MINUTES

DEPARTMENT OF WATER SUPPLY
COUNTY OF HAWAIʻI
WATER BOARD MEETING

July 28, 2026

West Hawaii Civic Center, Bldg. B, Conference Room, 74-5044 Ane Keohokālole Hwy., Kailua-Kona, Hawaiʻi

MEMBERS PRESENT: Mr. Michael Kekela Jr., Chairperson, Dist. 4
Mr. Keith Unger, Vice-Chairperson, Dist. 6 (via videoconference)
Mr. Colin Miura, Water Board Member, Dist. 1
Mr. James Lee, Water Board Member, Dist. 2 (via videoconference, joined at 10:47 a.m.)
Mr. Guy Alameda, Water Board Member, Dist. 3
Ms. Emily Taaroa, Water Board Member, Dist. 5 (via videoconference)
Mr. Nicholas Riznyk, Water Board Member, Dist. 7
Mr. Stephen Lopez, Water Board Member, Dist. 8
Mr. Keith K. Okamoto, Manager-Chief Engineer, Department of Water Supply (ex-officio member)

ABSENT: Mr. Philip Aiona, Water Board Member, Dist. 9
Director, Planning Department (ex-officio member)
Director, Department of Public Works (ex-officio member)

OTHERS PRESENT: Ms. Diana Mellon-Lacey, Deputy Corporation Counsel
Mr. Merrick Nishimoto, Deputy Managing Director
Dr. Jeff Zimpfer, NPS, guest
Ms. Christin Reynolds, One World One Water, guest
Ms. Sarah Riznyk, guest
Mr. Ernest Baptista, guest

DEPARTMENT OF WATER SUPPLY STAFF:

Mr. Kawika Uyehara, Deputy
Ms. Candace Gray, Waterworks Controller
Mr. Gregory Goodale, Chief of Operations
Ms. Shari Uyeno, Assistant Engineering Division Head
Ms. Maraea Keamo, Senior Clerk Stenographer
Ms. Kathleen Isherwood, Water Service Program Supervisor
Ms. Helen Cortez-Baptista, Meter Reader II
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 10:03 a.m. Board Members who were present: Ms. Taaroa and Messrs. Miura, Alameda, Unger, Riznyk, Lopez, 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 June 16, 2026, Water Board Meeting:

ACTION: Mr. Miura moved for approval of the Minutes of the June 16, 2026, Water Board meeting; seconded by Mr. Lopez and carried unanimously by voice vote (Ayes: 7 – Board Members Miura, Alameda, Taaroa, Unger, Riznyk, Lopez, and Chairperson Kekela).

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

5) BOARD MEMBER TRAINING ON SUNSHINE LAW TO COVER THE FOLLOWING TOPICS OF THE HAWAIʻI REVISED STATUTES: HRS § 92-3 OPEN MEETINGS AND PUBLIC TESTIMONY, HRS § 92-3.7 REMOTE MEETING BY INTERACTIVE CONFERENCE TECHNOLOGY; NOTICE; QUORUM, AND HRS § 92-7 NOTICE:

The purpose of this training is to clarify legal requirements and procedures for Board members to follow at meetings on the above topics.

MS. MELLON-LACEY: This is going to be a brief overview of the Sunshine Law as it pertains to open meetings, public testimony, and notice. Hawaiʻi Revised Statutes Chapter 92 covers the Sunshine Law, and some other things, but specifically Section 92-3 pertains to open meetings and requires that all meetings of boards shall be open to the public, and that boards are required to give all interested persons an opportunity to submit data, views, or arguments, in writing, on any agenda item. Boards shall also afford all interested persons an opportunity to present oral testimony on any agenda item. I actually bolded "on any agenda item" because public testimony given at a meeting should pertain to an item on the agenda. Also, oral testimony of interested persons shall not be limited to the beginning of a board's agenda or meeting. In the past, it was always done that way; we would start a meeting, ask people to give public testimony, and I think you still see this at Council, people give public testimony, and then that was it. Now, you have to require the opportunity for people to give public testimony before the agenda item is actually called or presented. Also, the board may provide for reasonable administration of oral testimony by rule.

Your Rules, and they are in the DWS' Rules and Regulations 1-2(j), provide for orderly presentation of testimony, and the Rules require that all those desiring to speak on matters listed on the order of business, which I thought was really interesting because we call it an agenda but in your Rules you call it an order of business, will register with the secretary prior to the convening of the meeting. Therefore, people that wish to speak, we ask them to check in and ideally tell the secretary who they are and what item they want to speak on. However, just to be aware, OIP, the Office of Information Practices, which is the body that enforces Sunshine Law, has said that we can't require people to give their name and sign a paper to give public testimony. If they show up and they want to speak on an agenda item, not on *anything*, but on an agenda item, you have to let them do that even if they don't want to give you their name. I don't think we've ever experienced that, but I have seen that happen in more contentious meetings, so just as a point of awareness.

The Chairperson or Vice-Chairperson, according to your Rules, may require any person desiring to provide testimony to do so under oath. I've never seen us do that in this Board. I also cover the Planning Commission, and they always make people attest that they are going to be truthful, so it is something that we have a right to do according to the Rules. The Chairperson or Vice-Chairperson may limit testimony which is irrelevant or unduly repetitious, and we have in the Rules that testimony should be limited to five minutes, subject to the discretion of the Chair or Vice-Chair. Those are the rules for this body. Elaborate on Chapter 93.

MR. LOPEZ: Number one bullet, "If a person arrives late after the convening of the meeting, can they still testify or present testimony?"

MS. MELLON-LACEY: As I said, OIP requires us to give people two opportunities, once at the beginning and another opportunity before the agenda item is actually called. Arguably, if we've already had that agenda item and someone wanted to testify on it, I think it would be the call of the Chair whether to allow the person to give their testimony or not.

MR. LOPEZ: Makes sense. So really, bullet point one is a non-issue; it's at the discretion of the Chair.

MS. MELLON-LACEY: Yes, I would say so, but that's our Rules, the DWS' Board Rules.

MR. LOPEZ: I think it's all by discretion of the Chair; that fixes it. Thank you.

MS. MELLON-LACEY: Moving on, this is 92-3.7, to do with remote meetings by interactive technology, notice, and quorum. We are able to do these remote meetings by what OIP calls interactive conference technology, or ICT. It's allowed provided that there's the opportunity for audiovisual interaction among all members of the board participating in the meeting, which is why we check at the beginning to make sure people can hear us and we can hear them, and all members of the public attending the meeting. This, I think, is a little more problematic in a sense because we are livestreaming, right, Kawika?

MR. UYEHARA: Yes.

MS. MELLON-LACEY: And in livestreaming, if somebody wants to testify on something, do they have to let you know in advance?

MR. UYEHARA: We ask for them to contact us in advance.

MS. MELLON-LACEY: I don't know; I haven't had any pushback on that, but the idea is that they could have some way to contact and give testimony if they decided that they want to do that at some point. So, something to think about; I know that this can get incredibly involved sometimes. There also has to be, even with a remote meeting, at least one meeting location that's open to the public and that has an audiovisual connection. There are some boards and commissions in the County that never sit down as a group. I feel like this body, even though we are doing remote and we have people attending remotely, we always have a majority present in person, and that to me makes a stronger board. I know sometimes it allows people to attend that can't by using remote, but there are some boards that are completely remote, and those boards have to have at least one public location where people could go and have the opportunity to see what's going on. Doesn't affect us because we always have some people here in person.

