

MEETING MINUTES
BOARD OF WATER SUPPLY
July 27, 2018

The Board of Water Supply, County of Kaua'i, met in regular meeting at the Board Conference Room in Lihu'e on Friday, July 27, 2018. Chair Beth Tokioka called the meeting to order at 10:02 a.m. The following Board members were present:

BOARD: Ms. Beth Tokioka, *Chair*
Mr. Sherman Shiraishi, *Vice Chair*
Mr. Lyle Tabata
Ms. Laurie Ho
Mr. Michael Dahilig
Mr. Thomas Canute

EXCUSED: Mr. Lawrence Dill

Quorum was achieved with 6 members present at Roll Call.

STAFF:

Mr. Bryan Wienand	Mr. Dustin Moises
Ms. Fay Tateishi	Mr. Jeff Mendez
Mr. Valentino Reyna	Mrs. Sandi Nadatani-Mendez
Mr. Edward Doi	Mr. Michael Hinazumi
Mr. Keith Aoki	Mrs. Jonell Kaohelaulii
Mr. Val Reyna	Mr. Andy Canavan
Mr. Ryan Smith	Mr. Marcelino Soliz
Ms. Jenny Paleracio, Intern	Ms. Kylee Pascual, Intern
Ms. Janae Park, Intern	Mr. Janel Yago, Intern
Deputy County Attorney Jodi Higuchi	

C. ACCEPTANCE OF AGENDA

Mr. Tabata moved to approve the Agenda; seconded by Ms. Ho; with no objections, motion carried with 6 ayes.

D. MEETING MINUTES

Review and approval of:

Regular Board Meeting – June 22, 2018

Ms. Ho moved to approve the Regular Board Meeting minutes of June 22, 2018; seconded by Mr. Tabata; with no objections, motion carried with 6 ayes.

E. CORRESPONDENCE/ANNOUNCEMENTS

1. Correspondence from Mr. Allan Rietow, Field Representative, The Nature Conservancy Coordinator for the Benefit of the Kaua'i Watershed Alliance requesting to present a Kaua'i Watershed Alliance Progress Report at the August 24, 2018 Regular Board Meeting, dated July 11, 2018

Mr. Dahilig moved to receive and to add the Correspondence from Mr. Allan Rietow, Field Representative, The Nature Conservancy Coordinator for the Benefit of the Kaua'i Watershed Alliance requesting to present a Kaua'i Watershed Alliance Progress Report at the August 24, 2018 Regular Board Meeting, dated July 11, 2018 on the August 24th Agenda; seconded by Mr. Tabata with no objections, motion carried with 6 ayes.

2. Correspondence and 2018 Annual Report from Mr. Ed Kawamura, Jr., East Kaua'i SWCD, Chair and Mr. Peter Tausend, West Kaua'i SWCD, Chair from the East & West Kaua'i Soil & Water Conservation Districts dated July 19, 2018

Mr. Dahilig moved to receive the Correspondence and 2018 Annual Report from Mr. Ed Kawamura, Jr., East Kaua'i SWCD, Chair and Mr. Peter Tausend, West Kaua'i SWCD, Chair from the East & West Kaua'i Soil & Water Conservation Districts dated July 19, 2018 and for the Department to send a Thank You letter to Mr. Ed Kawamura for a copy of the report; seconded by Mr. Canute, with no objections, motion was carried with 6 ayes.

➤ A Thank You Letter will be sent to Mr. Kawamura for the Annual Report.

F. BOARD COMMITTEE & PERMITTED INTERACTION GROUP REPORTS

None.

G. OLD BUSINESS

1. Manager's Report No. 18-82 – Discussion and Possible Action on the Status Update on Water Plan 2020

BACKGROUND:

Manager Wienand gave an update on Water plan 2020 highlighting the following:

1. Notice to Proceed (NTP) design projects shown on Item #1.
(3 are State funded projects with a June deadline)
2. Initiated design on new projects on Item #2.
(2 projects resulted from the April flood on the north shore)
3. Island wide rehabilitated tanks projects was previously submitted to the Board for funding approval.
4. Island wide vulnerability and resiliency projects.
5. Base yard master plan for Operations is scheduled in 2019.
6. Phase Type (Page 2) - is the status of each project. Historically Water Plan 2020 was an aggressive plan laying out 260 projects to be completed in 20 years. Phase 3 projects still need to be completed but that should not be regarded as a negative because the plan was intentionally aggressive.

