

MINUTES

DEPARTMENT OF WATER SUPPLY COUNTY OF HAWAII WATER BOARD MEETING

June 16, 2026

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

MEMBERS PRESENT: Mr. Michael Kekela Jr., Chairperson, Dist. 4
Mr. Keith Unger, Vice-Chairperson, Dist. 6
Mr. Colin Miura, Water Board Member, Dist. 1 (via videoconference)
Mr. Guy Alameda, Water Board Member, Dist. 3
Ms. Emily Taaroa, Water Board Member, Dist. 5
Mr. Nicholas Riznyk, Water Board Member, Dist. 7
(via videoconference, joined at 10:14 a.m.)
Mr. Stephen Lopez, Water Board Member, Dist. 8 (via videoconference)
Mr. Philip Aiona, Water Board Member, Dist. 9 (via videoconference)
Mr. Keith K. Okamoto, Manager-Chief Engineer,
Department of Water Supply (ex-officio member)

ABSENT: Mr. James Lee, Water Board Member, Dist. 2
Director, Planning Department (ex-officio member)
Director, Department of Public Works (ex-officio member)

OTHERS PRESENT: Ms. Jean Campbell, Deputy Corporation Counsel
Dr. Jeff Zimpfer, NPS, guest
Mr. Pat Kahawaiolaa, guest
Ms. Deborah Ward, guest

DEPARTMENT OF WATER SUPPLY STAFF:

Mr. Kawika Uyehara, Deputy
Mr. Gregory Goodale, Chief of Operations
Mr. Alvin Inouye, Water Operations Superintendent
Mr. Eric Takamoto, Mechanical Engineer III
Mr. Allan Simeon, Engineering Division Head
Ms. Shari Uyeno, Assistant Engineering Division Head
Ms. Candace Gray, Waterworks Controller
Ms. Maraea Keamo, Senior Clerk Stenographer
Ms. Kayla Okazaki, Information Systems Analyst I
Mr. Barry Kobayashi, Information Systems Support Technician II

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

- 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.

3) APPROVAL OF MINUTES:

Minutes of May 26, 2026, Public Hearing for Power Cost Charge:

ACTION: Mr. Unger moved for approval of the Minutes of the March 24, 2026, Water Board meeting; seconded by Ms. Taaroa and carried unanimously by voice vote (Ayes: 7 – Board Members Miura, Alameda, Taaroa, Unger, Lopez, Aiona, and Chairperson Kekela).

Minutes of May 26, 2026, Water Board Meeting:

ACTION: Ms. Taaroa moved for approval of the Minutes of the March 24, 2026, Water Board meeting; seconded by Mr. Unger and carried unanimously by voice vote (Ayes: 7 – Board Members Miura, Alameda, Taaroa, Unger, Lopez, Aiona, and Chairperson Kekela).

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

5) MISCELLANEOUS:

A. SERVICE BID NO. 2026-12, TRANSFORMER MAINTENANCE AND UPGRADE:

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

This procurement generally consists of furnishing all labor, materials, tools, and equipment necessary to service and perform selected maintenance and upgrades for the Department of Water Supply transformers, for a contract period starting from the date of the Notice to Proceed and ending June 30, 2027.

Bids for this project were opened on May 14, 2026, at 3:00 p.m., and the following are the bid results:

Bidder	Bid Amount
Transfluid Services Inc.	\$673,495.00

The updated engineering estimate for this project is \$608,000.00.

Funding for this project will be from DWS's CIP Budget under Agreements, Repair and Maintenance.

RECOMMENDATION: It is recommended that the Board award the contract for SERVICE BID NO. 2026-12, TRANSFORMER MAINTENANCE AND UPGRADE, to the lowest responsible bidder (Transfluid Services Inc.) for their bid amount of \$673,495.00. 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: Ms. Taaroa moved for approval of the recommendation; seconded by Mr. Unger.