Another thing is that if you're remote and you have other people with you, you're supposed to state the names of the people with you as long as they are over 18. The interactive conference technology must allow interaction among all members of the board and all members of the public attending the meeting. A quorum of board members participating in the meeting must be visible and audible to other members and the public during the meeting, and remote participants count toward meeting quorum and voting requirements. At the start of the meeting, the presiding officer is supposed to announce the names of the participating members. I reminded Pono of that this morning because we haven't always done that, and he opted for a roll call; that's a good way to do it. Anyone who is watching will know who is present. Also, all votes are supposed to be conducted by roll call unless they're unanimous; again, that's so people know how someone voted if they're voting differently.

MR. LOPEZ: I have a question, just because I use Zoom a lot. This first one, which mentions you shall be visible and audible, I don't think we've had that problem, but we cannot suppress the video portion? Like you look up and you can hear the voice but you don't see the face.

MS. MELLON-LACEY: I think that's going to be in the next slide. Essentially, what it is is that a quorum of board members has to be visible. I think it's not requiring everybody because sometimes when the bandwidth goes low, and I've had this at my house, the first thing that happens is it cuts out your visual because that saves bandwidth. As long as you have a quorum visible, then it's okay. We're also required to record meetings, which we do, and those are supposed to be made available to the public as soon as you can until the minutes are posted. Once the minutes are posted, the law doesn't require us to have the videos available anymore. They say it's a good idea, but you don't have to have them posted and available once you've got the minutes posted. The other thing we talk about a lot is that you have to automatically recess for up to 30 minutes to restore communication when that's interrupted and that if you can't reconvene with everything working in 30 minutes, then the meeting is automatically terminated unless you have something in your agenda that says if that happens then there will be an alternate date and time where the meeting will be resumed and Kawika makes sure that's always on there so we don't have to terminate our meetings, they can just be resumed because terminating means that you'd have to start over.

The next slide is on notice. The board is required to give written public notice of any meeting, and the notice has to have the agenda that lists all of the items to be considered, the date, time, and place of the meeting, and where to submit written testimony. If we anticipate an executive session, we also put that on the agenda. It doesn't mean that you can't have an executive session if it's not on the agenda, but if you know that you're going to, then you're supposed to. It's all about giving the public as much notice as possible. This is a big one; the notice has to be posted no less than six calendar days before the meeting on an electronic calendar or website maintained by the county. If we miss that six-day deadline, then you have to cancel the meeting; you simply can't go forward. The other thing is about changing the agenda. Once the agenda is posted at the six-day window, you can't make any changes to the agenda. The only way you could make a change is by a two-thirds recorded vote of all the members to which the board is entitled to. I always discourage this because the law says that no item shall be added or changed on an agenda that's of major importance and would affect a significant number of persons. I always feel like I don't know what everybody would consider of major importance, so I try to discourage changes to the agenda since it could cause problems.

That's the quick overview for the day. I don't know if anyone has any questions. If you have any questions ever, feel free to ask. I think one thing to be mindful of is that sometimes we have people appear who want to provide public testimony, and it's important that that testimony is limited to items on the agenda. The reason is because it can cause the board to be in violation of Sunshine Law if you consider things that are not on the agenda, and it's highly likely that if somebody comes in and wants to talk about something, that it's not just important to them, but important to other people. So, they could be told that that would be something that the board would be willing to entertain and put on the agenda for the next meeting, or perhaps it's something that could be addressed initially by the Department and then put on the agenda if it's warranted. I know we want the public to be involved, and it feels like it's a good thing to allow people to speak, but it should be directed to items on the agenda only.

CHR. KEKELA: Do you see steps we could take to mitigate that pre-meeting?

MS. MELLON-LACEY: You mean mitigate someone wanting to come in and talk on something not on the agenda?

CHR. KEKELA: Yes. That it should be an agendized item.

MS. MELLON-LACEY: I think if we follow the rule that you have in your board rules, which says the person should be directed to the secretary to register and find out what agenda item they are interested in speaking on, then that would be an easy way to identify up front whether it's an agenda item or not. I guess another way, if the board were really interested in hearing from the general public about what's on people's minds, another way to do it would be to simply hold a public hearing meeting and say we invite the public to attend this meeting and tell us or talk to us about anything that's of concern to them regarding the Department of Water Supply or water. That would be an open meeting where you'd have allowed people to come and speak about whatever they wanted to, and that's an option. I don't know if you've ever done anything like that before or whether it would be useful. I think you've seen the mayor do things like that where he's traveled the island with all of his cabinet members for every department and said anybody can come and ask questions, and I've got the experts here with me to talk about them. That's a way of maybe getting more public input. Just a suggestion.

6) HĀMĀKUA:

A. JOB NO. 2023-19, HAINA BOOSTERS A, B & C REPAIR – REQUEST FOR SUBSTITUTION:

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

The Contractor, Hawaiʻi Drilling & Pump Service, Inc., is requesting a substitution of non-BABA-compliant Grundfos pumps and motors for the Haina Boosters due to the Department-approved equipment not having any BABA-compliant alternatives. This limitation was beyond the control of the Contractor.

Staff reviewed the request for the substitution and supporting documentation and found that the request is justified.

RECOMMENDATION: It is recommended that the Board approve a substitution of non-BABA-compliant Grundfos pumps and motors for the Haina Boosters for Hawaiʻi Drilling & Pump Service, Inc., for JOB NO. 2023-1219, HAINA BOOSTERS A, B & C REPAIR.

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

MR. LOPEZ: How about an interpretation of BABA and Grundfos? What are we approving?

MR. OKAMOTO: Build America, Buy America. It's a federal requirement; basically they're saying if you're going to use federal funding, it should be made in the United States. That's often a challenge for the equipment that we do have to purchase, typically if it's electronic or it's made up of so many different components. Anyway, we did find a solution to this, and we found another source of funding that's allowing us to use a non-BABA product, so we're still going to proceed with the repair.

MR. LOPEZ: In the BABA dictate, is that a requirement, or is it you just do your best effort?

MR. OKAMOTO: It's a requirement.

MR. LOPEZ: Thank you. And Grundfos, is that a brand name?

MR. OKAMOTO: Yes.

CHR. KEKELA: Is that just restricted to this site and these repairs?

MR. OKAMOTO: No. Anytime we're using federal funds, typically, the current requirements are that they be BABA compliant. If we cannot find any components that meet that requirement, we have to look at other sources of funding, or we need to find equipment or material that meets that, for any project.

CHR. KEKELA: Would that forfeit all the funding for that project if it was federally allocated?

MR. OKAMOTO: No.

CHR. KEKELA: Just for the pumps?

MR. OKAMOTO: Yes, we found an alternate source of funding so that we can proceed with that project.

