

MINUTES

DEPARTMENT OF WATER SUPPLY COUNTY OF HAWAII WATER BOARD MEETING

June 24, 2025

Department of Water Supply, Hilo Operations Baseyard, 889 Leilani Street, Hilo, 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
Mr. Michael Bell, Water Board Member, Dist. 7 (via videoconference)
Mr. James Lee, Water Board Member, Dist. 2 (via videoconference)
Ms. Emily Taaroa, Water Board Member, Dist. 5
Mr. Keith Unger, Water Board Member, Dist. 6
Mr. Keith K. Okamoto, Manager-Chief Engineer,
Department of Water Supply (ex-officio member)

ABSENT: 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

DEPARTMENT OF WATER SUPPLY STAFF:

Mr. Kawika Uyehara, Deputy
Ms. Shari Uyeno, Acting Engineering Division Head
Mr. Ryan Quitoriano, Acting Assistant Engineering Division Head
Ms. Candace Gray, Waterworks Controller
Mr. Gregory Goodale, Chief of Operations
Mr. Alvin Inouye, Water Operations Superintendent
Mr. Eric Takamoto, Mechanical Engineer III
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, Bell, 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:**

Minutes of May 27, 2025, Public Hearing on the Power Cost Charge:

ACTION: Mr. Unger moved for approval of the Minutes of May 27, 2025, Public Hearing on the Power Cost Charge; seconded by Mr. Kekela and carried unanimously by voice vote (Ayes: 7 – Board Members Aiona, Bell, Kekela, Lee, Unger, Ms. Taaroa, and Chairperson Lopez).

Minutes of May 27, 2025, Water Board Meeting:

ACTION: Ms. Taaroa moved for approval of the Minutes of the May 27, 2025, Water Board meeting, as amended; seconded by Mr. Unger and carried unanimously by voice vote (Ayes: 7 – Board Members Aiona, Bell, Kekela, Lee, Unger, Ms. Taaroa, and Chairperson Lopez).

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

5) **SOUTH KOHALA:**

A. JOB NO. 2025-1263, LĀLĀMILO A DEEPWELL MOTOR REPAIR:

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 the existing motor and install a Department furnished spare motor with a Contractor furnished motor shaft; refurbish the existing motor and deliver to the Pana'ewa site; and perform all incidental work necessary to complete repair in accordance with the specifications.

Bids for this project were opened on June 12, 2025, at 2:00 p.m., and the following are the bid results:

Bidder	Bid Amount
Derrick's Well Drilling Pump Services, LLC	\$92,443.00

Project Costs:

1) Low Bidder (Derrick's Well Drilling & Pump Services, LLC)	\$ 92,443.00
2) Contingencies (10.0%)	\$ 9,057.00
Total Cost:	\$ 101,500.00

Funding for this project will be from DWS's CIP Budget under Deepwell Pump Replacement. The contractor will have 120 calendar days to complete this project. The Engineering estimate for this project was \$70,000.00.

Well History:

Lālāmiilo Deepwell A:

Original Installation: September, 1985

Repaired: August, 1992

Repaired: July, 2015 – Final Contract Amount \$362,029.15

Last Repaired: February 24, 2021 – Final Contract Amount \$388,200.45

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2025-1263, LĀLĀMILO A DEEPWELL MOTOR REPAIR, to the lowest responsible bidder, Derrick's Well Drilling & Pump Services, LLC, for their bid amount of \$92,443,000.00, plus \$9,057.00 for contingencies, for a total contract amount of \$101,500.00. It is further recommended that either the Chairperson or the Vice-Chairperson be authorized to sign the contract, subject to review as to form and legality by Corporation Counsel.

MOTION: Mr. Unger moved for approval of the recommendation; seconded by Ms. Taaroa.

CHR. LOPEZ: Discussion?

MR. OKAMOTO: Yes, just for the record, we want to correct the typo on the recommendation. It's listed as \$92 million. Although prices have escalated, they haven't escalated that much yet. There's an extra zero, so that number in the recommendation should be as shown on the table above, at \$92,443.00.

CHR. LOPEZ: Interesting, I read it as that too.

MR. OKAMOTO: Yeah, I read it as that too when I was reviewing the agenda.

CHR. LOPEZ: Thank you for that catch.

MR. OKAMOTO: I've got to credit our staff for catching that as well as credit them for this bid. If there are any technical questions, we have Eric here. But basically the reason why the bid isn't that much, the motor is topside, so it's not at the bottom of the hole, so it's something we can remove, get it repaired, and refurbished, store it in our Pana'ewa facility wells, the replacement one is installed. Does that sound right?

MR. TAKAMOTO: Yes.

CHR. LOPEZ: I see the number of repairs, 1985, that's history ago. Is this normal repair time between incidents, or is there something more mechanically wrong, maybe we should pay attention to?

MR. TAKAMOTO: Yes, this is typical for line shaft configurations.

CHR. LOPEZ: Since '85 to now, one, two, three, and you're at the next one. What would you say is the estimated remaining life?

MR. TAKAMOTO: Since it was previously completely repaired in 2021, I'd say we would have—my estimate is probably about 10 more years.

CHR. LOPEZ: That's actually very good. Thank you for that.

MR. OKAMOTO: That would be a nice surprise.

CHR. LOPEZ: All right. Anything else?

MR. OKAMOTO: Of course, we've attached the bid tabs for the Board's awareness and information, bid tabulation.

CHR. LOPEZ: The department's engineering estimate was \$70,000, so it came in higher, and we only have one bidder, which is probably the only one on the island, so we have got to accept the lowest bid. How would you—might just comment on the discrepancy on the \$22K.

MR. TAKAMOTO: Yeah, we didn't have really good references for historical similar to this, yeah, it was just the best guess that the project engineering happens to make.

MR. OKAMOTO: And if you look at the bid tabs, we were pretty low across the board on all of the items. So this bid will help us with future bids, moving forward to get a better idea of what bid may come in .

CHR. LOPEZ: Okay.

MR. OKAMOTO: Good question, though.

CHR. LOPEZ: Anybody else, please? No, okay. Hearing none, all in favor of approving the motion as stated, say aye.

ACTION: Motion was carried unanimously by voice vote (Ayes: 7 – Board Members Aiona, Bell, Kekela, Lee, Unger, Ms. Taaroa, and Chairperson Lopez).

6) NORTH KONA:

A. JOB NO. 2025-1258, FURNISHING AND DELIVERING TWO (2) 500KW EMERGENCY STANDBY GENERATOR SETS:

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

This project consists of furnishing and delivering two (2) portable 500kW generator sets, including sound attenuating container, exhaust system, sub-base fuel tank, trailer, supports, accessories and incidentals; in accordance with the specifications.