MR. OKAMOTO: As a reminder, this was a carryover from last month where we had to defer the award because the vendor was not compliant with Hawai'i Compliance Express, but they have since become compliant, so we are now able to award them the contract. Along with that, if you may recall, the engineering estimate that was presented to the Board last month was quite low, a whole lot lower than

what the bid came in at, so we also took the opportunity to provide an updated engineering estimate based on a more realistic evaluation. If there are any technical questions, Eric is available to answer.

MR. UNGER: Have these projects already been selected for maintenance and upgrade? Is there a list that you guys went through and prioritized?

MR. TAKAMOTO: Basically, it's for every site that we have. Offhand, we probably have around 13.

CHR. KEKELA: Are these transformers different from electrical transformers?

MR. TAKAMOTO: They are electrical transformers. It's pad-mounted, like those big green ones you see on the side for HELCO. Basically, something similar to that.

CHR. KEKELA: Is there a reason HELCO doesn't handle it?

MR. UYEHARA: These are our transformers versus a HELCO transformer.

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

B. SERVICE CONTRACT NO. 2021-03, WATER RATE STUDY, FISCAL YEAR 2022-2027:

Chair Kekela asked if there was any testimony for this item. The following testimony was provided.

MS. WARD: My name is Deborah Ward, and I've been a resident on North Ala Road in District Five for about 40 years, and in that time, I've interacted with you folks more than once, but always with different people. The reason I'm asking today is that I see a need, certainly in my community and in many other communities, for the Department of Water Supply to reconsider its mission and its charter. I don't like to suggest a charter change, which would be a solution long before there needs to be a lot of research on what would change if you considered actually providing service to all residents, or at least a much larger number of residents than you do now. It seems to me that the paradigm that you only focus on the status quo, and not on the people that need water, means that you are only serving two-thirds of the population of the Big Island and not the entire population, or even close to it. I was an extension agent for 25 years. I was one of the people that wrote the responsibilities of homeowners and landlords to take care of their water systems so that they weren't contributing lead to the children, recently to rat lungworm disease, a lot of other things in catchment systems that don't really contribute to public health, and so it seems to me that in the next two years before there is a charter amendment proposed again, that we may want to be looking at changing the paradigm, maybe increasing the water rate, which is why I'm here about this, and that is to consider what it would take to expand your service to people that don't currently have it. For example, on Huina Road, there is a water tank, but there are three or four new houses going in with only water catchment because they aren't allowed to hook up; this happens all over the island. I've lived on a property adjacent to a property that I also own that doesn't have water; my property does, but the property next to me doesn't. I've asked for 40 years to expand the size of the line on North Ala Road, and I understand that it's supposed to have happened either this year or next, but now it's been postponed. So, the question is, how can we better serve the people of the Big Island? I think you folks are doing a wonderful job of servicing the people that are on your system, but I would really like you to think about what it would take to expand that service, and part of that may be the water rate analysis, because if you were to increase the water rate to a certain amount, those of us on water who would recognize that it would be a benefit to others who are not on water, I think would be willing to pay. I'm speaking because I have (inaudible), but I think a lot of people would be willing to pay. So, I'd like you to consider that when you're considering the water rate study. Thank you very much for your time.

There being no further testimony, Chair Kekela continued with the agenda item.

The Department is requesting to revise the scope of work and completion date for the Service Contract with Harris & Associates to complete the current contract based on the needs of the Department.

RECOMMENDATION: It is recommended that the Board approve the following changes for SERVICE CONTRACT NO. 2021-03, WATER RATE STUDY, FISCAL YEAR 2022-2027. There are no additional costs for these proposed revisions.

- Delete evaluation of alternate water rate structures due to lack of supporting customer and billing data.
- Add the evaluation and preparation of water rate proposals for Fiscal Years 2028 to 2032.
- Revise contract completion date from June 30, 2026, to June 30, 2027.

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

MR. OKAMOTO: Exhibit A is a part of your Board packet that is associated with this agenda item.

