

MINUTES

REGULAR MEETING
OF THE
BOARD OF WATER SUPPLY

November 27, 2017

At 2:03 PM on November 27, 2017 in the Board Room of the Public Service Building at 630 South Beretania Street, Honolulu, Hawaii, Board Chair Andaya called to order the Regular Meeting.

Present: Bryan P. Andaya, Chair
David C. Hulihee
Ray C. Soon
Ross S. Sasamura
Jade T. Butay

Also Present: Ernest Lau, Manager and Chief Engineer
Ellen Kitamura, Deputy Manager and Chief Engineer
Erwin Kawata
Mike Fuke
Jason Takaki
Joe Cooper
Kevin Ihu
Kathleen Pahinui
Henderson Nuuhiwa
Robert Morita
Michele Thomas
Mike Matsuo
Barry Usagawa

Others Present: Jeff Lau, Deputy Corporation Counsel
Jessica Wong, Deputy Corporation Counsel
David Ebersold, CDM Smith
Chris Harris, CDM Smith
Chris Cleveland, Brown & Caldwell
Susan Uyesugi, SSFM International
Edward Hirata
Mayor Kirk Caldwell
Georgette Deemer, Deputy Managing Director
Joseph Stewart, Kobayashi Sugita & Goya

Absent: Kapua Sproat, Vice Chair
Kay C. Matsui

APPROVAL OF
MINUTES

Approval of the Minutes of the Regular Meeting held on October 23, 2017

MOTION
TO APPROVE

Ross Sasamura and Ray Soon motioned and seconded, respectively, to approve the Minutes of the Regular Meeting of October 23, 2017. The motion was unanimously carried.

ITEM FOR INFORMATION NO. 1

“November 27, 2017

FINANCIAL
PLAN AND
RATE STUDY
UPDATE

Chair and Members
Board of Water Supply
City and County of Honolulu
Honolulu, Hawaii 96843

Chair and Members:

Subject: Board of Water Supply Financial Plan and Rate Study Update

Joe Cooper, Waterworks Controller, and David Ebersold of CDM Smith, will present an update of our Water Master Plan Financial Plan and Rate Study.

Respectfully submitted,

/s/ ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

Attachment”

The foregoing was for information only.

DISCUSSION:

Joseph Cooper, Waterworks Controller, and David Ebersold of CDM Smith provided an update on fixed charges, fire protection charges, and subsidies for affordable housing, homeless, and fire sprinkler installation projects.

Mr. Cooper’s presentation included the Board of Water Supply’s (BWS) current billing charges, the three commonly used fixed charge allocation methods in the water industry, recovering a percentage of costs through either higher fixed charges or lower fixed charges, examples of how fixed charges vary by meter size and how other counties in Hawaii charge their customers, and the Stakeholder Advisory Group’s (SAG) input on fixed charges at the November 13, 2017 meeting.

Chair Andaya asked if the \$9.26 billing charge is the same for all customers, regardless of any factors, and if that amount covers BWS’s costs listed in the presentation. Mr. Cooper answered that the billing charge is the same for each customer and is based on the cost of service study, which is designed to recover BWS’s costs to provide service. Mr. Andaya inquired when the last time the fixed charge was adjusted. Manager Lau answered July 1, 2015 and added that at that time, the public questioned why the fixed charge was the same for both small and large customers. The City Council recommended BWS to look into it. Mr. Lau explained that 7 percent of the total revenue is from the fixed charge and 93 percent is from usage charges. The philosophy is that having a smaller fixed charge empowers customers to practice more water conservation by giving them more control over their bills.

Mr. Andaya mentioned that when the SAG was asked whether the fixed charge should be based on the meter size, it was difficult for them to respond, based on the information provided to them. Mr. Andaya asked what other information might be helpful. Mr. Cooper responded that there are different allocation methods to assess the fixed charge, and BWS didn't really have a specific one to present to the SAG, but is in the process of looking into how much it costs to maintain different sizes of meters.

Board Member Soon asked when will BWS be making recommendations to the Board so they can make their decision. Mr. Lau answered that they will schedule a Rate Workshop early next year to prepare the Board for the decisions they will need to make.

Mr. Soon asked if BWS could provide estimates of what the usage is for small and large customers. He feels that the fixed fees are probably so small for the large users, but he understands that they're paying significantly more for their water usage. Mr. Cooper stated that in a past presentation to the Board, they provided examples of the different groups of customers and how shifting the tiers would affect their water bills.

Mr. Ebersold began his presentation by going over the differing viewpoints about fire protection charges, how fire protection differs from other services, fire protection monthly charges of some of the other islands, private fire protection charge considerations, BWS's costs for private fire protection, Bill 59, estimated BWS Water System Facilities Charge for City Affordable Housing, recent requests for BWS fire deferrals for homeless shelters, Bill 69, fire sprinkler retrofit waiver, sample monthly subsidy amounts, the SAG exercise from the November 13, 2017 meeting, and preliminary results from the BWS's web survey of the general public as of November 8, 2017.

