

MEETING MINUTES  
BOARD OF WATER SUPPLY  
November 21, 2018

The Board of Water Supply, County of Kaua'i, met in regular meeting at the Board Conference Room in Līhu'e on Wednesday, November 21, 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  
Mr. Lawrence Dill

Quorum was achieved with 7 members present at Roll Call.

STAFF:

Mr. Bryan Wienand	Mr. Dustin Moises
Mr. Valentino Reyna	Mr. Michael Hinazumi
Mr. Eddie Doi	Mrs. Sandi Nadatani-Mendez
Mr. Marcelino Soliz	Mr. Ryan Smith
Mrs. Jonell Kaohelaulii	Mr. Dustin Moises
Mr. Carl Arume	Mr. Keith Aoki
Mrs. Marites Yano	Mr. Jason Fujinaka
Deputy County Attorney Mahealani Krafft	Mrs. Mary-jane Akuna

GUESTS: Mr. David Penn, Attorney representing Mr. Don Heacock  
Mr. Don Heacock, Private Citizen  
Ms. Olena Penn, Public Citizen  
Mr. Donn Nakamura, Accuity, LLP  
Mr. Matthew Oda, Accuity, LLP  
Mr. Hall Parrott, Public Citizen

**C. ACCEPTANCE OF AGENDA**

Ms. Ho moved to approve the amended Agenda that after Correspondence E1 & E2, the Board will convene to Executive Session as it relates to Item H1 and to consult with legal counsel, followed by Agenda Item H1; seconded by Mr. Canute; with no objections, motion carried with 7 Ayes.

**D. MEETING MINUTES**

**Review and approval of:**

Regular Board Meeting – October 26, 2018

Mr. Tabata approved the Regular Board Meeting minutes of October 26, 2018; seconded by Mr. Dahilig; with no objections, motion carried with 7 Ayes.

**E. CORRESPONDENCE/ANNOUNCEMENTS**

1. Correspondence from Mr. Donald Heacock regarding Statement of Grievances and Relief Sought, Water Meter Service Request for one 5/8-inch Water Meter for Domestic Use, TMK: 3-03-003:016, Niumalu, Kaua'i, dated October 18, 2018

2. Correspondence from Mr. David Penn, Attorney for Mr. Donald Heacock regarding Water Meter Service Request for one 5/8-inch Water Meter for Domestic Use, TMK: 3-03-003:016, Niunalu, Kaua'i, dated November 14, 2018

***Mr. David Penn, Attorney and Mr. Don Heacock provided their testimony.***

Mr. Penn requested of grievances and relief on Mr. Heacock's one 5/8-inch water meter for domestic use on his property in Niunalu, Kaua'i. Mr. Penn was seeking understanding on the regulatory process on the conditional approval on Mr. Heacock's water meter application. Mr. Penn understood the Manager's report of last week to uphold the requirements from the previous correspondence dated August 28, 2018 and September 6, 2018. Mr. Penn indicated the Manager's Report stated that the pros for Mr. Heacock's request for relief were not known and the con identified would contradict the Department of Water (DOW) requirements. Mr. Penn assisted Mr. Heacock to resolve this matter because they were not clear on what the policy requirements were by the Board. Mr. Penn believes there are many pros to granting Mr. Heacock's relief with some leeway regarding the con.

Mr. Penn requested an exception from the grace period for the Facilities Reserve Charge (FRC) which is a \$9,000+ increase beginning next week. He understood that the Manager and Board could grant an exception to this requirement because Mr. Heacock's situation conforms to this exception. Mr. Penn said for the relief request, he is prepared for a contested case hearing. He reviewed the past September Board meeting minutes and the Department's procedure in implementing this policy and thoughts of previous Board members FRC comments during a County Council interview process on the Board's confirmation comments a few years ago. Mr. Penn was not criticizing the Board and hard-working staff but wanted to preserve Mr. Heacock's rights and privileges under the existing governing authorities.

