

## MINUTES

### DEPARTMENT OF WATER SUPPLY COUNTY OF HAWAII WATER BOARD MEETING

May 27, 2025

West Hawaii Civic Center, Bldg. G, 74-5044 Ane Keohokālole Hwy, Kailua-Kona, Hawai'i

MEMBERS PRESENT: Mr. Stephen Kawena Lopez, Chairperson, Dist. 8  
Mr. Michael Pono Kekela, Vice-Chairperson, Dist. 4  
Mr. Philip Aiona, Water Board Member, Dist. 9 (via videoconference)  
Mr. James Lee, Water Board Member, Dist. 2  
Ms. Emily Taaroa, Water Board Member, Dist. 5 (via videoconference)  
Mr. Keith Unger, Water Board Member, Dist. 6

ABSENT: Mr. Michael Bell, Water Board Member, Dist. 7  
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  
Dr. Jeff Zimpfer, guest, NPS  
Mr. Jeff Bray, guest  
Mr. Tane Data, guest

#### DEPARTMENT OF WATER SUPPLY STAFF:

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

- 1) **CALL TO ORDER** – Chair Lopez called the meeting to order at 10:00 a.m. Board Members who were present: Messrs. Aiona, Kekela, Lee, Unger, Ms. Taaroa, and Chair Lopez).
- 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.

(There were none.)

- 3) **APPROVAL OF MINUTES:**

**ACTION:** Mr. Kekela moved for approval of the Minutes of the April 22, 2025, Water Board meeting; seconded by Ms. Taaroa and carried unanimously by voice vote (Ayes: 6 – Board Members Aiona, Kekela, Lee, Unger, Ms. Taaroa, and Chairperson Lopez).

- 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 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

A Public Hearing will have been held prior to this Board meeting to accept public testimony on this change.

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.

MR. UYEHARA: We would like to revise the recommendation to read: It is recommended that the Water Board approve the decrease of the Power Cost Charge from \$2.32 to \$2.08, effective June 1, 2025.

CHR. LOPEZ: Okay, so we strike holding a Public Hearing on May 27, 2025, 9:45 a.m., to receive testimony?

MR. UYEHARA: Yes, strike the whole thing and replace with the revised recommendation.

CHR. LOPEZ: All right, motion to approve, as modified.

ACTION: Mr. Kekela moved for approval of the recommendation, as modified. Seconded by Mr. Unger and unanimously by voice vote (Ayes: 6 – Board Members Aiona, Kekela, Lee, Unger, Ms. Taaroa, and Chairperson Lopez).

- 6) SOUTH KOHALA:
- A. SERVICE BID 2025-04, WAIMEA WATER TREATMENT PLANT (WWTP) SLUDGE REMOVAL:

*Chair Lopez asked if there was any testimony for this item. There being none, he continued with the agenda item.*

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, 8.5 MG reservoir and drying beds, for a period not to exceed one year.

Bids for this project were opened on May 1, 2025, at 2:30 p.m., and the following are the bid results:

	2B Environmental	DWS Engineering Evaluation
Item #1. Sludge Removal from 2.7MG Reservoir with Disposal Off-Site	No Bid	\$0.28
Per Gallon Cost		
Item #2. Sludge Removal from 2.7MG Reservoir with Disposal at Waikoloa #1	Non-Responsive	\$0.28
Per Gallon Cost		
Item #3. Sludge Removal from 8.5MG Reservoir with Disposal Off-Site	No Bid	\$0.28
Per Gallon Cost		
Item #4. Sludge Removal from 8.5MG Reservoir with Disposal at Waikoloa #1	Non-Responsive	\$0.28
Per Gallon Cost		
Item #5. Sludge Removal from Drying Beds with Disposal Off-Site	No Bid	\$0.28
Per Gallon Cost		
Item #6. Sludge Removal from Drying Beds with Disposal at Waikoloa #1	Non-Responsive	\$0.28
Per Gallon Cost		

**RECOMMENDATION:** As no responsive bids were received for JOB NO. 2025-04, WAIMEA WATER TREATMENT PLANT SLUDGE REMOVAL, staff will re-evaluate the scope of work and resolicit this bid per HAR § 3-122-35.

CHR. LOPEZ: Discussion? You want to say something?

MR. UYEHARA: If we can provide a little bit more?

CHR. LOPEZ: You'd like to?

MR. UYEHARA: Sure.

CHR. LOPEZ: Okay, yeah. Tell us what happened then.

MR. UYEHARA: This bid was put out to help us remove some of the sludge material and move it up to Waimea. Most of you saw it when we did the tour at the treatment plant. This bid is also on an on-call, as-needed basis, so we don't call for this service if we don't need it. This particular solicitation I guess is non-responsive because the bid provided was not per specs.

CHR. LOPEZ: The bids provided were not per specs?

MR. UYEHARA: Per our specifications, so that's why we're going to put in as deemed "non-responsive," and so now we're going to re-evaluate and go through with how we're going to resolicit this bid now.

MR. GOODALE: Yeah, we believe we'll be able to get a bid from this bidder. It's just that the original one that was put out had some terms and conditions in it that they weren't able to fulfill, so we're going to redraft the specification for this, which will include the language that should have been in there at the beginning. We anticipate we'll get a good bid. But right now we weren't able to make an award because they didn't meet the specifications, the bidder.

CHR. LOPEZ: Sorry, but I'm hearing two things, one is that they couldn't fulfill the bid as it was spec'd; and two, we have to redo the contract details part of the bid to how it used to be, did I hear that?

MR. GOODALE: No, it's not to—it was put out how it used to be, but then there were some things that were realized that were left out of that solicitation, that we're going to put into it.

CHR. LOPEZ: So, additional things?

MR. GOODALE: Yes, additional things, so we'll make it to where we need it to be. Yeah, we anticipate we'll be able to get this contractor to feel he performed the service for us, but we want to make sure it was done the right way. The right way was to cancel this, or to deem them non-responsive, and then put out a new bid.

CHR. LOPEZ: Okay, I understand.

MS. MELLON-LACEY: Just out of curiosity, if you need sludge hauled now, what will you do?

MR. GOODALE: Well, actually we have this contract still as active until the end of this fiscal year, so we have access to it. The reality is we haven't used this contract yet this year, so everything that we have encumbered for this contract is still sitting there because we just haven't had the need for it. But again, there's been times when we've needed it. Yeah, it became quite necessary to be able to pump sludge out of those lagoons. Fortunately, this hasn't been one of those years, but it is a contract that we definitely need. It's a necessary contract for the treatment plant.

CHR. LOPEZ: So it exists, and then as-needed, you call, plan to take this stuff out of there.

MR. GOODALE: And back to Diana's question, if for some reason we have a gap in there where we didn't have a contract, say for the first month of the month of June, we could go with this, do a purchase order.

MR. UYEHARA: Request for quotes, basically.

MR. GOODALE: Yeah.

MR. UYEHARA: Limit the scope, and just get a price for a couple of days of pumping or something.

CHR. LOPEZ: That would have come out of the same bucket of money?

MR. GOODALE: Yes.

MR. UYEHARA: Out of the Operation's budget.

MR. UNGER: Would this (inaudible) you for a Request for Proposal? Is there how we can retain to another contractor, or is this the only guy that you respond to?

MR. GOODALE: We do send it out to quite a few, so we have a pretty sizable list that these quotes get sent out to, it's just that this is the only contractor who has been responsive. So we are making an active effort to try and get this in front of as many contractors as possible, but for whatever reason, these guys seem to be the only ones that end up putting in a bid for these services.

