

MINUTES

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

October 28, 2025

Department of Water Supply, Hilo Operations Base Yard, 889 Leilani Street, Hilo, Hawai‘i

MEMBERS PRESENT: Mr. Stephen Kawena Lopez, Chairperson, Dist. 8
Mr. Michael Pono Kekela, Vice-Chairperson, Dist. 4 (arrived at 10:15 a.m.)
Mr. James Lee, Water Board Member, Dist. 2
Mr. Guy Alameda, Water Board Member, Dist. 3
Ms. Emily Taaroa, Water Board Member, Dist. 5 (arrived at 10:06 a.m.)
Mr. Keith Unger, Water Board Member, Dist. 6
Mr. Michael Bell, Water Board Member, Dist. 7 (via videoconference)
Mr. Philip Aiona, Water Board Member, Dist. 9
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
Mr. Dean Nakano, Brown and Caldwell, Technical Advisor
Ms. Lauren Armstrong, Brown and Caldwell, Project Manager
Ms. Audrey Cabrera, Brown and Caldwell, Technical Lead
Ms. Stephanie Chin, Brown and Caldwell, Deputy PM
Ms. Corrine Sato, County of Hawai‘i, Workers’ Compensation Department
Ms. Jocelyn Johnston, guest

DEPARTMENT OF WATER SUPPLY STAFF:

Mr. Kawika Uyehara, Deputy
Ms. Candace Gray, Waterworks Controller
Mr. Gregory Goodale, Chief of Operations
Mr. Ryan Quitariano, Acting Assistant Engineering Division Head
Mr. Warren Ching, Civil Engineer IV
Mr. Eric Takamoto, Mechanical Engineer III
Ms. Gwen Kimura, Human Resources Specialist I
Ms. Marcie Toguchi, Human Resources Technician I
Mr. Joshule Johnston, Water Service District Supervisor II
Ms. Ka‘iulani Matsumoto, Private Secretary
Ms. Maraea Keamo, Senior Clerk Stenographer

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

CHR. LOPEZ: I would like to recognize our guests. If we can go around, you can all introduce yourselves.

(Mr. Dean Nakano, Ms. Audrey Cabrera, Ms. Stephanie Chin, and Ms. Lauren Armstrong of Brown and Caldwell introduce themselves, followed by Ms. Corrine Sato of the County of Hawai‘i, Workers’ Compensation Department).

CHR. LOPEZ: Let’s move right along; we have a lot to cover today.

- 3) APPROVAL OF MINUTES:

Minutes of August 26, 2025, Water Board Meeting:

ACTION: Mr. Unger moved for approval of the Minutes of the August 26, 2025, Water Board meeting; seconded by Mr. Aiona and carried unanimously by voice vote (Ayes: 6 – Board Members Lee, Alameda, Unger, Bell, Aiona, and Chairperson Lopez).

Minutes of September 23, 2025, Public Hearing for Power Cost Charge:

ACTION: Mr. Unger moved for approval of the Minutes of the September 23, 2025, Public Hearing for Power Cost Charge; seconded by Mr. Lee and carried unanimously by voice vote (Ayes: 6 – Board Members Lee, Alameda, Unger, Bell, Aiona, and Chairperson Lopez).

Change Order of Business: As directed by the Chair and with no objection from the members of the Board, the following items were taken out of order:

- 9) MISCELLANEOUS:

M. EXECUTIVE SESSION REGARDING SETTLEMENT OF WORKER’S COMPENSATION CLAIMS:

The Board anticipates convening an executive session for the purpose of discussing the legal rights, duties, and liabilities of the Board concerning settlement authority of Worker’s Compensation Claims. The Board requests to have its attorney present, in order to consult with the Board’s attorney on its questions and issues pertaining to the Board’s powers, duties, privileges, immunities, and liabilities pursuant to Hawai‘i Revised Statutes (“HRS”) §92-5(a)(4). A two-thirds vote of the members present, pursuant to HRS §92-4, is necessary to hold an executive session, provided the affirmative vote constitutes a majority of the members to which the board is entitled.

ACTION: Mr. Unger moved that the Board enter into Executive Session; seconded by Mr. Lee and carried unanimously by the following roll call vote (Ayes: 6 – Board Members Lee, Alameda, Unger, Bell, Aiona, and Chairperson Lopez).

(The Board entered into Executive Session at 10:05 a.m. Board Member Taaroa joined the meeting at 10:06 a.m., and Vice Chair Kekela joined at 10:15 a.m. The Board reconvened in regular session at 10:32 a.m.)

CHR. LOPEZ: Our meeting is back in session, and we have some business from the executive session. I’d like to entertain a motion on how we move on that.

MR. UNGER: I have a motion. The motion is to retain the indemnification clauses in both agreements and to affirm the settlement amount presented by special counsel.

CHR. LOPEZ: Do I hear a second?

MR. AIONA: Second.

CHR. LOPEZ: Any discussion? (none) All in favor say aye.

ACTION: Mr. Unger moved to retain the indemnification clauses in both agreements and also to affirm the settlement amount presented by special counsel. Seconded by Mr. Aiona and carried unanimously by the following voice vote (Ayes: 8 – Board Members Lee, Alameda, Kekela, Taaroa, Unger, Bell, Aiona, and Chairperson Lopez).

MR. OKAMOTO: If we can move up item 9(G), the update on the Proposed Strategic and Business Plan.

CHR. LOPEZ: Okay, we are going to move up item 9(G) on the agenda, which is the update on the Proposed Strategic and Business Plan by Brown and Caldwell. So, we'll go to that next. But before we do that, I was remiss earlier; we have a new board member, finally. For District 3, which I think has been empty for about a year, Guy Alameda.

MR. ALAMEDA: Guy Alameda, District 3, new board member. Thank you all for being welcoming, and I know I'll be getting your support. Excuse me if I'm a little behind in the process, but I will get on it as soon as I can.

CHR. LOPEZ: No, you are doing fine. The fact that you're here is good—thank you very much. Another Alameda is in the mix. We do have, now, eight board members seated.

MR. OKAMOTO: Yes.

CHR. LOPEZ: We'll move on to item 9(G). Go ahead, Keith.

MR. OKAMOTO: I would like to ask Ms. Lauren Armstrong to come and sit next to me and reintroduce her team. You should have in your packet, I believe, the presentation—it should look like this. We also have it up on the screen just in case. With that, I'll turn it over to Lauren.

MS. ARMSTRONG: Thank you, Keith. Good morning, everyone. I'm Lauren Armstrong with Brown and Caldwell. I'm a Community Planner and Project Manager. I grew up on Maui and have been on Hawai'i Island for three years. I have fifteen years of experience working with agencies that manage infrastructure across the state of Hawai'i. I've been supporting the Lead and Copper Rule Revisions for the County of Hawai'i, Department of Water Supply, for the past two years, and just really honored to be here with you today to kick off the Strategic and Business Plans Update Framework. I think this will really help the Department navigate the future in a proactive manner, and they've really been wanting to get Board input to help guide that process. So, we're just here to give a high-level overview today and where we'll be going with you during the process.

The purpose of today's presentation, if we can go to the agenda slide, is to establish early understanding and collaboration with the Board. We want to describe some of the needs and benefits of strategic planning and give you some background on effective utility management. This is a national tool set framework for guiding and assessment of a department. We'll also go over our current scope of work, so that is developing a framework to update the Strategic and Business Plans.

Introductions: Again, I'm Lauren Armstrong, I'm based in Hilo, and I'm the Project Manager for this update. Here today with us, we have Stephanie Chin, out of our Honolulu office. She's an engineer and the Deputy Project Manager. Dean Nakano, who is a guru on all things governance and water resources, we are very fortunate to have him on our team. We have Audrey Cabrera, who is a Senior Engineer in our

Maui office. She is the Project Manager for the Lead and Copper Rule Revisions, so probably a familiar face for many of us. We also have Michelle Sorensen as a Technical Advisor. She's an engineer and MBA, with 25+ years of experience. She's worked on strategic planning across the state of Hawai'i, and she is based in Waimea. Jennifer Myers is a Technical Advisor on effective utility management. She has gone through this process with agencies around the country, and she can give us a lot of good advice on how to proceed. Mary Economy, Staff Engineer—you may be familiar—she's originally from Hilo, now based on O'ahu. And finally, Ann Hajnosz, with Harris & Associates, is going to be providing her expertise on financial planning.

Project Overview: The goal of this project is to assess where the Department is, kind of look at where they came from, what progress has been made, and what is the recommended path forward. So, really looking at the changes that have impacted and will continue to impact the organization. The project objectives are to build on the five-year strategic plan that was done in 2004. A lot of time has already passed, a lot of accomplishments have been made, including the Water Master Plan, several engineering studies, rate studies, and changes in the organization and the community.

So, the other objective is to leverage the effective utility management roadmap as a repeatable process that you can use to track progress within the organization. We will integrate input from the Board and from leadership at DWS, including the Division Heads and representatives, to create a framework to update the Strategic and Business Plans.

Project Schedule: Phase One of the project includes alignment and assessment using the EUM tool. In November, when we come back to the Board Meeting, we'll ask you to provide input via a live survey on which attributes are most important for the Department to focus on. We'll also be engaging with leadership and key staff members to understand how the different attributes are perceived and practiced across the organization currently. Then, early next year, we'll present the initial findings and prepare for a preliminary deliverable on this project—the framework for update. This really lays the foundation for future work to update the Strategic and Business Plans. Keith, feel free to jump in at any point.

CHR. LOPEZ: Question—I heard you say that early next year you'll have a framework; when do we have a plan?

MR. OKAMOTO: Maybe I'll help you with that one, Chair.

CHR. LOPEZ: Is it another year? Six months?

MS. ARMSTRONG: That's a great question.

MR. OKAMOTO: That's a great question, Mr. Chair. So, we only had a limited budget when we—

CHR. LOPEZ: Oh, it's relative to budget.

MR. OKAMOTO: Yes, relative to funding. What we really wanted to do is capture—it's really going to be, this body is kind of—no more the overage to dramatize it—but it's historic that you folks are serving now because you are going to have that input into some of this roadmap that Lauren talked about, of where the Department is going to go the next five, ten, twenty years.

In other words, we'll need your input to help guide the Department, but we don't know what that priority is yet until we have you weigh in, as well as some of our key staff members. Once that gets nailed down, then we can figure out the next steps, and then we'll have to budget. I don't know how long a process like that would take.

It may require input and interaction with the Board to say, maybe there's three attributes that you want us to focus on and really nail down a specific metric. You know how you came up with the seven criteria? It kind of depends on this interaction—what the next product may look like, if that makes sense.

CHR. LOPEZ: So, between now and early next year, developing this framework, how we will develop a plan?

MR. OKAMOTO: To be determined what that plan will look like.

CHR. LOPEZ: Thank you very much.

MS. ARMSTRONG: That's good to have in mind because as we set the framework, is like—okay, how long? What kind of process is it going to be to do the whole thing?

MR. OKAMOTO: It can be incremental, too, so we don't have to wait for a whole thing. That'll be discussed, I'm sure.

MS. ARMSTRONG: Okay, next, I want to touch on the Strategic Vision and Mission Statement. So, as a reminder, DWS strives to be a recognized industry leader, an employer of choice, and to provide customers with an adequate and continuous supply of safe drinking water in a financially responsible manner. Piece of cake, right? You guys are doing an excellent job, but it's a big mission.

So, just to recap from the 2004 Strategic Plan—it was developed to gain input from staff, management, and the Board, and distilled all that information into a concise set of critical issues. At that time, the key issues were staff and management needing better clarity on roles and responsibilities. They needed to look at ways to improve operational efficiency, optimize revenue-generating, and minimize costs. They needed common direction with buy-in from all stakeholders, and water systems and facilities needed to be improved to meet the standards and regulations. So, that was the snapshot at that time. We know that lots of progress has been made since then toward fulfilling those goals, but now it's time to update the plan based on changes in the organization and changes in leadership.

