

BOARD OF WATER SUPPLY

JULIE SIMONTON, CHAIR
GREGORY KAMM, VICE CHAIR

KURT AKAMINE, SECRETARY
LAWRENCE DILL, MEMBER
KA'AINA HULL, MEMBER
TROY TANIGAWA, MEMBER



REGULAR MONTHLY TELECONFERENCE MEETING NOTICE AND AGENDA

Thursday, January 20, 2022
10:00 a.m. or shortly thereafter

On December 29, 2021, Governor David Y. Ige issued an [Emergency Proclamation Related To Sunshine Law In-Person Meetings](#) (Proclamation) suspending section 92-3.7, HRS, (effective January 1, 2022) only to the extent necessary **to suspend Act 220's requirement to have at least one meeting location that is open to the public. All other provisions of Act 220 remain in force. The Proclamation is in effect through February 28, 2022**, unless terminated or superseded by a separate proclamation, whichever shall occur first.

Meetings of the Board of Water Supply, County of Kaua'i will be conducted remotely in accordance with Act 220, Session Laws of Hawai'i 2021 via interactive conference technology as follows:

Click on the link below to join on your computer or mobile app by VIDEO:

[Click here to join the meeting](#)

OR

Dial phone number and enter conference ID to call in and join by AUDIO:

Phone: +1 929-352-2866 United States, New York City

Phone Conference ID: 600 152 771#

CALL TO ORDER

ROLL CALL

ANNOUNCEMENTS:

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

APPROVAL OF AGENDA

APPROVAL OF MEETING MINUTES:

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

PUBLIC TESTIMONY

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.

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*)

NEW BUSINESS:

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

STAFF REPORTS:

1. Statement of Revenues and Expenditures
 - a. December Monthly Summary Budget
 - b. Accounts Receivable Aging Summary
2. Public Relations Activities
3. Operational Activities
4. Manager and Chief Engineer

QUARTERLY REPORTS:

1. Build America Bond
2. Claims Settled by Department of Water
3. Engineering

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 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)(6), the purpose of this Executive Session is for the Board to consider sensitive matters related to public safety or security.

ADJOURNMENT

WRITTEN TESTIMONY

The Board is required to afford all interested persons an opportunity to present testimony on any agenda item. The Board encourages written testimony at least two (2) business days prior to a scheduled Board meeting. At each Board meeting, the Board will accept oral and written testimony on any agenda item during the Public Testimony portion.

Please include:

1. Your name and if applicable, your position/title and organization you are representing
2. The agenda item that you are providing comments on; and
3. Whether you are a registered lobbyist and, if so, on whose behalf you are appearing.

Send written testimony to:

Board of Water Supply, County of Kaua'i
C/O Administration
4398 Pua Loke Street
Lihu'e, Hawai'i 96766

E-Mail: board@kauaiwater.org
Phone: (808) 245-5406
Fax: (808) 245-5813

SPEAKER REGISTRATION

Prior to the Day of the Meeting: Persons wishing to testify are requested to register their name, phone number, and identify the agenda item for which they wish to provide testimony via email at board@kauaiwater.org or by calling (808) 245-5406.

On the Day of the Meeting: Persons who have not registered to testify by the time the Board meeting begins will be given an opportunity to speak on an item following oral testimonies of registered speakers. The length of time allocated to person(s) wishing to present verbal testimony may be limited at the discretion of the chairperson.

SPECIAL ASSISTANCE

If you need an auxiliary aid/service or other accommodation due to a disability, or an interpreter for non-English speaking persons, please call (808) 245-5406 or email board@kauaiwater.org as soon as possible. Requests made as early as possible will allow adequate time to fulfil your request. Upon request, this notice is available in alternate formats such as large print, Braille, or electronic copy.

A horizontal splash of clear blue water with bubbles, positioned behind the text.

DRAFT MINUTES

MINUTES
BOARD OF WATER SUPPLY
Thursday, December 23, 2021

The Board of Water Supply, County of Kaua'i, met in a regular meeting **via remote** in Līhu'e on Thursday, December 23, 2021. Chairman Gregory Kamm called the meeting to order at 10:15 a.m. The following Board members were present:

BOARD: Mr. Gregory Kamm, *Chair*
Mr. Lawrence Dill
Ms. Julie Simonton
Mr. Troy Tanigawa

EXCUSED: Mr. Kurt Akamine, *Vice Chair*
Mr. Lester Calipjo
Mr. Kaaina Hull

Quorum was achieved with 4 members present at Roll Call.

STAFF: Manager & Chief Engineer Joseph Tait
Deputy Manager & Engineer Judith Hayducsko
Mrs. Mary-jane Akuna
Ms. Christine Erorita
Mr. Jaspreet Banwait
Mr. Michael Hinazumi
Mrs. Jonell Kaohelaulii
Mr. Mark Knoff
Mr. Valentino Reyna
Mr. Rayjerry Silva
Mrs. Marites Yano
Ms. Cherisse Zaima
Deputy County Attorney Mahealani M. Krafft

GUESTS: Mr. Matthew Oda, Accuity LLP Consultant
Mr. Donn Nakamura, Accuity LLP Consultant

ANNOUNCEMENTS

Next Scheduled Meeting: Thursday, January 20, 2021 – 10:00 a.m. via Tele-Conference

APPROVAL OF AGENDA

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

APPROVAL OF MEETING MINUTES

1. Regular Board Meeting – November 18, 2021

Board Member Simonton moved to approve the Regular Board Meeting minutes for November 18, 2021, 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 five (5) callers from the public who joined in the meeting.

CONSENT CALENDAR:

There were no consent calendar items.

NEW BUSINESS:

1. Manager's Report No. 22-44 Discussion and Adoption of Resolution No. 22-06, Farewell to Clyde M. Kojiri (Retiree), Maintenance Worker II, Operations Division
2. Manager's Report No. 22-45 Discussion and Adoption of Resolution No. 22-07, Farewell to Lance Nakata (Retiree), Water Plant Operator, Operations Division
3. Manager's Report No. 22-46 Discussion and Adoption of Resolution No. 22-08, Farewell to David E. Okamoto (Retiree), Water Plant Operator II, Operations Division
4. Manager's Report No. 22-47 Discussion and Adoption of Resolution No. 22-09, Farewell to Raymond A. F. Chow, Jr., Lead Pipefitter, Operations Division
5. Manager's Report No. 22-48 Discussion and Adoption of Resolution No. 22-10, Farewell to Carl S. Arume (Retiree), Water Microbiologist V, Engineering Division

Chair Kamm waived the reading of Resolution Nos. 22-06 through 22-10.

Chair Kamm read Resolution No. 22-11 Mahalo and Aloha to Elesther Calipjo, Board of Water Supply member into the record.

Board member Dill moved to approve Manager's Report Nos. MR 22-44 through MR 22-49, seconded by Julie Simonton; with no objections, motion carried with 4 Ayes.

6. Manager's Report No. 22-50 Discussion and Receipt of the Department of Water's Draft Audit Financial Statements and Independent Auditor's Report for Fiscal Years July 1, 2020 – June 30, 2021

Consultants for Accuity LLP, Matthew Oda and Donn Nakamura provided an overview of the Draft Financial Audit report provided.

Regarding the change in depreciation methodology on Page 18 of the Financial Statements Notes (Page 62 of the agenda packet), Board member Dill asked what prompted the change to the methodology. Waterworks Controller Marites Yano explained that because they were doing a group life calculation, the newer acquired assets were mingled with the older assets which resulted in the depreciation calculations were over the total costs of the recorded assets. After discussion with the auditors and staff, an assessment of the existing depreciation was done by the consultants. Mr. Dill asked what the impact will this restatement have on rates. Mrs. Yano explained it would not have much of an impact on rates since the department looks at the unrestricted funds available when doing the rate study; this is just valuing the worth of DOW's existing fixed assets.

Mr. Oda provided a summary of the audit findings as well as the department's corrective action plans. Board member Simonton commented that she understands why these are significant issues,

though most of them seem fairly straightforward to resolve, and asked which are the most significant ones.

IT Manager Jaspreet Banwait explained that the two biggest findings are within the CC&B application which is about 5 years old, and the Great Plains accounting software which is about 10 years old. They are currently going through the procurement process for both of those applications. The RFP for the CC&B replacement will be going out in the beginning of next year. IT has been working diligently with Fiscal staff in evaluating the accounting system as well.

Board member Dill expressed his gratitude to the department for the progress made so far, and requested a presentation at the next meeting specifically addressing a plan of action for each individual deadline.

Consultant Donn Nakamura provided an overview of the general scope of services they are engaged in to perform a financial statement audit of the Department of Water as outlined in the audit document provided.

Board member Dill wished to commend the Fiscal team for what appears to be a clean audit.

Board member Tanigawa moved to approve Manager's Report No. 22-50, seconded by Ms. Simonton; with no objections, motion carried with 4 Ayes.

7. Manager's Report No. 22-51 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

Chief of Water Operations, Val Reyna, explained that the current fuel management system is broken and obsolete, and parts can no longer be replaced because they are no longer manufactured. Currently, everything is being recorded manually using paper forms based on an "honor system". The systems they are looking into will allow them to obtain information about the vehicle or equipment being fueled such as odometer, engine hours, trouble codes, and fuel economy. The system that stands out is a newer version of the same system County of Kaua'i is currently using. Mr. Reyna pointed out that on numerous occasions, the Gasboy malfunctioned resulting in the need for DOW to reach out to COK Public Works to allow DOW's fleet to be fueled.

Board member Simonton asked how many fueling stations the department has and where they are located to which Mr. Reyna stated there is only one station located at the DOW baseyard. Ms. Simonton asked rather than spend money on an entirely new system, could DOW potentially tie-in to the County's system and have it coded specifically to our department instead of having two master systems. She added that without having accurate tracking of fuel and fleet maintenance, she feels this is a priority item, and would be more cost effective and would cut down on time to tie-in to the County's system.

Chair Kamm asked how many locations the County has to which Manager Tait replied there are several. He added that this Gasboy system currently being used by DOW was pointed out by the County Auditor back in 2012 as being problematic. Even if it was in good shape, using this current system is like having a 1960's dashboard on a vehicle today. He agrees with Board member Simonton that it makes sense to share services. Mr. Reyna stated they will look into that option, and that it would be doable.

Board member Tanigawa commented that it is great that the department is finally moving forward with replacing this system, but questioned how the current “honor system” is working. Mr. Reyna explained that the paperwork submitted by the employees are also reviewed by the Administrative Support Staff to ensure the fuel usage makes sense. Board member Simonton suggested contacting the County’s fuel systems account manager to see if they are able to assist with some of the legwork.

Board Member Dill moved to defer Manager’s Report No. 22-51 to the January 20, 2022 meeting, seconded by Mr. Tanigawa; with no objections, motion carried with 4 Ayes.