Bids for this project were opened on June 5, 2025, at 2:00 p.m., and the following are the bid results:

Bidder		Bid Amount
Generator and Power Systems		Non-responsive
Hawthorne Caterpillar		Non-responsive
King Power Systems Inc.		\$595,450.05

Project Costs:

1) Low Bidder (King Power Systems Inc.) \$ 595,450.05

Funding for this project will be from DWS's Energy CIP and CIP Budget. The contractor will have 450 calendar days to complete this project. The Engineering estimate for this project was \$1,005,000.00.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2025-1258, FURNISHING AND DELIVERING TWO (2) 500KW EMERGENCY STANDBY GENERATOR SETS, to the lowest responsible bidder, King Power Systems Inc., for a total contract amount of \$595,450.05. It is further recommended that either the Chairperson or the Vice-Chairperson be authorized to sign the contract, subject to review as to form and legality by Corporation Counsel.

MOTION: Ms. Taaroa moved for approval of the recommendation; seconded by Mr. Kekela.

CHR. LOPEZ: Discussion,

MR. OKAMOTO: That's why we have Warren here. This is our department's ongoing effort to improve our resilience to weather power outages. I think Warren has some interesting information to share with

you regarding the prices that we got, we're kind of pleasantly surprised at the bid amounts, and he can further explain how two 500kW's can actually turn into a one megawatt, if needed.

MR. CHING: I'll start with the price, the cost estimate. We don't commonly do generator projects, and there weren't really good comparables. So yes, we're trying to look at some cross-references for our previous generator projects and some of the projects that have been done by other entities in the State and the County.

This size is pretty customizable, so projects that were done by other people don't really compare as well to like our specifications, so that was a factor. Our cost estimate was pretty conservative. Also, at the time of this cost estimate, the tariff was a factor, so our cost estimate was pretty conservative, and the tariff instability was at its peak; I guess, we were above 100% tariff. So, there was some uncertainty there that did factor into the cost estimate. Yeah, so that's some of the reasons why the cost estimate was higher than what the bids came in, and we are pleasantly surprised that the bid came in pretty competitively priced, but we're comfortable moving forward.

CHR. LOPEZ: So this solution will address the need for two 500kW generators?

MR. CHING: Yes.

CHR. LOPEZ: These are new units?

MR. CHING: They're new, yes.

CHR. LOPEZ: So what does that bring to a number of backup generators?

MR. CHING: So backup generators as far as total, I believe this would be 15 total for the well and the water sources. We have another one for the Microlab, and then we have another one here at the Hilo Baseyard, but as far as sources go, it would be up to 15 generators.

CHR. LOPEZ: Fifteen? One, five?

MR. CHING: Yes.

CHR. LOPEZ: And they're all portable?

MR. CHING: Yes, they're trailer-mounted.

CHR. LOPEZ: Thank you.

MR. OKAMOTO: The beauty of the two 500kW is also that you can run them in parallel, and pretty much make a one megawatt. But the footprint, if you were to locate them, the footprint is smaller, so you could locate two 500s occupy a smaller footprint, but if you had a situation where you needed a one megawatt, you could put them together and then actually get a one megawatt.

MR. CHING: Yeah, a lot of our sites tend to be smaller sites, you know, there's just a tank and a building, and maybe a well, and that's it. Sometimes we have issues with access too, to that site. Having the two smaller 500s versus one larger thousand makes getting into the site easier, and then staging at the site a lot easier too. And then we can parallel them together if we need to, to run a larger well, or we can separate them into two smaller sites if we need to, as well.

CHR. LOPEZ: So the bid though—the spec was for two 500kW.

MR. CHING: Two 500s?

MR. CHING: Yes.

MS. TAAROA: How much power does a typical well use, or what's the range of the pump as far as energy goes?

MR. CHING: I would say our biggest well can be covered by a one-megawatt generator. That well has a variable frequency drive. And then on the small side, we're talking maybe 100kW or less, as well as our well sources. So anywhere in between, we're trying to cover the spectrum, so we have 200kW, we have 400kW, and we have 500kW with this one, and then 750kW, and one megawatt, kind of in our inventory, I guess you could say.

CHR. LOPEZ: In the forecast for CIP, is there a further generator versus this plan?

MR. CHING: There is, yes. So we have actually already put in an application for another generator, in the North Kona area, and as well as—this is a Hazard Mitigation Grant Program, FEMA. We have an application there, and it's under review now. We also have an application for additional transfer switches under review, currently.

CHR. LOPEZ: Okay, I'm just thinking ahead for pricing because this is such a large delta on the estimate to the actual. Is there any confidence at all? Is this the variable that this price is not something we could at least expect?

MR. CHING: In the future?

CHR. LOPEZ: Yes.

MR. CHING: It's hard to say.

CHR. LOPEZ: It depends on the existence of FEMA.

MS. TAAROA: How many times in the last 20 years have we had to (inaudible) generators?

MR. CHING: It kind of depends on the area, but I would say anywhere from once every two or three years to three to four times a year, depending on the area.

MS. TAAROA: Like a major event would—maybe a power outage?

MR. CHING: Major events, and I guess how Hawaiian Electric system is set up. We have a lot that kind of cover hospitals. I know their priority is to get hospitals back online as soon as they can, and then there's other areas that are kind of at the end of like a dead-end kind of system, where those tend to go out more frequently.

CHR. LOPEZ: Good question. The other factor is also our system and the storage capacity, how long we can maintain water to our customers without electricity, and the pumps to refill that storage. The other thing that came into the mix fairly recently was Hawaiian Electric has implemented their Public Safety Power Shut-offs (PSPS), and everybody is still not sure—one hasn't really been triggered yet, but once it

does, I don't think they even know how long a duration that outage might be, depends on the weather conditions, something to that effect. So we're trying to prepare for that, as well.

MR. GOODALE: In answer to your question, the last time we used one of our gensets was actually up in Hāwī, when we had some big winds up North Kohala, so that was about a month ago, but it's just dependent upon where the weather hits us.

MR. AIONA: These will only be for Kona.

MR. OKAMOTO: They're portable, so we can relocate them wherever. We try to position them kind of strategically, where like Warren said, there are important customers like hospitals and things like that. But if there's an outage somewhere else—and I think the other beauty, Warren just mentioned this to me, is that these smaller units, we don't have to go hire a commercial trucker to relocate them. We can do it in-house.