In regards to the SAG exercise, Mr. Andaya asked if the SAG was able to spend their remaining \$7.50 any way they chose. Mr. Ebersold answered that they were able to decide how to spend it, including keeping it for themselves. Mr. Ebersold added that he believes that some peer pressure occurs and the members feel compelled to spend their money on different subsidies when others are. However, in the web survey, there isn't that pressure to do so because of anonymity.

Board Member Butay asked how many responses BWS has received from the web survey. Mr. Ebersold answered that the results provided today are based on about 800 responses, however since then, the total responses are up to about 1,000. The results remain pretty constant even with the increase of responses.

Mr. Andaya asked if BWS does not subsidize for affordable housing and homeless shelters, and fire sprinkler retrofits. Mr. Ebersold responded that BWS currently provides subsidies only for recycled water, non-potable water, agricultural customers, and fire standby charges. Mr. Lau clarified that BWS does not have a charge for fire standby charges. Mr. Ebersold responded that BWS doesn't have a charge for it, but does bear the cost, which is spread to all customers. Mr. Lau added that the programs

Mr. Andaya mentioned are only things that have been proposed. Mr. Andaya asked if the amounts provided are just estimates. Mr. Ebersold replied, yes. Mr. Andaya asked if the Board can change those estimated amounts. Mr. Lau replied that as a policy-making Board, the magnitude of the subsidies to assist the different programs is in the Board's control. Mr. Lau stated it's the best guess at this point and that BWS continues to work with the Department of Planning and Permitting. Mr. Lau also emphasized that the amounts provided are just estimates that were based on the affordable housing plan that was issued in the draft. Mr. Soon stated that it is unlikely that 1,800 affordable housing units per year will be built.

TESTIMONY BY EDWARD HIRATA:

“Thank you, Mr. Chairman and Board Members. I’m Ed Hirata, former Manager of the Honolulu Board of Water Supply. I’m number four from the left up there. I’m here to testify against the waiving of all BWS fees, included in City Council Bills 59 and 69. Waiving the water system facilities charge for affordable housing and homeless shelter projects will adversely affect the BWS’s ability to provide water wells, reservoirs, transmission and distribution lines for all customers. Waiving meter and fire meter charges for the condominiums, adding sprinklers in their existing units, to me, results in public monies being used for private purposes. And I would strongly advise that that be looked at. Rather than waivers, I would recommend that the City administration use the 100 percent improvement district method to float bonds to fund these projects at low interest rates over a period of 30 years, and the condominium owners would be responsible for all costs of these bonds, and no public monies will be spent. That concludes my testimony. Thank you.”

DISCUSSION: There were no comments or questions from the Board. Mr. Andaya mentioned that they received notice that the Mayor would be attending the meeting to also provide testimony. Mr. Andaya stated that in the interest of time, he would move forward with the agenda items, and will reopen this item when the Mayor arrives.

ITEM FOR INFORMATION NO. 2

Quarterly Capital Improvement Program Status Report
All Divisions

Quarter Awarded	JUL - SEP		OCT - DEC		JAN - MAR		APR - JUN		Awarded to Date	Total Budgeted
Design Contracts Awarded (#/\$)	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00	\$16,420,000.00
Land Aquisitions (#/\$)	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00	\$2,000,000.00
Construction Contracts Awarded (#/\$)	4	\$878,797.15	0	\$0.00	0	\$0.00	0	\$0.00	\$878,797.15	\$94,348,000.00
Project Totals	4	\$878,797.15	0	\$0.00	0	\$0.00	0	\$0.00	\$878,797.15	\$112,768,000.00
Quarter Completed	JUL - SEP		OCT - DEC		JAN - MAR		APR - JUN		Totals	
Design Contracts Completed (#/\$)	5	\$1,537,731.00	0	\$0.00	0	\$0.00	0	\$0.00	\$1,537,731.00	
Construction Contracts Completed (#/\$)	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00	
Totals	5	\$1,537,731.00	0	\$0.00	0	\$0.00	0	\$0.00	\$1,537,731.00	
Ongoing Projects										
Ongoing Design Projects (#)	207									
Ongoing Design Projects (\$)	\$71,248,051.29									
Ongoing Construction Projects (#)	128									
Ongoing Construction Projects (\$)	\$270,601,421.88									

Quarterly Capital Improvement Program Status Report

All Divisions

DESIGN AND CONSTRUCTION PROJECTS AWARDED - FIRST QUARTER FY 2018

Item #	Project Title	Expend Type	Budget Amount	Awarded
017A	Hydropneumatic Tank Replacement at Kuou Wells II	CONST	\$426,576.00	\$426,576.00
017B	Halawa Wells Pumping Unit Replacement	CONST	\$174,430.54	\$174,430.54
017E	Waipahu Wells IV: Replacement of Pump No. 1	CONST	\$147,323.27	\$147,323.27
017J	Repair of Mililani Wells III Motor Control Center (MCC) & Motor	CONST	\$130,467.34	\$130,467.34
1st Quarter totals			\$878,797.15	\$878,797.15