DISCUSSION:

Mr. Dahilig requested a follow up from the Manager regarding:

1. Puhi/Līhu'e/Hanamā'ulu System - Where are the deficiencies in the system that would bring broader water service to future development?
Planning's goals are in housing for local residents.
2. What are the Department's plans in meeting those deficiencies?
3. Does Water Plan 2020 address the water deficiencies regarding the projected 4,000 homes by 2035 in the Līhu'e area? How would this be back tracked? Does Water Plan 2020 address this question or appropriate for the 2030 or 2040 Water Plan update?
4. Align with the General Plan Update.

At 10:10 a.m., Mr. Tabata exited the meeting.

At approx. 10:15 a.m. Mr. Tabata re-entered the meeting.

Chair Tokioka inquired that many projects that were scored 30 (high/urgency); why aren't these projects moving? Manager Wienand said during the 2008 recession the Department of Water's (DOW) capacity

was affected by the recession. The Phase 3 projects were not considered but will be part of the next long range plan (either WP2030 or WP2040).

Chair Tokioka asked that the scoring of 30 was critical but why wait? Manager Wienand commented there are 22 existing on-going designs with 7 projects that are in the construction phase. Projects will be looked at on the next long range plan.

Chief of Water Resources & Planning, Mr. Doi explained Water Plan 2020 was an island wide plan that consisted of many projects and scored. Projects were based on need with input by various managers and boards.

Civil Engineer Mr. Hinazumi added that some scores are high and the 30's have not been accomplished and are Capital Improvement Projects (CIP). Intent of Water Plan 2020 was for infrastructure, capital rehabilitation replacement (maintenance) program. The 30's and capital replacement were weighed higher during the earlier phase of Water Plan 2020. Mr. Hinazumi said DOW used the General Plan Update and part of Water Plan 2020 was to assess the condition of the infrastructure and to look at the General Plan and Planning's focus areas and future development.

Received – 6 members

- Manager Wienand will prepare a follow up on Mr. Dahilig's questions at the August Board meeting.

At 10:20 a.m., Chair Tokioka exited the meeting. Vice Chair Shiraishi continued the meeting.

2. Manager's Report No. 18-106 - Discussion and Possible Action on the Manager and Chief Engineer's Goals for FY 2018-2019 (*Update*)

- Mr. Tabata recommended to continue working with the Manager's six (6) Goals. Chair Tokioka consented. This item will be placed on the August Agenda to continue discussion.

Received – 5 members

H. NEW BUSINESS

1. Discussion and Receipt of the American Water Works Association, Annual Conference Exposition Report (*June 11-14, 2018*)
 - a. Report from Kaua'i Board of Water Supply Member, Michael Dahilig
 - Pending; Place on the August Agenda.
 - b. Report from Kaua'i Board of Water Supply Member, Lyle Tabata
 - c. Report from Kaua'i Board of Water Supply Member, Thomas Canute

Received - Pending Mr. Dahilig's report – 5 members

At 10:28 a.m., Chair Tokioka re-entered the meeting.

2. Resolution No. 19-01 – Farewell to Mona Yamauchi (Retiree), Customer Relations Assistant, Fiscal Division

Mrs. Yamauchi's Resolution will be read at her farewell retirement (July 31st).

Ms. Ho moved to receive and adopt Resolution No. 19-01 – Farewell to Mona Yamauchi (Retiree), Customer Relations Assistant, Fiscal Division; seconded by Mr. Dahilig; with no objections, motion carried with 6 ayes.

3. Manager's Report No. 19-01 – Discussion and Possible Action on approval of design funding for Job No. 18-8, Limahuli Stream and Mānoa Steam Water Line Repairs in the amount of \$250,000.00

BACKGROUND:

Manager Wienand indicated the existing water mains at both streams were severely damaged during the April flood. DOW is working on a strategy to get the water mains replaced. FEMA has a deadline of 30 months to get the work completed from design through construction to be eligible for reimbursement. Funds need to be approved for the design selection process. DOW is concurrently evaluating the possibility of working with the Department of Transportation to potentially get an agreement executed in which DOT would be the lead agency for repairing the road and their scope of work would include the water main repairs.