MR. LOPEZ: My memory is jarred by the testimony that was just given; may I enter that into this discussion?

CHR. KEKELA: Is it relevant to the rate study?

MR. LOPEZ: Probably not. It has to do with the testimony given prior to the rate structure.

CHR. KEKELA: The thing was, if we do increase the rate, that would help establish access. Does that help?

MR. LOPEZ: Yes, that's what this is about.

CHR. KEKELA: Okay, go for it.

MR. LOPEZ: Let me enter it, and Corp Counsel can tell me if it's not allowed; you guys can decide. What she did was jog my memory, foggy as it's getting, that some time ago, and I'm talking two/three years or more, the Board had an initiative to improve the availability of water to underserved communities. We understand the hurdles in trying to get there, but then later on, and I would say maybe it was two years/18 months ago, that the State entered a proposition that the water to those communities was going to be taken as a Statewide initiative. I believe that our Department jumped on that bandwagon, and correct me, Keith, if you recall, whatever became of that initiative to bring water to underserved communities?

MS. CAMPBELL: I'm going to jump in here, apologies, Kawena, but this is Jean Campbell, your Deputy Corporation Counsel for the day. I think a discussion about initiatives to expand water service is beyond the scope of this contract. Certainly something that the Board can consider, but maybe suggest as an agenda item for a later meeting.

MR. LOPEZ: Then I make that suggestion; I don't want to lose sight of that issue.

MS. TAAROA: I also support that being added to the agenda, just for discussion. In this rate study, there was nothing regarding expansion of services or anything like that, right?

MR. OKAMOTO: No.

MS. TAAROA: It's totally a different issue?

MR. OKAMOTO: It would be a separate issue. We can agendize that for a future Board discussion.

MR. LOPEZ: Would that be next month's agenda?

MS. TAAROA: Is it going to be on next month's agenda?

CHR. KEKELA: Do I get to decide that?

MR. OKAMOTO: Yes.

MS. CAMPBELL: I think, probably, the best way to do that is for the Chair to have a discussion with staff offline as you're getting ready to set the agenda for the next meeting, but if you don't see it coming up, Kawena, by all means, remind everybody.

MR. LOPEZ: But the Chair doesn't work to set the agenda; it's given to us by the Department.

MS. CAMPBELL: He can be asked to remind the staff if it's not coming up.

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

(Board Member Riznyk joined the meeting at 10:14 a.m.)

C. **MATERIAL BID NO. 2026-18, FURNISHING AND DELIVERING IRRIGATION CONTROLLERS AND WIRELESS RAIN SENSORS – REQUEST FOR ADDITIONAL FUNDS:**

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

The Department is requesting approval for additional funds to purchase additional irrigation controllers and wireless rain sensors, at the contracted unit prices, to support DWS' water conservation program. The description of additional costs are as follows:

Description	Amount
Purchase additional irrigation controllers and wireless rain sensors	\$10,000.00

RECOMMENDATION: It is recommended that the Board approve an increase of \$10,000.00 to the contract amount with SITEONE LANDSCAPE SUPPLY, LLC for MATERIAL BID NO. 2025-18, FURNISHING AND DELIVERING IRRIGATION CONTROLLERS AND WIRELESS RAIN SENSORS FOR THE DEPARTMENT OF WATER SUPPLY. If approved, the total revised contract amount shall be \$32,625.95.

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

MR. UYEHARA: This is a request for additional funds; it's because the original award the Board made was for an exact dollar amount, so now that we've had decent interest in the program, again, it's a water conservation program that we got grant funding for from Hawai'i Community Foundation, plus some DWS money. This request for additional funds would help the Department purchase more units so we can distribute them to customers who have applied for the program.

MS. TAAROA: What customer group are the primary recipients?

MR. UYEHARA: We focused on North Kona customers and our Lālāmilo System customers, and we started off with the higher consumption users of residential accounts.