The public notice dated October 26, 2018 on the DOW's website was confusing that was address to, "*The prior applicants that paid the FRC prior to November 29, 2015 and have not installed the water meter.*" He referred to No. 4 at the bottom of the notice which Mr. Heacock's situation applies to – "*I've paid my FRC prior to November 29, 2015 and I submitted my Application for Water Service prior to November 29, 2018 deadline but the DOW has not yet installed my water meter. Will I have to pay the increased FRC? Item a - No, the applicant must pay all applicable fees and submit the application for water service prior to November 29, 2018. If after meeting the prerequisites for the meter installation, DOW is unable to install the water meter prior to November 29, 2018, the applicant will not be required to pay additional FRC fees.*"

Mr. Penn provided Alternatives A, B, & C:

**A** - Need extension of time beyond November 29, 2018 and to continue working with the DOW on the rest of the details and true conditions. Defer all other items, cross connection, back flow connection and items in the conditional approvals, pending on-going collaboration during the interim period, not subject to increase FRC or the Board could dismiss other claims relief without prejudice and to bring this up to the Board again pending how things work out the next year.

**B** - Correspondence regarding the Department's terms of the meter for the service connection that cost \$3,030 which Mr. Don Heacock would pay today to have the meter installed, begin to pay the monthly charges and to continue working with the Department over time.

**C** - A Petition was prepared for a contested case hearing.

**DISCUSSION:**

Chair Tokioka understood for several years, Mr. Heacock draws water from a private system. She asked Mr. Heacock the reason for connecting with the DOW's water system? Mr. Heacock said 1) he could not afford the water meter at the time, 2) he wants to simply his life and to know the water is safe to drink, 3) he will maintain the system, 4) he could not get the final building permit and that he could not get pressure.

The spring water is about 80 feet above the grade of his access easement. The highest fitting on his house is 12 to 14 feet off the ground. Pressure is less than 15 lbs. per square inch. Permits require 60 lbs. per square inch which he cannot do.

The reason Mr. Heacock met with Manager Wienand and the DOW staff was because his proposed water meter site from his house is over ½ a mile. Backflow from a low pressure going through a 2 inch pipe is impossible. He is willing to put in check valves but to hire an engineer would cost \$30,000 for drawings. Mr. Penn added there are photos of the property map available for the Board if needed.

At 10:24 a.m., Mr. Dahilig moved to go into Executive Session regarding Items E1, E2 & H1 and to consult with the Department's legal counsel; seconded by Mr. Tabata; with no objections, motion carried with 7 Ayes.

**K. 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).*

At 11:16 a.m., Mr. Dahilig moved to recess the Executive Session; seconded by Mr. Dill; with no objections; motion carried with 7 Ayes.

At 11:24 a.m., Chair Tokioka reconvened the Regular Board Meeting.

**H. NEW BUSINESS**

1. Manager's Report No. 19-22 – Discussion and Possible Action on the DOW's response to Mr. Don Heacock's correspondence regarding Statement of Grievances and Relief Sought, Water Meter Service Request for one 5/8-inch Water Meter for Domestic Use, TMK: 3-03-003:016, Niumalu, Kaua'i, dated October 18, 2018

Mr. Dahilig moved to affirm and approve the Manager's decision in the letter dated September 6, 2018 as it relates to Manager's Report No. 19-22 and refer to Item #5 relating to Mr. David Penn's correspondence dated November 14, 2018 to the Manager for resolution for Manager's Report No. 19-22 – Discussion and Possible Action on the DOW's response to Mr. Don Heacock's correspondence regarding Statement of Grievances and Relief Sought, Water Meter Service Request for one 5/8-inch Water Meter for Domestic Use, TMK: 3-03-003:016, Niumalu, Kaua'i, dated October 18, 2018; seconded by Mr. Dill; with no objections; motion carried with 7 Ayes.

**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

Mr. Dahilig graciously will give his future successor his/her position and determination on this Agenda item. There were no objections from the Board.

**H. NEW BUSINESS (cont'd)**

2. Manager's Report No. 19-23 - 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

**BACKGROUND:**

Waterworks Controller Mrs. Yano informed the Board that the auditors Mr. Donn Nakamura and Mr. Matthew Oda, Accuity, LLP were present to provide the audit results. The Department recommended approval of the DOW Financial Statements as of June 30, 2018 and June 30, 2017.