DISCUSSION:

Mr. Shiraishi referred to Page 2 that stated, “After funds for design are approved, the Department can proceed with the procurement for the design of the repairs. He asked if two designs were necessary for this job? Manager Wienand said this is one design project because the stream crossings which washed out both water lines are in close proximity to each other, and the design will also include mitigation.

Mr. Shiraishi moved to approve Manager's Report No. 19-01 – Discussion and Possible Action on approval of design funding for Job No. 18-8, Limahuli Stream and Mānoa Steam Water Line Repairs in the amount of \$250,000.00; seconded by Mr. Canute; with no objections; motion carried with 6 ayes.

4. Manager's Report No. 19-02 – Discussion and Possible Action to Request Board Approval for Indemnification for Remote Support software between the Board of Water Supply, County of Kaua'i and Splashtop

Mr. Shiraishi moved to approve Manager's Report No. 19-02 – Discussion and Possible Action to Request Board Approval for Indemnification for Remote Support software between the Board of Water Supply, County of Kaua'i and Splashtop; seconded by Ms. Ho; with no objections, motion carried with 6 ayes.

I. CONSENT CALENDAR

1. Manager's Report No. 19-03 – Discussion and Possible Action to approve Grant of Easement with private owner that will allow the Department of Water to maintain and operate the Kekaha-Waimea Booster Pump station for Job No. 95-03: Kekaha-Waimea Booster Pump station, affecting the following:
 - a. Waimea Plantation Makai, LLC, TMK: (4) 1-2-006:041, Waimea, Kaua'i, Hawai'i

Mr. Shiraishi moved to approve Manager's Report No. 19-03 – Discussion and Possible Action to approve Grant of Easement with private owner that will allow the Department of Water to maintain and operate the Kekaha-Waimea Booster Pump station for Job No. 95-03: Kekaha-Waimea Booster Pump station, affecting the following: a. Waimea Plantation Makai, LLC, TMK: (4) 1-2-006:041, Waimea, Kaua'i, Hawai'i; seconded by Mr. Tabata; with no objections motion carried with 6 ayes.

At 10:33 a.m., Mr. Tabata exited the meeting.

2. Manager's Report No. 19-04– Discussion and Possible Action to approve a Grant of Easement Agreement for the Construction Plans for Kilauea Lighthouse Village project, affecting the following:

- a. Kīlauea Ventures, LLC, TMK: (4) 5-2-023:030, Kīlauea, Kaua'i, Hawai'i

Mr. Shiraishi moved to approve Manager's Report No. 19-04– Discussion and Possible Action to approve a Grant of Easement Agreement for the Construction Plans for Kilauea Lighthouse Village project, affecting the following: a. Kīlauea Ventures, LLC, TMK: (4) 5-2-023:030, Kīlauea, Kaua'i, Hawai'i; seconded by Mr. Tabata; with no objections motion carried with 6 ayes.

At 10:33 a.m., Mr. Tabata exited the meeting.

J. STAFF REPORTS
MONTHLY

1. Discussion and Receipt of the Kaua'i County Water Department's Statement of Revenues and Expenditures
 - a. June Monthly Summary Budget
 - b. Accounts Receivable Aging Summary

Manager Wienand thanked Ms. Tateishi's contributions on the Fiscal reports in addition to working with Waterworks Controller Mrs. Marites Yano. Ms. Tateishi will be recognized in August on her retirement.

Received – 6 members

At 10:34 a.m., Mr. Tabata re-enter the meeting.

2. Discussion and Receipt of the Report by the Public Relations Specialist on Public Relations Activities

BACKGROUND:

Public Information & Education Specialist, Ms. Kaohelauii highlighted the following:

1. Department internal newsletter was written, designed and published by Intern Ms. Jenny Paleracio. The newsletter included a tropical smoothie recipe. Smoothies were provided to the DOW staff this morning to promote the newsletter readership and served to the Board members.
2. Mr. Jason Fujinaka, Information Specialist was introduced to the Board members.
3. Project Wet is scheduled for September 20th.
4. Blessing of the Kapa'a Homestead Well scheduled for July 31st.
5. Hanapēpē and Eleele improvement project Informational Meeting will promote details about the construction work and will build a positive presence on August 1st at the Hanapēpē Neighborhood Center. Notices were sent out to the public.
6. DOW will shut down August 22nd for an Active Threat Training for all staff. Notices to customers have been implemented regarding bill payment as the payment drop box will remain available. Board members were invited to attend the training (4 hour morning training/lecture & followed by actual drills and scenarios in the afternoon).

