1993. You guys can defer to this after with your Corporation Counsel. That ROE is, I'm going to just think off the top of my head, I think it's ROE 103, but this was done in 1993. It says, among other things, until all the critical errors of Hilo are tied to the sewer, then you come to get the Hawaiians in Keaukaha tied to the system.

But with that, we've added—the Clean Water Act says cesspools got to disappear by 2050, and now it's maybe—20 years has been taken off of that, because in Hilo maybe 2030, they've got to do it, and if not, the people may need to go to individual wastewater treatment, you know, septic tanks. So all of this is going to be cost prohibited, all of it is going to come, and I believe it's going to fall on the head of my dear friend, Keith, Kurt; and this body is going to have to try to communicate.

With this motion, why I'm here, with your help, thank you, because the department decided they're going to pay for these ladies. No, it's just go gripe with the right people, Keith and Kurt; with that, they paid. I was told they found funding to take care of it.

So the other ones that are in progress now, I expect them to find the funding to help in case that line breaks, quickly some common ground on what's happening with the water system in Keaukaha with the lines. I got streets that still have those gas lines, and pipes hanging on the side of the road, that's what I got in Keaukaha.

MS. TAIPULA: I'm sorry, we have extended for 12 minutes. You have three minutes.

MR. KAHAWAIOLA'A: Just because she said I get less than three minutes, thank you. I'll just leave you with this, my adversarial role with the Department of Water, that's not where I want to go. She will know, because I know they're going to check and see where I took'm, she's going to know when she goes back to her office, to Corporation Counsel, and find out that my role again can become very adversarial with this County, and this Water Department, and this town.

So, I thank all of you for allowing me the time, for the five minutes it took me to explain my—to try to give you a historical perspective. But I'll do it even better, I'll do it in writing, and that way you all will get it, including the Corporation Counsel, that way they get an understanding of where I'm coming from. Hawaiians are not in a position to messing with anymore. I am not prepared to let this kind of thing happen, especially in the community I come from. Thank you.

Oh, and the water right now that you guys are all using, please, Corporation Counsel, go look where the water stay. All the license that this department has are perpetual licenses, that's a lifetime. Perpetual license, that the water sits on Hawaiian Home lands. So please look at Section 221 of the Hawaiian Homes Commission Act, and maybe Corporation Counsel can answer me that when I ask her that question. Thank you very much.

MR. OKAMOTO: You can stay over here because they might have questions.

MR. KAHAWAIOLA'A: Okay. Well, I don't think you have.

MR. OKAMOTO: We appreciate Uncle Pat coming because I think it was worthwhile to have this information shared with the Board, just for your awareness and our awareness, that's why we put it on the agenda.

MR. KAHAWAIOLA'A: Appreciate it.

MR. OKAMOTO: Actually, we put it on for discussion. Board Members, if you folks have questions or want to provide statements.

CHR. HIRAKAMI: Yeah, I really appreciate the past, but more importantly, is how we're going to move forward.

MR. OKAMOTO: Exactly.

CHR. HIRAKAMI: Because they're not—\$500 million to develop some more of that infrastructure. So moving forward, how are we going to do it right? How are we going to put the meter in the right place, how are we going to cause less trouble, and actually partner with these homesteaders to do it the right way. They're not saying it. You know, we're not the bad guys.

MR. KAHAWAIOLA'A: It's not about the aid. It's just not about aid. I think there is a lack of communication between two departments.

CHR. HIRAKAMI: Right.

MR. KAHAWAIOLA'A: Whether it's at the County, all departments of the County, and working with the Department of Hawaiian Homes. Because Hawaiian Homes failed to know that their only constituent is me. Me, nobody else. You don't have to because they had law. I'm sorry, that's not my—it wasn't my choice. I didn't have a choice with my parents, who I want to be; because of my parents, I'm 50 percent or more, and that says, "You need to care for the 50 percent. So I think all the department of the County, that Planning, you know, everybody that has to deal with homes. But I think, Chairman, you're absolutely right, the need to move this forward, yeah. Because that's me, I only want to present the historical perspective only so that we know where we were, and how we're going to move forward together. Not individually, together. Because my time is getting close, I'm not prepared. I no more 20 more years to do this, trust me. But I get grandkids, I get great-grandkids, and that's the reason I'm here, to make sure that—I appreciate the time.

CHR. HIRAKAMI: So when infrastructure is developed on new homesteads, how does the Water Department and engineering get ahead of the game?

MR. INABA: So what we do now, when they do submit the—say they do a subdivision, right, we'll make sure when we get the plans reviewed, meters are put in a proper place, but nowadays, they'll show the access to the property, the driveways. And so I think there's kind of a dual responsibility on this, right, so when it's new development, we review the water system; make sure that they're placed in the proper places. We have inspectors out there because not everything can go where it's drawn on the plan, but they'll make sure it's not in driveways. If it's close to driveways, we'll even make sure that they're properly protected sometimes. We might have them—say, if you want to put it there, we've got to have some kind of curb or something to protect it.

The other part is, though, for areas with existing services, that was just raw land developed, the road layout for the property, now they're developing on the property. You know, I think—say Hawaiian

Homes will work with a contractor, developing on the property, really should—supposed to take a look at that kind of situation, where the driveway is being placed, and if there's anything in the way, because we really don't get involved with that process either. We provide a service to the property. Like in this case, probably most of the cases there, the lateral, we had been there since 1983.

MR. OKAMOTO: 1983.

MR. INABA: So when did the property plan, they should have taken that into consideration.

MR. NEY: Quick question, would that be under like a County planning review? Okay yeah, it's not going to work with the law, where you're locating the meter. How does that look (INAUDIBLE) to it?

MR. OKAMOTO: Unfortunately, or fortunately for us actually, we're not part of that process. Our jurisdiction ends at the meter. You know, there are other reviews; and I think like Uncle Pat said, there was a lack of pipe cushion on the private—you know, Ben, inadequate cushion around the pipe could lead to breaks on the customer line. There is supposedly oversight by other jurisdictions.

But what I did want to share with this Board is that as long as I'm here, my commitment to treat these guys better than they have been in the past is there. One benefit that we have is that we don't come and go with Administration, so we have a longer-term capability of planning for the future, trying to be better. Unfortunately, for Uncle Pat folks, they got different administrators come and go with a different Administration, so priorities may change. We kind of seen that already because we've had an opportunity to meet with the new DHHL Chair Kali Watson who came to meet with County cabinet members.

Some of the details, I'm not sure what's going to happen there because we're going to have to work with the actual beneficiaries, whoever, and they're going to be our customers as long as they choose to be our customers. So we're going to try and work with them. Main thing we have a good communication, so I appreciate Uncle Pat coming and sharing their concerns because now it's brought to our attention. And I know even Greg folks even talked about—if we can, maybe our guys could swing the meter box over to one side of the driveway or another, at our cost, even it wasn't the department who decided to put the driveway right where the meter stay. We're looking out for customers, which are the beneficiaries who are occupying the property, and we're going to try and help out when we can. We cannot do that for everybody, but I would like to go over and beyond normal for the beneficiaries because I think they deserve that. If it takes a resolution by this Board to somehow give me that authority, I'm happy and open on that, too. Anyway, that's what I wanted to share.

