

MINUTES
BOARD OF WATER SUPPLY
Thursday, January 20, 2022

The Board of Water Supply, County of Kaua'i, met in a regular meeting **via remote** in Līhu'e on Thursday, January 20, 2022. Chair Julie Simonton called the meeting to order at 10:20 a.m. The following Board members were present:

BOARD:

Ms. Julie Simonton, *Chair*
Mr. Greg Kamm, *Vice Chair*
Mr. Lawrence Dill
Mr. Troy Tanigawa

EXCUSED:

Mr. Kurt Akamine
Mr. Ka'aina Hull

Quorum was achieved with 4 members present at Roll Call.

STAFF:

Manager & Chief Engineer Joseph Tait
Commission Support Clerk Cherisse Zaima
Deputy County Attorney Mahealani Krafft
Computer Systems Support Technician Darrell Acob
Deputy Manager Judith Hayducsko

Civil Engineer Michael Hinazumi
Info. and Education Specialist Jonell Kaohelaulii
Chief of Operations Val Reyna
I.T. Specialist Wayne Takabayashi
Waterworks Controller Marites Yano

ANNOUNCEMENTS:

Next Scheduled Meeting: Thursday, February 24, 2022 – 10:00 a.m. via Tele-Conference.

APPROVAL OF AGENDA

Board member Dill moved to approve the agenda, seconded by Mr. Kamm; with no objections, motion carried with 4 Ayes.

APPROVAL OF MEETING MINUTES:

1. Regular Board Meeting – December 23, 2021
2. Executive Session Meeting – December 23, 2021

Board member Dill moved to approve the minutes of the December 23, 2021 Regular Board Meeting as amended, and the December 23, 2021 Executive Session meeting, seconded by Mr. Tanigawa; with no objections, motion carried with 4 Ayes.

PUBLIC TESTIMONY

The department received no public testimony prior to the meeting, and there were no registered speakers.

There were four (4) members of the public who joined the meeting.

CORRESPONDENCE

Letter from Tristan Gonzales, Kaua'i Assistant Regional Manager, Goodfellow Bros. re: Meeting request in reference to Job No. 15-07, Water Plan 2020 Project No. HE-01, HE-10, Hanapēpē, Kaua'i, Hawai'i received on January 6, 2022.

The correspondence was received for the record.

OLD BUSINESS

1. Manager's Report No. 22-51 (updated) Discussion and Possible Action for Approval of Additional Funds for Purchase of the Replacement of the Gasboy Fuel Management System in the amount of \$85,000.00 (*Deferred from December 23, 2021, Regular Board Meeting*)

Chief of Operations Val Reyna provided an update on Manager's Report No. 22-51 as requested by the board at the December 23, 2021 meeting. (updated Manager's Report on file)

Board member Kamm moved to approve Manager's Report 22-51 for the \$85,000 expenditure for the new Fuel Master system, seconded by Mr. Tanigawa; with no objections, motion carried with 4 Ayes.

NEW BUSINESS:

1. 2022 Appointment of Committee Members for the Rules Committee and the Finance Committee

Chair Simonton announced her appointments to the following committees:

Rules Committee: Ka'aina Hull, Troy Tanigawa, Greg Kamm

Finance Committee: Larry Dill, Ka'aina Hull, Kurt Akamine

Board member Tanigawa moved to approve the 2022 Committee Member appointments, seconded by Mr. Kamm; with no objections, motion carried with 4 Ayes.

STAFF REPORTS:

1. Statement of Revenues and Expenditures
 - a. December Monthly Summary Budget
 - b. Accounts Receivable Aging Summary

Waterworks Controller Marites Yano provided a summary of the Fiscal report submitted. She noted that they are currently working on the proposed budget for FY 2022/2023. Their goal is to submit the draft proposal budget at the March 2022 meeting with subsequent Finance Committee meetings to be scheduled for April. The next initiative would be to commence with the water rate study, which was started in 2016, and fiscal would like to hold a board workshop, preferably by the month of March to acquaint the new board members with the goals and purpose of the study.

Board member Dill referenced Page 25 of the agenda packet, under Revenue, Capital Contributions. He asked why there are significant variance from the budget. Ms. Yano explained that the department will be submitting a request for reimbursement for the grants they were anticipating to receive from the State, which are contingent upon the department's encumbrance of these funds to a specific project. She further added that this will show as a continuing projected receipt until those requests are submitted and the funds are encumbered for specific projects. Mr. Dill asked whether they anticipate that this variance will be significantly reduced by the end of the current fiscal year to which Ms. Yano replied probably not since it is reimbursement based. Mr. Dill asked to clarify that the issue is that the projects are not getting done quick enough, noting that if the projects were getting done those variances would not be there. Mr. Dill referenced the section under Operating Proceeds and asked for an explanation of the large variance there. Ms. Yano explained that part of the projected budget for this year was getting SRF loans to fund the

meter replacement programs, which they are currently in the process of working with SRF on how to jumpstart the project. In response to Mr. Dill's question on whether that variance will be mitigated somewhat by the end of the current fiscal year, Ms. Yano replied she did not see it getting done this fiscal year. Mr. Dill pointed out that there is a seven million dollar variance there, and he would like an update as to why that is so far behind our projections. Ms. Yano explained that the department was aggressive in trying to initiate those programs; it has not gone as anticipated, but they are working on it. Mr. Dill requested an update on the meter program and what the schedule looks like.