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

7) SOUTH KOHALA:

A. JOB NO. 2025-1263, LĀLĀMILO A DEEPWELL MOTOR REPAIR – 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 contractor, Derrick's Well Drilling & Pump Services, LLC, is requesting approval of a contract change order to cover the cost to remove and repair a damaged motor. The associated costs are outlined below, with a detailed breakdown provided in the attached invoice:

ITEM	DESCRIPTION	AMOUNT
1.	Mobilization	$3,000.00
2.	Removal	$17,500.00
3.	Freight/Delivery	$2,500.00
4.	Motor Refurbishment	$34,734.00
	TOTAL	**$57,734.00**

Original Contract Amount:	$	92,443.00
Original Contingency amount:	$	9,057.00
1st Additional Contingency request:	$	2,443.00
2nd Additional Contingency request:	$	1,314.00
3rd Additional Contingency request:	$	57,734.00
Total Revised Contract Amount:	**$**	**162,991.00**

Staff reviewed the request for additional funds and found that the $57,734.00 can be considered justified.

RECOMMENDATION: It is recommended that the Board approve an increase in contingency of $57,734.00 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 $162,991.00.

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

MR. GOODALE: This was a repair where we were working with our contractor, Derrick's Well Drilling, and we ended up with issues at the site with the hookup to this pump motor that ended up damaging the motor. The extra cost is basically to remove the motor and get it rewound here on the island, so basically the cost of the removal of the motor, the rewinding or repair, then the reinstallation. I think one thing that may be missing on here is the total. If you work through all the math, the total includes the contractor's markup and the tax. If you went through and you tried to add everything up and it didn't quite add up, that's why. The total that's on Derrick's proposal that was in the packet is inclusive of the markup and the tax.

MR. OKAMOTO: This was another one where we provided spare equipment that we had on hand?

MR. GOODALE: No, this was not a spare. We're actually just starting that with our booster stations. In the future we will be moving, as Keith said, proactively for ordering the spare, but in this case they had to order all of the equipment up front. Like I said, the one motor ended up getting damaged, which is why they had to go back and rewind it.

CHR. KEKELA: Was it damaged on installation? Is that why they had to remove it?

MR. GOODALE: It was due to a fault within our electrical panel that we've since resolved. It was an unknown condition that ended up affecting the motor, which unfortunately was costly damage, but at the same time, the repair for that issue won't become an issue again.

MR. OKAMOTO: Basically, it wasn't due to any fault of the contractor.

MR. GOODALE: Correct.

CHR. KEKELA: Does that mean the site is down right now?

MR. GOODALE: Currently, yes. Actually, without this change order, anytime, like for additional cost like this, it puts us on hold until we get approval for the additional cost.

MR. RIZNYK: Is a rewind or a rebuild always superior in economic terms versus a new motor?

MR. GOODALE: For us, we're fortunate that we have a company here on the Island that can do it. There are certain sizes that we may not be able to get that done here locally. We found that typically, if you can refurbish the motor, again, it's not in every case, but in most cases it is much more preferable because it saves us a lot in downtime in terms of not having to have a brand new one shipped in from out of state. But again, as I've said earlier, we are moving in the direction of trying to keep some of those things on hand as spares, and in those cases it would be a brand new piece of equipment. We've been really fortunate that doing the rewinding and refurbishing has made a huge difference for us, and we've found that generally there aren't that many differences, other than the general age of the equipment at the starting point in comparison with a brand new one.

MR. OKAMOTO: Great question. It kind of depends on the situation, too. If the motor is really old already, 20 years old, then the rewind may not be a prudent choice unless time is of the essence. As Greg said, fortunately there is a company that is on the Island. I think for this one they had to import the copper wire, which added to some of the cost, but that was still faster than—we'll get you out there in the field, get you to see some of the stuff we have. It's not something that you can pick up at Home Depot or Lowe's; they're kind of big. Sometimes it takes a long time if you order it from the mainland for a new one to come.

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

8) MISCELLANEOUS:

A. SERVICE BID NO. 2026-15, PROVIDE HIGH-SPEED WIDE-AREA NETWORK CONNECTIVITY BETWEEN FIVE OFFICE LOCATIONS:

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

This bid generally consists of providing a turnkey solution to connect the five office locations (Hilo Baseyard, Waimea Baseyard, Kona Baseyard, Ka'ū Baseyard, and Waiākea Office Plaza) over a synchronous, full duplex connection. Service Provider is to provide a switch or router at each location and will hand off to the DWS via Ethernet connections. Service Provider is responsible for design, installation, maintenance, troubleshooting, repairs, and technical support, as well as provide all hardware/software equipment and upgrades. All equipment is maintained by and will remain the property of the vendor for a 60-month period.

Bids for this project were opened on July 2, 2026, at 1:00 p.m., and the following are the bid results:

Bidder	Bid Amount	DWS Engineering Estimate
Hawaiian Telcom, Inc.	Non-Responsive	$ 240,000.00

RECOMMENDATION: It is recommended that the Board not award the contract for SERVICE BID NO. 2026-15, PROVIDE HIGH SPEED WIDE AREA NETWORK CONNECTIVITY BETWEEN FIVE OFFICE LOCATIONS, due to the sole bid received being determined to be non-responsive. Staff will seek alternative procurement pursuant to HAR 3-122-35 to procure the required services in the best interest of the Department.

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

MR. OKAMOTO: Real quick, there is a little mistake on the write-up; it is recommended that the Board not award—you guys couldn't award anyway to a non-responsive bid. My apologies for that; it might have been a little confusing. After that clarification, I'll turn it over to Kawika to cover what this project is about.

MR. UYEHARA: This bid is intended to obtain internet service for our five offices/base yards across the Island. If the board proceeds with this, the next step would be alternative procurement, which most likely would be a request for quotes to potential vendors, and then we'll proceed that way.

MR. LOPEZ: Have you validated that there is internet service at these locations?

MR. UYEHARA: Yes.

MR. LOPEZ: Independent of equipment?

MR. UYEHARA: Through our design period, yes.

MS. MELLON-LACEY: I'm a little confused here because this is asking that the Board vote not to award, but I don't think that's really what you're seeking. I think we need a clarification or amendment of the motion.

MR. OKAMOTO: Thank you, Diana, for that. Actually, our recommendation should read, "to use alternate procurement."

MS. MELLON-LACEY: So, I think we would need a restatement of the motion to withdraw the motion that's currently on the floor and a restatement to approve the Department to use alternate procurement methods. The motion would be for the Board to approve the Department to use alternate procurement methods to obtain the internet connectivity between the offices.

MR. MIURA: I'd like to make a new motion for the Board to approve the Department to use alternate procurement methods to obtain the internet connectivity between the offices.

MR. ALAMEDA: Second.

So, right now, we are looking to upgrade, right? All the base yards?

MR. OKAMOTO: Yes.

MR. ALAMEDA: How is it operating now?

MR. OKAMOTO: Slow. We do have some issues with connectivity. There are certain things that require a lot of bandwidth to work properly; I think GIS might be one of them. We have IT here, and Kawika might know what we're struggling with currently with the current setup.

MR. UYEHARA: Data transfer as files get larger, videoconferencing, that type of thing.

MR. OKAMOTO: Like Diana said earlier, even when we have internal meetings, they have to turn off their camera, or they can't even hear us; it'll be glitchy.

MR. ALAMEDA: Like turning on the microwave and you trip the breaker.

MR. OKAMOTO: Kind of like that, yeah. You have to turn one thing off to get the other one to function.