8. Manager’s Report No. 22-52 Discussion and Possible Action on transfer of funds for purchase of SCADA Operator Interface Terminals (OIT) and services to update the programming in the amount of \$125,000.00

Chief of Operations Val Reyna provided a brief summary of the current SCADA system and how the units are functioning. He explained that they currently have OIT’s that are operating at various version levels; the goal is to get all of them updated island-wide. Currently, they have \$125,000 budgeted for this; however, the cost of the equipment has now increased to close to \$200,000. Rather than purchasing new equipment, it was determined that upgrading the OIT’s was more important, and the replacement equipment could be budgeted for next year. Board member Simonton stated for clarification that they would be keeping the current SCADA operating system, but the terminals at each station would be upgraded at all locations.

Board member Simonton moved to approve Manager’s Report No. 22-52, seconded by Mr. Tanigawa; with no objections, motion carried with 4 Ayes.

9. Manager’s Report No. 22-53 Discussion and Possible Action to Request Board Approval for Indemnification and Liability Waiver for Lease of a Storage Unit, authorizing potential future unknown amount cleaning fees. Contract between Board of Water Supply, County of Kaua’i and Extra Space Management, Inc.

Board member Dill expressed concern at authorizing future unknown amounts, noting it as a red flag. He wished to clarify what “temporary” means and asked if it was for storage of things that need to be digitized and archived electronically. Deputy Manager Judith Hayducsko explained that the first lease is going to be for Public Relations materials needed for Project WET and other events, which is expected to be for two years. However, until the department can do an overhaul of the record retention/disposal and electronic archiving, there is a need to move those things out to proceed with the demolition. The request is for \$5,000/year or less, which is a little high, but because there may be a need for additional storage for the documents needing to be digitized, it would prevent the department from having to come back to the board for the same thing.

Deputy County Attorney Mahea Krafft explained that though she doesn’t have authority to approve the indemnification as it is under the Board’s purview, she has reviewed it. She clarified that this Manager’s Report is not to request the funds – they already have the funds – it is for the indemnification and Liability Waiver. She added that if the Board moves to for approval of the indemnification, that the motion include all subsequent lease agreements so the department does not have to come back before the board each and every time they intend to lease.

Board member Dill moved to approve Manager's Report No. 22-53 to include future storage leases as appropriate, seconded by Mr. Tanigawa; with no objections, motion carried with 4 Ayes.

10. *Manager's Report No. 22-54* Discussion and Possible Action on transfer of unrestricted funds for the purchase of additional water meters and polymer meter box covers in the amount of \$450,000.00

In response to Chair Kamm's question, Chief of Operations Val Reyna explained these funds will be used to purchase approximately 1,200 meters and Polymer Meter Box Covers; maybe more. Deputy Manager Judith Hayducsko added that the funds allocated are for 2,400 meters, which adds a buffer to the 1,200 so the department would not have to come back before the Board if additional funds were needed. The intent is that this would eventually be funded with CIP monies, and the money being requested now will be repaid with SRF funds. This request is for a transfer of funds so they can start the CIP before they finalize an agreement with the State on the funding.

Chair Kamm asked the board if they are comfortable with the idea of buffering for costs, rather than having the department come back to the board with real numbers. Board member Dill acknowledged that there needs to be a stock on hand and asked if the department could elaborate on how much of an inventory is planned to be kept on hand.

Manager Tait commented that much like the Gasboy unit, this is part of a much bigger holistic change than what is being asked for today; this is a stopgap. He noted that the number of meters that continue to fail is on the rise.

Ms. Hayducsko provided a Power Point presentation. (Slides on file)

She explained that the customer meter program is interdivisional involving Engineering, Finance and Billing, and Operations. Some of the leadership gaps have made it difficult to see a single vision. Moving forward the department is trying to develop a comprehensive meter management program which includes replacement policies and staging for the future. Ms. Hayducsko explained how the current AMR (Automatic Meter Reading) system works using a signal that downloads the data onto a laptop. The batteries in these signals are failing resulting in having to revert to manual meter reads. There is not enough staff and time to do these manual reads. Additionally, the technology for these systems have transitioned from AMR to AMI (Advanced Metering Infrastructure) which will utilize cell towers to transfer the data. Board Member Simonton commented that if they get signals several times a day, there is potential to detect waters leaks on a real-time basis. Ms. Hayducsko stated the batteries are failing a little faster than expected. The meters are still functioning, but the meter readers need to go out and do manual reads. Cargo backups during this COVID period have caused even more delays, so even they wanted to replace the batteries they would have to wait approximately 12 weeks. Board member Dill asked to clarify whether the plan was to replace the whole meter, noting that in the earlier part of the presentation, it wasn't the actual meter itself that was failing. Ms. Hayducsko explained that the register and the signal, which are integral parts of the meter, are what is being replaced. In some cases, when a whole new meter is being installed it may not have the same base, which would then need to be installed as well.

Ms. Hayducsko explained that starting in August there were many more meter failures; about 160 meters that could not be read when the readers drove by resulting in more challenges with getting the meter reads as well as more complaints from customers. This island-wide meter replacement

will require approximately 22,000 meters at a cost of approximately \$200,000, but rather than having to come back before the Board in 2 months, being unable to place any orders until they receive Board approval, the department is requesting that \$450,000 be transferred from the unrestricted Water Utility Fund account to an account designated for this specific purchase.

Ms. Hayducsko explained that the specific polymer meter box covers being suggested would provide the best battery life, and has a screw-in for the antenna, which would provide the best signal. Those covers are difficult to get so it would be beneficial to buy them in bulk at a good discount and have them delivered on a regular schedule. She reiterated the challenges the department is currently facing in having to do manual readings on the meters that are currently failing in 160 locations requiring the meter readers to get out of their car, remove the lid and take the reading, then doing the data entry into the system; that's over 3 days added to one person's schedule.

Board member Dill commented that he foresees a lot of cellular expenses as part of this new system. He would like to see some sort of cost analysis between a cellular based system versus a fixed station tower-based system. Ms. Hayducsko stated that because there will be a monthly fee per meter, it would be less than one dollar per meter because of the volume. Mr. Dill then asked what would the cost be of leasing space at an existing tower and using radio waves? Ms. Hayducsko replied that O'ahu documented that it was very difficult to do that because of leasing issues that arose. Civil Engineer VII Michael Hinazumi clarified that an analysis has not been done on DOW putting up its own towers versus leasing space at existing towers to use radio waves. Mr. Dill commented that we have reservoirs which are by nature in very high locations that would be an option to place towers there. He acknowledges that the department will be getting a good bulk deal, but that would forever leave them at the mercy of the cellular providers, and he wants to make sure the board has a good basis for the decision to be made. Ms. Hayducsko explained that DOW will not be contracting with the cellular provider, the meter manufacturer will be doing that. Mr. Dill pointed out that we will still be paying for it.

Board member Simonton asked that since the meter company is providing the contract for the cellular service, if the department decided down the road to put in our own towers and receivers, would that be an option available to the department. Mr. Reyna replied that has not been discussed yet. He noted it could be possible, though it may be expensive. The AMI system allows them to use existing cellular infrastructure which is already established. For the department to put in their own towers, locations, acquisition of property, tower construction and maintenance of cellular towers by the department all have to be considered. Ms. Simonton stated that the department currently has a lot on its plate, and a lot of projects that need to be tackled which requires efficiency. Using existing cellular technology means the department won't have to focus on getting towers and maintaining them – there are people that know how to do that – and the department can start implementing solutions more quickly.

Mr. Dill asked whether the communications for SCADA are cellular or radio based to which Mr. Reyna replied it's mainly cellular, but for areas where there is no cell signal it's radio. In response to Mr. Dill's questions, Ms. Hayducsko stated there are currently four meter readers currently on staff, and about 22,464 meters to be read once a month.

Ms. Hayducsko explained ultrasonic meters, which is a new technology they are exploring to see what will work best with their system and what will be successful; other islands have been using these with great success. The current meters use positive displacement which consist of rotating

parts within the meter box. Chair Kamm expressed concern about sinking money into an older technology if eventually we will be moving to ultrasonic. Ms. Hayduckso replied that she believes the ultrasonic meters are the wave of the future. She added that the current positive displacement system is an old, robust system that has shortfalls in that if there is a lot of water usage, it tends to under-register. As the meter ages, and as parts get older and more worn, it may not catch 100 percent of the water passing through.

Board member Tanigawa asked if there were figures to compare replacing the entire water meter versus just the top portion. Ms. Hayducsko replied that when the top part is replaced, the “guts” that are actually moving it are not tested; typically you would want to bench test them before they are deployed. She feels a bit nervous about just replacing the top portion, and her preference would be to replace the whole thing because of the man hours that would be involved with pulling, testing and redeploying, and paperwork. They want to ensure they have as accurate a reading as possible.

Board member Simonton stated for clarification that the meters have 20 years of useful life, but if those were installed in 2006 – 2009, they are between 75% and 50 % of their useful life and very likely to be under-reading; it's not as if they are only 2 years old. Ms. Hayducsko agreed and added that meter technology is the heart and soul of the department, and if they are unable to accurately track where water is going, that unaccounted water loss is critical and is a basis for their budget.

Chair Kamm asked, with regard to the numbers, if it would make more sense to hire additional meter readers while waiting for the ultrasonic meters to arrive and be tested. Ms. Hayducsko replied that she would prefer to have the meter readers in as safe a situation as possible, and does not like the idea of them having to get out along the side of the road reading meters as often as they would have to. The decision was made to have automatic drive-by meter reads, so doing manual reads would be going backwards. They do have staff and will authorize overtime as necessary to get the information they need. The issue is that the money budgeted for meter replacements is not keeping up with the department's needs.

Board member Dill stated that the \$40,000 is for the initial purchase of the meters and covers and asked what the total investment in this cellular based system will be. Ms. Hayducsko stated that they made estimates between \$10 million and \$20 million depending on the competitiveness. Mr. Dill stated for clarification that this initial investment is assuming they will be going with the cellular based system and commented that it's a hefty monetary commitment to make. He would like to see at least a cursory investigation by the department on what a radio-based system would cost versus a cellular system. He is convinced that we will be getting good rates with the cellular system, but he still does not feel comfortable with not having something to compare it to from a life-cycle cost analysis perspective. Chair Kamm asked how quickly something like that could be accomplished. Board member Simonton asked whether there is a trend on a national level that show people are going to these cellular based AMIs versus the AMRs. Ms. Hayducsko replied that it depends on the community, noting that in a city you can put towers at a wastewater treatment distribution site and then build your own tower; however, we are very rural so there are not a lot of options other than manual reads or cellular. Ms. Hayducsko stated she has not been out with the meter readers yet, so she has not seen where the meters are, but there has to be consideration for the distances between meters and how to place towers for that. Mr. Dill stated that is an excellent point and he acknowledges that it may be more challenging here than in a larger, denser cities; however, no analysis has been done to confirm or deny whether that's the case here. Mr.

