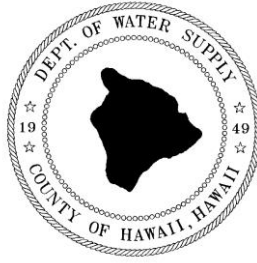


Stephen Kawena Lopez
Chairperson
Dist. 8

Michael Pono Kekela
Vice Chairperson
Dist. 4



Vacant, Dist. 1, Board Member
James Kimo Lee, Dist. 2, Board Member
Vacant, Dist. 3, Board Member
Emily Taaroa, Dist. 5, Board Member
Keith Unger, Dist. 6, Board Member
Michael Bell, Dist. 7, Board Member
Philip Aiona, Dist. 9, Board Member

**DEPARTMENT OF WATER SUPPLY
COUNTY OF HAWAII
WATER BOARD MEETING
AGENDA**

MEETING DATE: April 22, 2025
TIME: 10:00 a.m.
IN-PERSON LOCATION: Department of Water Supply, Hilo Operations
889 Leilani Street, Hilo, Hawai'i

REMOTE MEETING LINK:
https://www.facebook.com/HawaiiDWS/live_videos/

STATEMENTS FROM THE PUBLIC:

Public testimony may be done in person or in writing by email (dws@hawaiidws.org), fax (808-961-8657), or by mail: 345 Kekūānaʻō'a Street, Suite 20, Hilo, HI 96720. Please indicate agenda item submitting for. All testimony, regardless of time of receipt, will be part of the permanent record.

Remote Oral Testimony:

Telephone testimony may be presented by calling 1(669) 254-5252 and entering meeting ID 161 184 0257. Please wait for the Chair to ask for testimony on the item you are interested in. The Chair will unmute testifiers who call in, one phone number at a time.

Optional Alternative to Present Remote Oral Testimony:

If you would like to testify via an online video link, please email dws@hawaiidws.org at least 24 hours before the meeting to request the link. You may also email to pre-register to present telephone testimony if you wish to be called on by name or before those who have not pre-registered. Testifiers who wish to remain anonymous or have not pre-registered may still call the testimony phone number and follow the instructions listed above.

ADDITIONAL INFORMATION:

Information about all the board's meetings is available [here](#). General information about the board is available at [About the Water Board](#).

In the event the online remote connection is interrupted during the Water Board meeting, the Board shall recess for up to 30 minutes to allow for reestablishing the online remote connections. If the online remote connection cannot be reestablished after 30 minutes the meeting shall be adjourned and then reconvene per the following contingency plans:

Board shall reconvene on: April 23 2025, 10:00 a.m.
Board shall reconvene at: DWS, Hilo Operations, 889 Leilani Street, Hilo, Hawai'i

If you would like to testify via an online video link, please email dws@hawaiidws.org before the meeting to request the weblink or phone number to testify.

- 1) CALL TO ORDER – 10:00 a.m. (please turn cell phones off or set to silent)
- 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.
- 3) APPROVAL OF MINUTES:
 - Minutes of March 25, 2025, Public Hearing on the Proposed Operating and 5-Year Capital Improvement Projects (C.I.P.) Budgets for Fiscal Year 2026
 - Minutes of March 25, 2025, Regular Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
(**Note: Roll Call Required**)
- 5) POWER COST CHARGE:

Chair: Is there any testimony for this item?

Departmental power costs from all power sources have decreased since the last Power Cost Charge rate was determined. The Department proposes to decrease the Power Cost Charge from \$2.32 to \$2.08 per thousand gallons as a result of this decrease. Power cost charges over the past year were as follows:

<u>Effective</u>	<u>PCC</u>
February 1, 2025	\$2.32
September 1, 2024	\$3.04
May 1, 2024	\$2.77
February 1, 2024	\$2.37

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

RECOMMENDATION: It is recommended that the Board approve holding a Public Hearing on May 27, 2025, at 9:45 a.m., to receive testimony on decreasing the Power Cost Charge from \$2.32 to \$2.08, effective June 1, 2025.

- 6) SOUTH KOHALA:
 - A. JOB NO. 2024-1250, RELOCATION OF WAIMEA DEEPWELL HECO TRANSFORMER – REQUEST FOR ADDITIONAL FUNDS:

Chair: Is there any testimony for this item?

The Contractor, Isemoto Contracting Co., Ltd. is requesting a contract change order for the additional work for the installation of five (5) additional bollards HECO is requiring which was beyond the scope depicted in the plans and specifications. The Department is also requesting work to remove a tree stump just outside the area of work. The description of the additional work and associated fees are as follows:

ITEM	DESCRIPTION	AMOUNT
1.	Five (5) additional bollards to protect HECO transformer.	\$ 17,543.00
2.	Department request for tree stump removal.	\$ 3,215.00
	TOTAL	\$ 20,758.00

Original Contract Amount:	\$ 196,718.00
Original Contingency Amount:	\$ 0.00
1 st Additional Funds Request:	\$ 20,758.00
Total Revised Contract Amount:	\$ 217,476.00

Staff reviewed the request for additional funds and found that the \$20,758.00 can be considered justified.