MS. TAAROA: This is all residential, or are some commercial?

MR. UYEHARA: Residential.

MS. TAAROA: Do you have a similar program for commercial?

MR. UYEHARA: Not right now.

CHR. KEKELA: How many units does this amount cover?

MR. UYEHARA: Might be another couple dozen, 30 or so. The sensor and the controller might be about three or four hundred dollars combined, but we're using the existing contract that we have with this company for prices.

CHR. KEKELA: Would it be possible to see how well it's working as far as conservation?

MR. UYEHARA: That's part of our program, yes. We have customers that have provided us photo documentation that installed it, so now we're trying to track post-installation what their use is now.

MS. TAAROA: Are you tracking the rate of return on that?

MR. UYEHARA: To see if there's savings. The goal of the Hawai'i Community Foundation it was through their Fresh Water Initiative, and one of their goals is to conserve water. That's what we applied for, and we wanted to show that customers who have installed it, over time, there's a reduction in their water use.

MS. TAAROA: Do we know the longevity of the sensors?

MR. UYEHARA: I would have to check on that, but this is an industry-known manufacturer equipment that a lot of irrigation companies use.

MR. OKAMOTO: Correct me if I'm wrong, Kawika, but I think our hope is that, from my understanding, some of the more simplistic irrigation controllers are just timer-based regardless of whether it rained or not. It might be sprinkling your lawn even after a good rain. Most people just kind of set it and forget it. What we were hoping was that this would at least help address those situations and reduce the amount of water use for irrigation accordingly. It's kind of weather-based, too, right? If it rains, then it's really going to shut off the irrigation. If it's not going to rain, then it's still going to sprinkle. Time will tell.

CHR. KEKELA: Has there been a huge interest?

MR. UYEHARA: It was mixed. The majority of the interest has come from the North Kona water system. I think we have over 100 applications pending.

MR. OKAMOTO: Hopefully, this is on the record, and people may be watching, but we do appreciate those who did apply. That means they are conscious about the situation and are looking to assist with the overall best use of the resource and not waste it.

MR. UNGER: Do the awardees have to participate financially?

MR. OKAMOTO: They just have to install it.

MR. UNGER: They have to hire somebody or install it themselves, but you provide the material?

MR. UYEHARA: Correct. We do say they should have an existing irrigation system.

MR. UNGER: Number one.

CHR. KEKELA: This is an ongoing grant, still?

MR. UYEHARA: No, it's limited. We applied, and we got a certain amount. In the future, if we see benefits, I think it's something that the Department will entertain and continue to look for other conservation programs where we can apply for grant funding or even our own DWS funding.

MR. OKAMOTO: Again, we applied for this because we didn't know how it was going to turn out, and fortunately the application matched the intent of that funding program through HCF so this allows us to leverage external funds to go through this learning process to see if this is something that could work and then if it does, like Kawika said, then we can do a better evaluation of whether it might be prudent for us to invest with our own funds or continue to seek external funding for expansion of this type of program.

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

D. ENGAGEMENT ADDENDUM AND SERVICE LEVEL AGREEMENT FOR CLOUD SOLUTIONS – ENTERPRISE ASSET MANAGEMENT SOFTWARE SOLUTION:

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

The Department of Water Supply (DWS) is proposing to enter into an agreement with Carahsoft Technology Corporation/OpenGov, Inc. to design and deliver a cloud-based Enterprise Asset Management (EAM) software solution for DWS' water infrastructure. This EAM software solution is included in DWS' CIP Budget, and funding will be from the Department of Health's Drinking Water State Revolving Fund (DWSRF) loan program.

RECOMMENDATION: It is recommended that the Board approve the Engagement Addendum and Service Level Agreement with Carahsoft Technology Corporation/OpenGov, Inc. for an Enterprise Asset Management software solution, and that either the Chairperson or the Vice-Chairperson be authorized to sign the agreements, subject to review as to form and legality by Corporation Counsel.