MR. CHING: Yes, it doesn't require a CDL, say a Matson container size generator in our case, would require.

MR. OKAMOTO: The big one is like a 40-foot container, like those Matson containers. This one, I think, has got some flexibility and versatility, so it might be the way to go, you know, two 500s instead of one big one.

CHR. LOPEZ: The fact that you can tie them together gives you what you need, and the versatility of two rather than—

MR. OKAMOTO: Yes, yes.

CHR. LOPEZ: That's a nice plan. Anybody else?

MR. UNGER: You say you got an application for another generator?

MR. CHING: Yes.

MR. UNGER: How big is the generator you're applying for?

MR. CHING: So that one will be a one megawatt, and that's planned for Kona and planned to be stationed in the middle of the PSPS area I guess you could say, just the location of the generator and the size of the well site.

MR. UNGER: It's a FEMA application?

MR. CHING: Yes.

MR. UNGER: What do you hear about the grants coming out of FEMA now with the current administration? I can imagine that there are more questions out there now.

MR. CHING: There are, I guess, a lot of questions, but I think they're also trying to figure out the situation. I haven't heard anything about any of those funding opportunities going away yet.

MR. UNGER: The main thing the application is in.

MR. CHING: Yes.

MR. OKAMOTO: Yes, exactly.

MR. AIONA: So we have 15 in total, and you have an application for another one. What's your guys' wish? What would be the ideal number of generators?

MR. OKAMOTO: So, it's a balancing act. I think we have over 70 sources, actually. But then if we get a backup for each one, that really increases the maintenance requirements for maintaining all of those. You've got to fuel them and start them up. The likelihood that the whole island will be out at one time, if that happens, there are other things we'll probably going to worry about, as well. So yeah, I don't know if we have a sweet spot as far as how many generators we're looking to ultimately get yet.

MR. CHING: I think we're kind of in a place where we kind of knew, but the Public Safety Power Shutoff happened, so we're trying to now renew our thought process with that. We don't really have a number, just we kind of know which sites are critical, and at minimum, we should have one because we're kind of considering having one at each of those critical sites, and we're trying to catch up a little bit to the PSPS.

MR. OKAMOTO: Good question, though. My gut feeling would be I think if we had about 20 it might be good. Again, Hawaiian Electric kind of showed where those PSPS areas are, so that kind of helped us now figure out where we got some pukas to fill. Warren's working on filling those pukas. Good question, though.

CHR. LOPEZ: Any other questions? (none) Discussion? (none) All right, all in favor of the motion say aye.

ACTION: Motion was carried unanimously by voice vote (Ayes: 7 – Board Members Aiona, Bell, Kekela, Lee, Taaroa, Unger, and Chairperson Lopez).

7) MISCELLANEOUS:

A. 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 No. 2024-01
65	WATER QUALITY EQUIPMENT	Hach Company	\$52,975.95	\$108,513.63
66	REAGENTS AND STANDARDS	Hach Company	\$5,562.02	\$14,687.32

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 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 contract period shall be from July 1, 2025, to June 30, 2026.

Parts 65 and 66 to Hach Company

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

CHR. LOPEZ: Discussion.

MR. OKAMOTO: All right, so I think these were just the two leftovers from the last meeting that weren't compliant with State requirements, and since then they have become compliant, so here we are asking for your approval to authorize them for an award.

CHR. LOPEZ: Can you explain the amount and the estimated cost based on the previous bid?

MR. TAKAMOTO: The estimated bid was based off of last year's bid, so basically the lowest bid amount we received for last year's bid.

CHR. LOPEZ: The previous year?

MR. TAKAMOTO: Yes. So, it was a different vendor at the time.

CHR. LOPEZ: Oh, a different vendor, okay. So you got a new vendor, came in at half the price?

MR. TAKAMOTO: Yes. We're basically buying direct, when Hach is bidding, because previously the vendor that we had last year were basically he's getting materials from Hach, and then we were getting a mark-up on that.

CHR. LOPEZ: Cut out the middle guy, very good. Even in Part 66, that's quite a reduction. All right, thank you. Anybody else, questions? All in favor of approving the motion as stated, say aye.

ACTION: Motion was carried unanimously by voice vote (Ayes: 7 – Board Members Aiona, Bell, Kekela, Lee, Taaroa, Unger, and Chairperson Lopez).

B. MATERIAL BID NO. 2024-16, AND DELIVERING SPARE PUMP AND MOTOR SET 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 received and opened on June 12, 2025, at 1:30 p.m., and the following are the bid results.

Section	Description	Derrick's Well Drilling and Pump Services, LLC	DWS Engineering Estimate
1	GROUP #3	\$450,000.00	\$400,000.00

RECOMMENDATION: It is recommended that the Board award the contract for MATERIAL BID NO. 2024-16, FURNISHING AND DELIVERING SPARE PUMP AND MOTOR SET, by Sections to the following bidder for the amounts shown above, 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.

Section 1 – Group #3 to Derrick's Well Drilling & Pump Services, LLC

MOTION: Mr. Kekela moved for approval of the recommendation; seconded by Ms. Taaroa.

CHR. LOPEZ: Discussion

MR. OKAMOTO: Okay, this is our ongoing effort to be equipped with spare pump and motors. What Group 3 is, is a group that matches up with each other, so my understanding is this set could work in either our Waimea well or our Honokōhau well in Kona, so that's what that group is. This is basically to restock on that spare equipment for that Group. Again, part of our effort is to be more timely on our well repairs, and kind of standardizing our pump and motor sets so they can be utilized in different locations.

CHR. LOPEZ: Great progress through the standardization efforts of a few years ago, how many groups do we have?

MR. TAKAMOTO: At this time, we have four groups that we've identified.

CHR. LOPEZ: Four groups?

MR. TAKAMOTO: Yes.

CHR. LOPEZ: So Group 2 cannot be used in a Group 3 or 4 situation?

MR. TAKAMOTO: No.

CHR. LOPEZ: Okay, so are we heading towards standardization, we have everything, or is it going to take years? Is that the thought? Are we going that way to have one group?

MR. OKAMOTO: Just one group. Yeah, physically not possible. The fact that we could get it down to four is pretty good. It's a long way from our experience, back in 2017, where we might have had all individual specifications for each well. So this comes down to even the voltage; the hertz, how fast it spins; the horsepower—

MR. TAKAMOTO: Even basically the physical diameter.

MR. OKAMOTO: The size, yeah. The diameter and the length, probably.

CHR. LOPEZ: Some of them are unique characteristics, the group for these, and we may not ever get to them.

MR. OKAMOTO: Not just one.

