

## MINUTES

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

July 25, 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  
Mr. Thomas Brown, Water Board Member  
Mr. Benjamin Ney, Water Board Member  
Mr. Keith Unger, Water Board Member

ABSENT: Mr. Michael Bell, Water Board Member  
Ms. Julie Hugo, Water Board Member  
Mr. Michael Pono Kekela, Water Board Member  
Ms. Kea Keolanui, Water Board Member  
Mr. Keith K. Okamoto, Manager-Chief Engineer,  
Department of Water Supply (ex-officio member)

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

OTHERS PRESENT: Ms. Diana Mellon-Lacey, 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. Eric Takamoto, Operations Division  
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 five members were in attendance.

CHR. HIRAKAMI: Before we start, I’d like Keith (Unger) to introduce himself to the Board. Tell us what district you’re from and a little bit about you.

MR. UNGER: Sure. My name is Keith Unger. I’m District 6, so taking that position. I’m a rancher in South Kona, McCandless Ranch. I have a little bit of real estate background. I have a Broker’s license and a small real estate company, so I do that together with my ranching business. I’m from Hilo and married a Kona girl. We live in Kona. We’ve been in Kona quite a while now, in Ho‘okena area.

It's interesting reading these minutes, and I see that the Water Department deals a lot with companies drilling contractors. After college, I got hired on by Global Marine Drilling Company and spent five years in the Gulf of Mexico and overseas as a roughneck and Derrickman, so I'll be curious to see how it relates back to drilling in Hawai'i, and that's been a while ago. I spent seven years on the Leeward Planning Commission, stepped up two years ago, and that was a good experience; and so when I saw this position open up, I applied. I look forward to meeting you all, working with you all, and contributing where I can. Mahalo.

BOARD MEMBERS: Thank you.

CHR. HIRAKAMI: Thank you for joining us and making quorum.

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 June 27, 2023, Water Board Meeting

ACTION: Mr. Ney moved to approve the Minutes of June 27, 2023. Seconded by Mr. Brown and carried unanimously by voice vote. Mr. Bell, Ms. Hugo, Mr. Kekela, and Ms. Keolanui were absent.

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

5) POWER COST CHARGE

*Chair: Is there any testimony for this item?*

Departmental power costs from all power sources decreased since the last Power Cost Charge rate was determined. The Department proposes to decrease the Power Cost Charge from \$2.70 to \$2.64 per thousand gallons as a result of this decrease. Power cost charges over the past two years were as follows:

<u>Effective</u>	<u>PCC</u>
April 1, 2023	\$2.70
January 1, 2023	\$3.04
November 1, 2022	\$2.87
September 1, 2022	\$2.75
July 1, 2022	\$2.48
May 1, 2022	\$2.34

Before the Power Cost Charge is changed, a Public Hearing should be scheduled to accept public testimony.

RECOMMENDATION: It is recommended that the Board approve holding a Public Hearing on August 22, 2023, at 9:45 a.m., to receive testimony on decreasing the Power Cost Charge from \$2.70 to \$2.64, effective September 1, 2023.

CHR. HIRAKAMI: I'd like to entertain a motion to approve a Public Hearing on this.

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

**CHR. HIRAKAMI:** Any discussion?

**MR. LOPEZ:** Yes, question. Remind me again please, is this mandated review of and adjustment of Power Cost Charge?

**MR. UYEHARA:** So I'll start explanation, and maybe Candace. So mandated, I think it's within our Board's jurisdiction of controlled power to review these Power Cost Charges. Previously it was done on an annual basis, which left the department in a very unfortunate situation. So years back that Board decided to review this every two months at least, and that's where we are at now. I think there's even a \$1.00 change threshold of about five cents that the Board re-evaluates and makes this action to adjust.

**MR. LOPEZ:** Okay, so if it was a Board's decision to have the department review this every two months. So Board has the power to modify this.

**MS. GRAY:** At least two months. The review period would be at least two months.

**MR. LOPEZ:** So it could be long?

**MS. GRAY:** It could be longer. Actually, for this period the review period is about six months.

**MR. LOPEZ:** Is it? Okay. Thank you.

**MR. UYEHARA:** It is within the Board's jurisdiction.

**MR. LOPEZ:** Thank you.

**MR. NEY:** Just to kind of expand on what you were saying, we had that pretty sizable cumulative amount we wrote off. In two of the things that I've been kind of harping on, one was the fact that tightening the Power Cost adjustment, so perhaps we make it a little bit higher and credit back the difference, just to reconcile the number so we're not at a loss. The second thing was to do with having the owner be a guarantor of payment for the metered accounts. I've kind of reiterated this point a lot, but I'd like to somehow get those agendized so we can address them at a meeting.

**MR. UYEHARA:** You know, I think that's been brought up before; and to your second point, I think we could talk about that, that involves legal, so it has to be reviewed. The department would have to evaluate and talk to Corp. Counsel and come up with a recommendation, and then we can agendize.

**MR. NEY:** Yeah, I'd like to get the ball rolling at least on it.

**MR. UYEHARA:** I think the last one was kind of a first, you know, the delinquencies to get it on the agenda, talked about it, and this was another one that you mentioned before. So we can add that to the future.

**MR. LOPEZ:** So Kawika, as a Board, we cannot ask for it to be agendized for discussion purposes? We have to wait for the department to talk to legal first?

**MR. UYEHARA:** No, well we'll do that ahead of time. We can agendize for discussion, but we'll probably—

MR. LOPEZ: Okay, maybe we can't make a decision without getting legal involved, which makes sense. It just seems like a hell of a lot of cost and time for six cents. To me, it does. That was it. Thank you.

CHR. HIRAKAMI: That was kind of my concern. How much would exceed on an average water bill?

MR. UYEHARA: Six cents.

CHR. HIRAKAMI: Yeah, and how administrative cost is associated with this? Because you changed the billing and all that stuff, I mean it seems so insignificant to go six cents. I mean, if it were at least twelve cents or ten cents, I could see it, but six cents will make a dent. Are we obligated? As a Board, are we obligated to—?

MR. UYEHARA: By being obligated, I think it's the Board's decision. So we do have the Power Cost Charge, and that's the cost expended, so that's still the Board's jurisdiction. As far as how much six cents, if you're going to average a bill of like 12,000 gallons a month, that's like 72 cents, I believe. So for a bill, bi-monthly you may be saving \$1.44 or something. Yes, it's not a sizeable decrease in cost to the customer, but I think it would be in line with us passing through that cost, that representative cost that we get charged from Hawaiian Electric to the customer. So if it goes up, it goes up. If it goes down, it goes down.

CHR. HIRAKAMI: Is this Board able to raise the minimum? I mean, you know, those five cents.

MR. UYEHARA: I think that's quite for the Board discussion and evaluation.

MS. MELLON-LACEY: So Kawika, I looked through the current Rules and Regulations to see if there was anything that addresses it, and I couldn't find anything. I think that for transparency, if we are saying, "At a certain amount, we would do an adjustment," like over five cents or over ten cents. But it should be incorporated into the rules because that way the public what it is that we're doing. If we just change it without making it clear when it's adjusted, I think that would be problematic from a legal perspective.

MR. UYEHARA: Okay, so what we can do, we can add an agenda item to discuss it, like what Kawena was asking, right? I mean, like a month or two just to talk about it, to see what the Board is looking for. I mean, check with the legal.

MS. MELLON-LACEY: So I mean, I guess what—if I'm understanding correctly, what we're doing now, a decision to only do an adjustment if it's over five cents is sort of an internal decision that's been made, but it isn't incorporated in the rules, or maybe I just missed it.

MR. UYEHARA: So I think, and correct me if I'm wrong, it's the Charter that says the Board has the fiduciary responsibility for the department, so it's setting rates as appropriate to fund the operations and the department, right? I think that's a Charter, right?

As far as the rules, I don't know if you want to put it exactly at a five cents rule, but if there's something to cover the cost of operations, we will set rates to cover the cost of operations. I would think that's appropriate right? It's prudent to fund the operations.

MR. NEY: I mean, my concern was this was unchecked for such a long time, like now that hole didn't get plugged. It was a large amount of right-off and shouldn't have been.

MR. UYEHARA: Are you talking about delinquencies or the Power Cost Charge?

MR. NEY: Well, just related to how things are structured. Because my understanding was in the past we made it on the Power Cost Charge, is that correct? We had a deficit, I guess, on the Power Cost Charge.

MR. UYEHARA: Oh, yeah.

MR. NEY: And I just don't want to have—

MR. UYEHARA: We're paying the Hawaiian Electric bills first and charging the customer to recover the cost.

MR. NEY: Right, so that what's the tightening would be for, just to keep that.

CHR. HIRAKAMI: So it could be instead of a dollar and cents amount, could it be like a percentage increase or percentage decrease because this is like two percent?

MR. UYEHARA: I think that would be appropriate for discussion.

MS. MELLON-LACEY: Part of a discussion.

MR. UYEHARA: Because then we can provide numbers.

CHR. HIRAKAMI: Right.

MR. UYEHARA: And again, Hawaiian Electric's rates are based on something that's out of everybody's control.

CHR. HIRAKAMI: Right.