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

MR. OKAMOTO: What you have in front of you is basically what is required for us to participate in what's offered by the Hawai'i State Procurement Office through these types of master price agreements that they do to solicit these types of services. This one in particular is for software, and we've been trying to do a better job on our asset management for quite a while. We think this will really help us move the needle on where we go with our asset management. Through discussions, even with Kaua'i Department of Water, they've gone through this process using a similar approach; we think this will really help us move the needle in getting our asset management to where we'd like it to be. We are already currently doing our own internal in-house old-school spreadsheets, folders on all our various infrastructure, but there are software solutions available that will really help us with that. I will turn it over to Kawika.

MR. UYEHARA: As Keith mentioned, this is a process that we've been working on for several years now to get a software-based asset management program to help us keep track of current inventory, condition of current inventory, and then to help us plan for proactive replacement of certain equipment.

That's one of the ideal goals of asset management, is that you're proactively budgeting and programming replacement of necessary equipment. We have seen demonstrations of this software, and it's a step, I believe, in our process to include asset management. This agreement, as Keith mentioned, is necessary, working with the State Procurement Office's Cooperative Agreement List for Software Solutions. This engagement addendum and service level agreement is something that we need to have the Board review and hopefully approve so that we can proceed with the next step of engaging this company.

MS. TAAROA: So they are creating a new database for you to hold all that information? Is it really specific to the Department, or is it kind of a model that other departments are using already that we're just plugging into?

MR. UYEHARA: It'll be specific to our Department. They do have templates that they've created throughout the years of being a software provider to asset management; so they have domains like water treatment and water distribution, but it'll be all our specific information.

MS. TAAROA: There are no numbers; I happened to notice.

MR. UYEHARA: The ballpark is about \$800,000.00, and that's what is included in—the goal is to use the State Department of Health's Drinking Water State Revolving Fund Loan Program. We've had discussions with the Department of Health already.

MS. TAAROA: Great. So no funds are coming out of the Department's funds necessarily?

MR. OKAMOTO: If the software price comes out to a million, then we'll probably have to cover the balance, but the \$800,000.00 that we're working to secure through the Department of Health, from my understanding, is a principal forgiveness loan.

MR. UYEHARA: That's what we've been told, 100% principal forgiveness. The \$800,000.00 covers the first three years of the software.

MS. TAAROA: Good job. It's really good to get all of that in one place that everybody can access.

MR. UYEHARA: Just for transparency, we did have one handout because as we were getting this item on the agenda, we were still going back and forth with this company that we are doing the agreement with, and they just had a tweak on the sentence right above item E, just some language on what takes precedence if there were disagreements. It was a minor change. Are there any questions?

CHR. KEKELA: After the approval of this agreement, how long would it take to be in effect?

MR. UYEHARA: After the Board's approval, we'll still need to work with the vendor to get their signatures on it and then our Department and the Board signature; I'm not too sure on the timeframe. I know the company wants to get us going as soon as possible, and we'd like to get going as soon as possible, too. I think we can provide an update on our CIP list for future meetings.

CHR. KEKELA: Is this the only software company that you guys have had conversations with?

MR. UYEHARA: I personally haven't had discussions with other ones, but I did get quotes from others on the cooperative agreement list.

MR. UNGER: These guys are vetted through the State?

MR. UYEHARA: Yes.

MR. UNGER: So, they kind of did your work for you as far as vetting.

MR. OKAMOTO: The other good part is, fortunately for us, Kaua'i Department of Water went through this process, so we were able to have some discussions with them and see whether or not they had any concerns or challenges or whether or not they liked the software, and they expressed a high level of satisfaction, so that's reassuring to us.

MR. UNGER: What is the definition of a principal forgiving loan?

MS. GRAY: Basically, they're forgiving the loan. You don't need to pay it back.

MR. UNGER: After a period of time? Do we pay interest?

MS. GRAY: It's just adjusted off.

