

MINUTES  
BOARD OF WATER SUPPLY  
**Thursday, May 16, 2024**

The Board of Water Supply, County of Kaua‘i, met in a regular meeting in Lihu'e on Thursday, May 16, 2024. Chair Tom Shigemoto called the meeting to order at 9:30 a.m. The following Board members were present:

**BOARD:**

Mr. Tom Shigemoto, *Chair*  
Ms. Julie Simonton, *Vice Chair*  
Mr. Kurt Akamine  
Mr. Larry Dill  
Ms. Micah Finnila

**EXCUSED:**

Mr. Ka‘aina Hull  
Mr. Troy Tanigawa

Quorum was achieved with 5 members present at Roll Call.

**ANNOUNCEMENTS**

Next Scheduled Board Meeting: Thursday, June 20, 2024 – 9:30 a.m.

**APPROVAL OF AGENDA**

**The Agenda was approved with no objections.**

**MEETING MINUTES**

1. Regular Board Meeting – April 18, 2024
2. Executive Session – April 18, 2024

**The meeting minutes were approved with no objections.**

**PUBLIC TESTIMONY**

None received.

**CORRESPONDENCE**

1. Letter from Kaimana Environmental Solutions dated April 15, 2024 re: Early Consultation Request for Environmental Assessment of the Kaua‘i County Housing Agency Lima Ola Affordable Housing Subdivision Proposed Off-Site Water System Improvements.

**Board member Akamine moved to receive the correspondence and refer it to the Manager for response, seconded by Mr. Dill; with no objections, motion carried with 5 Ayes.**

**NEW BUSINESS**

1. *Manager’s Report No. 24-18* Discussion and Possible Action on the Department of Water (DOW) DRAFT Proposed Operating and Capital Budgets for FY 2024-2025

**Board member Dill moved to refer Manager’s Report No. 24-18 to the Finance Committee for discussion, and report and recommendation to the full Board at the June 20, 2024 meeting, seconded by Ms. Finnila; with no objections, motion carried with 5 Ayes.**

2. *Manager’s Report No. 24-19* Discussion and Possible Action to reappropriate certain budget line items to another line-item budget for purpose of encumbering funds for contract awarded to Prithibi, LLC for hosting and support services of the Customer Care and Billing (CC&B) billing software.

Waterworks Controller Renee Yadao explained that this contract will be for 1-year with the option to extend. She noted that the cost did go up \$80,000 since last year; however, the price had remained the same for the last 5 years. She pointed out that Prithibi provides 100% support to our customer care portal, all of our software and cloud maintenance for all our customer and billing data. Mr. Dill asked if there were additional costs for the transponder issues, we have been experiencing to which Ms. Yadao stated they did not charge us anything additional and have helped Fiscal create ala carte reports to capture billing statistics and have been always responsive to Fiscal's communications. Mr. Dill asked what the anticipated annual cost will be for the next Fiscal Year to which Ms. Yadao stated the current budgeted amount is \$370,000 and she anticipates needing to extend service with Prithibi due to the ongoing transponder situation and will likely need to remain with them until the transponder replacements are complete.

Manager Tait added that this was put out for bid and Prithibi was the lowest bid in addition to having knowledge of our existing system. The Department will eventually transition into a different platform that better meets our needs.

**Board member Dill moved to approve Manager's Report No. 24-19, seconded by Ms. Finnila; with no objections, motion carried with 5 Ayes.**

3. Manager's Report No. 24-20 Discussion and Possible Action to reappropriate budget for cloud-based process automation of electronic forms, data, document retention, and financial records.

Waterworks Controller Renee Yadao explained that this cloud-based document retention will assist Fiscal in addressing an audit finding to create a single repository where all contracts are stored and will assist with electronic workflows and future ability to allow customers to use forms that will be completely electronic.