MR. ALAMEDA: Then we need this to be taken care of, like, yesterday.

MR. OKAMOTO: Yes, sir.

MR. UYEHARA: Procedurally, was there a revised motion?

MS. MELLON-LACEY: Yes.

MR. UYEHARA: Was there a second?

MS. MELLON-LACEY: Yes, Guy.

MR. LOPEZ: Do you know who the alternative providers are? Do you have a list?

MR. UYEHARA: We know.

MR. LOPEZ: I've had great success with Starlink; it's really good.

MR. OKAMOTO: It's something on our radar too for more specific type applications. Thanks for that, Kawena.

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

B. PRESENTATION ON ONE WATER:

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

(Board Member Lee joined the meeting at 10:47 a.m.)

MR. OKAMOTO: Thank you for your patience, Kawena. He was a proponent for this presentation for a while. We were considering having somebody else do it, but we figured there are certain things happening right now where we've actually decided to hire a consultant to assist us because there is an effort underway statewide, which Christin will get into. I would like to take this opportunity to introduce Ms. Christin Reynolds.

MS. REYNOLDS: Thank you for your time today. I just have a couple of slides, so hopefully I won't bore you. My name is Christin Reynolds with One World One Water, and I am a water nerd. I have a civil engineering degree as well as a policy degree, so whichever you like better, you can think of me as that expert. I worked on all sides of water. I grew up on a freshwater lake that was drinking water quality and thought that's what it was everywhere, moved around and saw that was not what it was. Spent some time in American Samoa, working on some of those issues; you can't drink the water down there. Their wastewater is above some of their drinking water aquifers, so if you think holistically, that wasn't a good choice. These are some of the things One Water can solve. Even when I was young, I got to get intimately familiar with wastewater. On that nice freshwater lake that I grew up on, I was responsible for doing the pump-outs of the boats' waste tanks, so I'm really comfortable and aware of pumps and suctioning all that stuff. More recently some work here in Hawaiʻi, helped out Hana Water Utilities transition ownership and upgrade a lot of their systems too, so I've worked on all sides of the water and for the past decade have really focused on making connections and I've gotten a little bit out of the technical realm and just having a lot of conversations about connecting the whole system and looking for solutions that are holistic from mauka to makai crosscut the whole system. That's just a little bit about me.

I wanted to share a little about what One Water is, why now, and then, as Keith mentioned, there are some efforts ongoing right now in Hawaiʻi that you all can plug into, and they are getting plugged into.

One Water is a systems-thinking approach to managing all water, so stormwater, wastewater, fresh water, even seawater now with desalination kind of on the table. It really is meant to provide a framework to collaborate across agencies to solve some of the complex water challenges that we're facing today. This kind of place-based holistic is not at all new for Hawaiʻi; their ahupuaʻa system is ancient and embedded here. One Water isn't exactly the same as that; there is ʻike and wisdom and other knowledge in that system also to leverage and learn from, but One Water is a practice that is kind of bringing that holistic back to the forefront.

So why now? We have a lot of new challenges facing our water supply, whether it be drought or water quality. A lot of the infrastructure, too, might be at its life cycle. When you're looking at reinvesting and building that infrastructure, you want to do it smarter and more integrated and have it be ready for what you're going to see for the next 50 to 100 years, which might look a lot different than what we've seen in the past in terms of the available water supply and the competing needs and different effects there. The other reason One Water is really helpful is that it provides an alternate pathway to litigation. A lot of times we see water conflicts start, and that it can end up in these long litigious processes. Some things have to go that way, but there might be other areas if you create this collaborative space that could be more negotiated and preventative and find a better outcome for all.

I wanted to share a little bit when we talk about this holistic One Water thing we're not talking about it's been going on; there are different models all over the mainland. We're not talking about a new office or a new department; it's really about the interconnections, so building those bridges and bringing those institutional linkages together and looking at the whole system and understanding the interactions. It also has a strong public engagement component to it, and transparency, and clear communication across all of your rate-based, across all your utilities with the public; it has kind of that aspect to it as well.

That can sound complicated if you're thinking about connecting everything and all the different jurisdictions and authorities, but really from my experience, it can be very simple if you're just starting with the people. So, what we've seen work really well is to build the team and build the connections and build the relationships, and that's really inherent here in Hawaiʻi, in that if you use that human system as the central subsystem to connect all of the different departments and jurisdictions, then that can kind of be the glue to the whole effort.

The goal really of bringing all these connections together is so that you have benefits across all of the different users and across all the different values in the system, whether that's agriculture, urban, cultural, or environmental, looking at those values as a whole and designing your system to deliver across those different benefits.

There is a foundation of One Water here in Hawaiʻi. Back in 2013, the Fresh Water Initiative was started by the Hawaiʻi Community Foundation, and Keith was a part of that effort. That initiative brought together a lot of diverse stakeholders, and the goal of that effort was to think about putting more water in the pipes. So, instead of fighting about who gets what and how much, it brought together a lot of parties that were outside of the room in litigation to talk about, okay, what can we all agree on? So that's things like increasing conservation, increasing the amount of water that's recharged, and increasing the amount of water that's reused. That Fresh Water Initiative was to create 100 million gallons a day of additional reliable fresh water supply by 2030, and that kind of started some of these conversations in Hawaiʻi about building those relationships across those different stakeholders and partners.

That really set the stage for a more place-based initiative. So the Fresh Water Initiative was statewide, and I wanted to share a little bit more about the place-based One Water effort in One Water Honolulu. If you look at what Honolulu started, it's just one way to go about picking up One Water for the place that you're looking at. First, they kind of put together a white paper of all the main issues, kind of the governance structure. What were some of the gaps, and what were the recommendations to make some of those connections? They established a One Water coordination framework and actually passed it by ordinance, which got national recognition. If you think about doing community outreach, the best community outreach is if you go out there and you're really building it together with the community; you're not presenting a final plan, right? Honolulu said, before they had the plan, they said, "We're going to work together," so they agreed to work together before they knew exactly what they were going to work on, and that was what the ordinance was; it required everyone to come to the table. After that ordinance, they established the panel, which was each of the members that needed to participate. Building that team, building that relational glue for the center, and then that panel developed an MOU about how they wanted to agree to work together, and they are currently in their first iteration of developing the integrated CIP right now in Honolulu.

Bringing us to the present day, there is a Hawaiʻi One Water effort, which I'm facilitating, and that is really meant to be a statewide convening of water authorities to look at this One Water concept and see how you can bring that into your place-based applications. Right now we have scheduled four workshops with the goal of coming out of that with the team built for each jurisdiction, having shared priorities and identifying some of those coordinated actions. The stretch goal also is to think about what would institutionalize this collaboration for your specific place, be it an MOU, an ordinance, or some other form of commitment so that it can withstand different political cycles and really do the work long-term.

I just wanted to point out that we've already dug into, at these statewide conversations, who is on the team, and people have brought out planning, agriculture, economic development, resilience, housing, public health and safety, so you see, it's broader than just water, wastewater, and sewer. I'm sure we've all heard we are able to tackle these bigger issues when we work together, and we've heard the fast alone, far together. It takes a little patience; it doesn't go super fast, but it helps address some of those bigger gnarly issues, and it can go really far.

With that, I'll see if we have any questions.