MR. UYEHARA: So, I guess we're in discussion on that?

MS. MELLON-LACEY: Yes.

CHR. HIRAKAMI: Say if we're going from \$4.00 to \$4.25, five cents (inaudible); but if you're going from \$1.05 to \$1.10, then five cents is substantial. You see what I mean about the percentage increase? So the higher the Power Cost gets, the lower percentage of five cents increase, that's what I'm trying to say. So maybe when the five cents thing was in effect, the older Board, maybe the Power Cost Charge was \$1.38 or something Now it's up to \$3.00, so that's double what that is. It doesn't relate as far as dollars and cents to percentage.

MR. UYEHARA: This is getting off topic.

MS. MELLON-LACEY: Yes. I think we have a motion for a public hearing, and I think this should be agendized as a separate matter.

CHR. HIRAKAMI: Does the Board have a right to not call a public hearing, I mean to decrease the water rates until a later meeting?

MS. MELLON-LACEY: Yes, the Board could defer it.

MR. LOPEZ: Just the meeting or the change in rate?

MS. MELLON-LACEY: The change in rate cannot occur until the Public Hearing is over. That’s referred by statute.

MR. LOPEZ: Okay, so it defers also? Thank you.

MR. UYEHARA: And I think this was asked, maybe brought up at a meeting or so ago, but we would caution the Board about having justifications. Like it’s mentioned, we have a recommendation for a reason, justifications for the recommendation. But if you’re going to not go with the recommendation, then—I think it was brought up that there should be some basis for that.

CHR. HIRAKAMI: Okay, I think maybe we can move this through, and then at a later meeting discuss—go back to what percentage or what kind of increase or decrease is—like a threshold for us to call a Public Hearing, but I think since this is already agendized. Is there any other discussion? Seeing none. I’ll call for the question, all in favor of Public Hearing say “aye.”

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

CHR. HIRAKAMI: So with that, Public Hearing will be at our next meeting, which will be in Kona. Okay, we’ll move on to Item No. 6.

6) NORTH HILO

*Chair: Is there any testimony on this item?*

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. Lopez moved for approval of the recommendation; seconded by Mr. Ney.

**CHR. HIRAKAMI:** Discussion.

**MR. LOPEZ:** Well, when I read this, it’s experience of short-staffing and change of manufacturer. This short-staffing is occurring worldwide, so it’s an understandable situation.

**MR. UYEHARA:** Basically what it was, it’s Laupāhoehoe B Well repair, and outside of the contractor’s (Derricks) control, staffing issues with the vendor or manufacturer. I believe staff questioned the contractor to confirm that they ordered the materials on time or timely, and it was confirmed, so our contractor was doing steps necessary to document, and that it was ordered on time. Once the order is out there, they rely on the manufacturer to bill and ship.

**CHR. HIRAKAMI:** Is there any update on the Estimated Time of Arrival (ETA)?

**MR. TAKAMOTO:** At this time, they’re still working with the vendor to try to nail down the details.

**CHR. HIRAKAMI:** So, I don’t see any objections. Any other discussions? If not, I’m calling the question, all in favor of the motion say “aye.”

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

7) **SOUTH KONA**

*Chair: Is there any testimony on this item?*

A. **JOB NO. 2021-1179, KE‘EI #2A & #3B BOOSTER REPAIR – REQUEST FOR TIME EXTENSION**

---

The Contractor, Beylik/Energetic A JV is requesting a contract time extension of 177 calendar days, due to delays from the Manufacturer with responding to and addressing Department comments and concerns regarding equipment submittals, and due to delays from Manufacturer recommended material changes and mechanical seal design change. This was beyond the control of the Contractor.

Staff reviewed the request for the time extension and the accompanying supporting documentation and found the 177 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	01/13/2023	07/07/2023	175	Delays from Manufacturer regarding Department comments and concerns for equipment submittals and Manufacturer recommended material and design changes.
2	07/07/2023	12/31/2023	177	Delays from Manufacturer with addressing comments from the Department for equipment and material substitution requests.
Total Days (including this request)			352	

**RECOMMENDATION:** It is recommended that the Board approve a contract time extension of 177 calendar days to Beylik/Energetic A JV, for JOB NO. 2021-1179, KE‘EI #2A & #3B BOOSTER REPAIR. If approved, the contract completion date will be revised from July 7, 2023 to December 31, 2023.

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

**CHR. HIRAKAMI:** Discussion?

**MR. UYEHARA:** For the Board’s information, sorry, we forgot to include the back-up information from Beylik, the contractor, so you should have that on your desk this morning. Pretty lengthy time extension request, based on a change in design to make it functional. Are there any other questions?

**MR. LOPEZ:** Yes. You might have just answered my question with that comment. Because when I read this—it was delayed from the bank (inaudible). So it’s got like—we dare to ask the question, they spend time on it, they’re going to ask for delay? That’s the way this read to me. But I think what you said was a design change.

**MR. UYEHARA:** Correct.

**MR. LOPEZ:** And that’s what this was.

**MR. UYEHARA:** So I think the department directed a change of design.

**MR. LOPEZ:** I understand. Okay, thank you.

**MR. NEY:** Quick question, have you guys ever had to intervene directly to the manufacturer? I mean, I don’t know if that’s appropriate. It’s really not our responsibility, but just to be the squeaky wheel sometimes. You know, sometimes you’ve got push to expedite. I know I’ve had to do it with my business, and it’s not fun to do but sometimes results happen. So, I don’t know if you guys had intervene.

**MR. GOODALE:** Typically, you would not because our contract is not with that person, that entity. So our contract, we try to keep our communications with the person that we have the contract with, so we would try to avoid having communications with outside parties. I mean, those



discussions had taken place, but they're taken place along with the entity that we have the contract with.

MR. NEY: Right, right.

MR. GOODALE: So we would try to avoid anything like that, you know, outside of the contract.

MR. NEY: I get three times, by night and the day, but I'm just saying sometimes it's like they can get the letter for us, an email, I mean is there additional steps they can do to push a little harder?

MR. GOODALE: We may request to have a discussion with them, but it would through our contracted entity.

MR. NEY: Got it, okay.

CHR. HIRAKAMI: Okay, any other discussion, questions? If not, I'll call for the question, all in favor of approving this contract extension say "aye."

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

CHR. HIRAKAMI: Moving down to Item 8.

8) SOUTH KOHALA

*Chair: Is there any testimony on this item?*

A. JOB NO. 2023-1223, WAIMEA WATER TREATMENT PLANT (WWTP) SLUDGE REMOVAL  
*(Note: This matter was deferred on June 27, 2023. There was no motion made to approve the recommendation.)*

---

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:

<b>Bidder</b>	<b>Bid Amount</b>
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.

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

CHR. HIRAKAMI: Discussion?

MR. UYEHARA: Thank you for going through that, Mr. Chair. As we mentioned last month, the vendor, 2B Environmental was not HCE (Hawai'i Compliance Express) compliant, and we checked again this morning, they're still not compliant with HCE. So if it's appropriate at this time, I was hoping to ask the Board to not award to 2B, to allow the department to figure its next best options on this. We have some ideas in mind, but we've got to evaluate and see what's most appropriate procurement to follow.

CHR. HIRAKAMI: When they say "remove," how do they remove the sludge?

MR. UYEHARA: This is through a suction pump, I believe of a suction pump.

CHR. HIRAKAMI: And then they put it into a tanker?

MR. UYEHARA: A close-tanker, and truck it off site.

CHR. HIRAKAMI: And then where do they—?

MR. UYEHARA: The current contractor, they have an agreement with a private Wastewater Treatment Plant. They truck it offsite, and they have an agreement to dispose that properly.

CHR. HIRAKAMI: And how big is the tanker, the sludge tanker?

MR. GOODALE: So if you're familiar with any of the septic pumpers that you see, it's basically the same type of vector truck like that.

CHR. HIRAKAMI: Oh yeah, like about 4,000 gallons?

MR. GOODALE: I think it's 3,000 or 4,000.

CHR. HIRAKAMI: Because at 29 cents a gallon, at a contract price of \$350,000, that's 1.2 million gallons, so that's a lot of sludge.

MR. UYEHARA: The whole lagoon can hold up like, I believe, 2.7 million gallons.

CHR. HIRAKAMI: Oh, yeah? Okay.

MR. LOPEZ: The 2B Environmental, Inc., they have the contract now, or have they done sludge removal for us?

MR. UYEHARA: Yes.

MR. LOPEZ: And were they compliant? So they've lost their compliance certificate?

MR. UYEHARA: We've talked to them about getting—

MR. LOPEZ: They still haven't produced it?

MR. UYEHARA: No, we've asked them. They haven't been able to produce it because they still are non-compliant with one of the entities, that signs off on this compliance express, the compliancy. So 2B was under contract with us this previous fiscal year to do the pumping.

MR. LOPEZ: But they weren't compliant then?

MR. UYEHARA: Yes.

MR. LOPEZ: And somehow, they lost their compliancing?

MR. UYEHARA: Yes.

MR. LOPEZ: Given that they were the only vendor that replied, are there other options for new vendors?

MR. UYEHARA: We thought of it. That's part of our evaluation. We've got to figure out, yeah, what should we do next?

