

MINUTES

THE REGULAR MEETING OF THE BOARD OF WATER SUPPLY

November 23, 2020

At 2:00 PM on November 23, 2020, 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
Kapua Sproat, Vice Chair via WebEx
Max J. Sword, Board Member via WebEx
Ray C. Soon, Board Member via WebEx
Ross S. Sasamura, Board Member, Ex-Officio
via WebEx
Jade T. Butay, Board Member, Ex-Officio via WebEx

Also Present: Ernest Lau, Manager and Chief Engineer
Ellen Kitamura, Deputy Manager and Chief Engineer
via WebEx
Jason Takaki, Program Administrator,
Capital Projects Division via WebEx
Jennifer Elfein, Program Administrator,
Customer Care Division
via Facebook Live
Kathleen Elliott-Pahinui, Information Officer,
Communications Office via WebEx
Raelynn Nakabayashi, Executive Assistant I,
Executive Support Office via Vimeo
Michael Fuke, Program Administrator,
Field Operations Division via WebEx
Jason Nikaido, Assistant Program Administrator
Field Operations Division via WebEx
Joseph Cooper, Waterworks Controller,
Finance Division via WebEx
Michele Thomas, Executive Assistant,
Human Resources Office via WebEx
Henderson Nuuhiwa, Program Administrator
Information Technology Division
via Vimeo
Michael Matsuo, Land Administrator, Land Division
via Vimeo
Erwin Kawata, Program Administrator,
Water Quality Division via Vimeo
Barry Usagawa, Program Administrator, Water
Resources Division via WebEx
Kevin Ihu, Program Administrator, Water System
Operations Division via Vimeo

Deanna Thyssen, Executive Secretary via WebEx
Joy Cruz-Achiu, Board Secretary
Steven Norstrom, Information Specialist II,
Communications Office
Kathy Mitchell, Administrative Services Officer
via Facebook Live

Others Present:

Jeff Lau, Deputy Corporation Counsel
via WebEx Call
Moana Yost, Deputy Corporation Counsel
via Conference Call

REGULAR MEETING

Chair Bryan Andaya requested a roll call for the Regular Meeting and stated that all the Board Members, except for himself, were attending remotely via WebEx. Chair Andaya asked each Board Member to respond verbally when their names were called. Vice Chair Kapua Sproat, aye; Board Member Ross Sasamura, aye; Board Member Ray Soon; Board Member Max Sword, aye; and Board Member Jade Butay, present.

Chair Andaya requested all attendees calling-in or video conferencing to please mute their microphone when not speaking to the audience, and when intending to speak, unmute their microphone and identify themselves before speaking.

Chair Andaya also introduced those present in the Boardroom. Manager Ernest Lau, Board Secretary Joy Cruz-Achui, and Information Specialist Steven Norstrom. Joining from the City and County Corporation Counsel was Deputy Jeff Lau via WebEx call and Deputy Moana Yost via telephone.

Chair Andaya stated under the Fifteenth Supplementary Proclamation issued by Governor David Ige on November 16, 2020, to follow public participation in a matter consistent with social distancing practices. The following procedures are in effect for the meeting.

Chair Andaya shared the various ways submit testimony: Written testimony may be submitted by email to board@hbws.org, by fax to (808) 748-5079; mailed to Board of Water Supply, 630 S. Beretania St., Honolulu, HI 96843; or online at the boardofwatersupply.com/testimony, which were all due at noon today. If you have not had the chance to send in your testimony by email, fax, or mail, telephone testimony is accepted by calling (808)748-6040, where you will be put in the queue and allowed to testify one at a time. Unfortunately, due to the pandemic, in-person testimony is suspended. Pursuant to HRS Section 92-7.5, Board Meeting materials available to view on our website at www.boardofwatersupply.com/boardmeeting.

Chair Andaya also announced the Board Meeting is broadcasted live on facebook.com/bwshonolulu/live and the BWS website at www.boardofwatersupply.com/live.

APPROVAL OF MEETING	Approval of the Minutes of the Regular Meeting held on October 26, 2020.
MOTION TO APPROVE	<p>Max Sword and Ray Soon motioned and seconded, respectively, to approve the Minutes of the Regular Meeting of October 26, 2020.</p> <p>Chair Andaya asked if there was any discussion on the minutes from the Board Members. Since there was no discussion, Chair Andaya asked Mr. Norstrom, is there anyone to testify by telephone. Mr. Norstrom responded there were no telephone testifiers.</p> <p>Chair Andaya requested that Board Secretary Ms. Joy Cruz-Achui conduct a roll call vote.</p> <p>Ms. Cruz-Achui conducted a roll call vote: Vice Chair Kapua Sproat, aye; Board Member Ray Soon, aye; Board Member Max Sword, aye; Board Member Ross Sasamura, aye; Board Member Jade Butay, aye; and Chair Bryan Andaya, aye.</p>

Ms. Cruz-Achiu announced that the motion passed with six ayes.

THE MINUTES OF THE REGULAR MEETING HELD ON OCTOBER 26, 2020, WERE APPROVED AT THE NOVEMBER 23, 2020 BOARD MEETING				
	AYE	NO	ABSTAIN	COMMENT
BRYAN P. ANDAYA	X			
KAPUA SPROAT	X			
RAY C. SOON	X			
MAX J. SWORD	X			
ROSS S. SASAMURA	X			
JADE T. BUTAY	X			

ITEM FOR INFORMATION NO. 1

"November 23, 2020

FINANCIAL
UPDATE FOR
THE QUARTER
ENDED
SEPTEMBER
30, 2020

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

Chair and Members:

Subject: Financial Update for the Quarter Ended September 30, 2020

The following Board of Water Supply's financial reports and graphs are attached:

- Budget vs Actual Revenue and Expense Totals
- Statement of Revenues, Expenses and Change in Net Assets
- Balance Sheet
- Budget vs Actual Appropriation Budget – Total BWS Summary
- Graph Representing Operating Expenditures by Category
- Graphs of Total Budgeted Operating Expenditures and Total Budgeted Operating Revenues

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, Finance Division, gave the report.

Board Member Max Sword inquired how is the Board of Supply (BWS) doing with collections.

Mr. Joe Cooper responded in April at the beginning of the pandemic, the BWS saw a rise in the volume of delinquent accounts, but the number of delinquent accounts has remained within the BWS normal range. As the year comes to an end, and the holidays approach, the delinquencies tend to climb. Although concerned, the BWS has not seen any significant changes in collections and will continue to monitor.

Board Member Sword asked, although businesses may have temporarily shut down or partially open, water is still being used. Therefore, how is commercial and residential water use affecting collections?

Mr. Cooper responded since the pandemic, water consumption has dropped for commercial customers by \$3 million while residential customers have gone up by \$3 million. The difference is in the type of ratepayer. Otherwise, revenue is stable. However, with the economic uncertainty, the BWS cautiously monitors revenue collection and is currently updating the Long-Range Financial Plan to deal with the economic impacts from COVID-19.

Board Member Sword asked if the BWS is anticipating to furlough of any of its employees.

Manager Ernest Lau replied the BWS is currently not looking into furloughs. The City Administration will not be implementing furloughs this fiscal year. However, the City reported a potential shortfall of \$400 million for fiscal year 2021 at the recent council meeting. The BWS has taken steps to avoid furloughs by instituting a ten percent restriction on discretionary spending, delaying purchases until later into the fiscal year, and use cost-cutting and efficiency measures before considering furlough. The BWS will continue to monitor this situation.

Board Member Sword inquired, since the BWS can't control when a main break occurs, is there a need to cut back on services to account for costs to repair the main break?

Manager Lau replied the BWS continues to provide customers with all the necessary services and carefully monitors expenditures. One reason for updating the Long Range Financial Plan was to account for emergency scenarios because the BWS provides a vital lifeline service to the community. Manager Lau expressed his appreciation to the Board for the support shown in exploring different options to achieve efficiency and cost-savings.

Board Member Sword expressed his appreciation for considering efficient and cost-saving measures but was concerned that if a main break occurs, the BWS may not have adequate funds to make the required repairs.

Manager Lau responded that the quarterly financial update indicated that the comparison of the budgeted amount and the actual amount showed that the BWS generally achieves a 92% execution rate. This allows about 8% of the operating budget to deal with emergencies. Manager Lau expressed his appreciation to the Board for their support on the budget, which provides flexibility to move funds to areas of need.

Board Member Jade Butay asked if the ratepayers are not able to make their water bill payments by the due date, what type of plan has the BWS prepared?

Manager Lau responded, typically shutting off water resources is used to persuade ratepayers to pay their bill. However, because water is an essential service, especially during the COVID pandemic, the BWS has suspended water shut-off during until the end of the year. The BWS continues to encourage customers having trouble paying their bills to enter into a payment arrangement.

Manager Lau stated the Coronavirus Aid, Relief Economic Security (CARES) Act has helped many people; however, it was prohibited from offsetting revenue losses experienced by government or municipal utilities. He mentioned the American Water Works Association (AWWA) submitted a letter to President-Elect Joe Biden, encouraging him to consider the use of future Federal funding to assist customers struggling to pay bills. The same proposal was made for the Health and Economic Recovery Omnibus Emergency Solutions (HEROS) Act by the House of Representatives in Congress. The BWS is staying optimistic that the new Congress and President-Elect will provide more assistance to the municipal customers.

Board Member Ray Soon mentioned in Mr. Cooper's presentation, the BWS collected \$5 million in revenue over budget in the first quarter and inquired why is delinquency being stressed if the BWS has a net revenue of \$10 million?

Manager Lau stated it's still early in the fiscal year, and the budget to actual revenue collection becomes closer in the later into the fiscal year.

Chair Bryan Andaya inquired is the BWS is making the investments that were identified in the Long Range Financial Plan.

Manager Lau replied that the BWS is executing the Capital Improvement Program to improve the water system. At this time, the BWS is doing satisfactorily but staying vigilant if adjustments are needed in the event of a decrease in revenues. Next year in the upcoming rate study, the BWS will consider the impacts to the island's economy as it recovers from the pandemic.

Board Member Soon mentioned satisfaction with the approved budget. He stressed that as a Board Member of the BWS, his role is to protect and provide service to the ratepayers.

Manager Lau agreed with Board Member Soon. The BWS needs to protect and provide service to the ratepayers, and it's important that the BWS be fiscally responsible. The BWS has a stable rate base and a strong bond rating of AAA rating from Standard and Poor's (S&P) and AA+ from Fitch.

Mr. Cooper added that although the BWS has an excess net revenue at the end of each fiscal year, it carries over to the next fiscal year's CIP, which reduces the number of bonds that the BWS has to issue.

Board Member Butay asked if there are any legal restrictions that safeguard the BWS from the C&C of Honolulu accessing the funds.

Manager Lau replied the Board Members set the financial policy for the working capital to cover sixty days of operation with a future target to cover 180 days. The purpose of the working capital is to provide emergency funds if an unforeseen disaster occurs and ensure that the BWS has the resources to operate until normal operations are restored. Additionally, the BWS funds are used to invest in the betterment of the BWS water systems.

Board Member Soon added that having a well-thought-out plan such as the 30-year plan, capital plan, and financial plan protects the BWS funds.

Vice Chair Kapua Sproat noted that the BWS has been conservative based on the resources available in the pipeline replacement program. The replacement program can be revisited and reprioritized if necessary. She echoed Board Member Soon's remarks that the BWS has excellent planning that drives decision making on short and long term plans.

Chair Andaya recalled when he first became a BWS Board Member; the excess net revenue was \$30 million per quarter. In the quarterly financial update, the BWS is closer in-line with the actual budget. He suggested that the BWS include a status report in the next financial update on the sixty-day working capital.

Manager Lau agreed and added that the Long Range Financial Plan includes a financial model that will be shared with the Board when it's completed.

Chair Andaya stated that the information will be helpful. He wants to make sure that the BWS is meeting the commitments described in the long range plans, including the 30-Year Water Master Plan, which set a target of 21 miles of pipe replacement every year.

