

MINUTES
BOARD OF WATER SUPPLY
August 26, 2021

The Board of Water Supply, County of Kaua'i, met in regular meeting **via remote** in Lihu'e on Thursday, August 26, 2021. Chairman Gregory Kamm called the meeting to order at 9:05 a.m. The following Board members were present:

BOARD: Mr. Gregory Kamm, *Chair*
Mr. Kurt Akamine, *Vice Chair*
Mr. Lester Calipjo
Mr. Kaaina Hull
Ms. Julie Simonton
Mr. Troy Tanigawa (*exited at 9:57 a.m.*)

EXCUSED: Mr. Larry Dill

Quorum was achieved with **6** members present at Roll Call.

STAFF: Manager & Chief Engineer Mark Knoff
Deputy Manager-Engineer Judith Hayducsko
Mrs. Mary-jane Akuna
Mr. Jaspreet Banwait
Mr. Michael Hinazumi
Mrs. Jonell Kaohelaulii
Mr. Valentino Reyna
Mr. Marcelino Soliz
Ms. Cherisse Zaima
Deputy County Attorney Mahealani M. Krafft

ANNOUNCEMENTS

Next Scheduled Meeting: Thursday, September 23, 2021 – 10:00 a.m. via Tele-Conference

There were four (4) callers from the public who joined in the meeting.

APPROVAL OF AGENDA

APPROVAL OF MEETING MINUTES

1. Regular Board Meeting – July 22, 2021

Board member Simonton moved to approve the July 22, 2021 Regular Board Meeting minutes, seconded by Mr. Akamine; with no objections, motion carried with 6 Ayes.

PUBLIC TESTIMONY

1. From Tristan Gonzales, Assistant Regional Manager Goodfellow Bros. re: Job No. 15-07 WP 2020 No. HE-01 and Job No. 15-07 WP 2020 No. HE-10. Email received on August 12, 2021.

Mr. Robert Takamatsu, general counsel for Goodfellow Bros. informed the Board that Mr. Tristan Gonzales, Assistant Regional Manager would be speaking on behalf of Goodfellow Bros. regarding the written testimony he provided on August 12, 2021.

Mr. Tristan Gonzales stated he did not have any additional testimony to provide other than the correspondence he submitted.

Mr. Ryan Mountcastle stated that Tristan Gonzales would be speaking on behalf of Goodfellow Bros.

CORRESPONDENCE

1. From Michael Serpa, owner/developer Koloa Village Project, re: FRC Charge \$138,300 dated July 21, 2021

Board member Hull asked to clarify whether or not a motion to receive was made, and if there would be any discussion. Chair Kamm stated that no motion was required to receive the correspondence, even if they had been doing that in the past. However, if board member preferred to have a motion, that could be done as well. Deputy County Attorney Mahea Krafft explained that correspondence items are non-action items and a motion to receive would be redundant. She further explained that the correspondence was included on the agenda because it was sent to the board, but it isn't yet ripe for board action and will be referred back to the department. Once an action or determination is made by the manager or the department it would be forwarded to the Chair to be placed on the Agenda as New Business, at which time it would be actionable. Board member Hull requested clarification that this request for refund would have to go the Manager first, and if it is denied the individual can appeal, which would then bring it before the board, which DCA Krafft confirmed.

CONSENT CALENDAR

1. Manager's Report No. 22-09 Discussion and Possible Action to Rescind Board Policy 2, Lowering of Pipelines or Service Laterals
2. Manager's Report No. 22-10 Discussion and Possible Action on Proposed Changes to Board Policy 3, Water Utility Fund
3. Manager's Report No. 22-11 Discussion and Possible Action to Rescind Board Policy 11, Delinquent Water Sales Accounts Receivable
4. Manager's Report No. 22-12 Discussion and Possible Action to Rescind Changes to Board Policy 13, Facilities Reserve Charge – Accounting Procedures
5. Manager's Report No. 22-13 Discussion and Possible Action to Rescind Board Policy 14, Charges for Professional Services for Subdivisions and Other Developments
6. Manager's Report No. 22-14 Discussion and Possible Action to Rescind Board Policy 18, Replacement of Service Connection within Private Property

Board member Hull moved to accept Items 1 through 6 in the Consent Calendar, seconded by Mr. Akamine; with no objections, the motion carried with 6 Ayes.

Staff informed Chair Kamm that member of the public, Mr. Tristan Gonzales, was requesting to speak. Chair Kamm allowed Mr. Gonzales to speak. Mr. Gonzales asked if he would be allowed to read his testimony to which Chair Kamm responded that he did not feel the need for it to be read into the record as the written testimony had been distributed to all board members, as well as being placed in the agenda packet, which is available to the public. Chair Kamm added that he felt

reading it would be redundant, and was not necessary; however, if there was any additional testimony, it would be allowed. Mr. Gonzales thanked the Board for allowing them to submit their testimony, stating he thinks that has already helped with some of the issues noted such as their pay application and approval process. He expressed their willingness to work with the Board, and requested help with getting change order requests and responses moving forward as well as their request for equitable adjustment.