CHR. LOPEZ: We can't think about just having one because of the different systems. All right, thank you.

MR. OKAMOTO: Good question, though. I mean that would be a basic question, right, can we just get one set?

CHR. LOPEZ: It's probably with the fund that's out there. All right, again, the bid amount is \$50,000, reasonably high, but there's only one vendor. We do a lot of business with Derrick's, and they know they got us by the reins, so there's something to that, I would expect. They've come back and bid at, and they were the only bidders; it's kind of like "okay, we don't have much choice," as long as it's not waived. Is that a reasonable understanding for me?

MR. OKAMOTO: Yes.

CHR. LOPEZ: Okay, thank you. Any other questions, discussion? All right, all in favor of the motion as stated, say aye.

ACTION: Motion was carried unanimously by voice vote (Ayes: 7 – Board Members Aiona, Bell, Kekela, Lee, Taaroa, Unger, and Chairperson Lopez).

C. MATERIAL BID NO. 2024-18, FURNISHING AND DELIVERING METAL STORAGE BUILDINGS 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 for this project were opened on June 12, 2025, at 3:00 p.m., and the following are the bid results:

Bidder	Bid Amount	DWS Engineering Estimate
No Bids Received	n/a	\$130,000.00

RECOMMENDATION: No bids were received. Staff will seek alternative procurement pursuant to HAR 3-122-35 to procure the required services.

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

CHR. LOPEZ: Discussion.

MR. UNGER: How big is this square house, and where is it going?

MR. TAKAMOTO: These are destined for our Pana'ewa warehouse. They were for two. I believe they were 20x40-foot metal buildings, basically they're there so we can protect more of our materials that we have currently stored at Pana'ewa.

MR. OKAMOTO: Enclosed with those roll-up door type buildings.

MR. UNGER: So two separate 800 square foot storage facilities?

MR. TAKAMOTO: Yes.

MS. TAAROA: Are you building them, the material, not actually renting them?

MR. TAKAMOTO: Yes, because it was planned that we would be erecting them in-house.

CHR. LOPEZ: Any other questions?

MR. OKAMOTO: Yeah, they're not the Home Depot ones.

CHR. LOPEZ: All in favor of approving the motion as stated say aye.

ACTION: Motion was carried unanimously by voice vote (Ayes: 7 – Board Members Aiona, Bell, Kekela, Lee, Taaroa, Unger, and Chairperson Lopez).

D. UPDATE ON THE COUNTY COUNCIL RESOLUTION 137-25 FOR AN ONLINE SYSTEM THAT DISPLAYS GENERAL WATER AVAILABILITY COUNTY-WIDE:

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

CHR. LOPEZ: This came out because I happened to attend a Council meeting, and this came up, and I was surprised. Why didn't we know about this? So, I'm asking the department to give us some background information on this.

MR. OKAMOTO: Yes, and I apologize, Mr. Chair. Councilman Inaba introduced this resolution. We went there to hear what it is he was looking for, and it sounds like to have our water availability online. Seems like something we should do, and I don't know if the Board is also looking for something like that. So yeah, it's something that we thought was reasonable. I think maybe Kawika can provide some updates on what we think our product would look like, and of course we'll give the Board an opportunity to check it out and vet it as well as Council. But if there are questions by the Board, we're here to answer any questions.

MR. UYEHARA: Just briefly, so you folks have a copy of Resolution 137-25 in your packet, and it states about displaying general water availability, number of units active, developer agreements. I guess we're envisioning because we have all of this data in-house, our copy on paper, but basically convert it over to an online GIS database. What it's going to involve also is in-house, our Engineering staff working with our GIS staff in-house to put it together into this map and make sure it is correct and accurate, before fine-tuning it and correcting things, so that's the process, but basically taking what we have physically on hard copy into a digital electronic GIS format, map-based format.

CHR. LOPEZ: During that session, I believe, correct me if I'm wrong, heard your response was maybe two months, 60 days?

MR. OKAMOTO: I think so, no, but I think they gave us more than that. I think they gave us to the end of the year, if I recall correctly.

CHR. LOPEZ: My best understanding, correct me if I'm wrong, Corp. Counsel, the resolution is a strong request.

MR. OKAMOTO: Yes.

CHR. LOPEZ: It's not binding.

MR. OKAMOTO: Right.

CHR. LOPEZ: Okay.

MS. MELLON-LACEY: Can I ask Kawika one question, please?

CHR. LOPEZ: Oh, you go ahead.

MS. MELLON-LACEY: Is this system going to be something that a user would be able to access themselves, or would they need to contact the department and make a request? It sounded like it might be a little complicated.

MR. UYEHARA: So it's envisioned to be, eventually, available to the public. Right now, they can call us. Right now, we have the information. They can call us, and the process nowadays, currently if someone would call and our staff will research and get back to them on their request—but now this information would be available publicly, although once we think about it, we have to have a lot of caveats on it, disclaimers, that someone should check with the department. We don't want the information to be misused, misinterpreted.

MS. MELLON-LACEY: Thank you.

CHR. LOPEZ: The Board on the seven-performance metrics has requested, and you've agreed to make the water commitments transparent, so is this part of that? I thought this was kind of maybe redundant, what we were asking for, but if you could make one solution to this, both right?

MR. OKAMOTO: Yes, so it will cover both. The commitments are something that people have paid a deposit for and have it really defined for that particular parcel. We also have what's called General Water Availability Guidelines; if somebody didn't have a formal land use application in place, what could they potentially think of doing? That's kind of depending on how robust our system is, how much access capacity our system has, versus potentially developing a couple of lots. So, for some areas we may say, "Oh, you can"—general availability is seven water units per existing lot of record. But there might be overlap, right? Maybe some parcels in that general availability area might have an existing commitment based on something else already. So that's why Kawika is saying, we need to have some caveats in there, so if somebody is interested in a parcel, like maybe a realtor who wants to sell, "Hey, this parcel has seven units," maybe, but check with us first for that particular parcel because it might be something different.

So that's some of the challenges we foresee, but we're kind of hoping that it will address what the Board is requesting, plus some other stuff that I think this resolution is also asking for. I believe it will cover one of those metrics that the Board has, but might go even a little bit beyond that.

CHR. LOPEZ: Okay, thank you.

MR. UNGER: A challenge, I also see keeping it updated.

MR. OKAMOTO: Yes.

MR. AIONA: Is that in-house, or is that something that you would have to contract?

MR. OKAMOTO: In-house.

MR. AIONA: Would that create a new position or is that something that someone—?