Received – 6 members

3. Discussion and Receipt of the Chief of Operation's Summary Report on Operational Activities

BACKGROUND:

Chief of Operations Mr. Reyna highlighted the following:

1. Completed Contract No. 661 and installed a temporary main line for Kahiliholo Road. Design and construction is pending and operations is working with Department of Public Works. Mr.

Tabata provided an update that the bid goes out next week, NTP is end of August, order was placed for pre-test of the concrete culvert and expected completion is end of November.

2. No significant increase in overtime May to June.

DISCUSSION:

Mr. Shiraishi noticed high leaks in June. Mr. Reyna said the high leaks were from Wainiha and Hanalei. He did not know if the leaks were rain related. Small diameter PVC pipes started to fail and Operations is monitoring trends.

Received – 6 members

At 10:44 a.m., Mr. Dahilig exited the meeting.

4. Discussion and Receipt of the Manager and Chief Engineer’s Monthly Update Regarding Activities of Note of the DOW

BACKGROUND:

Manager Wienand highlighted the following:

1. Contract Awarded/Extension/Amendments:
Glenmount Global Solutions, Inc. for SCADA System.
Hanamā'ulu Well #1 & #2 Abandonment – Executed contracts
2. Personnel Matters:
Jason Fujinaka, Information Specialist 1 – Hired
Civil Engineering III – Hired & will start August 1st
Pipefitter Helper – Hired; an internal move from Janitor II position
Goal is to address vacancies the next fiscal year. There are 23 open vacancies.
3. Customer Care & Billing (CC&B) Update – Request for Proposal deadline was yesterday for support service on CC&B to be hosted in the Cloud. Debit and credit card payment options will be part of the contract.

At 10:47 a.m., Mr. Dahilig re-entered the meeting.

Received – 6 members

- a. Report of the BAB pay down as of June 2018

Received – 6 members

K. QUARTERLY *(April – June 2018)*

1. Discussion and Receipt of the DOW’s Quarterly Project Status Update
 - a. Construction Management Division Status

BACKGROUND:

Chief of Construction Manager highlighted the following:

1. State funded projects are out.
2. Majority of the time has been spent on Water Plan 2020.
3. Staffing – Hired new engineer that starts next week.
More inspector applicants are being approved for interviews.
4. Working on Construction Management (CM) projects and running CIP projects.
5. Closing out private projects. Due to the CM staffing situations, CM cannot serve private projects. A few private projects are on hold. If inspectors are hired, they could start in October.
6. Initiative – PM web software with E-builder and went live on July 1st. All CIP projects started are electronic and 99% paperless in CM. There has been a majority of positive feedback from users. Previous submittals got approved in 4 weeks but are not approved in 10-20 days.

Received - 6 members.

b. Engineering Division Design Status

BACKGROUND:

Civil Engineer Mr. Aoki highlighted the following:

1. No designs were completed the past quarter.
2. Kalāheo package A, B, C design is almost complete. Tracings were routed for signature and should be completed soon.
3. 'Anini Phase I expected to be completed this quarter.
4. MCC, Chlorination Facilities, Kīlauea Wells No. 1 & No. 2 was to be completed this quarter but Engineering is working on an Amendment with the contractor to negotiate adding scope to strengthen the MCC structure. If this project will be done, it will require additional design time to mid or early next year.
5. Two design contracts were awarded for the Kūhi'ō Hardy/Oxford 16" Main Replacement and the Island Wide Tank Rehabilitation projects.