Why is strategic planning important? Some common desired outcomes from strategic plans are to engage staff and leadership around a clear mission, to promote effective engagement both inside and outside the organization, to enhance morale and culture in the spirit of continual improvement, and also to make sure the plan is feasible and can help drive the changes that you want to see. Next slide.

So, strategic and business plans help organizations align their goals and vision, create foresight and insights for effective budgeting, improve operations and control costs, and track progress using metrics. It really supports a full business life cycle. So, the strategy element establishes the organizational purpose and guiding elements, which is the foundation for all the pieces that follow. Planning provides a framework to document and address needs across the organization. Budgeting is tied to capital improvement planning and project delivery. Operations and maintenance are key to managing assets. You know, in this feedback loop, the strategy builds off each of these elements, so everything ties together in an adaptive management cycle.

Next, I'll talk a little bit about team roles and expectations to support the strategic planning process. So, the core team is comprised of DWS leadership with support of the consultant team, Brown and Caldwell, and Harris. From you, as Board members, we'll look for guidance on which attributes are most important. We'll need your commitment to be engaged in the working sessions and review the content of the plan update as we go.

One of the resources that we'll use to guide the plan update is Effective Utility Management (EUM), and I'll just provide a little background on this now. The EUM practices were created by leading water sector associations and the EPA back in 2007. They've been regularly updated since then, and they're really the foundation for building and maintaining technical, managerial, and financial capacity for the water sector utilities. It's kind of this national standard that can be repeated and tracked. So, EUM provides insight into critical areas in need of additional resources or focus.

We have, in this wheel here, in the green, the ten attributes of effectively managed utilities. Just a few examples: infrastructure strategy and performance, financial viability, operational optimization, those are just a few. These are within an umbrella of five keys to management success.

You have a handout here that provides more information about each of those attributes, and this might be helpful to review. There is also a website link at the bottom. There's a whole slew of information online about effective utility management, but these are the things we're going to talk about more in November and get your input on which are really the priorities for the Department.

A few initial thoughts on focus areas, just based on previous work done in the Department: regulatory and reliability performance, product quality—I think Keith has a good way of saying it, like, you have to keep people safe and healthy, that's number one. Financial viability, customer satisfaction, operational optimization or asset management, and then employee and leadership development. These might be some of the key areas. There may be others, so it'll be interesting to hear from staff and the Board members what you think is most important.

I'll just touch on a few next steps. So, the EUM assessment, we're going to conduct a survey of leadership and staff to kind of rank how well the Department is doing on each of these attributes. Then, at the November Board meeting, we're going to do a live survey with you folks to get your input on which of the attributes are most important. We'll kind of bring that together in our final, so, once we have that information we'll bring, ideally in January of next year—we'll see how we do with scheduling, but, the idea is to bring you sort of the initial findings from that assessment and then start preparing that framework document and talking about next steps to update the Strategic and Business Plans.

So, that is the high-level overview of the what, why, when. We're happy to take any questions. Thank you.

CHR. LOPEZ: I do have a comment to the Board. First, I want to thank Keith and the Department for taking up this issue. It came out of last year's evaluation of the Department, if you'll recall, where the instructions were to measure them against the Strategic Plan. That was in 2004. They listened, and they are doing it, and this could reap long return benefits if it's used. If it's developed and sits on the shelf and nobody looks at it anymore, it's all money wasted and effort wasted. It's going to be incumbent, I think, to have this plan and use it when we're doing our annual evaluation. Not only then, but also the evaluation of the Chief Engineer and the Department, which is part of our new metric sets. So, I just want to make that clear that this is a great step, and if used effectively, it's going to do tremendous things for this Department—and also a model for others, I would hope.

MR. LEE: Adding to what you're saying, can we incorporate one-year, five-year updates, ten-year so that twenty-one years doesn't go by before we reevaluate the situation again?

MR. OKAMOTO: Yes.

MS. ARMSTRONG: That's a great idea. I think that idea of adaptive management requires a regular interval for relooking at different levels of detail. The annual business plan is kind of where you review the strategies and tactics, but maybe on a five- or longer-cycle, you would go back to that strategic planning and regroup there.

MR. OKAMOTO: I think what both the Chair and Board Member Lee mentioned about making sure it's not sitting on the shelf, you know—if it's part of the annual evaluation, and then maybe we can pick, I foresee maybe some specific metrics being developed as part of this process. At least the Board now has this in front of them. How are we doing on this? Maybe five things that will provide you updates twice a year. What I'm hoping is that this plan will have some of those, that now you guys have that and are a part of developing that to say, you guys are supposed to do this, and where do we stand on that?

CHR. LOPEZ: Very good. Good point.

MR. AIONA: Where are we able to access the last strategic plan?

CHR. LOPEZ: We were given it in the last review packet.

MR. OKAMOTO: We will get it to you. It was kind of thick; it had a whole bunch of stuff. We'll figure out a way to get it to you.

CHR. LOPEZ: Anything else? The next time we'll hear from you is November?

MS. ARMSTRONG: Yes.

MR. OKAMOTO: Everyone has a smartphone? Is that the tool you guys might use?

MS. ARMSTRONG: Yes. We were going to use Poll EV or Mentimeter, so that way we can scan a QR code on your phone, and you can vote and see the results live on the screen. That's the idea.

MR. OKAMOTO: Like, who ranked financial viability, what? That kind of thing. I think it will show it as graphing, probably.

MS. ARMSTRONG: Yeah, I think it'll anonymize the results, like it'll just show kind of the—we can do a bar graph or something like that.

CHR. LOPEZ: So, if everybody participates, there will be eight votes?

MR. OKAMOTO: Yep.

MR. ALAMEDA: I just want to add to what was already brought up to this project. Through my observation, seeing and hearing your presentation, seeing how you are literally lighting up when you talk about it, shows that you have passion. To have the support from the Chief Engineer, who you know you had to convince first, it brings so much value to the result that will soon be coming. So, the decision-making from the Board shouldn't be as hard because you've already opened the door to the success in the end.

MS. ARMSTRONG: Thank you.

MR. ALAMEDA: No, thank you.

CHR. LOPEZ: Anybody else? Don't be bashful.

MS. ARMSTRONG: Okay, thank you. Looking forward to November.

MR. OKAMOTO: Thank you, Lauren. Thank you, Mr. Chair, for entertaining our ask to move things around on the agenda. So, with that, I think we can go back to item four.

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

5) POWER COST CHARGE:

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

Departmental power costs from all power sources have increased since the last Power Cost Charge rate was determined. The Department proposed to increase the Power Cost Charge from \$2.08 to \$2.98 per thousand gallons as a result. Power cost charges over the past year were as follows:

<u>Effective</u>	<u>PCC</u>
June 1, 2025	\$2.08
February 1, 2025	\$2.32
September 1, 2024	\$3.04
May 1, 2024	\$2.37

A Public Hearing was held on September 23, 2025, to accept public testimony on this change.

RECOMMENDATION: It is recommended that the Board approve the increase of the Power Cost Charge from \$2.08 to \$2.98, effective November 1, 2025.

ACTION: Mr. Kekela moved for approval of the recommendation; seconded by Ms. Taaroa and carried unanimously by voice vote (Ayes: 8 – Board Members Lee, Alameda, Kekela, Taaroa, Unger, Bell, Aiona, and Chairperson Lopez).

6) **SOUTH HILO:**

A. **JOB NO. 2023-1234, PANA'EWA WELLS A & B 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 line shaft pumps, vertical hollow shaft motors, and column assemblies; refurbish one (1) vertical hollow shaft motor; install the Contractor furnished line shaft pumps, and vertical hollow shaft motor; install one (1) refurbished vertical hollow shaft motor, existing column assemblies, and all appurtenant materials; chlorinate the wells and pumping assemblies; daily clean-up of the job site at the conclusion of each work day; vibration analysis; complete efficiency tests; and perform all incidental work necessary to complete repairs in accordance with the specifications.

Bids for this project were opened on September 11, 2025, at 1:30 p.m. (HST), and the following are the bid results:

Bidder	Bid Amount
Derrick's Well Drilling and Pump Services, LLC	\$1,099,357.00

Project Costs:

1) Low Bidder (Derrick's Well Drilling & Pump Services, LLC)	\$ 1,099,357.00
2) Contingencies (10.0%)	\$ 109,643.00
Total Cost:	<u>\$ 1,209,000.00</u>

Funding for this project would 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 \$472,400.00.

Well History:

Pana'ewa Well A:

Original Installation: March 1964

Repaired: September 1999

Repaired: September 2016 – Final Contract Amount \$145,000.00

Repaired: November 2019 – Final Contract Amount \$115,803.05

Last Repaired: September 2021 – Final Contract Amount \$104,401.40

Pana'ewa Well B:

Original Installation: December 1968

Repaired: April 1977

Repaired: April 1986

Repaired: November 2002

Repaired: April 2011 – Final Contract Amount \$74,289.96

Repaired: September 2012 – Final Contract Amount \$55,555.00

Last Repaired: July 2020 – Final Contract Amount \$885,950.15

RECOMMENDATION: It is recommended that the Board not award the contract for JOB NO. 2023-1234, PANA'EWA WELLS A & B REPAIR, to the lowest responsible bidder, Derrick's Well Drilling and Pump Services, LLC, for their bid amount of \$1,099,357.00 per HAR §3-122-35 and §3-122-97. DWS staff will revise the project scope and resolicit the project in the best interest of the Department by competitive sealed bidding in accordance with HRS §103D-302.

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

CHR. LOPEZ: Any discussion?

MR. OKAMOTO: As you noted, Mr. Chair, we are recommending not to award the project. It's because the bid came in a lot higher than our engineers' estimate of \$472,400.00. If there are any technical questions, Eric is available, but basically, my understanding was—the bid tabs are included, so you can see where the bidder far exceeded our engineering estimate. I think staff has some idea of why that may have happened, so I think what they are planning to do is put language in the bid to clear things up, to hopefully get a bid that is more in line with our estimate. Is that about right?

MR. TAKAMOTO: Yes.

MR. OKAMOTO: All the work is going to stay the same; it's just cleaning up the language so there's no ambiguity, to hopefully tighten up the bid.

CHR. LOPEZ: Alright. Any other discussion?

MR. UNGER: That is a huge difference! I mean, and I'm looking at the—it looks like there's a couple items that account for the majority of the difference, so I guess that's part of that process? You're going to really analyze on those certain sectors of the bid?

MR. OKAMOTO: Yes, I think as Diana offered, we do have the option to negotiate per Hawai'i Revised Statutes and Hawai'i Administrative Rules, but I think what we are going to try and do—if we needed this right away we probably would've taken that approach—but we're going to try and improve our bid documents so that, moving forward, hopefully we don't get into something like this again, and we can make it more clear what we expect the bidders to bid on.

MR. UNGER: As part of the process, then, could this possibly open it up to another bidder?

MR. OKAMOTO: Yes,

MR. UNGER: Okay, that could be a good first step to get another group interested.

CHR. LOPEZ: Do we have any service issues related to postponing this action?

MR. TAKAMOTO: No.

MR. AIONA: They don't get to see the estimate when they bid, do they?

MR. OKAMOTO: They do. So, that's readily available—whoever wants to bid will have that engineer's estimate available. How they factor that into their bid, I'm not quite sure.

MR. UNGER: Apparently, in this case, they didn't.

CHR. LOPEZ: Any further discussion? All in favor of the motion to not approve, say aye.

ACTION: Motion was carried unanimously by voice vote (Ayes: 8 – Board Members Lee, Alameda, Kekela, Taaroa, Unger, Bell, Aiona, and Chairperson Lopez).

B. VEHICLE BID NO. 2025-11, FURNISHING AND DELIVERING VEHICLES TO 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.

This procurement consists of paying for all labor, materials, tools, equipment, and taxes necessary to furnish and deliver vehicles listed in the Bid to the Department of Water Supply in Hilo, Hawai'i.