MR. UNGER: What is the unit associated with 0.28 cents? What does that relate to?

MR. GOODALE: That's by the gallon. If you look at the bid sheet, it says per gallon cost in the column there.

CHR. LOPEZ: Okay, we'll move right along.

7) MISCELLANEOUS:

A. DEDICATION OF WATER SYSTEMS:

*Chair Lopez asked if there was any testimony for this item. There being none, he continued with the agenda 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**

(For Water Meter Purposes)

Grantors: Benjamin Todd Powers and  
Nicole Elizabeth Stomski

Tax Map Key (3) 6-4-015:003 (portion)  
Pu'ukapu, Waimea, Island of Hawai'i, Hawai'i

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

PL-SUB-18-001848 – The Shores at Kohanaiki Resort Subdivision (Parcel 11)

Grantor: Kohanaiki Shores LLC

Tax Map Key (3) 7-3-066 :002 & 002

Kohanaiki, North Kona, Island of Hawai'i, Hawai'i

Facilities Charge: *Through an agreement there is no facilities charge for the units.*

Final Inspection Date: 8/21/2024

Water System Cost: \$832,290.00

3. **Grant of Easement**

(For Fire Hydrant Purposes)

Grantor: Chris Kazumi Igawa

Tax Map Key (3) 2-2-043:008

Waiakea, South Hilo, Island of Hawai'i, Hawai'i

4. **Use and Occupancy Agreement**  
**Alapono Place Water System**  
PL-SUB-2022-000046  
Kukuiola Village Subdivision  
Grantor: County of Hawai'i  
Tax Map Key (3) 7-4-020:037  
Kealakehe, North Kona, Island of Hawai'i, Hawai'i  
Facilities Charge: \$121,900.00 Date Paid: *TBA*  
Final Inspection Date: 8/7/2024  
Water System Cost: \$280,089.00

**RECOMMENDATION:** It is recommended that the Water Board accept 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.

**MOTION:** Mr. Kekela moved for approval of the recommendation; seconded by Mr. Unger.

**CHR. LOPEZ:** Discussion? Do we have any questions on this? Any comments from the department?

**MR. UYEHARA:** I wanted to also again introduce Shari Uyeno, who is temporarily assigned to our Civil Engineering section now, basically the Engineering Division Head, apparently like what Kurt used to do, plus her own duties of her regular position. She made all these maps. I think there was one thing she also wanted to update on, I think it was for No. 4, Use and Occupancy Agreement, Alapono Place, the facilities charge.

**MS. UYENO:** For Kukuiola, the check came in on May 23<sup>rd</sup>, Friday.

**MR. UYEHARA:** So the date paid, where it says *TBA*, we can put 5/23/2025.

**CHR. LOPEZ:** Any other discussion? All in favor say aye.

**ACTION:** Motion was carried unanimously by voice vote (Ayes: 6 – Board Members Aiona, Kekela, Lee, Unger, Ms. Taaroa, and Chairperson Lopez).

B. **MATERIAL BID NO. 2025-01, FURNISHING AND DELIVERING PIPES, FITTINGS, WATER METERS, FIRE HYDRANTS, BRASS GOODS, VALVES, ELECTRICAL SUPPLIES, ELECTRICAL EQUIPMENT, SCADA, WATER QUALITY EQUIPMENT, CHLORINATORS, MOTORS AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK:**

*Chair Lopez asked if there was any testimony for this item. There being none, he continued with the agenda item.*

Bids were opened on May 8, 2025, at 1:30 p.m., and the following are the bid results:

Part No.	Description	Bidder	Amount	Estimated Cost Based on Mat. Bid 2024-01
1	DUCTILE IRON PIPE, PUSH-ON TYPE JOINT	Core & Main LP dba Pacific Pipe Company	\$100,000.00	\$113,000.00
2	DUCTILE IRON FITTINGS	Core & Main LP dba Pacific Pipe Company	\$205,936.00	\$193,082.00

<b>Part No.</b>	<b>Description</b>	<b>Bidder</b>	<b>Amount</b>	<b>Estimated Cost Based on Mat. Bid 2024-01</b>
<b>3</b>	DUCTILE IRON FITTINGS – CORROSIVE SERVICE	No Bids		\$12,705.00
<b>4</b>	DUCTILE IRON SOLID BODY SLEEVES	Core & Main LP dba Pacific Pipe Company	\$72,330.00	\$72,330.00
<b>5</b>	FLANGE GASKETS	No Bids		
<b>6</b>	NUTS, BOLTS, AND THREADED RODS	ABR Ventures, LLC dba Honua Waterworks	\$74,562.12	
<b>7</b>	COPPER TUBING	Core & Main LP dba Pacific Pipe Company	\$232,600.00	\$174,015.95
<b>8</b>	GALVANIZED PIPES T&C (THREADED & COUPLED)	Ferguson Enterprises, LLC	\$23,432.10	\$34,915.00
<b>9</b>	METER BOXES	M&H Investment Corp. dba ICO Supply	\$45,500.00	\$56,425.00
<b>10</b>	METER COVERS	Core & Main LP dba Pacific Pipe Company	\$9,250.00	\$7,900.00
<b>11</b>	AUTOMATIC METER READING UNIT	Ferguson Enterprises, LLC	\$110,400.00	\$101,160.00
<b>12</b>	SMART WATER METERS	No Bids		\$221,206.00
<b>13</b>	5/8" WATER METERS	Badger Meter, Inc.	\$74,223.00	\$71,712.00
<b>14</b>	NEPTUNE METER PARTS	Ferguson Enterprises, LLC	\$417,422.80* **	\$118,765.00
<b>15</b>	BADGER RECORDALL SERIES METER PARTS	Badger Meter, Inc.	\$865,282.40* **	\$315,950.50
<b>16</b>	MUELLER/HERSEY METER PARTS	ABR Ventures, LLC dba Honua Waterworks	\$394,413.00	
<b>17</b>	1"- 2" WATER METERS	No Bids		\$13,976.90
<b>18</b>	COMPOUND WATER METERS	No Bids		\$14,774.22
<b>19</b>	TURBINE METERS	No Bids		\$26,074.85
<b>20</b>	DETECTOR CHECK METERS	Core & Main LP dba Pacific Pipe Company	\$11,900.00	\$7,805.00
<b>21</b>	FIRE SERVICE METERS	No Bids		\$80,404.40
<b>22</b>	FIRE HYDRANTS	Core & Main LP dba Pacific Pipe Company	\$247,000.00	\$244,000.00
<b>23</b>	TAMPER-RESISTANT FIRE HYDRANTS	No Bids		
<b>24</b>	MUELLER FIRE HYDRANT PARTS	Core & Main LP dba Pacific Pipe Company	\$39,274.00	\$29,528.00