MR. KAHAWAIOLA'A: Mr. Chair, please, on behalf—I can thank Keith and Kurt, really, to do that. However, my reason for being here is not to get something free. I don't want nothing free, okay, but I just wanted to be treated fairly like everyone else. Unfortunately, that this County, every County, all four Counties, their misunderstanding of the Hawaiian Homes Commission Act, and I going lay that burden onto the Corporation Counsel. Their misunderstanding of the Hawaiian Homes Commission Act, because you can look at every AG's (Attorney General) opinion, clearly, and it started in this County. Every AG's opinion about the County's jurisdiction and authority on Hawaiian Homes land is lacking. It's lacking. It's not something that it is. It's lacking, but it's because people don't understand the Act. It's a very small document to read and has about four or five sections in it. It's a very small document, but the historical part is that it got embedded in the State Constitution and Statehood and that most counties and officials forget. It got embedded in the State Constitution in 1959. That's the only proviso of Statehood. The only proviso, try to think of that. The only proviso Statehood was to have this State accept the Hawaiian Homes Commission Act and put it into their

Constitution, so it means without the Hawaiian Homes Commission Act, there is no State. That I think is so easy to understand.

So, look at the Hawaiian Homes Commission Act. It says we get water with domestic use, and all of the other things. But when we understand that—but I appreciate Keith. Again, I just want to make it clear, we're not asking for special (INAUDIBLE) with this issue. But Keaukaha, and 40 lots, I'm built-out. We built-out in Keaukaha, so as not some place I going worry, you know, we get a big development coming on. But we do have the farm lots that you guys just put new waterlines in. I think it's Pana'ewa 185, some existing agriculture. But 11 lots, and it begun two years ago, and it's getting ready to be awarded. So, it's those kind of places that I want, because as the same place, those are Trust lands. This was residential. We can get to agricultural; that I believe is going to have a build-out.

Kaumana is another place we're looking at; Hawaiian Home Lands is going to do. We're going to have an issue there. But Kaumana, if you come from Hilo, you know get caves over there. Not here. They put us next to the sewer plant. I get the airport in the back. We get all the gas tanks; if they go off, we all disappear. You know, and then they going take you Kaumana and put you in the cave. That's not your problems, it's the service that you guys provide, that's what I want to be sure that it's clear and equitable to everybody else. So, that's why I'm here to make sure that I can do that. Thank you. And I appreciate Keith's exuberance, if you guys saw.

CHR. HIRAKAMI: Fair and equitable is not too much to ask, so we'll strive to do that. And by the way you have great support with the County Council, because when I got appointed to the Water Board, they told me that I've got to take care the problems.

MR. NEY: That was mentioned to me, too.

CHR. HIRAKAMI: That was the (INAUDIBLE). They said, "You better take care of the issues." And so when I got here, "Whoa, how come we charging the Hawaiians for the thing? They're supposed to get the water free," and the thing is we've got to pay for the electricity. The Commission should take care of that charge. Yeah, they probably (INAUDIBLE) their water. So the Federal Government—I mean—

MR. KAHAWAIOLA'A: I appreciate you. We've met in different other places. If nothing else, you would have been sitting here yelling at somebody else than me. However, I thank all of you. I meant no disrespect to any one of you for coming forward.

CHR. HIRAKAMI: No, maybe the Corporation Counsel.

MR. KAHAWAIOLA'A: Well, Corporation Counsel, she'll take care of it. That's her; that's what they. They're going to go do it. You know, go back and ask. When you go back—when she goes back, and go ask. She'll find the history here.

CHR. HIRAKAMI: Yeah, you gave me homework, too.

MR. KAHAWAIOLA'A: And that's what I want this body to do because we need to. And to Kurt and to Keith and the crew that's got to go out there look, you know, it's going to be wastewater, the connection. Waste water on Nahale-A is going to be—we're going to run into that issue, and I rather do that before it really gets bad because we still haven't—

You know, Hawaiian Home Lands, the Water Department is doing everything, you know, Ka‘ū—you know, West Maui, just yesterday, they have a new Commission by Charter. They’re going to put a Hawaiian Homes representative on the Board, on the Board like this. So, it was a big issue. When are they going to do it to Hawai‘i County? They tried, they tried to do it. That bill failed.

I really can appreciate. I think I should come to more of these meetings just to see how you handle the rest of the world out there. I would appreciate it if there is any way to get the agenda for the Water Department, too?

MR. OKAMOTO: Oh, yeah.

MR. KAHAWAIOLA‘A: I’ll show up too if it’s anything that’s going to concern Native Hawaiians. That’s my passion. I’ll just continue to advocate for them till the day I die. But again, I thank all of you for allowing me this opportunity to share my mana‘o and maybe enlighten some of you, if you did not know who, not me, who the Native Hawaiians, and trust me, it’s not—we’re not special. The Native Hawaiians are not special. It is the lands that we are attached to, special to us. All the rules we going make is going to be based on the use of the lands, not na wahi. It’s Hawaiian Homes. It’s called Hawaiian Home Lands, not Hawaiian Home People.

MR. OKAMOTO: I still think the people are special.

MR. KAHAWAIOLA‘A: I can appreciate. They are.

MR. OKAMOTO: You know, I think we wanted to put this on the agenda. You know, one thing we’ve been lacking too as a department is a better understanding of Native Hawaiian issues and rules and laws, so other things that we’ve been privy or able to participate in is some of these Native Hawaiian rights and things like that, training and stuff like that. We’ll probably, when the opportunity presents itself, provide it to the Board too, for participation.

CHR. HIRAKAMI: I think one thing this Board to explore is how can we honor the Hawaiian Commissions Act but still get reimbursed for our cost. The water is real of course, and they have the use. Like, one of the first things I asked you because of the challenge from the County Council is how come they no give the water free, and then you explain that. The Commission, they promised them the water. So maybe the Water Board can work with the Hawaiian Homes Commission and the Federal Government to see how we can do that.

MR. KAHAWAIOLA‘A: That I think, Chair, is what the missing equation is. You see, Peter not talking to Paul, and Paul believes that “I no need talk to Peter.” Because the elevation, it moves just that way, from the Federal during the Territory, then it came to Statehood. The scapegoat in my opinion, when it became a State, State vote became the County, the lowest form of the body, political, was the County; you do the enforcement, you’ve got to go chase the people, you got to do all of that. I can’t get a loan in Hawaiian Homes unless I build to County standards, not State standards to build, to County standards, so that’s the biggest problem that I’m having.

CHR. HIRAKAMI: I think there’s an opportunity with the Hawaiian Reparations Act, bringing money. I think chances are a chapter on that. So, it can be worked into that.

MR. KAHAWAIOLA‘A: \$600 million was just awarded. How much—how to act with \$600 million? I worry because Hawaiian Homes got to take care \$600 million; they no can spend \$6. I think the structure is going to be “Water is the Life.” We no can do nothing. Everything is got to be water, too.