Dill would like some kind of assessment before the board makes the commitment to this ten to twenty million dollar project.

Manager Tait asked staff for clarification on whether what was estimated in the CIP was based on different types of systems, or one system only and how long the funding was stretched out. Civil Engineer VII Michael Hinazumi explained that when they looked at the CIP, it was spread over four years, and though Engineering wasn't deeply involved, the determination was to utilize the cellular endpoints. Mr. Hinazumi stated that they can go back and relook at it to see if they are able to provide life cycle costs on their losses, and clarified that the cost was \$22 million because it required replacing the meter boxes with polymer covers as well as polymer lids. Ms. Hayducsko added that the people who made the determination are no longer with the department, but they will relook at it.

Chair Kamm asked to clarify that both the boxes and lids needed replacing to which Mr. Hinazumi explained that a lot of current boxes are packed concrete boxes similar to CMU blocks, which over time as they age they deteriorate and crack. Most of the covers are cast iron lids, but some are concrete as well. The intent of the project was to rehab the boxes with lighter weight and sturdier polymer cement boxes and covers that allows the signal to go through and also, in theory, is supposed to last much longer than the concrete boxes.

Board member Simonton stated for clarification that our current water sales for 2021 is \$25 million. She asked if the implementation of a new meter program would improve our accuracy to, say, 5%? She noted that if the current meters are reporting at 95% accuracy, that 5% would be \$1.2 million per year in additional revenue which would show a payback on this program and would be well worth it. Manager Tait stated that having gone out in the field, he's observed boxes that are 30 to 40 years old that look as if they are 100 years old so there are definitely field improvements that need to be made in order to capture what they should be. He agrees with Ms. Simonton that there will be a significant return on investment.

Board member Dill asked whether or not the department has a program to do regular bench tests to see how accurate or inaccurate the readings may be. Chief of Operations Val Reyna stated that the meter mechanics check and test the meters regularly. If a customer complains that a meter is malfunctioning, while the crew is testing that meter, they will test other meters in that vicinity; most of them are at 99% to 100%. Manager Tait clarified there is no meter replacement program in place, and meters are mainly tested when a customer complains of a high bill, or notices a leak. The meter readers then report back, which prompts a bench test that is then reported to the customer. Mr. Dill stated he respects what the department is working toward, and if he could see today that our meters were under registering 5%, he would agree to this in a heartbeat; he is trying to see if there is any data to support it. Ms. Hayduckso stated she will look into the historic records and work with the meter mechanics and try to get some data for next month's meeting. Ms. Simonton suggested obtaining some information from AWWA as well.

Ms. Hayducsko stated that because we have a tier system for charges, its difficult to capture revenue because it's not as closely tied to a straight percentage. As an example, Ms. Simonton stated that a 5% under representation of water flow could actually be an 8% under representation of revenue because they are being charged at a low tier, and their actually using a multi window higher tier, which is a higher wage growth. Ms. Hayducsko added that would also include the service fee and water usage fee, all of which will be looked at in the rate study Fiscal is working on.

Board member Simonton stated it seems that the board has more questions before authorizing the \$450,000, so in addition to answering those questions, she asked how much of an effect will deferring this item to the next meeting have. Is there a certain portion of this that the department would like to proceed with? Ms. Hayducsko stated if the board proceeds with \$200,000 today and defer the additional until they provide more information, it would allow the department to place an order on Monday, which is what they are trying to do. Ms. Simonton stated that in a sense that would be a pilot program of about 600 meters which they could then obtain real data from to which Ms. Hayducsko replied it is hard to see a 5% increase.

Chief of Operations Val Reyna explained that once they go out and replace what needs to be replaced, they will be wiped out of stock and there is already a back log of those awaiting replacement. He stated that the \$200,000 will be enough for the meters, but not for the polymer covers. He estimates needing at least half of the total requested amount to purchase what they need now.

Board Member Dill reiterated that he is quite concerned about making a monetary commitment to what is a \$10 or 20 million dollar investment without having an understanding of what the alternatives are from a life cycle perspective. He asked that the department provide at least some cursory information within the next week to show where the industry is going in rural communities like ours factoring in implementing cellular versus an antenna system, and if possible some kind of life cycle analysis. Mr. Reyna stated that Maui has moved to the AMI system about 4 or 5 years ago, and DOW has been communicating with them on what works and doesn't work; so far they are happy with the system. Manager Tait added that Maui likely did a deep cost analysis on how they made that decision, so if we can obtain that, the department can see some of the AWWA and manufacturer industry studies.

Board member Simonton stated while \$225,000 is quite a bit of money, it's 1% of the total cost of the program. She feels they are going down the right path but they are not committing to a huge amount of money at this point. Manager Tait stated that the \$225,000 would only be to replace the current meters that need replacing, and to have enough stock on hand.

Board member Simonton moved to approved Manager's Report No. 22-54 with the modification that the amount of the transfer of unrestricted funds be reduced to \$225,000, and a report addressing questions raised at today's meeting will be provided to the Board at the January 20, 2022 meeting, seconded by Mr. Dill; with no objections, motion carried with 4 Ayes.

The meeting recessed at 12:06 p.m.

The meeting reconvened at 12:13 p.m.

Manager's Report No. 22-55 Manager and Chief Engineer's Goals

Manager Tait provided a summary of his proposed goals and objectives, stating that understanding that there were long-standing issues, he avoided doing any research on the department so he could come in with an unbiased outlook on the situation. Mr. Tait pointed out discrepancies in a report from 2019 on the goals and objectives of the Manager at the time. In that report statements were made indicating the manager at the time was aware of and concerned about the morale issues, and that they had been addressed. It led Mr. Tait to believe that morale was not an issue, however, after discussion with employees, he found that it was THE issue. Mr. Tait stated that most of the

comments in his report presented here came from employees, board members, past board members including past Chairs. His understanding is that the last time this type of assessment was done was back in 2014 and that the board had a discussion in 2017 about conducting a performance audit. Mr. Tait assured the board that he would be digging much deeper than a performance audit. He commended Chair Kamm for not kicking the can to next chair before he transitioned out of his position and asked for these issues to be brought before the board immediately.

Mr. Tait stated besides what is shown in his report, there are about 131 items that he and former interim manager Mark Knoff have identified; of those only about 30 are listed. He provided a summary on his Short-Term goals, major benchmark objectives both tangible and intangible, noting that those intangible items are the feedback he's received from staff and board members that are things like camaraderie and teamwork.

Chair Kamm stated that this is a significant departure from how DOW has been doing business, and hopes the board recognizes that. Board Member Dill expressed his appreciation for the effort going into this process, offered the full support of the board, and requested updates on the progress. Manager Tait stated his plan is to provide quarterly reports and updates on the status. Civil Engineer Michael Hinazumi stated that he started work at DOW over 26 years ago and was here during 2004 when a similar report was provided to the board. He appreciates that Manager Tait has provided what he feels is a very thorough and accurate assessment. The Engineering division is there to support the manager as well as the board, and to provide the best quality service as they can.

Manager Tait stated that as part of the restructuring in the organizational assessment, Mr. Hinazumi has been diligent in restocking the talent in the Engineering department, and has a couple of people coming in. Judy and Val are also replacing retired staff. Things are moving forward and not waiting for any report.

Chair Kamm asked what the most important pieces are to which Manager Tait explained that what is listed is not in any particular order, and many things will happen concurrently. One of the things mentioned by both board members, staff and division heads is turn-around time for the public and wondering where their projects are or the status. Because there were no benchmarks, there was no way to measure what that should look like. Similarly, the department does not have a pipe replacement program, yet Mr. Reyna's team is out on a daily basis fixing pipes, but again there were no benchmarks for this.

Board member Dill mentioned this will be a very handy tool when it's time for the Manager's annual evaluation.

Board member Dill moved to approve Manager's Report No. 22-55, seconded by Ms. Simonton; with no objections, motion carried with 4 Ayes.

STAFF REPORTS

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

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

2. Public Relations Activities

Information and Educational Specialist Jonell Kaohelaulii provided a summary of the Public Relations report.

3. Operational Activities

Chief of Water Operations Val Reyna provided a summary of the Operations report submitted.

4. Manager and Chief Engineer

Manager Mark Knoff provided a summary of the Manager's Update submitted.

Due to time constraints and the importance of addressing the executive session items, Chair Kamm opted to forego the Staff Reports.

TOPICS FOR NEXT BOARD OF WATER SUPPLY MEETING: (January)

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

TOPICS FOR FUTURE BOARD OF WATER SUPPLY MEETINGS:

2. 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
3. Department of Water Performance Audit
4. Baseyard Master Plan Workshop
5. Employee of the Year Resolution (February)
6. Proposed Budget for FY2022-2023 (March)

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)(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 it relates to:
 - a. Manager's Report No. 20-53 Discussion and Possible Action on correspondence from Grove Farm regarding Grove Farm's Request for Revenue Requirement Shortfall.
 - b. Goodfellow Bros.' Request for Reimbursements, Job No. 15-07, Reorganize Water System: Kaumuali'i Highway 16-Inch Main and Emergency Pump Connection, Hanapēpē Road 6-Inch Main Replacement, Job No. 15-07, Water Plan Project No. HE-01, HE-10, Hanapēpē, Kaua'i, Hawai'i.

Board member Simonton moved to go into executive session, and to invite the Manager and Chief Engineer and Special Projects Engineer Mark Knoff to participate as a resource, and to adjourn the meeting upon closing of the executive session, seconded by Mr. Tanigawa; with no objections, motion carried with 4 Ayes.

The Board entered into executive session at 12:34 p.m.

The board resumed in open session at 1:03 p.m.

ADJOURNMENT

The meeting was adjourned at 1:03 p.m.

Respectfully submitted,

Approved,

Cherisse Zaima
Commission Support Clerk

Julie Simonton
Secretary, Board of Water Supply

DRAFT

A horizontal splash of clear blue water with bubbles and a small wave crest, centered on the page. The word "CORRESPONDENCE" is overlaid on the water in a blue, serif font.

CORRESPONDENCE

GOODFELLOW BROS.
ESTABLISHED 1921

January 6, 2022

To: Joseph Tait
General Manager and Chief Engineer
County of Kauai – Department of Water

Reference: Reorganize Water System: Kaumuali'i Highway 16-inch Main and Emergency Pump Connection, Hanapepe Road 6-Inch Main Replacement, Job No. 15-07, Water Plan 2020 Project No. HE-01, HE-10, Hanapepe, Kaua'i, Hawai'i

Subject: Meeting Request

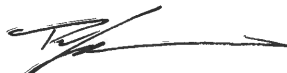
Dear Mr. Tait:

As we begin a new year, it is my hope that you and your family have had a wonderful New Year. I wish nothing but the greatest success to you in the coming year working with the outstanding people of this wonderful island.

