

MEETING MINUTES
BOARD OF WATER SUPPLY
Thursday, May 21, 2015

The Board of Water Supply, County of Kaua'i, met in regular meeting at the Board Conference Room in Līhu'e on Thursday, May 21, 2015. Chair Sherman Shiraishi called the meeting to order at 11:15 a.m. The following Board members were present:

BOARD: Mr. Sherman Shiraishi, *Chair*
Ms. Laurie Ho
Mr. Michael Dahilig
Mr. Larry Dill

EXCUSED: Mr. Clyde Nakaya, *Vice Chair*
Mr. Hugh Strom

Quorum was achieved with 4 members present at the time of roll call.

STAFF: Mr. Kirk Saiki
Ms. Marites Yano
Mr. Dustin Moises
Mr. Keith Aoki
Ms. Kim Tamaoka
Ms. Jonell Kaohelaulii
Ms. Sandi Nadatani-Mendez
Mr. Val Reyna
Mr. Carl Arume
Mr. Eddie Doi
Ms. Mj Akuna
Deputy County Attorney, Andrea Suzuki

ACCEPTANCE OF AGENDA

Mr. Dahilig moved to approve the agenda as circulated; seconded by Mr. Dill; with no objections, motion carried with 4 ayes.

MINUTES

Review and approval:

Regular Board Meeting – March 19, 2015

Mr. Dahilig moved to approve, as amended, the Regular Board Meeting Minutes for March 19, 2015; seconded by Mr. Dill; with no objections, motion carried with 4 ayes.

Regular Board Meeting – April 23, 2015

Mr. Dahilig moved to approve, as amended, the Regular Board Meeting Minutes for April 23, 2015; seconded by Mr. Dill; with no objections, motion carried with 4 ayes.

Review and approval of Executive Session:

Executive Minutes – April 23, 2015

Mr. Dahilig moved to approve the Executive Session Minutes for April 23, 2015; seconded by Mr. Dill; with no objections, motion carried with 4 ayes.

E. CORRESPONDENCE

1. Correspondence from Mr. Eddie Doi, *Acting* Chief of Water Resources and Planning, regarding HB500, SD1 Relating to the State Budget to Appropriate Funds for the Operating and Capital Improvement Budget of the Executive Branch for Fiscal Years 2015, 2016 and 2017

DISCUSSION:

Acting Chief of Water Resources and Planning, Mr. Doi recognized everyone who was involved in getting the funding for one (1) project out of the five (5) projects from the State.

The Department will check to see if the other four (4) projects are still relevant for next year or will reprioritize the projects.

Mr. Dill recognized the efforts of Manager Saiki and the support of the Kaua'i's elected representatives in support of funding these projects.

Mr. Dahilig moved to receive the correspondence from Mr. Eddie Doi, *Acting* Chief of Water Resources and Planning, regarding HB500, SD1 Relating to the State Budget to Appropriate Funds for the Operating and Capital Improvement Budget of the Executive Branch for Fiscal Years 2015, 2016 and 2017; seconded by Mr. Dill; with no objections, motion carried with 4 ayes.

F. BOARD COMMITTEE REPORTS

The Finance Committee will meet on Thursday, May 28th to review the Facilities Reserve Charge (FRC) proposed changes in Section VII of Part 4 Fixing Rates for the Furnishing of Water Service.

G. OLD BUSINESS

1. Draft Budget for Fiscal Year 2015-2016
 - a. Fiscal Year 2015 – 2016 Draft Operating Budget
 - b. Fiscal Year 2015 – 2016 Draft Capital Outlay Budget

BACKGROUND:

Manager Saiki and the Department requested the Board's approval on the Draft Budget for Fiscal Year 2015-2016 for the Draft Operating Budget and Draft Capital Outlay Budget.

DISCUSSION:

Water Works Controller, Ms. Marites Yano addressed unanswered questions from the April 23rd Board meeting. The YTD Fiscal Year Revenues and Expenses were updated.

Summary Budget Comparison, Page 44 – The 4th column was updated as of April 30, 2015.