<b>Part No.</b>	<b>Description</b>	<b>Bidder</b>	<b>Amount</b>	<b>Estimated Cost Based on Mat. Bid 2024-01</b>
<b>25</b>	M&H VALVE FIRE HYDRANT PARTS	Core & Main LP dba Pacific Pipe Company	\$35,713.00	\$28,402.00
<b>26</b>	AMERICAN DARLING FIRE HYDRANT PARTS	Core & Main LP dba Pacific Pipe Company	\$29,624.00	\$29,548.00
<b>27</b>	BALL METER VALVES	Core & Main LP dba Pacific Pipe Company	\$91,750.00	\$90,250.00
<b>28</b>	BALL VALVE, PACK JOINT X METER COUPLING / FIP	Core & Main LP dba Pacific Pipe Company	\$67,210.00	\$67,240.00
<b>29</b>	COMPRESSION JOINT COUPLING	Core & Main LP dba Pacific Pipe Company	\$9,800.00	\$9,000.00
<b>30</b>	METER FLANGE COUPLING	Core & Main LP dba Pacific Pipe Company	\$6,275.00	\$6,350.00
<b>31</b>	PACK JOINT COUPLING	Core & Main LP dba Pacific Pipe Company	\$61,500.00	\$60,270.00
<b>32</b>	CORPORATION AND CURB STOPS – BALL TYPE	Core & Main LP dba Pacific Pipe Company	\$147,525.00	\$147,455.00
<b>33</b>	HOSE BIBBS	No Bids		\$5,260.00
<b>34</b>	INVERTED MARKING PAINT	Safety Systems and Signs Hawaii, Inc. dba AWP Safety	\$19,686.00	\$17,544.00
<b>35</b>	AIR RELIEF VALVES	Core & Main LP dba Pacific Pipe Company	\$50,925.00	\$48,300.00
<b>36</b>	SLOW CLOSING AIR/VACUUM VALVES	No Bids		
<b>37</b>	SILENT CHECK VALVES	No Bids		\$152,800.00
<b>38</b>	DUCKBILL CHECK VALVES	Core & Main LP dba Pacific Pipe Company	\$130,635.00	\$111,080.00
<b>39</b>	GATE VALVES – 3” AND LARGER, 125# CLASS	Core & Main LP dba Pacific Pipe Company	\$91,040.00	\$89,888.00
<b>40</b>	GATE VALVES – 3” AND LARGER, 250# CLASS	ABR Ventures, LLC dba Honua Waterworks	\$81,714.39	\$150,733.00
<b>41</b>	BUTTERFLY VALVES – 3” AND LARGER, 125# CLASS	Core & Main LP dba Pacific Pipe Company	\$18,680.00	\$20,761.00
<b>42</b>	AUTOMATIC CONTROL VALVES	Core & Main LP dba Pacific Pipe Company	\$2,758,332.72	\$2,661,400.68
<b>43</b>	ROTARY PUMP CONTROL VALVES AND ACTUATION	No Bids		



<b>Part No.</b>	<b>Description</b>	<b>Bidder</b>	<b>Amount</b>	<b>Estimated Cost Based on Mat. Bid 2024-01</b>
<b>44</b>	RESERVOIR LEVEL INDICATOR	No Bids		\$14,109.20
<b>45</b>	HATCH FRAMES AND COVERS	No Bids		
<b>46</b>	EMERGENCY EYEWASH/SHOWER STATIONS	Safety Systems and Signs Hawaii, Inc. dba AWP Safety	\$184,237.10	\$169,847.30
<b>47</b>	SUPPLEMENTAL PPE	Safety Systems and Signs Hawaii, Inc. dba AWP Safety	\$8,777.68* **	\$8,776.76
<b>48</b>	ELECTRICAL GLOVES	No Bids		
<b>49</b>	PORTABLE POWER CABLE & FITTINGS	No Bids		
<b>50</b>	INDUSTRIAL MOTOR LEAD CABLE	No Bids		
<b>51</b>	INDUSTRIAL CONTROL WIRING	No Bids		
<b>52</b>	HEAVY-DUTY SAFETY SWITCH	No Bids		
<b>53</b>	MEDIUM-VOLTAGE REDUCED VOLTAGE SOFT STARTER	No Bids		\$374,369.60
<b>54</b>	ULH VARIABLE FREQUENCY DRIVES	Norman S. Wright Mechanical Equipment, LLC	\$2,956,747.00	
<b>55</b>	POWER QUALITY EQUIPMENT	No Bids		
<b>56</b>	SURGE PROTECTION DEVICES	No Bids		\$90,766.18
<b>57A</b>	PROGRAMMING & REPAIR SERVICES	No Bids		
<b>57B</b>	SIEMENS PROGRAMMING SERVICES	No Bids		
<b>58</b>	PRESSURE TRANSDUCER – WELL LEVEL	No Bids		
<b>59</b>	PRESSURE TRANSDUCER – RESERVOIR LEVEL	No Bids		

<b>Part No.</b>	<b>Description</b>	<b>Bidder</b>	<b>Amount</b>	<b>Estimated Cost Based on Mat. Bid 2024-01</b>
<b>60</b>	PRESSURE TRANSMITTER	No Bid		\$4,988.26
<b>61</b>	FLOW SWITCH	No Bids		\$2,648.66
<b>62</b>	ELECTROMAGNETIC FLOW METER – WELL & BOOSTER	No Bids		
<b>63</b>	ELECTROMAGNETIC FLOW METER – RESERVOIR & PRV	No Bids		
<b>64</b>	REAGENTLESS CHLORINE RESIDUAL ANALYZERS	No Bids		
<b>65</b>	WATER QUALITY EQUIPMENT	Hach Company	\$52,975.95	\$108,513.63
<b>66</b>	REAGENTS AND STANDARDS	Hach Company	\$5,562.02	\$14,687.32
<b>67</b>	MULTISTAGE BOOSTER PUMPS	No Bids		
<b>68</b>	DIGITAL CHLORINE CYLINDER SCALE	No Bids		\$53,200.80
<b>69</b>	CHLORINE GAS EXHAUST FANS	No Bids		
<b>70</b>	CHLORINE GAS FEEDER	No Bids		
<b>71</b>	MECHANICAL SEALS	No Bids		
<b>72</b>	MOTORS	No Bids		
<b>73</b>	INDUSTRIAL LUBRICANTS	No Bids		
<b>74</b>	LEGACY LEAK NOISE DATA LOGGER & PARTS	Wong's Equipment & Service, LLC	\$2,416.65	\$2,074.89
<b>75</b>	LEAK NOISE DATA LOGGERS	No Bids		\$62,094.32
<b>76</b>	LIGHT EMITTING DIODE LUMINARIES	No Bids		\$4,786.65
<b>77A</b>	ASME HYDROPNEUMATIC TANKS	No Bids		

\*Item(s) in this Part for Material Bid 2025-01 may have been different or additional items were added to this Part for Material Bid 2024-01.

\*\*Bidders amount corrected for arithmetic errors.

The contract period for all Parts is one year, from July 1, 2025, to June 30, 2026. All Parts are established price agreements for materials on an "As-Needed Basis."

**RECOMMENDATION:** It is recommended that the Board award the contract for MATERIAL BID NO. 2025-01, FURNISHING AND DELIVERING PIPES, FITTINGS, WATER METERS, FIRE HYDRANTS, BRASS GOODS, VALVES, ELECTRICAL SUPPLIES, ELECTRICAL EQUIPMENT, SCADA, WATER QUALITY EQUIPMENT, CHLORINATORS, MOTORS AND MISCELLANEOUS ITEMS FOR THE DEPARTMENT OF WATER SUPPLY STOCK by Parts to the following for the amounts shown above, on an as-needed basis, and that either the Chairperson of the Vice-Chairperson be authorized to sign the contract(s), subject to review as to form and legality of the contract(s) by Corporation Counsel. The contract period shall be from July 1, 2025, to June 30, 2026.

Parts 6, 16, and 40 to ABR Ventures, LLC dba Honua Waterworks

Parts 13, and 15 to Badger Meter, Inc.