With the start of a new year, I also hope to start with fresh perspective. Although closure of the Hanapepe-Kaumualii project has been a challenge, let's try our best to resolve all disputes and claims, so that we can take on the new challenges this year is sure to bring with a clean slate. With that goal in mind, I would like to suggest an informal meeting involving the members of the Kauai Board of Water Supply, Goodfellow Bros., and you to discuss the Hanapepe-Kaumualii claims and change orders and the monetary value of these items. It is my goal that we schedule the meeting for January 13, 2022, to enable us to have sufficient time to reach agreement before the upcoming formal Board of Water Supply meeting of January 20, 2022. The last thing that I would like to see is for this matter to be litigated, where each party will have to incur substantial time, attorneys' fees, costs, and expenses, without giving us a full and fair opportunity to resolve this matter.

I hope that you will be willing to participate in such a meeting and that each of the Board members will also be willing to meet with Goodfellow Bros., with the ultimate goal of resolving all matters and bring closure to the Hanapepe-Kaumualii project.

Sincerely,



Tristan Gonzales
Kauai Assistant Regional Manager
Goodfellow Bros.

CC: Julie Simonton, Kauai Board of Water Supply Chair

2909 Poipu Rd., Koloa, HI 96756
P.O. Box 3690, Lihue, HI 96766
P 808\462\8057
CL# ABC-7046 * Equal Opportunity Employer

GOODFELLOWBROS.COM

A horizontal splash of clear blue water with bubbles, centered on the page. The text 'OLD BUSINESS' is overlaid on the splash, with 'OLD' positioned above the water and 'BUSINESS' below it. Both words have a slight 3D effect and are reflected in the water below.

OLD BUSINESS

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER'S REPORT No. 22-51 (Updated January 20, 2022)

December 23, 2021

Re: 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

RECOMMENDATION:

It is recommended that the Board approve the funds request in the amount of \$85,000 for the Replacement of Gasboy Fuel Management System in the Operations Baseyard.

FUNDING:

FROM:				
Account No.	10-00-00-330-000			
Acct Description	Water Utility Fund (unrestricted)			
<i>Funds Available</i>	<i>Verified by WWC</i>		\$	85,000.00
TO:				
Account No.	10-40-00-604-999			
Acct Description	WU/Ops/Capital Outlay – R&R/Misc. Capital Purchases	\$	85,000.00	

BACKGROUND:

The Department's existing Gasboy Fuel Management System is over 15 years old, obsolete, and non-functioning. Due to replacement and repair parts that are no longer available, fuel dispenser and usage is recorded manually. The new system will provide automated collection of critical vehicle information including odometer, engine hours, trouble codes, fuel economy, and battery voltage. This information will be utilized to efficiently manage fleet maintenance by monitoring vehicle performance and scheduling maintenance as soon as problems are found. This automation of information will also remove the reliance on archaic paper reporting and manual routing of vehicle service requests.

Update: January 20, 2022

It is recommended that the Department should move forward with purchasing and installing a standalone FuelMaster Fuel Management Unit (FMU) along with the Automated Information Management (AIM) modules for each individual fleet vehicle and equipment. The Department would use FMLive software along with the cellular FMU. The County's Department of Public Works (DPW) currently uses FuelMaster for their fuel management system. DPW uses a combination of AIM and card/keys to extract information and authorize vehicles for fueling. DPW maintains their fleet and has several fueling stations located around the island. In order for the Department to "piggy back" on the DPW FuelMaster system we would need to share our vehicle database and be authorized by the County to have access to their system and vice versa. County

I.T was contacted, and it was confirmed that DPW uses an older version of the FuelMaster system, FMPlus.

With the Department maintaining our own fleet vehicles and equipment, the need for an independent fuel management system is paramount. In addition, the Department requires fuel storage capacity at our baseyard for emergency situations. The installation of our own independent fuel management system will allow us to incorporate this information into our maintenance management system and begin using more pro-active preventative maintenance scheduling. The FuelMaster FMU is an exact replacement for the obsolete Gasboy FMU and will require little modification for installation. The AIM modules are field installable and plug into the OBD of the vehicle/equipment. The FuelMaster FMU has cellular connection to the internet to provide information to the web-based application, FMLive. As the vehicle/equipment inserts the fueling nozzle, it is authorized wirelessly and begins download of mileage, fuel economy, battery voltage, engine hours and trouble codes.

The Department joining with DPW provides no significant benefit to either party. The Department currently has an understanding with DPW that in case of a failure of either Department's fuel system, we can utilize each other's fueling system to refuel our vehicles while making repairs to our own system. DPW and County IT have verified that they are satisfied with FuelMaster and mentioned the service replies are fast and thorough.

After the installation of the Fuel Master FMU and AIM modules, the Department and the DPW may pursue a coordinated fueling system though both Departments will have to share vehicles and equipment information and database.

OPTIONS:

Option 1: Approve Manager's Report as recommended.

Pro: DOW will move forward with updating our fuel management system to current useful technology. The upgrade will enhance fuel reporting and service trouble notifications.

Con: The Department will allocate additional funds that were not originally budgeted for this FY.

Option 2: Deny Manager's Report as recommended.

Pro: The Department will not need to spend additional funds this fiscal year and the proverbial can will be kicked down the road.

Con: The Department will continue to utilize the manual paper forms for fuel usage and service requests. This process is heavily reliable on the honor system and has proven in the past to lead to delays in routine necessary maintenance.

VR

Mgrrp/December 2021/22-51/ Discussion and Possible Action for Approval of Additional Funds for Purchase of Replacement Fuel Management System.(12/23/21); updated 01-20-21:

A horizontal splash of clear blue water with bubbles, positioned behind the text.

STAFF

REPORTS

FISCAL REPORT: MONTHLY SUMMARY HIGHLIGHTS – DECEMBER, 2021

I. BUDGET SUMMARY VS. ACTUAL (see attached report for details)

YEAR TO DATE (YTD) BUDGET & ACTUAL EXPENSES SUMMARY – AS OF DECEMBER 2021

	<u>BUDGET</u>	<u>vs</u>	<u>EXPENSED</u>
· Operating Expenses	\$18,252,714		\$12,205,190
· Debt Principal Payment	4,238,501		4,238,501
· Capital Projects	<u>26,809,551</u>		<u>134,584</u>
TOTAL	<u>\$49,300,767</u>		<u>\$16,578,276</u>

REVENUES: VARIANCE = “ACTUAL” LESS “BUDGET”; POSITIVE INDICATES HIGHER PERFORMANCE THAN EXPECTED.

- Total Revenue as of December 2021 was 24% below projection.
 - Water sales of \$14.9 million (M) was \$2.4M or 19% higher than projected.
 - Other Water Revenues - Revenues from Fire hydrants of \$1.1M and other receipts of \$54.0 thousand (K) were \$82.2K below projection.
 - Capital Contributions: Contributions from Federal & State Grants – \$403.3K.
 - Investment Income & Net Increase in FV of Investments –\$214.8K.
 - Miscellaneous Revenues - \$33.2K.

OPERATING EXPENSES: VARIANCE = BUDGET LESS ACTUAL

EXPENSES: POSITIVE VARIANCE INDICATES LOWER ACTUAL EXPENSES VS. BUDGET. **REVISED YTD BUDGET COLUMNS INCLUDE PO ROLLOVER FROM FY ENDING 2021.**

- YTD Operating Expenses before depreciation and amortization was \$12.2 million (M). Total spending was \$6M lower than budget or 33% positive variance.
 - Employee Related Expenses –\$5.5M with a 16% positive variance.
 - Contracts & Services – \$2.5M with a 64% positive variance.
 - Professional Services, Other Services – Billing, Communication, Insurance and Repairs and Maintenance for non-water systems are the main items contributing to the 64% positive variance.
 - Fuel & Utilities – \$1.5M and zero % variance.
 - Bulk Water Purchase –\$754.8K with a 17% positive variance.
 - Office & Operating Supplies – \$519.5K with 26% positive variance.
 - Training, Travel & Meeting Expenses – \$41.7K or 54% positive variance.
 - Debt Service – Interest Expense - \$1.3M.
 - Depreciation & Amortization (non-cash expenses) is \$3.5M.

NET OPERATING INCOME:

- Net Operating Income before depreciation and amortization - \$4.5M
- Net Operating Income after depreciation & amortization was a positive \$1.0M.

NON-OPERATING PROCEEDS & (DISBURSEMENTS)

- SRF Loan Proceeds – None.
- FRC – Facility Reserve Charge –\$459.8K.
- YTD Debt Principal Payment is (\$4.2M).

CAPITAL PROJECTS BUDGET: YTD DISBURSEMENTS = \$134,583.92

- Capital Projects: Water Utility Fund - \$134.1K
- Capital Projects: FRC Fund – (\$4.8K)
- Capital Projects: BAB Fund - \$5.3K
- Capital Projects: SRF Loan Fund - None

II. COMPARATIVE CHARTS:

METERED CONSUMPTION:

- December 2021, monthly metered consumption of 310.2 million gallons (mg) increased by 37.6 mg as compared from the same month of FY 2021.
- Year to Date (YTD) metered consumption as of 12/31/21 was 2,160 mg with a YTD cumulative increase of 308.9 mg as compared from the same month of FY 2021.

III. COMPARATIVE BALANCE SHEET: SEE ATTACHED.

Statement of Net Position as of December 31, 2021 (unadjusted).

IV. OTHER FISCAL ONGOING ACTIVITIES/INITIATIVES:

- Proposed Annual Budget – in progress. It will be submitted on March 24, 2022, board meeting.
- FY 2021 Financial Audit completed, Audit Report was issued by Accuity, LLC. with unqualified opinion.
- Notice to Proceed was issued to Raftelis Consultants to commence the Water Rate Study.
- MS Great Plains (GP) upgrade – no new update
- Planned Procurement: Development of Financial Policies for DOW
- Planned Procurement: Budget Program Solution – It will be addressed concurrently with the Financial Policies Development procurement.
- FEMA grant funding reimbursements: Makaleha tunnel - No new update.