Mr. Donn Nakamura and Mr. Matthew Oda went over the DOW June 30, 2018 Audit Results. In their opinion, this was a clean audit. (Refer to Pages 70 to 152 in the Board packet).

The IT issue from last year was cleaned by Mr. Jeff Mendez and Mrs. Sandi Nadatani-Mendez with no deficiencies (Page 152).

Chair Tokioka requested clarifications on the changes how the Other Post Employment Benefits (OPEB) are recorded actions by Employer Union Trust Fund (EUTF). Mr. Nakamura explained that the Governmental Accounting Standards Board (GASB) issued new standard No. 75 this year. GASB requires the reporting of financial statements which is a footnote disclosure. Mr. Tabata commented there is a lot of detail in the OPEB but out of the Department's control (administrated by the EUTF).

Mr. Oda reviewed the Required Communications on Page 75 – 79.

Time Line – Audit Plan for June 30, 2019:

*May 2019* – Discussion with management to understand any key risks or areas of focus for current year.

*July 2019* - Planning

*August–September 2019* – Year-end financial statement fieldwork

*Mid-October 2019* – Draft report to management

*October 31, 2019* – Issue final report

Accuity can provide Cybersecurity for the Department if needed.

Mr. Dahilig thanked the auditors, Manager Wienand, Mrs. Yano, Mr. Jeff Mendez and Mrs. Nadatani-Mendez for a clean audit this year. The audit results can be transmitted to the County Finance Director.

Mr. Dahilig moved to accept Manager's Report No. 19-23 - 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; seconded by Mr. Tabata; with no objections, motion carried with 7 Ayes.

3. Manager's Report No. 19-24 - Discussion and Possible Action on the Revised Table of Organization for the Department of Water's Operations

**BACKGROUND:**

Manager Wienand recommended that the Board approve Option No. 1 for the creation of new positions within the Operations Division as shown on the revised Table of Organization (TO) on Pages 161-163. Funding is not being requested now but approval is being requested from the Board for the creation of the positions for Department to move forward with the Department of Human Services to create the new position descriptions. Once the positions descriptions are completed, the Department would come back to the Board for approval of specific funding amount(s) (Page 156).

Manager Wienand stressed that the amount of work Operations does daily and annually to keep up with maintenance and repairs is tremendous. There are 52 pumping stations, 19 booster pumping stations, 60 storage tanks, 75 control valve stations, 54 vehicles, numerous heavy equipment, generators; we maintain 440 miles of distribution piping, over 21,000 customer service lateral accounts, 4,000 valves and 2,600 hydrants. Adding up the volume and the staff; the Department researched and compared with other utilities, it is apparent on what the less staff is capable of with the volume of work.

New positions proposed for the Field Operations Section detailed on Pages 154-155:

1. Water Service Investigator III
2. Water Meter Mechanic II
3. Utility Worker

Table 1 – Cost Comparison of what the existing positions do regarding volume and cost.

Table 2 - The 2017 Water Audit non-revenue water cost is over \$600,000 (water not being billed based on leaks or meter system errors). Comparing the net amount due on the amount billed, it comes to over 10% shortage of water produced. The volume of repairs will continue to increase so one additional (1) staff is being requested to provide a team of two (2) Utility Workers, (2) Water Service Investigators & (2) Automotive Mechanic II to dedicate to the non-revenue water loss, as compared to the one Water Meter Mechanic we currently cannot possibly keep up with testing the 22,000 service accounts to determine how much water the Department is losing (particularly large accounts such as hotels: commercial & meters larger than 5/8 inch meters).

New positions for the Plant Operations detailed on Pages 155:

1. Maintenance Worker II (immediate benefit 6-18 mos. to fill)
2. Maintenance Work I (immediate benefit 6-18 mos. to fill)
3. Repair Shop Supervisor (immediate benefit 6-18 mos. to fill)
4. Automotive Mechanic I (immediate benefit 6-18 mos. to fill)
5. Mechanic Helper (2-5 years to fill)
6. Automotive Stores Clerk (2-5 years to fill)

The volume on the maintenance of vehicles is the focus in the future that will move into a fleet management system with in-house repairs. Two positions maintain all the vehicles and equipment but some are sent out for external repairs that are both inefficient and costly.

