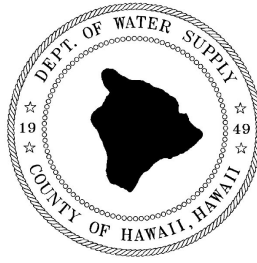


Michael Kekela Jr.
Chairperson
Dist. 4

Keith Unger
Vice Chairperson
Dist. 6



Vacant, Dist. 1, Board Member
James Lee, Dist. 2, Board Member
Guy Alameda, Dist. 3, Board Member
Emily Taaroa, Dist. 5, Board Member
Vacant, Dist. 7, Board Member
Stephen Lopez, Dist. 8, Board Member
Philip Aiona, Dist. 9, Board Member

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

MEETING DATE: January 27, 2026
TIME: 10:00 a.m.
IN-PERSON LOCATION: West Hawai'i Civic Center
Building G, 74-5044 Ane Keohokālole Hwy., Kailua-Kona, Hawai'i

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

STATEMENTS FROM THE PUBLIC:

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

Remote Oral Testimony:

Telephone testimony may be presented by calling 1(669) 254-5252 and entering meeting ID 160 853 0234. Please wait for the Chair to ask for testimony on the item you are interested in. The Chair will unmute testifiers who call in, one phone number at a time.

Optional Alternative to Present Remote Oral Testimony:

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

ADDITIONAL INFORMATION:

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

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

Board shall reconvene on: January 28, 2026, 10:00 a.m.
Board shall reconvene at: DWS, Hilo Operations, 889 Leilani Street, Hilo, Hawai'i

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

- 1) CALL TO ORDER – 10:00 a.m. (please turn cell phones off or set to silent)
- 2) STATEMENTS FROM THE PUBLIC – Pursuant to HRS §92-3, oral testimony may be provided entirely at the beginning of the meeting or immediately preceding the agenda item.
- 3) APPROVAL OF MINUTES:
 - Minutes of December 16, 2025, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
(Note: Roll Call Required)
- 5) POWER COST CHARGE:

Chair: Is there any testimony for this item?

Departmental power costs from all power sources **decreased** since the last Power Cost Charge rate was determined. The Department proposes to decrease the Power Cost Charge from \$2.98 to \$2.84 per thousand gallons as a result of this decrease. Power cost charges over the past year were as follows:

| <u>Effective</u> | <u>PCC</u> |
|-------------------|------------|
| November 1, 2025 | \$2.98 |
| June 1, 2025 | \$2.08 |
| February 1, 2025 | \$2.32 |
| September 1, 2024 | \$3.04 |
| May 1, 2024 | \$2.37 |

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

RECOMMENDATION: It is recommended that the Board approve holding a Public Hearing on February 24, 2026, at 9:45 a.m., to receive testimony on decreasing the Power Cost Charge from \$2.98 to \$2.84, effective March 1, 2026.

- 6) SOUTH KOHALA:
 - A. JOB NO. 2019-1107, LĀLĀMILO 10 MG RESERVOIR – REQUEST FOR ADDITIONAL FUNDS AND TIME:

Chair: Is there any testimony for this item?

The Department requested the Contractor, Isemoto Contracting Co., Ltd., to pause the contract while the Department negotiated purchasing the site with PR Puu Pa, LLC (Parker Ranch) and subsequently subdividing the parcel. Due to the COVID-19 pandemic, the requested pause, and building permit delays, the costs for labor and materials increased and require additional funds to pay for the escalation costs.

The Department has used the existing contract contingency on a portion of the escalation costs and requests additional funds of \$1,160,000.00 (\$828,628.68 escalation, \$331,371.32 contingency) for the remaining escalation costs for the Contractor and their sub-contractors, and any additional expenses that may occur for the remainder of the project.

Original Contract Amount: \$18,035,449.00
Contract Contingency Amount: \$1,804,551.00
 Original Approved Funding: \$19,840,000.00

Original Contract Amount: \$18,035,449.00
Change Order #1 Amount: \$1,804,497.94
 Revised Contract Amount: \$19,839,946.94

Original Approved Funding: \$19,840,000.00
Additional Funds Request: \$1,160,000.00
 Total Revised Contract Funding: \$21,000,000.00

The Contractor also requests a time extension due to the delays of 1,110 calendar days to complete the project. Staff have reviewed this time extension request and find that the 1,110 calendar days are justified in completing the project. This is the first time extension request.