MY/

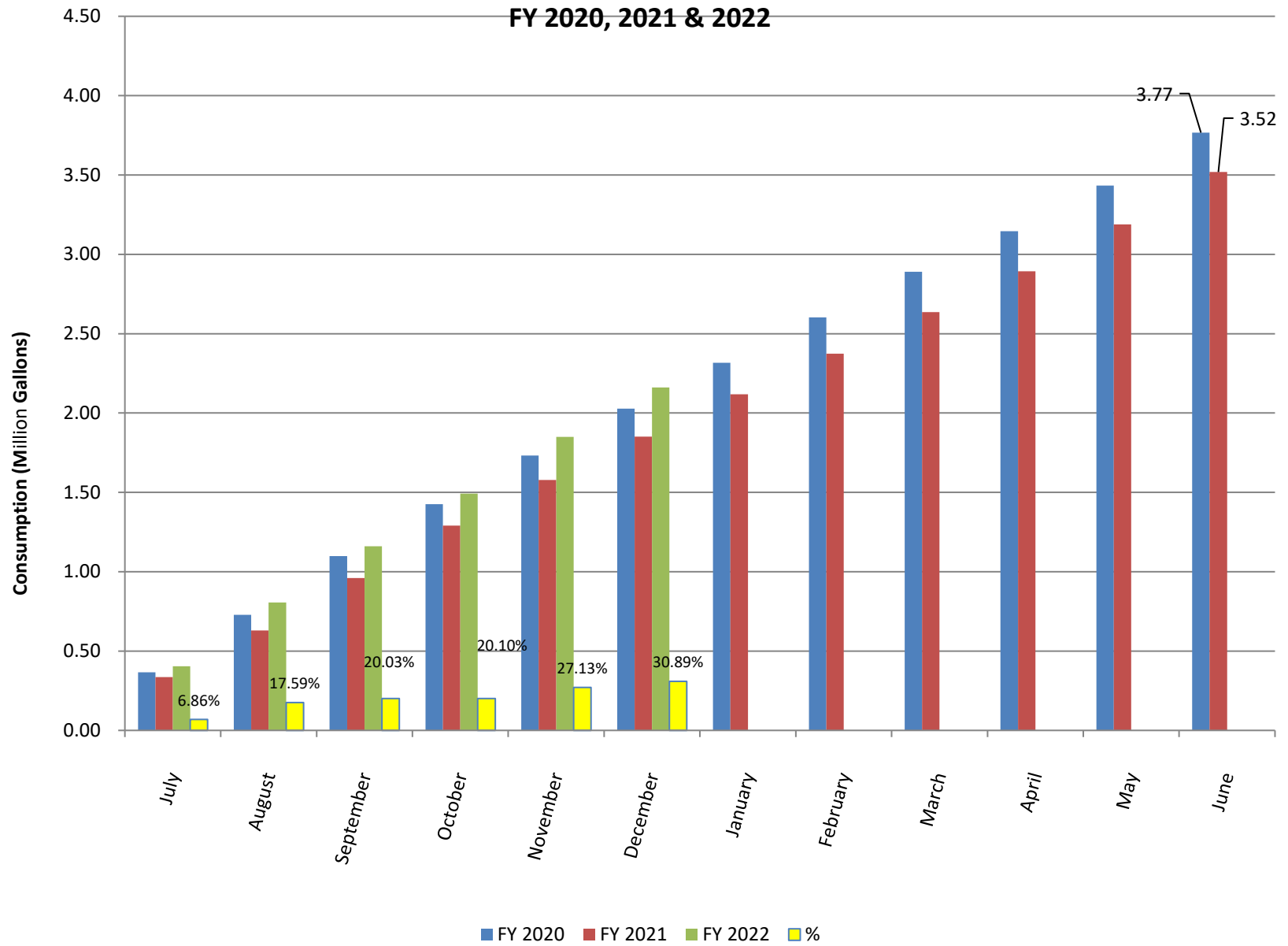


Department of Water, County of Kauai
 Monthly Budget Summary vs. Actual
 SUMMARY
 12/31/2021

	December				FY 2022			
	Original Budget	Revised Budget	Actual	Variance	Revised YTD Budget	YTD Actual	*Variance	Variance %
I. OPERATING BUDGET								
Revenue								
Water Sales	\$2,085,217.00	\$2,085,217.00	\$2,233,992.93	\$148,775.93	\$12,511,302.00	\$14,947,394.63	\$2,436,092.63	19.%
Other Water Revenue Total	206,192.00	206,192.00	185,661.51	(20,530.49)	1,237,152.00	1,154,959.34	(82,192.66)	(7.%)
Capital Contributions Total	1,348,057.00	1,348,057.00	67,222.04	(1,280,834.96)	8,088,342.00	403,332.24	(7,685,009.76)	(95.%)
Investments Total	19,584.00	19,584.00	12,298.58	(7,285.42)	117,504.00	214,807.10	97,303.10	83.%
Miscellaneous Revenues Total	709.00	709.00	23,639.37	22,930.37	4,254.00	33,187.54	28,933.54	680.%
Total Revenue	3,659,759.00	3,659,759.00	2,522,814.43	(1,136,944.57)	21,958,554.00	16,753,680.85	(5,204,873.15)	(24%)
EXPENSES								
Employee-Related Expenses	1,087,505.00	1,087,505.00	904,097.92	183,407.08	6,525,030.00	5,506,184.26	1,018,845.74	16.%
Contracts & Services	641,941.00	641,941.00	469,895.95	172,045.05	7,122,132.32	2,547,564.97	4,574,567.35	64.%
Fuel & Utilities	248,865.00	248,865.00	221,162.96	27,702.04	1,493,190.00	1,491,913.62	1,276.38	0.%
Bulk Water Purchase	151,681.00	151,681.00	105,875.79	45,805.21	911,450.96	754,813.23	156,637.73	17.%
Office & Operating Supplies	82,871.00	82,871.00	(43,846.27)	126,717.27	700,067.50	519,478.41	180,589.09	26.%
Training, Travel & Meeting Expenses	14,753.00	14,753.00	8,399.49	6,353.51	91,377.68	41,722.96	49,654.72	54.%
Debt Service								
Interest Expense	234,911.00	234,911.00	225,373.14	9,537.86	1,409,466.00	1,343,513.04	65,952.96	5.%
Total Operating Expenses	2,462,527.00	2,462,527.00	1,890,958.98	571,568.02	18,252,714.46	12,205,190.49	6,047,523.97	33.%
Net Operating Income (Loss) Before Depreciation	\$1,197,232.00	\$1,197,232.00	\$631,855.45	(\$565,376.55)	\$3,705,839.54	\$4,548,490.36	\$842,650.82	23.%
Depreciation & Amortization								
Total Depreciation & Amortization	\$661,895.00	\$661,895.00	\$584,803.45	\$77,091.55	\$3,971,370.00	\$3,539,001.90	\$432,368.10	11.%
Net Operating Income (Loss)	535,337.00	535,337.00	47,052.00	(488,285.00)	(265,530.46)	1,009,488.46	410,282.72	(155.%)
Non Operating Proceeds								
Non Operating Proceeds	1,191,667.00	1,191,667.00		(1,191,667.00)	7,150,002.00		(7,150,002.00)	
FRC-Facility Reserve Charge	66,667.00	66,667.00	96,915.00	30,248.00	400,002.00	459,800.00	59,798.00	
Total Non Operating Proceeds	1,258,334.00	1,258,334.00	96,915.00	(1,161,419.00)	7,550,004.00	459,800.00	(7,090,204.00)	(94.%)
Transfers Out(In) to Other Funds								
Debt Principal Payment					4,238,501.19	4,238,501.19	0.00	
Net Proceeds (Expenditures)	1,793,671.00	1,793,671.00	143,967.00	(1,649,704.00)	3,045,972.35	(2,769,212.73)	(6,679,921.28)	(219.%)
II. CAPITAL BUDGET								
Capital Projects (See Attached for Details)	2,480,541.00	2,480,541.00	5,397.94	2,475,143.06	26,809,550.98	134,583.92	26,674,967.06	99.%