Received - 6 members.

c. Water Resources & Planning Division Status

BACKGROUND:

Chief of Water Resources & Planning (WR&P) Mr. Doi highlighted the following:

1. Kaua'i Water Use Development Plan – Stakeholders attended and provided input at a second meeting on the prototype of Līhu'e/Puhi/Hanama'ulu area. The consultant is providing comments which may adjust the prototype.
2. WR&P is working on the upcoming Facilities Reserve Charge (FRC) grace period rule regarding different scenarios for exception to the rule. Grace period includes prior applicants who paid their FRC prior to 2015 and had three years to install their water meter but if they don't they would have to pay the difference of the FRC. Example: Kukui'ula did their facilities and developed in phases and was granted offsets for the FRC. The rules provide the Manager to provide exceptions with cases that are not identical. Mr. Dahilig mentioned the intent of the rule was to avoid meter squatting. Meters that were previously paid for were to go back to the Department to be reallocated for somebody else. Kukui'ula has 1,500 meters and half way installed; Manager Wienand added that Construction Management (CM) has received a request for 1 water meter installation that has been delayed due to DOW's staffing shortage within CM. Mr. Doi added that he estimates that there are over 1,000 meters with empty meter boxes in total. Notices were sent out to customers.

Received - 6 members.

L. **EXECUTIVE SESSION**

Pursuant to H.R.S. §92-7(a), the Board may, when deemed necessary, hold an executive session on any agenda item without written public notice if the executive session was not anticipated in advance. Any such executive session shall be held pursuant to H.R.S. §92-4 and shall be limited to those items described in H.R.S. §92-5(a).

M. **TOPICS FOR NEXT WATER BOARD MEETING** (August 2018)

1. Budget Rollovers
2. Resolution Adoption - Farewell to Fay Tateishi, (Retiree), Accountant IV, Fiscal Division

3. Discussion and Receipt of the American Water Works Association, Annual Conference Exposition Report *(June 11-14, 2018)*
 - a. Report from Kaua'i Board of Water Supply Member, Michael Dahilig
4. Manager's Report No. 18-82 – Discussion and Possible Action on the Status Update on Water Plan 2020 *(Update)*
5. Manager's Report No. 18-106 - Discussion and Possible Action on the Manager and Chief Engineer's Goals for FY 2018-2019 *(Update)*
6. Correspondence from Mr. Allan Rietow, Field Representative, The Nature Conservancy Coordinator for the Benefit of the Kaua'i Watershed Alliance requesting to present a Kaua'i Watershed Alliance Progress Report at the August 24, 2018 Regular Board Meeting, dated July 11, 2018

N. TOPICS FOR FUTURE WATER BOARD MEETINGS

1. Capital Improvement Project suggestions for 2019-2020 *(September 2018)*
2. Resolution Adoption – Make A Splash Volunteers *(September 2018)*
3. Water Rate Study – SBRRB Results; Recommend Public Hearing *(September 2018)*
4. Discussion and Receipt of the Department of Water's Draft Audit Financial Statements and Independent Auditor's Report by Accuity, Inc. for FY 2017-18 *(November 2018)*
5. Workshop presentation regarding the Master Plan of the Department of Water's former Administration Building, Baseyard, Micro Lab, Information Technology *(2019)*
6. Workshop presentation regarding the Table of Organization
7. Department of Water Performance Audit *(Update)*
8. Discussion and Possible Action to hire a consultant to provide a Policy in the Development of Priorities for the Current Rate Study & 2018-2019 Budget Process for:
 - a. Capital Budget
 - b. Operating Budget
 - c. Reserves
 - d. Debt
9. Update for HWWA Conference, Līhu'e, Hawai'i (November 7-8, 2018), Kōloa Landing

O. UPCOMING EVENTS

1. Make a Splash, Project Wet *(September 20, 2018)*
2. HWWA Conference, Līhu'e, Hawaii *(November 7 – 9, 2018), Kōloa Landing*
3. Annual Employee Meeting *(December 7, 2018)*


P. NEXT WATER BOARD MEETING

1. Friday, August 24, 2018, 10:00 a.m. (Excused: Thomas Canute)
2. Friday, September 28, 2018, 10:00 a.m. (Excused: Thomas Canute)
3. Friday, October 26, 2018, 10:00 a.m.
4. **Wednesday**, November 21, 2018, 10:00 a.m.
5. Friday, December 28, 2018, 10:00 a.m.

Q. ADJOURNMENT

Mr. Shiraishi moved to adjourn the Regular Board meeting at 11:05 a.m., seconded by Ms. Ho; with no objections; motion carried with 6 ayes.

Respectfully submitted,


Edith Ignacio Neumiller
Commission Support Clerk

Approved,


Thomas Canute
Secretary – Board of Water Supply