Table 1 – Cost Comparison's Estimated Annual Total = \$458,844. Estimated Timeframes for filling positions are shown in column 3, Page 156.

Table 2 – Estimated Annual Total = \$995,146 (non-revenue water, overtime and vehicle & equipment repairs sent to external parties).

### **DISCUSSION:**

Mr. Dill asked if there are existing vehicle bays for the additional auto mechanics to work in the existing Operations shop? Manager Wienand indicated there are three vehicle bays. The Repair Shop Supervisor and Auto Mechanic I would be filled first creating a four (4) person crew. Moving forward, the space would be converted to three (3) functional auto repair bays. There are three (3) existing bays but they are not all utilized because they have equipment stored in some of those spaces. One (1) bay is currently being used based on what the mechanics can handle. The vision is for Operations to manage its own in-house fleet with eventually four (4) positions, including a supervisor, two auto mechanics to do repairs, and a clerk. A contract was recently completed for a lift, tire balancer and a brake machine. Option No. 3 excludes the Mechanic Helper and Automotive Stores Clerk, but the Manager recommends Option 1 because the Department would still need to come back to the Board for funding either way.

Mr. Dill inquired on the costs incurred to operate the equipment? Are there lifts in all of the bays? Chief of Operations Mr. Val Reyna said there are three (3) bays and we will have two (2) lifts. When a vehicle has major repairs, all other vehicles waiting for repairs need to be sent out for external repairs which increases repair costs. Other repair costs will include repair tools for two (2) additional mechanics. Chair Tokioka noted that salary costs have other related costs with added employees which need to be accounted for in the next budget. She hopes to see a decrease in other costs (i.e., over time). Mr. Reyna agreed there would be a potential reduction in cost but there was no guarantee. He said this

addresses customer service internally and externally for Operations to work efficiently. There are United Public Workers positions and other Hawai'i Government Employees Association positions that could come in at Step A or Step L (a big difference in cost). The Repair Shop Supervisor and Water Service Investigator in Table 1 shows the highest possible cost at Step A.

Manager Wienand added the additional Operations positions are being requested now to be concurrent with the on-going Water Rate Study for the next five (5) years because the funding approval would come later from the Board, but it would be helpful to know if they are approved today so it can be considered for the next rate study.

- Chair Tokioka asked to see metrics in savings such as over time, increase output, turnaround time in the vehicle repairs or cases handled in the field.

Mr. Reyna added that the estimated repairs that are contracted out will decrease with the additional auto mechanic positions.

Mr. Reyna commented that historically there were two (2) mechanics and a generator repair person. There is no longer a generator repair person but this position was fused into the heavy equipment construction mechanic position.

- Mr. Tabata inquired when on the last time man power needs assessment was done on services and support when Operations previously increased man power such as:

Provide the following metrics for the *Plant operations*:

The last increase of man power was in \_\_\_\_\_ (what year?).

The volume of fleet increased \_\_\_\_ % with only two (2) mechanics?

Today, costs could increase to \_\_\_\_\_.

Provide the following metrics for the *Field services*:

How many services were done \_\_\_\_\_?

Request increase in cost amount \$ \_\_\_\_\_.

Manager Wienand commented that the Department can provide the information to Mr. Tabata who asked for an update or when the funds are ready to be funded. Mr. Reyna will provide a cost comparison when the Operations is ready to present it to the Board. Ms. Ho and Chair Tokioka agreed that the cost comparisons would be reviewed during the budget process.

Mr. Canute moved to approve the created positions in Option #1 in *Manager's Report No. 19-24* - Discussion and Possible Action on the Revised Table of Organization for the Department of Water's Operations; seconded by Ms. Ho; with no objections; motion carried with 6 Ayes, 1 No (SS).

4. *Manager's Report No. 19-25* - Resolution 19-05 (11/18) Mahalo and Aloha Ex-Officio Board Member, Michael Dahilig

#### **BACKGROUND:**

Board Secretary Canute read Resolution 19-05 followed by a photo op.