Manager Tait added that it does not just include the financial component, but also includes the documentation and filing of records as well as the maintenance of those records. There is at least 7 or 8 years of documents that have not been scanned, indexed and cataloged and it's a big cleanup. Mr. Dill noted that there is obviously a security issue associated with this and wants to ensure that is being addressed. He asked when they expect to be complete to which Ms. Yadao stated they had originally planned for Fiscal's internal payment processes to be established first and working toward having online forms available to customers, and in turn working with our internal procurement specialist to get all our contract documents on board with an electronic workflow and approval process. Mr. Dill stated he assumes they have identified some things to start with and asked if they can have the majority of this done within a year. Ms. Yadao stated there will be no additional costs as this is a cloud-based platform, but they may have additional professional services attached to building the workflows.

**Board member Dill moved to approve Manager's Report No. 24-20, seconded by Ms. Simonton; with no objections, motion carried with 5 Ayes.**

4. Manager's Report No. 24-21 Discussion and Possible Action to reappropriate certain budget line items to another line-item budget for the purpose of ordering meter replacement, repair, and maintenance inventory

Waterworks Controller Renee Yadao explained that because this line item is not anticipated to be expended this year, they want to utilize some of these budgeted funds to allow Operations to order transponder equipment which will alleviate the need to utilize next year's budget for these inventory items. Mr. Dill clarified that they will be wiping out the line item that was planned to replace CC&B and asked how they plan to budget for that. Ms. Yadao stated they just awarded a contract to Prithibi and are not planning to replace CC&B in the next fiscal year, and maybe even beyond that. She noted that they were successfully able to upgrade their CC&B software with Prithibi's assistance which brings them up to the most recent version. Maui County currently uses CC&B for which Prithibi is also a consultant for. Mr. Dill asked for clarification that this \$1.5 million was to be included in next year's capital budget to which Ms. Yadao stated there is currently another \$1.5 million in next year's budget, and this would have brought it to \$3 million total. Mr. Dill asked if next year's budget will complete this purchase to which Ms. Yadao stated no, we will still have another \$1 million to go. She added that it was imperative to replace the transponders as they are dead and/or dying. They will be relooking at the actual meters and plan accordingly for their replacement as well.

Board member Finnila asked now that the transponders are being replaced, what is the process for repair and maintenance and how will the monies be used for that. Ms. Yadao stated the newer transponders have a longer life now – 20 years or longer – so they don't anticipate needing any repairs or maintenance; however, if it is required it will fall within the warranty period.

**Board member Simonton moved to approve Manager's Report No. 24-21, seconded by Mr. Dill; with no objections, motion carried with 5 Ayes.**

5. Manager's Report No. 24-22 Discussion and Possible Action for Adoption of Budget Resolution No. 24-09 for the acceptance and expenditure of grant monies from the State of Hawai'i Appropriations Act of 2021 – Act 88, SLH 2021 in the amount of \$375,000.00 for the Kapaia Cane Haul Road 18" Water Line Project

Engineering Division Head Jason Kagimoto expressed his appreciation to Senator Kouchi and Representative Evslin for the State appropriation for this project.

**Board member Simonton moved to approve Manager's Report No. 24-22, seconded by Mr. Dill; with no objections, motion carried with 5 Ayes.**

6. Manager's Report No. 24-23 Discussion and Possible Action to Move Funds Between Accounts and Award Professional Services Contract to R.M. Towill, Job No. 24-01, WP2020 PLH-35b, Kapaia Cane Haul Road 18" Water Line Environmental Permitting, Līhu'e, Kaua'i, Hawai'i

Engineering Division Head Jason Kagimoto explained that the anticipated effort and degree of difficulty to move forward with the environmental rule will be a big endeavor for the department. He noted that this Environmental Review is all encompassing and will include secondary cumulative effects and upstream impacts.