MR. LOPEZ: Just a gut feeling, I hate to shut them down, then we can't get them back.

MR. UYEHARA: That's why the request is for that revised Board action of not awarding for this particular Job No. bid, and that allows us to report and figure something else out.

MR. NEY: We're going to rescind not deferred, is that correct.

MR. UYEHARA: It's not deferred as far as I know.

MS. MELLON-LACEY: Not deferring, Ben. I mean, you're either going to rescind or you're just asking for this—you're asking for it not to be awarded, so it wouldn't come back.

MR. UYEHARA: Okay, that's all, yeah.

MS. MELLON-LACEY: So I guess you would want a revision to the motion.

MR. UYEHARA: So the motion on the floor is correct?

MS. MELLON-LACEY: Yeah, to approve it.

CHR. HIRAKAMI: And we could just vote it up?

MS. MELLON-LACEY: Or vote it down.

CHR. HIRAKAMI: Do you guys all understand the motion?

MR. LOPEZ: What's the risk of this work and this vendor if we don't approve this contract?

MR. GOODALE: Fortunately, right now we're in a good place because they had been doing a lot of pumping at our Water Treatment Plant in Waimea. So one of our concerns at one point was we were reaching the top of the lagoon, since then we've gained a lot of ground and we're well below the top of that lagoon. The risk to us is very low at this point. We believe we've got—also, one of the other things, in addition to this, is that we're in the process of procuring additional pumps, that are fixed-pumps, where the effluent from the lagoon would get pumped to a different lagoon. This is kind of a step that's allowed us to remain well below the top level of that lagoon, so we don't have any risk of over-topping. So right now we're in a good place.

We really want to keep this A contract similar to this, as kind of more of a back-up. So yeah, ultimately, we're going to want to have service similar to this. Whether it's going to be with these folks or some other—I mean there are other companies that have vector trucks, but these were the only ones that actually submitted a bid.

MR. UYEHARA: That was actually a good question, Kawena, the risk management side of it. And for Mr. Unger's information and background, the sludge is actually the buy-product of our Water Treatment Plant filtration process in Waimea. So basically, we get the stream water; we filter it through our systems, and then that—we call it a waste buy-product sludge, that's taken out of the water, is put into this lagoon.

And what Greg was mentioning, usually our primary way of emptying that sludge lagoon is with these fixed diesel or on-site fixed pumps. Correct? We can pump up to a reservoir higher up. Then this actual truck mounted sludge removal is another secondary way we can empty that lagoon out. So like what Greg saying, it's another avenue back-up option for us. That's why we put in an "as needed" basis.

CHR. HIRAKAMI: Is the sludge recyclable? Could it turn into like soil?

MR. UYEHARA: Possibly. That's basically what it is. It's sediment.

CHR. HIRAKAMI: Sediment, right?

MR. GOODALE: It's not hazardous. And that's why the company 2b had found essentially a farm that they can take to, and they're using it like a soil amendment. It's just basically a really fine dirt, silt. But it's not hazardous, because anything coming out of our plant is in the process of making potable water, so anything we use is non-toxic, non-hazardous substances. Nothing like that would be found in the sludge.

MR. INABA: Just to help, maybe clarify why we need this back-up service also, we do have what we call the sludge drying beds but it cannot really dry enough sludge fast enough, so eventually when the sludge pond builds up. We need some assistance.

CHR. HIRAKAMI: What do we do with that dried sludge? Do we recycle it to farms?

MR. INABA: I think that was a physical haul. But it's not really like if we don't like to have a contractor, somebody to purchase it already.

MR. UYEHARA: So hopefully, Kawena, that was an adequate response at least for the—

MR. LOPEZ: Oh, yes. I thank Eric explained very well that the minimal issue.

MR. UYEHARA: At least the action on the table.

MR. LOPEZ: Thank you.

MS. MELLON-LACEY: I guess I'd also add, you still have a contract for something like this if you really needed it in the interest of health and safety, you could procure it.

MR. UYEHARA: Yes.

MS. MELLON-LACEY: You can also use alternate procurement methods if you rebid and you don't get bids, so it's not like they would be stuck. But if you have a non-compliant contractor that can create a number of issues.

CHR. HIRAKAMI: Okay, let's unstuck ourselves from the sludge and get to the motion now. Be clear, if you vote "yes" you're voting to award the contract; if you vote "no," that means we're not awarding the contract. So I'm going to call for the question, all in favor of this motion say "aye."

**ACTION**: There being no further discussion. Motion to approve the recommendation was denied by voice vote. Mr. Bell, Ms. Hugo, Ms. Keolanui, and Mr. Kekela were absent.

CHR. HIRAKAMI: So, motion doesn't pass. Let's go to Item B.

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

---

*Chair: Is there any testimony on this item?*

The Contractor, Derrick's Well Drilling and Pump Services, LLC is requesting a contract time extension of 30 calendar days, due to delays from staff shortages at the Manufacturer's facility. This was beyond the control of the Contractor.

Staff reviewed the request for the time extension and the accompanying supporting documentation and found the 30 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.
4	07/31/2023	08/30/2023	30	Delays from Manufacturer.
Total Days (including this request)			183	

RECOMMENDATION: It is recommended that the Board approve a contract time extension of 30 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 July 31, 2023 to August 30, 2023.

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

CHR. HIRAKAMI: Discussion?

MR. BROWN: Yeah, I have a question. In my days with the County doing contracts, there were never short request for extension like these. I see 76 days, 30 days. We would get them for like 180 days, and that would be like the minimum. And I see another one, this latest one for 30 days, is that—? They really expect to get things done, I guess, in 30 days? Kind of surprising.

MR. UYEHARA: That's a good question and good point, and that we'll rely on the contractor to provide that to us, their timeframes. This one, I believe, the change was our department's request, to add something to the discharging head. I think the last month, we also brought it up that we want to try and get ahead of these time extensions, where we're putting on the agenda today, so at least they're covered until the next month. I'm not sure an exact 30 days, if that's realistic. I mean, we're trusting the contractor. That's their kuleana to come up with that timeframe.

MR. BROWN: Yeah, they seem optimistic to me, or really exact when a previous, for 47 days.

CHR. HIRAKAMI: I agree with that because we've seen a lot of (inaudible). I know the industry is like that, but still we've seen a lot. So it would be really diligent on their part to say, "Is it really realistic. I know I've only asked for 30 days, should have asked for 60 days?"

MR. INABA: Sometimes we get to the specific days, like we'll grant 70 days because of weather or something like that, so you'll have some extensions like that, right? But in these cases too, I think we don't really allow them to add their requests. I think we don't want them to, you know, not focus on our project.

MR. UYEHARA: And that's kind of what we got staff to do too, is that when we get the request, make sure it's realistic. But if they had it over-estimated, we're probably going to say, "No, we're going to only be 20 less," because we should be able to finish it by then.

MR. INABA: With the understanding that if another extension is required, it needs a request for another extension because the manufacturer is not now meeting their predicted timeframe that they're giving you today. You know, they didn't come back.

CHR. HIRAKAMI: And of course they want to get paid for the job. They want to complete it, right?

MR. INABA: Yes.

MR. GOODALE: And that's another reason why, you know, like these attachments, because if you track through here, the correspondence that takes place between the contractor and their sub-contractors, they're asking those specific question, "How long is that going to take," and that's I think one of the last exchanges that is in here, "Is 30 days, okay," and he said, "Yes, we could do that." So from that end, we kind of have to go by what they are telling us.

There have been instances where they've asked for like one percent, We don't want to let them kind of pad it, so if we see something that appears to be they're asking for time that may be really isn't justifiable, we may say, "No, we'll grant you x-amount instead of y-amount."

MR. UNGER: Can you clarify the second extension for repair, for example Lālāmilo Well? Does that mean the well is offline and not operating at all, or is that limited capacity and still nothing done?

MR. INABA: Yeah, the well is currently offline.

MR. UNGER: Offline?

MR. INABA: Yes.

MR. UNGER: So how does that—I mean, is that extensive urgency, or what is the reservoir situation like, or how long is it?

MR. UYEHARA: So this Lālāmilo B is in our public water system, called Lālāmilo. It has eight total sources, above the Puakō Beach area, above Puakō, above Mauna Resort, Mauna Lani. So yes, this well being down is putting us in a situation because I think we only have four of the eight operating, so we don't like that.

MR. INABA: But we do have a well also that's in another situation, like you say, we could operate it at limited capacity.

MR. UYEHARA: So yeah, there's urgency for us to repair.

MR. UNGER: Okay, so at some point when these requests come in, we really need to look at reservoir capacity, reservoir levels, and at some point it's more urgent than others.

MR. UYEHARA: Yes. This one we looked at the source. Because reservoirs were—our tank sizes are limited to about 5 million gallons total.

MR. INABA: Because in storage we don't have it.

MR. UYEHARA: That's why the sources that need the storage, we need to make sure our repaired as timely as possible.

MR. NEY: One last quick question. In terms of scheduled values for payment, in terms of progressing a job, how's that broken? I just kind get an understanding of what percentages they draw in each phase of the project.

MR. UYEHARA: For like a well repair?