RECOMMENDATION: It is recommended that the Board approve an increase in contingency of \$1,160,000.00 for a total project funding of \$21,000,000.00 and the contract time extension of 1,110 calendar days to Isemoto Contracting, Co., Ltd. If approved, the contract completion date will be revised from March 12, 2024, to March 26, 2027, for JOB NO. 2019-1107, LĀLĀMILO 10 MG RESERVOIR.

B. JOB NO. 2025-1263, LĀLĀMILO A DEEPWELL MOTOR REPAIR – REQUEST FOR ADDITIONAL FUNDS:

Chair: Is there any testimony for this item?

The Department is requesting a contract change order for the additional work required for a motor refurbishment. The description of additional work and associated fees are as follows (see attached):

| ITEM | DESCRIPTION | AMOUNT |
|------|---------------------|---------------------|
| 1. | Mobilize/Demobilize | \$ 1,500.00 |
| 2. | Refurbish Motor | \$ 10,000.00 |
| | TOTAL | \$ 11,500.00 |

Original Contract Amount: \$ 92,443.00
 Original Contingency amount: \$ 9,057.00
 1st Additional Contingency request: \$ 2,443.00
Total Revised Contract Amount: \$ 103,943.00

RECOMMENDATION: It is recommended that the Board approve an increase in contingency of \$2,443.00 to Derrick's Well Drilling Pump Services, LLC, for JOB NO. 2025-1263, LĀLĀMILO A DEEPWELL MOTOR REPAIR. If approved, the total revised contract amount shall be \$103,943.00.

7) MISCELLANEOUS:

A. MATERIAL BID NO. 2025-05, FURNISHING AND DELIVERING SPARE PUMP AND MOTOR SETS, AND PAD-MOUNTED TRANSFORMER FOR THE DEPARTMENT OF WATER SUPPLY:

Chair: Is there any testimony for this item?

The Department is requesting a contract change order for a change in materials of construction for the pump bowl assembly intended as the spare equipment for Saddle Road #1 Deepwell A. Changes are to mitigate material compatibility issues which would compromise the service life of the equipment. The description of the additional work and associated fees are as follows:

| ITEM | DESCRIPTION | AMOUNT |
|------|--|--------------------|
| 1. | Change in materials of construction for pump bowl bearing, impeller wear rings, and stationary wear rings. | \$ 7,375.00 |
| | TOTAL | \$ 7,375.00 |

Original Contract Amount: \$ 942,527.48
Original Contingency Amount: \$ 0.00
1st Additional Funds Request: \$ 7,375.00
Total Revised Contract Amount: \$ 949,902.48

Staff reviewed the request for the additional funds and found the \$7,375.00 is justified.

RECOMMENDATION: It is recommended that the Board approve an increase in contingency of \$7,375.00 to Derrick's Well Drilling & Pump Services, LLC, for a total project cost of \$949,902.48 for SECTION 1 – SADDLE ROAD #1 DEEPWELL A of MATERIAL BID NO. 2025-05, FURNISHING AND DELIVERING SPARE PUMP AND MOTOR SETS, AND PAD-MOUNTED TRANSFORMER FOR THE DEPARTMENT OF WATER SUPPLY.

B. MONTHLY PROGRESS REPORT:

Chair: Is there any testimony for this item?

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

C. REVIEW OF MONTHLY FINANCIAL STATEMENTS:

Chair: Is there any testimony for this item?

Submission of financial statements and information relating to the financial status of the Department. Department personnel will be available to respond to questions by the Board relating to the financial status of the Department.

D. MANAGER-CHIEF ENGINEER'S REPORT:

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

1. North Kona Wells
2. Pacific Water Conference at the Hilton Hawaiian Village from February 10-12, 2026
3. Employee of the Quarter Award

E. CHAIRPERSON'S REPORT:

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

8) ANNOUNCEMENTS:

- **Next Meeting** – February 24, 2026, 10:00 a.m., Department of Water Supply, Hilo Operations, 889 Leilani Street, Hilo, Hawai‘i.

9) ADJOURNMENT:

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

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

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

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