DESIGN AND CONSTRUCTION PROJECTS COMPLETED - FIRST QUARTER FY 2018

Job #	Project Title	Completion Date	Contract Amount
2006-025B	Facility Repair And Renovation, East Honolulu	7/14/2017	\$302,640.00
2008-023C	Renovation and Reroofing of Various Pump Buildings and Beretania Public Service Building Cafeteria	7/28/2017	\$161,470.00
2011-031	Slope Stabilization at Hahaione 500', Kalama 170', Kamehame 500', and Waialae Iki 1080' Reservoir Sites	7/24/2017	\$679,488.00
2014-003A2	Construction Management for Woodlawn Drive 8-Inch Main, Job 13-015	9/21/2017	\$354,192.00
2014-051B	Reroofing of Pearl City 865, Waiau 550, Waiau 285 and Waimalu 217 Reservoirs	8/4/2017	\$39,941.00
1st Quarter totals			\$1,537,731.00

DISCUSSION: Jason Takaki, Capital Projects Program Administrator, gave the report. There were no comments or discussion.

2018 WATER
CONSERVATION
WEEK POSTER
AND POETRY
CONTEST

Chair and Members
Board of Water Supply
City and County of Honolulu
Honolulu, Hawaii 96843

Chair and Members:

Subject: 2018 Water Conservation Week Poster and Poetry Contest

We are pleased to announce the upcoming 40th Annual Water Conservation Week Poster Contest and 10th Annual Water Conservation Week Poetry Contest officially launching December 4, 2017. Students in grades K-6 are eligible to enter the poster contest, and students in grades 7-12 are eligible to enter the poetry contest.

The 2018 Water Conservation Week theme, “Conserve Water: Use It Wisely,” is intended to educate students of the importance of conserving water now to preserve our water supply for the future.

There are four poster contest categories – kindergarten, grades 1 and 2, grades 3 and 4, and grades 5 and 6. There are three poetry contest categories – grades 7 and 8, grades 9 and 10, and grades 11 and 12.

This year’s contest deadline is February 28, 2018. Posters and poems may be submitted to our Communications Office or any Satellite City Hall on Oahu (except Hickam). The winners of both contests will be announced on May 9, 2018, at an Awards Ceremony at Mission Memorial Auditorium. Winning and honorable mention entries will be featured in our 2019 Water Conservation Calendar, which will be available to the public at the end of 2018.

Contest information and entry forms will be posted on the Board of Water Supply (BWS) website by launch date and are included in the 2018 Water Conservation Calendars, which were delivered to teachers at Oahu’s public, private, and charter schools earlier this month. The 2018 Water Conservation Calendar you have received features the winning poster and poetry entries from last year’s contest.

As in years past, we are seeking sponsors to help offset costs to produce the annual Water Conservation Calendar and Poetry Contests. Sponsorships allow for a win-win marketing opportunity with tax-deductible benefits for our sponsors, while providing the BWS with financial support for this key effort to protect Oahu’s precious and finite water supply.

We look forward to seeing how Oahu students creatively express their thoughts in the 2018 contest entries, on the need to conserve water to sustain our island home. The thousands of entries submitted each year continue to demonstrate that the BWS' work to educate our island youth is effectively promoting our message of resource sustainability – Ka Wai Ola – Water for Life.

Respectfully submitted,

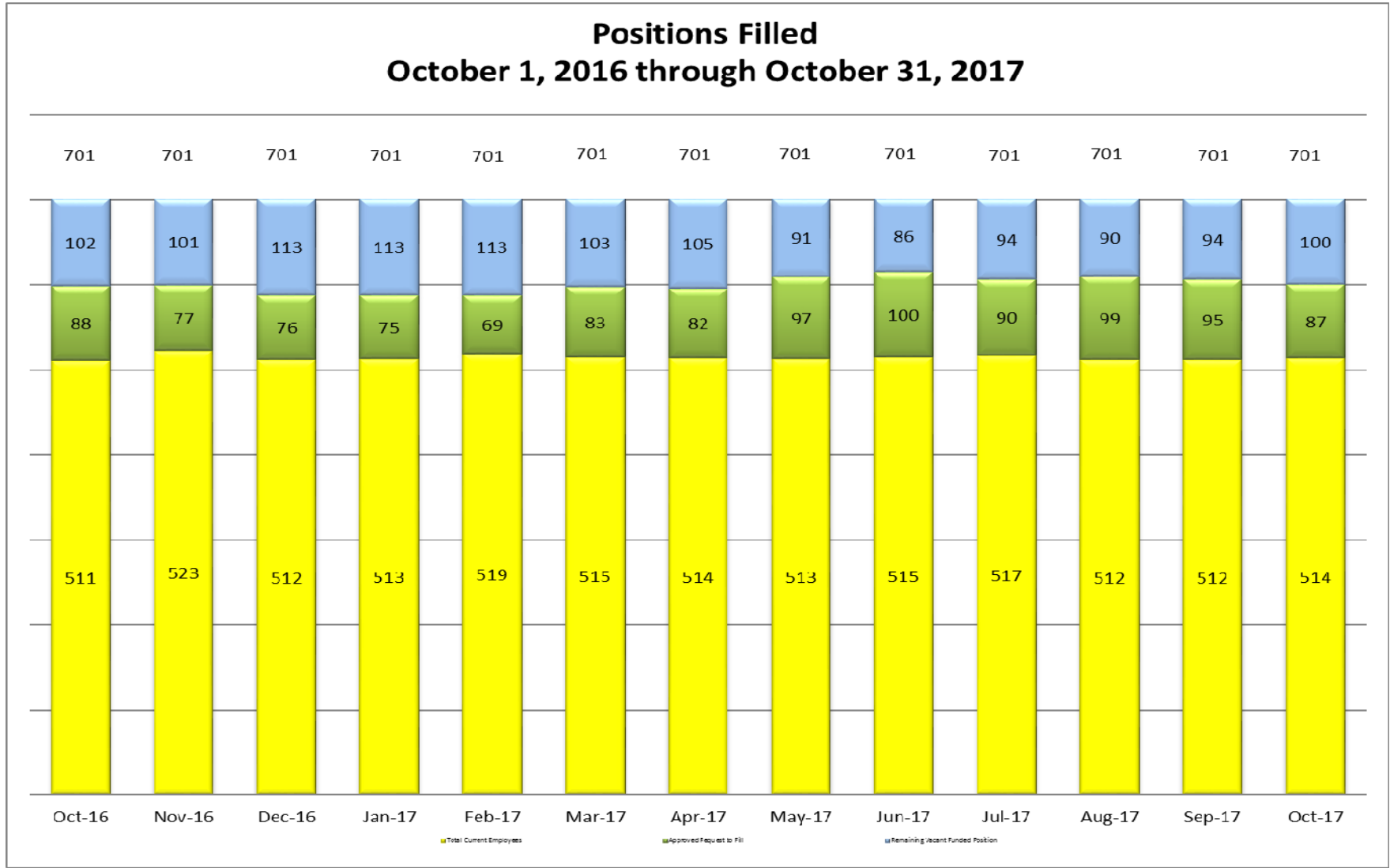
/s/ ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer”