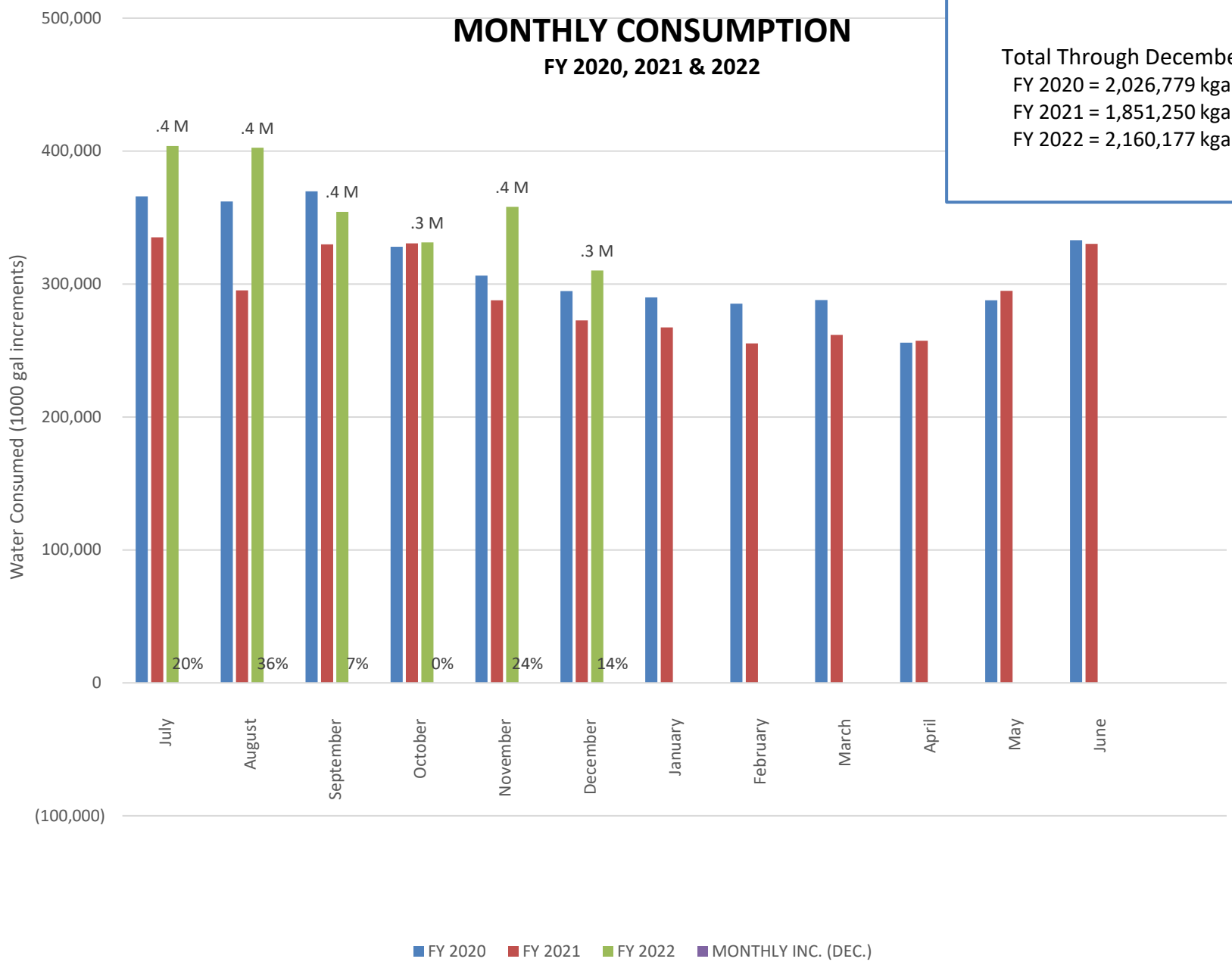
YTD CUMULATIVE WATER CONSUMPTION

FY 2020, 2021 & 2022

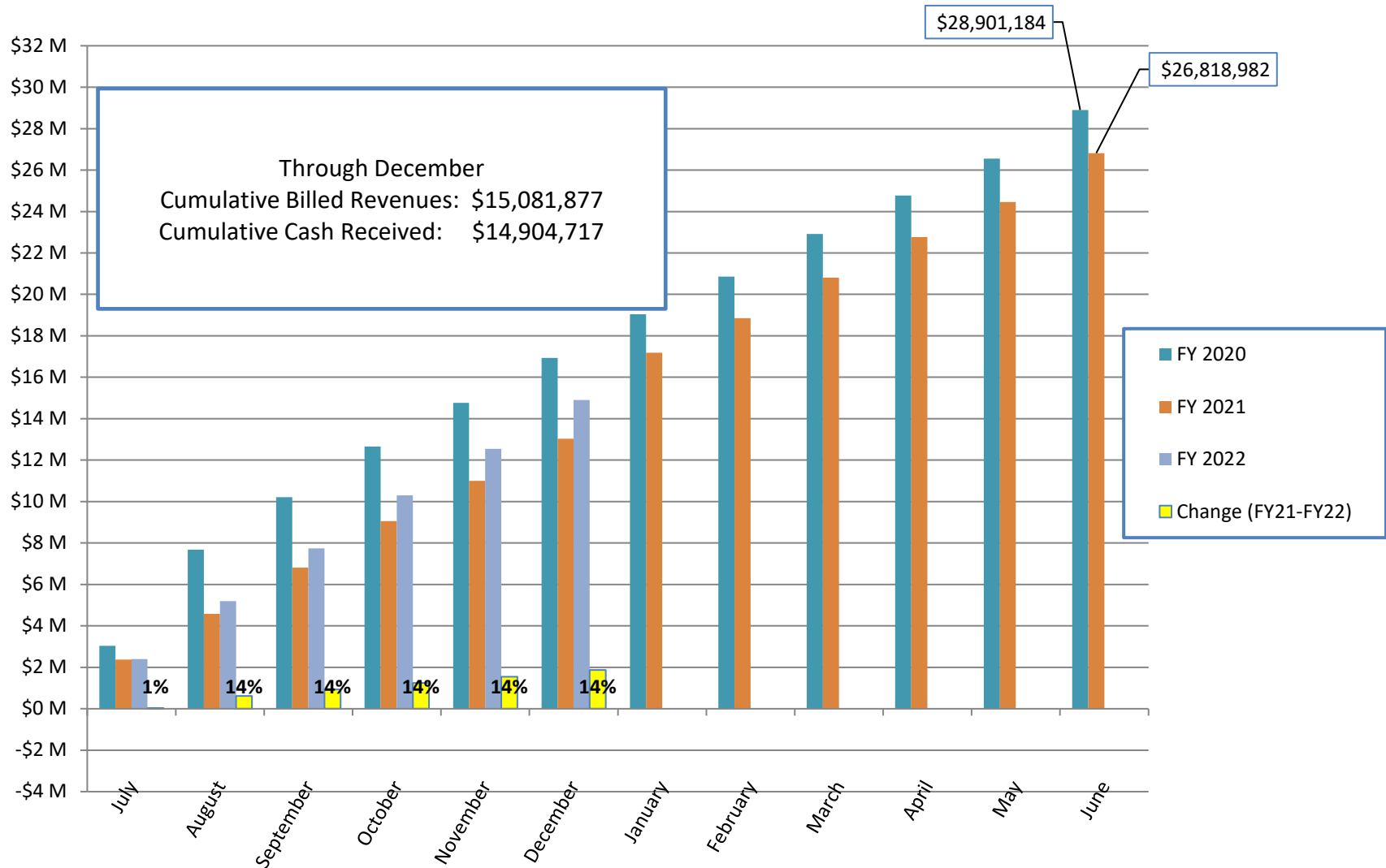


MONTHLY CONSUMPTION FY 2020, 2021 & 2022

Total Through December
 FY 2020 = 2,026,779 kgal
 FY 2021 = 1,851,250 kgal
 FY 2022 = 2,160,177 kgal



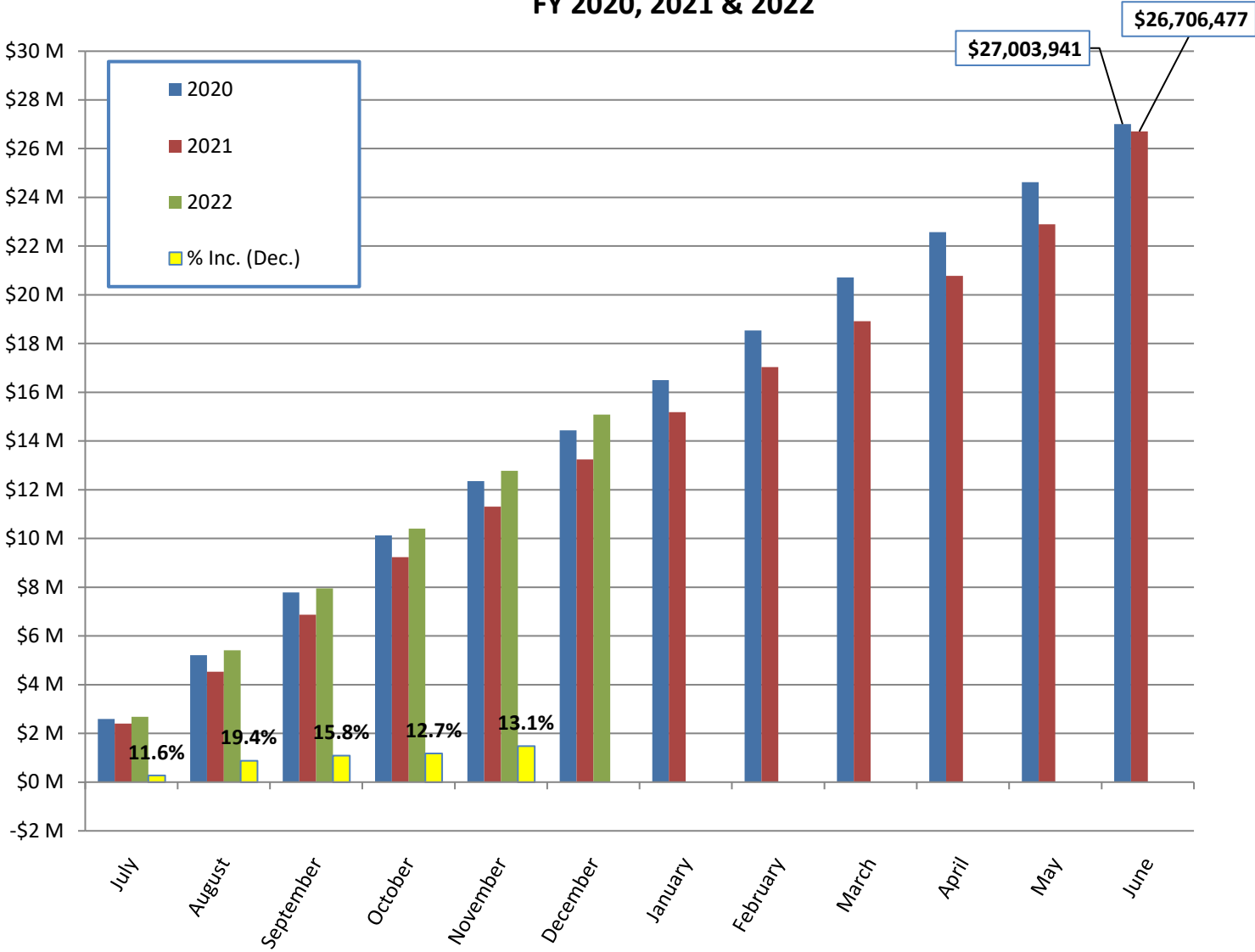
WU CUMULATIVE CASH RECEIPTS FY 2020, 2021 & 2022



Note: July '19-'20 receipts included a \$2.29 million state appropriation grant for the Hanapēpē