There's broad-band, connectivity, so we got all these issues. Money is just being thrown. We just don't know who to handle them.

CHR. HIRAKAMI: Yeah, we're going to be discussing a similar issue, and we've been a burden of people that no pay their water. That's on the topic, so if you like stick around, that would be a lively conversation.

MR. KAHAWAIOLA'A: Okay, I got little bit time. I'll do that. But thank all of you again, mahalo.

MR. OKAMOTO: Thank you. Thank you, Chair, for entertaining this discussion. Appreciate it.

CHR. HIRAKAMI: That was pretty educational. Moving on.

B. MATERIAL BID NO. 2023-07, FURNISHING AND DELIVERING STRUCTURAL TUBULAR PALLET RACKING FOR THE DEPARTMENT OF WATER SUPPLY

Bids were opened on June 8, 2023, at 1:30 p.m., and the following is the bid results:

Bidder	Bid Amount
Barbarian USA, Inc.	\$69,605.00

RECOMMENDATION: It is recommended that the Board approve the price agreement for MATERIAL BID NO. 2023-07, FURNISHING AND DELIVERING STRUCTURAL TUBULAR PALLET RACKING FOR THE DEPARTMENT OF WATER SUPPLY, to the lowest responsible bidder, Barbarian USA, Inc., for their bid amount of \$69,605.00. 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. Brown moved for approval of the recommendation. Seconded by Ms. Hugo.

CHR. HIRAKAMI: Is there any discussion?

MR. OKAMOTO: Yeah, really quickly, as you see there's a one-bidder. This bidder is compliant. Funny because I have never heard of them, but Greg in his prior position with Solid Waste, is familiar with this company. They are legit. They are HCE compliant. Fair and reasonable evaluation of the cost was done to determine—because when we only have one bid, that's what we need to do. It's really for some of the structural components, you know, for this bid.

MR. GOODALE: The racks.

MR. OKAMOTO: Shelves. Industrial kind shelving for our materials, yeah, it's in need of replacement. So, that's what this is for.

MR. NEY: It's like a square tool and stuff like that, that you well?

MR. OKAMOTO: That's what this is for, to replace them with the strong one.

MR. LOPEZ: Yeah, equipment or parts that are on pallets. That goes up (INAUDIBLE).

MR. OKAMOTO: Exactly, yes. Thanks, Kawena.

MR. LOPEZ: Thank you.

MR. GOODALE: And this is for here in the Hilo Baseyard but also at the Kona Baseyard.

MR. OKAMOTO: And thanks to staff for trying to take care of this before it becomes an issue.

CHR. HIRAKAMI: Okay, any more discussion? If not, all in favor of this motion say “aye.”

ACTION: There being no further discussion. Motion was carried unanimously by voice vote. Mr. Bell and Ms. Keolanui were absent.

CHR. HIRAKAMI: Moving on.

C. SENATE CONCURRENT RESOLUTION NO. 35 AND HOUSE RESOLUTION NO. 56

Requests the Hawai‘i County Department of Water Supply to convene a working group to examine opportunities for increasing water access and strengthening water infrastructure for underserved communities on Hawai‘i Island.

CHR. HIRAKAMI: So, is there any testimony for this item? Seeing none. You all have a copy of it. We kind of started on the right way, do that Permitted Interaction Group (PIG), however this takes it more further, and specifically targets an area in Southwest Hawai‘i, and specifically Ocean View. So the resolution actually is to support a working group. They wanted a faculty at the University of Hawai‘i to conduct a research and for Water Resource Management. Who would that be, Keith? Do you know who that is? And then, it’s real broad, community members, including Native Hawaiian cultural practitioners. I guess they’re tasking us to form a group, how do we do that?

MR. OKAMOTO: Yeah, so as you folks may or may not be aware, so these are legislative resolutions. It’s not a bill, you’re not mandated, but in the spirit of—because we kind of started with the interactive group already, we intend to try and do our best to—

CHR. HIRAKAMI: I think this is a better way of doing it rather than PIG because now that we are—it’s resolved that we form a working group, bringing in experts from Water Management, from UH (University of Hawai‘i), and community members, and this will include members outside of the Board. So the PIG was with the Board Members, so this will broaden the scope a little.

MR. OKAMOTO: Actually, the PIG could have outreached to anybody. We intend to work on this. Already the County Director of Research and Development wanted to participate.

CHR. HIRAKAMI: Well, it would be appropriate that the State members be part of this working group.

MR. OKAMOTO: Yeah, or at least somehow be integrated.

CHR. HIRAKAMI: Right, because they can take the information back and report to the Board as part of the working group, so that would be appropriate.

MR. OKAMOTO: You know, I think it’s worthwhile to do it together instead of two different parallel phases.

CHR. HIRAKAMI: Yeah, right.

MR. OKAMOTO: Burning resources in two paths that could yield the same result.

MS. HUGO: I have a question. But we were told that the PIG can only report once and that's—

MR. OKAMOTO: That's right.

MS. HUGO: Right. So they can only report once a year, but can they write a report to that, or is that considered reporting to us?

CHR. HIRAKAMI: Maybe the report could be after the conversion of the working group, and report as a result of the working group.

MR. OKAMOTO: Maybe this is a question for Suzanna. So the PIG is already formed?

MS. TIAPULA: Right.

MR. OKAMOTO: Can we make them part of this working group, like the Chair suggested? Up to the PIG, whether they wanted to show a separate report to the Board, or just wait ultimately for this report, the other stakeholders that this resolution mentions?

CHR. HIRAKAMI: There's kind of short timeline.

MR. OKAMOTO: Yeah.

CHR. HIRAKAMI: Because the report is no later than 20 days prior to the Opening Session.

MR. OKAMOTO: Well, the report can be, "Oh, we'll get back to you next session."

MS. TIAPULA: And the question too, for the PIG, is how it was formed because you have to have a specific purpose for that group, and I don't know how broad, whether or not it encompasses all—

CHR. HIRAKAMI: It encompasses more than this because this one is specific. But we were trying to—the PIG was really to try and research ways that we can provide more into more rural communities in all the districts. So, this would fall into the scope for that.

MR. OKAMOTO: I think, Mr. Chair, they might have used Ocean View as an example, in there WHEREAS, but I don't think necessarily it's limited to that area. I think could be interpreted to be rural areas county-wide. You know, I think it could fit in line. Kawena has a question.

MR. LOPEZ: I find that extremely redundant. We're duplicating effort in two different avenues and hoping to come together to share information, with bureaucracy it never works, in my—I'm biased. I've been advocating behind the scenes; because the PIG has been inactive for close to a year, that we should our final report of what activities we've done. And then if need to reinstitute it under a different auspices, whether it be matched with this, or we talked about new members on it, but that's the direction we should go, and instead of trying to keep what we have and masterize it into something (INAUDIBLE). That's my input. I haven't been on the PIG, inactive for so long.