The foregoing was for information only.

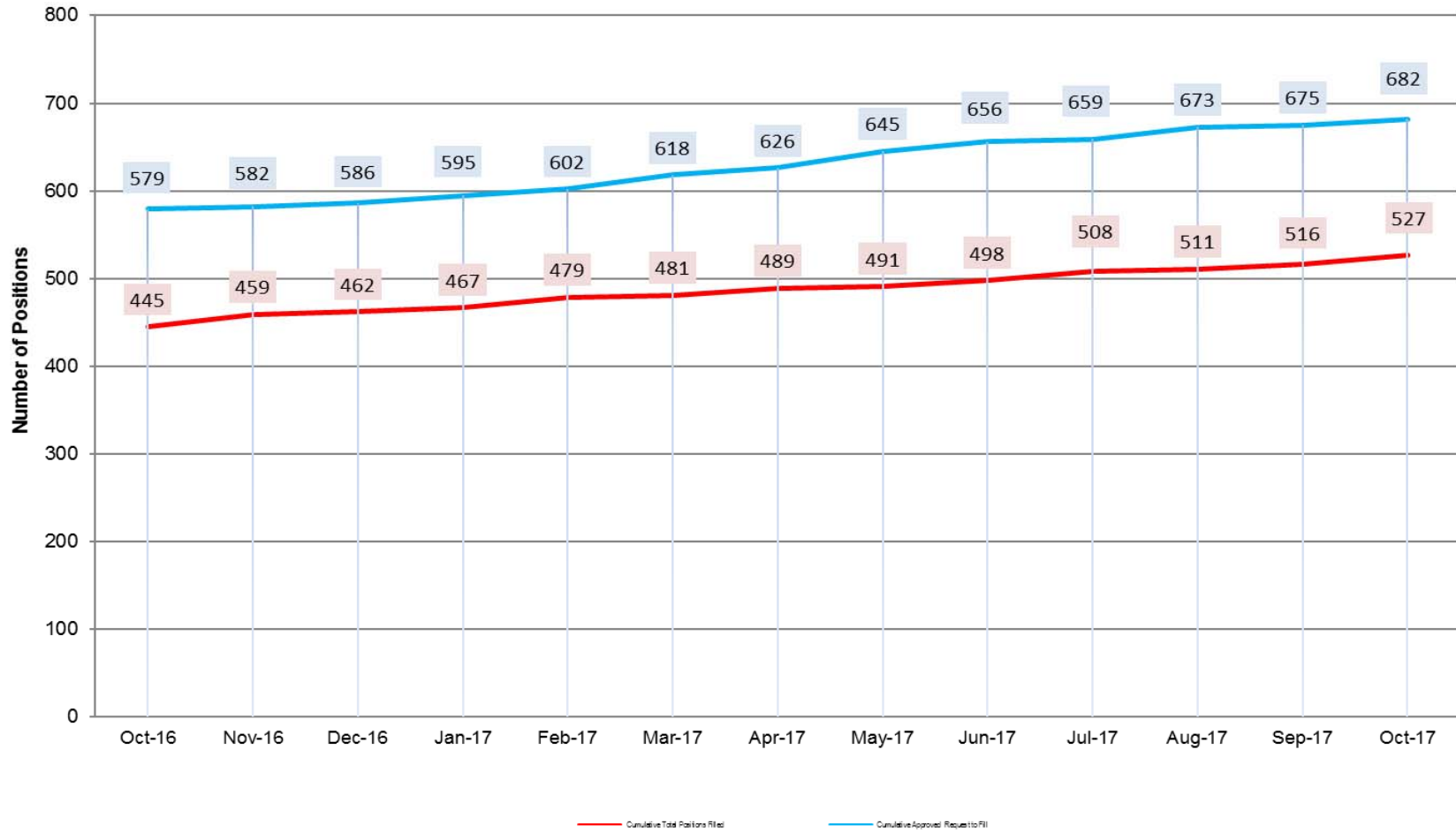
DISCUSSION: Kathleen Pahinui, Information Officer, gave the report. There were no comments or discussion.