Bids for this project were opened on September 4, 2025, at 1:30 p.m. (HST), and the following are the bid results:

Description	Servco Pacific, Inc.	DWS Engineering Estimate
"A" - Two (2) Only Compact Cross-Over Wagon/SUV, with All-Wheel Drive	Non-Responsive	\$57,180
"B" - Two (2) Only Passenger Van, with 2-Wheel Drive	No Bid	\$84,900
"C" - Three (3) Only Mid-Size, Extended Cab Pick-Up, with 4-Wheel Drive	No Bid	\$109,680
"D" - One (1) Only Mid-Size, Extended Cab Pick-Up, With Lift Gate, 4-Wheel Drive	No Bid	\$41,560
"E" - One (1) Only Full-Size, Extended Cab Pick-Up, with 4-Wheel Drive	No Bid	\$41,760
"F" - One (1) Only Full-Size, Regular Cab Pick-Up, with Lift Gate, 4-Wheel Drive	No Bid	\$43,810
"G" - One (1) Only Heavy-Duty, Regular Cab Pick-Up, with Service Body, Lift Gate, 4-Wheel Drive	No Bid	\$45,300
"H" - One (1) Only Heavy-Duty, Crew Cab Pick-Up, with Service Body, Lift Gate, 4-Wheel Drive	No Bid	\$64,090

Description	Servco Pacific, Inc.	DWS Engineering Estimate
“I” - Two (2) Only Heavy-Duty, Crew Cab Pick-Up, with Service Body, Lift Gate, 4-Wheel Drive	No Bid	\$130,790
Total:		\$619,070

RECOMMENDATION: Only bidder was non-responsive. Staff will seek alternative procurement pursuant to HAR 3-122-35 to procure the required services.

CHR. LOPEZ: Do we need an action on this?

MR. UNGER: Probably not.

MR. OKAMOTO: Not really. I guess, for transparency, we put this out there because we bid it out, got no responsive bids, and I guess the only approval from you is to move forward with alternative procurement procedures.

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

CHR. LOPEZ: Any discussion? (none)

ACTION: Motion was carried unanimously by voice vote (Ayes: 8 – Board Members Lee, Alameda, Kekela, Taaroa, Unger, Bell, Aiona, and Chairperson Lopez).

C. EQUIPMENT BID NO. 2025-12, FURNISHING AND DELIVERING EQUIPMENT TO 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.

This procurement consists of paying for all labor, materials, tools, equipment, and taxes necessary to furnish and deliver equipment to the Department of Water Supply in Hilo, Hawai‘i. Equipment includes a compact excavator and a portable compressor.

Bids for this project were opened on October 9, 2025, at 1:30 p.m. (HST), and the following are the bid results:

Description	Royal Media Network, Inc.	Engineering Estimate
“A” – One (1) Only Portable Compressor	Non-Responsive	\$40,000.00
“B” – One (1) Only Compact Excavator	Non-Responsive	\$90,000.00
Total:		\$130,000.00

RECOMMENDATION: Only bidder was non-responsive. 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 Ms. Taaroa.

CHR. LOPEZ: Any discussion? (none)

ACTION: Motion was carried unanimously by voice vote (Ayes: 8 – Board Members Lee, Alameda, Kekela, Taaroa, Unger, Bell, Aiona, and Chairperson Lopez).

D. **MATERIAL BID NO. 2025-15, 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.

This project generally consists of paying for all labor, materials, tools, taxes, and equipment necessary to furnish and deliver metal storage buildings as specified within the bid documents to the Department of Water Supply's Pana'ewa Site at 23 Makalika Street, Hilo, Hawai'i.

Bids for this project were opened on October 2, 2025, at 2:30 p.m. (HST), and the following are the bid results:

Bidder	Bid Amount	DWS Eng. 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. Kekela moved for approval of the recommendation; seconded by Mr. Unger.

CHR. LOPEZ: Any discussion? (none)

ACTION: Motion was carried unanimously by voice vote (Ayes: 8 – Board Members Lee, Alameda, Kekela, Taaroa, Unger, Bell, Aiona, and Chairperson Lopez).

7) **NORTH KOHALA:**

A. **MATERIAL BID NO. 2025-16, FURNISHING 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 October 16, 2025, at 1:30 p.m. (HST), and the following are the bid results:

Section	Description	Derrick's Well Drilling & Pump Services, LLC	DWS Engineering Estimate
1	GROUP #5 (Hawi #1, Hawi #2)	\$228,819.00	\$220,000.00

RECOMMENDATION: It is recommended that the Board award the contract for MATERIAL BID NO. 2025-16, FURNISHING AND DELIVERING SPARE PUMP AND MOTOR SET FOR THE DEPARTMENT OF WATER SUPPLY, by Section to the following bidders 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.

Section 1 – Group #5 (Hawi #1, Hawi #2) to Derrick’s Well Drilling & Pump Services, LLC

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

CHR. LOPEZ: Any discussion?

MR. OKAMOTO: This ongoing effort for the Department to have on-hand spare pump and motors because they break. To refresh your memory and to inform Mr. Alameda, we did have a situation in Kohala not that long ago, where we had the well down, and we used up our spare. So, this is to replenish the stock.

CHR. LOPEZ: The good news, unlike previous years, we have spares and they’re interchangeable.

ACTION: Motion was carried unanimously by voice vote (Ayes: 8 – Board Members Lee, Alameda, Kekela, Taaroa, Unger, Bell, Aiona, and Chairperson Lopez).

8) **NORTH KONA:**

A. **JOB NO. 2016-1056, WAI‘AHA DEEPWELL REPAIR – REQUEST FOR ADDITIONAL FUNDS**

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

The Contractor, Derrick’s Well Drilling and Pump Services, LLC, is requesting a contract change order for the additional work for the demolition of the existing sole plate and wedding tier, and construction of a new wedding tier with installation of new sole plate. This work was not defined in the scope of work for furnishing the new surface plate assembly as part of Change Order #2. The description of the additional work and associated fees are as follows:

ITEM	DESCRIPTION	AMOUNT
1.	Demolition work and construction in association with the installation of new sole plate and surface plate assembly.	\$ 10,000.00
	TOTAL	\$ 10,000.00

Original Contract Amount:	\$ 650,000.00
Original Contingency Amount:	\$ 65,000.00
1 st Additional Funds Request:	\$ 380,080.50
2 nd Additional Funds Request:	\$ 1,130.89
3 rd Additional Funds Request:	\$ 4,476.00
4 th Additional Funds Request:	\$ 10,000.00
Total Revised Contract Amount:	\$ 1,110,687.39

Staff reviewed the request for additional funds and found that the \$10,000.00 can be considered justified.
Note: Actual payment shall be by force account.

RECOMMENDATION: It is recommended that the Board approve an increase in contingency of \$10,000.00 to Derrick’s Well Drilling & Pump Services, LLC, for a total project cost of \$1,110,687.39 for JOB NO. 2016-1056, WAI‘AHA DEEPWELL REPAIR.

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

CHR. LOPEZ: Any discussion?

MR. UNGER: Are we going to have an update on this in the update section?

MR. OKAMOTO: Yes, there will be. On the Kona Well Updates, there's a schedule for its repair.

MR. UNGER: I'll save my questions then.

ACTION: Motion was carried unanimously by voice vote (Ayes: 8 – Board Members Lee, Alameda, Kekela, Taaroa, Unger, Bell, Aiona, and Chairperson Lopez).

9) MISCELLANEOUS:

A. MATERIAL BID NO. 2024-16, FURNISHING AND DELIVERING SPARE PUMP AND MOTOR SET FOR THE DEPARTMENT OF WATER SUPPLY – REQUEST FOR ADDITIONAL FUNDS:

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

The Department is requesting a contract change order for additional work in association with the contract for the Furnishing and Delivering Spare Pump and Motor Set, Material Bid No. 2024-16, for the amount of \$405,025.00. The additional funds are being requested to procure a second set of equipment, as the original set will now be used for the repair of Honokōhau Deepwell. The description of additional work and associated fees are as follows:

(1 Ea.) Baker Hughes Centurion Series FLEX1500 – 13 stage submersible pump, rated 1,400 GPM @ 1,700—ft. TDH with surface freight	\$ 156,347.00
(1 Ea.) Baker Hughes 675 Series – HSB3DB SB HL CNSF5 CRC12 PW VT seal section, with CNSF5 oil for servicing both 675 Series seal section and 725 Series motor, and seal kit, with surface freight	\$ 37,732.00
(1 Ea.) Baker Hughes 725 Series submersible motor, rated 800 HP @ 4,160 V @ 2-Pole speed, furnished with an armored MLE of 30.0' length, with surface freight	\$ 185,178.00
(1 Ea.) Baker Hughes Zenith E7 sensor or equal by approval, with surface electronics panel, and sensor cable, with surface freight	\$ 25,768.00

Original Contract Amount: \$ 450,000.00

Original Contingency Amount: \$ 0.00

1st Additional Contingency Request: \$ 405,025.00

1st Change Order: \$ 405,025.00

Total Revised Contract Amount: \$ 855,025.00

RECOMMENDATION: It is recommended that the Board approve an increase in contingency of \$405,025.00 to Derrick's Well Drilling and Pump Services, LLC, for MATERIAL BID NO. 2024-16, FURNISHING AND DELIVERING SPARE PUMP AND MOTOR SET FOR THE DEPARTMENT OF WATER SUPPLY. If approved, the total revised contract amount shall be \$855,025.00.

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

CHR. LOPEZ: Any discussion?

MR. OKAMOTO: This is another group of interchangeable pump motor things to replenish stock, as the write-up says. We're going to use it for the Honokōhau well repair, which will also be updated upcoming agenda item. This contract actually allows for us to—so we bought one already—and allows us to purchase additional if we need it. So, we're utilizing that portion of the contract to do that.

CHR. LOPEZ: So, if we approve the first one, we're really only approving—

MR. OKAMOTO: The funding, yes.

CHR. LOPEZ: Any other discussion?

MR. KEKELA: I know it's not technically considered a new job, but would it be—will we see at least a change in the price if we were to rebid it? Because it's not actually going to the well it originally—what well was it for originally?

MR. OKAMOTO: Our anticipation is if we rebid it, it might be, most likely, higher.

MR. UNGER: Looks like it's lower.

MR. OKAMOTO: So, it's \$25 more than the original.

MR. KEKELA: Is it?

CHR. LOPEZ: Yeah. Well, no. It's \$405.00.

MR. OKAMOTO: Yeah, it is lower. Good job!

MR. KEKELA: So, my understanding is that this is for two different well locations? Or just one?

MR. OKAMOTO: It can be used in either Honokōhau or Waimea. The one that we had in stock for that group three, we're using it for Honokōhau well repair, so we want to replenish that stock. So, we can use it for either Waimea or Honokōhau, again, down the road.

CHR. LOPEZ: Any more discussion? (none)

ACTION: Motion was carried unanimously by voice vote (Ayes: 8 – Board Members Lee, Alameda, Kekela, Taaroa, Unger, Bell, Aiona, 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.

The Department is requesting the Water Board rescind the previous award for Section 65 – Water Quality Equipment for \$52,975.95 and Section 66 – Reagents and Standards for \$5,562.02 to Hach Company, upon the guidance of Corporation Counsel, due to additional terms and conditions submitted as part of their proposal.

RECOMMENDATION: It is recommended that the Board rescind the award of 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 for Sections 65 and 66 for the amounts shown above, and authorize the Department to seek alternative procurement pursuant to HAR 3-122-35 to procure the required materials in the best interests of the Department.

MOTION: Mr. Lee moved for approval of the recommendation to rescind the award; seconded by Ms. Taaroa.

CHR. LOPEZ: Any discussion?

MR. OKAMOTO: Real quickly, they added some language, and maybe Diana can explain further, but basically, you cannot do that after you get the bid.

MS. MELLON-LACEY: We specify what we want, and they conditioned their bid on additional factors. That's not allowed and not fair to other bidders either. So, we really can't accept a bid like that.