Engineering, Page 113 - From the last Finance Committee meeting, a new column was added "Anticipated Notice To Proceed" (NTP). Ms. Yano explained when this column was inserted, the total that appeared on the detailed page did not roll over properly (\$926,001 did not change). The total has been corrected to match the Summary Budget on Page 55.

FY 2015-2016 column for 'Anini waterline, Page 113 – One (1) budgeted item was deleted and highlighted in yellow. Civil Engineer, Mr. Keith Aoki added that the NTP is for existing design contracts. Contract amendments are anticipated and will budget for any needed changes.

Chair Shiraishi questioned since this is included in the budget and if a change order is negotiated, would Mr. Aoki be coming before the Board for approval? Or because it is already in the budget, Mr. Aoki would not have to ask the Board for approval.

Footnote “*Estimated additional funds required for proposed design change,” Page 113 & 114 – Chair Shiraishi inquired if the Department added this footnote for approval? Is the Department putting this footnote in the budget so that the Department does not have to come before the Board?

Mr. Aoki replied that he was asking for the funding approval in the budget now. If the funding is approved by the Board and if the negotiated price is less than the budgeted amount, the Department can issue the contract award and notify the Board through the Manager’s Update with any amendments.

- Mr. Dill commented the Department could provide more information on the NTP line items so that the Board is more comfortable with their explanations.
- Deputy County Attorney, Andrea Suzuki will check to see if the Department is required to pass a balanced budget.

Mr. Dahilig brought this up because the budget could be out of balance with blank items (carte blanche). It appears the Board could be authorizing in-the-future items that do not tie in appropriately to approved revenues; there could be technicalities with blank items. If there is an overage in unencumbered balance, it is a line item and is accounted for. Mr. Dahilig recommended to \$1 fund, zero out or eliminate the line item.

Kīlauea 1.0 MG tank, Page 114 – The FY 2015-2016 budget amount is \$135,000 and if approved, the Board could give the Department carte blanche to spend up to \$135,000.

Deputy County Attorney, Andrea Suzuki commented that approving without a dollar amount results in an unbalanced balance. There could be more money in the Utility Fund without running a negative when the Department comes in with a change order.

Ms. Yano clarified why the Department does a budget to estimate how much money would be coming into the Department in addition to the fund balance. The Department does not want to budget more capital expenditures and expenses if the Department does not anticipate having enough money.

Chair Shiraishi understood that this is good planning but does not want to abrogate the duties and responsibility of the Board as far as monitoring the Budget. He was not satisfied with the Department’s answer if these budgeted line items do not have to come before the Board for a change order.

A definite answer cannot be given based on Ms. Yano’s response because these amounts are based on estimates that could be under budgeted.

Mr. Dill asked when the Department budgets projects (best estimate) with a contingency for change orders, the Board may never see the contract amendment. Example: \$100,000 line item, \$80,000 is estimated with a 20% contingency, the Department can execute a contact up to a maximum of \$100,000.

Construction Project Management Officer, Mr. Dustin Moises clarified the terminology: Design contract amendments are done by Mr. Aoki and change orders are done by Construction Management (CM). Change orders would come to the Board if it is over the CM budget.

Example: With a \$100,000 approved budget for a construction project and a bid comes in at \$80,000, Mr. Moises would get 5% of the \$80,000 = \$4,000. He would come to the Board for an \$84,000 approval. If Mr. Moises needed the \$16,000, he would come to the Board with a change order in a Manager's Report.

Mr. Dahilig asked if the 'Anini waterline budget has been encumbered? Mr. Moises commented that the 'Anini waterline is in design which should be addressed to Mr. Aoki. Previously, this budgeted amount would not be put in the budget like this, it would be \$1 funded and listed in the encumbered projects. NTP issued means a contract has been encumbered.

Deputy County Attorney, Andrea Suzuki confirmed that monies in the Capital Improvement Project (CIP) list are encumbered.

Mr. Dahilig and Mr. Dill asked if monies have already been encumbered, why is it in the budget again?

Examples:

Rehabilitate Jelly Factory BP Station, Page 113 – FY 2014-2015 and FY 2015-2016 are both \$200,000; no funds were encumbered.