MR. LOPEZ: I have a question; most of them are positioning in my mind, because I've been working on understanding One Water for probably the last four years while I was Chair of this Council. I have been talking to people with Brown & Caldwell; are you affiliated with them?

MS. REYNOLDS: I am not, but we partner.

MR. LOPEZ: That's fine, no problem, but that's who I thought we were working with. But now, I've heard Keith say we've hired a consultant. So, is that Christin?

MR. OKAMOTO: Yes, it's Christin.

MR. LOPEZ: So, what's the term of that commitment?

MR. OKAMOTO: It is typically about a year, but it's really to help us integrate our department into the statewide effort of Hawaiʻi One Water. This is our skin in the game so that we are a relative participant in this overall statewide collaboration.

MR. LOPEZ: Your slide says the 2026 goal is to establish relationships and build county teams. How close are you to that for Hawaiʻi County in 2026, besides just the water department because that's only one department?

MS. REYNOLDS: This is a first briefing of you all; then we've had some conversations at our workshops, and we have a listing of the different departments. That's why I was previewing planning and all of those. The next steps would really be digging in to have those interviews and conversations and building that team.

MR. LOPEZ: Within the Department?

MS. REYNOLDS: I think it's more broad.

MR. LOPEZ: In my conversations over the years on this, the toughest nut to crack is getting the departments together or recognizing that they are a part of this issue, planning, wastewater, and on and on. I did an ISO project many years ago, and the toughest nut to crack is getting them to get out of their silos and saying yes, I'll be a part of that, or I'll commit somebody to that. It takes a top-down approach. Is the Mayor's office on board with this? Does he know about this? Because he's the driver, right?

MR. OKAMOTO: Since you brought it up, we have a meeting scheduled with the mayor sometime in early August.

MR. LOPEZ: Without his commitment this is not going to go—

MS. REYNOLDS: There are a couple of ways, but with his commitment that's the best way, so that's where we're going next.

MR. LOPEZ: You can tell I have a vested interest in this. I'm very happy you're here. I started this conversation in April 2025, and finally it's here. Thank you very much.

MR. ALAMEDA: Thank you for sharing your background and getting us familiarized with you. You mentioned that back in your younger days you lived around a lake that was possible to drink. With that said, now we're including wastewater in this One Water; are we looking to make wastewater eligible to drink? One Water, right? Trying to bring us together as One Water. Or is One Water just the mentality part of working with the water we have in front of us, so all the groups, when we come together to meet to talk about the water, we come as a group under One Water?

MS. REYNOLDS: Yes.

MR. ALAMEDA: Then when we depart, we depart under Hilo, Kona, Oʻahu, and we work with our water individually. So the One Water is the mentality of it?

MS. REYNOLDS: It's primarily the mentality; however, the Department of Health is involved in the statewide network. So this umbrella of Hawai'i One Water is supposed to connect all of the places, and also the state, to talk about exactly what you're talking about is how do we want to define it, what do we want to look at, and the Department of Health is open to looking at all different types of reused water. All the way to drinking is, I think, a bit far out, and that's not the primary goal of One Water. The primary goal is what you're talking about, that mentality to find those connections and to find those optimized solutions that serve all of the values in the system as opposed to just looking at it through one lens or one perspective.

MR. OKAMOTO: To build upon what Christin just said, great question, Guy, because you have to start off with an idea. It's a nationwide effort that I think they're recognizing that the resource has to be valued at all stages. For us, it's from the clouds to the watershed to the aquifer, the streams, to us using it, to people using it, and then going to the wastewater stream. A lot of us realize the importance, but I think it's been identified already, in our own particular silo's or our own particular kuleana, on how we have to deal with the particular form of water. I think first of all we need to get on that same page. For us to talk story, we all need to be on the same page. If someone doesn't want to believe in the idea, it's hard for them to participate in a collaborative way. We're hoping the first step, as Kawena mentioned, we have to try and take that first step and have that talk story with the Mayor. From what I see, there is participation in these Hawai'i One Water discussions from our county wastewater folks; that's a promising sign already. What we don't have on the Big Island that is pretty much only on O'ahu is stormwater. We don't have a system that connects all of the runoff from the streets, so that's not something we really can pursue right now, but there are other things we can do. But we aren't quite ready to go toilet to tap yet.

MR. LOPEZ: No, but it's technologies that wastewater can employ to create water for agricultural purposes, and that saves the drinking water.

MR. OKAMOTO: Exactly.

MR. LOPEZ: That's what we were trying to get to.

MR. ALAMEDA: From farm to table. When you work with wastewater, a lot of the wastewater after it goes through its process is just thrown away, but if it can be recycled back in, to fall under the One Water talk story conversation, now we're actually closing the loop. So when everybody comes in, whoever you are, wherever you're coming from, you're coming into this session under One Water; we'll all be in one frame of mind; nobody is going to be outside unless you want to stay there. One Water is who we are, and you're leading One Water, so they'll all follow your lead. Thank you for starting that.

C. DEPARTMENT OF WATER SUPPLY TABLE OF ORGANIZATION – PROPOSED REVISIONS:

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

The Department is proposing to update its table of organization to align with current needs and future goals. As such, the Department proposes the following revisions:

1) ADMINISTRATION
   a. Add the following to the Secretarial Services Section (Chart II-A)
      i. One (1) Office Assistant III
   b. Add the following to the Contracts Services Branch (Chart II-A)
      i. One (1) Supervising Contracts Technician

2) FINANCE

a. Add "Financial Reporting and Compliance Branch" and the following positions to the branch (Chart IV)
    i. One (1) Accountant V
    ii. Reorganize Accountant II
    iii. One (1) Accountant Trainee
b. Revise the Support Services Branch as noted below (Chart IV)
    i. Reorganize Accountant III
    ii. Add One (1) Accountant I
    iii. Delete Data Entry Operator

3) OPERATIONS DIVISION
a. Add the following to the Field Operations Section in District I (Chart VI-B)
    i. One (1) Groundskeeper II in place of Waterworks Keeper in the Ground Maintenance Unit,
    ii. Two (2) Water Meter Mechanic Helpers to the Meter and Hydrant Unit
b. Add the following to the Trades Support Section in District II (Chart VII-B)
    i. One (1) Waterworks Helper
c. Add the following to the Electrical, Mechanical, and Treatment Section in District II (Chart VII-C)
    i. One (1) Water Plant Electrician Mechanic Helper,
    ii. One (1) Water Plant Operator,
    iii. One (1) Water Treatment Plant Operator I,
    iv. One (1) Water Treatment Plant Operator Trainee
d. Add the following to the Trades Support Section in District III (Chart VIII-B)
    i. Two (2) Waterworks Helpers
e. Add the following to the Electrical, Mechanical, and Treatment Section in District III (Chart VIII-C)
    i. One (1) Water Plant Electrician Mechanic Helper,
    ii. One (1) Water Plant Operator
f. Add "Trades Support Section" in District IV and the following position (Chart IX)
    i. One (1) Equipment Operator II
g. Add "Electrical, Mechanical, and Treatment Section" in District IV and the following position (Chart IX)
    i. One (1) Water Plant Operator

RECOMMENDATION: It is recommended that the Water Board approve the proposed position revisions and reorganization of the Table of Organization.