Parts 1, 2, 4, 7, 10, 20, 22, 24, 25, 26, 27, 28, 29, 30, 31, 32, 35, 38, 39, 41, and 42 to Core & Main LP dba Pacific Pipe Co., Inc.

Parts 8, 11, and 14 to Ferguson Enterprises, LLC

Parts 65, and 66 to Hach Company

Part 9 to M&H Investment Corp. dba ICO Supply

Part 54 to Norman S. Wright Mechanical Equipment, LLC

Parts 34, 46, and 47 to Safety Systems & Signs Hawaii, Inc. dba AWP Safety

Part 74 to Wong's Equipment & Services, LLC

For the Parts where no bids were received, staff shall seek alternative procurement pursuant to HAR 3- 22-35 to procure the required materials in the best interests of the Department.

**MOTION:** Mr. Unger moved for approval of the recommendation; seconded by Mr. Kekela.

**CHR. LOPEZ:** Discussion?

**MR. UYEHARA:** Mr. Chair, I just wanted to add for the Board, again to remind everybody that this is our Annual Material Bid. Again, it's on an "as needed" basis throughout the fiscal year. When the department needs certain of these materials, this allows us to go to the company that has the contracts with us to obtain the parts that we need.

In the packet, we also provided the write-up, a six-page spreadsheet write-up, listing out the things that were obtained from the various companies, and who are the low bidders. If there are any questions on that, I'll let Greg respond to those. Just for the Board and for the record, we also need to make a tweak to the recommendation, so Part 65 and 66, Hach Company, just those two items, Part 65 and 66, we're going to ask to defer that because the company is still not compliant with the Hawai'i Compliance Express, so we cannot do an award to them.

**CHR. LOPEZ:** Okay, so they're not compliant, can't buy it from them. What is the disposition of this?

**MR. UYEHARA:** We would ask to defer that award.

**CHR. LOPEZ:** And what effect does it make it a part of your no-bid list?

MR. UYEHARA: No, we would allow them to get compliance with Hawai'i Compliance Express; so if we defer it, then if they are, next month we'll bring it back to the Board.

CHR. LOPEZ: So we'll just table it until they're in compliance, okay.

MR. UYEHARA: For those two parts.

CHR. LOPEZ: Parts 65 and 66.

MR. UYEHARA: Are there any questions from the Board?

MR. UNGER: I have a question. So No. 15, a big discrepancy there, but there's an asterisk there, arithmetic errors. Can you provide more details?

MR. UYEHARA: So No. 15 was for the Badger Record All Series. Their corrected bid actually was—so the double-asterisk represents a corrected bid, so what they put in there, and the proposal was \$854,344.40, but their actual corrected amount is \$865,282.40. On that rightmost column, I believe that is the bid that was submitted in last fiscal year. But in the bid, I'm not sure exactly the details on that, but it might be because we might have had different—yeah, so I think the single asterisk represented that for this bid the specifications may have been different, or we may have added additional items, compared to the last fiscal.

MR. UNGER: Yeah, because that's a substantial increase.

MR. UYEHARA: Again, I believe this amount that they had submitted, we use that to determine who's going to be the low bidder amongst the companies that provide their bids; and that's what goes into a contract, but it doesn't commit the department to fund that amount of money for all the equipment. I mean it's an as needed basis. And that \$865,000, that's broken down by line items for one part, like say one meter, X-dollars per unit, and that's what we would establish as our price agreement.

CHR. LOPEZ: On that line item, basically?

MR. UYEHARA: Correct.

CHR. LOPEZ: But if we bought all of it, it would be \$865,000.

MR. UYEHARA: It could potentially be, but I don't think we spend that high because this bid, I believe, had multiple line items, so it's \$865,000 total of all those line items.

CHR. LOPEZ: I'm playing the devil's advocate here. So we have an agreement to buy at a certain price by line item, and you have any number of line items, so in the worst case if you needed all the line items, we would be paying \$865,000, but there's reasonableness is that we wouldn't be buying all those anyway, so then why is it on the list?

MR. GOODALE: Each of these is done basically by an estimated quantity, which gives us the basis for the dollar amount that's listed, so that estimated quantity doesn't have really much relevance in terms of how many we may or may not end up buying. It's just the number that we used as a way to establish a value for that specific bid item. We could have done it as one, a quantity of one, which we know isn't likely, but whatever that top-end number is, it's with a grain of salt because we don't know how many we're going to ultimately buy. So whatever quantity we end up putting into this, it's really more of an

educated guess, but at the same time, it doesn't establish any fixed dollar amount. It purely represents, if you're going to buy one, that's how much you're going to spend.

CHR. LOPEZ: So it's committed funds in terms of budget, right, \$865,000?

MS. GRAY: We do not encumber or set aside funds based on material as needed on contracts. When we purchase, we receive the invoices and we review before paying, but we also monitor according to the budget. We don't necessarily—only for a big construction or other contract, we'll include a certification of funds.

CHR. LOPEZ: Thank you.

MS. MELLON-LACEY: I just wanted to say if there's no financial obligation for any of this, you could buy nothing.

MR. UYEHARA: That's correct.

CHR. LOPEZ: Good. So first and second as presented in the agenda; and there was a modification to Parts 65 and 66 of the Hach Company to be deferred due to the current non-compliance. So that would be an amendment to the motion.

MR. UNGER: Yes, so I'd like to amend the motion to reflect that discussion.

CHR. LOPEZ: Okay.

MR. KEKELA: Second.

CHR. LOPEZ: Okay, so the amendment is made, all in favor of the amendment say aye.

**ACTION**: Mr. Unger moved to defer Part 65 and Part 66, Material Bid No. 2025-01, to June 24, 2025 Water Board meeting. Seconded by Mr. Kekela and was carried unanimously by voice vote (Ayes: 6 – Board Members Aiona, Kekela, Lee, Unger, Ms. Taaroa, and Chairperson Lopez).

CHR. LOPEZ: All in favor of the bid, as amended, say aye.

**ACTION**: Motion, as amended, was carried unanimously by voice vote (Ayes: 6 – Board Members Aiona, Kekela, Lee, Unger, Ms. Taaroa, and Chairperson Lopez).

C. MATERIAL BID NO. 2025-02 – FURNISH BASE COURSE, SAND, COLD MIX, HOT MIX, AND NO. 3F ROCK TO THE DEPARTMENT. OF WATERSUPPLY:

*Chair Lopez asked if there was any testimony for this item. There being none, he continued with the agenda item.*

Bids were opened on May 1, 2025, at 1:30 p.m., and the following are the bid results:

		<b>Puna Rock Company Limited</b>	<b>Jas. W. Glover, Ltd.</b>	<b>Grace Pacific, LLC</b>	<b>Hawaii Crushed Rock &amp; Aggregate, LLC</b>	<b>Hawaii Paving, LLC</b>	<b>Estimated Cost Based on Mat. Bid 2024-02</b>
	<b>DISTRICT I:</b>						
1A.	3/4-Inch Base Course (Cost per ton)	<b>\$20.80</b>	\$32.50	No Bid	No Bid	No Bid	\$20.80
1B.	1½-Inch Base Course (Cost per ton)	<b>\$19.75</b>	\$30.50	No Bid	No Bid	No Bid	\$19.75
1C.	No. 3F Rock (Cost per ton)	<b>\$24.35</b>	\$41.00	No Bid	No Bid	No Bid	\$24.35
1D.	#4 Sand (Cost per ton)	<b>\$43.95</b>	\$49.00	No Bid	No Bid	No Bid	\$43.95
1E.	Mortar Sand - ASTM C144 (Cost per ton)	No Bid	<b>\$67.00</b>	No Bid	No Bid	No Bid	\$64.00
1F.	Cold Mix – ASTM D4215-87 (Cost per ton)	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid
1G.	Blended Material 60% #4 Sand and 40% No. 3F Rock (Cost per ton)	<b>\$26.95</b>	\$60.00	No Bid	No Bid	No Bid	\$26.95
1H.	Hot Mix - County Mix IV (Cost per ton)	No Bid	<b>\$225.00</b>	\$245.30	No Bid	No Bid	\$186.00
	<b>DISTRICT II:</b>						
2A.	3/4-Inch Base Course (Cost per ton)	No Bid	No Bid	No Bid	<b>\$25.00</b>	No Bid	\$15.90
2B.	1½-Inch Base Course (Cost per ton)	No Bid	No Bid	No Bid	<b>\$24.99</b>	No Bid	\$15.15
2C.	No. 3F Rock (Cost per ton)	No Bid	No Bid	No Bid	<b>\$35.00</b>	No Bid	\$22.90
2D.	#4 Sand (Cost per ton)	No Bid	No Bid	No Bid	<b>\$40.00</b>	No Bid	\$29.95
2E.	Mortar Sand - ASTM C144 (Cost per ton)	No Bid	No Bid	No Bid	<b>\$75.00</b>	No Bid	\$75.00

		<b>Puna Rock Company Limited</b>	<b>Jas. W. Glover, Ltd.</b>	<b>Grace Pacific, LLC</b>	<b>Hawaii Crushed Rock &amp; Aggregate, LLC</b>	<b>Hawaii Paving, LLC</b>	<b>Estimated Cost Based on Mat. Bid 2024-02</b>
2F.	Cold Mix – ASTM D4215-87 (Cost per ton)	No Bid	No Bid	No Bid	No Bid	\$200.00	No Bid
2G.	Blended Material 60% #4 Sand and 40% No. 3F Rock (Cost per ton)	No Bid	No Bid	No Bid	\$47.00	No Bid	\$22.15
	<b>DISTRICT III:</b>						
3A.	3/4-Inch Base Course (Cost per ton)	No Bid	No Bid	No Bid	\$25.00	No Bid	No Bid
3B.	1½-Inch Base Course (Cost per ton)	No Bid	No Bid	No Bid	\$25.00	No Bid	No Bid
3C.	No. 3F Rock (Cost per ton)	No Bid	No Bid	No Bid	\$35.00	No Bid	No Bid
3D.	#4 Sand (Cost per ton)	No Bid	No Bid	No Bid	\$40.00	No Bid	No Bid
3E.	Mortar Sand - ASTM C144 (Cost per ton)	No Bid	No Bid	No Bid	\$75.00	No Bid	No Bid
3F.	Cold Mix – ASTM D4215-87 (Cost per ton)	No Bid	No Bid	No Bid	No Bid	\$200.00	No Bid
3G.	Hot Mix - County Mix IV (Cost per ton)	No Bid	No Bid	\$245.30	No Bid	\$190.00	\$250.50

**RECOMMENDATION:** It is recommended that the Board approve the contract for MATERIAL BID NO. 2025-02, FURNISH BASE COURSE, SAND, COLD MIX, HOT MIX, AND NO. 3F ROCK TO THE DEPARTMENT OF WATER SUPPLY by Parts to the following for the amounts shown above, and that either the Chairperson or the Vice-Chairperson be authorized to sign the contract(s), subject to review as to form and legality of the contract(s) by Corporation Counsel. The price agreement shall be from July 1, 2025, to June 30, 2026.

District I - Parts 1A, 1B, 1C, 1D, and 1G to Puna Rock Company, Limited  
Parts 1E and 1H to Jas. W. Glover, Ltd.

District II - Parts 2A, 2B, 2C, 2D, 2E, and 2G to Hawaii Crushed Rock & Aggregate, LLC  
Part 2F to Hawaii Paving, LLC

District III - Parts 3A, 3B, 3C, 3D, and 3E to Hawaii Crushed Rock & Aggregate, LLC  
Parts 3F and 3G to Hawaii Paving, LLC

For Part 1F no bids were received. Staff will seek alternative procurement pursuant to HAR §3-122-35 to secure pricing in the best interest of the Department.

**MOTION:** Mr. Kekela moved for approval of the recommendation; seconded by Mr. Unger.

**CHR. LOPEZ:** Discussion?

**MR. UYEHARA:** This is another one of our annual bids for aggregate and sand for the three districts, District I in Hilo, District II in Waimea, District III in Kona. If there are any further questions, we can answer.

**CHR. LOPEZ:** Any questions from the Board?

**MR. KEKELA:** Is this as-needed, as well?

**MR. GOODALE:** Correct, same.

**CHR. LOPEZ:** No further discussion, all in favor say aye.

**ACTION:** Motion was carried unanimously by voice vote (Ayes: 6 – Board Members Aiona, Kekela, Lee, Unger, Ms. Taaroa, and Chairperson Lopez).

**D. SERVICE BID NO. 2025-03 – PRICE AGREEMENT TO PROVIDE WATER HAULING SERVICES TO VARIOUS LOCATIONS ISLANDWIDE (ON AN AS-NEEDED BASIS) FOR THE DEPARTMENT OF WATER SUPPLY:**

*Chair Lopez asked if there was any testimony for this item. There being none, he continued with the agenda item.*

Bids were opened on May 1, 2025, at 2:00 p.m., and the following are the bid results:

1. **Carnor Sumida dba ACR Water Hauling, Inc.**  
Water hauling trucks of various sizes (price for all districts):  
Regular Hours \$114.75/hr.  
Overtime Hours \$130.53/hr.

**RECOMMENDATION:** It is recommended that the Board approve the price agreement for SERVICE BID NO. 2025-03, PRICE AGREEMENT TO PROVIDE WATER HAULING SERVICES TO VARIOUS LOCATIONS ISLANDWIDE (ON AN AS-NEEDED BASIS) FOR THE DEPARTMENT OF WATER SUPPLY at the prices listed above, and that either the Chairperson or the Vice-Chairperson be authorized to sign the contract(s), subject to review as to form and legality of the contract(s) by Corporation Counsel. The price agreement shall be from July 1, 2025, to June 30, 2027.

**MOTION:** Mr. Unger moved for approval of the recommendation; seconded by Mr. Kekela.

**CHR. LOPEZ:** Discussion?

**MR. UYEHARA:** This is our water hauling bid that we solicit every two years, so after noting that, that is for our two-year contract. Again, this is island-wide water hauling services as needed for any of the systems that we may need it for smaller systems. So if you have any questions, Greg and I are here to answer.

**CHR. LOPEZ:** Just to clarify, so this is for times when we need to have water available at strategic locations because of the drought, or breakage, or something?



MR. UYEHARA: That's correct. Certain of our smaller systems, where it is feasible to haul, like in the past, like Ocean View Estates. Like if the source breaks and the well goes down, we do use water hauling to basically fill the water tanks.

CHR. LOPEZ: Oh, to fill the water tanks.

MR. UYEHARA: This is like a delivery service; we take water from one of our other adjacent water systems, and then haul it over to a system that will need it to supplement the storage. But this is what we would normally use it for.

MR. GOODALE: We could use it for that purpose, but more often than not, just what Kawika just described as the purpose.