Budget vs. Actual
Revenue and Expense Totals
As of September 30, 2020

	YTD Actuals	YTD Budget	Favorable/ (Unfavorable) Variance
Revenues	66,309	61,272	5,037
Operating Expenses	(45,547)	(51,315)	5,768
Net Revenues (expenditures)	20,762	9,957	10,805

Board Of Water Supply
Statement of Revenues, Expenses And Change In Net Assets
As of September 30, 2020

Current Month Actual	% Revenue	Last Year Actual	% Revenue	Description	Year to Date Actual	% Revenue	Last Year to Date Actual	% Revenue	% Change
				REVENUE					
22,937,105.45	100.00	21,823,945.86	100.00	OPERATING REVENUE	64,800,176.21	100.00	63,026,715.13	100.00	2.81
22,937,105.45	100.00	21,823,945.86	100.00	REVENUE	64,800,176.21	100.00	63,026,715.13	100.00	2.81
				OPERATING EXPENSES					
3,267,986.27-	14.25	3,162,542.56-	14.49	LABOR COSTS	9,597,152.10-	14.81	9,252,281.22-	14.68	3.73
2,269,073.04-	9.89	1,714,933.44-	7.86	SERVICES	4,102,516.54-	6.33	3,125,912.73-	4.96	31.24
433,988.99-	1.89	1,168,262.62-	5.35	SUPPLIES	974,221.36-	1.50	1,652,301.89-	2.62	41.04-
970.94-		9,029.12-	.04	EDUCATION & TRAINING	1,763.94-		16,530.75-	.03	89.33-
1,750,086.85-	7.63	2,363,517.57-	10.83	UTILITIES	3,554,818.73-	5.49	5,384,584.15-	8.54	33.98-
126,732.26-	.55	134,925.19-	.62	REPAIR AND MAINTENANCE	254,881.48-	.39	451,133.48-	.72	43.50-
2,881,119.55-	12.56	1,675,650.29-	7.68	MISC	8,907,729.48-	13.75	5,283,761.75-	8.38	68.59
2,667,998.45-	11.63	1,967,822.97-	9.02	RETIREMENT SYSTEM CONTRIBUTIO	5,745,944.69-	8.87	5,557,648.97-	8.82	3.39
64,314.01	.28	97,729.53	.45	MISC EMPLOYEES' BENEFITS	35,246.93-	.05	172,857.32-	.27	79.61-
13,333,642.34-	58.13	12,098,954.23-	55.44	OPERATING EXPENSES	33,174,275.25-	51.19	30,897,012.26-	49.02	7.37
916,591.45-	4.00	7,038,722.17	32.25	NON OPERATING REVENUE AND EXPE	1,891,816.72-	2.92	3,652,032.66	5.79	151.80-
814,284.88	3.55	1,249,294.14	5.72	CONTRIBUTION IN AID	2,098,576.87	3.24	2,864,027.94	4.54	26.73-
3,806,881.37-	16.60	4,133,881.21-	18.94	OTHER EXPENSES	11,499,173.92-	17.75	12,053,918.88-	19.13	4.60-
5,694,275.17	24.83	13,879,126.73	63.60	Change In Net Assets	20,333,487.19	31.38	26,591,844.59	42.19	23.53-

Board Of Water Supply
Balance Sheet
As of September 30, 2020

Description	***** Amounts *****		***** Change *****	
	Current	Last Month End	This Month	This Year
ASSETS				
CURRENT ASSETS	65,197,383.15	57,255,208.65	7,942,174.50	8,777,737.87
RESTRICTED ASSETS	10,108,986.73	9,243,786.32	865,200.41	(13,347,100.83)
INVESTMENTS	503,792,286.24	514,323,394.76	(10,531,108.52)	(11,448,072.62)
OTHER ASSETS	12,828,309.22	13,697,607.70	(869,298.48)	(1,139,936.65)
PROPERTY / PLANT	1,253,515,677.36	1,241,905,619.05	11,610,058.31	6,714,608.50
DEFERRED OUTFLOWS OF RESOURCE	11,596,553.00	11,596,553.00	-	-
DEFERRED OUTFLOWS OF RESOURCE	25,223,322.33	25,223,322.33	-	-
ASSETS	1,882,262,518.03	1,873,245,491.81	9,017,026.22	(10,442,763.73)
LIABILITIES				
CURRENT LIABILITIES	19,116,972.17	15,752,669.43	3,364,302.74	(28,184,923.01)
OTHER LIABILITIES	36,623,486.61	36,836,045.21	(212,558.60)	(754,548.98)
BONDS PAYABLE, NONCURRENT	351,618,084.09	351,447,077.18	171,006.91	(1,836,778.93)
NET PENSION LIABILITY	114,807,821.00	114,807,821.00	-	-
NET OPEB LIABILITY	75,282,451.00	75,282,451.00	-	-
DEFERRED INFLOWS OF RESOURCES	13,670,127.00	13,670,127.00	-	-
LIABILITIES	611,118,941.87	607,796,190.82	3,322,751.05	(30,776,250.92)
NET ASSETS				
RETAINED EARNINGS	357,971,065.73	339,996,097.13	-	-
FUND BALANCE	594,633,831.66	594,633,831.66	-	-
RESERVE FOR ENCUMBRANCES	321,235,305.51	339,210,274.11	-	-
CURRENT YEAR CHANGES TO FU	(2,696,626.74)	(8,390,901.91)	5,694,275.17	20,333,487.19
NET ASSETS	1,271,143,576.16	1,265,449,300.99	5,694,275.17	20,333,487.19
TOTAL LIABILITIES AND NET ASSETS	1,882,262,518.03	1,873,245,491.81	9,017,026.22	(10,442,763.73)

Budget vs Actual Appropriation Budget - Total BWS Summary

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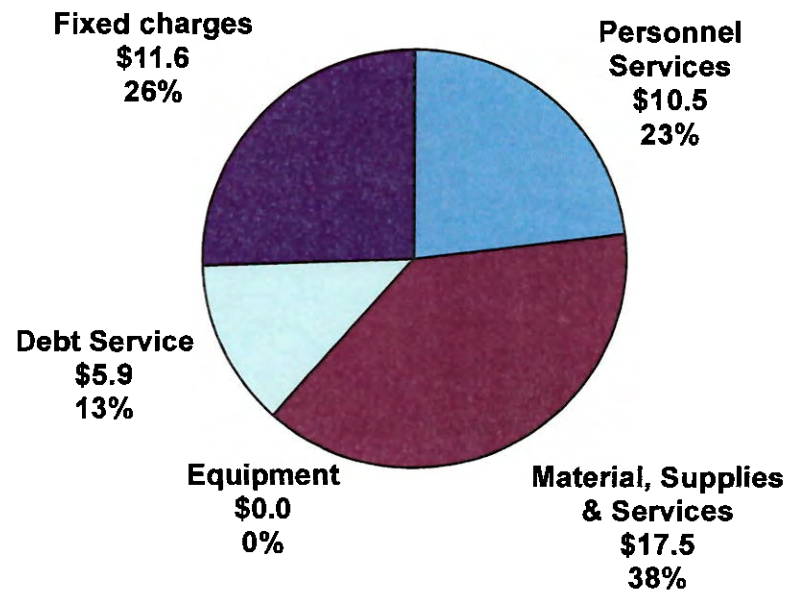
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AS OF 9/30/2020

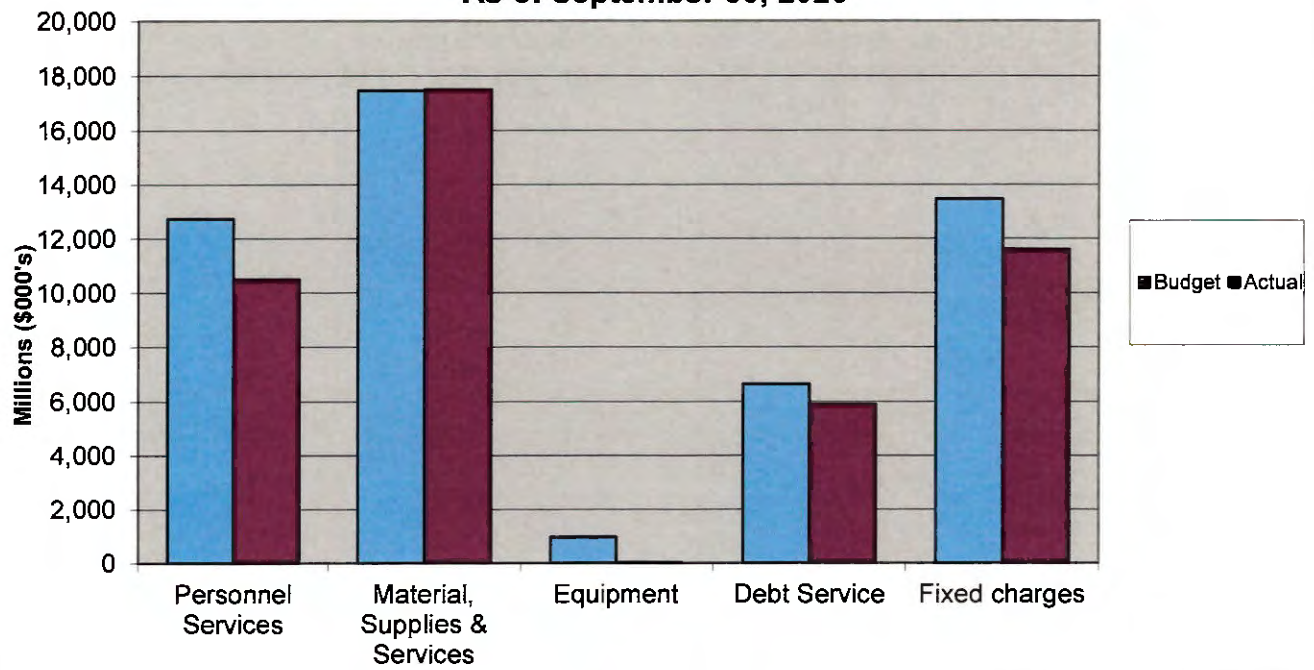
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BUSINESS UNIT ALL

YTD-TO-DATE				FOR THE FISCAL YEAR					
YTD Actuals	YTD Budget	Avail/ (Over)	%	Object Description	Revenues/ Expend	Open Encumb	Annual Budget	Avail/ (Over)	%
<u>66,309</u>	<u>61,272</u>	<u>(5,037)</u>	<u>8.22-</u>	<u>REVENUE</u>	<u>66,309</u>		<u>245,091</u>	<u>178,782</u>	<u>72.95</u>
OPERATING EXPENSES:									
10,506	12,743	2,237	17.55	Personnel Services	10,506		51,061	40,555	79.42
MATERIALS AND SUPPLIES									
10,165	9,250	(915)	9.89-	Services	3,114	7,051	40,465	30,300	74.88
2,008	3,405	1,397	41.03	Supplies	1,507	501	14,029	12,021	85.69
4	92	88	95.65	Education & Training	4		592	588	99.32
	1	1	100.00	Utilities			2	2	100.00
140	719	579	80.53	Repairs & Maint	116	24	3,336	3,196	95.80
5,197	4,021	(1,176)	29.25-	Misc	3,861	1,336	13,665	8,468	61.97
33	958	925	96.56	Equipment	6	27	6,579	6,546	99.50
5,889	6,652	763	11.47	Debt Service	5,889		24,214	18,325	75.68
FIXED CHARGES:									
5,008	6,591	1,583	24.02	Utilities	5,008		26,362	21,354	81.00
825	825			Case Fees	825		3,300	2,475	75.00
3,017	3,000	(17)	57-	Retirement System Contribution	3,017		12,000	8,983	74.86
2,755	3,058	303	9.91	Misc Employees' Benefits	2,755		12,247	9,492	77.50
<u>45,547</u>	<u>51,315</u>	<u>5,768</u>	<u>11.24</u>	<u>TOTAL OPERATING EXPENDITURES</u>	<u>36,608</u>	<u>8,939</u>	<u>207,852</u>	<u>162,305</u>	<u>78.09</u>
<u>20,762</u>	<u>9,957</u>	<u>(10,805)</u>		<u>NET REVENUES (EXPENDITURES)</u>	<u>29,701</u>	<u>(8,939)</u>	<u>37,239</u>	<u>16,477</u>	