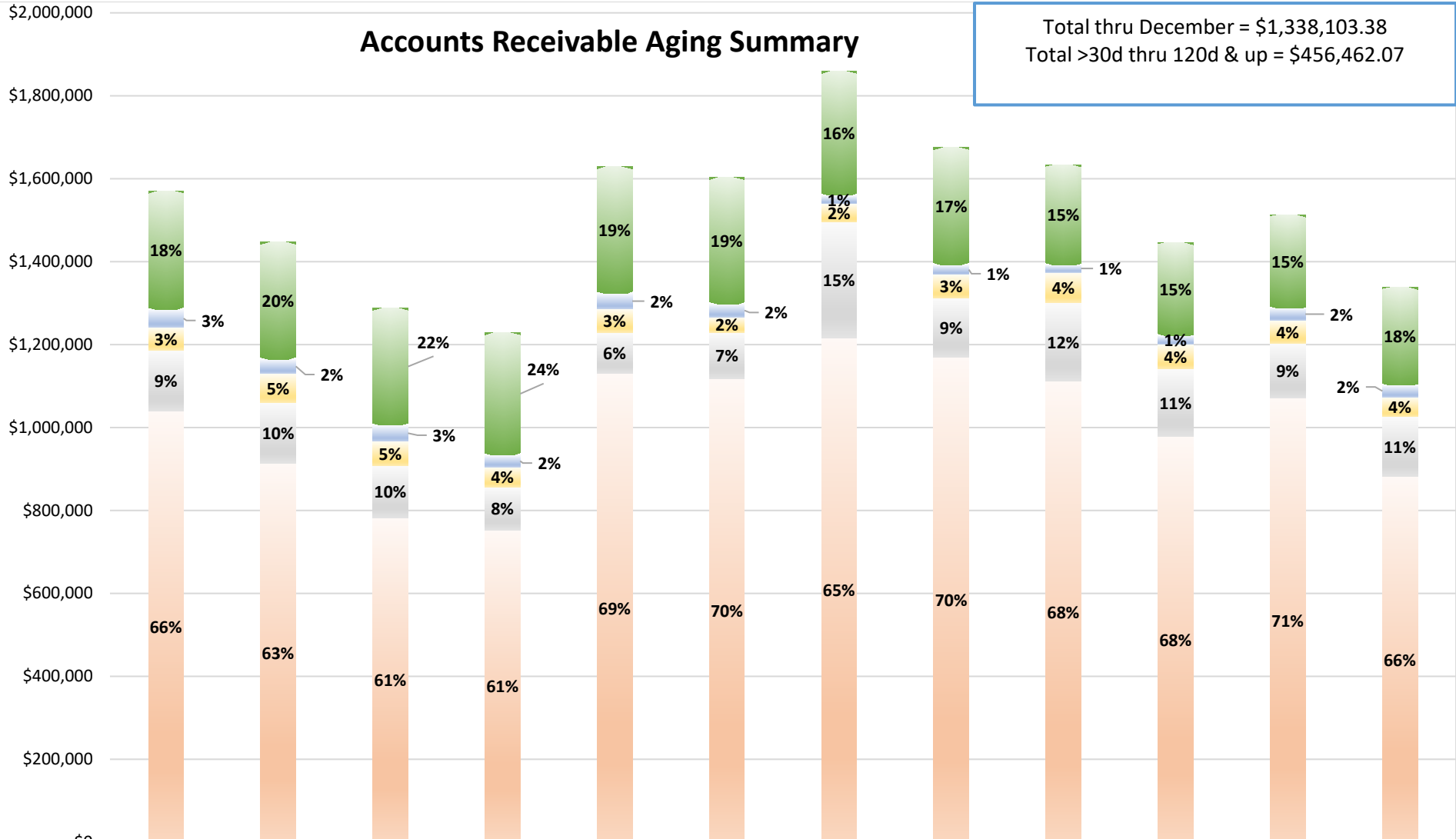
CUMULATIVE BILLED REVENUES

FY 2020, 2021 & 2022



Accounts Receivable Aging Summary

Total thru December = \$1,338,103.38
 Total >30d thru 120d & up = \$456,462.07



	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
121 days and over	\$285,894	\$282,561	\$282,746	\$295,191	\$305,635	\$304,593	\$299,428	\$282,882	\$240,783	\$223,428	\$224,064	\$235,516
91-120 days	\$43,603	\$34,412	\$38,586	\$28,801	\$36,974	\$31,973	\$20,378	\$23,726	\$18,305	\$21,463	\$30,065	\$29,192
61-90 days	\$54,665	\$70,380	\$59,276	\$48,425	\$56,984	\$36,744	\$44,461	\$57,021	\$73,096	\$59,044	\$55,620	\$47,341
31-60 days	\$147,762	\$147,068	\$125,361	\$103,880	\$99,573	\$111,658	\$278,491	\$142,845	\$189,626	\$163,726	\$132,167	\$144,413
0-30 days	\$1,038,902	\$912,997	\$782,492	\$752,624	\$1,129,799	\$1,117,983	\$1,216,650	\$1,169,088	\$1,111,708	\$977,992	\$1,070,638	\$881,641

Assets and Deferred Outflows

Current Assets

Cash	\$5,578,375.37
Equity interest in pooled investments	\$6,532,721.54

Receivables:

Accounts, net of allowance for doubtful accounts	\$1,333,689.67
Due from other funds	
Unbilled accounts	\$1,600,825.50
Grants and subsidies	\$799,942.25
Accrued interest	\$185,492.36
Total receivables	<u>3,919,949.78</u>

Materials and supplies	\$1,006,099.32
Prepaid expenses	\$45,231.85
Total current asset	<u>17,082,377.86</u>

Restricted Assets:

Facility reserve charge funds:

Cash	\$3,785,455.32
Equity interest in pool investments	\$0.00
Accounts receivable and other	\$342,832.37
Total facility reserve charge funds	<u>4,128,287.69</u>

Bond funds:

Cash	\$1,188,909.22
Equity interest in pooled investments	\$8,587,972.75
Accrued interest	\$24,854.37
Total bond funds	<u>9,801,736.34</u>

Total restricted assets	<u>13,930,024.03</u>
--------------------------------	-----------------------------

Equity Interest in Pooled Investment - Noncurrent

Investment - Non-Current	\$26,563,189.70
Investment - Reserves	\$9,300,000.00
Investment - Debt Service Reserve	\$0.00
Total Equity Interest in Pooled Investment - Noncurrent	<u>35,863,189.70</u>

Utility Plant:

In service	\$349,505,252.19
Accumulated depreciation	(\$126,077,802.78)
Total utility plant	<u>223,427,449.41</u>

Construction work in progress	\$19,097,991.95
Total property, plant and equipment	<u>242,525,441.36</u>

Total assets	<u>309,401,032.95</u>
---------------------	------------------------------

Deferred Outflow of Resources - Deferred Refunding Costs, net	<u>\$7,798,357.08</u>
Total assets and deferred outflows	<u>317,199,390.03</u>

*Allowance for doubtful accounts (\$214,422.10)

Liabilities and Net Position

Current Liabilities:

Accounts payable and accrued liabilities	\$1,944,665.79
Contracts payable, including retainages	\$648,332.41
Accrued Vacation And Compensatory Pay, current portion	\$598,912.34
Due to/Due From Other Funds	\$211.73
Customer overpayment	\$202,335.61
Customer deposits and advances	\$508,259.33
Current portion of long term debt	\$5,170,094.58
Current portion of capital lease obligation	\$0.00
Total current liabilities	<u>9,072,811.79</u>

Long-Term Debt	\$52,610,435.53
Capital Lease Obligation	\$0.00
OPEB & Retirement Benefits	\$29,012,911.46
Accrued Vacation and Compensatory Pay	\$1,061,073.85
Deferred Inflow of Assets	<u>\$3,349,684.00</u>
Total liabilities and deferred inflows:	<u>95,106,916.63</u>

Net Position:

Water Utility Reserves	\$9,300,000.00
Restricted FRC	\$4,120,436.93
Restricted Build American Bonds	\$9,694,703.67
Invested in Capital Assets Net of Related Debt	\$184,651,399.25
Unrestricted	\$14,325,933.55

Total net position **222,092,473.40**

Total liabilities, deferred inflows and net position: **317,199,390.03**
0.00

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve it!"

INFORMATION & EDUCATION SPECIALIST REPORT

January 20, 2022

Public Notices and Announcements

All news releases are sent to statewide media partners, published online via the Department's Facebook page and on the County of Kaua'i's website at www.kauai.gov/press-releases. Notices labeled as a Public Service Announcement (PSA) are shared directly with local radio stations, newspaper and posted on the Department's Facebook page. Additionally, roadwork notices are emailed to the Department of Transportation (DOT) communications office.

Service Announcements:

<i>Date Issued</i>	<i>Water System & Affected Service Areas</i>	<i>Announcement</i>	<i>Effective Date & Times</i>	<i>Other Notices</i>
12/10/2021	n/a	DOW brings "Make a Splash" cheer to fifth-grade students	n/a	Garden Island Newspaper (Attached)
01/06/2022 <i>PSA</i>	Hanamā'ulu – Vicinity of Laukona Street	DOW conducting flushing protocols in Hanamā'ulu area	Jan. 6, 2022 4:30-6:30 p.m.	BlackBoard CTY

Other Media:

The Department of Water (DOW) was mentioned in 2 news media articles for assisting in the service and water system assessment on Menehune Road in response to the recent landslide event that occurred on Menehune Road in Waimea. Articles entitled, "Portion of Menehune Road, Waimea swinging bridge closed" was published in the Garden Island Newspaper on January 5, 2022 and an online article entitled, "Over 20 west Kaua'i families blocked by landslide; historic bridge also damaged" was published and broadcasted via Hawai'i News Now on January 4, 2022 (*Attachments*).

Public Relations Program

Community Outreach & Education

- The Department's "Wise Water Wednesday" campaign for the month of January includes leak detection reminders, conservation messaging featuring the installation of WaterSense fixtures and monthly bill payment service information. The weekly media campaign is published on the Department's Facebook page, in radio advertisements and via a banner ad in the Garden Island Newspaper.

Upcoming Community Outreach & Educational Events

- Fix a Leak Week – March 14-18, 2022

Project WET Hawaii

- A training workshop calendar for Project WET Hawai'i is being planned for spring and summer opportunities in partnership with Facilitators.
- Project WET Hawai'i's annual report is due to the foundation on February 11, 2022.

Attachments: *The Garden Island* (Making a Splash – DOW water-education gets bagged)
Hawai'i News Now (Over 20 west Kaua'i families blocked by landslide; historic bridge also damaged)
The Garden Island (Portion of Menehune Road, Waimea Swinging Bridge closed)

Making a splash

DOW water-education program gets bagged

THE GARDEN ISLAND

LIHUE — The county Department of Water continued its educational outreach efforts for fifth-grade students by providing a fun, "Make a Splash" in-a-bag experience in lieu of its annual Make a Splash with Project WET (Water Education Today) festival this year.

DOW has held an annual Make a Splash with Project WET water-education festival for fifth-grade students from public and private schools for the past 16 years, but the event came to a halt last year due to

COVID-19 restrictions.

That hasn't stopped DOW from continuing its water-education efforts around the island.

"It is our pleasure to serve students and teachers with water-education resources that help bring awareness about conservation and sustainability in our communities," said Joe Tait, DOW's manager and chief engineer.

In November, DOW reached out to teachers who previously participated in MAS to seek their interest in receiving a "MAS in-a-bag" experience for their students.

Due to limited supplies, bags were offered on a first-to-reply, first-served basis. After a few days, DOW received an overwhelming response from public and private elementary-school teachers in 'Ele'ele, Kalaheo, Koloa, Puihi, Anahola, Kapa'a, Kilauea, Hanama'ulu and Hanalei requesting the water-education activities.

The response resulted in the successful distribution of water-education activities to more than 500 students. Each bag contains a student-led Project WET activity with instructions, a DOW pencil, a MAS event lanyard,

hand sanitizer, a collapsible water bottle, a five-minute shower timer and a Project WET activity book featuring a variety of water activities students can do at home or in the classroom.

"We hope to engage student interest in water education through this year's MAS in-a-bag concept with student-led activities, conservation tools and supplies," said Jonell Kaohelauli'i, DOW's information and education specialist. "As we prepare for the new year, our educational-outreach programs are also being refreshed for future participation at



CONTRIBUTED BY COUNTY DEPARTMENT OF WATER

Students from Kapa'a Elementary School wave in appreciation of their Make A Splash in-a-bag goody bags.

schools and within our communities."

For more information on DOW's conservation programs and classroom pre-

sentations featuring Project WET activities, contact the DOW at 808-245-5461 or email projectwethawaii@kauaiwater.org.

By HNN Staff

Published: Jan. 4, 2022 at 2:23 PM HST | Updated: Jan. 4, 2022 at 4:36 PM HST



WAIMEA (HawaiiNewsNow) - A landslide on Kauai's west side blocked the only road in an out for about 24 families along Menehune Road Tuesday.

County officials said the landslide was reported around 7:30 a.m. No injuries were reported.

Photos showed large rocks and boulders came down from a cliff adjacent to the road. The historic Waimea Swinging Bridge was also badly damaged.