Mr. Tabata moved to adopt and approve *Manager's Report No. 19-25* - Resolution 19-05 (11/18) Mahalo and Aloha Ex-Officio Board Member, Michael Dahilig; seconded by Mr. Shiraiishi; with no objections; motion carried with 6 Ayes, 1 Abstain (MD)

5. *Resolution No. 19-06* – Farewell to Peter Sapinoso (Retiree), Operations Equipment Operator II, Operations Division (Commission Supported corrected Peter's last name.)

Mr. Peter Sapinoso was not available to attend the Board meeting. As requested by Board Chair Tokioka, in lieu of reading the entire Resolution, Manager Wienand commented that the Resolution will be presented to Peter on November 30, 2018. Peter brought joy, a willing attitude to help and Aloha that was contagious within the Department and he will be missed.

Mr. Dill moved to adopt and approve Resolution No. 19-06 – Farewell to Peter Sapinoso (Retiree), Operations Equipment Operator II, Operations Division; seconded by Mr. Canute; with no objections, motion carried with 7 Ayes.

#### 6. Election of Officers for 2019

Chair Tokioka expressed the pleasure of serving the Board of Water Supply and the staff.

Mr. Shiraishi moved to close the nominations; seconded by Mr. Dahilig with no objections.

Mr. Tabata approved the slate of officers effective January 1, 2019 for Chair Thomas Canute; Vice Chair Laurie Ho, \*Secretary Beth Tokioka; seconded by Ms. Ho; with no objections; motion carried with 7 Ayes.

Note: \*Pending Beth Tokioka's reappointment who will term out December 31, 2018.

#### 7. Board Meeting Dates for 2019

Mr. Shiraishi moved to approve the Board Meeting Dates for 2019; seconded by Mr. Tabata; with no objections, motion carried with 7 ayes.

### **I. CONSENT CALENDAR**

1. Manager's Report No. 19-26 - Discussion and Possible Action to approve a Grant of Easement Agreement for the Construction Plans for the Water System Improvements at Coconut Beach Resort, affecting the following:
  - a. SPD II Makaiwa Resort Development, LLC, TMK: (4) 4-3-002:15&16, Kapa'a, Kaua'i, Hawai'i

Mr. Shiraishi moved to approve Manager's Report No. 19-26 - Discussion and Possible Action to approve a Grant of Easement Agreement for the Construction Plans for the Water System Improvements at Coconut Beach Resort, affecting the following: a) SPD II Makaiwa Resort Development, LLC, TMK: (4) 4-3-002:15&16, Kapa'a, Kaua'i, Hawai'i; seconded by Mr. Canute; with no objections, motion carried with 7 Ayes.

2. Manager's Report No. 19-27 - Discussion and Possible Action to approve a Grant of Easement Agreement for the Ala Kukui'ula Phase 3B, Ala Kukui'ula Phase 3A and Parcel A projects, affecting the following:
  - a. Kukui'ula Development Company (Hawai'i), LLC TMK: (4) 2-6-015:01, Koloa, Kaua'i, Hawai'i (Easement W-1)
  - b. Kukui'ula Development Company (Hawai'i), LLC TMK: (4) 2-6-022:21, Koloa, Kaua'i, Hawai'i (Easement W-2, W-3, W-7, and W-10)
  - c. Kukui'ula Development Company (Hawai'i), LLC TMK: (4) 2-6-022:20, Koloa, Kaua'i, Hawai'i (Easement W-4, W-5, and W-9)
  - d. Kukui'ula Development Company (Hawai'i), LLC TMK: (4) 2-6-022:19, Koloa, Kaua'i, Hawai'i (Easement W-6)
  - e. McBryde Sugar Company, LLC, TMK: (4) 2-6-003:32, Koloa, Kaua'i, Hawai'i (Easement W-8)

- f. Kukui'ula Development Company (Hawai'i), LLC TMK: (4) 2-6-022:23, Koloa, Kaua'i, Hawai'i (Easement AU-1)
- g. Kukui'ula Development Company (Hawai'i), LLC TMK: (4) 2-6-022:24, Koloa, Kaua'i, Hawai'i (Easement AU-2)
- h. Kukui'ula Development Company (Hawai'i), LLC TMK: (4) 2-6-022:22, Koloa, Kaua'i, Hawai'i (Easement AU-3)

Mr. Shiraishi moved to approve Manager's Report No. 19-27 - Discussion and Possible Action to approve a Grant of Easement Agreement for the Ala Kukui'ula Phase 3B, Ala Kukui'ula Phase 3A and Parcel A projects, affecting items a thru h; seconded by Mr. Canute; with no objections, motion carried with 7 Ayes.