MR. UNGER: So it's more of a grant than a loan?

MS. GRAY: Yes.

MS. TAAROA: You wonder why they wouldn't just call it a grant.

MR. OKAMOTO: I don't know why, but this particular program that we're getting the funding through, I guess, is averse to saying a grant. It's a loan program.

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

E. MONTHLY PROGRESS REPORT:

Chair Kekela asked if there was any testimony for this item. The following testimony was provided.

MR. KAHAWAIOLAA: Mr. Chair, if I may, I'd like to testify on this only because I find an opportunity to raise my question and let the commission know, this Board knows, because this progress report of projects by the Department and one of the projects that I'm having an issue with, or I've had an issue with, brought to light was just that this Department has done everything in its power to do what they are supposed to do except and that's dealing with the Department of Hawaiian Homes in Pana'ewa 185 Development here on Mahi'ai where I have a beneficiary who's not able to have their water meter installed because the failure of the Department of Hawaiian Homes to allow, and I guess since January, to allow this Department the right of entry or the license to go and install the water meter. I just want the record to reflect that this Body has done its job; it's just I just need the record to reflect that it is from this Body that we've learned that the Department has failed to do its job for the beneficiaries, and that's just as part of a report from this Department's projects. My name is Pat Kahawaiolaa. Thank you.

There being no further testimony, Chair Kekela continued with the agenda item.

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

MR. OKAMOTO: We are working to follow up with the Department of Hawaiian Home Lands on that particular project. Now, I'd like to turn it over to Allan with updates on a few projects.

MR. SIMEON: Starting on page one with our Lālāmilo 10MG Reservoir, happy to report that it's about 68% complete. As of date, all 15 walls have been completed, as well as all 88 columns and two quadrants of the concrete roof. The third and fourth quadrants are planned to be done next week, so hopefully by the end of the month, the whole reservoir will be erected except for the hoops that go around the walls for the tension. It's getting close to being completed.

CHR. KEKELA: Do they need the hoops to finish the roof?

MR. SIMEON: They need to finish the roof before they can do the tension.

MR. OKAMOTO: The sequence of construction for this type of tank is you build the shell; walls, you need the columns for the roof, but as Emily came out to see it on that site tour, there's an enormous amount of scaffolding just to set the forms to pour the roof, so that's why the delay between the first and second quadrants of the roof to the third and fourth, because now they have to move all the scaffolding and set up the forms for the subsequent roof pour. Then they are going to have a 4 x 8 hatch that they're going to have to pull all the scaffolding out of, which will be interesting. Then they have a special machine to wrap this cable around it, which provides that final circumferential reinforcement for the tank, then shotcrete it, and then technically the tank shell will be complete. What we want to do is provide another opportunity once the wrapping portion of the tank construction commences; we'd like to hopefully get another opportunity for the Board to go out and check that out because it's very unique and it's well proven to be seismically capable of handling the earthquakes that we experience.

MR. UNGER: Did it have any damage from the last earthquake?

MR. SIMEON: They did an inspection, as it is standard protocol, and they did not find anything.

MR. UNGER: Good test.

MR. SIMEON: Moving on to page two, Iki Place Water System Improvements in North Kona. The project has been awarded to the contractor, and we are working with them to set the NTP notice to proceed just to make sure there are the available materials before they start.

On page three are our FEMA projects in Puna. As far as Kapoho Road, Highway 137, as previously reported, about 19,000 linear feet of waterline has been completed, and they are continuing on with the lateral installation and other appurtenances for this portion of the FEMA projects. They did start Pohoiki Road, and they have installed about 5,000 linear feet of pipe, and continuing on, the total linear footage will be about 25,000 when completed. We need this portion of the waterline to be completed so that we can put Highway 137 into service.