MR. NEY: The PIG was initially proposed as, you know, to go out and—it was pretty general, but then it got like it has to have a define purpose, and then it has to have a conclusion. And one time we

bring it to the Board, “Here’s our findings, or here’s what we came up with,” that I think led to a little bit of lack of clarity for me. I mean, I don’t know if we still want to get something going with the PIG, but I’ve been—since that kind of changed as we went along, I kind of put the breaks, and taking the initiative and doing it. But I’m not opposed to merging it with this resolution, as far as objective goes.

MR. OKAMOTO: Well, it sounds like what Kawena was talking about, is maybe just closing up the PIG, and then we focus our efforts upon this resolution. So maybe with concurrence from Corporation Counsel, maybe the PIG can just decide to do whatever it is, either terminate the process or file a report.

MS. TIAPULA: You file the report, and the Board can’t take any action until the next meeting. So if you file a report at the next meeting, then at the subsequent meeting, you say, “Okay, we’re finished, the PIG is finished;” and at the next meeting, you would have identified all of the potential purposes. In terms of the two resolutions, they have specified and to propose a new PIG with that most resources available. I don’t if that meets with the timeline here.

MR. OKAMOTO: Yeah, or it may not even require a PIG formation from the Board.

CHR. HIRAKAMI: No, just members of the group, the working group. So, that’s a good idea.

MR. OKAMOTO: So what we can do then, at the next Board agenda, I think somebody will let us know, or let Nora know, what it is you would like to put on the Board agenda, whether it be a report—and the report can be termination of the PIG, in terms to this or something.

MR. LOPEZ: We should probably recap the activity of this (INAUDIBLE)

MR. NEY: I met with my district a couple of times, so I’d probably just summarize it. I’ve done, and maybe he can do the same and just say everything is kind of left off.

MR. OKAMOTO: So sounds good that we put something on the agenda next month, from the PIG.

MR. LOPEZ: So we should let for Julie to present? Ben, as the Chairman? We’re going to have to (INAUDIBLE), right?

MR. NEY: District 9, with what their needs were, basically. I think each district has their need. I mean, feel like at all the districts, I’m the least underserved, perhaps. I mean, there are some people that have access to cattle water. I mean realistically, I think this was more aimed at these other districts, Puna, Ocean View. For me to kind of take up that issue, it probably would have been better off with someone in that district to have led that charge, maybe.

MR. LOPEZ: To clarify my question, I don’t mind doing a report for the activities that I did.

MR. NEY: Right.

MR. LOPEZ: I present that to you to bring it as the Chairman of the PIG to quorum. So just to communicate on that.

MR. NEY: Sure.

MR. NEY: We can just consolidate our activities.

CHR. HIRAKAMI: Just consolidate the reports (INAUDIBLE), and then report to the Board.

MR. OKAMOTO: I think it's really the purview of the PIG and its members what they want to present. Makes sense to me that it somehow be consolidated and presented by one.

CHR. HIRAKAMI: One or both?

MR. OKAMOTO: Yeah.

MR. NEY: Which I'm just saying about this, though. It's almost like, "Give us the water or spare development." I mean, I don't know if that would really have an effect. I think the infrastructure issues are just as critical as having water available in the district, too. You've got to put both those things in place.

CHR. HIRAKAMI: Is there anybody at the University of Hawai'i at Hilo that would fit into this resource management?

MR. OKAMOTO: That, I'm not sure, but we do know people at the Water Research Resource Center.

MS. HUGO: Resource Development, as part of the Water Resource Development.

MR. OKAMOTO: Yeah, I know who the head of that is.

CHR. HIRAKAMI: That's the first reach out.

MR. OKAMOTO: The first reach out. What we'll do for July or August, we'll try to think of some people for this working group and then present that to the Board for consideration, and in the meantime if you guys can think of anybody, let us know. Uncle Pat, if you think of anything. Oh yeah, I think we have some people that we could at least reach out to, to get who would participate on this working group.

CHR. HIRAKAMI: Moving on to Item D.

D. DEPARTMENT OF WATER SUPPLY COLLECTION AND DELINQUENCY POLICIES

Information will be provided to the Board on current policies and procedures in place for collection and water shut-offs due to delinquent balances for water service charges. Discussion will follow along with any recommendations that should be considered for future action.

CHR. HIRAKAMI: Several Board Members asked for this kind of discussion. Candance, sorry we took to this task, but oh my God, what a comprehensive report you put out. We didn't realize that the Board—how many, it's close to \$1 million in delinquencies. People haven't paid their bills. I see that we used one collection agency. So I want to give you the opportunity to present your findings, and then surely have some questions about what happens when it goes collections: what percentage they take, do they pay us a percentage, and that kind of stuff.

And then, we need to discuss strategies like how do we reduce the delinquencies, and it might be better communication or stuff like that. Anyway, thank you for doing this report. I read through it, so yeah.

MS. GRAY: You did.

CHR. HIRAKAMI: I read through every single line of the ones above \$1,000, because you didn't report on the \$2,500 and below \$1,000.

MR. OKAMOTO: Okay, so yeah. With that, I'll turn it over to Candace. And again, sorry too, I think this came out a little too late. This is not a one-off discussion, you know, we can continue to put it on the agenda. With that, I'll turn it over to Candace.

MS. GRAY: I just tried to put together as much information as we could, and then present it in a format that would hopefully be understandable to everyone, and it stems from the number that I report every month in the Financial Statement, the greater than the 90-days delinquencies for May 2023, and this month for the month that I'm reporting on, the total is \$989,880.00.

Just in a short amount of time, I did my best to try and evaluate what that number consist of. I just highlighted in this coversheet page that greater than 90-day delinquency more than 50 percent of it comprises of, let's say eight percent on the account, about 200 accounts, which I already provided information in your packet. You can kindly see what the status is of those accounts. A lot of those, I guess delinquencies or those charges, are attributed to leakage, a lot of it. A lot of those accounts are already referred to the collection agency, so they are being dealt with.

With this packet, I provided a flow-chart, so you can kind of see what our packet is from, dealing—you know, and those to be shut off, as well as referrals to the collection agency. I think too, by our collection section, that a lot of our delinquencies happen too when people close their account, and we don't see their final bill, maybe because they don't get their final bills because they moved away, so maybe that would be something that we could kind of look at.

MR. OKAMOTO: I think some history to that, just for the Board's awareness, if somebody signs up for service for like personally, we have a—what's called a, what do we call it, credit department—used to be kind of nominal, we bumped that up to \$150, I think to help offset some of these situations. So in other words, \$150, if you don't have any credit history with the department, we're going to need to—

MR. NEY: Deposit.

MR. OKAMOTO: Yeah, deposit. Almost like a rental deposit. In the past, I think this Board decided to bump it up to \$150 to help remedy some of the situation. I think that's another strategy that we could talk about, you know, whether that should be relooked at, revisited, the amount. This is an ongoing issue, renters especially, they don't pay their last bill.

MR. LOPEZ: Can I comment? That deposit, isn't it refundable after like two years in the system?

MR. OKAMOTO: Yeah, is that what it is?

MS. GRAY: It used to be.

MR. LOPEZ: Used to be.

MS. GRAY: Now it's just held on to—

MR. NEY: As long as you have an account, it stays there.

MS. GRAY: Until the account is closed, it will cover whatever charges.