ITEM FOR INFORMATION NO. 4

For the period Aug17- Oct17 Actions: 9 New Hires, 9 Promotions, 1 Demotion, 12 Separations, 23 New Approvals to Fill, 7 Cancelled Requests



Cumulative Totals October 1, 2016 through October 31, 2017



BOARD OF WATER SUPPLY
City and County of Honolulu

RECRUITMENT AND SEPARATION STATUS
For Period August 31, 2017 to October 31, 2017

Status of Positions Under Recruitment

	as of		
	8/31/2017	9/30/2017	10/31/2017
Pending DHR Classification Action	17	18	15
Pending DHR Open List	8	11	12
Pending IDCE	1	1	0
Pending Interview Questions	14	12	13
Pending Interviews	35	26	27
Anticipated Starts	24	27	20
Total Positions Under Recruitment	99	95	87

Filled Positions

Month	Aug-17	Sep-17	Oct-17
Open list	0	5	4
IDCE list	3	0	7

Separations

Month	Aug-17	Sep-17	Oct-17
Retire	2	2	2
Resign	3	3	0

DISCUSSION:

Michele Thomas, Human Resources Office Executive Assistant, gave the report. Mr. Soon stated that BWS has a difficult time recruiting and asked what the overall status is on this. Ms. Thomas replied that BWS compares similarly to other public service agencies with regards to recruitment. She described BWS's reputation as a "secure employer," so recruitment efforts are generally successful. Despite the lengthy civil service process, BWS does hire employees in a timely manner. Mr. Soon asked what is timely. Ms. Thomas explained that BWS is on par with the rest of the City and County in recruitment efforts. Mr. Lau mentioned to Mr. Soon that having served on the City's Administration, he should understand the process of having to work with the City's Department of Human Resources (DHR), so the recruitment process could take anywhere from three to six months and reorganizations could take up to a year. Mr. Lau also pointed out other struggles the BWS face – from an aging workforce to the challenges of filling upper management and high-technical positions. It is difficult to get good, qualified candidates when government salaries do not compare with the market salaries.

Mr. Andaya invited interested people watching on Olelo to submit their application to BWS. Mr. Lau agreed and invited the public to visit BWS's website at www.boardofwatersupply.com, or the DHR's website to see what positions are available.

ITEM FOR INFORMATION NO. 5

“November 27, 2017

SCHEDULE OF
MONTHLY BOARD
MEETINGS FOR
CALENDAR YEAR
2018

Chair and Members
Board of Water Supply
City and County of Honolulu
Honolulu, Hawaii 96843

Subject: Schedule of Monthly Board Meetings for Calendar Year
2018

Attached for your information is the schedule of Board Meetings for the calendar year 2018.

Respectfully Submitted,

/s/ ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

Attachment”

The foregoing was for information only.

DISCUSSION:

Mr. Lau informed the Board Members that the schedule is for information and hopes that the Board Members will attend so quorums are met. Mr. Andaya asked the Board to let him know if they have conflicts with the schedule. Mr. Lau requested that the Board contact Lesley Coon, the Board Secretary, to let her know of their attendance. Mr. Lau pointed out that a couple of meetings this past year had to be cancelled due to lack of quorum.

BOARD OF WATER SUPPLY
CITY AND COUNTY OF HONOLULU

2018 BOARD MEETING SCHEDULE

Board Meetings are scheduled for the fourth Monday of each month at 2:00 p.m., in the Public Service Building (PSB) Board Room, unless otherwise noted.

January 22

February 26

March 27 (Tuesday)*

April 23

May 29 (Tuesday)**

June 25

July 23

August 27

September 24

October 22

November 26

December 17 (3rd Monday in December)

*Monday, March 26 is a holiday

**Monday, May 28 is a holiday

Mayor Caldwell arrived, so Mr. Andaya reopened Item for Information No. 1, BWS Financial Plan and Rate Study Update.