RECOMMENDATION: It is recommended that the Board approve an increase in contingency of \$20,758.00 to Isemoto Contracting Co., Ltd., for JOB NO. 2024-1250, RELOCATION OF WAIMEA DEEPWELL HECO TRANSFORMER. If approved, the total revised contract amount shall be \$217,476.00.

7) **NORTH KONA:**

A. **JOB NO. 2022-1199, CONSTRUCTION OF THE IKI PLACE WATER SYSTEM IMPROVEMENTS:**

Chair: Is there any testimony for this item?

This project is for the construction of a County Council initiated improvement district. The improvements consist of a water main, appurtenances and other related work, in place complete, all in accordance with the plans and specifications, and ready for operation.

Bids were opened on April 10, 2025; and following are the bid results:

Bidder	Bid Amount	Adjusted Bid Amount* (for purposes of bid award)
Isemoto Contracting Company, Ltd	\$ 621,197.00	
Goodfellow Bros. LLC	Non-Responsive	
H.E. Johnson Company	\$ 1,170,447.00	\$ 1,111,925.00
Alpha Inc.	\$ 1,655,780.00	\$ 1,572,991.00
Jas W Glover, Ltd.	\$ 1,767,000.00	

*Bids were adjusted (for the purposes of award) to provide credits for participation in the State Apprenticeship Program all in accordance with DWS General Requirements and Covenants and the Hawai'i Administrative Rules

Project Cost:

1. Low Bidder (Isemoto Contracting Company, Ltd)	\$ 621,197.00
2. Construction Contingency (~13%)	\$ 78,803.00
Total Construction Cost:	\$ 700,000.00

Funding for this project will be from the USDA's Rural Utilities Service Water and Waste Water Loan and Grant program and County G.O. Bonds (Loan - \$275,000.00 Grant - \$825,000.00 and Total \$1,100,000.00). The consultant contract amount is \$148,583.00. There are other fees that will be reimbursable by the loan/grant funds.

The contractor will have 180 calendar days to complete this project.

Pursuant to the Hawai'i County Code, Section 12-24, the award of contract is subject to the creation of the improvement district.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2022-1199, CONSTRUCTION OF IKI PLACE WATER SYSTEM IMPROVEMENTS, to the lowest responsible

bidder, Isemoto Contracting Company, Ltd., for their bid amount of \$621,197.00 plus \$78,803.00 in construction contingency for a total contract amount of \$700,000.00 subject to review as to form and legality of the contract by Corporation Counsel and the acceptance by the USDA Rural Development, Hawai'i County Council and homeowners of the Improvement District Assessment amount.

8) MISCELLANEOUS:

A. DEDICATION OF WATER SYSTEMS:

Chair: Is there any testimony for this item?

The Department received the following documents for action by the Water Board. The water systems have been constructed in accordance with the Department's standards and is in acceptable condition for dedication.

1. Grant of Easement

Grantor: HFS Federal Credit Union

Tax Map Key (3) 2-3-018:035

Kukuau 1st, South Hilo, Island of Hawai'i, Hawai'i

Facilities Charge: \$91,425.00 Date Paid: 3/17/2025

Final Inspection Date: 1/22/2025

Water System Cost: \$74,500.00

2. First Amendment to License Easement No. 511

Licensor: State of Hawai'i, Department of Hawaiian Home Lands

Tax Map Keys (3) 1-5-119:051, (3) 1-5-118:048 (portion)

(3) 1-5-120:036 (portion)

Maku'u, Puna, Island of Hawai'i, Hawai'i

Facilities Charge: \$ \$463,509.54 Date Paid: TBA

Final Inspection Date: 4/15/2025

Water System Cost: \$ TBA

3. Dedication Deed

Grantor: Hawaii Island Community Development Corporation

Tax Map Key (3) 2-8-026:031, Lot 31

Pepe'ekeo, South Hilo, Island of Hawai'i, Hawai'i

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

B. DISCUSSION OF GOALS AND ACCOMPLISHMENTS FOR CALENDAR YEAR 2025:

Chair: Is there any testimony for this item?

(For discussion and possible action)

C. RENEWAL OF CONTRACT FOR MAINTENANCE AGREEMENT – SOUTH KOHALA, HĀMĀKUA, AND LAUPĀHOEHOE SITES (BRANTLEY CENTER, INC.):

Chair: Is there any testimony for this item?