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

MR. UYEHARA: If I can take a couple of minutes and give some background. The Department's mission is to provide an adequate and continuous supply of safe drinking water in a financially responsible manner, and to do that, we have our workforce, which is represented in our table of organization. The customers that we serve, we have about 48,000 accounts islandwide, which equates to about 120,000 people on the island, a little more than half of the population of Hawaiʻi Island. That population is geographically in 23 public water systems that our staff islandwide need to operate and maintain on a 24/7, 365-day basis. The reason that we bring these agenda items to the Board, we try to do it every couple of years, bring it to the Board as we reevaluate needs within the Department for current needs and future goals. It requires personnel and a workforce. These positions or changes that we are proposing today revolve primarily around recruitment purposes and career progression opportunities, which are also tied to retention within the Department, improving operational efficiency, and ultimately the service that we provide to our water customers. Again, it is extensive, but we try to limit this to every couple of years, coming back to the Board to review and reorganize or adjust our table of organization. Again, these positions, just by adding them to the table of organization doesn't mean that we are going to fill them right off the bat; there still is a process. We fill as needed, and once the Board approves these positions, we still have to work with the County Department of Human Resources to create these positions before we can actually advertise these positions to recruit. With that being said, I'll try to go through these charts, and if there are any questions at the end, we can discuss that.

The first chart we have is Chart II-A; the chart numbers are in the upper right-hand corner. This is our Administration Division, which involves an Administrative Services Branch, for which we're proposing to add an Office Assistant III for career progression. For our Contracts Branch, we're proposing to add a Supervising Contracts Technician. These are positions that provide career progression and retention opportunities.

If you flip to Chart IV, this is in our Finance Division. This one we're actually creating a new branch under the division, which is headed by Candace, our Waterworks Controller. The proposal is to add a Financial Reporting and Compliance Branch, and this is primarily to handle our annual audits and any type of compliance requirements by GASB (Government Accounting Standards Board), requirements that the Department has to abide by. Within that branch, there is a new position for an Accountant V and also a training position. We've noticed in the past, the last five to eight years, that creating these training/entry level positions helps us to recruit and get somebody into our Department and ideally help them grow in the department and develop and see career progression. That's the purpose of the training position. In addition, on the right side, there's a new Accountant I position; again, it's an entry-level position for the Support Services Branch. Just for awareness, in that branch we're also removing a position, the Data Entry Operator, just because it hasn't been filled and doesn't meet the needs of the Department already. We have to bring it to the Board because, per our Rules, the Board needs to know when there are adds or deletions from our Table of Organization.

If you go into our next Chart VI-B, we get into our Operations Division. District I is the Hilo side. You'll see under the Ground Maintenance Unit, the Groundskeeper II position is a new position. Under the Meter and Hydrant Unit, you'll see two new Water Meter Mechanic Helper positions. Again, these are entry-level positions, and as we've talked about goals, if we want to talk specifically, one of these goals – well, these folks take care of all the meters across the island and operating and maintaining fire hydrants across the island and replacing as necessary, and there is a lot. Currently there are three folks in that group, but they aren't all filled right now.

The next is Chart VII-B. We're moving to District II, which is the Waimea side. We are adding another entry-level position in the Helper position.

If you flip to the next one, Chart VII-C, we're staying in Waimea, District II. These positions on the left side, again, entry-level positions, Water Plant Electrician Mechanic Helper and Water Plant Operator are another new position for redundancy. In that section under the Water Treatment Plant Operators, these are the folks that operate our Waimea Water Treatment Plant, and we're proposing to add in a Training position and an Operator I position to provide for recruitment opportunities internally within our Department or externally, while also adding the ability to progress up to the Operator II or the Lead Operator positions.

<u>MR. LOPEZ</u>: So, up till now, we've had to hire at a certain proficiency level? Did we not have trainees?

<u>MR. UYEHARA</u>: I believe right now, and Greg correct me if I'm wrong, we've had to previously take one of these existing positions, the II's, and downgrade them for recruitment purposes. That's the procedure with County HR. For recruitment purposes, we put it down to a training position and then, as

they get experience and meet certain levels, they move up to the regular position. But now, it's proposed to just create a permanent position.

MR. LOPEZ: So you can, today, take an existing position, downgrade it for recruiting?

MR. UYEHARA: We could.

MR. GOODALE: It's a very cumbersome process.

MR. LOPEZ: I can only imagine.

MR. OKAMOTO: Not only that, you kind of lock up that position where you could have had a need at that level plus the trainee level, but you can only do one because you reallocated one down.

MR. LOPEZ: So, this helps solve that issue?

MR. OKAMOTO: Yes.

MR. UYEHARA: Good question. Next chart, Chart VIII-B, we're in Kona, adding two new Waterworks Helper positions. As you'll see, as we go to the next Chart VIII-C, similar structures within the Hilo, Waimea, and Kona base yards, we have similar proposals. In Kona again, we have the Water Plant Electrician Mechanic Helper and Water Plant Operator.

For our base yard in Kaʻū, District IV, the new positions are Operator II, usually that's on the machines, and then another Water Plant Operator. For this base yard, we also had to create new sections, the Trades Support and the Electrical, Mechanical, and Treatment Section, to mirror the sections that we have in Hilo, Waimea, and Kona.

Just FYI, if you're curious, a Water Plant Operator does have different duties versus a Water Treatment Plant Operator. A Water Plant Operator typically is staff that, each day, checks our water tanks and the chlorination systems of our well sites.

CHR. KEKELA: Does that mean because service is growing in that area?

MR. UYEHARA: In where?

CHR. KEKELA: In Kaʻū?

MR. UYEHARA: This is to add a specifically new position for that base yard.

MR. OKAMOTO: I think part of it too, and Greg, chime in at any time, but right now support has to come from other districts, and we only have four districts, and you know how big our island is. We have a 4,000 square mile island; each district is probably bigger than Oʻahu geographically. I'm not quite sure why, but we are a little short on the helper positions in some of the other districts like Waimea and Kona. Typically we'd like several helpers to a pipe fitter that fall under a lead. We're just trying to get some balance and provide opportunities, again, for recruitment so entry-level that we can bring some people in with little experience, maybe sometimes hardly any, and then other positions are created so that we allow for internal as they get the experience they can move up to a pipe fitter or a lead and then help the department do what it's got to do.

MR. LOPEZ: One of the things, and it's probably premature at this point, where does your project management come from? One Water as an example. How does that fit into what organization, the venue, how is that managed?

MR. UYEHARA: Primarily our engineering division, project engineers and project management. For the well repairs, it would fall under Greg's staff with the mechanical engineers. Primarily, a lot of our planning tools come under engineering.

MR. LOPEZ: Presently you don’t need any heads?

MR. OKAMOTO: We have the positions; we just need some people to fill them.

MR. LOPEZ: You have existing positions?

MR. OKAMOTO: Yes.

MR. UYEHARA: In 2024, we brought some of the project management positions to the Board, which was approved.

MR. LOPEZ: Thank you for that.