MR. LOPEZ: Okay, so that makes more sense.

MR. OKAMOTO: Good question.

MR. NEY: I mean, \$150 is not really going to offset the \$7,000 bill very much.

MR. OKAMOTO: Yeah.

MR. NEY: I mean, and I've said this before, like there needs to be a change on how these accounts go open. Whoever owns the property is going to be the payor of the account; because if not, you'll know recourse. These are going to be uncollectible into the future because—if you don't pay your property tax, you'll get a notice to pay your property tax or your property might be taken. We have no mechanism for collecting, other than an aggressive debt collector, or third-party lawsuit, and getting a cut of what they could collect. That needs to change. I mean, I don't know if we have to put up for both. But that system we have doesn't work.

MR. OKAMOTO: I think there are some legal discussions that have to be involved because I know this happened in the past. That was suggested in the past, you know, that the landowner cosigned on the application to water service.

MS. HUGO: I thought that was the practice. Like 20 years ago, when I started my license here, and then they changed it to remove the home from that time, with the renter.

MR. NEY: What was the logic behind that? It doesn't make any sense.

MR. OKAMOTO: Yeah. I mean, if we can

MS. HUGO: Research, as an option.

MR. OKAMOTO: Yeah.

CHR. HIRAKAMI: Other municipalities have that, where the owner of the land is ultimately responsible (INAUDIBLE) real property tax.

MR. OKAMOTO: We can put a lien on that property or something.

CHR. HIRAKAMI: Yeah. Well, they can make it up with raising the rent to the renters and stuff like that. There are ways for them to recover costs. If you're renting the land the renters create a leak and they don't pay for it, they escape, the landowner is holding the bill, and there are ways for them to recover. But ultimately, they're making it a part of that, attaching it to the real property.

MR. OKAMOTO: But I guess ultimately, I mean, we're still not getting paid, so what is our—?

MR. NEY: Have you guys ever had to take things to court? I mean I know like with credit card debt, and they're like, "Hey, we're taking this to court, and we're going to garnish your wage till you pay the bill." I mean, why isn't it something we can't toughen up on it, and go, "Hey you know, you owe us \$7,000, if not we'll take it to court, what they call it, a judgment or something.

CHR. HIRAKAMI: Some of these were referred to Corporation Counsel. So, some of them weren't litigated, right?

MR. NEY: Does it go any further? I mean, has it gone any further to—and that we're giving the collection back through legal avenue, or no?

MS. GRAY: I think, from my experience, what I've seen is, okay once they get a judgment, I guess it really depends on the debtor, unemployment, or put on that judgment, and if not, it kind of sits on the books until it's possibly written off.

MR. NEY: It would be like a default judgment is what it would be if someone didn't show up.

MS. TIAPULA: If it was to be (INAUDIBLE),

MR. OKAMOTO: That's right.

CHR. HIRAKAMI: What are the arrangements with the collection company? Do they pay us a certain percentage if they take over the collection? How does that work?

MS. GRAY: They get 25 percent.

CHR. HIRAKAMI: 25 percent. And then, do we see that in actual money? Do they actually—?

MR. NEY: We get 75.

MS. GRAY: We get the net, the 75 percent.

CHR. HIRAKAMI: If they collect?

MS. GRAY: If they collect.

CHR. HIRAKAMI: What's their success rate?

MS. GRAY: And that's something that I'm looking into, so I don't have that information available today.

MR. LOPEZ: Candace, correct me if I'm wrong, please. My recollection from the last meeting I believe it was, the delinquencies include those accounts that are in consideration for water reduction—what we cover.

MR. OKAMOTO: Rate adjustment.

MR. LOPEZ: The rate adjustment?

MS. GRAY: Yes.

MR. LOPEZ: Is that true here?

MS. GRAY: That is true here?

MR. LOPEZ: But if it is, of this \$989,000, we stripped that out, so I mean we could satisfy adjustment. What are we doing?

MS. GRAY: That is correct. What the exact amount is, I couldn't tell you off-hand. I would say that the process, you know, if someone had been notified of high consumption, and applied for a leakage adjustment from this point in time, then they may—the account will be in like a suspension mode, where they wouldn't move forward through the collection process, although their balance continues to move in the aging. It will—

MR. LOPEZ: But it gets recorded under “delinquent.”

MS. GRAY: Yes.

MR. LOPEZ: So this number is maybe, excuse the language, inflated for those that were working, process for water adjustment?

MS. GRAY: Yes.

MR. LOPEZ: And it would be good to know the delta, because are we dealing with five percent, or are we dealing 50 percent?

MR. OKAMOTO: Assuming we have hope of actually covering payment.

MR. LOPEZ: Yeah, yeah.

MR. OKAMOTO: That's a good one.

MR. LOPEZ: I'm not trying to create work.

MR. OKAMOTO: Yeah, I mean we've got to know what we're looking at. So I think the other questions I need answered also for myself, I'm going to ask Candace to try and get information on this. Every utility is faced with this. So where we do stand in the grand scheme nationally, percentage-wise? Our total revenue stream has this much delinquencies. Is it good compared to other utilities of equivalent size, or A-plus rank utility who is top notched, top tier? Where do we stand? I'm guessing we're kind of close.

CHR. HIRAKAMI: To me, it's about two percent.

MR. OKAMOTO: Yeah, it's about two percent.

CHR. HIRAKAMI: One strategy with other water companies is that—I'll take a similar case; if our bill were monthly, most of these are highlighted “leak,” leak, leak, leak, leak. I've experienced that personally as a private homeowner, but at the school I had a major leak last month. Our bill was like \$1,300. That leak must have been going on for two months because our other bill was \$350, or something. Would a strategy of going to monthly billing will reduce the amount of delinquency, and also save the homeowner or the user loss of money because they would get a notice, in fact. Say if it's monthly, it would cut their losses in half. Sometimes a leak gets undetected and then you see your water bill and go, “Oh my God, what happen,” and then you ask for a leak adjustment, and we get one-half of the average of six months. You know, I just was wondering if that might be a strategy, too.

MR. OKAMOTO: Yeah, so I think even that has been contemplated in the past, and it's something we can reconsider. What happens when you switch to monthly, it's basically your cost doubles, right, manpower, and mailing costs. And now there's technology, right, Smart meters. One thought that I had was maybe an “Opt-in” program for our customers, where we won't do a blanket replacement of

meters; but if you want to Opt-in \$150 bucks, we'll swap your meter for a Smart meter, where you have to pay for a subscription possibly. But you have almost real-time information.

CHR. HIRAKAMI: Right.

MR. OKAMOTO: And then I think even with those, you can set notification triggers, you know, if your usage exceeds a certain amount, you'll get a notification, things like that.

MR. LOPEZ: Keith, I have been notified over the years, maybe a couple of times, that I have a high water usage, maybe a leak, and it did turn out to be a leak. How do you do that when it's not during the normal (INAUDIBLE) meter?

MR. LOPEZ: It's only when you read the meter because you're aware, and you do know, you know that. Yeah, okay.

MR. OKAMOTO: But like Steve said, they only read every two months. That's when we're going to notify the customer.