MR. OKAMOTO: We're not sure yet. We're going through this phase of trying to put this product together. Our staff will let us know by the bags under their eyes on how they're doing. Ryan, right now, is actively involved. He's not here right now, but we've actually got recently on staff somebody with a very good amount of actual GIS experience, and that's been really helpful, so now it's a matter of them getting all that information that Kawika talked about and now putting it into the system. So we're hoping after that, it's a maintenance issue, that we can maybe schedule updates monthly, quarterly, or something. But again, I think those caveats will include something like that.

Again, if you're looking at a particular parcel, please contact the department to double-check, that's what we foresee anyway. But we're kind of hoping that we'll show you a product at an upcoming Board meeting that you guys can take a look and weigh in on, and then we can go back to Council, as well.

CHR. LOPEZ: Thank you very much.

MR. OKAMOTO: But thank you for asking us and reminding us, this should have been on the agenda. I apologize for that.

CHR. LOPEZ: In my mind, and I just comment on this, in mind it was the last two Board meetings ago I passed out something about the Ota well and the big awareness of that in terms of the demand for water from the developer side and the availability of water from the department side, and what do we have and how do report that. How do we as a group use it? It's a major, major deal, and I think it's going to stay in the focus on the west side of Hawai'i Island for some time besides battling it out. As Board members, I encourage you to maintain your awareness of what's going on in that arena, okay.

MR. OKAMOTO: Thank you, Mr. Chair.

CHR. LOPEZ: Thank you. Thank you for that update.

E. UPDATE ON DEPARTMENT OF WATER SUPPLY'S AGRICULTURAL DEDICATED WATER PROGRAM:

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

CHR. LOPEZ: Go ahead, Keith.

MR. OKAMOTO: Thank you, Board Member Unger, for putting this on the agenda and allowing us to provide an update. Sorry, this wasn't in your packet, but it should have been handed out this morning. So this is the various classifications, my understanding from the County's Real Property Tax department, on the various classifications that they allow for exemptions on real property tax for agricultural use. I'm going to lean on Board Member Unger to possibly help describe what some of these mean and the terms.

Basically, what we're envisioning right now is we'll need to do a rule change because currently our rules state that they have to apply annually with us to get the ag water rates, but my thinking is if County Real

Property already has a robust system to review and determine whether or not a landowner qualifies for their exemption, we shouldn't have to reinvent the wheel, and we could just probably follow their system; so if they qualified for the ag exemption, they should qualify for the ag water rates for us.

My other thought was it's not going to be automatic. We're not going to give everybody who has a real property ag exemption ag water rates; they still got to apply. But hopefully again, GIS will have Real Property's data. They'll tell us what parcel they want the ag water rates for. Hopefully, we can click on that parcel, it will show "Oh yeah, you are getting the ag exemption from Real Property, under category 5.b., as in boy. So, you're a long-term dedicated, intensive agricultural use that qualifies for us. Sure, you're good for those ten years, as well." That will actually relieve the burden on our staff in reviewing these applications annually, as well. I think it's a good move. I don't know if Mr. Unger would like to add his thoughts on that.

MR. UNGER: I think we had that discussion before in a meeting, just briefly, about how to apply this to what Real Property Tax has already done, and I think the main thing is not to reinvent the wheel; they've gone through all those processes anyway.

My opinion is I, but I think the Board all needs to weigh in on, what the Board and the department want to see of these categories qualify for ag. Does the Board want to just say all these categories when applying for long-term ag dedication rate, or would it just—agricultural industry that creates a product? Right off the top is forestry; you know, would forestry qualify for water ag rate? What is the situation now with Department of Water when a forestry entity comes in and applies for a one-year ag rate? Do you grant that or not?

MR. OKAMOTO: No. So what I envision, maybe what might be good, is people take a look at this because you guys haven't had a chance to review this yet, and what we'll also include, if we put an agenda item for the rule change, is a copy of our rules, which currently states that for our purposes agricultural activities means crop production, flower and other ornamental growing, fruit and other orchard growing, stock raising, dairy farming and/or aquaculture farming on a commercial basis. I believe our thoughts at the time are if you're going to do something that is ag-related, I guess overall to help the community generate income, you pay your taxes kind of thing, then we're willing to subsidize your ag rates, so I think that's why those items were listed.

MR. UNGER: Got it, got it.

MR. OKAMOTO: My personal feeling would be that was reasonable, but again, it is like Mr. Unger said, "The purview of the Board." So if you folks would take a look at what Real Property categories are and match them up and see what you think should qualify for ag water rates and maybe what should not.

MR. UNGER: So essentially, you've done that already as it stands right now.

MR. OKAMOTO: Yes.

MR. UNGER: So just take another look at it, basically with this new long-term dedication in mind.

MR. OKAMOTO: Yes.

MR. UNGER: Personally, I think that's worked all these years. My personal opinion would be not to mess with that, but rather use those categories to do long-term dedication.

MR. OKAMOTO: Okay, and what we planned to do, too, is to meet with Real Property Tax because I have some questions too, because I don't know what certain things are.

MR. UNGER: I don't know what good pasture is.

MR. OKAMOTO: Good pasture, or poor pasture, even forage and biomass crops, I'm not sure what that is. If I had a better understanding, I could bring that to the Board for that future discussion, you know, do we include that or not?

MS. TAAROA: Do you know if they are paying additional Schedule F to qualify for these rates?

MR. UNGER: Yes, they do. Right now, when I applied for an ag rate, I had to send a copy of my General Excise Tax showing ag as a profit.

MR. OKAMOTO: What we really don't want is what we've seen in the past was some of these guys who claim and had ag exemptions, but they have one goat to keep their grass down, or they were doing like an Air B&B and allowing people to go and pick mangos on their property, you know, versus a real commercial ag producer kind of thing. So it seems like Real Property has kind of closed some of those pukas on those.

So what we envision, next step will be, after you take a look at this, we'll put in an agenda item for a rule change. We'll show you what the existing rule states and our proposed changes after our discussion with Real Property Tax. And then we will have an agenda item for future discussion to move forward.

MS. TAAAROA: So they're removing the long-term dedication, if I'm reading this right, and is it going to be a three-year dedication?

MR. UNGER: No, there's a 10-year dedication. They're removing the non-dedicated, which I wasn't even quite sure what that is.

MS. TAAROA: So you would want to see if the water exemptions, like ag rates, kind of mirror the timeline of this?

MR. UNGER: Yes, somebody could still apply for a one-year rate, right? The one-year rate still is not going away.