MR. NEY: Yeah, how does that work out?

MR. UYEHARA: I'll start, maybe Eric can add. But usually the sequence might be mobilization, and if there's a line item for a well extraction. I don't know how often we—usually monthly we get the invoices, I'm not sure, maybe less frequent than that. There's probably a line item for the pump and motor, or even on island pay them for that, or which we receive by them. And then as they're installing—Depending on how long it takes to install?

MR. TAKAMOTO: Yes, depending how long it takes install, we may have multiple invoices. But typically it's short, so usually it's complete with their repair, and then just submit their invoice.

MR. NEY: I've known projects like that, and not gotten under—the contractor fell out that whatever was paid out, that whatever was paid out in terms of what work was done is somewhat even, I guess.

MR. UYEHARA: We still keep track of work-in-progress, and all of our construction repair contracts have retainage specified it.

MR. NEY: We're on the limb when it comes to payments and work completed.

MR. INABA: We don't typically like prepaid for material or anything like that.

MR. UYEHARA: And if there are questions like on the big—the CIPs, like under Engineering, there are inspectors that are out more frequently for bigger construction projects when doing projects, to at least cross-check and verify what level of progress has been completed in the field versus what they're asking for on their payment request, and Ops. does the same thing with our own mechanical engineers.

CHR. HIRAKAMI: Okay, the motion on the floor is for the extension of 30 days. Seeing no further discussion, all in favor of the motion say "aye."

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

CHR. HIRAKAMI: Moving down to Item No. 9, Miscellaneous. We have three dedications, and we'll take them one at a time.

9) **MISCELLANEOUS**

*Chair: Is there any testimony on these items?*

A. **DEDICATIONS**:

1. **Grant of Easement and Bill of Sale**

**Grantor: Hope Services Hawai'i, Inc.**

**Tax Map Key (3) 1-5-006:017**

**Wā'ia kā'hiula, Puna, Island of Hawai'i, Hawai'i**

**Facilities Charge: \$79,235.00 Date Paid: 5/19/2023**

**Final Inspection Date: 5/23/2023**

**Water System Cost: \$125,874.85**

CHR. HIRAKAMI: Using the map, this is a Catholic Church land, right behind the Pāhoa Village road and the Pāhoa bypass. The details are in your packet. I need a motion to accept the Grant of Easement and Bill Sale from Hope Services Hawai'i. I need a motion.

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

CHR. HIRAKAMI: Is there any discussion on this item?



MR. INABA: Sorry, it's confusing a little bit. But the easement is actually parallel to an existing roadway.

CHR. HIRAKAMI: It's parallel to?

MR. INABA: It's the loop road that goes around in their Akamae Loop, I think.

CHR. HIRAKAMI: Oh, yeah. That's part of the Old Homestead Road that goes all the way to the bypass, but Hope Services closed it up because they felt that—that was one of the only two bypasses.

MR. INABA: The road was so narrow that they couldn't fit basically a new line in there to be able to service the project. So, the line does look back to their existing line. It was a small 4-inch line. The new waterline was installed in that easement, and that easement is parallel into that—adjacent, yeah parallel.

CHR. HIRAKAMI: So they're granting—it's actually on their Catholic Church land?

MR. INABA: Yeah, so they're granting that easement to ours for the access and install the water, maintenance of the water meter.

CHR. HIRAKAMI: And the facility charge and the water system cost is the amount they paid for?

MR. INABA: Yes.

CHR. HIRAKAMI: They put that in?

MR. INABA: Yes.

CHR. HIRAKAMI: To service all those shelters?

MR. INABA: Yes.

MR. UYEHARA: Kurt, correct me if I'm wrong, because they installed a new waterline and granting easement to the meter is near the end?

MR. INABA: Yes.

MR. UYEHARA: Near the end of this new dotted blue line?

CHR. HIRAKAMI: And how big is that line?

MR. INABA: Six inches.

CHR. HIRAKAMI: Okay, any other discussion? Hearing none, motion to accept the grant of easement, all in favor say "aye."

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

**2. Grant of Easement and Bill of Sale  
(SUB-19-001925)  
Grantor: Mailani Development LLC  
Tax Map Key (3) 2-4-080:013 (portion)  
Waiākea, South Hilo, Island of Hawai‘i, Hawai‘i  
Facilities Charge: \$158,470.00 Date Paid: 11/7/2022  
Final Inspection Date: 6/15/2023  
Water System Cost: \$169,125.00**

CHR. HIRAKAMI: I need a motion to accept the Grant of Easement and Bill of Sale, from Mailani Development LLC.

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

CHR. HIRAKAMI: Discussion?

MR. INABA: So this one here again, just like to mention I apologize that my initial map—the intent was to really just show you guys where these—to give you an idea of where the development is, not so much of the development. I don’t know what you guys prefer; it was really just a request from a previous Board a while back. But anyway, this one is in Waiākea, I guess between Kawaiāni and Haihai.

MR. BROWN: On the left side of the Life Care Center, right?

MR. INABA: Yes.

MR. INABA: Up by the Life Care Center area.

CHR. HIRAKAMI: And so is the waterline with Mailani, and this is just an extension of the waterline into the development?

MR. INABA: Yes.

MR. UNGER: So the water meter would go right there?

MR. INABA: Would stay within that road. It’s got a right-of-way, basically.

MR. UYEHARA: But I think Mr. Unger’s question, is there going to be new meter for each property lot?

MR. INABA: New meters for each lot.

MR. UNGER: Oh, for each lot. Okay.

MR. INABA: Sorry, it’s not master meters yet.

MR. UNGER: Oh, got it.

MR. INABA: The waterline extension is in the road. I didn’t put it in. I think this was a little—It’s kind of a little more standard of a like a standard subdivision. I didn’t show all the new lots, sorry.

MR. LOPEZ: So is the easement designated by the white dotted line?

MR. INABA: The white dash line is actually the sidewalk, so it's actually on the outside of that.

MR. LOPEZ: So it's the red line?

MR. INABA: No, the red line is just—

MR. LOPEZ: Because over here it's literally—okay, I can see it. Where is the easement here?

MR. UYEHARA: So the easement is over the road.

MR. LOPEZ: Over the road?

MR. INABA: Yes, the road right-of-way. The road that's created with the subdivision. And even if this gets dedicated to the County in the future, the reason why we're accepting the easement now is that process takes a little longer. We get the easement over that same road that would eventually be dedicated to the County. Once it's dedicated to the County, that just supersedes our easement because of a right-of-way, so then we already have, by that, the ability to maintain our water system.

MR. UYEHARA: So what's the line size and how wide is the easement?

MR. INABA: The line size is six inches in here I believe. Six inch, typical for a subdivision; if it's really small lots, then an eight-inch would be required. But anyway, this one here is six inch, and the easement is typically a road right-of-way, which is 50 or 60, depending on the zoning. So, I'm not quite sure if the road is going to be dedicated to the County or not. That's just the typical County right-of-way requirement.

CHR. HIRAKAMI: So are we using that new mapping system to draw all these maps? Where are you getting all these maps from?

MR. INABA: This clearer review here, I did that because you can kind of see the lots. It's a little bit newer map, right, and that's available. We have a few accounts, where we tie in with the County. Eagleview on the bottom left (see maps), I got it from them.

CHR. HIRAKAMI: Well, it's really helpful with these kind of pictures because pictures could be (inaudible).

MR. INABA: Some of them are Google, depends on what I think is the—I just kind of take a look at what I think might help visually.

CHR. HIRAKAMI: Yeah, I googled it after. It's not as clear as this one. This is impressive.

MR. INABA: Right, and then I oriented this a little different. If you look at the north arrow, it's not straight up on this one.

CHR. HIRAKAMI: Okay, motion on the floor is to—

MR. UNGER: Clarification question, can you tell me what the facilities charge cover and then what the water system cost charge covers?

MR. INABA: Sure. So the facility charge is basically the cost to, you know, incurred of the impact to our system, for us to maintain, upkeep, and upgrade the system, secure that system there. So facilities charges are used for system improvements going forward in the future. As more customers come online, then we have to upgrade system also.

MR. UNGER: So that money is held in an account.

MR. INABA: That money is held in a separate account. The water system cost, basically the cost for the developer to the contractor, and some of them went to their engineer to install the waterline in this subdivision service laterals. That's kind of the construction cost basically.

MR. UNGER: Right. That's outside of Water Department. None of that money come to the Water Department.

MR. INABA: That's just what they need to pay, so we need to go place a valuation of the system.

MR. UNGER: And the facility charge one time, the facility charge?

MR. INABA: Yes.

CHR. HIRAKAMI: So that's just for the laterals, not for the meters itself, right? When the homeowners move in, they request a meter, and they pay for the meter? I

MR. INABA: They only pay for the installation fee at that point. The facilities charges now are paid for all of the laterals. Now the homeowner would just purchase the lot and just have to pay to drop the meter in the meter box basically. Establish an account.

MS. MELLON-LACEY: I think you would use the Rules and Regulations for the department. It does cover how this works.

MR. INABA: Yes, but now you might get a better idea when you're reading it, because if you're just reading the rules, it's kind of difficult to understand.