2. Public Relations Activities

Information and Education Specialist Jonell Kaohelaulii provided a summary of the Public Relations Activities report provided. She highlighted their goal to reconnect with DOW education contacts as well as maintain visibility within the communities through their Make A Splash In A Bag event concept which provides water education, resources, and activities to Kaua'i's fifth graders. The department has been able to provide this experience to over 500 public and private school students, and have received positive press in the Garden Island newspaper as well as much praise and acknowledgement from community members.

3. Operational Activities

Chief of Operations Val Reyna provided a summary of the Operations report provided. He noted that over the weekend, an unauthorized person opened a fire hydrant, which they received a report about from Kaua'i Police Department. The department is unable to estimate the amount of water loss. He stated that other counties have hydrants that are chained and padlocked, though we don't go to that extreme here.

Mr. Reyna highlighted the draft Hazmat Survey Report received for the demolition of the old Administration building, which brings them one step closer to starting the demolition. In response to Board member Dill, Mr. Reyna explained that the emergency generator listed is trailer mounted.

4. Manager and Chief Engineer

Manager Joe Tait deferred to Civil Engineer Michael Hinazumi who provided a summary of the update on Contract No. 721 for Job No. 21-01. Mr. Hinazumi explained that the department has negotiated a contract with Brown and Caldwell to work on the long range water systems investment plan which includes getting the GIS system and hydraulic model update as well as moving forward for the next planning period of about 25 years. Chair Simonton asked to confirm that this model belongs to and will be accessible to DOW staff to which Mr. Hinazumi stated yes.

Regarding the Personnel update, Manager Joe Tait stated that there have been accelerated recruitment activities going on with both DOW HR as well as COK HR. He deferred to Deputy Manager Judy Hayducsko to provide an update. Ms. Hayducsko pointed out that the pie chart included in this month's update is a better representation of vacancies per division, noting that COK HR understands the great need of this department. Manager Tait added that there has been a lot of discovery and assessment of divisions and staffing to determine the right numbers and vacancies. The department is clearly understaffed in some areas because of pre-COVID carryover as well as a significant number of retirees over in Operations. In addition to the spreadsheets and pivot tables Mark Knoff worked on, there are ongoing discussions on what the staffing numbers

were before COVID compared to what they look like today versus the capital projects that have been backlogged because of shutdown periods. He added that there have been scheduling challenges in Operations because of the retirements, and because of some COVID activity. He commended Val, Ryan, Virgil and Chris for filling in and picking up the standby call outs and overtime hours due to those challenges.

QUARTERLY REPORTS:

1. Build America Bond

Waterworks Controller Marites Yano stated that there was no update on the Build America Bond fund expenditure; it is the same as last quarter.

2. Claims Settled by Department of Water

Deputy County Attorney Mahealani Krafft noted a correction to her report, clarifying that there were three claims settled, which are listed.

3. Engineering

Civil Engineer Michael Hinazumi provided a summary of the Engineering Quarterly Report submitted. He noted what was not reported on this report was that Kiewit Pacific was the apparent low bidder on the Kīlauea MCC motor control and coordination system 1 and 2, and the department is recommending award of the project for 1.3 million dollars, which would account for the net variance that fiscal reported on earlier. He also noted that the BAB funds will be committed to the Kalāheo package which will utilize most of the BAB funds. Manager Tait added that recruitment and hiring is critical to address the workload in Water Resources and Planning and feels that some of the pushes the department has made with the assistance of DOW HR Coordinator Debra Peay to get these hires on board will launch into a new era of delivery capital.

TOPICS FOR NEXT BOARD OF WATER SUPPLY MEETING: *(February)*

1. Employee of the Year Resolution
2. Board Recognition of East Side Field Crew
3. Update on recommended meter communication system

TOPICS FOR FUTURE BOARD OF WATER SUPPLY MEETINGS:

1. Manager's Report No. 17-29 - Discussion and Possible Action on the Financial Management Planning and Water Rate Study for the Department of Water for Fiscal Year 2022 through Fiscal Year 2026
2. Department of Water Performance Audit
3. Base Yard Master Plan Workshop
4. Proposed Budget for FY 2022-2023

EXECUTIVE SESSION:

Pursuant to Hawaii's Revised Statutes (HRS) §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 HRS §92-4 and shall be limited to those items described in HRS §92-5(a).

1. Pursuant to Hawai'i Revised Statutes §92-4 and §92-5(a)(6), the purpose of this Executive Session is for the Board to consider sensitive matters related to public safety or security.

Chair Simonton moved to enter into executive session at 11:06 a.m. with no objections.

The board resumed in open session at 11:31 a.m.

ADJOURNMENT

Board member Dill moved to adjourn the Regular Board meeting at 11:31 a.m., seconded by Mr. Tanigawa; with no objections, motion carried with 4 Ayes.

Respectfully submitted,

Cherisse Zaima

Cherisse Zaima
Commission Support Clerk

Approved,

Kurt Akamine
Kurt Akamine (Mar 9, 2022 15:50 HST)

Kurt Akamine
Secretary, Board of Water Supply

01-20-22 RBM Open Session Minutes for signature

Final Audit Report

2022-03-10

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