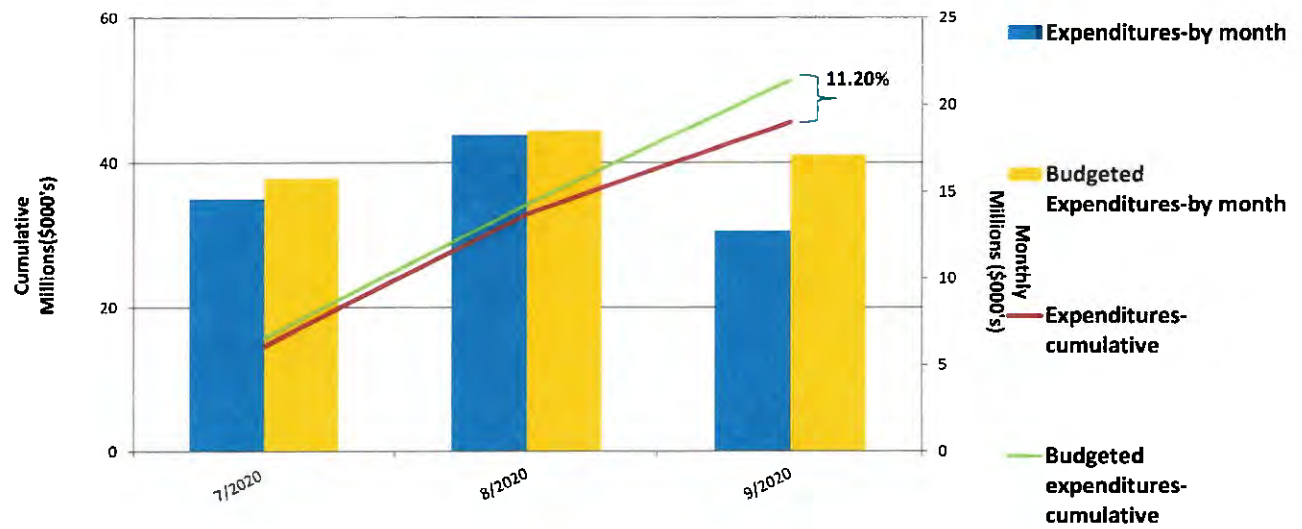
Total Operating Expenditures - \$45.5
As of September 30, 2020
(millions of dollars)



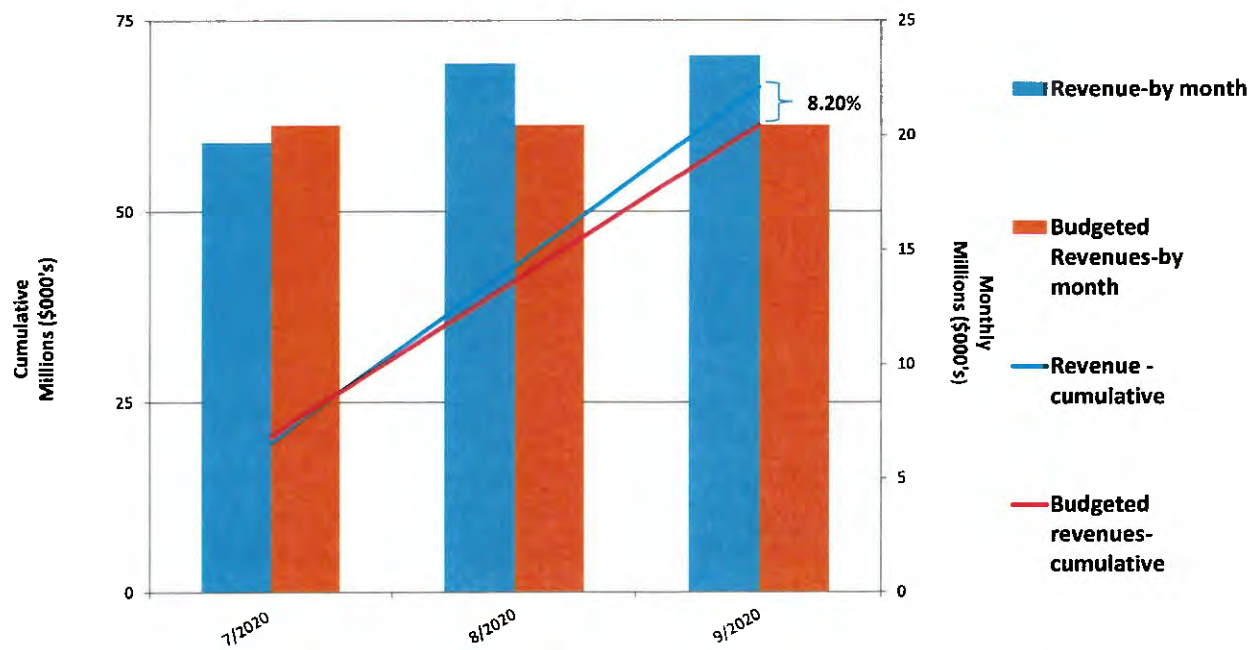
**Operating Expenditures by Category (Budget vs. Actual)
As of September 30, 2020**



BUDGETED OPERATING EXPENDITURES FY 2021



BUDGETED OPERATING REVENUES FY 2021



WATER FOR LIFE

Safe, dependable, and affordable water now and into the future



Board of Water Supply
City and County of Honolulu

Financial Performance

July 2020 – September 2020





Budget to Actual July 2020 – September 2020

- Actual Revenue \$66 million vs.
Budgeted Revenue \$61 million
- Operating costs are \$45 million vs.
Budgeted costs of \$51 million
- Actual Net Revenue \$21 million vs.
Budgeted Net Revenue \$10 million



Cost Drivers

Year to Date September 2020

	Actual (millions)	Budget (millions)
• Personnel	\$ 10.5	\$12.7
• Material/Serv/Supplies	\$ 12.2	\$12.7
• Equipment	\$ 0.03	\$ 0.9
• Debt Service	\$ 5.9	\$ 6.7
• Utilities	\$ 5.0	\$ 6.6

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Board of Water Supply
City and County of Honolulu

Operating Budget

Budget vs Actual

Fiscal Year 2020-2021 1st Quarter (July – September 2020)

**Budgeted expenditures are \$51.3M vs. Actual expenditures of \$45M
of the \$6.3M variance:**

- **Water Quality - \$2.2M (over)**
 - Professional Services (over)
- **Finance - \$1.8M (over)**
 - Miscellaneous Financial Expenses (over)
- **Water System Operations - \$1.9M (under)**
 - Salaries & Wages – vacancy savings (under)
 - General Plant & Equipment (under)
 - Other Materials & Supplies (under)
- **Information Technology- \$1.2M (under)**
 - Other Contractual Services (under)
 - General Plant & Equipment (under)
 - Salaries & Wages – vacancy savings (under)
 - Software Licenses & Maint. (under)
- **Land - \$1.3M (under)**
 - Professional Services (under)
- **Capital Projects - \$1M (under)**
 - Professional Services (under)
- **Field Operations- \$840K (under)**
 - Salaries & Wages – vacancy savings (under)
 - Meters & AMR materials (under)
 - Materials & Supplies (under)
 - Emergency & Contracted Road Repairs (over)
- **Fixed Charges - \$2.7M (under)**
 - Electricity (under)
 - OPEB contributions to EUTF (under)
 - Notes Payable-SRF (under)

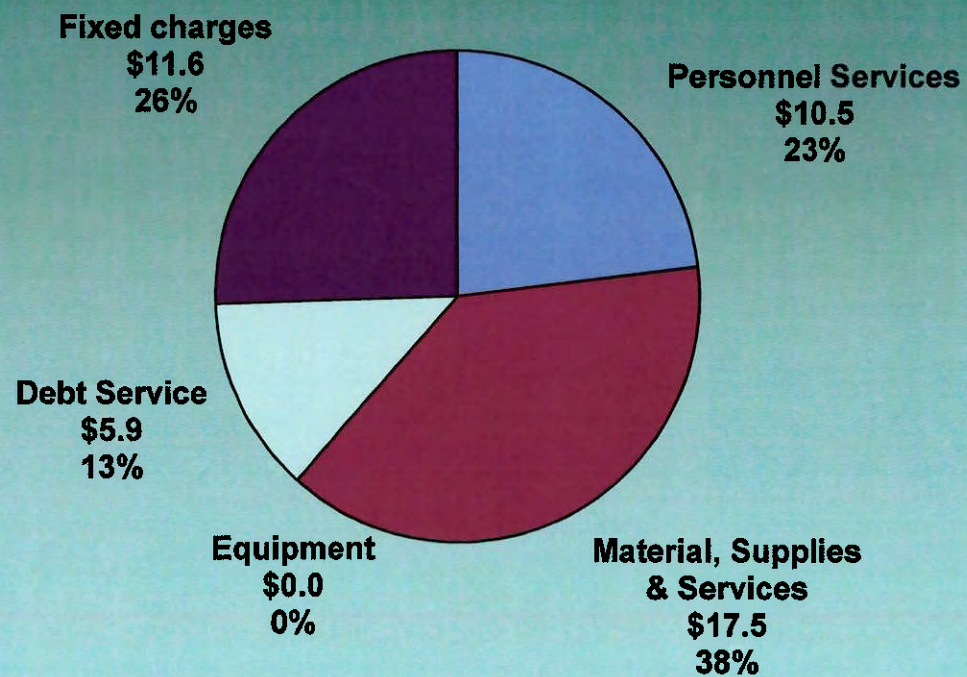
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Board of Water Supply
City and County of Honolulu

Total Operating Expenditures - \$45.5
As of September 30, 2020
(millions of dollars)



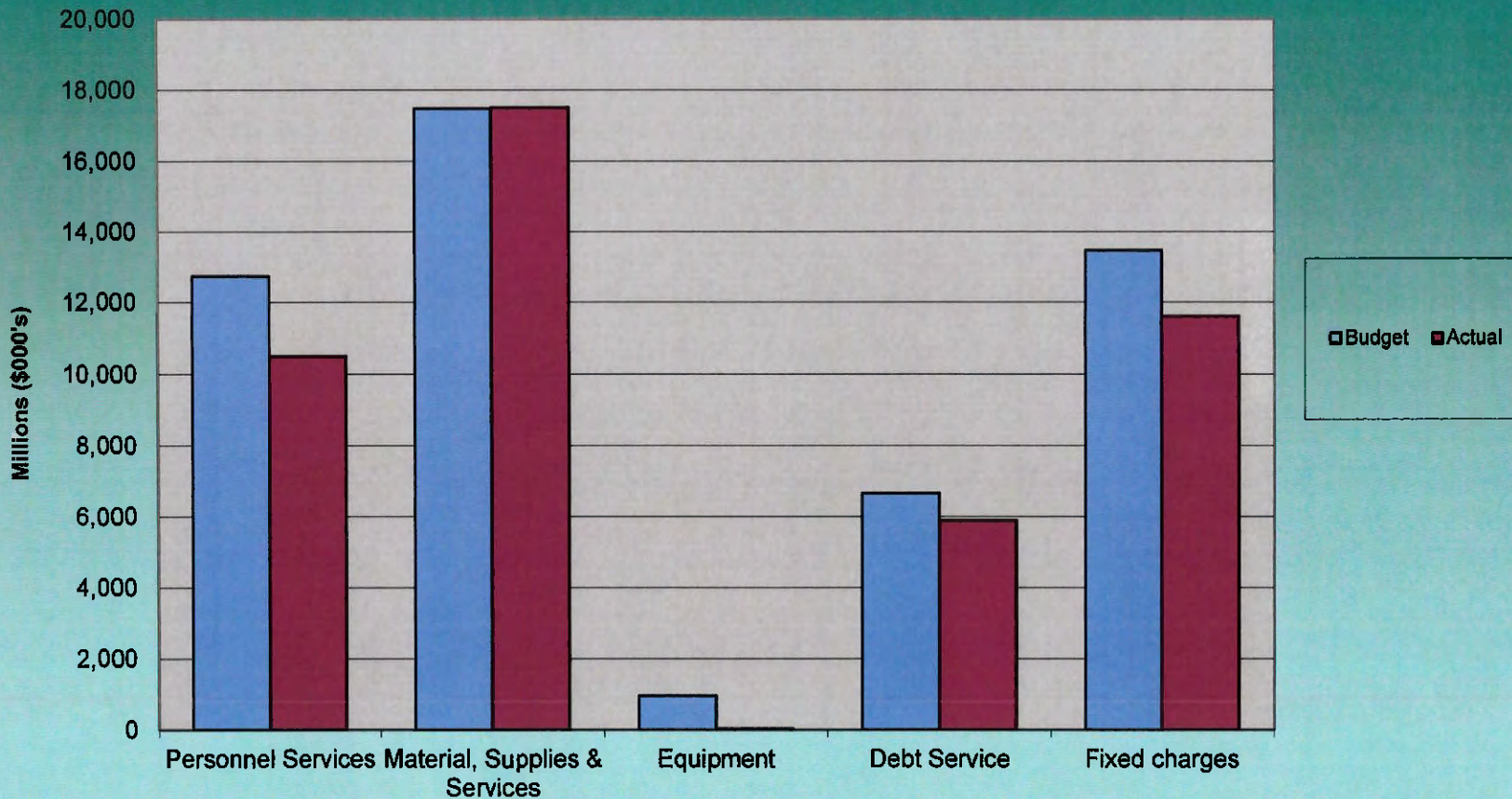
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Board of Water Supply
City and County of Honolulu