MR. ALAMEDA: For me, it’s making me excited watching you do what you’re doing and what you did to create jobs. You guys are creating jobs within the department for those people to progress upwards and for entry-level people who come in from the training positions or basically come off the street, and you can work; we’re going to get workers to help us out, to improve, to be effective, to be efficient, to work safely. It makes me excited, as a working man myself all those years; it still gives me excitement to know that you guys are bringing people in. Whether the current workers understand or they like what is happening, they might have some negativity about it due to their union status, but that’s up to them. As a company, we are doing what we need to do to get them help, whether they want that help or they want the overtime, but who are we if we aren’t controlling your work status? We need you to rest, so we are creating jobs for you and others behind you. Thank you, guys, for what you are doing; it is a great job. It’s hard to put together, but you guys are doing good at it. It seems like you guys are doing well without the intertwining everybody together, all bases coming with the internet and everything; you guys are doing it by hand. Keep up the good work.

MR. OKAMOTO: Plenty of stuff is still old school.

MR. ALAMEDA: Once we lose all that technology, we’re going to have to go back to the old school. You guys get ‘um, thank you.

MR. UNGER: Roughly, I count 17 new positions, 17 old positions needing to be filled, creating a new branch, so where is all this money coming from to pay for these new additions?

MR. UYEHARA: That’s a good question. Annually, when we prepare our personnel budget. First, it would be the Board approving the positions; then, as there is a need to fill, say County Human Resources created the position, then that position would need to be in our annual operating budget, which we do annually.

MR. OKAMOTO: We do have a budget for extra positions that we’ve had a hard time filling. This is part of that strategy to hopefully create new entry-level positions so that we can bring them in at that entry-level position with minimal experience and have them progress through because our current table of organization, as has been mentioned prior, some of these positions you have to have a certain skill set or what they call minimum qualifications to even get in the door through County HR to get your name as an approved applicant. Without those minimum qualifications, you won’t even get onto the list. Great question; we do have budget, not for all seventeen positions, but again we’re not intending to fill all of them. It will just give us the flexibility to recruit knowing what the current workforce availability might be in the environment out there, which gives us a little bit more flexibility in how we strategize our recruitment efforts, whether we go for the higher-level type positions or maybe we have to start recruiting at the entry-level. It will take some time to get them where we need them to be, but at least we'll have somebody there to assist us. Somebody that we can train is better than nobody at this point.

MR. UNGER: Understood, so it sounds like it's planning for future hiring; this is the need and year by year, annual by annual, there will be a slow trickle into the workforce, but boy when you balance 17 new positions, filling seven old, creating a new branch, and you pair that up with your priority list of capital improvements, that is a substantial amount of money that is not currently in the budget.

MR. OKAMOTO: Correct.

MR. UNGER: So noted.

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

D. MONTHLY PROGRESS REPORT:

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

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

MS. UYENO: Starting with the first page, we have our Lālāmilo 10MG reservoir; we've been reporting on the completion of the concrete pouring of the tank. Tomorrow, Wednesday, we plan to pour the last roof quadrant, and that will complete all the concrete pouring, which will then make it an enclosed structure. After we are done with the concrete, we will be bringing in what they call a wrapping machine that will wrap a coil around the tank to make it a prestressed tank, and that machine they plan to have on site around August 10th. It takes a while to set it up, so work will start about a week after that. Then, the actual wrapping of that tank, which includes sandblasting the surface, wrapping the tank, and then shotcrete over the wrapping, will take approximately six weeks. From there, pretty much our tank will be almost complete as far as just the structure itself.

On page two, we have an update on Iki Place Water System Improvements; that's an improvement district. That contract was awarded July 16th, and we issued a notice to proceed of August 22nd, and the contractor is Isemoto Contracting. If you remember, they were asked to hold up until we could finalize our improvement district with the County Council. We anticipate, although we're giving them a notice to proceed of August 22nd, it will probably be a couple months for them to secure their materials and get their permitting and all that in place, so we probably won't have any construction for about ten weeks or so. That one will be starting in the next couple months.

Page three, the 2018 Kīlauea eruption projects. Currently we have Highway 137; we basically completed the installation of all the waterline between Kapoho toward Pohoiki, and they're doing preliminary pressure testing prior to them actually finishing building the road to make sure that they don't need to go back in, and that includes all the hydrants and service laterals have been installed.

As far as our Pohoiki project, we put in approximately 10,500 linear feet of waterline, which is about two miles out of the four and a half miles, although we still have to put in some of the service laterals, and so that is ongoing. That's about all I have, if you have any questions.

MR. LOPEZ: I just have one observation. The Nalani Street Water System, just because I looked it up about three years ago, I understand that it's been held up because the councilman wants to have another meeting, but is there any follow-up? I mean, it's blank. Why are we carrying this if there is no activity for a long, long time? Or is anybody following up on it? I see there's a PE, RQ.

MS. UYENO: We do have an engineer. Because it's an improvement district, we like to have the community that's being served–

MR. LOPEZ: Oh, absolutely,

MS. UYENO: Right. There was a push, but now there isn't.

MR. LOPEZ: So if there's not a push, and it sits here for an awful long time like this, do you do anything to try and take it off the books?

MR. OKAMOTO: We could; we're not expensing it at all at this point.

MR. LOPEZ: It's up to you; I was just wondering if there's any follow-up. Or, we'll get a new council member–

MR. OKAMOTO: It's hard, like you said, Kawena. It came up, and then it kind of fizzled, then it came up again with some interest.

MR. LOPEZ: Well, we'll get a new councilmember in District Seven, so that might help.

MR. OKAMOTO: We'll see.

MS. UYENO: Just some background, improvement district requires the cooperation of the residents that it's going to serve because they pretty much have to invest in it also; there's a financial component to it too.

MR. LOPEZ: We're a long way from that; they haven't decided to even do it yet.

E. 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, the financial statements that we have at this meeting are for the final month of our Fiscal 2025-2026, June 2026. This is our, I guess, first financial statement for June. We usually do initial closing and then a final closing next month after we do our end-of-the-year adjustments. For our first financial statements for June 2026, the new explanations that we added on your cover sheet on the first page of our memo include construction work in progress as of June 2026, which increased 46% or $4.3 million from our prior year, and that's primarily due to our increase in payments for construction and repair projects, including big projects like Lālāmilo 10MG reservoir. We've also added our net contributions in aid of construction that decreased 47% from the prior year, primarily due to a decrease in receipts for our facilities charges. As far as new items, that would be it for this month.

Jumping over to our income statement on page five, we're ending the year in a net income of $6.7 million, which is great because it puts us in a good position at the end of the year. Going to our budget status report on page six, at the end of the year we're reporting 98% as far as our receipt income at $76 million, and for expenditures we're at 78%. Of course, that doesn't include our transfer to the CIP reserve. So again, we're in a good position, close to our targets at the end of the year.

On the last page regarding our budget status report, I do have one item that's been added, our miscellaneous income totaling $1,425,364.00, and that exceeds our budget of $640,000.00 due to the principal forgiveness of the Lead and Copper Rule Revision Compliance. So, for that contract, it was funded through our SRF loan, which was totally forgiven, and so we report it as miscellaneous income.

MR. LOPEZ: I know we've talked about this before, and it's been years, so I forgot about it, but what happens to the net income at the end of the close? What happens to those funds?

MS. GRAY: We will transfer it to our CIP reserve.

MR. LOPEZ: CIP, okay, I remember that.