MR. UYEHARA: So just for discussion purposes, the facilities charge for this subdivision, I don't know if 22—24 lots, but basically each lot will need a 5/8-inch meter, so we have a facility charge for one 5/8-inch meter, times 24 lots. So that's the FC, the facility charge.

MR. NEY: So to get this straight, the developer has to put the (inaudible) line in, and they have to tap that line to put the laterals?

MR. INABA: Yes.

MR. NEY: We're only providing meter?

MR. INABA: Yes.

MR. NEY: Okay, got it. Thanks.

MR. INABA: So to get the final subdivision, the infrastructure has to be complete, and that's actually a Planning requirement, make sure all of the agencies have given their final approval.

MR. NEY: So that's only thing, you kind of have a flat-rate, like if you do a hot tap on the new line, it's like a fix-cause, right, it's not associated with a degree of difficulty of what it entails.

MR. UYEHARA: What Ben is referring to is our service lateral installation charge and those are flat fees based on the State or County right-of-way; and so if you're on the same side of our waterline, same side of the road of the road and the waterline, on the other side.

MR. INABA: That would be not for a development but for existing lots that don't have service, and they're requesting service.

CHR. HIRAKAMI: Any other discussion or question? Seeing none, all in favor of accepting the Grant of Easement and Bill of Sale from Mailani Development say "aye."

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

CHR. HIRAKAMI: Moving on to Item A, this is another Grant of Easement and Bill of Sale.

### **3. Grant of Easement and Bill of Sale**

**Grantor: Absolute Builders LLC and Kahealani K. Kaaihili**

**Tax Map Key (3) 4-5-004:148 (Roadway) (3) 4-5-004:025**

**Kaao, Hāmākua, Island of Hawai'i, Hawai'i**

**Facilities Charge: \$24,380.00 Date Paid: 7/10/2023**

**Final Inspection Date: 5/2/2023**

**Water System Cost: \$56,000.00**

RECOMMENDATION: It is recommended that the Water Board accepts these documents subject to the approval of the Corporation Counsel and that either the Chairman or the Vice-Chairman be authorized to sign the documents.

CHR. HIRAKAMI: Motion to approve the Grant of Easement and Bill of Sale, any motion?

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

CHR. HIRAKAMI: So, discussion on this?

MR. INABA: Sorry, the reason why I did a little more detail on this one, the road lot is granted; and there's also a little dot, as you see the first lot near Ohia Street there, a little red encroaching into that lot, that's a fire hydrant easement also, so that's why there's that extra TMK, as far as the Grant of Easement and Bill of Sale.

MR. UYEHARA: This one has a waterline going down that road easement?

MR. INABA: Yes.

MR. UYEHARA: That's an existing road easement?

MR. INABA: No, that's a new—yeah, so it's a new road that this whole subdivision was created actually through a variance, and now water became available for it, and they decided to install the system to our standards to satisfy, and they can remove the variance.

**CHR. HIRAKAMI:** So the existing waterline was on Ohia Street, and they’re bringing into the subdivision?

**MR. INABA:** Yes.

**CHR. HIRAKAMI:** Any other discussion, questions for Kurt? Seeing none, all in favor of the motion to accept the Grant of Easement and Bill of Sale from Absolute Builders and Kahealani Kaaihili say “aye.”

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

**CHR. HIRAKAMI:** Moving on to Item B, this is another request for time extension.

**B. MATERIAL BID NO. 2021-04, FURNISHING AND DELIVERING SPARE PUMP AND MOTOR SETS FOR PARKER RANCH DEEPWELL, WAIMEA DEEPWELL, AND KEŌPŪ #1 DEEPWELL, AND REFURBISHING PUMP AND MOTOR SET FOR HALEKI‘I DEEPWELL FOR THE DEPARTMENT OF WATER SUPPLY – REQUEST FOR TIME EXTENSION**

The Contractor, Beylik/Energetic A JV, is requesting a contract time extension of 306 calendar days for Section 1 – Parker Ranch Deepwell, due to submittal and manufacturer scheduling delays; 300 calendar days for Section 2 – Waimea Deepwell, due to submittal and motor testing delays; 311 calendar days for Section 3 – Keōpū #1 Deepwell, due to submittal and manufacturer scheduling delays; and 340 calendar days for Section 4 – Haleki‘i Deepwell, due to shipping and motor repair delays. 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 248 calendar days to be justified for Section 1 – Parker Ranch Deepwell, only 263 calendar days to be justified for Section 2 – Waimea Deepwell, only 278 calendar days to be justified for Section 3 – Keōpū #1 Deepwell, and only 279 calendar days to be justified for Section 4 – Haleki‘i Deepwell. *Note: There are no additional costs associated with these time extensions.*

Ext. #	From (Date)	To (Date)	Days (Calendar)	Reason
1	12/11/22	8/16/2023	248	Delay in receipt of equipment submittals, and delays in manufacturer scheduling.
	12/11/22	8/31/2023	263	Delay in receipt of equipment submittals, and delays in motor testing.
	11/11/22	8/16/2023	278	Delay in receipt of equipment submittals, and delays in manufacturer scheduling.
	10/10/22	7/16/2023	279	Delay in shipping of equipment to manufacturer, and manufacturer delays with motor refurbishment.
Total Days (including this request)			248, 263, 278 & 279	

**RECOMMENDATION:** It is recommended that the Board approve a contract time extension of 248 calendar days for Section 1 – Parker Ranch Deepwell, 263 calendar days for Section 2 – Waimea Deepwell, 278 calendar days for Section 3 – Keōpū #1 Deepwell, and 279 calendar days for Section 4 – Haleki‘i Deepwell to Beylik/Energetic A JV, for MATERIAL BID NO. 2021-04, FURNISHING AND DELIVERING SPARE PUMP AND MOTOR SETS FOR PARKER RANCH DEEPWELL, WAIMEA DEEPWELL, AND KEŌPŪ #1 DEEPWELL, AND REFURBISHING PUMP AND MOTOR SET FOR HALEKI‘I DEEPWELL FOR THE DEPARTMENT OF WATER SUPPLY. If approved, the contract completion dates will be revised from December 11, 2022, to August 16, 2023 for Section 1 – Parker Ranch Deepwell; December 11, 2022, to August 31, 2023 for Section 2 – Waimea Deepwell; November 11, 2022, to August 16, 2023 for Section 3 – Keōpū #1 Deepwell; and from October 10, 2022 to July 16, 2023 for Section 4 – Haleki‘i Deepwell.

**CHR. HIRAKAMI:** Do I have a motion?

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

**CHR. HIRAKAMI:** Discussion?

**MR. UYEHARA:** Just for background information again, this is part of our efforts to improve resiliency. So it’s a material bid. It’s a material bid to furnish and deliver spare pumps and spare motors. We put this out as a package. Beylik was awarded the four sections. Unfortunately, as you can see, there are delays in it, but again this is an important part for our department to complete because some of these spares, like Keōpū and maybe even the Waimea motor could possibly be used in other different sets of wells, possibly. So again, it goes back to our balancing cost versus having the resiliency, having a spare equipment on-island because it takes a long time to get stuff to the island. But yeah, this is where we’re at for this material bid. Eric has some information, so I asked him to look up, as far as within the four sections, what is still owed to us and where we’re at in this section.

**MR. TAKAMOTO:** So for Sections 1 through 3, we received all the motor equipment that was part of that particular section, it’s the pumps that are the reason for most of these delays. In the case of Section 4, we haven’t received any of the equipment yet.

**MR. UYEHARA:** Like Eric mentioned, we have part of that delivery, for 1, 2, and 3 sections the motors are on-island.

**CHR. HIRAKAMI:** Is this a first-time extension because it goes all the way back to December 2022? Was there a request for a time extension (inaudible)?

**MR. UYEHARA:** No, this is the first-time extension, and yes, thank you for asking that. We recognize that there is no completion dates, or end of 2022. I think Eric can provide some more background information. But from what I understand, we were pushing the contractor to get a request for a time in, again that’s on the contractor. So I think we have a plan how to address that after.

**CHR. HIRAKAMI:** So the original completion date was 12/11/22, 11/11/22, and 10/10/22, that was the original?

**MR. TAKAMOTO:** Yes.

CHR. HIRAKAMI: And since that time—and now, they would come in for a request to carry all the way back, from then until—looks like a month from now?

MR. TAKAMOTO: Yes.

CHR. HIRAKAMI: So in my mind, I look like maybe a 30-day extension rather than 248-day extension. But I see you've got to take it all the way back to the original completion date. Is this normally how it works or would we—before the completion date of 12/11/22 would be faced with a time extension?

MR. UYEHARA: That's typical. We strive to bring the extension request to the Board before they expire. It's not uncommon where we had to go retro.

MR. UNGER: I'm really happy to see that that Water Department is working on resiliency plans, and knock out fires, because in Kona as you know, couple of years ago, when the pumps went down, it is just bad. Bad, bad, bad. And this is a great example of why you try to order back-up parts because you needed it today, telling you've got to wait 300 days. So anything we can do to encourage you to be as resilient as possible; and depending on the budget, get as many back-up parts as possible, because again 300 days is just crazy, unacceptable, especially if a well is down and you're waiting on a part.