PLH-28 Hanamā'ulu Main Replacement, Page 113 – FY 2014-2015 is \$51,000 and FY 2015-2016 is \$1. This implies the Department encumbered the funds or changed their mind and is not going to do the project in 2015-2016. If we are not encumbering funds, why is the Department not re-appropriating these funds?

Mr. Dahilig asked if the Department is reducing funds?

Examples:

Kapaia SWTP Expansion, Page 114 – FY 2014-2015 is \$350,000 and FY 2015-2016 is for \$1 which is a funding reduction of \$349,000; not \$350,000 + \$1.

Hanalei Well No. 2, Page 114 – NTP was issued – \$60,000 was encumbered from last year's budget. Mr. Dahilig asked if \$75,000 was added to the \$60,000 or adding \$15,000 more?

Ms. Yano explained there are three (3) parts of the budget: 1) Capital Operating Budget, 2) New Capital Outlay Budget and 3) Open Contracts & Encumbrances - these are encumbered projects but the contract may not be expected to be paid off by the end of the fiscal year. If the money is not spent by the end of the fiscal year, the balance of the encumbrance is rolled over to the following fiscal year.

Example:

If a contract is \$200,000 and encumbered \$200,000 but only spent \$100,000 so far, Mr. Dahilig asked if the Department is putting an extra \$100,000 as unspent monies for expenditures?

Ms. Yano made clear that if the Department committed a \$100,000 contract and spent \$50,000. \$50,000 is a roll over for the same project to the following year and it is not new money.

Mr. Dahilig asked why would you leave that money open for appropriation if it is already encumbered once? Encumbered means you spent the money, it is not shown as available monies for the following year. Why would it be shown as a roll over and make it appear as a surplus if one-half of the contract amount was drawn down but the contract amount has already been encumbered. In Hanalei Well No. 2, an NTP was issued for \$60,000, are we appropriating an additional \$15,000 or adding \$75,000 to \$60,000? Ms. Yano commented that this is a new budget.

Mr. Aoki further explained that the Hanalei Well No. 2 project was an existing design project that was thought to be suspended. The \$60,000 for FY 2014-2015 was the estimated amount from last year which was not spent. Because the project may cost more for FY 2015-2016, the Department budgeted \$75,000 instead of \$60,000. The NTP was not referenced from the \$60,000, it was from the original contract. Mr. Dahilig looked at the "NTP issued," which appears to be *additional, additional* funds for the proposed design.

Example:

Mr. Dill mentioned if a project is budgeted \$200,000 but the Department encumbered \$100,000 against the \$200,000, he asked what happens to the balance in next year's CIP?

Ms. Yano commented that the encumbered \$100,000 is rolled over and new money is budgeted if the Department requires more money. The \$100,000 that is not encumbered is shown in the New Capital Outlay. Encumbrance is one of three (3) parts in the budget; this is committed money. If the Department's encumbrance is \$100,000 and \$50,000 is paid from that commitment, the remaining \$50,000 is rolled over. The remaining \$100,000 from \$200,000 appropriation will be shown under the New Capital Outlay budget if it is still needed for the same project because the money was not encumbered.

Manager Saiki asked Ms. Yano if the \$60,000 for Hanalei Well No. 2 for FY 2014-2015 was part of the original encumbrance or is it extra monies being requested?

Ms. Yano explained, since the \$60,000 under the new Capital Outlay budget was not encumbered, this budget line item amount becomes zero at the end of the fiscal year and it has to be resubmitted as a new budget request in the following year if needed. The amount for FY 2015-2016 is being resubmitted although it was already budgeted in the prior budget year because it hasn't been encumbered nor spent. Money that was not spent remains in the fund balance at the end of the year.

Mr. Dill mentioned the Board cannot tell from the budget if this is a \$15,000 increase or a \$75,000 increase.

Mr. Dahilig commented that folding in last year's budget into next year's budget makes it more complicated. If monies were spent, it should not be shown in this year's budget.