MR. LOPEZ: Sure.

MR. OKAMOTO: Yeah, leak might have started right after the last reading, right?

MR. NEY: Do you guys report to credit agencies? That's another thing too, like if the cellphone carrier insurance company, they don't pay, that person might reconcile the issue with their bill because they don't want their credit. I'm not saying that's a nice thing to do, but it is a way to get people to pay, to report these people.

MR. OKAMOTO: I don't know how that works, yeah.

MS. GRAY: We don't report directly. I believe the correction, which would be the—you know, if it's reported.

MR. NEY: Which is Argona.

CHR. HIRAKAMI: Other cities have been using like different methods of communication, more modern methods, instead of just mail. They've been texting, emailing, so having email accounts and texting to be—reminders. And also too, because of the electronic aids, they've been making it easier to pay with Pay Pal, and electronic transfers of money. What we don't want to look like is the bad guys. We want to keep up our customer relationship, but at the same time, we won't pay their bills, too.

Some of these leaks are household leaks, and simple things like a running toilet. You wouldn't believe how much water a running flapper, like a \$2 flapper will cause a homeowner. So it might be an education too, you know, and putting out education. Like, these are helpful ways to stop your water bill from going high, and it could be a flyer on monthly invoices. A flyer, "Hey, have you checked your," and just kind of keep—we want to keep up the relationship.; We don't want to look like the bad guys.

MR. OKAMOTO: Yeah.

CHR. HIRAKAMI: We want to kind of be helpful, at the same time we are encouraging them for them to save money, for them to save on the leaks because ultimately it costs them money to pay us. We certainly don't want to go to the point of shutting off the water, but if that's the last recourse. You know, when we shut off people's water, when we take out the meter, our chances of collecting is zero, right?

MS. GRAY: I wouldn't say that. There's a lot of people that will pay right at the time of the shut-off.

MR. OKAMOTO: Right before they take out the meter, it's a big incentive for them to pay. Once you take it out, I think the first thing is once the meter is out, they don't have the incentive to pay.

CHR. HIRAKAMI: Right.

MR. NEY: Has there been an instance, where like a certain property, TMK, it's water suspended, either taken out, and then that party leaves; new party comes, does he need to open account on this property? We're putting the thing back. That's insane.

MR. OKAMOTO: Our suspect, this could be relatives, you know, the brother now applying for the meter; that, "Oh, he went delinquent," and now the sister going to apply. So those are—hopefully, few and far between, but we do have suspected situations like that. I think what we probably want to focus on is really trying to deal with some of the big ones, low-hanging fruit. We try to make sure whatever strategies we employ, the best bang for the buck. I think I hear the Chair's message, and I totally agree that we need to have that balance, though. We don't want to just be the hammer, right? We still need to have good customer relations, and that's why I think sometimes this technology can come into play. The burden is back on the customer; if they can get their water usage real-time, and we can notify them, really no more excuse for the leakage, whether it be toilet valve or something even more major. And then, we're also working on education, but an insert might be help. PSAs' maybe, might be helpful. Yeah, there are a lot of things we can do.

CHR. HIRAKAMI: As far as the department, how big is the negotiation team to readjust those, where people come in and—I mean, that's a strategy, too. We ought to be friendly and say, "Hey, you know what, let's make a deal here. You come in, you got this.:" So how big is the negotiation team, and how big is the credit department?

MR. OKAMOTO: That's the million dollar question.

CHR. HIRAKAMI: You know, sometimes you got to put money to get money, so if you built up your IT (Information Technology) system, so you keep a good customer profile and know who are the late payers; and then communication, and say, "Hey, you got this bill. We're willing to settle for 50 percent if you paid by this date."

MR. OKAMOTO: Yeah, so it's hard to find anybody. We have a team of one in our Collections. Right now, even in our Customer Service in Hilo, we have two people, where there should be five, right now, today, who is also covering for the cashier. That's one thing we're short with. There are a lot of things we'd like to do, but resources, to be quite candid, it's been a challenge, and the main resource is an actual physical body in a seat to do the work. So I think if we can employ technology appropriately and prudently, that might help where we don't have to employ a body, certain things like that.

MS. GRAY: I will say we talked about negotiation. We are just limited to what's in the Rules and Regulations, and what our processes are. There's discretion, you know, a way from that. If there's any kind of adjustment for consideration beyond that, we need to bring it to the managerial, the Board.

MR. OKAMOTO: But one thing that we have given our Collections clerk some discretion is on payment plans.

MS. GRAY: Yes, there is some discretion there, although I believe our standard is like no more than two years, as far as the term for payment plans.

MR. OKAMOTO: At least coming up to snuff with their delinquency.

CHR. HIRAKAMI: Do we like waive, I mean there's certainly people that just lost their job, or moved to a home, and they're having a hard time. Do we waive penalties and interest, because we've charged, I think for ten-and-a-half per month?

MS. GRAY: The percentage is very minimum, one percent.

CHR. HIRAKAMI: One percent per month.

MS. GRAY: Just one percent.

CHR. HIRAKAMI: Which is 12 percent per annum.

MS. GRAY: It's actually just one percent of the delinquent amount, one time.

MR. OKAMOTO: Yeah, so it's not per month, it's the whole total.

MS. GRAY: I'm not sure about that, as far as how it was, the determined amount.

MS. HUGO: Quick question, I was wondering if the Energy Program that we participate in, you know, how they funded the money to buy the leak detectors, if they would be a good partner, considering partnering with us in your Opt-in—

MR. OKAMOTO: Smart meters.

MS. HUGO: Smart meters. I was just wondering. I don't need an answer, though. I just wondered if it extends to the consumer because typically come to just—

MR. OKAMOTO: Not the Energy Program, but it might be other funding opportunities. Yeah, we should look into that.

MS. HUGO: And as a consumer, I would be interested if it was a cheap insurance policy. But if I didn't—that they did have a leak and didn't report it, then I wasn't responsible.

MR. OKAMOTO: Oh, I see. Yeah, so then it might be more than \$150. But, yeah. Warren, can you maybe see if there's qualifying energy opportunities for Smart Meters? I think might fall under Department of Interior. Department of Interior, right? Good idea.

MR. NEY: Would you get that agendized, like to at least get the framework, and whatever has to happen, make those changes, or is that something we have to discuss?

MR. OKAMOTO: In a rural area, if there's some kind of initiative that we can implement, regardless, we'll go ahead.

MR. NEY: I mean, that's just one thing, I don't want to just keep status quo because it doesn't work. At least get the ball rolling, even if it's difficult to do.

MR. OKAMOTO: So if that sounds okay with you guys, that's something I'll look more into, that Opt-in or Smart meter. For our island, the challenges are for cellular communication, and what the technology is capable of doing. What I also heard is, we'll need to lean in on Corporation Counsel and get their assistance on landowner co-sign; what, I guess, tools we have available for collections if a landowner co-signs.

MS. HUGO: At least landowner notification. If they get a copy of the bill, they "Whoa, that wasn't quite what I thought was going on in my property."