TESTIMONY BY MAYOR KIRK CALDWELL:

“Good afternoon and aloha. It’s good to see all you guys. Here to make a request, or renew a request. Back in February of this year, which is coming to an end, I gave my State of the City speech, in which I focused on just one thing and one thing alone, and that was affordable housing. And since then, we have two bills that sit before the Council, 58 and 59. Fifty-eight deals with regulations, 59 with incentives. But in my speech in February, I talked about incentives that the City is going to provide for affordable housing. And those included eliminating sewer hook-up fees. We got ENV to agree to waive those, and on average is about \$3500 - \$4500 per unit for sewer hook-up. We’re eliminating park dedication fees. We’re eliminating DPP application and permit fees. We’re waiving real property tax increases during the construction period. We’re eliminating real property tax payments for affordable rental units during the 30-year affordable rental period. So for the entire period, if it’s all rental that you build, you pay no real property tax. We’re providing density bonuses and reducing parking requirements in addition, for more affordable units. We’re going to expedite building permit process for qualified projects. And no. 8 was I’ll be meeting with the Board of Water Supply to waive their water hook-up fee. That was in late February. In early April, I wrote a letter to the Board of Water Supply making such a request. And then I came here in April, before the Board, asking you to consider waiving the water hook-up fee for a period of time. ENV is waiving sewer hook-up for a period of time, it’s not in perpetuity. It’s for a period of time to see how it works. So I’m back here today to renew my request to do exactly that, for some period of time. And I understand you’re doing some kind of rate study, which I think is important. And I do understand waiving a water hook-up fee means other rate payers have to pick up the burden. But I think it’s such an important public policy initiative here. I cannot think of anything more important than affordable housing. Homelessness is a result of the lack of affordable housing. Today’s front page story on monster homes is a result of a lack of affordable housing. We have to figure out every way possible to break the model of the past and encourage more true affordable housing units. And I believe that the Board of Water Supply has a role to play in that, by looking to waive these water hook-up fees for affordable housing units for some period of time. Doesn’t have to be in perpetuity. Could be three years. I don’t want to wait for you to finish your study, ‘cause I don’t know how long that’s going to take. And these bills are going to be moving, coming the beginning of this year, and it’d be nice to amend the incentives bill, which is 59 to include a waiver of the water hook-up fees for units that are truly affordable, which is 120 percent AMI and below. So I’m renewing my request. I hope I don’t have to come back here again. And I think there’s a way for it, where you could look at this short term and see what the impact would be. We’ll find out first if these incentives are enough to truly encourage the type of housing we’re talking about. And secondly, you could see what kind of impact it would have on your income, and you can proceed with your study and work that into it, and come back when it’s finished to see what you want to do and revisit the issue. But I’m here today to ask you to seriously consider and make a decision in the next two months. I think it’s fair and reasonable at this point. And I want to stand behind the word, my word back in February. And I’m hoping you will join us in addressing, I think, the most critical challenge we face here in the City and County of Honolulu. And that is providing housing for our keiki. With that, if you want to ask questions, I don’t know if you allow for questions here, but I’m more than happy to answer questions you may have.”

DISCUSSION:

Mr. Soon asked the Mayor about how many affordable units, within the next three years, is he referring to. Mayor Caldwell answered that he committed to an aggressive target of 800 units per year, so in three years, it would be 2,400 units.

Mr. Andaya asked Mr. Lau to share with the Mayor, BWS's rate study timeline. Mr. Lau informed the Mayor that the target for Board adoption on the rates is about the middle of next year. He said that there will be a Board Workshop on rates in January, where BWS will be asking the Board for an interim decision. Mr. Lau stated that BWS is actively working with the Stakeholder Advisory Group and the community.

The Mayor stated that this is six months from now and it is too long. Mr. Lau said that the Board will need to make some decisions after the Board Workshop, so BWS will have a more definitive rate proposal to present to the community. Mr. Andaya asked Mr. Lau if they will have a decision on the Mayor's request, after the Board Workshop. Mr. Lau responded that it is difficult to say, but he will see if they can meet a faster timeline.

Mr. Andaya informed the Mayor that, in the interim, they have deferred the Water System Facilities Charges (WSFC) for certain projects until a more definitive decision can be made. Mayor Caldwell asked BWS to see what the impact would be to waive the WSFC for 800 units, and if the impact is not significant, make a decision now, then modify that into the rate study. Mr. Andaya stated that it's helpful now that they have a number to work with (800 units).

Mr. Lau informed the Mayor that they could work with the Department of Planning and Permitting (DPP) to determine the breakdown between single-family, multi-family, and homeless units being built. He explained that there are two components to BWS's charges – the installation charge or hook-up fee, and the impact fee, which is the impact on water system capacity to provide water to that customer. He said that for about 3,000 single-family units, 1000 units per year, the impact fee would be about \$11.3 million, based on WSFC set in 1993, and that in the rate study, they will be updating the WSFC to reflect current costs.

Mayor Caldwell asked how much the hook-up fees would be. Mr. Lau replied that if there's a way to determine how many single-family and multi-family units there would be, they could estimate the hook-up fees. He stated that for multi-family units, the meter is larger but there is a smaller cost per unit. The Mayor stated that the bulk would be multi-family, but there will be some single-family, but he just wants to know the cost for 800 units.

Deputy Manager Kitamura stated that she would reach out to DPP to help determine how many units are single-family, multi-family, rentals or owned because it makes a difference and allows BWS to provide a better estimate. Mr. Caldwell answered that they'll provide that information, but it will be difficult to say how many would be owned and how many would be

rentals. Mr. Lau added that if DPP has an idea of upcoming projects in the next three years, that may help BWS to refine the numbers.