- If an anticipated NTP note is added on the line item, it should say "Additional Funds" because the NTP issued language is not clear. (Manager Saiki added the additional notes were at the request of another Board member.)

Mr. Dill at the defense for the Department said the information on the budget is correct and he is comfortable with the budget. The Finance Committee went through the details of the budget but understood that other Board members who didn't go through the budget would have these questions.

Mr. Moises also clarified the money for the Hanalei Well No. 2 is new money from the original contract. During the current fiscal year, if monies are encumbered, they end up in Prior Encumbrances and Special Appropriations on Page 58 & 59. Bond Fund Capital Projects Expansion – Design 05-02 HW-12, Page 59 – Drill & Develop Wainiha-Hā'ena Well 100 GPM was on the original bond list. This was the contract with Hā'ena and Hanalei Well which has the same contract number asking for \$75,000 related to the NTP.

Chair Shiraishi continued to ask the Department if the budget is approved and if a change order uses additional funds up to the amount approved, Department would not have to come back to the Board. Manager Saiki answered "yes" and would not have a problem zeroing out the amount noted when the NTP

is issued. The Department could come back to the Board on a case-by-case basis with the line-by-line item which Mr. Dill recommends. The Department could remove the NTP's in the budget. Chair Shiraishi commented that he only sees a single line with no background information.

Private Secretary added that pursuant to Board Policy No. 3 on the Manager's Update report, the Department inputs all the contract awards and amendments that are budgeted which are post decisions.

Mr. Aoki informed the Board that if the Department has to come back to the Board for funding, these projects could take 2-3 months to start the work.

Mr. Dahilig could revisit to remove the provisions for the projects that have already been received to come in mass to amend the budget at a subsequent meeting.

➤ Mr. Dill would like to make sure the Department has checks and balances in the budget. Manager Saiki indicated the Department could come back to the Board with all the explanations at the next Board meeting.

Mr. Moises suggested to \$1 fund. Mr. Dill also said the Department's \$1 funded projects would reduce expenses.

Mr. Dahilig moved to approve Fiscal Year 2015-2016 Draft Operating Budget *and* Draft Capital Outlay Budget subject to the Capital Outlay's line items that require additional funds already encumbered for FY 2015 will require Board approval; seconded by Mr. Dill; with no objections, motion carried with 4 ayes.

H. NEW BUSINESS

1. Manager's Report No. 15 – 37 - Discussion and Possible Action for the Seventh Amendment Million Gallon Storage Tank and Kapahi 1.0 Million Gallon Storage Tank and Connecting Pipelines Wailua-Kapa'a Water System, Kapa'a, Kaua'i, Hawai'i

BACKGROUND:

It is recommended the Board approve the Seventh Amendment to Contract No. 427 for additional engineering services with Belt Collins Hawai'i, LLC.

Mr. Dahilig moved to approve Manager's Report No. 15 – 37 - Discussion and Possible Action for the Seventh Amendment Million Gallon Storage Tank and Kapahi 1.0 Million Gallon Storage Tank and Connecting Pipelines Wailua-Kapa'a Water System, Kapa'a, Kaua'i, Hawai'i; seconded by Ms. Ho; with no objections, motion carried with 4 ayes.

2. Manager's Report No. 15 – 38 - Discussion and Possible Action on the Right of Entry Agreement for S-2009-21, Puakea Subdivision Phase II, Affecting the Following Landowners in Lihue, Kauai, Hawai'i,
 1. Grove Farm Properties, Inc. of TMK: (4) 3-3-003:041, Lihue, Kauai, Hawai'i

BACKGROUND:

It is recommended that the Board approve the Right of Entry document; whereby, the above landowners, grant to the Board of Water Supply, County of Kauai, a Right of Entry, on, over and under that certain parcel of land located as specified above in Lihue, Kauai, Hawai'i.

Mr. Dahilig moved to approve Manager's Report No. 15 – 38 - Discussion and Possible Action on the Right of Entry Agreement for S-2009-21, Puakea Subdivision Phase II, Affecting the Following

Landowners Lihue, Kauai, Hawai'i, 1. Grove Farm Properties, Inc. of TMK: (4) 3-3-003:041, Lihue, Kauai, Hawai'i; seconded by Mr. Dill; with no objections, motion carried with 4 ayes.