MR. NEY: Well, two things will happen; one is—I know the landlords collect more than \$150 deposit. They safeguard their position. But secondly, it might encourage landlords to be more proactive about, you know, fixing the place up so there aren't leaks, too. I mean, you might have a benefit there, too.

MR. OKAMOTO: Well, I guess the other thing we need to research, what can the department assess on to the landowner? Can we transfer this burden from tenant to the landowner? And so? Now, what is the penalty? Is it a lien on the property? I don't know what is available, because otherwise the landowner going say, "No, the guy still got to pay. It's not my problem."

MR. NEY: I think the power to lien is really the golden ticket in getting it fixed.

MR. OKAMOTO: I guess we can do some research on whether or not reporting to the credit agencies (INAUDIBLE), the delinquencies.

MR. NEY: At least check with the debt collector that they're doing that. Because yeah, a lot of people are going to clear up a thousand-dollar bill on their credit report because their credit rating is going to go in the dumps.

MR. OKAMOTO: And what I'm also going to do is—you know, we have quarterly manager meetings with the other jurisdictions, so I'll put it on the next agenda or some soon agenda to be discussed, you know, their delinquency, what they do and how do they address with their department.

CHR. HIRAKAMI: That's a good thing. So the idea was just to bring it forward for discussion, but to leave it up to you. We're not a management board, but we'd like you to come up with the idea to present to the board some strategies, just to—you know, because it comes up on the Financial Report, and we never had this discussion, so I'm glad it's finally on the agenda.

I was talking with the other municipalities, and there's some municipalities on the mainland that already have strategies like that. I did my due diligence, and I researched a lot of them. But the key was to keep that customer relationship. We're not the bad guys who keep a—to negotiate, to get credit (INAUDIBLE). A lot of strategies, monthly bills, and everything. It's just opening up the topic so that you as a department can come to us and say, "Okay, we found the golden ticket. This is what we propose to the Board," and then we'll ratify it.

MR. OKAMOTO: Okay, good. Thanks, Candace.

MR. NEY: Thanks, Candace, that was a thorough—

CHR. HIRAKAMI: Awesome report.

MR. NEY: Yeah, you did a good job.

MS. GRAY: I'm glad you read it.

CHR. HIRAKAMI: It's good, though. It had good information for discussion.

MR. OKAMOTO: Well, the flow-chart hopefully helps you folks too, our business process, you know, today.

CHR. HIRAKAMI: Okay, and then we're going to go on to Item E.

E. MONTHLY PROGRESS REPORT

Submission of Progress Report of Projects by the Department. Department personnel will be available to respond to questions by the Board regarding the status/progress of any project.

CHR. HIRAKAMI: Is there any testimony for this item? I'll turn it over to Kurt.

MR. INABA: I just wanted to make one note, Hala'ula is being put into the system as we speak. We'll have that system run for a little bit. We should be taking off at least 100 to 150,000 gallons a day for Hawi. How we did it, had a six-month period to make sure the operations is—will be, it should be. With that well, actually Kohala will then have a little bit more water availability. It's not like a full backup yet, but that's a long-term plan. That is in the works. That should make some water available for the area. That's the big one.

Puakō, another big one. The material is supposed to be getting on the barge soon, well, not even on the barge, actually shipped from the manufacturer to get to the West Coast so that it can be put on the barge. That should be put—we've seen communication between contractor to supplier manufacturer, anticipating that to be now at the end of next month or a little bit later. It would be shipped soon. Park—we didn't communicate with the community. We're going to have another community meeting. You know, basically the park,

Now, Lālāmilo, that's going to be starting. We still need to wait for the Trustees to approve the documents also, our understanding it's all good. On status, we'll be communicating again to groundbreaking.

MR. OKAMOTO: Kurt's talking about the Lālāmilo 10 million gallon. What I do want to acknowledge, and I thought he was going to be here today, but Parker Ranch did—so they have a Board that they answer to as well, so I think they expedited the review of the contractual documents with their Board, as well. Supposed to be good. So now, it's just—I can see in the deal, with the signatures and whatnot, and hopefully we can move forward. I'd like to have a groundbreaking, but I'm not going to wait on that, to make sure this project gets going.

MR. INABA: I did speak with the contractor this morning to do the UXO Survey as the Attorney Corp. is coordinating that work. He wasn't aware of it yet.

MR. OKAMOTO: Because part of, in addition to acquiring the land and whatnot, is an unexploded ordinance survey of the property needs to be done.

MR. INABA: They have the people already communicating with the landowner, so we arranged that. I ask to make sure that we take advantage of any opportunity, maybe some requirement to train the contractor also, so I did let the contractor know about this also. Definitely, we want to approve that as soon as possible.

MR. NEY: Thanks for getting this done because Kona, expensive asset like that on a lease, I mean, it's good we got this purchase agreement.

MR. OKAMOTO: And of course, part of the urgency to that was we do have Leg. appropriations which were hard to get. It's rare that Leg. gives us funding. So I do want to acknowledge Senator Lorraine Inouye, for the record, that she helped get us money. So that's going to help, for sure.

You know, while I was up at ACE, I did visit the ductile iron pipe manufacturer to ask them about, you know, how's the status nationally about ductile iron pipe manufacturing? The clearest answer I got was, "It's getting better." It should be almost back to normal. That's about as much as I could get.

MR. INABA: There are requirements to fund this, also. Require that we comply with Build America, Buy America Act. We have to buy safe products, It's not just American Iron, it's pretty much everything.

MR. OKAMOTO: They call it AIS, and that was extended to all the components. From our understanding, it's not that simple. Maybe we might come up with some time extension requested of us.

So besides time extensions, I just want to be candid with the Board that because of delays, and if material prices go up, we will likely see requests for additional funding. As you guys probably know, from your own personal lives, things not costing what they used to cost, and that's even compounded in the construction industry.

MR. NEY: This is not an item on the list, but at the Toronto conference, we also have the time sensitivity issue with verifying all the meters for the lead and copper rule. How are things in place with that?

MR. INABA: We'll be putting that on the list.

MR. NEY: On the list? Okay.

MR. INABA: Even though it's not a CIP project per se, there will be a contract, but it will be significant, so I think it's best because it's a huge contract.

MR. OKAMOTO: It's a significant expenditure. So the only recourse we have is to see if we can seek outside sources of funding or pass the cost on to our customers. So one of them is this lead and copper rule, which to me is ridiculous, because now we have to go over and beyond the meter and identify what the material is on the customer side. Who the heck came up with that one?

MR. INABA: Beyond that, is if there are any samples that exceed limits, we would have to assist with replacing the customers lines.

MR. OKAMOTO: You know what that means, we're going to have to pay for it.

MR. NEY: Well, like usually the rule change, supersedes our decision on things. But one thing you guys might look into is if you can sample certain amount. They're doing this predictive software, so if you can get certain amount in the area. It might not be the most accurate, but I think it would still comply with—

MR. OKAMOTO: We'll hire the consultant, and this is going to be by far our largest consultant contract ever to help us with this because we don't have the resources to go and sample.

MR. NEY: Predictive modeling is the term in this.

MR. OKAMOTO: In addition to that, we have to post information on the web.