MR. ALAMEDA: Keith brought up a good question regarding the project out in Lālāmilo, did it get any damage during the recent earthquake, so with that said, is there any process that the Department has when there are nature events such as earthquakes or other things, on other wells or structures like how big an earthquake needs to be before anybody is sent out to the wells in the most rural places to ensure its integrity is intact? Does the Department have a process like this?

MR. OKAMOTO: We don't have a threshold, per se, of what the seismic level—like this last one was 6.0, except for our dams up in Waimea, that one does have established set numbers based on the Dam Safety Division of DLNR and maybe Greg or Kawika can elaborate on that, but when it's as big as a 6.0, when we know that there is potential damage, as soon as it's safe, from that night our guys were going out into our systems in Kona primarily checking our tanks. For earthquakes, we check our tanks, and then if there were any structural impacts. So we do a quick initial review, and then at daylight we'll do a more thorough review.

MR. GOODALE: Exactly what Keith said, based on the magnitude of that earthquake, we sent our crews out islandwide, and some of it was as of that evening, just to make sure there wasn't any sort of damage that was going to cause an immediate effect. When daylight hours allowed, we had our crews out inspecting all our facilities islandwide. It wasn't just based on purely Kona, which took probably the brunt, but we wanted to make sure that we inspected all of our facilities.

MR. ALAMEDA: That's something that we, as owners of homes, should even check our own homes.

MR. OKAMOTO: As a reminder, anytime a significant situation like that happens, EOC gets activated, Civil Defense; we're at the table with everybody else assessing damages, coordinating if needed with other agencies, and whatnot. In fact, Greg and I had a meeting at EOC right before this to talk about continuing efforts on the Kona Low storms, as well as the earthquake on the 22nd, ongoing efforts.

F. REVIEW OF MONTHLY FINANCIAL STATEMENTS:

Chair Kekela 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 month, we have your financial statements for May 2026; we're almost at the end of the fiscal year, which ends this month, June 30th. Regarding the new explanations or any items in bold, I didn't add anything as far as a new explanation. If you go to the balance sheet, we do continue on a positive track at this point in time. Our net position has increased 5.6 million. Going on to our income statement, page five, we report a total net income of seven million at this point in time. Regarding our budget status report, our target percent in May is 92%. Our receipts are at 90%, and our expenditures are at 71%. I did also include, at the back, a delinquent and collection accounts report, which we continue to stay on a positive track with delinquencies; of course, there's always room for improvement.

MR. ALAMEDA: On a positive note, thank you for your team. I spoke with Kawika about a project I was involved with that had a lot of water usage. Thank you to you and your team for calling the customer. Hey, you've used an excessive amount of water. Just checking, letting you know if you have a leak or if you know about it. I want to thank you for the job you are doing in ensuring the customer is involved and knows these things. Being proactive, I called Kawika and let him know, hey, there might be an excessive amount, just letting you know, but you guys let the process go, and you called me, so thank you guys, for what you're doing.

G. MANAGER-CHIEF ENGINEER'S REPORT:

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

1. North Kona Wells

MR. GOODALE: We have some good news. Kona district has been impacted by us being down with this Wai'aha Well since 2016, so we finally got that well back online. It was a long process to get a well that's been off as long as that back online, but we passed all the state testing, and that's been over a month plus just to get that. It kind of marked a milestone for us because it's been offline for quite some time, and it's a significant source for us in that North Kona system, so we're pleased with the ability to announce that.

MS. TAAROA: How long has it been operational?

MR. UYEHARA: June 8th, it went back online.

MR. GOODALE: A week and a half.

MR. UYEHARA: As of now, in that system we have 12 of our 14 sources operational or available to use in the North Kona system. Again, thank you to our staff, all our water supply staff, for persevering on that Wai'aha Well repair and working with the contractor closely to get it back online.

The two others are the same: Honokōhau and Hōlualoa Wells. Honokōhau Well, still the same schedule, looking at the end of July of this year to get it back online. Hōlualoa, we might have a little bit of a delay. We still have to put that one out to bid, hoping the bid is awarded and give the contractor a notice to proceed, so we're looking at maybe the early part of next year for return to service.