Mayor Caldwell told Mr. Lau that he has asked him to waive the fees for the Kahauiki Village homeless project. He said he asked Mr. Lau in a Cabinet meeting and instructed DPP to reach out to Mr. Lau to waive the fees. The Mayor also commented that there are so many agencies contributing to this, even the private sector. He asked what the fees were for this project, and Mr. Andaya answered \$94,983, which was deferred, in recognition of the Mayor's request. Mr. Caldwell asked that this be waived also. He said that \$4 million worth of infrastructure was put into this project and it is what needs to be done to hopefully house 800 homeless people.

Mr. Lau informed the Mayor that after the last rate adoption process, BWS was highly criticized due to the lack of transparency during the process. This is why, this time, BWS wants to ensure that customers are aware of what is being considered and have the opportunity to comment, then the Board can make a very informed decision. Mr. Andaya agreed with Mr. Lau and added that transparency is important to the Board for credibility, and added that now that they will be obtaining more information, that will help the Board make an informed decision, hopefully within the next two months. Mr. Caldwell responded that it would be helpful to have it included in the incentives portion of Bill 59, before the Bill becomes law. Mr. Soon asked when the Mayor expects the final vote on the Bill. Mr. Caldwell answered that he hopes to have it start moving in January, and voted in by the end of the first quarter.

Mayor Caldwell thanked everyone for their hard work. Mr. Andaya and Mr. Lau thanked the Mayor.

GROUNDWATER
LEVELS Chair and Members
 Board of Water Supply
 City and County of Honolulu
 Honolulu, Hawaii 96843

Chair and Members:

Subject: Status Update of Groundwater Levels at All Index Stations

There was one aquifer index well within low groundwater status for the production month of September 2017. Punaluu has been in caution status since the week of June 18, 2017. The monthly production average for September 2017 was 153.90 million gallons per day (mgd).

The Board of Water Supply rainfall index for the month of September 2017 was 61 percent of normal; with a 5-month moving average of 84 percent. As of October 5, 2017, the Hawaii Drought Monitor shows abnormally dry conditions for most of Oahu and moderate drought conditions for the Leeward Coast of Oahu from Ewa to Makaha.

The National Weather Service forecast models are predicting La Niña conditions to develop this winter, raising probabilities of above normal rainfall this Winter and into Spring 2018.

Most monitoring wells are exhibiting decreasing head level trends due to the increased pumpage during the summer and fall months.

Respectfully submitted,

/s/ ERNEST Y. W. LAU, P.E
 Manager and Chief Engineer

Attachments”

The foregoing was for information only.

DISCUSSION: Barry Usagawa, Water Resources Program Administrator, provided the report. He stated that there are 14 index wells across the island, but only 13 are listed because the Makaha index well is offline because the station is offline. Mr. Andaya asked if it's offline due to repairs. Mr. Usagawa responded yes, and that design repairs of the station is programmed into the Capital Improvement Program.

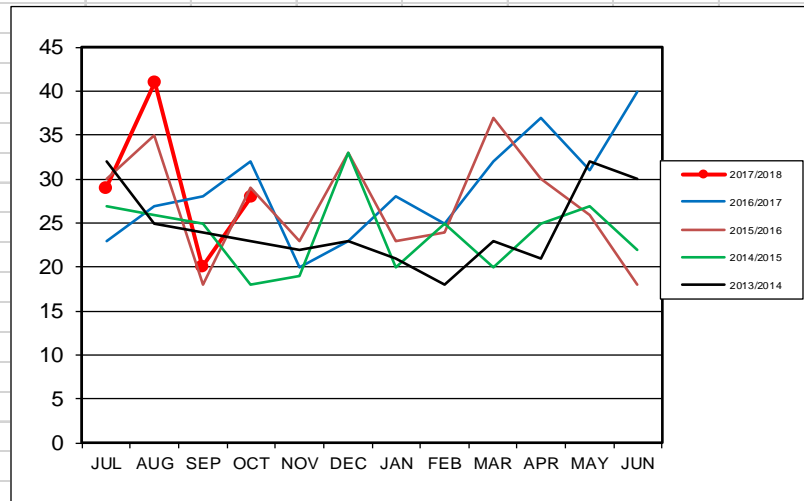
ITEM FOR INFORMATION NO. 7

WATER MAIN REPAIR REPORT

for October 2017

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Total
2017/2018	29	41	20	28									118
2016/2017	23	27	28	32	20	23	28	25	32	37	31	40	346
2015/2016	30	35	18	29	23	33	23	24	37	30	26	18	326
2014/2015	27	26	25	18	19	33	20	25	20	25	27	22	287
2013/2014	32	25	24	23	22	23	21	18	23	21	32	30	294