ACTION: Motion was carried unanimously by voice vote (Ayes: 8 – Board Members Lee, Alameda, Kekela, Taaroa, Unger, Bell, Aiona, and Chairperson Lopez).

C. **MATERIAL BID NO. 2025-10, FURNISHING AND DELIVERING ELECTRICAL DISTRIBUTION EQUIPMENT & APPARATUS 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 October 2, 2025, at 1:30 p.m. (HST), and the following are the bid results.

*Table corrected as per discussion below, original version available in agenda.

Part No.	Description	Bidder	Amount
1	SINGLE METER SOCKET	Wesco Distribution, Inc.	\$22,834.18
2	COMBINATION METER MAIN	Wesco Distribution, Inc.	\$219,668.60
3	CT ENCLOSURE	Wesco Distribution, Inc.	\$25,970.57
4	ENCLOSURES	Wesco Distribution, Inc.	\$7,831.28
5	MOLDED CASE CIRCUIT BREAKERS – SERVICE ENTRANCE	No Bids	
6	TRANSFER SWITCH	Wesco Distribution, Inc.	\$907,670.98
7	ELECTRICAL FITTINGS	Wesco Distribution, Inc.	\$34,537.81

The contract period for all Parts is one year, from September 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. 2025-10, FURNISHING AND DELIVERING ELECTRICAL DISTRIBUTION EQUIPMENT & APPARATUS FOR THE DEPARTMENT OF WATER SUPPLY 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 September 1, 2025, to June 30, 2026.

Parts 1, 2, 3, 4, 6, and 7 to Wesco Distribution, Inc.

For the Parts where no bids were received, staff shall seek alternative procurement pursuant to HAR 3-122-35 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: Any discussion?

MR. OKAMOTO: Yes, our apologies to the board. We actually had incorrect values in the table that was in the agenda that you have before you, so I believe staff handed out the corrected table. I may need Corporation Counsel's guidance. Do we need to change the motion or have somebody move to approve per the corrected table?

CHR. LOPEZ: That would be the Robert's Rules—to amend the motion.

MS. MELLON-LACEY: Are we amending the motion, or are we just—okay, this is a corrected table? So, I guess the motion should be withdrawn to approve the table listed in the Board packet, and then a motion made to accept the revised information provided today.

CHR. LOPEZ: Because they are significantly different, we probably could do it in one motion.

I'd like to entertain a motion to first withdraw the previous motion to approve. Then, another motion to modify the table to reflect the submitted change, and then a motion to approve the recommendation with the new table.

MR. UNGER: I withdraw my original motion.

CHR. LOPEZ: Anyone want to take a stab at it?

MOTION: Mr. Aiona motioned to change the table in the Board packet with the new attached table, and a motion to approve with the new table.

MR. KEKELA: Second.

CHR. LOPEZ: Discussion?

MR. UNGER: For parts, do you ever shop around and come up with acceptable prices like you do for bids and such things as that, or do you pretty much just rely on what these contractors come back with, with the prices for tools and equipment and such things as that?

MR. TAKAMOTO: If it's multiple vendors, they typically balance out, so if one is really high and one is really low, then yeah, you know for sure that the pricing is bad. In this instance, we only had one vendor, so I actually did go online and look at various prices to compare that we are getting a fair and reasonable price.

MR. UNGER: Okay, good, because that comparison is really helpful for us to be able to see that. If we don't see that, then we have nothing to compare it to. So, good to know that you do some research to see if they're in the ballpark.

MR. OKAMOTO: Good question. I think that's pretty much standard that our staff does, when there is only one bid, we will try to do a fair and reasonable check.

CHR. LOPEZ: Any other discussion? I want to clarify for the minutes, and for anybody who is not here, so they can understand what we just did: it was to modify the table in the agenda packet with the attached new one. That is what we are voting on.

MS. MELLON-LACEY: So, a correcting of a clerical error.

CHR. LOPEZ: Since it has gone out to the public, I just want to make it clear.

ACTION: Motion was carried unanimously by voice vote (Ayes: 8 – Board Members Lee, Alameda, Kekela, Taaroa, Unger, Bell, Aiona, and Chairperson Lopez).

D. SERVICE BID NO. 2025-14, RENTAL AND MAINTENANCE SERVICES FOR PORTABLE RESTROOMS AT MULTIPLE LOCATIONS 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 October 2, 2025, at 2:00 p.m. (HST), and the following are the bid results:

		Hawaii Johns, Inc.
	PART "A" (SOUTH HILO)	
1.	Hakalau #4 Well – TMK: 2-9-002:005	\$6,000.00
	PART "B" (HAMAKUA)	
1.	Honoka'a #1 Deepwell, Reservoir & Boosters – TMK: 4-5-019:020	\$3,600.00
	PART "C" (NORTH KOHALA)	
1.	Hāwī #1 Well – TMK: 5-5-002-089	\$2,400.00
	PART "D" (SOUTH KOHALA)	
1.	Lālāmilo B Deepwell & Reservoirs – TMK: 6-6-001:066	No Bid
	PART "E" (NORTH KONA)	
1.	Kaloko #1 Station Reservoir & Boosters – TMK: 7-3-008:128	\$2,900.00
	PART "F" (SOUTH KONA)	
1.	Ke'ei D Deepwell & Reservoir – TMK: 8-3-011:051	No Bid

RECOMMENDATION: It is recommended that the Board approve the contract for MATERIAL BID NO. 2025-14, RENTAL AND MAINTENANCE SERVICES FOR PORTABLE RESTROOMS AT MULTIPLE LOCATIONS 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 service contract shall be from the date of Notice to Proceed to June 30, 2026.

Parts A, B, C, and E to Hawaii Johns, Inc.

For Parts D and F, 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 Ms. Taaroa.

CHR. LOPEZ: Any discussion?

MR. OKAMOTO: Any questions?

MR. KEKELA: Is there a reason they couldn't get the other two locations?

MR. GOODALE: We just didn't get a bidder to respond.

MR. OKAMOTO: It might be location-related.

MR. UNGER: I can help you with the Ke'ei one. I've got a contact there.

MR. GOODALE: We've had folks that have been providing this service in the past, but for whatever reason, when this bid went out formally, they just chose not to participate. We're fairly confident we'll be able to get a vendor to be able to provide the service. In this case, because price is going up, we were unfortunately subject to having to put this service out for a formal bid. Normally, the amount has been less than what we would normally have to put out as a formal bid. Sometimes, when these smaller groups get these kinds of things, when it's a formal bid, they might get a little intimidated by it. Regardless of what the reasoning is on why they did or didn't, in this case, these two places, they didn't.

ACTION: Motion was carried unanimously by voice vote (Ayes: 8 – Board Members Lee, Alameda, Kekela, Taaroa, Unger, Bell, Aiona, and Chairperson Lopez).

E. **JOB NO. 2024-1248, EMERGENCY POWER TRANSFER SWITCHING CAPABILITY FOR CRITICAL WATER INFRASTRUCTURE:**

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 installing power transfer switches, termination cabinets, conduit, conductors, supports, accessories, and incidentals, in accordance with the plans and specifications. Bids for this project were opened on September 11, 2025, at 2:00 p.m. (HST), and the following are the bid results:

Bidder	Bid Amount	Adjusted Bid Amount (for purposes of bid award)*
808 Electric & Telecom, LLC	\$827,602.37	\$786,222.25
Wasa Electrical Services, Inc.	\$919,662.00	N/A

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

Project Costs:

1) Low Bidder (808 Electric & Telecom, LLC)	\$ 827,602.37
2) Contingencies (~10.0%)	\$ 82,397.63
Total Cost:	<u>\$ 910,000.00</u>

Funding for this project will be from DWS's CIP Budget and FEMA Hazard Mitigation Grant Program. The contractor will have 390 calendar days to complete this project. The Engineering estimate for this project was \$1,027,000.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2024-1248, EMERGENCY POWER TRANSFER SWITCHING CAPABILITY FOR CRITICAL WATER INFRASTRUCTURE, to the lowest responsible bidder, 808 Electric & Telecom, LLC, for their bid amount of \$827,602.37, plus \$82,397.63 for contingencies, for a total contract amount of \$910,000.00.

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

CHR. LOPEZ: Any discussion? (none)

ACTION: Motion was carried unanimously by voice vote (Ayes: 8 – Board Members Lee, Alameda, Kekela, Taaroa, Unger, Bell, Aiona, and Chairperson Lopez).

F. MATERIAL BID NO. 2025-18, FURNISHING AND DELIVERING IRRIGATION CONTROLLERS AND WIRELESS RAIN SENSORS:

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 paying for all labor, materials, tools, taxes, and equipment necessary to furnish and deliver irrigation controllers and wireless rain sensors, as specified within the Special Provisions, to the Department of Water Supply.

This project is in the second year of a two-year project funded jointly by DWS and the Hawai'i Community Foundation's Fresh Water Initiative grant program to support DWS' water conservation programs.

Bids were received and opened on October 9, 2025, at 2:00 p.m. (HST), and the following are the bid results:

Irrigation Controllers (65 each) and Wireless Rain Sensors (75 each)	
Central Supply, Inc.	Non-Responsive
Connecting the Dots, LLC	\$25,668.56
Iliam Tek Industries, LLC	\$30,396.90
Royal Media Network, LLC	\$26,265.43
SiteOne Landscape Supply, LLC	\$22,625.95*
DWS' Estimate	\$31,000.00

*Bidders amount corrected for arithmetic errors.

Purchase(s) of materials will be made on an as-needed basis.

RECOMMENDATION: It is recommended that the Board award the contract for MATERIAL BID NO. 2025-18, FURNISHING AND DELIVERING IRRIGATION CONTROLLERS AND WIRELESS RAIN SENSORS FOR THE DEPARTMENT OF WATER SUPPLY to SITEONE LANDSCAPE SUPPLY, LLC, for an amount of \$22,625.95, and that either the Chairperson or the Vice-Chairperson be authorized to sign the contract, subject to review as to form and legality of the contract by Corporation Counsel.

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

CHR. LOPEZ: Any discussion?

MR. UYEHARA: This is our second material bid—furnishing and delivering irrigation controllers and wireless rain sensors. It's part of one of our water conservation programs, particularly focusing on accounts in North Kona and Lālanilo areas. So, for our rebate program, with Hawai'i Community Foundation's support, we offer a giveaway to customers that met certain criteria. So, it's part of getting the materials to provide to customers to help reduce water use.

CHR. LOPEZ: What type of customer? Is it residential?

MR. UYEHARA: Residential, yes.

CHR. LOPEZ: Are they typically high consumers?

MR. UYEHARA: Yes. We started off with the highest consumers for both of those two water systems I mentioned, and going down the list and making offers for this program.

CHR. LOPEZ: So, these will serve those high-usage customers?

MR. UYEHARA: With existing irrigation systems.

ACTION: Motion was carried unanimously by voice vote (Ayes: 8 – Board Members Lee, Alameda, Kekela, Taaroa, Unger, Bell, Aiona, and Chairperson Lopez).

H. DEPARTMENT OF WATER SUPPLY COLLECTION AND DELINQUENCY POLICIES:

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

Information will be provided to the Board on the status of efforts for implementing past recommendations that were submitted for consideration. Discussion will follow along with any recommendations that should be considered for future action. Discussion will include steps taken to meet the agreed Board & DWS performance measure metric #5 due 11/30/25 on this subject.

CHR. LOPEZ: We separated that from the review of all the metrics because there is some meat with this one, so we wanted to give Candace the chance to shine. Go ahead, Candace.

MS. GRAY: I guess I'll start with the two-page sheet, possible proposed changes. This is just a continuation of our prior Board meeting discussion on the items that were proposed as far as changes to improve our delinquency collections. The first two bullet items, the possible proposed changes, include revisions to our rules and regulations, so I did provide proposed changes or language in certain sections of the rules.

MR. OKAMOTO: So if you can take a look, the proposed deletions are lined out, and then the proposed additions are italicized.

CHR. LOPEZ: Is this a recommendation to the Board?