MR. UYEHARA: Just for the Board within our General Requirements and Covenants (GRCs), there are provisions for liquidated damages when our deadline is not met by the contractor. We've had to use that before, you know, when it's appropriate.

MR. UNGER: Yeah, again from public to your standpoint.

CHR. HIRAKAMI: Any further discussion, questions? If not, I'm going to call for the question. All in favor of this contract extension say "aye."

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

CHR. HIRAKAMI: Moving on to Item C, this is another request for time extension.

C. MEMORANDUM OF UNDERSTANDING (MOU) TO IMPLEMENT THE EMERGENCY POWER FOR WATER INFRASTRUCTURE PROJECT IDENTIFIED WITHIN THE COMMUNITY DEVELOPMENT BLOCK GRANT – MITIGATION PROGRAM

The Department of Water Supply (DWS) is proposing to enter into a MOU with the County of Hawai'i Planning Department and County of Hawai'i Finance Department to facilitate the Community Development Block Grant – Mitigation Program (CDBG-MIT) funds allocated to DWS' Emergency Power for Water Infrastructure project. This project involves the installation of power transfer switches and supporting infrastructure at Pi'ihonua #1, Pi'ihonua #3, 'Ōla'a #3 and 'Ōla'a #4. The federal share will be 100% of the total project cost, not to exceed \$835,000. DWS will be responsible for the procurement of the professional services and construction, in accordance with the MOU.

**RECOMMENDATION**: It is recommended that the Board approve the MOU with the County of Hawai'i Planning Department and County of Hawai'i Finance Department to implement the Emergency Power for Water Infrastructure project identified within the CDBG-MIT, and that either



the Chairperson or the Vice-Chairperson be authorized to sign the MOU, subject to review as to form and legality by Corporation Counsel.

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

**CHR. HIRAKAMI:** Is there any discussion on this?

**MR. UYEHARA:** I'll let Warren provide us something.

**MR. CHING:** This is an MOU between the Department of Water Supply, County of Hawai'i Planning and Finance. Basically, it just lays out the terms and conditions necessary for the department to access Community Development Block Grant Hazard Mitigation funds to install transfer switches at four department water sites that serve low to moderate income areas. The project entails installation of transfer switches which basically allow the department to drive up a generator, plug it in, and flip a switch, you know, to get it on generator power, so this will allow us to get that transfer over to generator power a lot faster and safer, also.

I should mention too, so this is coming from Housing and Urban Development, and the federal share is 100 percent, up to \$835,000, so meaning the department doesn't have to put up any money up to that limit. But other than that, I'd be happy to answer any questions.

**MR. BROWN:** Did you folks put together the project cost or did Housing just say we got the CDBG, you guys can get—?

**MR. CHING:** We did. The good thing about this project is each site we can do a transfer switch. So we gave them a few sites, and I guess based on how much money was available to this type of project, we would kind of get it down to only the sites that cover.

**MR. BROWN:** Oh okay, based on their allocation too.

**MR. UYEHARA:** And Warren, correct me if I'm wrong, I think Warren mentioned it, but the grantee is our County's Planning Department from the CDBG, and I believe it's their Lava Disaster office has kind of taking the lead on this. From what I remember, there are other County projects in this award, and we're just one of the County departments that are participating. It's kind of a good thing, like you said, "Outside funds, outside resources to complete our improvements."

**MR. NEY:** So this \$835,000 is the total amount to cover the whole program?

**MR. UYEHARA:** No, just ours. I think the total was almost—

**MR. CHING:** \$6.8 million for the County. And I should add too, so these sites were sites chosen within low to median moderate income areas, that was a focus of this grant.

**MR. NEY:** That's great.

**MS. MELLON-LACEY:** So this is really more internal operations between the department and the County?

**MR. UYEHARA:** Correct. That's why we wanted to put it on the agenda, to bring this Memorandum of Understanding to the Board, just so you're aware that we will be working with

them, with other County agencies for this. Just in case, like CDBG, to see that our approving body occurred and approved this.

CHR. HIRAKAMI: So outside of the low-income areas with the department working through to do transfer switches in other areas too, so we can drive generators up there because storms are not that selective, they don't miss any money (inaudible).

MR. CHING: Yes, we're trying to more so game plan around that. We've done some in the past already. We're working on I think four sites now, so we're in contract to install those now. And so we figured we'd start with the places that have generators on site already, and then now we're, I guess in the next phase, looking at sites that don't have generators on site but that can have a generator drive up to it and be able to plug in.

MR. NEY: These are not auto transfer switches, these are manual transfer switches.

MR. CHING: These are all manual transfer switches.

MR. NEY: Is there not a reason why we don't go with auto transfer switches?

MR. UYEHARA: We need to control that. I think our Operations would prefer to do it manually, especially if it's after a storm.

MR. NEY: Risk, risk. Manually, yeah.

MR. CHING: Yeah, and I think the idea is our guys would go and check out the site to see if it's safe to run, and then do their transfer.

MR. GOODALE: There's a lot of back and forth between us and also HECO (Hawaiian Electric), so their preference would be primarily for manual.

MR. NEY: Even the home ones have auto switches. There's delays and stuff, so it causes issues with electricity, but I just thought—they can do it on the house. It seems like it wouldn't be too hard to do on the facility.

MR. GOODALE: They can, although the value of our equipment far exceeds what an average household, so we tend to be a little on more the cautious side.

MR. UYEHARA: There's probably some checks we want to do too, like Warren said, motor or something. I mean if we find that the motor is bad already, then we don't want to start the generator up automatically, right?

MR. CHING: Yes.

MR. UYEHARA: But the other thing I wanted to add too was the sites that were selected, and what Warren was mentioning, the transfer switches that we've done in the past, like kind like the larger loads, some of the larger, the bigger wells, because do have some mobile 200 and 400 kilowatt generators that the department owns that we can take too, like a smaller, like Hawaiian Ocean View Estates well, or Kalapana, maybe some of the smaller wells, loads, where we could take a truck trailer.

MR. GOODALE: And even for booster pumps, we're trying to identify, you know, as much from the resiliency standpoint as we can, I mean each site has a lot of different components. It's not just the well pump, it may be the well pump and a booster. But we're trying to identify what gives us the most resiliency in terms of that specific event. You know, just to pump the water where it's needed.

MR. CHING: And in terms of funding, I guess, FEMA—we've been working with FEMA Hazard Mitigation Grant Program. We just put in another application for more sites, so hopefully we'll get an opportunity there, otherwise we'd have to figure it out on our end, which is a Capital Improvement Plan situation. Yeah, we try to get as much Federal FEMA money. Even Housing and Urban Development, which is—this is a Housing and Urban Development project.

CHR. HIRAKAMI: I like the 100 percent.

MR. UNGER: I was going to ask that question, but I think it was answered. Is there somebody at the Water Department that does research and is aware of these federal grants out there to help with sustainability and capital improvements?

MR. CHING: Not anyone specifically.

MR. UYEHARA: Warren. I think that's pretty important, unless you just hear from the County.

MR. UYEHARA: I'm kind of serious because Warren is our Energy Management Analyst, so things along those lines, he does look at other funding possibilities; and same with our Division Heads. Candace do also I think get in touch with other Finance Departments. Recently, we've actually been working with the outside consultant that helps us on the federal level to strategize and how to line things up. I don't understand the Federal budget process, the appropriations and all that, but at least they have the know-how to try to find us some more projects, the Department of Health, and then the federal side too.

MR. UNGER: Okay, good to know.

MR. UYEHARA: We're working on that.

MR. UNGER: Good.

CHR. HIRAKAMI: All right, so this was an easy one. All in favor on the motion to accept the MOU with the County say "aye."

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

#### D. MONTHLY PROGRESS REPORT

*Chair: Is there any testimony for this item?*

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: I'm turning it over to Kawika.

MR. UYEHARA: And actually I'll turn this over to Kurt.

MR. INABA: The red is what I changed each month. Just kind of an update of our projects. What I did want to mention, I was hoping to get an update for Puakō, specifically if the materials made it on the July 14<sup>th</sup> shipment. The contractor did not get any confirmation. I'm hoping that they still did, they didn't get anything saying they did. So I apologize, we weren't able to get that information in time for the meeting. With that, we're communicating to set up the community meeting with the Puakō. We're also going to include Public Works because they're also timing a project to do a complete resurfacing of Puakō Drive, so hopefully we can work together and maybe save us some money; but if not, we're saving them some money

CHR. HIRAKAMI: Where's the new waterline going, on the side of the road or the middle of the road?

MR. INABA: Mostly in the makai lane, but it does go back and forth a little bit. It stays typically within the travel lane. We do have in some areas where we have like eight shoulders, we can put it in eight shoulders. The shoulders aren't paved. We do run into issues with washing out of the trench. If there's water flowing, they'll run off the trench first, basically.

CHR. HIRAKAMI: Is it going alongside the existing waterline or is it going in the exactly the same location?

MR. INABA: No it goes parallel to it, mostly on the —we try to keep enough space distance from it so that we can install this new line while the existing line stays in service. There are some provisions to put, in this project specifically, some temporary connection so that the new line can be installed to how we want it rather than have it way down deep because it's at sea level, and we really don't want to have it put down too deep.