Date	Address	Size (In)	Pipe Type
10/2/2017	58-127 WEHIWA WAY, HALEIWA	4	CI
10/3/2017	2288 ANAPANAPA ST, PEARL CITY,	8	CI
10/4/2017	44-774 KANEOHE BAY DR, KANEOHE	8	CI
10/4/2017	1124 GULICK AVE, HONOLULU	6	CI
10/5/2017	2233 ALA WAI BLVD, HONOLULU	12	DI
10/6/2017	94-1000 PAIWA PL, WAIPAHU	12	CI
10/7/2017	94-405 PAIWA ST, WAIPAHU	12	CI
10/8/2017	94-405 PAIWA ST, WAIPAHU	12	CI
10/8/2017	45-137 LILIPUNA RD, KANEOHE	16	CI
10/8/2017	1499 HUMUULA ST, KAILUA	8	CI
10/9/2017	1942 KINIPOPO ST, WAHIAWA	8	CI
10/11/2017	99-148 LAULIMA ST, AIEA	8	CI
10/12/2017	959 KALUANUI RD, HONOLULU	12	CI
10/13/2017	3276 MELEMELE PL, HONOLULU	8	CI
10/13/2017	2954 MAKALEI PL, HONOLULU	6	CI
10/18/2017	94-1113 KAHUAILANI ST, WAIPAHU	8	CI
10/20/2017	5244 KALANIANAOLE HWY, HONOLULU	12	CI
10/23/2017	86-249 KAWILI ST, WAIANAE	8	PVC
10/24/2017	5115 MAUNALANI CIR, HONOLULU	6	CI
10/25/2017	1831 WILDER AVE, HONOLULU	12	CI
10/25/2017	59-315 PUPUKEA RD, HALEIWA	6	CI
10/27/2017	811 9TH AVE, HONOLULU	8	CI
10/28/2017	94-140 LEOKANE ST, WAIPAHU	12	CI
10/29/2017	1530 NANAKAI ST, PEARL CITY	8	PVC
10/29/2017	59-520 AUKAUKA PL, HALEIWA	4	CI
10/29/2017	1333 KEOLU DR, KAILUA	8	CI
10/30/2017	750 MOKULUA DR, KAILUA	8	PVC
10/31/2017	2671 TANTALUS DR, HONOLULU	8	CI



100.8 miles of pipelines were surveyed by the Leak Detection Team in the month of October.

DISCUSSION: Michael Fuke, Field Operations Division Acting Program Administrator, gave the report. Mr. Fuke spoke about the October 20th Kalanianaʻole Highway main break. He explained how this was the most significant break in the month of October because of its location. BWS had to close one lane, so they worked with the Department of Transportation (DTS), the Honolulu Police Department (HPD), and the State Department of Transportation (DOT) to minimize traffic disruption.

Having experienced 118 breaks so far this year, Mr. Fuke projects about 350 by the end of the fiscal year. Mr. Fuke hopes that the Water Master Plan (WMP) will help to address this issue by replacing the pipelines that need it most. Mr. Lau added that the WMP identifies the need to replace 21 miles of pipeline each year and it also identifies 200 miles of the most critical mains that need to be addressed in the next 10-15 years. These will be factored into the long-term financial plan and water rate study. Mr. Lau also added that the revenue received from the rate payers is used to reinvest into the water system and infrastructure. Mr. Fuke added that BWS's Leak Detection Team surveyed approximately 100 miles of mains. The team detected nine leaks, and was able to repair them before it became a main break.

Mr. Lau thanked Mr. Fuke and his staff for working so hard to do these repairs. He also recognized BWS's Water Systems Operations Division and Communications Office for their support. Mr. Lau stated that the good working relationships between BWS, DTS, HPD, and DOT have formed a "rapid response team." Mr. Andaya thanked everyone for their hard work and dedication and said that BWS has the Board's support in the ramp up of BWS's Capital Improvement Program.

MOTION TO
RECESS INTO
EXECUTIVE
SESSION

Upon unanimously approved motion, the Board recessed into Executive Session Pursuant to [HRS §92-5(a)(4)] at 3:22 PM to Consider Issues Pertaining to Matters Posted for Discussion at an Executive Session

OPEN
SESSION

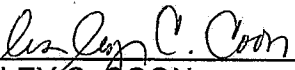
The Board reconvened in Open Session at 3:32 PM

MOTION TO
ADJOURN

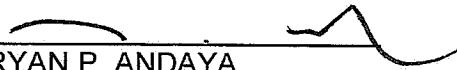
There being no further business Chair Andaya at 3:32 PM called for a motion to adjourn the Open Session. David Hulihee so moved; seconded by Ray Soon and unanimously carried.

Respectfully submitted,

THE MINUTES OF THE REGULAR SESSION BOARD MEETING ON NOVEMBER 27, 2017 WERE APPROVED AT THE DECEMBER 18, 2017 BOARD MEETING			
	AYE	NO	COMMENT
BRYAN P. ANDAYA	X		
KAPUA SPROAT			ABSENT
DAVID C. HULIHEE	X		
KAY C. MATSUI			ABSENT
RAY C. SOON	X		
ROSS S. SASAMURA	X		
JADE T. BUTAY	X		


LESLEY C. COON

APPROVED:


BRYAN P. ANDAYA
Chair of the Board

DEC 18 2017

Date