CHR. LOPEZ: Thank you. Any other questions, comments?

MR. UNGER: So, only one bidder that bid?

MR. GOODALE: In past years, we have seen—there was one other bidder who was qualified, which was I think Soil Plus, yeah, different contractor. But more often than not, we use ACR Water, seems to be better. So the price for this contract reflects the same price as our previous contract.

CHR. LOPEZ: And does this include travel time?

MR. GOODALE: That's why they do it more on an hourly like that, to capture whatever—

CHR. LOPEZ: Because it's all districts. Any other questions?

MR. KEKELA: Or like more longer periods of time, is the Board thinking the department to have like their own little water hauling team?

MR. GOODALE: I think there has been discussion in the past. The problem for us becomes holding on to that kind of infrastructure for a long period of time, and in some cases they sit for long periods of time, so what we found is it's just been easier to do it through a contract because it's an unknown quantity and an unknown duration. There has been some looking into. In certain cases, like say for real small outages we have made the investment into, what we call water buffalos which are smaller tankers, I mean I wouldn't even call it tankers, really it's just to pull-behind trailer, that would satisfy maybe just the daily use that somebody might need to fill up off that water buffalo. So if we, like I said, have a disruption or a system that might require something like that, those are things that we do own, so it's just kind of incorporated according on the need. But if it's something like this, like say we have a well fail and you're meeting to have somebody hauling water all day long, the problem for us is then you're going to have to pull somebody off their normal job to do that. Anyway, that's where the decision's been made, just to utilize the contract.

CHR. LOPEZ: Anything else, anybody? All in favor of Item D for the water hauling say aye.

**ACTION**: Motion was carried unanimously by voice vote (Ayes: 6 – Board Members Aiona, Kekela, Lee, Unger, Ms. Taaroa, and Chairperson Lopez).

E. MONTHLY PROGRESS REPORT:

*Chair Lopez asked if there was any testimony for this item. There being none, he continued with the agenda 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.

MR. UYEHARA: So for this month, I look forward to asking Ms. Shari Uyeno to provide a Monthly Status Report.

MS. UYENO: Our big project right now, Lālāmilo 10 MG Reservoir, we finally got our Building Permit, which was issued May 16<sup>th</sup>. The contractor is making arrangements to start setting up for the reservoir construction, coordinating with the tank contractor to start planning now for that, as we were on hold. But they're continuing right now with some of the tank piping work. I just went out last week; 20-inch pipes are quite big. The sizes are so big, they are taller than the men in the trench.

CHR. LOPEZ: So this pipe is going underground?

MS. UYENO: So that large pipe, I didn't exactly know how they were installing it. So when I went out they were installing it, kind of like a terracing system. So, the whole trench was never backfilled fully. It was quite huge.

MR. UNGER: Lālāmilo, is that the windfarm?

MS. UYENO: No, it's the tank site.

MR. UNGER: Oh, okay. So it's coming from the new tank.

MS. UYENO: So, it's a unique area. It was very calm that day; other days the wind is very strong. I heard you couldn't even talk when there's strong wind.

It was mentioned last month, the Iki Place Water System in Kona, we bid that out, but we're still waiting for Council to approve it. The Improvement District needs to be approved by Council before we award the contract.

The last one I have, Department of Public Works is working on the new roads down in Puna, Hwy. 137, which is a portion between Kapoho and Kalapana. Pohoiki boat ramp is going on right now. They're still mass grading, so there still is waterline work, but it should be coming up soon, once they figure out all their elevations. Right now, they're trying to adjust elevations. They're kind of designing as they go through. They're finding out that they need to adjust the elevations so that they don't need to haul in as much material. They can adjust the cut and fill. The first part is going on, and we're still waiting for the second part, which is Upper and Lower Pohoiki Road. So that one there has been awarded; however, they're still in court, and if everything goes their way, in June they can start construction after that, hopefully in July.

CHR. LOPEZ: Their way, being who?

MS. UYENO: The County of Hawai'i.

CHR. LOPEZ: Anything else? No. Okay, good. Thank you.

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

*Chair Lopez asked if there was any testimony for this item. There being none, he continued with the agenda 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.

(Note: At this time, Finance Controller Candace Gray provided a brief overview of the Financial Statements for April 2025, FY 2024-2025 to the members of the Board. New explanations that were added for this month are in bold font style. A hard copy of the Financial Statements is available for viewing in the Department of Water Supply office.)

Discussion:

MR. UYEHARA: So on page 6, the Budget Report, when we talk about our material bids, equipment, and the aggregate, so that comes under Expenditures: Supplies, Services, Equipment line, is that what it is?

MS. GRAY: Correct.

MR. UYEHARA: So that's what we kind of watch throughout the fiscal, how much we're spending for our materials, equipment.

MS. GRAY: Correct. And for those Material Bid contracts, as far as the certification of funds, there's no set dollar amount, that's why I mentioned it's for the fixed price contracts.

MR. UYEHARA: And ordering for 50 parts of this at this unit cost and we could pay the invoice.

MS. GRAY: For those Material Bid contracts too, if Operations may be aware of, you know, they might buy in bulk, they may request a purchase order.

MR. UYEHARA: We referenced this material bid that we've done, that we've executed with this company.

MS. GRAY: Yeah, as far as the procurement that's been done, but as far as, you know, if we're looking at the dollar amount, perhaps we can submit a purchase order.

MR. UNGER: On page 5, Income Statement on Operating Revenues: Interest, Other, and then Total non-operating revenues, so that's a major increase, from 2024 to 2025, almost \$1 million. What is that attributed to?

MS. GRAY: I'm sorry, you're talking about the interest?

MR. UNGER: Yes, the interest, 2024 \$919,000, and 2025 pretty big jump.

MS. GRAY: That, I would say, is attributed to our investments, short-term and long-term. We also opened up a savings account, and where the monies are accessible, but we're earning let's say a little over 4%, so the monies always generating interest, instead of just sitting in our checking account, which now I believe the rate is under 1%.

MR. UYEHARA: Candace, correct me if I'm wrong, but on page 2, I think in the middle, there's an Income Statement, and maybe that first paragraph kind of explains a little bit more, that one, the increase in \$742,149 or 81%.

MS. GRAY: Yes, yes.

MR. UNGER: Good move.

CHR. LOPEZ: On page 6, and I'm just looking at the bottom line, Total Expenditures, so we're five sixths through the year, and we're in good shape for revenues, and in Expenditures we're in very good shape. Why would—I know the budgets are our best guess, but based on this report, and the demands of the various departments what they request as it comes in to you. Is this a reflection of good fiscal management or is this a reflection of a bad budget? Well, I shouldn't say bad, incorrect budget.

MS. GRAY: For our Purchase Power, I can see we're pretty much on the money; we're at 83%. Personnel Services, I'll just go down the line. I would say Personnel Services that's based on projected salary increases. I'd say vacancies play a part of that, which can't always predict.

CHR. LOPEZ: So you had more vacancies this fiscal year than you had in the previous fiscal year?

MR. UYEHARA: Yeah, I'm not sure what the exact number.

CHR. LOPEZ: Well no, you wouldn't have the exact.

MS. GRAY: And it does take a while to fill those positions. The budget is based on funding the positions for the year.

CHR. LOPEZ: All the positions.