**Operating Expenditures by Category (Budget vs. Actual)
As of September 30, 2020**



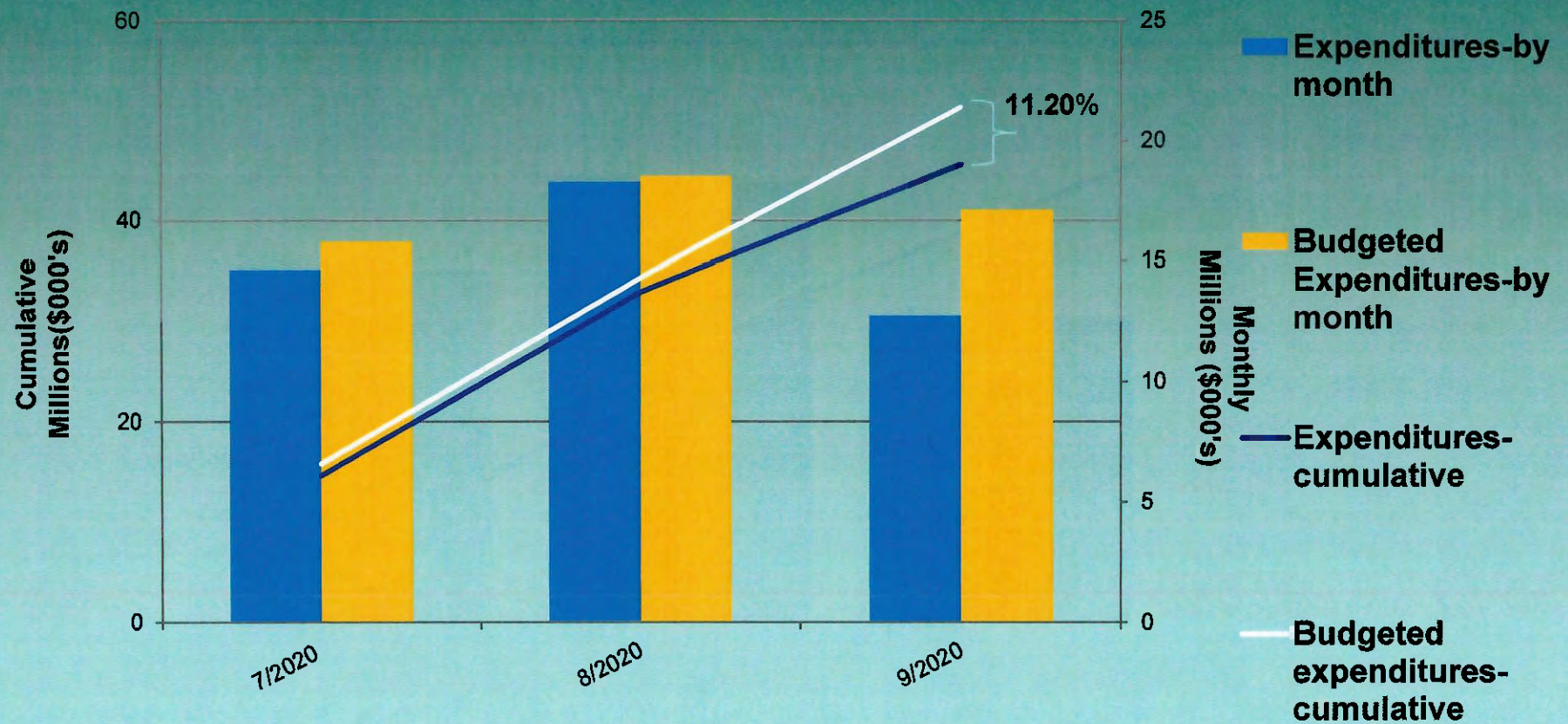
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Board of Water Supply
City and County of Honolulu

BUDGETED OPERATING EXPENDITURES FY 2021



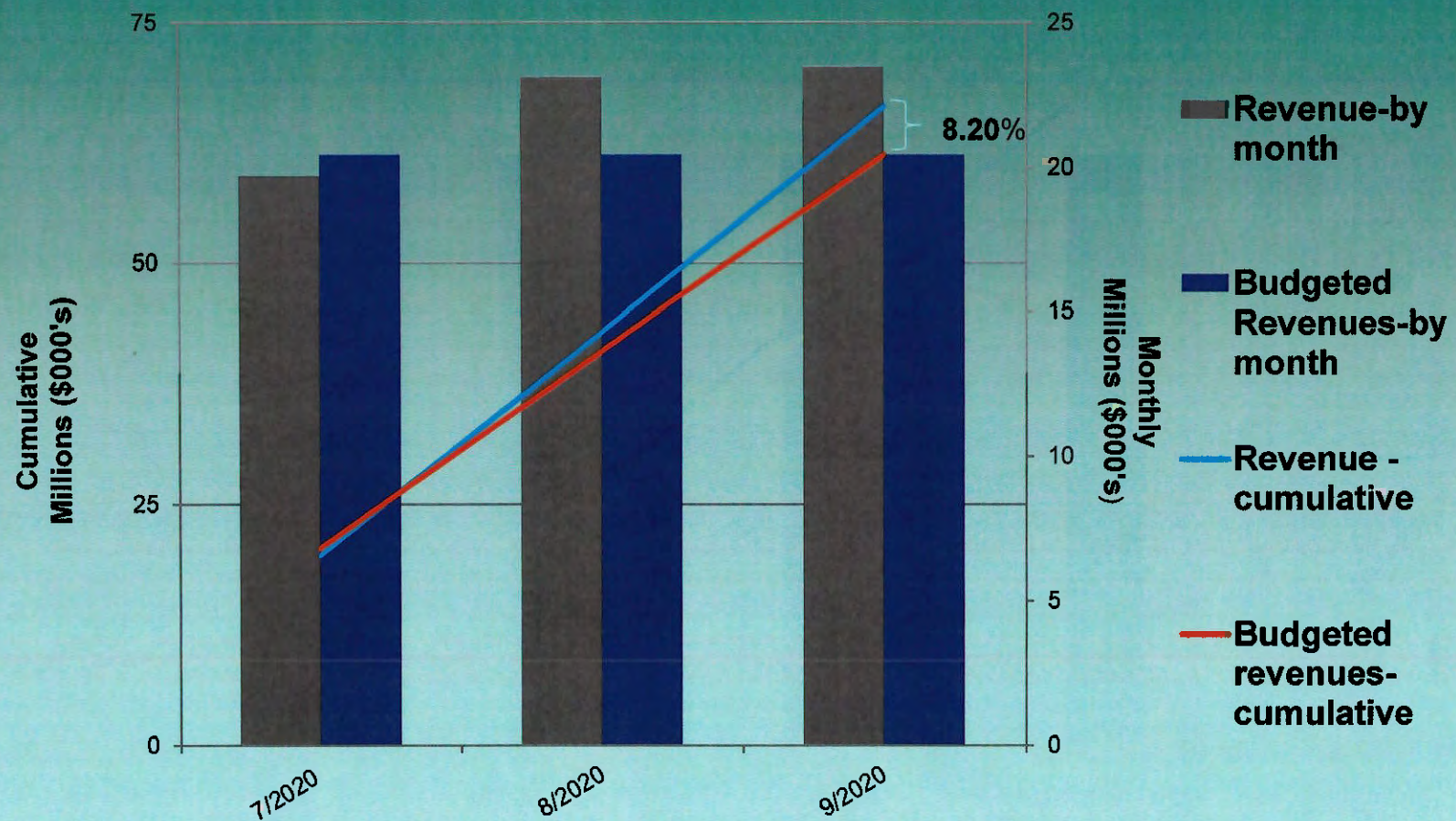
WATER FOR LIFE

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Board of Water Supply
City and County of Honolulu

BUDGETED OPERATING REVENUES FY 2021



WATER FOR LIFE

Safe, dependable, and affordable water now and into the future



Board of Water Supply
City and County of Honolulu

Thank you.
Questions
or
Comments

ITEM FOR INFORMATION NO. 2

"November 23, 2020

CAPITAL
IMPROVEMENT
PROGRAM
QUARTERLY
UPDATE

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

Chair and Members:

Subject: Capital Improvement Program Quarterly Update

Jason Takaki, Program Administrator, Capital Projects Division will provide an update on the Capital Improvement Program.

Respectfully submitted,

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

Attachment"

The foregoing was for information only.

DISCUSSION:

Jason Takaki, Program Administrator, Capital Projects Division, gave the report.

Chair Andaya noticed that the BWS CIP contracts are running under budget but stated that this is a normal occurrence since it is still the first quarter of the fiscal year.

Manager Lau commented that as challenging as this can be, the BWS is working on awarding contracts in the first two quarters.

Quarterly Capital Improvement Program Status Report
All Divisions
as of September 30, 2020

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	\$17,510,000.00
Construction Contracts Awarded (#/\$)	6	\$1,338,697.25	0	\$0.00	0	\$0.00	0	\$0.00	\$1,338,697.25	\$151,525,000.00
Land Purchases (#/\$)	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00	\$100,000.00
Project Totals	6	\$1,338,697.25	0	\$0.00	0	\$0.00	0	\$0.00	\$1,338,697.25	\$169,135,000.00

Quarter Completed	JUL - SEP		OCT - DEC		JAN - MAR		APR - JUN		Totals
Design Contracts Completed (#/\$)	2	\$178,072.00	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
Construction Contracts Completed (#/\$)	1	\$4,584,284.00	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00
Totals	3	\$4,762,356.00	0	\$0.00	0	\$0.00	0	\$0.00	\$0.00

Ongoing Projects	
Ongoing Design Projects (#)	241
Ongoing Design Projects (\$)	\$106,749,585.83
Ongoing Construction Projects (#)	152
Ongoing Construction Projects (\$)	\$329,799,453.07

Quarterly Capital Improvement Program Status Report
All Divisions

DESIGN AND CONSTRUCTION PROJECTS AWARDED - FIRST QUARTER FY 2021

Item #	Project Title	Expend Type	Budget Amount	Awarded
21-009B	Kahana Wells: Replacement of Pumping Unit	CONST	\$199,174.00	\$199,174.00
21-009D	Aiea Wells: Replacement of Pump No. 1	CONST	252,397.00	252,397.00
21-041M	Aliamanu 385 Reservoir Reroof	CONST	370,668.43	370,668.43
21-041N	Pacific Heights 915 Reservoir Reroof/Repainting	CONST	143,710.07	143,710.07
21-041Q	St. Louis Heights Reservoir & Booster Reroofing & Repainting	CONST	289,843.36	289,843.36
21-041R	Hawaii Loa Booster No. 1 Reroofing	CONST	82,904.39	82,904.39
1st Quarter totals			\$1,338,697.25	\$1,338,697.25

DESIGN AND CONSTRUCTION PROJECTS COMPLETED - FIRST QUARTER FY 2021

Job #	Project Title	Completion Date	Contract Amount
2006-030	Hauula Wells Renovation	07/23/2020	\$99,817.00
2014-020D	Pump Renewal and Replacement: Manoa Well II Renovation	09/17/2020	78,255.00
19-018	Rehabilitation of Pipeline and Tunnel: Makapuu Pipeline Tunnel	09/23/2020	4,584,284.00
1st Quarter totals			\$4,762,356.00

ITEM FOR INFORMATION NO. 3

"November 23, 2020

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

Chair and Members:

Subject: Recruitment Status

Michele L. Thomas, Executive Assistant, Human Resources Office, will be presenting an update on the Recruitment Status for the period of August 2020 to October 2020.

Respectfully submitted,

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

Attachment"

The foregoing was for information only.

DISCUSSION: Michele Thomas, Executive Assistant, Human Resources Office, gave the report.

Vice Chair Sproat asked since the pandemic and, over time, what has been the hiring trend.

Ms. Thomas replied the BWS is tracking the hiring trend. Historically, specialized positions such as engineers, scientists, and executive management positions are challenging to fill. The BWS Human Resources Office (HRO) has been aggressively recruiting and has been able to attract individuals to fill various positions. However, due to the civil service process, the BWS is subject to a longer hiring time frame, and occasionally, candidates are hired more quickly by other agencies. Even so, the BWS HRO continues to aggressively recruit and has been able to shorten the hiring timeline.