MR. OKAMOTO: I think that's up for discussion. I think what we probably want to do is stay consistent with Real Property because otherwise it might get convoluted, and we might not know when to check back. But that's all open for discussion.

MR. UNGER: So looks like Real Property there is only a 10-year dedication?

MR. OKAMOTO: I don't know, there's a 3-year short-term dedicated one also.

MR. UNGER: You could kind of find out with Real Property Tax?

MR. OKAMOTO: Yes.

CHR. LOPEZ: Okay, let me short-circuit this a little bit. If you want to make a comment, please address it to the Chair or address it to whoever is opening the—so we don't get discussion between Board members. Also, this is an update. It's not one that was prepared to dissect yet, but we do need the

questions and responses. The metrics we're charged with, the department was to go out, assess these things, and then bring back some information, and that drives what the solution would be.

MR. OKAMOTO: Yep.

CHR. LOPEZ: So we still have ways to go, and that's true of all the metrics. So, this is good feedback. Through all the discussion, one of the things that just hits me in the head repeatedly, because I see it and live in it, the people that are abusing the system, and you take an exemption on an acre land, you put in three fruit trees, and nobody ever comes to check, nobody, so that's what I would be looking for. Any thought process you may have, how do you enforce this? And if you're going to leave it to Real Property to enforce it, then it begs the question "What are you doing to enforce these things?"

MR. OKAMOTO: Okay.

CHR. LOPEZ: I know they're short-staffed. I applied for food sustainability, and a guy actually came out, walked through the property, and I had to talk about the plan. It's a 5-year thing. Once he's gone and once I get the exemption, do I follow the plan? I should, right? That's what I'm looking for. Any discussion about exemptions, how do we enforce it? Any other questions, discussion?

MR. UNGER: I guess it's not enforced right now, but as an ag dedicated business that we are in, every year we apply for an ag-discounted rate, and as part of that application, we have to send our General Excise Tax, showing on that line item that we generated income from an agricultural industry, and so while that's not enforcement, that seems pretty good.

CHR. LOPEZ: It does. It shows some form of measuring your income business.

MR. UNGER: But you're right, any means to be on that to be enforced would be worth discussion.

MR. OKAMOTO: So maybe a question for Diana, I know one option is the Permitted Interaction Group; the other one, is it okay—say we meet with Real Property, can the Board just send us some of their concerns in advance of our meeting? Could a Board member come with us to Real Property?

MS. MELLON-LACEY: Yes, you could have questions, I mean the Board could take their questions to Nora so that she would be able to give them to you to go to the meeting, and you could take two Board members.

MR. OKAMOTO: I know Mr. Unger might be interested in attending our meeting with Real Property. Would anybody else be interested?

CHR. LOPEZ: Yes.

MR. OKAMOTO: Okay, so we have our two. We'll try to set something up and communicate with you folks when that meeting will be.

CHR. LOPEZ: Great discussion, and detailed, pretty clear. Thank you for this. Thank you for your input, as well.

F. 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.

MS. UYENO: I just want to update on Hala'ula Well Development. I put down that the estimated arrival of the pump is at the end of the month, however, it's getting shipped out this week, so it's being shipped now at the end of the month. We're looking at an arrival now in mid-July, you know, with the repair.

The only other thing I really have is that I talked to Public Works, and their Pohoiki Project, apparently now that court date got moved to July, so now they're on hold for almost another two, three weeks. I believe the way that it's written, they said that's the last possible date, so they hope to be moving that court date.

CHR. LOPEZ: Which one was that?

MS. UYENO: The 2018 Kīlauea Eruption. There's a Lower and Pohoiki Road Project that they awarded, however, they have not issued Notice to Proceed because they have a land issue with one of the owners, so they're still in litigation regarding that. I was told that the court hearing that was supposed to happen this week got moved to July, so they're on hold again for another three weeks.

MR. OKAMOTO: I think one more thing that I wanted to update the Board—thanks Shari, by the way, everybody knows Shari now—is Iki Place, so that's that small subdivision in Kona that's going through a Council Improvement District process. Ryan's been directly involved as well, so correct any misstatements I might say, Ryan. But that one is moving along, and I think right now Water Supply has done their part. Diana has also been involved in the legal review. There's bond documentation and things like that.

I think what the next steps will be, letters will be going out to all these property owners just to let them know, "Okay, what's going to happen you'll be assessed this amount for this duration, you can pay it all at once if you want or you can pay it over whatever the term is," so that's the next step. USDA has also been involved, so they could square away the numbers and the terms. After that, there are some actions that the Council will need to go through to move it forward. So basically, it's kind of out of our hands at this point, and it's with Council, and I believe the Department of Finance.

MS. MELLON-LACEY: That's correct.

MR. OKAMOTO: Okay.

MS. MELLON-LACEY: That's right. Yes, the role has to get approved, the assessment role, and then the final documents with USDA have to be completed, and then it will close.

MR. OKAMOTO: So, it's still plugging along.

CHR. LOPEZ: So when all that's done and say, "Okay, let's go," is that when you get back in?

MR. OKAMOTO: Yes.

CHR. LOPEZ: Dig the trenches and stuff?

MR. OKAMOTO: Yes.

CHR. LOPEZ: My understanding is that you've laid the line, you put in the meters, but it's your homeowner's responsibility to get the water from the meter to the house.

MR. OKAMOTO: Yes, yes.

CHR. LOPEZ: And they dig their own trench to their home and pay for that too.

MR. OKAMOTO: So what can happen too is what we've seen sometimes, and this is not guaranteeing anything or saying that this will happen, you know, a lot of times with the contractor on site, they may be able to negotiate something, but that will be outside of our contract with the contractor. They're also going to be responsible for removing their existing line that currently runs from the meter that's on the highway down to their property, which is beyond the scope of our contract with, I believe, Isemoto Contracting. The latest estimate we have for that actual work to start, do we have that guesstimate yet?

MS. UYENO: Hopefully, November.

MR. OKAMOTO: Later part of this year. Towards the end of this year?

MS. UYENO: I was going to say about two months for the Council—

MR. OKAMOTO: Okay, I guess Council's duration is a couple of months.

MS. UYENO: Yeah, there's a calendar for the Council meeting, so we're looking at the end of September for that to kind of close—that's for the loan to close, so we can issue the—

MS. MELLON-LACEY: If there's a timeline.

MR. OKAMOTO: And then after that, we can kind of work with the contractor to issue a Notice to Proceed and then to start.

CHR. LOPEZ: If you don't mind repeating, I got lost in your communication. I heard your discussion about where the existing meter is to the individual meters, that's outside of the scope of this project, but who pays for that?