- 3. Manager's Report No. 19-28 - Discussion and Possible Action on the Conveyance of Water Facility from Kukui'ula Development Company (Hawai'i), LLC., for the Ala Kukui'ula Phase 3A (S-2013-16) Project, TMK: (4) 2-6-022:021 & 023, and (4) 2-6-015:015, Koloa, Kaua'i, Hawai'i

Mr. Shiraishi moved to approve Manager's Report No. 19-28 - Discussion and Possible Action on the Conveyance of Water Facility from Kukui'ula Development Company (Hawai'i), LLC., for the Ala Kukui'ula Phase 3A (S-2013-16) Project, TMK: (4) 2-6-022:021 & 023, and (4) 2-6-015:015, Koloa, Kaua'i, Hawai'i; seconded by Mr. Canute; with no objections, motion carried with 7 Ayes.

- 4. Manager's Report No. 19-29 - Discussion and Possible Action on the Conveyance of Water Facility from Kukui'ula Development Company (Hawai'i), LLC., for the Parcel A (S-2013-16) Project, TMK: (4) 2-6-022:020,021 & 022, Koloa, Kaua'i, Hawai'i

Mr. Shiraishi moved to approve Manager's Report No. 19-29 - Discussion and Possible Action on the Conveyance of Water Facility from Kukui'ula Development Company (Hawai'i), LLC., for the Parcel A (S-2013-16) Project, TMK: (4) 2-6-022:020,021 & 022, Koloa, Kaua'i, Hawai'i; seconded by Mr. Canute; with no objections, motion carried with 7 Ayes.

*At 12:23 p.m., Mr. Dahilig exited the meeting.*

*At 12:25 p.m., Mr. Dahilig re-entered the meeting.*

**J. STAFF REPORTS**  
**MONTHLY**

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

**BACKGROUND:**

Waterworks Controller Mrs. Yano stated there were no significant events and that the audit was completed. Mrs. Yano researched some of the reasons why there has been an on-going decline on the water usage concern. A November 2017 internet article indicated U.S. household water has declined due to 1) utilities implementation of water conservation (i.e., Project Wet water education), 2) water utilities are fixing leaks and installing meters (by Operations), 3) water saving plumbing fixtures. These factors may affect the revenue forecast for the next budget with some adjustments.

**DISCUSSION:**

Chair Tokioka added there may be less need for water irrigation as a factor and trend with more wet weather in the future.



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

**BACKGROUND:**

Information and Education Specialist Mrs. Kaohelaulii was a speaker at the recent HWWA Water Conference and presented Project Wet. From her presentation, three (3) people signed up for Project Wet certification training. Manager Wienand thanked Mrs. Kaohelaulii for doing an excellent job.

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

**DISCUSSION:**

Mr. Reyna highlighted the following:

1. Overtime (OT) Chart (Page 371) – has reduced but in December OT may go up. The supervisors did a good job in keeping OT down with personnel.
2. Billed & Unfilled Chart (Page 373) – September did not get 100% water low – Operations missed the deadline submittal for September's information and will be corrected for October.
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 AWARD TO HDR FOR JOB NO. 19-02, DEPARTMENT OF WATER BASEYARD MASTER PLAN IN THE AMOUNT OF \$301,983.34**

Focus is consistent with the presentation on the creation of the new Operations positions and how to use the baseyard space most effectively. There is opportunity to make the space more functional over the next 10 to 20 years. The Manager thanked Engineering who is managing this contract and Operations who are working closely with them on the execution of the contract.

2. Personnel Matters:  
Civil Engineer II – Interviews were conducted for Engineering Division.  
Customer Service Representative I – Hired effected November 19<sup>th</sup>.  
Internal Promotion Electrical Plants person – Effective November 1<sup>st</sup>.
3. I.T. – Made significant completion progress on Geographic Information System (GIS) mapping. The island wide system is anticipated to be completed the end of December.
4. Annual Fiscal Year Goal – To identify 99% of the meters to be entered into GIS provides better customer service. Over 60% of the meters have been identified to date, to finish by this calendar year (June 2019).
5. Ms. Sandi Nadatani-Mendez was recognized as the HWWA conference chair who did a fantastic job with the major details that made the conference a great success. Mr. Kaela Souza is being considered for half day training sessions for staff.