MR. NEY: So if you can align the schedules with the repaving, that's a cost benefit to the contractor, correct? Because he would be responsible to cut the road, to excavate it out, and then patch, right, all the way down?

MR. INABA: So basically what it is, is Public Works had asked us to keep them abreast so that they don't go in and resurface it and we come in six months later, right, and dig it up and pave it. I mean, install a waterline, and then basically patch it.

MR. NEY: Your guys would precede theirs.

MR. INABA: Yeah, we just want to make sure that our work goes first; but with that being said, as a project manager knowing we have this to do, we're hoping that we can work together to have a smooth transition at the end of our project, when the paving is being done, to save either them or us money.

MR. NEY: You guys should have highlighted that the fact that you guys asphalted the road all the way up Kohala, Hala'ula?

MR. INABA: Oh yeah, we did. So yeah, the contractor participated in that bid. We agreed to pay for materials, and they contributed all the labor.

MR. NEY: I mean, that should be like the community thinking back, because a lot of these roads are private. They're looking for anything for something, to come and asphalt.

MR. INABA: That one was hard because of the condition of the existing road, and we pointed it out when we did that Change Order, that there would be a lot of finger-pointing that we think we can avoid. We didn't want to get into that situation where the community is going to say, "Hey, your contractor,"—our contractor, so we're responsible, right, but did this for our road. And then the contractor has all these pictures of the road in the condition it was before we even got there and saying, "Hey, we have no—" in fact, we—

MR. NEY: That road was in a terrible shape. But it's like when you split the cost of repairing the road, the guy at the bottom doesn't want to pay their equal share.

MR. INABA: Right.

MR. NEY: No, that was a nice gesture, I guess, from the department.

MR. INABA: And the contractor, as well, I mean they kicked in.

MR. UYEHARA: Thanks for bringing that up because that's actually kudos to staff, Kurt and his staff, Greg and his staff, and Waimea, because I think that relationship with the contractor allowed for a fair, cordial agreement on how to—ultimately, for the community. We need access to our well site at times.

MR. NEY: Thank you guys.

CHR. HIRAKAMI: Any other questions

MR. INABA: Not really. I know we have in town, Kīlauea-Keawe, is probably disrupting traffic. I think right now they're still working on the gas, so I'll just try to get an update on their schedule. We will likely start earlier but mid-August, not the 1<sup>st</sup> but maybe 2<sup>nd</sup> week of August, but hopeful for them to start on the waterline portion.

CHR. HIRAKAMI: Telephone line for the alarm. What kind of alarm is that? Is that a low-level alarm?

MR. INABA: It's an alarm system from the site itself. So there's the well, or if there's a low level in the tank, it will still call out if there's an outage because it's a physical phone. We have what they call an auto-dialer, and you program. Depending on the signal that reaches alarm port, it will dial out to either our main office here at this working time, or the answering service. I believe it will state that "Alarm at Hala'ula Well site for low level," or something like that. We programmed that in there.

CHR. HIRAKAMI: Do all well sites have that?

MR. GOODALE: Most of them.

MR. INABA: Yeah, especially the older ones. We find it reliable, but there are some that are little bit more high tech.

CHR. HIRAKAMI: Is it wireless kind of alarm?

MR. INABA: Some of them do because they don't have telephone service. Some of them have like a cellphone. Radio and microwave.

CHR. HIRAKAMI: Any other questions for Kurt or Kawika? If not, we're going to move on to Review of Monthly Financial Statements.

## E. REVIEW OF MONTHLY FINANCIAL STATEMENTS

*Chair: Is there any testimony for this item?*

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: For this month we have the Financial Statements for June 2023, the end of our fiscal year. So this would be our first report, and it doesn't include any year-end adjustments, that will come in next month's meeting.

So on your coversheet, I just pointed out what was added, or highlighted, as a significant change for this month, which is an increase in our receivables, 22% or \$1.5 million from the prior year, and

that's attributed to our water sales great increase, as well as additional receivables that are monies due to us, which is not as significant as the water sales. That's reflected in your Balance Sheet, the first report.

The other thing I'd like to point out, especially at the end of the year, our **net position increased** again for this fiscal year. As the auditors did point out that that's an indicator of our financial position. So the increase was higher for Fiscal Year 2023. It may change again next month when we do our Year-End adjustments.

Next report is your Income Statement, and that of course shows an increase in our revenues. Slight increase in our expenses but not that much, so our net income had a significant increase from the prior year.

Our Budget Status Report: Our receipts or revenues exceeded our budget by five percent, and our expenditures were under, at this point, by 4 percent. We're on good track, I would say, heading towards our financial (inaudible). Are there any questions.

MR. UYEHARA: So Candace, next month will have your adjusted year-end report end of July, and the July report?

MS. GRAY: Yes.

MR. UYEHARA: So the Board will see a couple financial statements?

MS. GRAY: Yes.

MR. UYEHARA: And then normally those that were given were audited, as well? Eventually, we're going to do another Single Audit after the Financial Audit, later at the end of the year.

MS. GRAY: Financial Audit, yes, so those reports as well as all the information they request were given to the auditors and they are audited. In January and February, we'll have the Final Audit Report.

CHR. HIRAKAMI: Do we go through a single audit?

MS. GRAY: We do.

CHR. HIRAKAMI: Will we receive more than \$750,000 of federal funds?

MS. GRAY: Our Single Audit is actually through the County, so we submit our information to the County, and the Board is actually—

MR. UYEHARA: Sorry, our departments, what I was referring to, the department's Financial Audit, which is later this calendar year.

MS. GRAY: For this fiscal year.

MR. UYEHARA: For Fiscal Year 2022?

MS. GRAY: Yes.

MR. BROWN: I have a question. Based on what Steve said, the Single Audit is for the federal fund, right?

MS. GRAY: Yes.

MR. BROWN: How often do you folks go through that? Is that annually?

MS. GRAY: Yes.

MR. BROWN: Is that because of the amount of funds you receive or because they found issues?

MS. GRAY: The Single Audit is another audit report for any federal funds that we receive. What's included is really like our FEMA, or USDA, or any Federal funds.

MR. BROWN: Finance still does that, or do they contract?

MS. GRAY: Yeah, it is conducted by an independent auditor.

MR. BROWN: Right.

MS. GRAY: But the County has the contract actually. The contract is through the Legislative Auditors.

MR. BROWN: Legislative, okay.

CHR. HIRAKAMI: Any other questions for Candace? Okay seeing none, we're going to move on to the Manager-Chief Engineer's Report, and so we'll go to Kawika.

#### F. MANAGER-CHIEF ENGINEER'S REPORT

*Chair: Is there any testimony for this item?*

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

1. North Kona Wells

MR. UYEHARA: So for North Kona, for some of the newer Board Members, just background. Like what Mr. Unger was mentioning earlier, years back we had issues in Kona, Makalei Well is down. So at that time, the Board asked us to report monthly the repair status.

So for this month in North Kona water system, we have 14 total sources and are operating or online, and four of that are still offline. So Palani Well is offline, and that one we have time extension till August 30<sup>th</sup> of this year to repair. Hualalai Well, we have a time extension till September 15<sup>th</sup> to repair. Then Makalei Well, we got from the developer's contractor that some of the electrical equipment might be on the island already, so they're working to schedule some of the electrical demolition work, and then that contractor for the developer still got to get timeframe on pump and motor shipment, but we haven't gotten that yet. Wai'aha Well, we're still working with Corp. Counsel on that, so it's on our site. Any questions?

MR. LOPEZ: Makalei, equipment that's on, weren't received yet?

MR. INABA: Maybe I can clarify.

MR. LOPEZ: That's been a long, long time, years.

MR. INABA: It has been. What happened was we had to come back basically and make a decision on what to put back at that point, because we're saying we didn't agree with the water—the water quality was not desirable. There were provisions in the original agreement that we could require them to reduce that pump size.

MR. LOPEZ: I remember that.

MR. INABA: So they are putting in now a pump and motor that's half of the original capacity. Hopefully the draw is slower, so it won't drop as much—I guess we call it “contaminant,” but it's not. So they have done that, they redesigned it. All the equipment, you know, that the electrical equipment has to be replaced, so that's why they have to do the demolition of that, removal basically of the existing controls, you know, electrical equipment.

What they are waiting on is the pump and motor. What happened was I think the pump has to be redone. It didn't quite meet their specs, in terms of when they did the efficiency testing, and that's being addressed right now. So they're waiting on that to be taken care of so that they can ship that.

MR. LOPEZ: Is there any dart and a target, Makalei coming back online? Is that reasonable?

MR. INABA: I believe if they get started—Eric might know better, with the amount of work they got to do. Within a year or so.

MR. LOPEZ: Within a year you think?

MR. INABA: Hopefully, yeah.

MR. LOPEZ: It's just that it's been going on for many years.

MR. INABA: And that's what we're asking them, is basically for a schedule so that at the least we have an idea of when that's coming back. That is still—equipment that was under warranty, that's why the developers doing this. They cannot get really any more water until they do this right.

MR. LOPEZ: Thank you for that.