MR. OKAMOTO: The customer.

CHR. LOPEZ: The customer?

MR. OKAMOTO: Yes.

CHR. LOPEZ: So they collectively pay for it, and it's not in the amount that they're being assessed. It's a separate item?

MR. OKAMOTO: It's actually an individual effort for each customer because each customer's layout is different. Right now, there are a bunch of meters up on the highway, by the Church of God Road

driveway, and they're running their lines. We're not sure how they're running their lines from the highway to their property, some could be above ground, some plastic pipe, some copper pipe. Once the new line is installed and the meters will now be fronting their property, they'll have to make that connection from the new meter to their house, and they'll also have to remove that old spaghetti line.

CHR. LOPEZ: Oh, that's the part I didn't understand.

MR. OKAMOTO: Yeah.

CHR. LOPEZ: They have to remove that?

MR. OKAMOTO: Yes.

CHR. LOPEZ: Okay.

MR. OKAMOTO: That's on them. That's not part of Isemoto's contract.

MS. UYENO: Part of Isemoto's contract is to remove the meter at the highway, so it has to be coordinated.

CHR. LOPEZ: But the lines are still there.

MR. OKAMOTO: Yeah, it has to be coordinated. We're not going to cut them off before the new one is active and functional.

CHR. LOPEZ: Any other discussion?

G. 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 May 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:

MS. GRAY: If there's any question?

CHR. LOPEZ: When you're talking about these numbers on the Balance Sheet, you talk in terms of percent, but I don't see any percents on here.

MS. GRAY: I just added that just to give you a broader view. Every month, I provide this narrative explanation, and because there wasn't any change I thought I'd just—

CHR. LOPEZ: And that's legitimate?

MS. GRAY: Yes.

CHR. LOPEZ: All right, and maybe because I don't have a financial hat in my bag of tricks. I'm looking, and I can't correlate your discussion to the item. You do talk about a description, but it's not in any sequence that I could follow.

MS. GRAY: Okay, so it added more confusion?

MR. OKAMOTO: I think what might help is you refer to the page, and then what line are you talking about. You might say "Fixed Assets, but it will take a while for us to find "Fixed Assets," and where is that, is that on left side of page 3, about three-quarters way down.

MS. GRAY: Kind of lead you through it.

MR. OKAMOTO: And maybe, what does it mean? If you put out a percentage, is that a significant percentage, is it worth noting? I don't know if that's what you're asking. I don't have a financial hat either.

CHR. LOPEZ: Well, I'm just trying to follow her in reading this. I understand from your side it's clear and easy.

MS. GRAY: Sorry about that. I guess I'm under the assumption I'm thinking, okay, people understand.

CHR. LOPEZ: Bad assumption.

MR. LEE: Percentage is good because it gives you basis of what the difference is. Like if you just throwing out numbers, I don't know what the number is, but the percentage is more telling, I think.

MR. OKAMOTO: Do we have room to add a column like on certain places we put percentage changed?

MS. GRAY: Yes, actually we do have that information.

CHR. LOPEZ: Well, thank you for your report. Bottom line, we're in good stance where I go. Bottom line, we're in very good shape.

MR. LEE: So we give you 100% thumbs up.

CHR. LOPEZ: Thank you.

MR. OKAMOTO: Any other questions for Candace? I kind of knew in advance, but I still was struggling to keep up, too.

CHR. LOPEZ: Question?

MR. UNGER: Yeah, I guess I better ask those questions. I think I'm going to try because I don't have any financial background either, so I'm going to try every meeting to ask one question that really confuses me completely. I don't understand a line in the Income Statement, last paragraph, page 2 of your report, "CIAC depreciation decreased... included in the Contribution," that aid them. So, I'm pretty lost. If you could just give us a one-on-one ground-level description of what that means?

MS. GRAY: Okay, and I think this is something that I discussed a little, I think it was last Board meeting, or at least the prior Board meeting. The CIAC (Contribution in Aid of Construction) is related to, as it says, contributed capital. Prior to July 2000, whenever we received contributed capital, the accounting method was to depreciate. After July 2000, the accounting method changed, and now recognizes it as revenue. As of this fiscal year, we've fully depreciated it, those assets.

MR. UNGER: So, a stepped-up depreciation?

MS. GRAY: It was depreciated over a period of years, and now the amount and depreciation equals the amount of the value of the asset that was put on the books. Let's just say that accounting method expired, and so now I will be reporting this revenue.

MR. UNGER: Right, you did explain that before, and now it's coming back a little better.

MS. GRAY: I don't know if that helps.

MR. OKAMOTO: What is Contributed Capital?

MS. GRAY: Let's say we considered Contributed Capital, like grants for capital projects and the dedicated subdivisions or water systems—

MR. OKAMOTO: So say a developer installs 100 feet of water main and a fire hydrant, they paid for that, they installed it, and then they dedicated it to us, is that contributed capital?

MS. GRAY: Yes.

MR. OKAMOTO: Okay.

MR. UNGER: So it's depreciating CIAC asset?

MS. GRAY: Until 2000.

CHR. LOPEZ: So where do I find bad debt? Uncollectible?

MR. UNGER: Delinquencies.

MS. GRAY: It's already in your trade receivables. It's not a separate line item.

CHR. LOPEZ: It's not?

MS. GRAY: Not on these reports.

MR. OKAMOTO: Where are the trade receivables?

MS. GRAY: On your Balance, page 3, third line item.

CHR. LOPEZ: Third line item, where?

MS. GRAY: Page 3, on the Balance Sheet, under Assets.

CHR. LOPEZ: Trade receivables.

MS. GRAY: Yes.

MR. OKAMOTO: Under Assets.

MS. GRAY: Yes.

MR. OKAMOTO: See, I don't get that either.

CHR. LOPEZ: Trade receivables mean bad debt?

MS. GRAY: It's included with our accounts receivables.

CHR. LOPEZ: So we need you to tell us because we've been monitoring this for years, what our current bad debt looks like. Past due collectible.

MS. GRAY: Allowance for bad debt reserve.

CHR. LOPEZ: No, not the reserve. What we're trying to collect on.

MR. OKAMOTO: I think that's in the delinquency paragraph.

MR. UNGER: Income Statement, two paragraphs down from the (inaudible).

MS. GRAY: On page 2, under Delinquency.

CHR. LOPEZ: So the delinquency rate in the month of May increase; that's what I read in this.

MS. GRAY: Correct.

CHR. LOPEZ: And you continue to make efforts to collect and write off?

MS. GRAY: It fluctuates from month to month.