Manager Lau stated Capital Projects Division has a total of twenty-four vacant positions, eleven of which are engineer positions. Other positions that are challenging to fill are the support techs and inspectors. The BWS shows interest in the Wiki Hire process that the State of Hawaii uses and hiring tools the City and County of Honolulu may use. The BWS remains hopeful that the new administration will be open to different programs to benefit all city agencies.

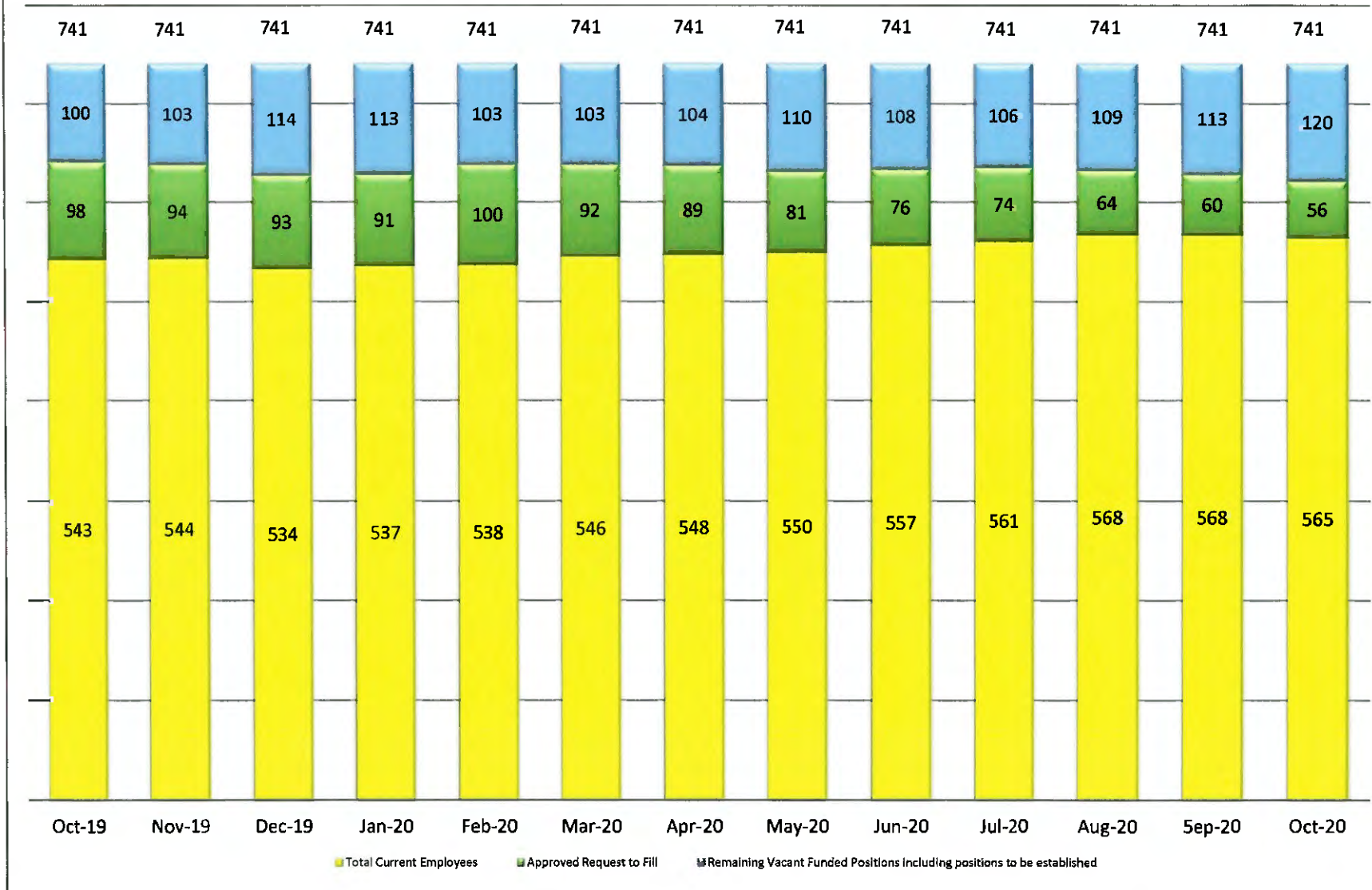
Vice Chair Sproat inquired, given that the BWS has various vacant positions, ranging from skilled to general positions, have more applicants been applying.

Ms. Thomas replied, in the last quarter, the BWS has received numerous applications for general positions and has quickly filled sixteen positions.

Chair Andaya appreciates HRO for filling sixteen positions. He noticed the BWS had increased the number of vacant funded positions and decreased approved requests to fill positions since July; therefore, asked if it is coincidental or intentional.

Manager Lau responded to manage the cost; the BWS is prioritizing which positions are necessary and affordable. The BWS is taking precautions and exercising care with the budget in the event the BWS should face a shortfall.

Positions Filled October 1, 2019 through October 31, 2020



Actions: 16 New Hires, 5 Promotions, 4 Demotions, 12 Separations, 15 New approvals to fill, 8 Cancelled requests

BOARD OF WATER SUPPLY

City and County of Honolulu

RECRUITMENT AND SEPARATION STATUS For Period August 31, 2020 to October 31, 2020

Status of Positions Under Recruitment

	as of		
	8/31/2020	9/30/2020	10/31/2020
Pending DHR Open List	23	18	22
Pending IDCE	3	5	1
Pending Interview Questions	8	8	9
Pending Interviews	24	23	20
Anticipated Starts	6	6	4
Total Positions Under Recruitment	64	60	56

Filled Positions

Month	Aug-20	Sep-20	Oct-20
Open list	9	4	3
IDCE list	3	2	4

Separations

Month	Aug-20	Sep-20	Oct-20
Retire	2	0	3
Resign	0	4	3

Legend:

DHR = Department of Human Resources City and County of Honolulu

IDCE = Intra-Departmental Competitive Examination

ITEM FOR INFORMATION NO. 4

"November 23, 2020

STATUS
UPDATE OF
GROUNDWATER
LEVELS AT
ALL INDEX
STATIONS

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

As reported at the October 26th Board Meeting, the Board of Water Supply (BWS) initiated a voluntary conservation notice of 10 percent for Windward and East Honolulu, due to declining water levels coupled with unusually hot weather and low rainfall conditions for the previous 7 months.

Presently, there are two aquifer index stations in low groundwater condition. Punaluu and Kaimuki are in Alert low groundwater condition. The monthly production average for October 2020 was 138.72 million gallons per day, which is very similar to the 5-year monthly average. Most monitoring stations are exhibiting stabilizing water level trends.

The BWS rainfall index for the month of October was 48 percent of normal, with a 5-month moving average of 57 percent. As of November 3, 2020, the Hawaii Drought Monitor shows moderate drought conditions across Oahu, with severe drought conditions on the leeward coast stretching from Ewa Beach to Makaha. The National Weather Service is forecasting La Nina conditions, with potential above-normal rainfall through April.

We recognize that many customers continue to use water wisely and reduce water waste; we commend them for their efforts. We are asking all our customers to lower their water use where possible through the end of the year.

Respectfully submitted,

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

Attachment"

The foregoing was for information only.

DISCUSSION: Barry Usagawa, Program Administrator, Water Resources Division, gave the report.

Manager Lau stated it was a hot and dry summer. Over the summer, the water demand average was up to 160 million gallons (mg) per day.

**PRODUCTION, HEAD AND RAINFALL REPORT
MONTH OF OCTOBER 2020**

POTABLE

STATION	MGD
HONOLULU (1)	
KULIOUOU	0.21
WAILUPE	0.13
AINA KOA	0.11
AINA KOA II	0.81
MANOA II	0.96
PALOLO	1.05
KAIMUKI HIGH	2.28
KAIMUKI LOW	3.81
WILDER	7.18
BERETANIA HIGH	5.36
BERETANIA LOW	0.57
KALIHI HIGH	0.00
KALIHI LOW	0.00
KAPALAMA	1.62
KALIHI SHAFT	7.75
MOANALUA	1.23
HALAWA SHAFT	6.99
KAAMILO	0.87
KALAUAO	6.99
PUNANANI	8.63
KAHUMANU	0.26
HECO WAIU	2.65
MANANA	0.31
WELLS SUBTOTAL:	59.77
MANOA TUNNEL	0.17
PALOLO TUNNEL	0.23
GRAVITY SUBTOTAL:	0.40
HONO. SUBTOTAL:	60.17

STATION	MGD
WINDWARD (2)	
WAIMANALO II	0.38
WAIMANALO III	0.00
KUOU I	1.00
KUOU II	0.06
KUOU III	0.77
LULUKU	0.92
HAIKU	0.00
IOLEKAA	0.00
KAHALUU	0.69
KAHANA	0.99
PUNALUU I	0.00
PUNALUU II	4.30
PUNALUU III	1.02
KALUANUI	1.32
MAAKUA	0.26
HAUULA	0.26
WELLS SUBTOTAL:	11.96
WAIM. TUNNELS I & II	0.00
WAIM. TUNNELS III&IV	0.19
WAIHEE INCL. WELLS	0.13
WAIHEE TUNNEL	3.73
LULUKU TUNNEL	0.22
HAIKU TUNNEL	0.97
KAHALUU TUNNEL	1.45
GRAVITY SUBTOTAL:	6.69
WIND. SUBTOTAL:	18.66

STATION	MGD
NORTH SHORE (3)	
KAHUKU	0.41
OPANA	0.24
WAIALEE I	0.38
WAIALEE II	0.58
HALEIWA	0.00
WAIALUA	2.09
N.SHORE SUBTOTAL:	3.71

STATION	MGD
MILILANI (4)	
MILILANI I	2.03
MILILANI II	0.00
MILILANI III	0.90
MILILANI IV	2.21
MILILANI SUBTOTAL:	5.13

STATION	MGD
WAIHAWA (5)	
WAIHAWA	1.12
WAIHAWA II	2.08
WAIHAWA SUBTOTAL:	3.20

STATION	MGD
PEARL CITY-HALAWA (6)	
HALAWA 277	0.62
HALAWA 550	0.00
AIEA	1.17
AIEA GULCH 497	0.42
AIEA GULCH 550	0.22
KAONOHI I	1.08
WAIMALU I	0.00
NEWTOWN	1.01
WAIU	0.94
PEARL CITY I	0.82
PEARL CITY II	1.13
PEARL CITY III	0.30
PEARL CITY SHAFT	0.92
PEARL CITY-HALAWA SUBTOTAL:	8.64

STATION	MGD
WAIPAHU-EWA (7)	
WAIPIO HTS.	1.47
WAIPIO HTS. I	0.87
WAIPIO HTS. II	0.37
WAIPIO HTS. III	1.20
WAIPAHU	4.67
WAIPAHU II	2.13
WAIPAHU III	3.89
WAIPAHU IV	2.51
KUNIA I	4.46
KUNIA II	2.04
KUNIA III	1.48
HOAEAE	6.08
HONOULIULI I	0.00
HONOULIULI II	4.40
MAKAKILO	0.24
WAIPAHU-EWA SUBTOTAL:	35.81

STATION	MGD
WAIANAE (8)	
MAKAHA I	0.00
MAKAHA II	0.35
MAKAHA III	0.15
MAKAHA V	0.12
MAKAHA VI	0.00
MAKAHA SHAFT	0.00
KAMALE	0.06
WAIANAE I	0.12
WAIANAE II	0.37
WAIANAE III	0.69
WELLS SUBTOTAL:	1.84
WAI. C&C TUNNEL	1.40
WAI. PLANT. TUNNELS	0.16
GRAVITY SUBTOTAL:	1.56
WAIANAE SUBTOTAL:	3.40

NONPOTABLE

NONPOTABLE	MGD
KALAUAO SPRINGS	0.44
BARBERS POINT WELL	1.12
GLOVER TUNNEL NP	0.30
NONPOTABLE TOTAL:	1.87

RECYCLED WATER (SEPTEMBER 2020)

RECYCLED WATER	MGD
HONOULIULI WRF R-1	8.77
HONOULIULI WRF RO	1.36
RECYCLED WATER TOTAL:	10.13

**PRODUCTION, HEAD AND RAINFALL REPORT
MONTH OF OCTOBER 2020**

PRODUCTION SUMMARIES

TOTAL WATER	MGD
PUMPAGE	130.06
GRAVITY	8.65
POTABLE TOTAL:	138.72
NONPOTABLE	1.87
RECYCLED WATER	10.13
TOTAL WATER:	150.71