MS. GRAY: It is a recommendation. This was actually prepared for the September Board meeting, but since we are discussing it today, I guess at this point I would ask if there are any questions, or would you want me to—I guess I can highlight the changes.

CHR. LOPEZ: I think that would be good.

MS. GRAY: The changes in the language are italicized in this write-up, and really, the focus is to change our credit deposit. Right now, the rules and regulations read that we collect \$150.00 from each applicant who has not previously established satisfactory credit with the Department. So, the proposed changes would make it to be—change it from a flat rate to a variable, with a minimum of \$150.00, but the variation would be based on their credit rating with the Department, delinquency, average consumption based on the size of the meter, credit history of the account holder—I'm looking at item 1(A)—the intended usage of the water. The \$150.00 would be minimum rather than the flat rate.

CHR. LOPEZ: How would you assess what that amount should be? If it's a minimum of \$150.00, how do you know what increments to charge, and what would those be?

MS. GRAY: We would have to review the account based on the consumption of previous billing periods as well as the credit rating of the account. We do have a feature in our billing system that can provide a credit rating.

CHR. LOPEZ: But this is based on a previous customer or a renewal, somebody coming back. How about a new customer?

MS. GRAY: So, the new customer, of course, wouldn't have established credit, but minimum would be—would start at \$150.00.

CHR. LOPEZ: So, there's no evaluation? Strictly \$150.00 for new customers?

MS. GRAY: If they haven't established any credit, yes.

MS. TAAROA: So, what are we looking at? Is that, like, coming up with a formula that would be used—a standard formula—to come up with the deposit amount? There are so many factors here.

MR. OKAMOTO: What we typically have is—the rules and regs are a little bit broader. Then we'll likely develop internal guidelines on how to do that so that we apply it fairly and equally to whoever comes in. I think the formula basically is going to be two prior billing periods on the average consumption, so we'll have that. The only one we won't have is if it's a totally brand-new service, and then we'll go back to the \$150.00 flat rate. But as far as what kind for the different credit ratings, we'll have to have something internal—like if you're a credit rating A, you've always paid your bills, there might be one formula, but if you're an F, where you've had delinquency issues, then the deposit might be five times the average two-month bill.

MS. MELLON-LACEY: I would say the concern with this—first of all, the Board can approve language, but they can't approve for this to go into effect without public hearing or comment by the public. If the public doesn't understand how things are going to be considered, that might be problematic. Like, why would I be wanting this rule change if I don't know how it will be applied? So, I don't know if the Department, at the public hearing, would be prepared to give any more guidance to the public about that, because the risk you always run with something that isn't clarified is that somebody does claim they were discriminated against or charged unfairly, and they may talk to the neighbor and find out their neighbor

got something different. People always talk about these things, so that would be something to think about.

MR. OKAMOTO: Good point.

CHR. LOPEZ: I agree with that. I guess my question, as a Board member, I would want to see that table determination. I understand it's internal, but it needs to be set and communicated.

I also have a problem with the word "may"—the Department may require. Okay, that's loosey-goosey. You either will or you won't, because *may* is subjective. Perhaps, *will require a deposit*, or *shall*.

MS. TAAROA: It lists \$150.00 as the minimum, and a maximum would be the estimated charge for service for two months. What would that maximum look like for a household hook-up and then a commercial hook-up? Ballpark? Just so we have an idea of what that maximum looks like as opposed to the \$150.00.

MS. GRAY: I would say, of course, it would depend on the size of the meter, the consumption.

MS. TAAROA: A standard household meter?

MS. GRAY: A standard household meter average consumption, the \$150.00 should cover it. As far as more than that, I don't have that detailed information to provide.

CHR. LOPEZ: Is that \$150.00 per month?

MR. OKAMOTO: Two months.

CHR. LOPEZ: That seems low to me in my personal experience.

MR. UNGER: What is the deposit now?

MS. GRAY: \$150.00.

MR. UNGER: Oh, it is now?

MR. OKAMOTO: I guess part of the issue, too, is we use that \$150.00 even for bigger meters, which use way more. So, like a one-inch meter, a two-inch meter; so, I think that's where we were trying to go based on prior usage because a two-inch meter, there's a range—it can from a low of whatever to a high of whatever—so that was kind of the thought process.

MS. TAAROA: That helps. It probably won't affect normal household use; it's more geared toward the larger meter?

MR. OKAMOTO: I think it's more fair for the bigger ones.

MS. TAAROA: That makes sense.

MS. MELLON-LACEY: Should you contemplate \$150.00 for household meters and such and such a size, and something else for larger meters?

MS. TAAROA: A higher flat fee?

MR. OKAMOTO: We can do that too.

MR. UNGER: How many different meters are out there? Three-quarters, one-inch, two-inch?

MR. OKAMOTO: Our normal household meters are five-eighths, and the next size up is a one-inch. Then we have an inch and a half, a two-inch, and then it typically goes three, four, six, eight, and maybe twelve, but that's kind of rare.

MR. UNGER: I didn't realize there were that many.

MS. TAAROA: Seems simpler to have a standardized...

MR. OKAMOTO: One-fifty is kind of ridiculously low for the bigger ones.

CHR. LOPEZ: Okay, obviously, there's enough questions that need more definition. It's a good start, it's a good proposal, but I think it needs to be tightened up so that the language is more finite. Even in 'C', "the deposit shall be retained as long as it is necessary to ensure payment of obligations to the Department." How is that determined?

MS. MELLON-LACEY: I think they used to have a policy of returning deposits if you maintained regular, good-quality payment after a certain period of time. I'm not sure how long; maybe that's a consideration. Do you want to do that, or is it more prudent to always keep a deposit?

MR. OKAMOTO: We've gotten flak—you know, people are used to rent deposits and things like that, which you get back if you took care of the place. So, if we don't return it, that's kind of the flak we've been getting.

But if you don't pay your bill—your last payment—part of our thought process, even when we came up with the one-fifty, the renters were kind of taking off and not paying their last water bill, so we needed something to at least cover that. I think that's where the one-fifty came from, because before it was \$50.00, and we returned it with interest.

There are always better ways to word it, but that's the thought process behind that paragraph. If you're good-paying and you decide to move on, we'll give you it back; but if you left and you didn't pay, then we're going to hold on to that.

MR. AIONA: The Department kind of knows, on average, the average cost of these different sizes...?

MR. OKAMOTO: No, not really. A one-inch meter can go from over 400 gallons per day all the way up to over 4,000 gallons per day, so a one-inch meter for whatever business could be way different from another one-inch meter for another business, per se.

MR. AIONA: So maybe a sliding scale would be hard to be able to make a tier list?

MR. OKAMOTO: Yes, just because the range for each meter size, and the bigger meters have an even bigger range. There's no real magic bullet; that's the tough part. I think what Candace also did was communicate with the other water utilities—you'll see some of that in some of the future products.

I think what we're hearing is there is some work we still have to do on this portion. I think the rest of that rule is more housekeeping, and making sure terminology is consistent, is that right?

MS. GRAY: Yes. Basically, just making sure that the reference to applicant and/or consumer is consistent throughout the Rules.

MR. OKAMOTO: So, the meat of that rule change is kind of in that 1A, B, C, proposed language; but we hear what you guys are saying, so I think there is some additional work that we probably need to put into that.

CHR. LOPEZ: Well, that would be, in this case, for language to be more definitive, with the overall goal of reducing delinquencies. How do you accomplish that within these definitive languages? Is it unreasonable to get a credit report for a new client?

MR. LEE: It costs money.

CHR. LOPEZ: Everything costs money.

MS. GRAY: We would also have to get approval from the customer and possibly collect additional information from the customers that we don't currently collect.

MR. AIONA: That could be rough, too, having to not have water based on your credit could be a bad thing. A deposit would be better than a credit check.

CHR. LOPEZ: No, depending on your credit.

MR. AIONA: Yeah.

CHR. LOPEZ: Increase the deposit.

MR. AIONA: I get that; I'm saying that's a lot of personal info.

CHR. LOPEZ: It's been tough. How long have we been kicking this around? Three years? I don't know how to move from here other than the comments you heard.

MR. OKAMOTO: That's just one thing. Candace actually has other bullets that she's also put efforts in, and I think there might be a few; there's additional hand-outs, and one of them I like particularly well myself, as I think it will help tighten up some things. Rule change is just one component of the goal to reduce the delinquencies.

MS. GRAY: I did want to bring this up. So, I know you said we should change the wording from "may" to "shall"; I'm thinking then we would need to collect a credit deposit for every customer.

CHR. LOPEZ: Yeah.

MS. GRAY: Currently, the Rules state that a deposit of \$150.00 shall be collected from each applicant who has not previously established satisfactory credit with the Department, so, at this point and time, we may not have credit deposits that's been collected from certain applicants that might have...

CHR. LOPEZ: I think what you're saying is, I'm a customer with a payment, now I move, so I have to get a new service where I'm going. In that case, you wouldn't charge me a deposit if I have a good record; that's what you do today? And if we change it to "shall," then I would be paying a deposit again?

MS. GRAY: Yes.

CHR. LOPEZ: I see.

MS. GRAY: When the credit deposit was \$50.00, we would return it after a year, and then it changed to \$150.00. At that point and time, when the change happened, those people who have had their deposits returned, we didn't collect an extra \$150.00 from them during that change.

CHR. LOPEZ: Existing customers with new service, and they have a good record? Okay.

MS. GRAY: I just wanted to clarify.

CHR. LOPEZ: But when it says "shall," it means that everybody...

MS. MELLON-LACEY: Going forward.

CHR. LOPEZ: Going forward.

MR. AIONA: New applicants.

CHR. LOPEZ: Good point.

MR. OKAMOTO: If you go to page two, I'll just assist Candace. The first bullet at the top of page two is basically cleaning house, continuation of the first bullet on page one. Maybe the second bullet down, Candace, you can explain what you're trying to do there.

MS. GRAY: The second bullet: Update Process and System: Evaluate current process and system parameters and possibly enforce shut off and close account in unpaid delinquency balance exceeds credit deposit. Evaluation of the current process by the Waterworks Controller, with assistance from the Assistant Waterworks Controller, Water Service Program Supervisor, and the Collections Clerk II is in progress.

Basically what we've done since then, or at the time that this update was provided and since then, we've monitored the whole process from billing to shut-off reminder letters, delinquency letters, shut-off letters, the shut-off process and so forth and we've identified some areas where we can improve on to shorten the time span beginning from the billing due date all the way to the shut-off process. I guess what I would say is we can actually cut down the process. We wouldn't see this immediately, as far as the effect, but more maybe a few months down the road, cutting it down from let's say three months out, let's say at three months we're at the shut-off process, and we can actually cut it down to two months or sixty days.

CHR. LOPEZ: Understanding what impact is made when water is shut-off, what is your current measure when you shut-off water, and do you have to go through some legal hoops to do that?

MS. GRAY: We go through a notification process.

CHR. LOPEZ: But that's just from you to the customer?

MS. GRAY: Yes.

CHR. LOPEZ: Then they don't respond or don't pay or whatever, can you just turn it off without facing any...

MS. MELLON-LACEY: That's when they have the opportunity to file their appeal, and then the Department also allows for them to participate in a payment plan.

CHR. LOPEZ: So, there is an appeal process?

MS. GRAY: There is, yes.

MS. MELLON-LACEY: Because that's required by law.

CHR. LOPEZ: That's before you shut off the water?

MS. GRAY: Yes.

MR. OKAMOTO: But if they don't contest it and they don't appeal, then we can just shut it off.

MS. MELLON-LACEY: They haven't exercised their right.

MR. UNGER: I apologize if I'm jumping ahead, but is that payment plan part of this promissory note?

MS. GRAY: Yes.

MR. UNGER: Never mind then, you'll get to it when you get to it.

MR. OKAMOTO: The hard part is, what I'm trying to ask Candace to, what does it equate to as far as how much we're knocking down the delinquencies, that's the hard part, right? This particular bullet talks about how we're going to improve the efficiency of the process, cutting the time between notification to shutting off from three months to two months, but, hard to gauge what that's going to mean as far as okay, is that going to reduce delinquencies or is that just going to make it more efficient?