MR. INABA: Yes, access available to the public.

MR. OKAMOTO: Any other questions? Thanks, Ben.

MR. NEY: Well, it's going to come up more abruptly than you guys think. Before you know it, they'll be behind on it.

MR. OKAMOTO: We're up against the wall already. The deadline for the requirement is next year. It may show up on the CIP, just because of the major expense.

MR. INABA: It'd not like a CIP project in that sense. It's weird because we're going to have to work with them, a consultant, like a contract.

MR. NEY: Well, it's definitely capital-intensive like a project.

MR. OKAMOTO: Anybody have any other questions on any particular projects?

CHR. HIRAKAMI: No.

MR. OKAMOTO: Thanks, Kurt.

CHR. HIRAKAMI: Thank you, Kurt. With that, we move to Monthly Financial Statements.

F. REVIEW OF MONTHLY FINANCIAL STATEMENTS

Submission of financial statements and information relating to the financial status of the Department. Department personnel will be available to respond to questions by the Board relating to the financial status of the Department.

MS. GRAY: We have the May 2023 Financial Statements, almost at the end of the year. As it shows, and it's the line items that changed \$10,000 and 20% or more from the prior fiscal year. Most of these items that have been reported you've seen in previous months, maybe the month the numbers might change a little bit from month to month.

This month I just decided to add a little note that anything new that's put on here is in bold and the only that changed or have been added were our preliminary survey and investigations that decreased

because we transferred those costs, the construction work in progress account, which you all know is moving forward, with that project. I just want to say, and if you notice, we're moving in a positive direction and position, continues to make positive changes. If you have any questions?

MR. OKAMOTO: Any questions for Candace?

CHR. HIRAKAMI: Very good. With that, we move on to Manager Chief Engineer's report.

MR. OKAMOTO: For most of it, I think I'm going to turn it over to Kawika actually.

MR. UYEHARA: Okay, thank you, So for this month, for North Kona Wells, similar to last month. We have 10 of our 14 wells in North Kona operating or in use, The same four are off-line, so Palani, we talked about it earlier, that the time extension request went to August. Hualālai, we also went over; time extension was approved to September. For Makalei wells, our Engineering is still working with the contractor to get a better schedule on the return projects. And then the fourth one is Wai'aha well, where we're still in legal discussions for that. Thank you.

G. MANAGER-CHIEF ENGINEER'S REPORT

MR. OKAMOTO: Thanks, Kawika. And Number 2 is these distinguished folks who entered the room. I'm happy for them. That's a whole lot of institutional knowledge that they've acquired, and they are very important resources to our department. So we're happy for them in their personal lives, but on a professional note, we'll be hurting because they'll be retiring. Anyway with that, I'll turn it over to their actual supervisors.

(Note: At this time, the Board Members and staff expressed their appreciation to retirees Michael Omiga and Milton H. Hughes-Okada for their many years of service with the Department of Water Supply.)

MR. OKAMOTO: All right, Kawika again.

MR. UYEHARA: Okay, so for the 2023 Annual Keiki Water Conservation Poster Contest, we finished that earlier this year. We judged almost 500 entries from students across the island, about 13 schools participated island-wide, so we're very happy with the participation that we got from the students and the teachers. All the winners and entries of the posters are put on our website right now, so you can see it there; and we issued a public release, announcing the winners of the posters, from Kindergarten to Sixth Grade, the winners and the runners-up. The winners and the runners-up got different size Yeti water bottles, and we actually had a custom DWS logo engraved onto the water bottles. Sounds like the students were very happy with the prizes.

MR. OKAMOTO: Did you want to cover the—?

MR. UYEHARA: Yeah, I can start off. Maybe others can chime in. So the next item is 2023 Hawai'i Works Association Conference. So I just want to inform the Board, and I believe most of you received the "Save the Date" email already for this upcoming conference.

So basically, some background. Hawai'i Water Works Association, created back in the early 60's I believe, and one of our former managers, William Thompson, was actually one of the leads and helped to create the Statewide association, particularly comprising of the Board Water Utilities: us, Maui, Oah'u, and Kaua'i, to create an association us in the Water Industry could get together annually, you know, share, learning, stuff that we've learned, networking, workshops, technical workshops.

This year is our year hosting it, in partnership with DWS, the association is hosting this conference. The last time it was held, it was 2019, Honolulu Board of Water Supply, before COVID. So this year, it's going to be October 25 – 27, 2023. The venue is at Mauna Lani. We're working currently on the registration packet. So quite early August, we'll try to get the registration packets out. There's information on the technical program, any excursion or golf event. Yeah, so I just wanted to give the Board a heads-up on that.

I think some have already expressed interest to Nora. If there are any other Board Members interested, send it to Nora. In the past, I think we've gone—if there's more than we've budgeted for, we've gone by seniority. So seniority of the Board Members to these conferences, and most likely the Chair also, representing the Board.

MR. OKAMOTO: I think we can have four of them. So what we'll try to do, Chair is always considered, and after that by seniority, especially if you're going to term out and you want to go, we'd like to allow you to go. If you're interested.

MR. NEY: You guys are hosting?

MR. OKAMOTO: Yes.

MR. NEY: Like you guys need help setting up?

MR. OKAMOTO: Yeah, it's grown. In the past, it was much more informal, but nowadays to help justify costs for other jurisdictions to attend, we need to put a program that qualifies for CEUs, you know, so they can send operators and things like that. It's become a little bit more technical. I think we still want to have some non-technical sessions, just to keep it somewhat lighter. But yeah, I want to thank—a lot of our leaders here are part of the planning committee.

As you all know, putting together a conference takes quite a bit of effort, so thank you for that. No, we don't expect any assistance from the Board. You folks, by serving on the Board and volunteering your time, this is allowing you folks to attend conferences. It will help increase your awareness of the industry and stuff like that. Yeah, if you're interested, just let us know. Thank you. Thanks, Kawika. And that's all we have, Mr. Chair.

H. CHAIRPERSON'S REPORT

CHR. HIRAKAMI: I want to thank our retirees for all your service to the Water Department. You make me jealous. I'm supposed to be retired right now but I'm still working, so I envy you guys. I want to thank Patrick Kahawaiola'a for his insight today and for making me the second oldest guy in the world. Lastly, I want to thank the Board Members for doing their homework before they come to this meeting, so this meeting can go faster. I know we had lengthy discussion points on a lot of critical issues, but we go to move through the time extensions smoothly, without reading everything, so I'm happy that you guys do your homework. Looking forward to next meeting, at the Water Department.

8) ANNOUNCEMENTS

Next Meeting: - July 25, 2023, 10:00 a.m., at the Department of Water Supply, Hilo Operations, 899 Leilani Street, Hilo, Hawai'i.

9) **ADJOURNMENT**

ACTION: Ms. Hugo moved to adjourn the meeting; seconded by Mr. Kekela and carried unanimously by voice vote. Mr. Bell and Ms. Keolanui were absent.

(Meeting adjourned at 12:37 p.m.)

Recording Secretary

APPROVED BY WATER BOARD
JULY 25, 2023