CHR. LOPEZ: All right, thank you.

H. MANAGER-CHIEF ENGINEER'S REPORT:

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

1. North Kona Wells:

MR. UYEHARA: So for this month, of the 14 sources we have 10 online now. So the two that were brought back online, or available to use since last month is Honokōhau well, that came back online as of June 12; and then Kahulu'u B, which we had the motor repaired, that repair probably could be completed as of June 4th, and it can be used anytime now as we meet.

So, the other four that are still offline are Mākālei, Kalaoa, Wai'aha, and Hōlualoa.

Mākālei, fortunately the repairs have been completed. We were able to, with the contractor, to pump the

well. We've had to collect some additional water samples just because it's been offline for a while, and make sure that it's all double-checked before returning it to service. We're hoping in the next couple of weeks to get the go-ahead on that.

The next well after that would hopefully be Kalaoa well, maybe mid-July, and then Wai'aha well, we're projecting end of July.

CHR. LOPEZ: Which was that?

MR. UYEHARA: Wai'aha.

CHR. LOPEZ: End of July?

MR. UYEHARA: Yes, and Hōlualoa, still projecting November of this year. So again, kudos again to our Operation's staff and engineers working with the contractors to push the contractors to get these Honokōhau and Kahulu'u back up and running.

MR. OKAMOTO: Kawika, real quick, can you expand? I know you mentioned some of that water quality testing, so it sounds like physically the thing can pump.

MR. UYEHARA: Yes.

MR. OKAMOTO: But we cannot put it into our system until—

MR. UYEHARA: Correct, because one of our main regulators is Department of Health Safe Drinking Water branch, they have the water quality rules that we have to follow. There's a monitoring schedule that's all sources have to stay on, and when you take a well out of service for an extended amount of time, typically we check with DOH again to see if there is any additional, or confirmation of a sampling we need to do. Usually, it's just a double-check. We'll collect the samples, and send them off to a lab. I think this one is to the DOH lab to analyze. Once we get the results back that's saying it's okay, nothing's changed, it still meets your Safe Drinking Water Act requirements, then we get the go ahead from the State level, and Operations can return the well to service.

MR. OKAMOTO: Thanks, Kawika. I just wanted the Board to be aware of that. Just because the contractor might be finished fixing the stuff, doesn't mean we can actually put the water in the system yet, if it's been out of service for a period of time. So Wai'aha going to be a similar situation. They'll get everything, but we cannot conduct the test until we can bring water up.

CHR. LOPEZ: Those are good data points. Personally, I wasn't aware of that.

MR. OKAMOTO: So that typically adds a couple of weeks.

CHR. LOPEZ: Just getting Makalei online, that's pretty good enough. Good move, thank you. So if nothing happens, we should see 13 and 14 by November. All right, thank you. Anything else?

MR. OKAMOTO: Thank you, Kawika. Yes, I do have one thing I wanted to add. It's not on the agenda, but we checked with Corp. Counsel, and it's okay; we have another retirement.

2. Retiree of the Department of Water Supply – the Manager-Chief Engineer announced that Felix Estabilio, Jr., Supervising Waterworks Construction Project Inspector in Kona, is retiring on June 30, 2025. Acting Engineering Division Head provided some background for Mr. Estabilio's 50 years of service with the department.

I. CHAIRPERSON'S REPORT:

1. Chairperson to report on matters of interest to the Board
2. AWWA ACE25 – Report by Board Members Kekela, Lee, and Taaroa

CHR. LOPEZ: I did get a newsletter, Pipeline. It's for Spring and Summer, and then you had to go back to December to get materials, and very professional looking. Well done, thank you. Is that the first edition?

MR. OKAMOTO: No, we've actually had several. It's not as frequent as we'd like. I think we were hoping to do it quarterly, maybe. Sometimes we don't have content, and sometimes we don't have staffing. We'll try to get it out to you whenever we come up with a new one.

CHR. LOPEZ: Even a one-pager is always something.

MR. OKAMOTO: True.

CHR. LOPEZ: At least my perspective from Team Building. Thank you for that. I would request for the next agenda item for the July meeting that we get an update on all the metrics.

MR. OKAMOTO: Oh, okay.

CHR. LOPEZ: We're coming up on the last half of the fiscal year, where are you? I'm not trying to tick off things, I'm just trying to see where we are together on some kind of process and just trying to take us to deliver.

MR. OKAMOTO: Got it.

CHR. LOPEZ: Thank you. We had three Board members that went to the AWWA ACE25 Conference: Emily, Pono, Kimo, so I request that you each give us a rundown of what you thought of the conference, what the value was, and if you would go again.

(Note: At this time, Water Board Members Lee, Kekela and Taaroa reported on the AWWA ACE 25 event they attended from June 8 to 11, 2025. This event took place in Denver, Colorado.)

CHR. LOPEZ: Well, good. I've enjoyed them, and I'm happy to hear that you brought back value for your own selves. You've talked about enjoying mixing with the Hawai'i delegations; you will get more of that, should you go to the regional conferences. We have two a year here. All right, thank you very much.

8) ANNOUNCEMENTS:

- Next Meeting – July 22, 2025, 10:00 a.m., West Hawai'i Civic Center, Building G, 74-5044 Ane Keohokālole Hwy., Kailua-Kona, Hawai'i.

9) ADJOURNMENT:

CHR. LOPEZ: Any final comments? Anything you want to say?

MR. UNGER: I was excited in the Pipeline that the Water Department (inaudible) Water Tasting contest, and we are nationally now, contest top 25? Is that the Kahalu'u sample? Is that where—

MR. OKAMOTO: I've got to thank Alvin there. Yes, we took the best in the State, so that allowed us to compete nationally. Greg actually took it up there top there, to D.C. Where was it?

MR. UNGER: What is the status? Did the competition happen?

MR. GOODALE: So they had the competition, and we did not get into the top 5. I think it was Utah, Florida, California, anyway all over the place. It was a good experience for us, as said, it was the first time we've submitted a sample for this particular contest, so it was nice to represent the State. A big part of that was also outreach to the Congressional delegation.

CHR. LOPEZ: Motion to adjourn?

ACTION: Mr. Kekela moved to adjourn the meeting; seconded by Mr. Unger and carried unanimously by voice vote (Ayes: 7 – Board Members Aiona, Bell, Kekela, Lee, Taaroa, Unger, and Chairperson Lopez).

CHR. LOPEZ: We are adjourned.

(Meeting adjourned at 11:36 a.m.)



Recording Secretary

APPROVED BY WATER BOARD
(July 22, 2025)