3. Manager's Report No. 15 – 39 - Discussion and Possible Action on Job No. 13-05, Water Plan 2020 Project WKK-09, Kolo Road Main Replacement, Kilauea, Kaua'i, Hawai'i

BACKGROUND:

The Department of Water (DOW) staff recommended the Board of Water (Board) allow the DOW to award the construction contract and authorize the Board Chair or Board Vice Chair to sign the construction contract provided the final proposal cost is within the approved FY 14-15 budget of \$1.3M.

DISCUSSION:

Mr. Dill mentioned the proposal due date on Job No. 13-05 was May 14th and asked if there were any results on the contract selection.

Mr. Moises made the contract selection and posted the bids this morning. The Department is awaiting the five (5) day protest period and the award will be done on Friday. At the June Regular Board meeting, Mr. Moises would provide a status of the project in the Manager's Monthly Update.

After the last April Board meeting, Mr. Moises found out that the encumbrance is not necessary by June 30, 2015, the actual lapse date is June 30, 2016 and could install the water line before school starts and to be ahead of Shear Water fledging season.

Mr. Dahilig moved to approve and to authorize the Manager and Board Chair to sign necessary documents and to include indemnification language of the state; seconded by Mr. Dill; with no objections, motion carried with 4 ayes.

4. Manager's Report No. 15 – 40 - Discussion and Possible Action on Water Plan 2020 Project PLH-39, Lihue Base Yard Improvements for the Department of Water, Lihue Water System, Lihue Kauai, Hawai'i

RECOMMENDATION:

It is recommended that the Board authorize the Manager and Chief Engineer to submit the Schedule Q Modified Agreement and Small Generator Interconnection Request to Kauai Island Utilities Cooperative (KIUC) for the future Photovoltaic System (PV).

Mr. Dill moved to approve Manager's Report No. 15 – 40 - Discussion and Possible Action on Water Plan 2020 Project PLH-39, Lihue Base Yard Improvements for the Department of Water, Lihue Water System, Lihue Kauai, Hawai'i; seconded by Mr. Dahilig; with no objections, motion carried with 4 ayes.

5. Manager's Report No. 15 – 41 - Discussion and Possible Action to approve Utility Agreement No. 2217 for the Nawiliwili Road Improvements, Vicinity of Kaumuali'i Highway to Kanani Road, Project No. NH-058-1 (006)

BACKGROUND:

It is recommended the Board approve Utility Agreement No. 2217.

DISCUSSION:

Manager Saiki indicated this is new for the State Department of Transportation (DOT).

Chair Shiraishi mentioned Option 1 to Not approve – DOW would not be subject to all the conditions within the agreement and with no down side if the Board does not approve this.

This would jeopardize the State DOT's highway funding. Mr. Moises added that this is not one of DOW's projects. If Public Works does a Right of Way, there could be a lot of liabilities and potential costs for the DOW. Mr. Moises recommended to approve.

Mr. Dahilig moved to approve Manager's Report No. 15 – 41 - Discussion and Possible Action to approve Utility Agreement No. 2217 for the Nawiliwili Road Improvements, Vicinity of Kaumuali'i Highway to Kanani Road, Project No. NH-058-1 (006); seconded by Mr. Dill; with no objections, motion carried with 4 ayes.

6. Manager's Report No. 15-42 - Discussion and Possible Action on Board Policy 17, Payment of Communication Devices

BACKGROUND:

Manager Saiki recommended the Board approve Option 1, the proposed Revisions of Board Policy No. 17. Option 1 - The DOW will have a set preliminary baseline for issuance of communication devices and to use the most up-to-date technology. The DOW will work to create a more detailed and structured Standard Operating Procedure (SOP) for staff. This would bring forward what is currently practiced with cell phone usage. The Department will look at the process on the DOW cell phones, any duplications, and unnecessary usage.

DISCUSSION:

Chair Shiraishi noticed Policy No. 17 had telephone pagers listed.