MR. GOODALE: One thing I'd like to chime in on that is that this year's budget, there was actually a more accurate effort from Candace folks to make sure that we had a better idea of what those positions were. In previous years, we had positions that were unfilled but were being listed, but maybe the various sections had no intention of filling that position for the year. So this year, actually I think it reflects a lot higher confidence in that number just because the fact that we went through it and looked at it position by position to make sure that the positions maybe we had no intention of filling in this coming fiscal were being listed. So essentially what would have given was more money, and that personnel why that wasn't necessary. I know with Candace folks there was more of an effort to try and tighten that down more.

CHR. LOPEZ: And that would have been at the time the budget was drafted.

MR. GOODALE: Correct.

CHR. LOPEZ: I'm trying to satisfy my mind, our expenditures are two-thirds of the budget. Is that far off from the budget? Could we see a time when we're doing all the same things but for some reason the expenditures just skyrocket because we didn't take into account an issue maybe in the budgeting process?

MS. GRAY: I'd also like to point out the transfer to CIP Reserve. It's also been as a line item in the budget, and you won't see an update until the end of the fiscal year.

CHR. LOPEZ: Okay, so that's where it might put it closer to reality. Actually, the end-of-year report will tell all, and that will be the real expense number.

MR. UYEHARA: End of June, end of our fiscal year.

CHR. LOPEZ: Oh, we won't see that until August. Okay, thank you. Anything else in Financial Statements? No? (none) Okay, thank you.

G. MANAGER-CHIEF ENGINEER'S REPORT:

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

1. North Kona Wells:

MR. UYEHARA: Okay, I'll start off with the first one. We have an update. There are six wells down, so I believe that means eight are online. I mean, as far as providing service to the customers, everybody has adequate amounts of water, with available sources now. I'm going in order of these things that are down, and when we're expected to be back online.

CHR. LOPEZ: Following that statement, before we go on, are we now at 10% or 25%?

MR. UYEHARA: We're at a 10% water conservation. A couple of weeks ago, we put out a reminder for a 10% water conservation; and we'll work with Operations, if there is a need to increase or to make it stricter request, then we'll do that.

CHR. LOPEZ: Right now, it's 10%.

MR. UYEHARA: Correct. So right now, in the order of the wells we anticipate going back online the soonest, hopefully.

So Kahulu'u B, that again was a motor on the top side, getting that repaired, and we're hoping early June to be back online.

Makalei Well, we're hoping early June. So that one, the contractor's sub-contractor got their line reactor component, and we should be working on that end of May, early June.

Kalaoa, was one of the recent ones that went down. We were able to redirect some spare equipment from another project that we had over to Kalaoa; and the contractor, they're working on it right now actually, this week, along with our staff. That one is mid-June.

In addition, Honokōhau Well is still progressing, and I'm going to say that one maybe like mid-June.

Wai'aha Well, the contractor is still working on that, or jumping around making projects. For that one, we're going to say holding that one at end of July.

Then Hōlualoa Well, is the sixth one, and we're holding that one at November of this year.

CHR. LOPEZ: November, you said?

MR. UYEHARA: Correct. So if there are any detailed questions, I'm available to respond.

CHR. LOPEZ: When you look at the numbers, 14 not very great, but the good news is you got four coming online this June, which is next week.

MR. UYEHARA: I think everybody understands the issues as far as available contractors. Both of them now, I believe, have crews working on our projects now on the Kona side. That's why Eric Takamoto is not here because he's actually up at Kalaoa right now, probably. He got the contractor to keep it moving. Just keeping tabs on them.

CHR. LOPEZ: The other spark that I got is that you took a spare part from somewhere else and put it over here, which is indicative of you're trying to standardize your equipment cost.

MR. UYEHARA: That is correct. All the credit goes to Operations, and just the standardization of equipment. I understand the equipment for the Keopu project, and was able to be used at Kalaoa.

CHR. LOPEZ: Have to find a little nugget. That's actually a big one compared to what we've been through, for the standardization.

## 2. Department of Water Supply Quarterly Energy Report:

(At this time, Energy Management Analyst Warren Ching provided a brief overview of DWS's Quarterly Energy Report to the members of the Board. A hard copy of the report is available for viewing in the Department of Water Supply office.)

### Discussion:

CHR. LOPEZ: Of course, I have a question. On page two, the last statement, compared to the previous quarter, the average HE Demand, the rate is up 1.0%. How does that relate to us decreasing the Power Cost Charge in the same quarter, as a result of the same quarter?

MR. CHING: If you look on the first page, I do break the Total Power Cost into Energy Cost and Demand Cost in the graphic, the charts

CHR. LOPEZ: The very top.

MR. CHING: Yes, the dark green is Energy Cost, and the light green is Demand Cost. So Demand Cost does take up less total of the overall Power Cost. It's mainly Energy Cost that kind of makes up most of the cost. So say Demand Cost might be 10 to 15% for the Power Cost, and so if you looked at it, sorry I didn't break it down, but Demand Cost is kind of almost the same, if not look about the same.

CHR. LOPEZ: Looks the same.

MR. CHING: But the main reason for the increase in Total Power Cost, majority of that is the Energy Cost.

MR. UNGER: What is the Demand Cost?

MR. CHING: Maybe one day we'll go over a little bit more in-depth of our Total Power Cost. Demand Cost is essentially—Hawaiian Electric bills us based on our peak power, and whatever our peak power usage for that month is, they'll bill us that as a Demand charge. And so demand and peak power, it's almost like if you relate it to water, right, our water bill, we charge for the amount of gallons used, so that charge is similar to like Energy Cost. If we were to say charge customers for whatever your highest gpm through your

meter is, that would be a demand charge. Say mid-day, you're running the dishwasher, somebody is showering, and irrigation, you know, all that keeps increasing their gallons per minute, that changes throughout the day, and whatever that peak is, that's similar to how Hawaiian Electric bills us for demand. Of course, we don't charge for that, but if we were to charge, that's similar to what Hawaiian Electric does on their rates for us. Also, residential electric bills don't have this demand charge.

CHR. LOPEZ: So it's more on demand, at certain peak hours increases your cost.

MR. CHING: Right, so for a real example, like say we were running one pump, and we would call the second pump on at the same time, that would adjust our demand usage and our demand charge. And it takes 15 minutes—

MR. UYEHARA: And they take 15-minute usage.

MR. CHING: Yeah, if you run a well for 15 minutes, and then never use it again that month, it doesn't matter, they'll charge you that demand.

MR. UNGER: So the demand charge is a lot cheaper than the HELCO power, \$22 per kilowatt. Oh, it says 38.

MR. UYEHARA: The usage, right?

MR. UNGER: Oh, I'm sorry. I'm sorry, so it's a lot higher.

MR. CHING: Yes.

MR. UYEHARA: And I believe the demand charge is a charge that—it's on our bills moving forward, right, every 12 months or something?

MR. CHING: : Yeah, yeah. So another wrinkle to that is if we use it for 15 minutes in January and there's a spike in usage, that demand kind of follows us. Even though we don't do that again, the next months, it does follow us for 11 months.

MR. UNGER: So that's a premium they charge.

MR. CHING: Right.

MR. UNGER: So I think they incentivize us not to use peak hours.

CHR. LOPEZ: Any other questions of the Quarterly Energy Report?

MR. KEKELA: Let me ask you one more thing. Remembering what we did in negotiation, before we approved the energy rate agreement for the Lālāmilo Windfarm, so when would that kick in or when are we able to see our consumption difference? So what Energy Report would that be on? Has that even started?

MR. UYEHARA: We are using some of the wind power already. Actually, this power consumption probably factors in the wind power.