Brantley Center, Inc., presently has a Maintenance Agreement for site maintenance for the Department's South Kohala, Hāmākua, and Laupāhoehoe tank and pump sites. We are requesting to renew this Agreement from July 1, 2025, to June 30, 2026 The rates would be as follows:

South Kohala	\$4,475.68/month x 12 months (23 sites) =	\$ 53,708.16
Hāmākua	\$2,944.16/month x 12 months (15 sites) =	\$ 35,329.92
Laupāhoehoe	\$738.48/month x 12 months (3 sites) =	\$ 8,861.76
Total:		\$ 97,899.84

The Department has the right to award the contract to Brantley Center, Inc., without advertising or calling for bids, according to Subsection 103D-1010 of the Hawaii Public Procurement Code. Brantley Center, Inc., has submitted the necessary documents to meet the requirements as a qualified rehabilitation facility. There is no increase from their proposal for Fiscal Year 2022-2023. Brantley Center's performance has been satisfactory, and the costs are reasonable. A total of 41 sites are covered by this agreement.

RECOMMENDATION: It is recommended that the Board award the contract for the RENEWAL OF CONTRACT FOR MAINTENANCE AGREEMENT - SOUTH KOHALA, HĀMĀKUA, AND LAUPĀHOEHOE SITES, to Brantley Center, Inc., for a period from July 1, 2025, to June 30, 2026, at a total cost of \$97,899.84, and that either the Chairperson or Vice-Chairperson be authorized to sign the documents, subject to approval by Corporation Counsel.

D. MEMORANDUM OF AGREEMENT BY AND BETWEEN DEPARTMENT OF WATER SUPPLY AND DEPARTMENT OF HAWAIIAN HOME LANDS:

Chair: Is there any testimony for this item?

The Department of Water Supply (DWS) is proposing to enter into a Memorandum of Agreement with the Department of Hawaiian Home Lands (DHHL) to provide an advance of 200 water units to support DHHL's housing development in the Villages of La'i'Opua generally located within Tax Map Key 7-4-021. Prior to granting the water units, DHHL will provide to DWS, equipment as specified by DWS that will strengthen DWS' operational resiliency in the North Kona water system.

RECOMMENDATION: It is recommended that the Board approve the Memorandum of Agreement subject to the approval of the Corporation Counsel, and that either the Chairperson or the Vice-Chairperson be authorized to sign the document.

E. DEPARTMENT OF WATER SUPPLY PROPOSED OPERATING AND 5-YEAR CAPITAL IMPROVEMENT PROJECTS (C.I.P.) BUDGETS FOR FISCAL YEAR 2026:

Chair: Is there any testimony for this item?

The Department's Fiscal Year 2026 Operating Budget, totaling \$77,597,000.00, and 5-Year C.I.P. Budget for Fiscal Year 2026-2030, totaling \$235,500,000.00 have been distributed for the Board's review. A public hearing was held prior to this meeting to accept testimony. The Board may change either Budget or adopt them as presented over two readings.

RECOMMENDATION: It is recommended that the Board approve the Department's Fiscal Year 2026 Operating and C.I.P. Budgets on this second of two readings.

F. DEPARTMENT OF WATER SUPPLY COLLECTION AND DELINQUENCY POLICIES:

Chair: Is there any testimony for this item?

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

G. 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.

H. 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.

I. MANAGER-CHIEF ENGINEER'S REPORT:

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

1. North Kona Wells
2. Retiree: Kurt Y. Inaba, Civil Engineer VII, 03/16/1994 – 04/30/25
3. AWWA's 2025 Annual Conference and Expo (June 8-11, 2025 – Denver, CO)

J. CHAIRPERSON'S REPORT:

1. Chairperson to report on matters of interest to the Board

9) ANNOUNCEMENTS:

Next Meeting – May 27, 2025, 10:00 a.m., West Hawai'i Civic Center, Building G, 74-5044 Ane Keohokālole Hwy., Kailua-Kona, Hawai'i

10) ADJOURNMENT:

Anyone requiring an accommodation or auxiliary aid and/or services to participate in this meeting (i.e. sign language, interpreter, large print), please contact the Board Secretary, at (808) 961-8050 as soon as possible, but no later than five days before the scheduled meeting.

Notice to Lobbyists: If you are a lobbyist, you must register with the Hawai'i County Clerk within five days of becoming a lobbyist. {Article 15, Section 2-91.3(b), Hawai'i County Code} A lobbyist means "any individual engaged for pay or other consideration who spends more than five hours in any month or \$275 in any six-month period for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials." {Article 15, Section 2-91.3(a)(6), Hawai'i County Code} Registration forms and expenditure report documents are available at the Office of the County Clerk-Council, Hilo, Hawai'i.

Board Packet: Pursuant to Hawai'i Revised Statutes, Section 92-7.5, the board packet provided to members of the board for this meeting is available for public inspection during regular business hours at the Department of Water Supply office, 345 Kekūanaō'a Street, Suite 20, Hilo, Hawai'i.

"The Department of Water Supply is an Equal Opportunity provider and employer."