Are there any other meaty ones? The other ones are increasing human resources, that's hard to evaluate too, the effectiveness of that, as well as the next one, which is public communication. We can improve on that, but how is that going to translate to reduced delinquencies is another one. But the next one, the last bullet on that page is, I think, where Candace can provide – I think this one has some meat to it. I think it includes that promissory note. Is that correct, Candace? The revise process, set stricter policies for payment plans, or is that somewhere else?

MS. GRAY: Yes. If we can refer to Exhibit B for the last bullet on page two: Revise process: Set stricter policies for payment plans and ramp up efforts for pursuing collection. That is referring to Exhibit B, which is a copy of our notices that we send out prior to the shut-off. We also have Exhibit C, our promissory note.

MS. MELLON-LACEY: I think previously we've made these kind of adjustment and payment plans with people in a rather informal way in the Department, and so I worked with Candace to see what some other departments were doing and I think she got some information from other water boards; and the promissory note would be the common denominator that would give us a formal agreement with someone that would be legally binding.

MR. UNGER: And hold them to it in a time frame.

MS. MELLON-LACEY: This is what Candace worked on with my input, and I think she got some input from some of the other departments.

MR. UNGER: This is really good.

MS. MELLON-LACEY: I don't think this requires any rule because it's discretionary to the Department; this is not an unusual, unreasonable mechanism.

MS. TAAROA: This would be new?

MS. MELLON-LACEY: This would be new, yes.

MR. OKAMOTO: To be candid, we were probably too loose.

MR. UNGER: This is going to be really good. I think obviously someone signs this, and they don't comply, it's like we gave you every possible chance.

MR. OKAMOTO: It's like a contractual agreement with them.

MR. UNGER: If they don't sign it, they aren't in good intent to begin with. Very good.

MS. MELLON-LACEY: I think the other thing that we added to it, which turns it really into a settlement agreement with someone with an outstanding balance, is that they are then waiving their right to contestation. We're going to adjust their leak and also give them this payment plan, and we expect them to abide by it and not turn around and start challenging and have to go through a separate hearing process, because I think we have had some people do that.

MS. GRAY: Yes.

MS. TAAROA: I guess my comments, more than questions, to Candace is, I am all for the approved promissory note and increasing the deposits, but not necessarily the expedited shut-off time for residential accounts, that's just my two cents.

MR. OKAMOTO: Got it.

MS. MELLON-LACEY: In thinking about that if I can add, you said how could it decrease delinquencies and if I understood what Candace meant, I thought it was identifying accounts that are getting out of hand more quickly so that if they're not paying they don't build up so much before you let people know there's a problem here and trying to get them in earlier for any kind of remedial way to work with them on a payment plan or whatever you might. Once it gets really big, the person feels hopeless, probably. I think from that standpoint, it's useful; it's not necessarily to shut them off faster.

MR. OKAMOTO: Good point, Diana.

MS. GRAY: Of course, prior to shut-off, from notification to the actual shut-off, we would be trying our best to work with the customer to prevent the shut-off and hopefully collect or enter some kind of payment plan, so we don't have to shut it off.

MR. OKAMOTO: We don't like to shut off.

CHR. LOPEZ: Some of the things you put here help monitor, that's a reactive solution.

MR. UNGER: I think also the beauty of the promissory note is that it covers two categories, the delinquency just getting behind on normal payments, but then that water break is a huge thing also, and this would also cover that, I'm thinking this would cover that as well. You have a big water break, you've already had your credit for your first water break or whatever that credit is, and now you're facing another big water break. This would also have them sign up to pay that off, I'm thinking.

MR. OKAMOTO: That's probably part of it. I think if we can help our customers, you know, maybe if we're more efficient, we can hopefully work with them to identify something like a potential water break, and their remedy is quicker. We have currently in our rules that they have to remedy that leak within a certain time frame, but if they drag their feet and they go beyond that time frame, technically, they can't apply for a leak adjustment after they've exceeded that time frame. We're trying to help our customer not

waste water. Once we've gone through that and they did their best, but they still have this extra bill they still have to pay, even after a leak adjustment, this will help us financially keep them accountable.

MR. AIONA: If they're not able to pay that from their leak, they would have to get their water shut off?

MR. OKAMOTO: If they, even with the leak adjustment, which is half of their overage over their normal consumption, if they default on that, then the typical rules apply.

MS. MELLON-LACEY: There are some programs to assist people in the short term with utilities, and I think that the Department tries to help people identify those.

MR. OKAMOTO: There was one during COVID time, I don't know if there is other funding available.

MS. MELLON-LACEY: I think housing may have some, there are a few. They are probably getting more restrictive, though, with all the changes going on, it's probably going to get scarcer.

MR. AIONA: When we had that testimony recently, where that gentleman came and talked about his leak and not being able to afford it, if he made a payment plan, would that be able to work? I mean, how would that work if he's not able to pay that lump sum?

MR. OKAMOTO: That's commonly what we offer them, a payment plan.

MR. ALAMEDA: If I may? Bullet: Increase Public Communication: Ramp up efforts to educate customers about leak prevention and control. DWS's Public Information Specialist is currently working with the Customer Service section on these efforts to communicate and educate customers about leak prevention on an ongoing and routine basis.

So, educating the customer is number one. I mean, as a customer myself, I would like to be educated beyond what I see up front. How can I be taught to check for a leak if my bill increases all of a sudden? Hey, maybe there's a leak. So, you will educate me just by radio format or communicating to the customers, so, as part of the process of the delinquency thing, that is the biggest one, that you guys are educating the customers and giving them time and doing everything possible and as you say, working with them to pay amount, what can, so, to me, I think we're on the right track.

MR. OKAMOTO: Thank you for that.

MR. ALAMEDA: Seeing it out there from where I come from with my last employer, educating the customer. As an employee, we say to those about us, educate the customer, educate them as an employee. I feel bad when they come knocking. Hey, how come you guys aren't helping me? Hang on, I think we have been helping you by what is here. If you follow what is here, then I believe they do, then we must have been helping you, but how can I help you even further than what is here? Educate me to help you. So, I think we're on the right track.

MR. OKAMOTO: Thank you. I appreciate that.

MR. AIONA: When there is a leak and the Department contacts, is it after one month or two? How is it gauged that you guys know there's a leak?

MR. OKAMOTO: That's the hard part. Typically, for residential households, we read every two months, so when our meter readers go and something pops up if there's excessive consumption.

MS. GRAY: There's a high reading notice on the bill, it's in red.

MR. OKAMOTO: Even beyond that, our customer service people actually try to call them.

MR. AIONA: That happened with me; they were really good about it.

MR. OKAMOTO: We're not always successful with making contact; sometimes we have obsolete contact information in the files, but we try.

There's always better ways to do it. There's smart meters out there and things like that; we're trying to move in that direction. I guess the caution we have is trying to do that too fast and too soon and then have them all crap out; that's not a good thing either, because they run on batteries, and we do get submerged meters on the west side. On the Big Island, there are some places where the meter is here, and their house might be a quarter mile away. There is all this potential for leaks from the meter to the house, and you're not always checking the line; there's so much what-ifs, but a smart meter like that could potentially notify them of a situation. It's things we're looking at, also, that's probably not documented in Candace's thing right now, but we're exploring that as well.

We're trying to knock that delinquency down, chip at it. I think this should be effective; it's just a matter of time to see how effective it's going to be, the promissory note.

MR. KEKELA: In order to implement that, do we have to have a public hearing?

MR. OKAMOTO: Not for the promissory note. If we alter the Rules, we will need a public hearing; change rules, change rates, you need a public hearing.

MR. UNGER: Can we implement the promissory note now, or do we need a Board ...

MR. OKAMOTO: I don't think so, it's an internal thing.

MS. MELLON-LACEY: It's an internal procedure because we already have in the Rules that we give a payment plan and a leak adjustment.

MR. OKAMOTO: We wanted to run this by you and get your feedback. If everybody said bad idea, then we wouldn't implement it, but it sounds like we can.

MR. UNGER: Great first step.

CHR. LOPEZ: The other aspect is the deposit. I think you're on the right track. We just need to tighten up the language so it's less ambiguous and more definitive as to this is what it is, this is how it works, and this is how you get your money back.

MR. OKAMOTO: That, we'll continue to work on.

MR. UNGER: Maybe make a stab at different categories?

MR. OKAMOTO: Yeah.

MR. UNGER: Cause a twelve-inch and a five-eighth inch –

MS. TAAROA: And something standard, like a standard formula, so there's no discretion.

MR. OKAMOTO: We'll work on that. We'll need help from engineering and our billing system. Maybe not next month, we'll have that ready, is January okay for that one? In December we usually try to keep it fairly short, and we invite the Mayor.

MR. UNGER: Candace, this shut-off notice letter, this is just for our information, this is what's always been set up, this has not changed?

MS. GRAY: No, that is just for you to see the notifications that we send out.

MR. OKAMOTO: Did you want to touch bases on Exhibit D? Was there a change?

MS. GRAY: Yes. Exhibit D—that's a sample or revised application and agreement for adjustment for water leakage. So, this is what a customer would submit if they have a water leak and they are applying for an adjustment. We did add some language, with the help of Diana, and that's between the customer account number and the daytime phone number in the middle of the page, which states: By availing myself of the leak adjustment, I acknowledge responsibility for the water usage assessment made by DWS. I hereby waive any further right to dispute the amount owed.

CHR. LOPEZ: That language is new, but the form is not new?

MS. GRAY: Correct.

CHR. LOPEZ: I've never seen this before.

MS. MELLON-LACEY: You haven't had a leak.

CHR. LOPEZ: Yes, I have, it was just done by phone.

MR. OKAMOTO: Maybe the employee filled this out for you.

MS. GRAY: Yes, they do that.

CHR. LOPEZ: Maybe so. There wasn't a fixed amount; it just said pay what you can on top of your regular bill.

MR. OKAMOTO: I think we were too loosey-goosey.

MR. AIONA: Cause right now, it's, you're responsible for half of the excess amount of money that the leakage caused?

MR. OKAMOTO: Yes, it's in our Rules, currently. That is still rough, so we try to let them enter a payment plan.

CHR. LOPEZ: In my best estimation, what you just said summed up the whole process. We were too laid back, and there are areas we can really tighten up without being abusive.

MR. OKAMOTO: I think that was the meat of this particular agenda item. Thank you, Candace, and thank you, Diana. She really helped out.

CHR. LOPEZ: When you talked to Honolulu Department of Water, did you get a takeaway that they've really got some tight rules? Did you think it's much more strict than we do, in comparison?

MS. GRAY: Yes.

MR. OKAMOTO: Quick answer on that one, yes.

CHR. LOPEZ: As a result of that meeting, are you, in this case, doing something to try and tighten up what we do based on what they do?

MS. GRAY: Yes, all of the information was taken into consideration.

MR. OKAMOTO: When we were at the HWWA conference, she actually ran away for a little while to meet with some of the Honolulu Board of Water Supply folks at their office.

MS. MELLON-LACEY: I want to thank Candace, too. The Board should realize how serious she's taking this; she's put a lot of work and energy and worry into it.

MR. OKAMOTO: She is very conscientious.

CHR. LOPEZ: Is that the end of the report for now?

MR. OKAMOTO: Yes.

CHR. LOPEZ: You are going to go ahead and do the promissory note?

MR. OKAMOTO: Yes.

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

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

CHR. LOPEZ: We have here the seven items that you agreed to. The agenda item is just to go through this very quickly, not try to dissect it or give too in-depth updates.

Number One: DWS has committed to secure consulting resources to complete a current business and strategic plan; you did that. Well, you won't have it done by the end of next month, but you're well on your way.

Number Two: Provide a document, including the process of granting water commitment, as a transparent communication of existing and planned water commitments by grantee with units/origin date/expiration date/other relative info

CHR. LOPEZ: Was that the tool that came out?