Mr. Dill commented that it appears the Department is requesting the Board to increase the devices from 5 to 66 which is a big change. He asked how will the Department manage the devices? If any employee that works in the field, would the Department pay for the cell phone charges? Will the Department provide the equipment? Would the Department pay for charges of their equipment?

Manager Saiki replied that if a phone is provided, the Department will need to audit the employee's usage periodically for personal calls or the cost of the equipment could be shared with the Department. Employees should not be using their own phones for work.

Another question Mr. Dill asked was what does "date of appointment" mean in paragraph 2 of Board Policy No. 17... "the Department shall pay communication charges at the current plan rate." What is the current plan rate? If the employee is providing their own phone, what would that employee's home plan rate be? Would the employee be submitting a bill monthly for charges related to business?

At 12:31 p.m., Mr. Dahilig exited the meeting.

At 12:32 p.m., Mr. Dahilig re-entered the meeting.

Mr. Dill moved to *defer* Manager's Report No. 15-42 on Board Policy 17, Payment of Communication Devices to allow the Board more time to review the report by the July Board meeting; seconded by Mr. Dahilig; with no objections, motion carried with 4 ayes.

I. STAFF REPORTS

MONTHLY

1. Discussion and Receipt of the Kaua'i County Water Department's Statement of Revenues and Expenditures

a. April Monthly Summary Budget

BACKGROUND:

Ms. Yano presented the Monthly Summary Highlights, Monthly Budget Summary as of April 30th and the Revenue, Cash Receipts and Water Consumption charts.

DISCUSSION:

Mr. Dill requested a recap of Federal and State grants which are below projections. Ms. Yano stated it all depends on when the grants are received.

The Federal grant is a combination of the Build America Bond (BAB) subsidy of about \$700,000. The Department is expecting a loan forgiveness from SRF. Money needs to be spent first before the Department receives a reimbursement. This money may come in FY 2015-2016.

Mr. Dill encouraged the Department to get the invoices to the State for this fiscal year. Ms. Moises indicated he has been submitting invoices monthly and will receive reimbursement for April.

Mr. Dill moved to receive the Kaua'i County Water Department's Statement of Revenues and Expenditures; seconded by Mr. Dahilig; with no objections, motion carried with 4 ayes.

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

BACKGROUND:

Ms. Tamaoka introduced Community Relations Clerical Assistant, Jonell Kaohelaulii who recently assisted with the Agriculture & Environmental Awareness Day, May 7th 2015.

DISCUSSION:

Ms. Ho thanked and acknowledged Ms. Tamaoka and Ms. Kaohelaulii and other DOW staff who participated, on behalf of Kaua'i County Farm Bureau, for coming to the Agriculture & Environmental Awareness Day event which was successful.

Ms. Tamaoka commented the Department participated in a County wide program for the Kaua'i Independent Food Bank. The Department achieved above their goal this year.

Ms. Ho moved to receive the Report by the Public Relations Specialist on Public Relations Activities; seconded by Mr. Dill; with no objections, motion carried with 4 ayes.

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

BACKGROUND:

Chief of Operations, Mr. Reyna highlighted the graph of Billed & Unbilled Water of high unbilled water, as requested by Mr. Dill, from the April Board meeting. Unbilled water was high from previous months due to on-going firefighting use from the drought and brush fires.

A standardized reporting form will be distributed to all government agencies who use hydrants. The Fire Department continues to submit a report and State Highways started submitting a report in April.

The Overtime (OT) Chart now includes actual hours worked and actual OT hours. February, March and April OT has been the lowest from previous years. In May, OT will go up due to two (2) weeks of overnight work.

DISCUSSION:

Mr. Dill asked the following questions: Is the Data Point a monthly pay period? Is the crew working 40 hours a week unless they have OT? Why are there variations in hours and OT? Mr. Reyna commented that Data Point is for a monthly pay period. Some of the employees go on leave without pay because they use their allowed Sick Leave (SL) and still take additional sick days.

Mr. Dill moved to receive the Chief of Operation's Summary Report on Operational Activities; seconded by Ms. Ho; with no objections, motion carried with 4 ayes.