MR. KEKELA: It's already factored in this report.

CHR. LOPEZ: Okay, Kawika, you're on. Thank you.

3. Retirees of the Department of Water Supply:

Anne K. Higaki – 05/16/1996 -05/31/2025

Finance Controller Candace Gray reported that the Department has a retiree in the Finance Division, Ms. Anne Higaki, Account Clerk. Ms. Higaki has been with the department's Finance Division for 29 years and is retiring May 31, 2025.

James Goodwin – 04/01/1997 05/31/2025

Chief of Operations Greg Goodale announced that Mr. James Goodwin started work with the Department in 1997 as a Waterworks Helper and worked his way up to Lead Pipefitter. He is retiring at the end of this month.

CHR. LOPEZ: I have a question because now we have two retirees, and we just lost Kurt. You have a big group of positions, and then you have those of maybe you think you're going to fill. How much are you hurting in terms of critical positions that you have to wait till they're about to go before you can even start recruiting, like Kurt, Anne, and Jimmy? So there are three that come up, right? Seems to me that you're in dire straits.

MR. UYEHARA: Well, it is. We have a whole crew of excellent workers that are tirelessly, yeah, every day, all the divisions, island-wide, we have a big island to keep the water flowing, keep the meters being read, keep the bills going out; but yes, recruitment is a challenge. Within our department itself, we find that by certain groups, like we even have some of our Water Treatment Plant Operator positions that we know it's a high priority too, that we're trying to fill. There's a list of priority filled that I need, recruitments that we have to do, now it's just a matter of getting it to one by one. So we have gone through some of that evaluation internally to say, "Our HR will vet this first," because —once we get our job announcements out, and that takes some time to do, right, like you said, then you have to get qualified applicants to apply to that, and then we've got to go through the whole vetting process. So yes, it does take time.

Fortunately, we even have some student helpers, hopefully every summer we do that. Maybe after they graduate college; you know, maybe they'll eventually come back to the workforce and the department. But yeah, recruitment is always an ongoing duty challenge.

CHR. LOPEZ: More so, it strikes me is the long-term loss of that corporate memory. The manpower is another thing, all of a sudden doing the job, but now you don't have the historical resource, and it's going to fall on those that are standing to pick it up. Being that's the nature of the beast, you can't do anything about it. I'll speak for myself, and observation, it speaks to the dedication of the people that you have.

MR. UYEHARA: Oh, yeah, definitely.

CHR. LOPEZ: They work extra. They'll do the extra. They'll be here when they need to be here, and that speaks—that goes up to leadership and dedication. I applaud you all, what you're doing to keep this ship afloat, not that it's sinking. But it's tough because it lasts for a long time, it's not just a quick fix.



MR. UYEHARA: Thank you for recognizing that. Yes, the employees we do have, they're awesome. Everybody I think recognizes the overall mission of the department, you know, when they had to step up and temporarily do a couple of jobs just to keep things moving in the right direction. Yeah, the employees are always stepping up.

CHR. LOPEZ: You're in a critical spot, providing critical service. It can't lapse. Okay, thank you.

#### H. CHAIRPERSON'S REPORT:

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

CHR. LOPEZ: Well, first of all I'd like to recognize Shari, thank you for stepping up. I understand that you're doing Kurt's job and yours too, and Kurt is already doing—well, I don't know how many engineers—so wow, Superwoman, thank you.

MS. UYENO: We have two engineers coming for Kurt's job. Ryan—

CHR. LOPEZ: Anyway, thank you for your service, big shoes to fill.

The other is that I had the opportunity to, and I don't always do this, but look in on a video of our two leaders, Keith and Kawika, going before the Council on Resolution 137-25. I was surprised that it wasn't brought up to the Board earlier because that's a matter of policy. Thinking that was similar or redundant to maybe something that the Board did in water commitments. So, can you elaborate on what that's for?

MR. UYEHARA: So Resolution 137-25 was introduced by Council Chair Holeka Inaba, and it was to put water commitments available to the public like in an online kind of format, so it would give us kind of an advance heads-up. Because right now—questions come in, right, about water availability. I think we had this discussion before, about water availability. We have our water availability guidelines, within our Engineering Division, for all the systems island-wide. It's more of a hard copy like with maps, kind of seeing where your property is, and on the map, where is it?

MS. MELLON-LACEY: Point of Order, if I may? This isn't an agenda item, it's an item—it could be of significant interest to the public, and it really isn't a report read by the Chairperson. If the Board wants this on the agenda, I think that will be appropriate, but I don't think it's appropriate for extensive detail on this because it's not an agenda item, and this is something that might be of significant interest to the general public.

CHR. LOPEZ: Maybe. I did ask for it to be agendized, and it didn't happen. I asked for it plenty of times for the agenda. I will take the comments of the Corp. Counsel diligently, as she makes a good point. So, let me just summarize without going into the details. From my perspective, and I'm speaking to the Board, if the Board agrees, anytime things of this nature come up where you have to prepare for the County Council, and it is public, I'd like us to be apprised about it so that we have a chance to participate, or listen in, or become knowledgeable on the policy aspects, the department promotes. That's it.

MR. UYEHARA: Good point. Yes, we will.

CHR. LOPEZ: But I did ask for that to be agendized. I apologize, I guess I didn't make it clear.

MR. UYEHARA: I apologize for that, and we will add it to June's agenda.

CHR. LOPEZ: Okay, thank you. Because of the detail that you're speaking on.

MR. UYEHARA: Right.

CHR. LOPEZ: My first thought was, is this redundant to the item the Board asked for, a earlier about, water commitments, the transparency of it.

MR. UYEHARA: So again, apologies for not putting on this month's agenda. We'll make sure that we put it on the agenda, and apologies for not bringing it to the body prior to—in front of Council before—

CHR. LOPEZ: Just FYI.

MR. UYEHARA: Yes, so I apologize for that, and yeah, we'll make sure to keep you apprised of some mechanism before appearing before the Council on certain policy issues.

CHR. LOPEZ: Okay. Then I have nothing else for the Board. Does any Board Member offer a comment, or discuss anything? No?

MR. UNGER: For the next agenda.

CHR. LOPEZ: Oh yeah, for next month's agenda, we also request that you give us an update on the dedicated ag rates.

MR. UNGER: We're open to extending it from year to multiple years.

CHR. LOPEZ: And let's see, that would be—last month we approved the performance metrics. So we'll wait till the August meeting to do some kind of update on that. Any other questions, comments?

Oh, more thing, the Denver conference, I understand there are three Board Members going. Can you identify them?

MR. UYEHARA: Yourself, Mr. Kekela, and Mr. Lee.

CHR. LOPEZ: No, not myself.

MR. UYEHARA: Oh, sorry, Emily.

CHR. LOPEZ: All right, thank you very much. Motion to adjourn?

8) ANNOUNCEMENTS:

- Next Meeting – June 24, 2025, 10:00 a.m., Department of Supply, Hilo Operations, 889 Leilani Street, Hilo, Hawai'i

9) ADJOURNMENT:

CHR. LOPEZ: Do I have a motion to adjourn?

**ACTION:** Mr. Kekela moved to adjourn the meeting; seconded by Mr. Unger and carried unanimously by voice vote (Ayes: 6 – Board Members Aiona, Kekela, Lee, Unger, Ms. Taaroa, and Chairperson Lopez).

(Meeting adjourned at 11:30 a.m.)

  
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Recording Secretary

APPROVED BY WATER BOARD  
(June 24, 2025)

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