CWRM PERMITTED USE AND BWS ASSESSED YIELDS FOR BWS POTABLE SOURCES				
WATER USE DISTRICTS		A	B	C
		PERMITTED USE/ BWS YLDS	OCT 2020	DIFF. A-B
1	HONOLULU	82.93	59.77	23.16
2	WINDWARD	25.02	14.79	10.23
3	NORTH SHORE	4.70	3.71	0.99
4	MILILANI	7.53	5.13	2.40
5	WAHIAWA	4.27	3.20	1.07
6	PEARL CITY-HALAWA	12.25	8.64	3.61
7	WAIPAHU-EWA	50.63	35.81	14.82
8	WAIANAE	4.34	1.84	2.50
TOTAL:		191.67	132.90	58.77

CWRM PERMITTED USE FOR BWS NONPOTABLE SOURCES				
WATER USE DISTRICTS		A	B	C
		PERMITTED USE	OCT 2020	DIFF. A-B
7	WAIPAHU-EWA (BARBERS POINT WELL)	1.00	1.12	-0.12
TOTAL:		1.00	1.12	-0.12

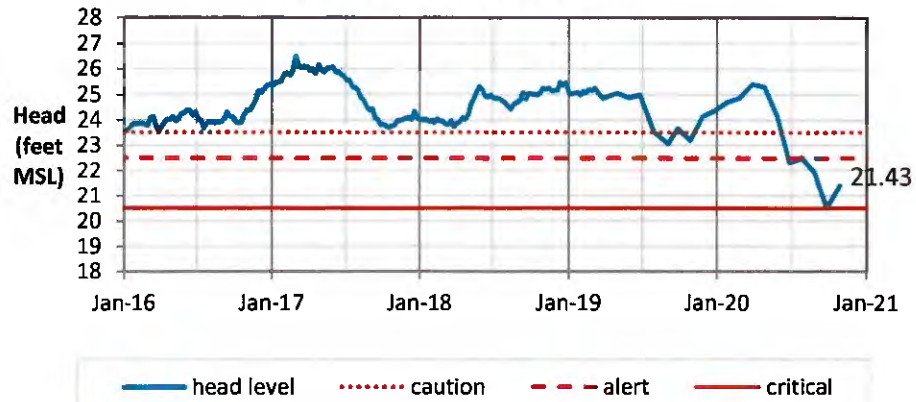
EFFECTIVE WATER DEMAND PER DISTRICT

IMPORT/EXPORT BETWEEN WATER USE DISTRICTS			
FROM	TO		MGD
2	1	WINDWARD EXPORT	1.29
7	8	BARBERS PT LB	5.77

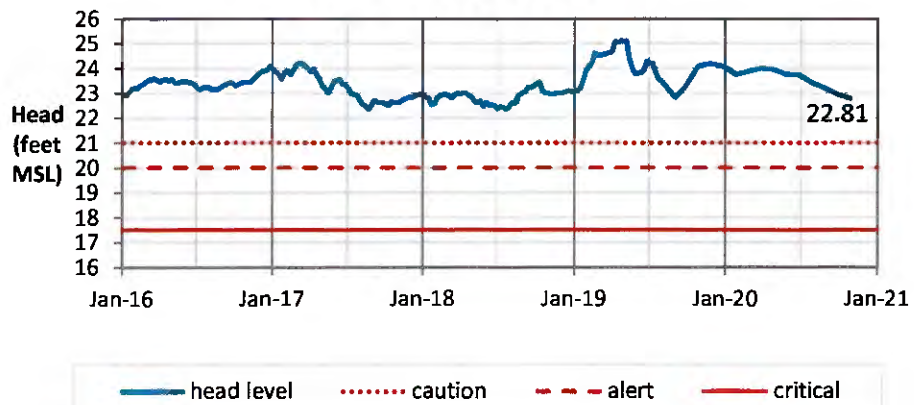
WATER USE DISTRICTS		SUBTOTAL	IMPORT	EXPORT	EFFECTIVE WATER DEMAND
1	HONOLULU	59.77	1.29	-	61.06
2	WINDWARD	14.79	-	1.29	13.50
3	NORTH SHORE	3.71	-	-	3.71
4	MILILANI	5.13	-	-	5.13
5	WAHIAWA	3.20	-	-	3.20
6	PEARL CITY-HALAWA	8.64	-	-	8.64
7	WAIPAHU-EWA	35.81	-	5.77	30.04
8	WAIANAE	1.84	5.77	-	7.61
TOTAL:		132.90	7.06	7.06	132.90