MR. OKAMOTO: Yes, it's active online on our website.

MS. TAAROA: It's live?

MR. OKAMOTO: Yes.

CHR. LOPEZ: Number Three: Establish a long-term Agricultural Dedicated Water Program.

MR. OKAMOTO: Remember our meeting with County Real Property Tax? Do you folks want to sum that up, or what you guys thought?

MR. UNGER: I can sum it up, and then we can ask for a status update also.

Kawena and I, Keith and Kawika, met with Real Property Tax, Lisa Miura, and Kayda-Jo. I thought it was a really productive meeting, and they agreed with the concept, and I think they are going to move forward with some recommendations.

MR. OKAMOTO: I think our next step, because they have dedicated ag only, they're getting rid of their non-dedicated ag.

Basically, there are two categories and a third one for community food sustainability. If you qualify for those, then you qualify for ag rates with us. I think the thing we may still need to wrestle with is some of those may not apply to long-term lessees of either state or maybe Kamehameha Schools land that are doing ag that don't qualify for real property tax exemptions because they aren't paying the real property tax. We may just say, do what you would have done for real property if you qualify for all those, because no sense we reinvent the wheel on what qualifies you for ag exemption on a real property, we're planning to just stay consistent with that.

I think our GIS folks are working with Real Property Tax GIS folks to see if there's a way that we can just see who they have currently on their ag exemption.

MS. TAAROA: I think that's wise because I don't know if it's the same but I know when I worked for Shipman and we would apply for the ag exemption on water you basically just have to provide a GE number, so basically anybody who owns a GE number can, you know what I mean, nobody is really double checking if that's an actual ag operation.

CHR. LOPEZ: There was some discussion about implementation because when they have cut-offs, and when we have cut-offs.

MR. OKAMOTO: They are phasing out the non-dedicated ag program, so if you currently have an ag exemption on the non-dedicated ag, you have until 2027, I believe, before you have to apply for a dedicated ag.

He also said there's a good time for implementation, it was like March of the calendar year, something like that. That's where, for us, it might be iffy, are we going to just say, not even worry about their non-dedicated ag folks, you have to be current on the dedicated and the community food sustainability side, then you qualify for our ag rate. I think that's where we needed some direction from you folks, to take that path. Not even worry about the non-dedicated ag stuff because they are going to phase that out, and all of those non-dedicated ag guys are going to have to reapply for long-term, short-term, or community food sustainability, and if they don't qualify, they aren't going to get.

CHR. LOPEZ: Where did we leave that? What's the action out of that meeting? Did Lisa commit to do something that we would jump into, or do we have to do something?

MR. OKAMOTO: I think it's more on us...

MR. UNGER: To jump onto their system.

MR. OKAMOTO: To see if they have information that they could readily transfer to us to show who's on their ag exemption.

MR. UNGER: And actually it's pretty good timing because everybody is reapplying whoever non-dedication is expiring and so the people that are expiring, they're reapplying with a whole new process and so we're basically jumping on, we're drafting on to that so if they qualify for that and for a long term ten year dedication, they should qualify for long term ten year dedication for ag water.

MR. OKAMOTO: Oh yeah, that's the other part too, the renewal term, we were going to be consistent with Real Property Tax. Currently, our rules state every year. That's what our next step was, besides the behind-the-scenes stuff with the GIS stuff, I think we'll have to craft rule changes ...

MR. UNGER: Three- and ten-year options.

MR. OKAMOTO: Yeah, to be consistent with Real Property Tax. Right now, our Rules specifically state annually.

MR. UNGER: Right, so we need to change that.

So, step one: continue your research to figure out how to interface with what they've already approved, and then a rule change and determination from the Board; do we want three, do we want ten, do we want both options? Because we could decide if we only want what we want.

MR. OKAMOTO: I think our next step was to continue to figure out what information is accessible with Real Property Tax and then draft a proposed rule change and bring it back to the Board for further discussion which might include those terms, the timing, and maybe some of those situations like they may not apply for Real Property Tax exemption, but still are doing ag. How are we going to accommodate those folks?

CHR. LOPEZ: This is something that needs to be done with the Department? When you say rule change, I'm thinking a hearing.

MR. OKAMOTO: Yes, rule change is public hearing. So, we'd have to have that discussion with the Board, and if you guys are okay with the proposed rules, then we schedule a public hearing.

MS. MELLON-LACEY: Ideally, it's good if we have rule changes we want to make in the finance section and then rule changes here; ideally, we'd get them all together at the public hearing.

MR. OKAMOTO: That would be ideal.

CHR. LOPEZ: To sum that up, we got some work done and time spent meeting with people, and we have an idea of what we need to do to wrap this up and the onus is part of this?

MR. OKAMOTO: Yes.

CHR. LOPEZ: Good. Alright, thank you.

With some North Kona wells being out of service for long periods, DWS to have 12 fully in service by end of this year.

MR. UYEHARA: We were going to provide an update later, unless you want it now.

CHR. LOPEZ: We'll do at your normal update; we were shooting for twelve of fourteen.

Year over year, delinquent accounts, we've talked about that one.

DWS to set up and sponsor an intern program with selections from high schools and universities. The goal is to have the process set up for second-semester class participation. Is there anything happening there?

MR. OKAMOTO: Yes, we currently do that.

CHR. LOPEZ: Yeah, you gave a presentation on that, and you had a partner organization providing you –

MR. UYEHARA: So, we have a couple things. We already have our student helper program that we offer to students that have already completed one year of college; they can apply for typically summer employment. We have also been offering to high school students, particularly seniors, prior to their graduating from high school, we have been opening up opportunities even in operations and engineering for them to get hours for their graduation requirements. Then the last one, we did an externship where we invited a couple of the teachers, one from Hilo High and one from Waiākea, to come to our Department and learn about the Department and what kind of careers we have here, and what kind of educational experience different jobs and careers would take. They took that back to their students, and we actually got one inquiry from the Waiākea High teacher that came to the externship for one of her students.

CHR. LOPEZ: At any given time, how many interns do you have?

MR. UYEHARA: Summertime, we have more, a dozen maybe. Throughout the school year, we may have one or two high school students.

MR. OKAMOTO: Currently, we still have one in finance.

CHR. LOPEZ: Hopefully leading to, “I want to work here”.

MR. OKAMOTO: Yes. That’s the goal.

CHR. LOPEZ: I remember your presentation; it was very good.

MS. TAAROA: As a parent of a high school junior right now, I can tell you these things are really effective. She comes home from these career fairs or talking to her teachers, and not necessarily talking about Water Supply jobs, but she’s listening, they’re listening.

CHR. LOPEZ: The last one was internal newsletter, which you did produce one.

MR. OKAMOTO: Yes, we’re working on another one.

MR. UYEHARA: We’re working on the next one, now.

MR. OKAMOTO: Next issue, coming soon.

CHR. LOPEZ: If you want Board participation, just solicit from us.

MR. OKAMOTO: Kawika is taking the lead on that one.

CHR. LOPEZ: Thank you.

J. MONTHLY PROGRESS REPORT:

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

MR. OKAMOTO: Shari is out on leave, but you guys have met Ryan Quitoriano, he is our acting Assistant Engineering Division Head and will provide some brief information on a couple projects.

MR. QUITORIANO: Good afternoon. Just to go over the project updates: Hala’ula Well Development Phase 2, we currently have the new pump on-site, and they are currently working on getting that installed.

It should be finishing up hopefully end of this week or next week. For our Lālāmilo ten-million-gallon reservoir, DN tanks, the manufacturer, is mobilizing and should be on-site November 3. For Iki Place Water Systems Improvement District, that one is currently on hold because of the federal shutdown. We can't proceed with closing on the loan for that one because of the shutdown.

MR. OKAMOTO: That one is USDA funding.

MR. QUITORIANO: Then, for our Kīlauea Eruption Recovery projects, Highway 137, we're soon to be starting the construction of the waterline. Then the second, Pohoiki road, that one is going through the rough grading, and we should be completing it sometime soon. With that mass grading, our inspector has been taking temperature readings, which seem to be good readings, so that we're now looking at realigning the waterline to be in the road instead of an open trench.

MR. OKAMOTO: Just a quick background.

So, if you guys recall the 2018 lava recovery, pretty much all the fissures were along that lower east rift zone, kind of in that line. So, there's a line of fissures, but one of the big ones was fissure eight, which put out a lot of lava. That Pohoiki road and waterline cuts across that fissure line, so what we were really concerned with was what the subsurface temperatures would be as they excavated down to the road grade. If you go down some other portions, it's still steaming in Puna, and our gaskets really cannot handle constant temperatures over 150 degrees. So, we had incorporated into our design some open trench design, which is non-conventional; typically, our water lines are installed, backfilled, and you don't see them. In anticipation of the high temperatures, we came up with a design to put it in an open trench, elevated so that air could circulate pretty much all around the pipe and dissipate the heat. We're hoping, what Ryan just said, now that the contractor has done some excavation and we've gotten to that grade where we were worried it would be too hot, we've outfitted our inspector with a temperature gun, so it's looking kind of optimistic.

MR. QUITORIANO: The contractor also did probing, so they probed down to where the pipe would be sitting in the road, and that is lower than what the surface temperatures were.

MR. OKAMOTO: So that's huge because if it was too hot, basically we couldn't install the waterline. We're already working on putting in the waterline on the bottom part that this one is connecting to, so that would have been a – we've put in all this waterline, and we cannot get this portion in to feed it would've been, not good. This is good news.

MR. UNGER: For Wai'aha Well Number Two, is that a new well that's being proposed to be drilled?

MR. OKAMOTO: Yes.

MR. UNGER: I see a 2017 start date, I guess, and so a consultant is studying the Ka Pa'akai court decision, so as far as gathering water? So, you have to go through a consultant? I mean, maybe an update on the development of that well.

MR. OKAMOTO: Wells in general, any new wells have to go through that State Commission on Water Resource Management, you have to apply for a well construction permit. There's two phases typically: you drill the hole, which is well construction permit phase one, and then if the hole is viable, you hit water, you test pump it, it has quantity and quality that works for you, then you can go on to phase two, which is the pump installation permit. So, we're at phase one, so we had to have it designed, we had to bid it out because the State body says only a contractor can apply, that doesn't make sense, but anyway, that's what it is. We actually designed it, bid it out, I think Hawai'i Drilling is the contractor, but this was years ago.

MR. UNGER: Yeah, Beylik Drilling and Pump, 2017.

MR. OKAMOTO: This whole time has been a challenge to develop sources in Kona, and recently, with the new, fairly recent Chair or DLNR has made it clear that every permit will need that Ka Pa‘akai assessment. The hard part is there’s no guideline on how to do that assessment. We hired a consultant that has done some that have gone through, and we’re in that process now. So, after that’s done, then we can attach that to the permit, submit it to CWRM, they’ll review it, see if it’s good or not, and then if it is good, then we can actually, hopefully, give our contractor the green light to now he can start drilling.

MR. UNGER: Eight years later, he may have to revise his contract.

MR. OKAMOTO: I’m pretty sure.

That’s the challenge, any new well we’ll have to go through that process. Hopefully it doesn’t take eight years for every one of them.

K. 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.

MS. GRAY: For this board meeting, we have two months of financial statements for August 2025 and September 2025. I can ask if you have any questions regarding the August financial statements, if not, I can just move on to September.

For September 2025, the new explanations that were added for month, you’ll see that on page two under “Income Statement”, to do with our purification, customer account, and general and administrative expenses, which increased and increases all attributed to the temporary hazard payout that was paid out to our HGEA employees in September.

I’ll move to our status of the budget report on page five. For September, we’re at the end of our first quarter with a target percentage of 25%, our revenues are on target at 25% and our expenses are still under in total at 19%. Of course, you can see the increase in our personnel services; we are 1% over our target, and that’s again due to our temporary hazard payout.

MR. OKAMOTO: Any questions for Candace?