NEW BUSINESS

1. Manager's Report No. 22-15 Discussion and Possible Action on the Adoption of Board Policy No. 33, Legislation Pending Before the State Legislature

Manager Knoff explained that the previous board had asked that a policy be developed to address issues relating to the timeliness in submitting legislation. The Board was asked to review several options to both clarify the proposed legislation the Board may wish to consider, and who the Board prefers be in contact with the Manager regarding legislative actions. Chair Kamm stated that the options presented are to give some guidance to the Manager on what the Board actually wants to get involved in, noting that some matters would only involve the Department operationally, and would not be in the realm of policy making. Manager Knoff stated that the second set of options would be to determine who the Board chooses to have work with the Manager in order to meet some of Legislature's very short turn-around times; in any case, the Manager would report back to the Board, or the designated person for things the Board needs to get involved in.

Vice Chair Akamine moved to accept Manager's Report 22-15 with the selection of Option C and Option 1, seconded by Mr. Hull; with no objections, motion carried with 6 Ayes.

2. Manager's Report No. 22-16 Discussion and Possible Action on the Approval of the Department of Water's Supplemental Budget for Fiscal Year 2022
3. Manager's Report No. 22-17 Discussion and possible action on the approval of funding for the Information Technology Division Capital Budget in the amount of \$200,000.00 to fund the replacement, upgrade, and configuration of critical infrastructure
4. Manager's Report No. 22-18 Review and Discussion to approve the DOW's Request to enter into the Data Sharing and Confidentiality Agreement between the Hawai'i Employer Union Health Benefits Trust Fund, State of Hawai'i and County of Kaua'i DOW
5. Resolution No. 22-19 Farewell to Craig Shirai (Retiree), Waterworks Inspector III, Construction Management Division

Board member Hull moved to approve Items 2 through 4 under New Business, seconded by Ms. Simonton; with no objections, motion carried with 6 Ayes.

STAFF REPORTS

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

Assistant Waterworks Controller Marcelino Soliz provided a summary of the Fiscal report submitted.

2. Public Relations Activities

Information and Educational Specialist Jonell Kaohelaulii provided a summary of the Public Relations report submitted, noting that Project WET training has resumed, and 5 new facilitators have been certified to assist with water education programs statewide. Additionally, avenues for Project WET and water education need to be sought out to maintain the requirements of the host institution.

3. Operational Activities

Chief of Water Operations Val Reyna provided a summary of the Operations report submitted. Chair Kamm asked when there is damage to a hydrant and water loss, who is responsible for the costs? Marcelino Soliz replied that fiscal is notified that there was a fire hydrant damaged, then they contact the Police Department to see if a police report had been filed. If so, fiscal is provided a copy from which they obtain the insurance information. When field personnel go out to fix the hydrant, a work order is created that lists their labor and resources, which is then used to invoice the insurance company; an estimated water loss average is used to charge for the water loss. In response to Chair Kamm's question regarding recouping costs, Mr. Soliz explained that whatever cannot be obtained through the insurance is turned over to the Prosecuting Attorney who then take some individuals to court where they are court ordered to pay restitution. Val Reyna added that the Department is only able to do that if it is not a hit and run.

4. Manager and Chief Engineer

Manager Knoff provided a summary of the Manager's Update submitted, highlighting the following:

The Department has conducted mandatory training on fiduciary duty, and what it means when you work for a government entity, which extends beyond just fiscal responsibility.

Regarding the Governor's mandate on vaccinations and testing, roughly 80% of DOW staff is vaccinated; mandatory weekly testing for those exempt from the vaccine requirement will begin on Monday, August 30.

Manager Knoff has been meeting with Grove Farm regarding the surface water treatment plant, rate of return, etc., and will be provided a more in-depth report at the September 23, 2021 board meeting.

DOW HR has been working with County HR on the Business Administrator position, which should be going out for recruitment next month.

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

1. Discussion and Suggestions of the Department of Water's Capital Improvement Projects for 2022-2023
2. Discussion and Possible Action to establish Fiscal Policies and Procedures
3. Discussion and Possible Action on Proposed Board Policies
4. Paua Valley Tank recommendations

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. Baseyard Master Plan Workshop

The Board entered into executive session at 9:54 a.m.

EXECUTIVE SESSION:

Pursuant to Hawai'i 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)(2), the purpose of this Executive Session is for the Board to consider the hiring of a Manager and Chief Engineer where consideration of matters affecting privacy will be involved; provided that if the individual concerned requests an open meeting, an open meeting shall be held as it relates to this agenda item.

The meeting resumed in Open Session at 1:21 p.m.

The meeting adjourned at 1:21 p.m.

Respectfully submitted,

Cherisse Zaima

Cherisse Zaima
Commission Support Clerk

Approved,

Julie Simonton
Julie Simonton (Sep 24, 2021 16:41 HST)

Julie Simonton
Secretary, Board of Water Supply

RBM 08-26-21 for signature

Final Audit Report

2021-09-25

Created:	2021-09-24
By:	Cherisse Zaima (czaima@kauaiwater.org)
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-  Document created by Cherisse Zaima (czaima@kauaiwater.org)
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