Head Report

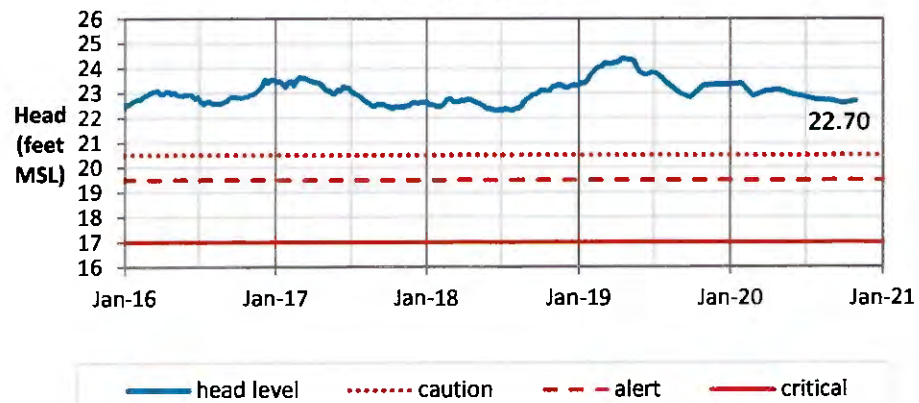
Kaimuki 11/02/20



Beretania 11/02/20

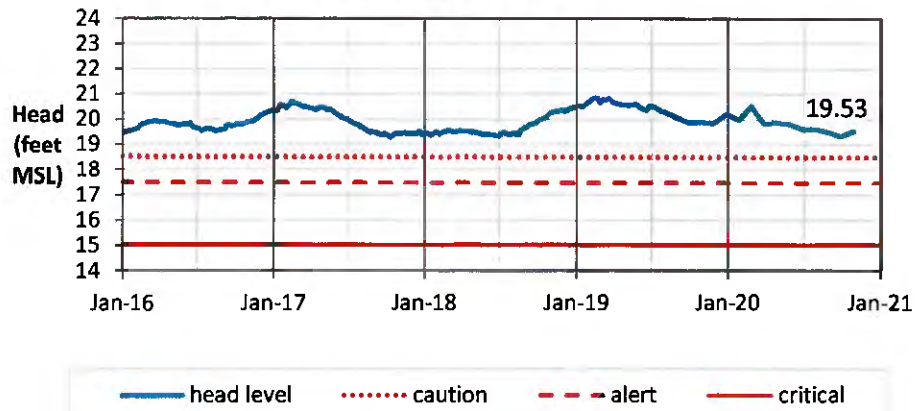


Kalihi 11/02/20

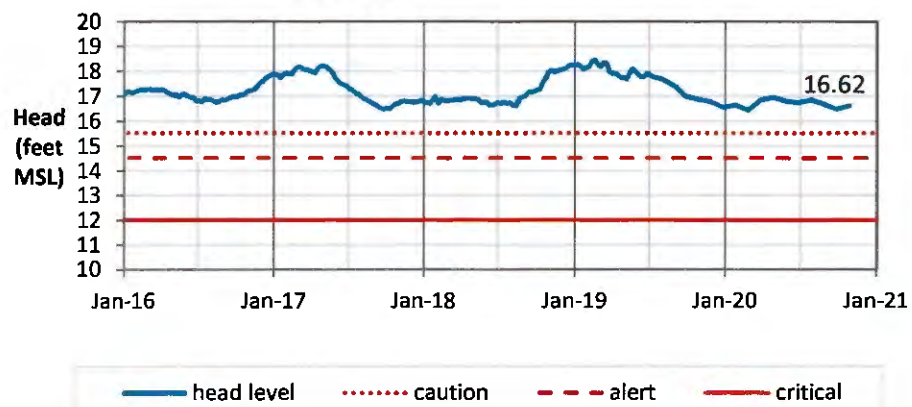


Head Report

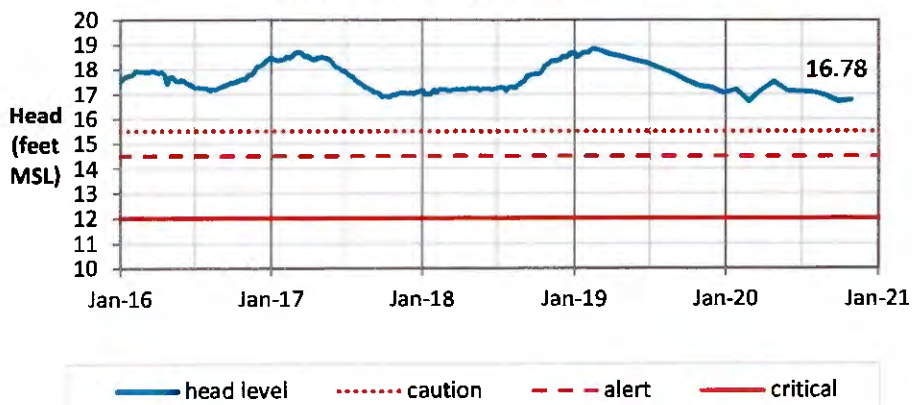
Moanalua 11/02/20



Halawa 11/04/20

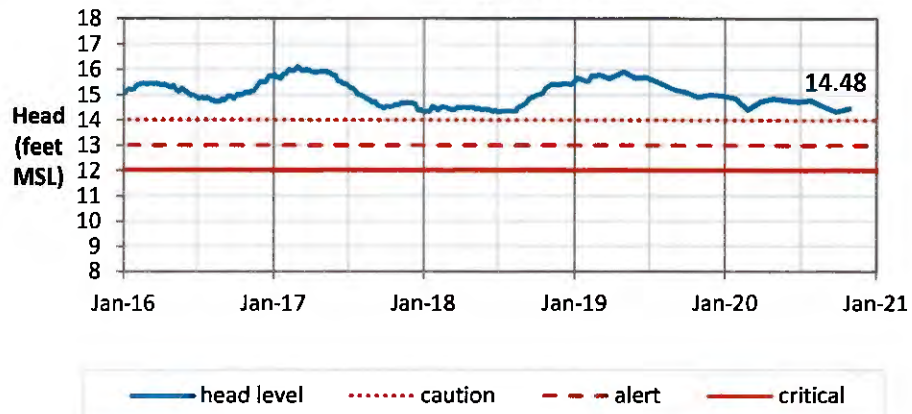


Kalauao 11/04/20

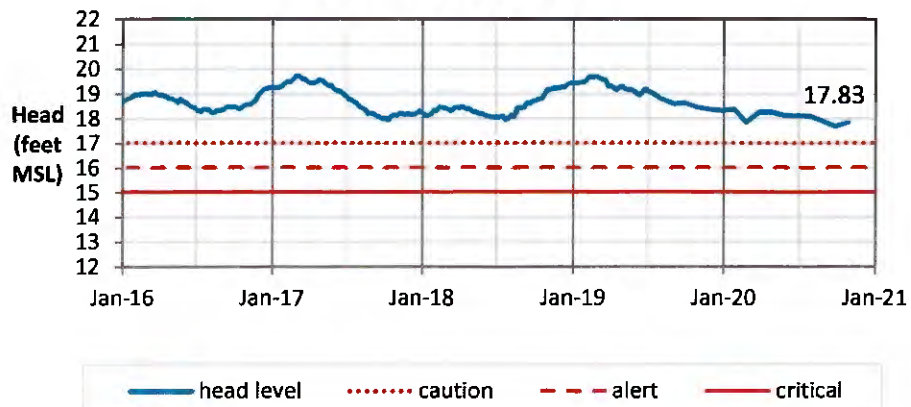


Head Report

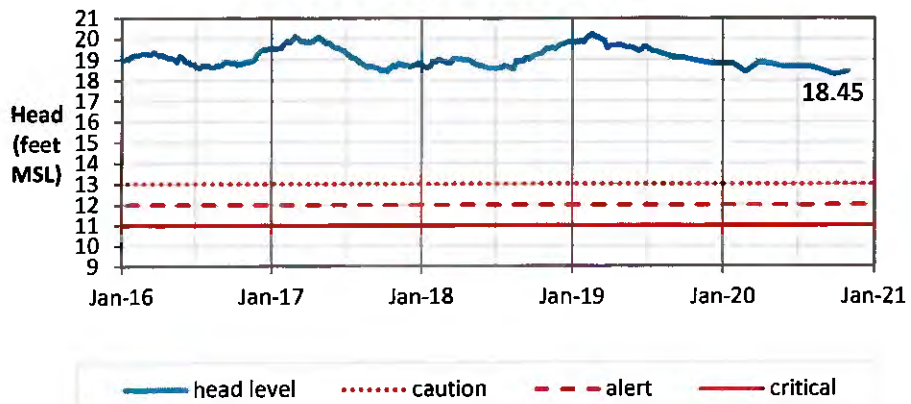
Pearl City 11/05/20



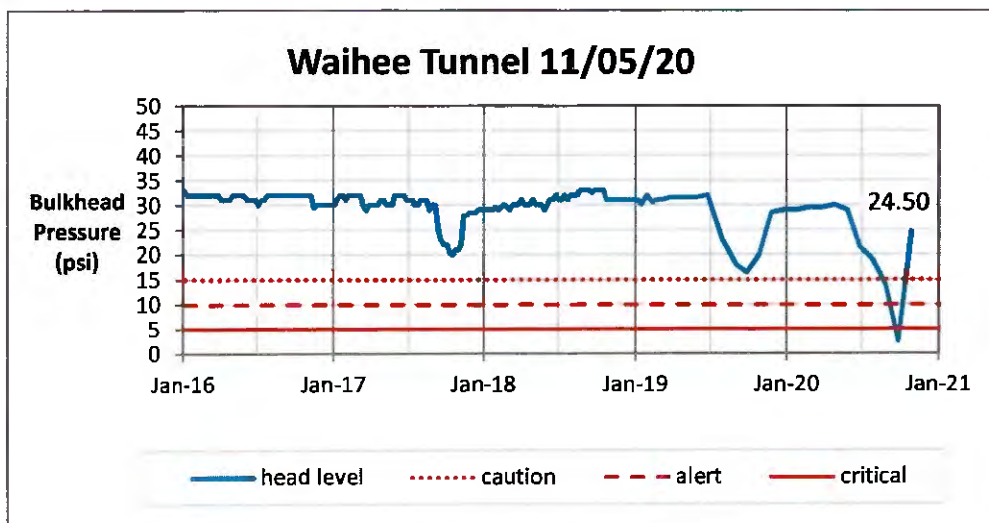
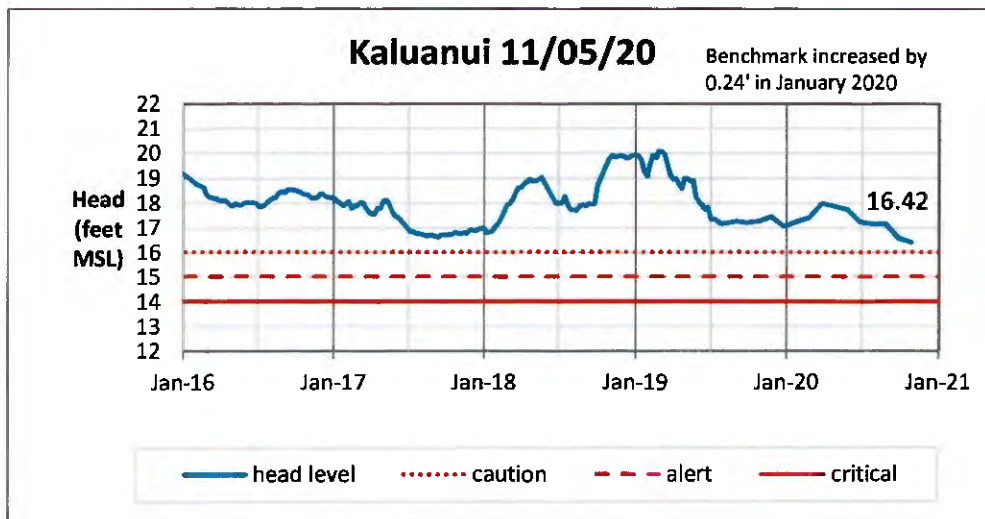
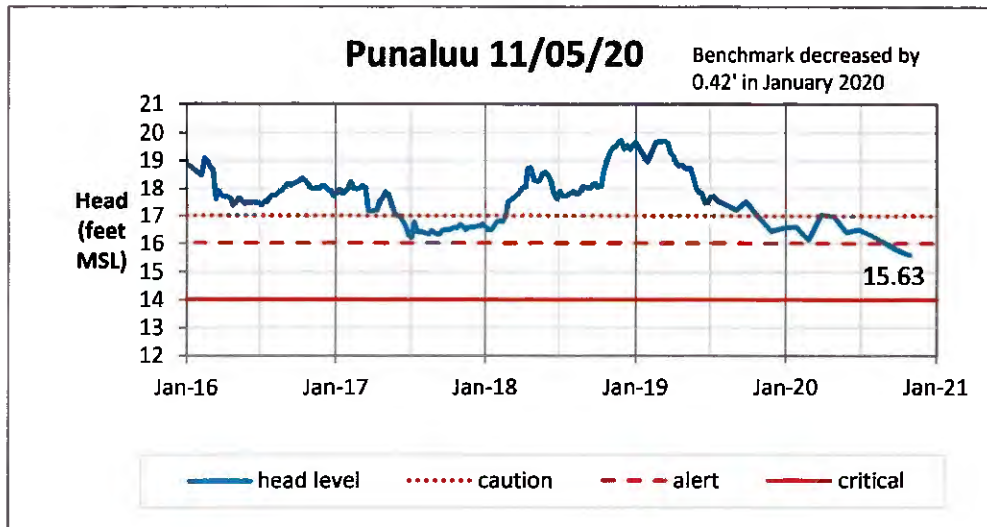
Waipahu 11/06/20



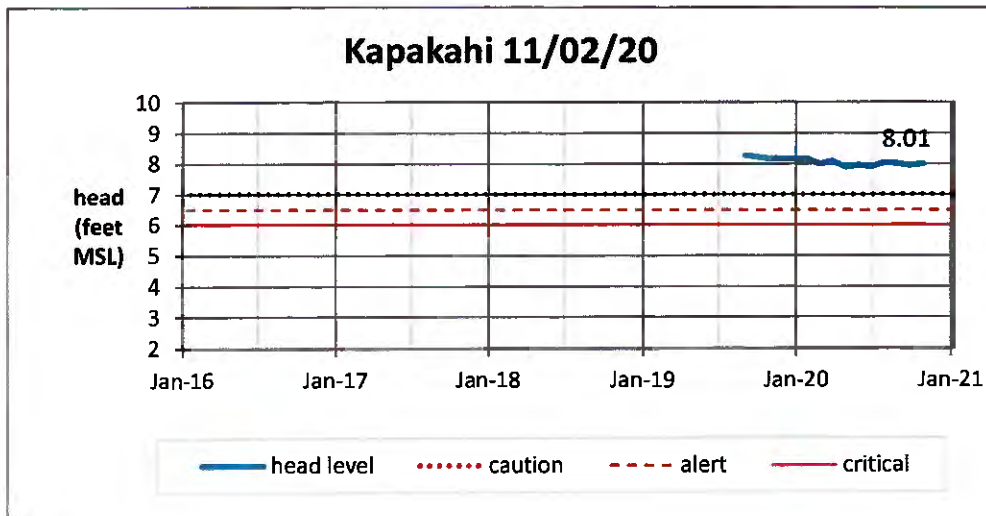
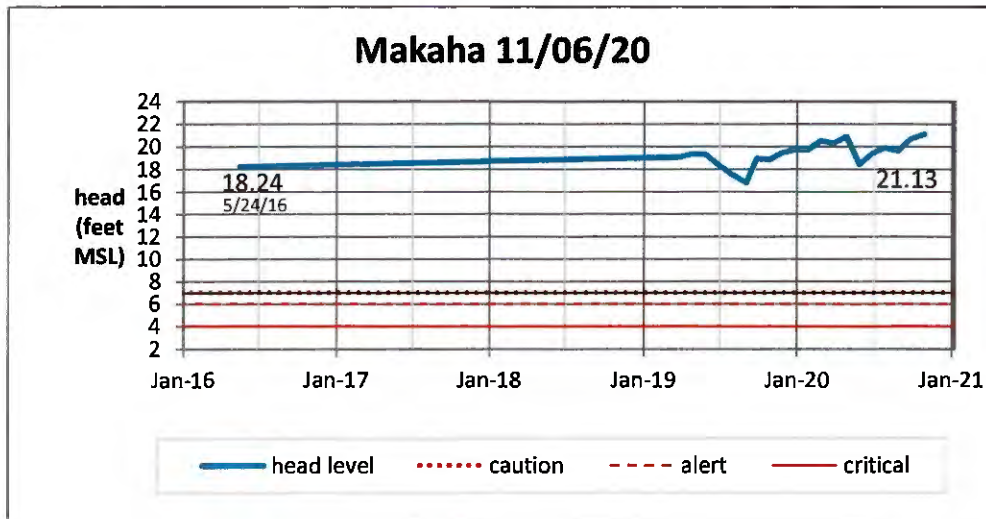
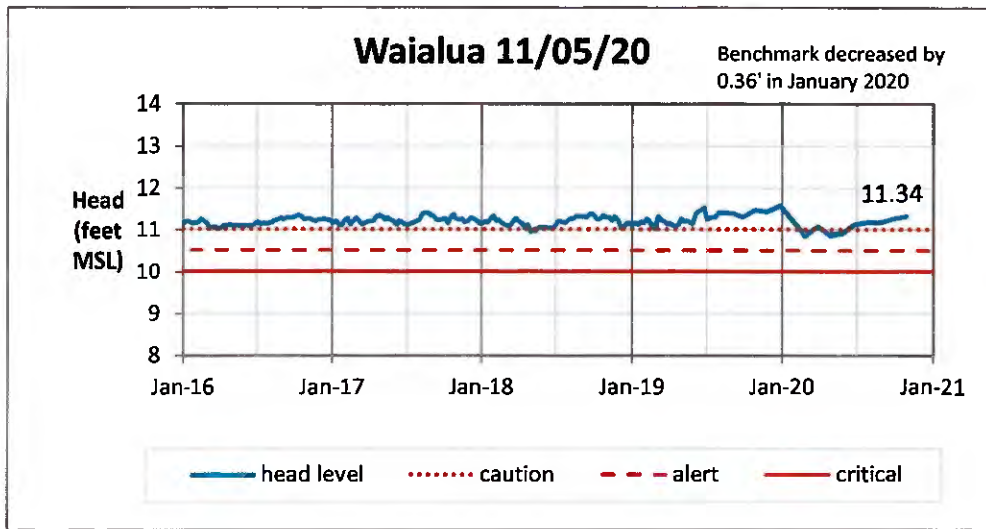
Hoeaee-Kunia 11/06/20