Real quick summary, we anticipated the temporary hazard pay, so Candace did budget for it. The exact calculation wasn’t really known until the formal memorandum of understanding was executed between the County and the unions, but financially, we’re okay, even with paying out the hazard pay.

CHR. LOPEZ: Thank you.

L. MANAGER-CHIEF ENGINEER’S REPORT:

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

1. North Kona Wells

MR. UYEHARA: For our September update, and just for some background for Board Member Alameda, we have been providing the Board monthly updates for our North Kona water system, it's one of our twenty-three regulated public water systems. In North Kona in particular, we have 14 sources and as of today have 11 of the 14 sources operational or available to use, so it's going up, thank you to operations and staff, and the contractors. So, the latest one was Mākālei Well. As of September 22, it's been online and in the system. So, the three that are still offline are Wai'aha, Honokōhau, and Hōlualoa. Wai'aha, we had the agenda item, additional funds for the demolition and reconstruction of the discharge head and sole plate. For that one, the contractor is supposed to start repairs as of this week. If that holds, we are looking at hopefully end of November/early December of this year of a return to service. That one, because it has been off-line for almost eight years or so, that well, it has to go through the process of us checking the water quality again, which we don't expect any major change or any change to the water quality but we have to go through that process before the Department of Health will allow us to put it back in our system, so that's hopefully by the end of this year.

Honokōhau, we are having our spare equipment delivery anticipated for January of next year. Once that equipment is on island, the repairs for that can start. Estimated return to service for Honokōhau is about end of February for next year.

The third offline is Hōlualoa. So, that one we have to get out to bid by end of this year, and that one return to service, estimated right now is June of 2026.

So, that's the current situation for Kona right now.

CHR. LOPEZ: Thank you very much. You're up to 11, that's absolutely wonderful to me. You have three that you can definitively say what you have going and when you expect to be online, and barring any of the outages, that seems to be the nature of the beast.

MR. ALAMEDA: I have a question regarding pumps online/offline. If I was an employee for the Department of Water Supply, and if I was to go to my computer, and if I wanted to pull up the screen of pump online/offline, whatever, would I be able to do that? Is there a site where I can go to, to see pumps online? The reason I say that is because as an operation person who fixes the pumps, if I want to know what the status is without hearing it from anybody, I would like to go to a site and see the pump in Kohala and how much it's putting out, whether it's up to par, so as a mechanic I would know that I'm doing my job. But if I don't see the pump on and I haven't heard anything, then I can go ask my leader. Hey, why isn't that pump running? Shouldn't we be attacking it or something? So, the question is, is there a site online, on the computer, if I was an employee that I can go to and see the operations of the pumps?

MR. OKAMOTO: There is. We have a well status report that operations pretty much updates constantly. And just for your information, Mr. Alameda, we only have so much operators, so they actually know before us what's going on, and they're really good about communicating with the engineers and the chief of operations the status of the equipment out there, and the information from them also feeds into that well repair status report too. Long story short, there's something. We have good operators.

That's it for North Kona, eleven.

2. Employee of the Quarter Award

This is a joy for us, this next one, Mr. Chair and members of the Board. The Department has an employee of the quarter program, and this guy is well deserving, but I'll let Greg talk a little bit about our employee of the quarter.

MR. GOODALE: Which I'm happy to do. As Keith said, the Department has a program of employee of the quarter, and this month's employee of the quarter is Joshule Johnston. JJ, as we call him, is that

employee of the quarter, and JJ is our District Supervisor II for Kona district, which covers all the way up past the airport on the north end, all the way down to Ho'okena on the south end. JJ is the type of person that, whatever needs doing, it crosses over to the other districts. Our districts are very good about assisting each other when needed, and JJ has made every effort to make sure that his employees are up to speed with what's going on in these other districts, and just basically, he's the guy that makes sure that continuity exists, so I can't thank JJ enough. The folks that he works with on a daily basis, his customers, all of you folks, JJ knows how to talk with people, down to earth, knows how to work with his staff to make sure that all the things that we need to get done on a daily basis, and through the weekends, is his happening. Without folks like JJ within our Department, we don't know how we'd make things work on a daily basis. Again, very proud of the job he does. His base yard has great continuity, they're regularly having different events, and it helps to gauge kind of how things are going within the base yard and within JJ's base yard. The folks there, they know the status. Again, I can't say enough good things about the job he's doing there, so thank you, JJ.

MR. OKAMOTO: He's come up through the ranks, too.

MR. JOHNSTON: I started as a groundskeeper back in 2008. It's been a blessing, and the guys I have in Kona, I love going to work. In fact, tomorrow we have a luncheon, so if any of you are in Kona, by all means, stop by.

MR. OKAMOTO: Where is your base yard?

MR. JOHNSTON: In Holualoa, they have a dog park there.

MR. OKAMOTO: The old road.

MR. GOODALE: If you're driving south, you'll see the big sign that says Department of Water Supply.

MR. JOHNSTON: I love my crew, and really, they should be getting this award. Thank you, guys, so much.

MR. OKAMOTO: That's all for my report, Mr. Chair.

N. CHAIRPERSON'S REPORT:

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

CHR. LOPEZ: We have elections coming up in December, the Chair and the Vice Chair. Anyone thinking about it, or you want to nominate somebody, talk to them to see if they'll accept a nomination. You can nominate yourself; nothing wrong with that.

In December, we also have the review of the Chief Engineer, the annual review. It has to be different because we've got metrics now, and we don't have the strategic plan. We still will blend in the scale that we had before, the five categories, so I'll be getting you that information in November so that you can submit it to our secretary and come prepared December, so we're not trying to figure out what your rating is. Please, pay attention and get here on time.

We have term limits. Michael Bell terms out the end of this year, December. We won't be seeing his smiling face after that. Is that the only one we have? Okay. So, we're looking for candidates for District Seven. There's somebody in the wings, so maybe we'll see how it goes.

I'd like to encourage the Department to have a site visit; we've only had one, maybe in the first quarter. One thing that always sticks in my head is a lot of people here haven't seen it. Let's get down there, Keauhou shaft, it's awesome.

2. 2026 Water Board Schedule

CHR. LOPEZ: The Water Board Schedule, you all have that in your packet, it's the same as this year. Meeting every other month, January will be in Kona. That seems to be working well, and meeting rooms are always set up.

3. Report by Board Members who attended the 2025 Hawai'i Water Works Association Conference – Ko Olina, O'ahu

CHR. LOPEZ: The first one, Emily, what do you think?

MS. TAAROA: It was good, it was nice to be more Hawai'i-based. I know climate change was really hot on a lot of the agendas. It was really good networking, and thank you for allowing me to go.

MR. OKAMOTO: Thank you for coming.

CHR. LOPEZ: Would you go again?

MS. TAAROA: For sure.

CHR. LOPEZ: Pono?

MR. KEKELA: It was a great experience. I think, in my personal opinion, there's a lot more distractions at this one; it was nice, though, to have the opportunity to represent Hawai'i County at the Water Works Association. Like Emily said, climate change was huge one this year, a huge topic. Also, One Water. It was kind of crazy to see how Honolulu Board of Water Supply is progressing, and I'm hoping we can adopt some of the components and so mahalo for giving me the opportunity. It was good to meet some of the other ladies in the office, too, talk stories. I probably wasn't paying attention; they might not all be from the office, but it's good to meet new staff.

CHR. LOPEZ: For me, to hit on his last point, because I always like to see that it's not just the same faces, our faces, or it's not just supervisors or managers or Board Members going, but we have staff members that come, and I attribute that to Keith. Thank you for spreading that out and getting those people involved because it's really good for them, and it's good to see them, it's good to meet them, and speak with them a little bit. I've come to know people at these various conferences, and you establish relationships. I'm going to miss them when I term out. I have another year to go.

The one thing that caught me three years ago, I remember this very vividly because it really got my attention, that's the One Water. One Water is: water is water; whether it's wastewater, rainwater, run-off water, well water, it's all water. So, in my estimation in what I've been learning, is that we should adopt a feeling or an understanding that it's all water. We should all participate, or at least have an interest in where our water supply comes from, what happens to it. Just because it goes in the ground doesn't mean that it's a waste. I come out with a greater appreciation in some of these conferences. I had no idea, no idea about turning on the tap at home, how that water got there for me. You get a real appreciation.

So, One Water is coming, in fact, I'm looking for a slide set, not that I would use for presentation, but Honolulu has been working on this for some time, and they've matured to a point where Brown and Caldwell has a slide set that really leads you to understand what One Water is and what has been applied in Honolulu. They should be ready for beginning implementations end of 2026. So, they're working on all the factors, putting the plan together, but it does take cooperation from various mini stakeholders in the community, in the department, in the county, federal, so on and so forth. It's quite a task and takes years to prepare, but I'd like to see it come here, at least the Board understanding what One Water is, so maybe there will be some opportunities for that to happen for us.

The other aspect that I was really impressed with is that Honolulu is also on the threshold of desalinization. They've got the proposal, and they've got funding from the Feds. I heard the engineers say, "Let's hurry up and spend that money because the state of the Nation". They've already got allocated money, so they don't want to give it back. Something to the tune of 25 million dollars, and they project that system under optimum recovery could generate as much as 2.2 million gallons per day of desalinated water, and that would go back to the utilities and back to whoever needs water in bulk. They're not going to set up any distribution of it; they're just going to make it available, and that, along with climate change, to me is a big deal. You get One Water, you get desalinization, and potentially there'll be other water issues, but that really solves a lot of the concern about the state of our aquifers, droughts, etc. You learn a lot, and I would encourage again, anybody, whether you've been or not, go to these things. There's the one we just had on O'ahu at the Aulani Resort, and next year's conference is in Maui. The people you meet, the relationships you make, and learning about these things that are happening right around us, and this is the State. Then you have the county ones coming up in February, and who is hosting?

MR. OKAMOTO: Honolulu.

CHR. LOPEZ: That's right, it's always Honolulu because it's at the Blaisdell. Then there's the national and that's in DC in June, and then in the fall, we have the one that's hosted by individual counties. So, there's plenty of opportunity to go if you can get away.

So, thank you very much for the opportunity and for the years that I've been able to attend and gain a great deal of knowledge and appreciation for when you turn on that tap, what comes out of it, it's amazing what goes into that.

MR. UNGER: Is there a schedule that we can look at for next year for these conferences so that we can try and plan a little bit further?

MR. OKAMOTO: Yes, we will get that to you folks. We will get it out early.

CHR. LOPEZ: The other thing, to just make mention of this, and I know life gets in the way, but we didn't have a quorum last month. Now we knew that three of us weren't going to be here, and we know that we have two empty seats, so that left three, because we have one empty seat, and for whatever reason, those three people couldn't make the meeting; they were traveling. So, if that's your case, let us know ahead of time that I won't be here, if you can, I won't be here for that meeting. It was unfortunate. That's never happened in my time on the Board that we didn't have a quorum.

MS. MELLON-LACEY: I understand this Board hasn't had a quorum issue since 2018; that's pretty good.

CHR. LOPEZ: But a little advanced notice if you can't make it. And you've met Guy Alameda, our new representative for district three, so we're one short today, which is really good, district one.

Anyway, a lot coming up with the election, review, the performance measure will be part of the review, so plenty to do in the last couple of months. We also have an outside presentation in November from Caldwell, so it's a loaded schedule.

That's all, thank you very much.

MR. OKAMOTO: Thank you, everybody, for serving on this Board. We appreciate it.

10) ANNOUNCEMENTS:

Next Meeting – November 25, 2025, 10:00 a.m., West Hawai‘i Civic Center, Building G, 74-5044 Ane Keohokalole Highway, Kailua-Kona, Hawai‘i

11) ADJOURNMENT:

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

ACTION: Mr. Kekela moved to adjourn the meeting; seconded by Ms. Taaroa and carried unanimously by voice vote (Ayes: 8 – Board Members Lee, Alameda, Kekela, Taaroa, Unger, Bell, Aiona, and Chairperson Lopez).

(Meeting adjourned at 1:04 p.m.)

Recording Secretary