- b. Discussion and Receipt of the Manager and Chief Engineer's Monthly Update Regarding Activities of Note of the DOW

BACKGROUND:

Manager Saiki highlighted the following:

1. Personnel Matters – *Update*
Automotive Mechanic I – Offer was extended.
Senior Account Clerk / Operations – Interviews completed.
Customer Service Rep I / Fiscal – Interviews completed yesterday.
CE V / Engineering – Position was accepted and will start in August.
Chief of Water Resources & Planning – Interviews will start on June 4th.
2. Affordable Housing – *Update*
The Department is working on issues with Habitat for Humanity on the Eleele Luna project.
3. Project Wet – Ms. Tamaoka will be on Hawaii Island, O'ahu and Moloka'i working on Project Wet from June 8th thru June 12th.
4. Manager's Goals - *Update*
FRC - The Department will provide the Finance Committee meeting a final draft for Section VII, Part 4 with minor changes at the June 18th Board meeting, then to Small Business Regulatory Review Board. The next Finance Committee meeting will be on Thursday, May 28th.
5. Waiver Release and Indemnification Application for Coconut Coast Partners – The Department signed off on a building permit prior to infrastructure.

Ms. Ho moved to receive the Manager and Chief Engineer's Monthly Update Regarding Activities of Note of the DOW; seconded by Mr. Dahilig; with no objections, motion carried with 4 ayes.

- a. Report of the BAB pay down as of April 2015

Ms. Ho moved to receive the Report of the BAB pay down as of April 2015; seconded by Mr. Dahilig; with no objections, motion carried with 4 ayes.

J. EXECUTIVE SESSION

Pursuant to H.R.S. §92-7(a), the Board finds it necessary to hold an executive session on the agenda items on Hokulei Village because 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).

K. TOPICS FOR NEXT WATER BOARD MEETING (June 2015)

1. Manager's Report No. 14-16 – Part 4 Fixing Rates for Water Service, Section VII Facilities Reserve Charge (FRC)
2. Discussion and Possible Action relating to providing water service outside of the water zone

L. TOPICS FOR FUTURE WATER BOARD MEETINGS

1. Manager's Report No. 11-28 – Discussion and Possible Action regarding Part 5 of the Rules, Facilities Reserve Charge – Proposed New Rule, SBRRB Results (awaiting Part 4 Section VII, Facilities Reserve Charge to be submitted together)
2. Manager's Report No. 14-24 – Discussion and Possible Action regarding Part 4 Section I of the Rules, General Use Rates Proposed Amendments, SBRRB Results (awaiting Part 4 Section VII, Facilities Reserve Charge to be submitted together)
3. Discussion and Possible Action of Proposed Delegation of a Meter Restriction Board Policy No. 30
4. Manager's Report No. 15-42 - Discussion and Possible Action on Board Policy 17, Payment of Communication Devices (July)

M. UPCOMING EVENTS

1. DOW Make a Splash Water Festival (September 24, 2015)
2. HWWA Hawaii Section, Honolulu, HI (October 14-16, 2015)

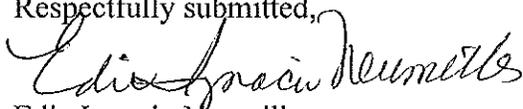
N. NEXT WATER BOARD MEETING

1. Thursday, June 18, 2015, 10:00 a.m.
2. Thursday, July 23, 2015, 10:00 a.m.
3. Thursday, August 20, 2015, 10:00 a.m.
4. Thursday, September 17, 2015, 10:00 a.m.

O. ADJOURNMENT

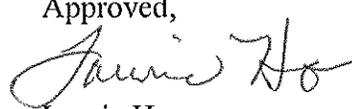
Mr. Dahilig moved to adjourn the Regular Meeting at 12:56 p.m.; seconded by Mr. Dill; with no objections, motion carried with 4 ayes.

Respectfully submitted,



Edie Ignacio Neumiller
Commission Support Clerk

Approved,



Laurie Ho
Secretary – Board of Water Supply