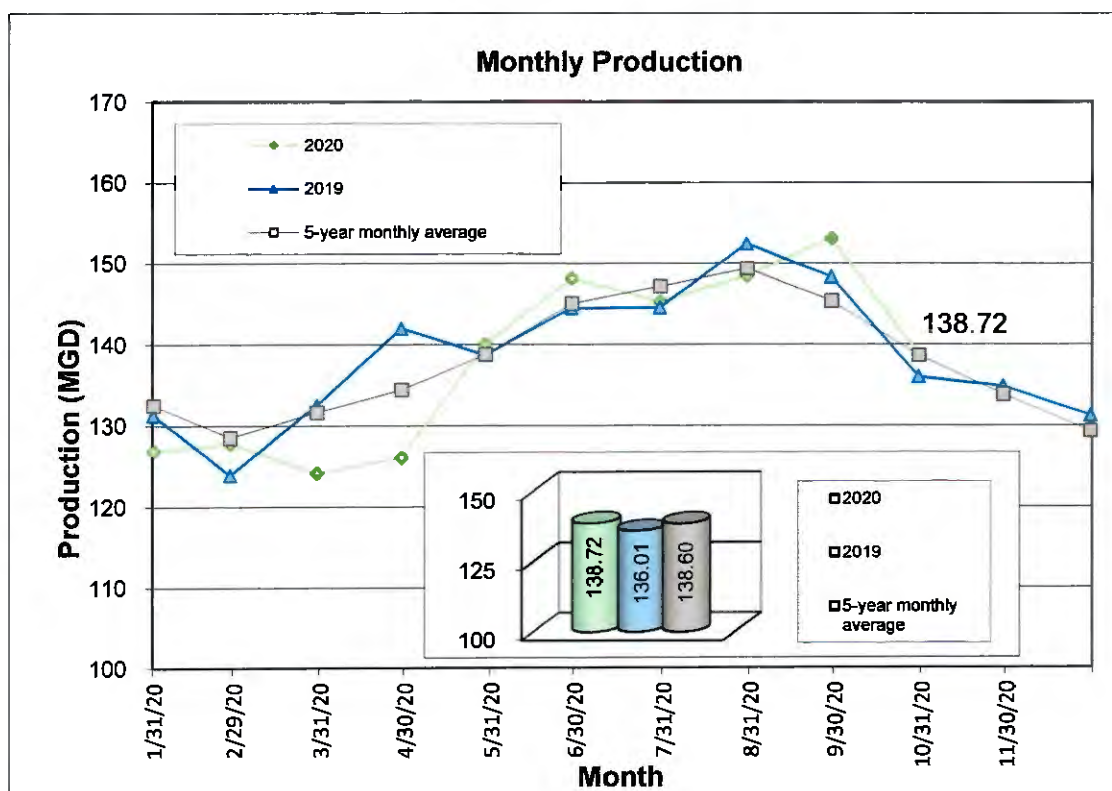
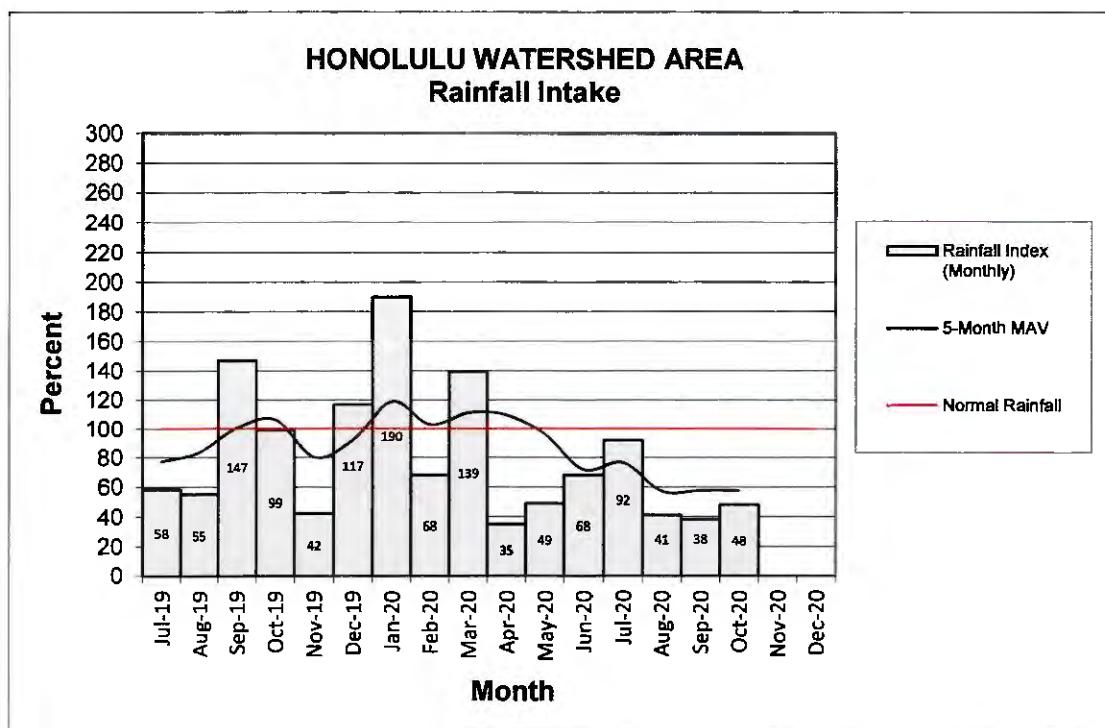


Head Report



Head Report





ITEM FOR INFORMATION NO. 5

"November 23, 2020

WATER MAIN
REPAIR
REPORT FOR
OCTOBER
2020

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

Chair and Members:

Subject: Water Main Repair Report for October 2020

Michael Fuke, Program Administrator, Field Operations Division, will report on water main repair work for the month of October 2020.

Respectfully submitted,

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

Attachment"

The foregoing was for information only.

DISCUSSION:

Michael Fuke, Program Administrator, Field Operations Division, gave the report.

Manager Lau stated Field Operations has been busy with several water main breaks. Before the Waimanalo main break, there was a thirty-inch main break in Makapu'u, near Sea Life Park, and two six-inch main breaks in Waimanalo. When the twenty-inch diameter transmission main broke on Saturday, November 14, 2020, it affected almost four hundred Waimanalo customers. He explained Waimanalo has one well and tunnel, which isn't adequate to supply the whole community. Therefore, another twenty-inch main from Kaneohe is pumped into Waimanalo to help provide the drinking water demand.

Manager Lau recognized Field Operations (FO) and Water Systems Operations (WSO) Division. They assembled a temporary bypass line using fire hoses to supply water to most of the customers affected by the main break. The fire pumper was rigged to reach customers in the 230, 272, and 364 system zone.

Manager Lau also recognized the Communications Office (CO), who reached out to our customers, going door to door in the Waimanalo community to see who was affected; they carried water to homes and made follow-up calls. Water tankers were brought in by FO Division and made available to the community at central locations.

Manager Lau stated the Waimanalo community went without water for almost a week. He extended his appreciation to the community for their patience as the BWS worked tirelessly to fix the main break.

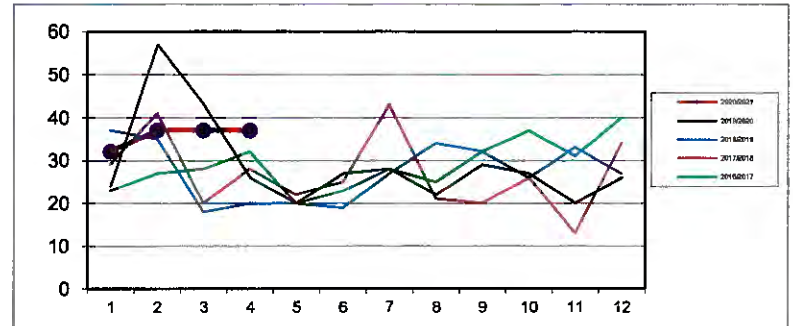
Manager Lau expressed his gratitude for the support of the following: Ms. Rebecca Soon, Deputy, Department of Community Services (DCS), who offered the use of the mobile hygiene unit. The mobile unit contractor Mr. Bob Wardlaw of Hei Hei who moved the mobile hygiene unit to different parts of Waimanalo. Pastor Jean Clouzet, Michelle, and Dolly of the Waimanalo Seven Day Adventist Church for their use of their parking lot, which is where the BWS placed the mobile unit. He also thanked the City and State Elected Officials for assisting with messaging to the community. Lastly, he thanked Mike Fuke (FO), Kevin Ihu (WSO), and Kathleen Elliott-Pahinui (CO) for the team effort displayed while working on the Waimanalo main break.

Chair Andaya appreciated Manager Lau's update on the Waimanalo main break. He extends his regrets to everyone in Waimanalo affected by the water main break and their patience. He thanked Manager Lau, Mr. Fuke, and the department for all the hard work done to restore service to the Waimanalo community.

WATER MAIN REPAIR REPORT for October 2020

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Total
2020/2021	32	37	37	37									143
2019/2020	24	57	43	26	20	27	28	22	29	27	20	26	349
2018/2019	37	35	18	20	20	19	27	34	32	26	33	27	328
2017/2018	29	41	20	28	22	25	43	21	20	26	13	34	322
2016/2017	23	27	28	32	20	23	28	25	32	37	31	40	346

Date	Address	Size (in)	Pipe Type
10/1/2020	1050 Hanohano Way, Honolulu	4	DI
10/1/2020	1321 Akahai St, Kailua	8	CI
10/4/2020	85-946 Mill St, Waianae	8	CI
10/5/2020	2106 Puna St, Honolulu	6	CI
10/5/2020	45-705 Kolokio Pl, Kaneohe	4	CI
10/5/2020	1294 Lunalilo Home Rd, Honolulu	8	DI
10/6/2020	5324 Nehu Pl, Honolulu	6	CI
10/6/2020	734 Mokulua Dr, Kailua	8	PVC
10/7/2020	67-449 Haona St, Waialua	8	CI
10/8/2020	91-54 Amio St, Ewa Beach	8	CI
10/8/2020	91-515 Huleia Pl, Ewa Beach	6	CI
10/8/2020	91-423 Pupu St, Ewa Beach	8	CI
10/8/2020	320 Poipu Dr, Honolulu	12	CI
10/9/2020	94-1081 Awaiki St, Waipahu	8	CI
10/9/2020	935 Queen St, Honolulu	6	CI
10/13/2020	297 Iliha St, Kailua	12	AC
10/13/2020	89-1106 Puawiliwili Pl, Waianae	4	CI
10/13/2020	49-701 Kamehameha Hwy, Kaawa	6	CI
10/14/2020	506 Paulele St, Kailua	12	AC
10/14/2020	2210 Kanealii Ave, Honolulu	8	CI
10/16/2020	187 Kamehameha Hwy, Wahiawa	6	CI
10/16/2020	1774 Hoowae St, Pearl City	8	CI
10/17/2020	46-375 Holopu Pl, Kaneohe	8	CI
10/17/2020	810 N School St, Honolulu	6	CI
10/18/2020	2350 Kanealii Ave, Honolulu	8	CI
10/18/2020	91-1129 Kuhina St, Ewa Beach	8	AC
10/19/2020	47-377 Hui Koloa Pl, Kaneohe	4	CI
10/20/2020	3488 Manoa Rd, Honolulu	12	CI
10/20/2020	613D Keeaumoku St, Honolulu	8	CI
10/21/2020	94-1007 Maikai Pl, Waipahu	8	CI
10/23/2020	98-1004 Kaokoa Pl, Aiea	8	PVC
10/25/2020	633 Ekekela Pl, Honolulu	8	CI
10/26/2020	85-677 Farrington Hwy, Waianae	16	CC
10/28/2020	59-603 Akanoho Pl, Haleiwa	8	CI
10/28/2020	98-1002 Kahapili St, Aiea	6	GI
10/29/2020	2921 Laelae Way, Honolulu	6	CI
10/31/2020	731 Kamehameha Hwy, Pearl City	8	CI



13 miles of pipeline were surveyed by the Leak Detection Team in the month of October.

ITEM FOR INFORMATION NO. 6

"November 23, 2020

SCHEDULE OF
MONTHLY
BOARD
MEETINGS FOR
CALENDAR
YEAR 2021

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

Subject: Schedule of Monthly Board Meetings for Calendar Year
2021

Attached for your information is the schedule of Board Meetings for the calendar year 2021.

Respectfully submitted,

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

Attachment"

The foregoing was for information only.

DISCUSSION: Ernest Lau, Manager and Chief Engineer gave the report.
There were no comments or discussion.

BOARD OF WATER SUPPLY
CITY AND COUNTY OF HONOLULU

2021 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 25

February 22

March 29

April 26

May 10 – Annual Budget Workshop

May 24

June 28

July 26

August 23

September 27

October 25

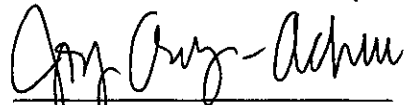
November 22

December 13 (2nd Monday in December)

MOTION TO
ADJOURN

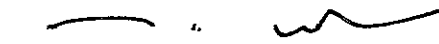
There being no further business Chair Andaya at 3:09 PM called for a motion to adjourn the Regular Session. Kapua Sproat so moved; seconded by Jade Butay and unanimously carried.

The minutes of the Regular Meeting held on November 23, 2020 are respectfully submitted,


JOY CRUZ-ACHIU

THE MINUTES OF THE REGULAR SESSION BOARD MEETING ON NOVEMBER 23, 2020 WERE APPROVED AT THE DECEMBER 14, 2020 BOARD MEETING				
	AYE	NO	ABSTAIN	COMMENT
BRYAN P. ANDAYA	X			
KAPUA SPROAT	X			
RAY C. SOON	X			
MAX J. SWORD	X			
ROSS S. SASAMURA	X			
JADE T. BUTAY	X			

APPROVED:


BRYAN P. ANDAYA
Chair of the Board

DEC 14 2020

Date