**Board member Simonton moved to approve Manager's Report No. 24-23, seconded by Mr. Akamine; with no objections, motion carried with 5 Ayes.**

7. Manager's Report No. 24-24 Discussion and Possible Action to approve Dedication Deed from Grove Farm for TMK 3-3-021:099 (Nāwiliwili Tank parcel; Waiola Subdivision Phase I)

Engineering Division Head Jason Kagimoto provided a summary of the Manger's Report submitted.

**Board member Dill moved to approve Manager's Report No. 24-24, seconded by Ms. Simonton; with no objections, motion carried with 5 Ayes.**

8. Manager's Report No. 24-25 Discussion and Possible Action to approve Dedication Deed from Grove Farm for TMK 3-3-003:058 (Hokulei Village parcel)

Engineering Division Head Jason Kagimoto provided a summary of the Manager's Report submitted.

**Board member Dill moved to approve Manager's Report 24-25, seconded by Ms. Simonton, with no objections, motion carried with 5 Ayes.**

9. Manager's Report No. 24-26 Discussion and Possible Action to reappropriate certain budget line items to another line-item budget for the purpose of funding equipment and support services for replacement multi-function Xerox machines.

Waterworks IT Manager Wayne Takabayashi provided a summary of the Manager's Report submitted. He explained that the contract starts in June which means 12 months of budget for the first year needs to be funded to order the machines. What will actually be spent is only 1 month.

**Board member Dill moved to approve Manager's Report 24-26, seconded by Mr. Akamine; with no objections, motion carried with 5 Ayes.**

10. Manager's Report No. 24-27 Discussion and Possible Action on Approving Certain Unspecified Future Obligations and Indemnification Provisions Included in PairSoft's Master Software and Services Agreement

Waterworks IT Manager Wayne Takabayashi provided a summary of the Manager's Report submitted. He noted that this is for a continuation of Pairsoft's contract to work with the existing versions of Great Plains and SQL server that the Department is currently using. Board member Dill noted that he does not see the indemnification provisions and asked if that could be clarified. Deputy County Attorney Tyler Saito explained that the actual terms and conditions of the agreement are still being negotiated with the vendor, and this request is asking for Board approval to allow the Department to entertain and agree to such. As of now, it has been negotiated out, but if it is replaced in the agreement, this approval would allow the Department the authority to execute the contract.

Chair Shigemoto asked if this sole-source method is typical to which Mr. Takabayashi noted that Pairsoft is the only company that sells the software, so this is pretty typical.

**Board member Dill moved to approve Manager's Report No. 24-27, seconded by Mr. Akamine; with no objections, motion carried with 5 Ayes.**

11. Water Systems Investment Plan Briefing (*Information Only; non-action item*)

Michelle Sorensen and Stan Kowalczyk of Brown and Caldwell provided a presentation on the Water Systems Investment Plan updates. (Slides on file)

**STAFF REPORTS**

1. Fiscal:
  - a. Monthly dashboard
  - b. Budget Report for March 2024
2. Operations – Monthly dashboard
3. Engineering – Monthly dashboard
4. Administration:
  - a. Monthly dashboard
  - b. Public Relations – updates on Public Notices & Announcements, Community Outreach & Education, and Upcoming Events
  - c. Human Resources – updates on Personnel Vacancies
  - d. Information Technology – Monthly update
5. Manager and Chief Engineer – Required communications to the Board, and update of Department activities

Chair Shigemoto requested to forego the formal presentations of the staff reports.

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

2. Finance Committee Report
3. Discussion and Possible Action on the Department of Water (DOW) DRAFT Proposed Operating and Capital Budgets for FY 2024-2025

**TOPICS FOR FUTURE BOARD OF WATER SUPPLY MEETING:**

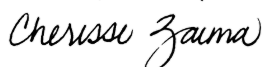
**EXECUTIVE SESSION:**

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).

**ADJOURNMENT**

The meeting was adjourned at 11:23 a.m.

Respectfully submitted,



Cherisse Zaima  
Commission Support Clerk