MR. UYEHARA: Maybe it's appropriate for the new Board Members to mention, and for the Board, I think that's where our Operations and Engineering work hand-in-hand to make sure they stay on top of status, because we say “redundancy and resilience is a focal point for the department. We've got to put on the continuous water. I know that ongoing meetings that happened and occurred to—when we're talking about the Lālāmilo Water System, we track of, as best as we can, push certain contractors to get things done, have continuous use when things happen, because things happen.

MR. INABA: South Kohala and North Kohala we have biweekly meetings basically, that's one meeting, and we also have a Noth Kona meeting.

MR. NEY: I guess too, Keith was telling me, kind of like looking at areas, just addressing pump locations, the hydraulics, and things involved with moving water around, and elevation and such.



So I'm sure you guys run through different scenarios of pumps going down and how they'll play out.

MR. UYEHARA: The Kona guys get'um. I mean, yeah, because there's different hydraulic situations. It's not like it is one system can feed everywhere.

MR. INABA: Every system is pretty unique. Broaden that a little bit that the city so that we can have some compatibility between systems. We're not going to get the most efficient pump and motor maybe for that, but at least it can be installed, right? We can bring water up to customers. That's all I have, thank you.

CHR. HIRAKAMI: Great, thank you.

G. CHAIRPERSON'S REPORT

Chairperson to report on matters of interest to the Board.

CHR. HIRAKAMI: My report. I just want to reiterate that I appreciate all the Board Members doing their homework, for coming to the meeting. Discussion is more lively and more intelligent. We're able to get to items on time. We had a whopping agenda, and we got through in 90 minutes, so that's pretty good. I'd like to thank Keith for joining the Board. Hopefully you weren't bored during this first meeting, and thanks for coming because we just made quorum.

MR. UNGER: I was happy to hear that you enjoy (inaudible), so thank you.

CHR. HIRAKAMI: I'd like to see a system where we can add things ahead of the meeting to the agenda, possibly with an email chain between the members and myself, and between myself and whoever makes the agenda. Because we mention agenda items, and we never discuss it; like Kawika wanted to give his final report for finalize of PIG, and we never got around to that. Ben mentioned something about this Power Cost Charge, and we were talking about that, we can't discuss it unless it's agendized. So, if we had kind of like an email chain.

MS. MELLON-LACEY: You have to be careful about that.

CHR. HIRAKAMI: What?

MS. MELLON-LACEY: The Sunshine Law.

CHR. HIRAKAMI: About what?

MS. MELLON-LACEY: About an email chain, okay, because one board member to another, but not if it becomes serial communication. So perhaps if those items are communicated to the Board secretary, then the secretary could—

CHR. HIRAKAMI: Yeah, just a system saying, "Okay, we're developing the Board agenda, do you have any items for the Board?"

MR. UYEHARA: So is that appropriate and allowed. Like I think what Steve might be asking, you don't want to wait to a meeting and say we want to talk about something at a later meeting.

CHR. HIRAKAMI: Right. Yeah, we've had several instances where we may not talk—it's not on the agenda, we can't talk about it and then we forget about it, and they never get on the agenda.

MS. MELLON-LACEY: So the way this is handled at most Boards, would be if the members would give their items to the secretary, and then you and the secretary prior to finalizing the agenda would go over those items. And then if somebody has proposed one, you would go take Kawena proposals up and you wanted to get more information, then you and Kawena, two people, could talk about it. So, that's kind of what most Boards would do. And you as the secretary—

MR. NEY: And I think it was a draft of the agenda—ahead of time, and then we can go, hey, these guys—

MR. UYEHARA: Honestly, our agenda we post the final a week prior to—but we're still working on finalizing it, right up to almost the agenda deadline post. So I think like what Diana—if I could recommend, suggest that—you know, Nora is the Board secretary. If there is interest the Board wants to put on the agenda, however you want to have it—

CHR. HIRAKAMI: Kawena can email her and say, "I want to put the final of the PIG on the agenda, and then Nora says, "Hey, I got a request for that, is that okay with you," I say, "That's fine," and then it gets added to the agenda. I think that's the way.

MS. MELLON-LACEY: And Kawena could copy you on that. So if members would send to Nora and then copy you as the Chair, then prior to finalizing you and Nora can kind of iron out.

CHR. HIRAKAMI: I think that would be a good way, because we bypass up agenda items, you know, we think of something and it's too late; and by the time the next agenda comes, it goes. So, we've been bypassing these discussions. Like last month, we had a real lively discussion on how to reduce the account receivable, that was like, "Well, you can't talk about it, it's not agendized." So we finally got it agendized, and we had a real nice discussion on strategies to do that. So I think if we had more of a better system, I think that would make a meeting more relevant to the members because we don't see their (inaudible).

MR. LOPEZ: Chair, isn't that what, like item 4 on the agenda is for? Although, it's kind of catching you at the last minute, Approval of Addendum.

CHR. HIRAKAMI: It has to be a real important, and can't wait, and of utmost important to be added on the agenda, at the last time.

MS. MELLON-LACEY: I mean you could have an item on the agenda, discussion of items for the next agenda, and let people—and reduce items that way. But this item is specifically to add something to the agenda, you have to be very cautious about that.

MR. INABA: Maybe just to, like what Kawika was saying, "We're working on the agenda, right up to that date." You know, I would put maps ahead of time, but basically the dedications are like they're last minute, so I'm not going to be able to make a map in time already.

MR. NEY: Because it isn't just simple saying, "Agenda item, looking restructuring this or that." I mean it's just something someone has to write up and put in there.

MR. UYEHARA: So I would suggest that maybe if the Board wants to add something, you will email Nora, copy to Chair; because once we receive on our side, Nora will come ask and myself

how to phrase it on the agenda. We might even have to come to legal just to agendize properly, word it properly, right, and then we might just say, “For discussion purposes,” or something like it. Because we may come back and ask the Board Member that inquired, or sent a query in, to try to—make sure we understand what they’re trying to do, right, with the intent of the agenda item is. Discussion, or discussion and action, or just strictly background information. So yeah, there might be a multi-step process. You sent a request in, we might have to come back and say, “Okay, is this what you’re intending?” Okay, and then we have to figure out how to word it properly on the agenda, so it’s transparent.

MS. MELLON-LACEY: I would say based on because you have this posting requirement, six days before, and you can’t wait till the sixth day to put it in there. You get so inundated, and you don’t get your agenda on at all.

MR. NEY: So, shoot it off early.

MS. MELLON-LACEY: Yes, you’ve got to do this between—like the first two weeks after this Board meeting, you get ready for next. I know the departments works like this. They’re always up in front of what it’s going to be on that. So if someone wants to recommend something, do it quick.

CHR. HIRAKAMI: The secretary, Nora can send out like a request for agenda items, maybe two week prior to the posting, and then everybody (inaudible) and copy the Chair on the response to Nora.

MS. MELLON-LACEY: But not each other.

CHR. HIRAKAMI: Yeah, not each other. Just copy the Chair, And then, “Nora, I want this—like Ben would say, “I want to discuss Power Cost Charge and that on the agenda,” and then copies me to you, and then you say, “Hey, is this—?” And then I ask, “Is that relevant to the department,” and then we can put it on the agenda if it’s relevant.” Something like that.

MS. MELLON-LACEY: What I would say to do, I mean if you wait till two weeks, you’re almost going to be too late. I would say you’ve got to start work on that within one week for this meeting because it takes time to do the steps; and if Nora gets five or six requests, two weeks before the next Board meeting, she’s going to—it’s not going to work.

CHR. HIRAKAMI: There’s not many that many requests. I’m just saying this item, that’s all. So one or two items at the most. Normally, we follow the agenda, but just a way for some of those things that come up during the course of the meeting that we can’t discuss sometime.

MR. UYEHARA: Sorry, Mr. Chair, but I could suggest something for you as the Chair, but we may have to look to you to make that call as the Chair, right, of the Board, to make the call if the item is appropriate to bring before the Board; discussion and action, or discussion? Everything on the agenda is needed for the department and the Board to function. So it’s kind of a judgement, right? Discussion is different than for action, right?

MR. NEY: If it’s like a matter of legal of clarification, I understand there might be, but like some of these things I think could be discussion and action right away. Because if we have discussion, the next month we take a vote on it. I mean, I just want to see things happen, take a vote on it. And I’ve been like six months, eight months since I first brought this up, and I’m like—I don’t want to belabor the point, but we have to have something like within two three months we should be able to address, talk about the subject, take it up for vote or discard it.

CHR. HIRAKAMI: I mean, that's why people sit on Boards, and they want to be proactive, they want to take position. So if you have an idea that you can't hold in, we need to see if it's appropriate to be agendized. That's all. We need to validate us sitting on the Board.

10) **ANNOUNCEMENTS**

Next Meeting: - August 22, 2023, 10:00 a.m., at the West Hawai'i Civic Center, Building G, 74-5044 Ane Keohokālole Highway, Kailua-Kona, Hawai'i.

11) **ADJOURNMENT**

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

(Meeting adjourned at 11:44 a.m.)

---

Recording Secretary

APPROVED BY WATER BOARD  
AUGUST 22, 2023