**L. TOPICS FOR NEXT WATER BOARD MEETING (December 2018)**

1. Resolution - Farewell to Warren Rita (Retiree), Lead Pipefitter, Operations Division
2. Resolution - Mahalo and Aloha Board Member, Sherman Shiraishi
3. Department of Water's Capital Improvement Projects for 2019-2020 (Update)
4. IT Strategic Plan Presentation
5. Discussion and Possible Action for Board Approval to enter into a Land Exchange Agreement between the Director of Finance, County of Kaua'i, the Board of Water Supply, County of Kaua'i, and Bank of Hawai'i, a Hawai'i corporation, by its division Pacific Century Trust, successor by merger to Hawaiian Trust Company, Limited, as Trustee under that certain indenture made between Walter D. McBryde and said Hawaiian Trust Company, Limited, dated August 20, 1918,

recorded in the Bureau of Conveyances of the State of Hawai'i in Liber 498 at Page 488, as amended from time to time, to enter into a Land Exchange Agreement affecting:

- a. County of Kaua'i, TMKs: 2-3-005:006, 2-3-005:007; and
- b. Bank of Hawai'i, a Hawai'i corporation, TMKs: 2-3-005:025

**M. TOPICS FOR FUTURE WATER BOARD MEETINGS**

1. Workshop presentation regarding the Table of Organization
2. Department of Water Performance Audit (*Update*)
3. 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
4. Request Board Approval of Resolution for Employee of the Year (*January 2019*)
5. Workshop presentation regarding the Master Plan of the Department of Water's former Administration Building, Baseyard, Micro Lab, Information Technology (*2019*)
6. Manager's Report No. 18-82 - Discussion and Possible Action on the Status Update on Water Plan 2020

**N. UPCOMING EVENTS**

1. Annual Employee Meeting (*December 7, 2018*)
2. AWWA HWWA & HWEA 6<sup>th</sup> Annual Joint Conference (*February 19-21, 2019*)
3. AWWA ACE 20<sup>th</sup> Conference, Denver, Colorado (*June 9-12, 2019*)
4. HWWA/HRWA Conference, Honolulu, Hawai'i (*TBA*)

**O. NEXT WATER BOARD MEETING**

1. Friday, December 28, 2018, 10:00 a.m.
2. Friday, January 25, 2019, 10:00 a.m.
3. Friday, February 22, 2019, 10:00 a.m.
4. Friday, March 22, 2019, 10:00 a.m.

Mr. Dahilig moved to resume Executive Session at 12:38 p.m. then Adjourn the Regular Board meeting; seconded by Mr. Canute; with no objections, motion carried with 7 Ayes.

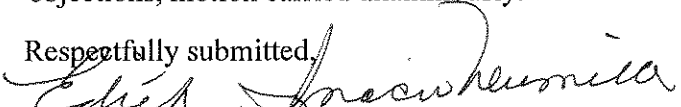
**K. EXECUTIVE SESSION (cont'd)**

1. Pursuant to Hawai'i Revised Statutes § 92-4 and § 92-5(a)(4), the purpose of this Executive Session is for the Board to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as they may relate to Kiai Wai O Waialeale v. Department of Water, et al., Civil No. 18-1-0063 (Environmental Court)
2. Pursuant to Hawai'i Revised Statutes § 92-4 and § 92-5(a)(4), the purpose of this Executive Session is for the Board to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as they may relate to Proportionate Cost Share Agreements for private developers with Water Master Plans

**P. ADJOURNMENT**

Mr. Dahilig moved to adjourn the Regular Board meeting at 1:41 p.m.; seconded by Mr. Dill; with no objections, motion carried unanimously.

Respectfully submitted,

  
Edith Ignacio Neumiller  
Commission Support Clerk

Approved,

  
Thomas Canute  
Secretary – Board of Water Supply