MR. OKAMOTO: Then you'll take another stab at the year-end numbers and present that to the Board next month also? The more finalized fiscal year ending June 2026 with the transfers and double-checking on what payments we made through the end of June and stuff like that and putting that all together?

MS. GRAY: Yes.

MR. OKAMOTO: So there's another one coming; next month you'll see two.

MS. GRAY: And you'll see the transfer to the CIP reserve.

MR. LOPEZ: So on the last statement, on July 1st, we'll have zero net income after the transfer if we were to take a snapshot?

MS. GRAY: In the July statements, and that starts another year, so at the end of June, generally, our net income is transferred to the CIP reserve and that ends that fiscal year and we'll restart in July. I guess on day one we would be starting at zero.

MR. LOPEZ: That's what I was asking. Thank you.

F. MANAGER-CHIEF ENGINEER'S REPORT:

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

1. North Kona Wells

MR. UYEHARA: For North Kona Wells for this month, 12 of the 14 sources are operational or available to use. The two that are down are Honokōhau Well and Hōlualoa Well. For Honokōhau Well, we received the spare equipment, and it's at the site. We still need some work to be done on the operations side before we can install the spare equipment. That one we're looking at possibly end of August to get that back up and running.

Hōlualoa Well, this one we had to step back a little and reevaluate the source because it wasn't one of our primary sources before it broke, so Greg and his staff are relooking at the specs of the motor and the pump, then are going to reevaluate what exactly we need to put out to bid. That timeframe is to be determined.

MR. LOPEZ: When failures occur, and people are without water, we get these notices from Jason, and I want to say how much I appreciate not only knowing that, but also communicating that our teams are out there, right then and there, solving that problem, and it gets solved quite often really quick, and sometimes for whatever reasons it takes maybe a few days, but you're on it and that's really good to see in here. Tells me about the efficiency and responsiveness of this team.

MR. OKAMOTO: Thank you for that, Kawena.

2. 2026 HWWA Conference – November 4-6, 2026 – Wailea, Maui

MR. OKAMOTO: We have the HWWA Conference happening November 4th. We did poll the Board members and have four members interested, so we will be registering them. Should be a good one, again, and it's going to be in Wailea, Maui. HWWA was created some years back by the former Manager-Chief Engineer from our island, and basically he made this organization to really get the four municipalities together, and it's evolved into another great conference; good technical sessions. Even beyond that, to me, the real benefit is the opportunity to network with our counterparts from other counties, including at the board level. I know people send their board members, we send some of our board members, then our staff gets to interact with their counterparts from other municipalities and share what works and maybe what doesn't work well, things like that. Nick, I know that you're new, but there are opportunities coming up in February in Oʻahu and another one in June. Those are great for board members to attend; beyond the networking, it's just a better understanding of water utility things in general, so keep on the lookout for that.

MR. LOPEZ: I'm happy to hear four board members; we don't usually get four, which is our limit to go. I came onto One Water, and this is my last year on the Board, but you'll pick up nuggets of information by going to these seminars. You can trace the track of the topic across the days of the presentations, so pick the ones that interest you. I really encourage all of our board members to attend some of the conferences, if you can't attend them all. Some of us have work, and I know you can't get away, but they are excellent. That's how I latched onto One Water back four years ago and just stayed with the track, understanding it, learning it; it interested me, and a year ago I asked for a presentation to get the Board on board. Anyway, my point is that you will gain a lot of information; you pick and choose what areas you like, and if it's something that interests you, drive it.

3. Retiree: Helen Cortez-Baptista – Meter Reader II

MR. OKAMOTO: The next one holds mixed emotions for us, items three and four. We're happy for them and bummed for us because they are both going to leave huge gaps for us to fill because of all of their experience. These two have been total gems of employees over their tenure with us. I'm going to ask their division heads to say a few words. We'll start with Greg for Helen.

MR. GOODALE: As Keith said, when you have folks like the ones we are recognizing today, it is very difficult to replace. Obviously, what we've discussed earlier with our organization chart gives a good understanding why we try to get people on the entry level because, for me specifically, speaking to Helen Cortez-Baptista, she's just become our go-to person for that district, especially when we talk about going out to individual customers, down to you hear the thing, "it's the pink mailbox at the end of the road" or "the mango tree" and that's real stuff. We're trying to catch up to modern day, but that kind of thing still exists out there on the Big Island, and without somebody like Helen to guide some of our new folks, you have a huge gap in there. Another thing I want to say is I've been very fortunate that I've been able to work with both Helen and her husband, who is here today, Ernie, whom I've worked with at the Department of Environmental Management prior to coming to water. I consider myself very fortunate to have been able to know the two of them but much less work with them; just outstanding people across the board. Workwise, unparalleled, but just as individuals, just superhuman beings. Fortunately, living on the Big Island, we know we're going to see them throughout time, but again, I can't say enough good things. Just to read a little bit of Helen's history with us, she began working for the Department of Water in 1996 as a Clerk/Meter Reader, and she was promoted in November 2004 to Customer Service

Representative I. In 2008, she was promoted to Meter Reader II, which is the position she currently holds, only for a couple more days. Obviously, long history with the department, is going to be sorely missed, but we definitely wish you well in all your future endeavors. It's been a pleasure across the board; thank you.

MR. OKAMOTO: This is thirty years we've been working together. It's almost like extended family; I guess that's the sad part.

4. Retiree: Kathleen Isherwood – Water Service Program Supervisor

MR. OKAMOTO: Kathy is another one that's going to be sorely missed; she has a good head on her shoulders and can communicate with various demographics. For her, I'd like to ask Candace to say a few words.

MS. GRAY: Sad for the Department to see Kathleen Isherwood, our Water Service Program Supervisor, retiring after almost 32 years. As Keith said, she'll leave a big gap for us, customer service, finance especially. Kathy has been the leader of our customer service section. She was very instrumental in leading the improvement of our collection efforts, very instrumental. We could depend on her, and because I can depend on her, it makes my job, and a lot of other people's jobs, easier. That's why I say it's sad for us but really happy for her because she earned it; they've both earned it.

Just a little background, Kathy started with the Department almost 32 years ago, and she's held five different positions. She started as a Clerk/Meter Reader, then she was promoted to a Customer Service Representative I position, then she went on to the Data Processing Control Clerk I. After that, she was promoted to the Assistant Water Service Program Supervisor, then promoted to her Water Service Program Supervisor position.

MR. OKAMOTO: Thank you, Candace. And that's what we're trying to do with the Table of Organization; create a culture where people want to stay with us for their full career. We have two prime examples right there. The hard part is that when they go, it's a massive hole.

G. CHAIRPERSON'S REPORT:

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

CHR. KEKELA: To touch on what Kawena was saying, conferences are good for us to go to because you get to meet, like I just recently met Helen at the ACE/AWWA Conference, and it's a good time to connect with the people that keep the Department running. It's more personal; it's a good way to build camaraderie and get to see the good people that we are in charge of.

9) ANNOUNCEMENTS:

- **Next Meeting** – August 25, 2026, 10:00 a.m., Department of Water Supply, Hilo Operations, 889 Leilani Street, Hilo, Hawaiʻi

10) ADJOURNMENT:

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

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

(Meeting adjourned at 11:54 p.m.)

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Recording Secretary

APPROVED BY WATER BOARD
August 25, 2026