Again, our operations staff does an awesome job to ensure that whatever sources are available, the customers have the water they need.

CHR. KEKELA: I know there were some system disruptions; are there any of those still? Did Pepe'ekeo have a main break?

MR. OKAMOTO: One thing that we do want to mention, we want to apologize to our customers off of Milo Street. Recently, earlier this month, we had to do somewhat of an emergency repair. Again, trying to be proactive, we have a leak detection team, and they noticed that we're going to have a situation soon if we don't address it. It seemed like a leak was progressing quite rapidly. We had to do a repair on an older transite-type pipe; unfortunately, it was almost like a main break. A repair prior to an imminent main break, basically.

MR. GOODALE: Just to piggyback on what Keith said with that, we try to be really sensitive, especially when we know there is no good time to cut people's water service off. In our situation with this one, it was more of an ability to try and be proactive getting the line repaired, but again, for people that are trying to do their business on a daily basis, there is never a good day to completely shut off. From our end, evaluating the pros and cons, it was much better than having the unplanned breakage, which could have potentially impacted the entire Kea'au area. That was something that we really wanted to be able to avoid because had it been let go, the volume of water through this main was significant and could have essentially emptied out our 'Ōla'a #3 Reservoir completely, which essentially would have left all of the Kea'au area with no water all the way down to Maku'u. This was basically an effort to stay ahead of that and not end up impacting such a large number of people. That's, again, a good credit to our leak detection team and our Hilo field crew, having the ability to get everything mobilized and get it done. Ultimately the outage didn't end up being that long, but again, our goal was to try and not end up disrupting or putting people in a position where they have to struggle for what they're going to do for that period of time.

MR. OKAMOTO: We're evaluating our protocols and our SOP's because for this one, we might have had a little opportunity to get the notice out to the affected customers. Moving forward, if we have those opportunities and it's within a reasonable amount, we're figuring out ways where we can get them the notice a day before; at least some advance notice if we can. We can't do that on a main break, but if it's a scheduled emergency repair, we'll try to get advanced notice out if we can.

MR. UNGER: Is that just aging pipe?

MR. GOODALE: Yes. The nature of this transite pipe is that the waterline is under high pressure, well over 100 PSI, and so essentially what happens is it starts cutting the pipe wall, which then can result in a full rupture, and with over 100 PSI coming out of a 12-inch main, you can imagine the geyser coming out of the ground. What we were hearing with our leak detection group is that amount was escalating over time, and it escalated very shortly, and that's why it became urgent that we wanted to get that replaced rather than it completely rupture.

MR. OKAMOTO: That was a significant recent one that we needed to resolve.

H. CHAIRPERSON'S REPORT:

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

CHR. KEKELA: We finally have a representative for District Seven, Mr. Risnyk. Nick, if you're on and you'd like to share a little bit about yourself.

MR. RISNYK: Aloha. Sorry, I'm traveling off-island, and I have limited connectivity, so I'm kind of spotty, but it's nice to see you all. I see some familiar faces. Just a little bit about me, myself and my family have lived in Hōlualoa for about 20 years. We run a recycling and rubbish company in Kona and serve the Kona-Kohala Coast, and are very happy and honored to be here with you all and to share and help this good community along.

CHR. KEKELA: Thank you and welcome, and we look forward to seeing you at the next meeting. Thank you for being willing to serve.

6) ANNOUNCEMENTS:

- **Next Meeting** – July 28, 2026, 10:00 a.m., West Hawai'i Civic Center, Building G, 74-5044 Ane Keohokālole Highway, Kailua-Kona, Hawai'i.

7) ADJOURNMENT:

CHR. KEKELA: Can I get a motion to adjourn?

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

(Meeting Adjourned at 10:57 a.m.)

Recording Secretary

APPROVED BY WATER BOARD
JULY 28, 2026