By 4:30 p.m. Kauai County said the road remained closed and the American Red Cross would be opening an emergency shelter for affected residents at the Waimea Neighborhood Center.

"We are working diligently to open this roadway and restore utilities to affected residents as soon as possible, but safety is our highest priority," said Mayor Derek S.K. Kawakami. "We have multiple agencies working together at this time. We wish to thank the Department of Public Works crews, Kaua'i Island Utility Cooperative, Kaua'i Department of Water, American Red Cross, and our first responders for assisting in this effort. Additionally, we thank the residents for their patience and cooperation while work continues."

Both the bridge and the road are closed until further notice as crews work to clear a passable route for motorists and there is no timeline for the work to be done. The landslide happened following a recent bout of heavy rain over the New Year weekend.

Kauai police also said families in the area lost electricity, and crews were working on a fix.

Hawaii News

Portion of Menehune Road, Waimea Swinging Bridge closed

By [Dennis Fujimoto](#) [The Garden Island](#) | Wednesday, January 5, 2022, 12:05 a.m.

ACCESS DENIED



PHOTOS BY DENNIS FUJIMOTO / THE GARDEN ISLAND

LEFT: A Tuesday landslide on Menehune Road in the vicinity of the Waimea swinging bridge in Waimea results in damage to the western foundation of the bridge, the dragging of utility lines causing utility poles to topple, and the blocking of Menehune Road. RIGHT: Workers attempt to salvage pipes from the Waimea swinging bridge.

Landslide blocks Menehune Road, damages footbridge in Waimea

Dennis Fujimoto
THE GARDEN ISLAND

WAIMEA — A landslide that closed off a portion of Menehune Road near the Waimea swinging bridge has closed the road and bridge until further notice.

Rubble from the hillside covered the narrow road, damaged the bridge and knocked out power and water service to a handful of families that live be-

yond the point.

The landslide was reported around 7:30 a.m., according to the Kaua'i Police Department.

Slope assessment using drones to analyze the area began yesterday afternoon. The county's Department of Public Works Roads Division was on-site Tuesday to clear the roadway, but had to cease operations when more debris became loose.

Rockfall-mitigation contrac-

tors are expected on-site today to begin slope-stabilization work, according to officials.

"We are working diligently to open this roadway and restore utilities to affected residents as soon as possible, but safety is our highest priority," Mayor Derek Kawakami said in a statement.

Kawakami later in the day signed an emergency proclamation as a result of the landslide.

"We have multiple agencies working together at this time. We wish to thank the Department of Public Works crews, Kaua'i Island Utility Cooperative, Kaua'i Department of Water, American Red Cross and our first responders for assisting in this effort," Kawakami said. "Additionally, we thank the residents for their patience and cooperation while work continues."

The ARC opened up an emer-

gency shelter at the Waimea Neighborhood Center for affected families and individuals. Affected residents are urged to avoid the dangerous conditions. Anyone needing emergency access during the closure should call 911.

Dennis Fujimoto, staff writer and photographer, can be reached at 245-0453 or dfujimoto@thegardenisland.com.

Operations Services Dashboard

Month	Leak Repairs	Calls for Service	Meters Installed and Replaced	Temporary Hydrant Meters	Work Orders Issued	Work Orders Closed	One Call Requests	Vehicles & Eqmnt.	Hydrants Hit
Jan-21	33	183	64	2	178	172	36		2
Feb-21	26	213	52	4	126	122	25		1
Mar-21	36	215	30	2	345	167	31		0
Apr-21	36	217	76	0	182	174	33		2
May-21	26	229	53	2	167	165	51		2
Jun-21	40	211	74	2	167	162	18		1
Jul-21	33	191	103	0	176	165	13		1
Aug-21	27	220	99	3	187	184	18		6
Sep-21	19	193	106	1	180	175	39		1
Oct-21	32	198	23	0	146	101	25		1
Nov-21	28	189	13	0	126	118	47	12	4
Dec-21	27	193	15	1	131	113	24	18	0*

Operations Contract Dashboard

Open for Bid

Type	Contract Number	Job Number	Title	Contractor/Vendor

Awaiting Board Approval

Type	Contract Number	Job Number	Title	Contractor

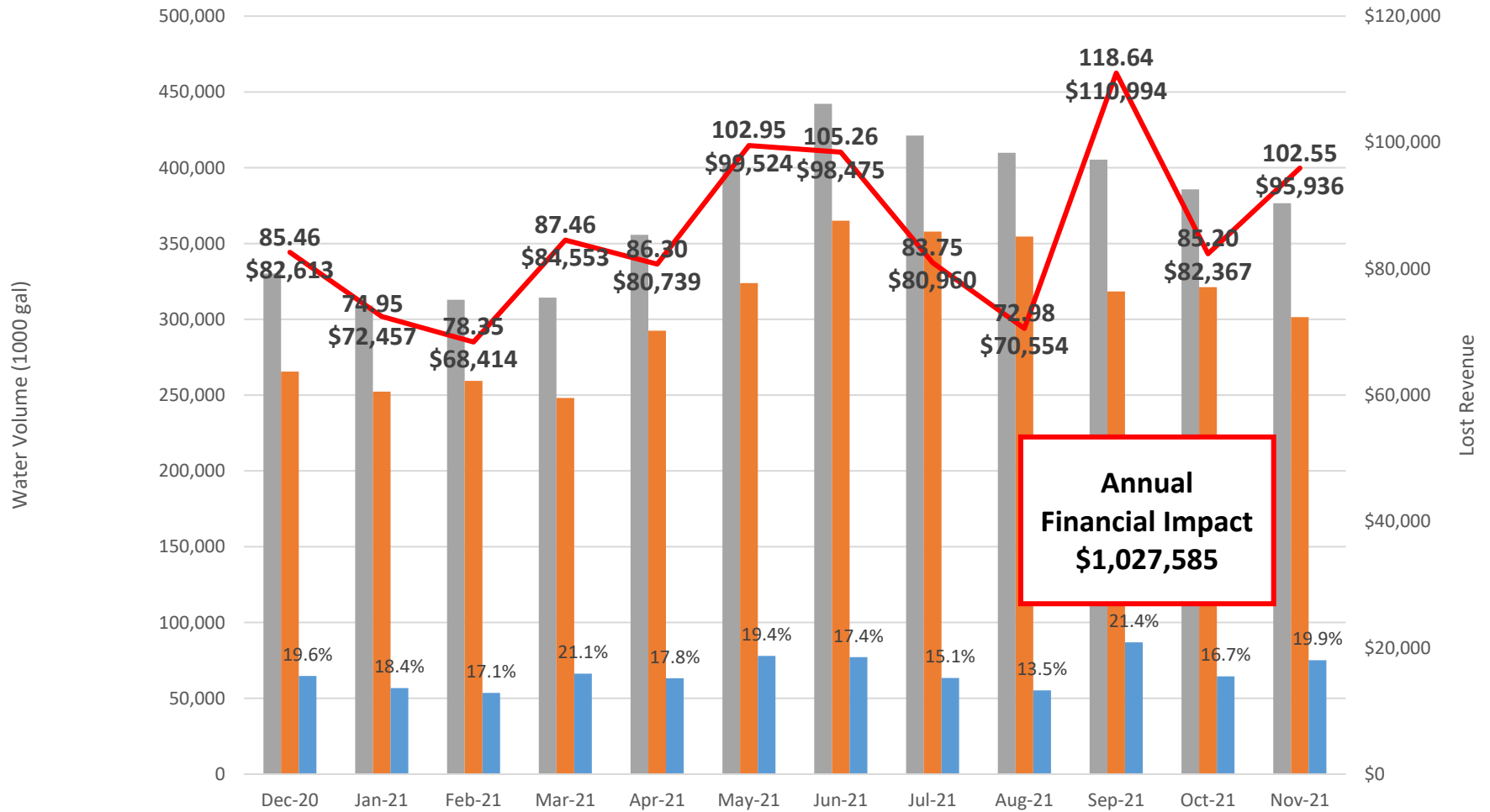
Processing/Notice to Proceed

Type	Contract Number	Job Number	Title	Contractor
Services	715		Hazmat Survey Old Admin Building	Belt Collins Hawaii
Services	716		Paua Valley Well MCC Replacement	Ronald N.S. Ho & associates
Goods	717		Various Trucks	Midpac Auto Center
Goods	718		Emergency Generator	Allied Machinery Corp.
Goods	719		Compact Track Loader	Allied Machinery Corp.

Highlights

1. Estimated non-revenue water due to flushing and reported leaks for the month of December is 231,681 gallons
2. Hazmat Survey Report - draft report received
3. Kilohana on-site sodium hypochlorite housing structure design contract pending quote from consultant.
4. On Sat, Dec 18th, hyd. near KCC campus was reported open and flowing. Hydrant was opened by unauthorized non-DOW personnel.

Monthly Water Audit December 2020 - November 2021



	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21
Produced	330,207	309,068	312,917	314,312	355,704	401,828	442,170	421,226	409,825	405,337	385,707	376,586
Customer Meter Read	265,514	252,328	259,343	248,100	292,478	323,892	365,056	357,828	354,575	318,419	321,207	301,460
Waterloss	64,693	56,740	53,574	66,212	63,226	77,936	77,114	63,398	55,250	86,918	64,500	75,126
Waterloss	\$82,613	\$72,457	\$68,414	\$84,553	\$80,739	\$99,524	\$98,475	\$80,960	\$70,554	\$110,994	\$82,367	\$95,936

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER’S UPDATE

January 20, 2022

Pursuant to Board Policy No. 3

CONTRACTS AWARDED/EXTENSION/AMENDMENTS:

1 PROFESSIONAL SERVICES 2022-PROF-1, CONTRACT NO. 721 FOR JOB NO. 21-01, WATER SYSTEMS INVESTMENT PLAN AWARDED TO BROWN AND CALDWELL IN THE AMOUNT OF \$1,340,000.00

FUNDING:

Account No.	10-22-10-540-010			
Acct Description	WP 2040		\$	1,040,000.00
	Hydraulic Model Update		\$	300,000.00
Funds Available	<i>Verified by WWC</i>		\$	1,340,000.00
Contract No.	721			
Vendor	Brown and Caldwell			
	Contract Amount	\$	1,333,831.00	
	Contingency	\$	6,169.00	
	Total Funds Certified	\$	1,340,000.00	\$ <1,340,000.00>
Fund Balance			\$	0.00

BACKGROUND:

This project will update the Department’s long-range plan including an update to the Department’s geographical information system (GIS) and hydraulic model, water demand study, capital improvement program, facility reserve charge (FRC) and climate change and resiliency study.

This project is important because it identifies the Department’s needs for the next 20 years. The project will allow the Department to plan for future needs while addressing older infrastructure that needs repair/replacement. The GIS and hydraulic model will also allow for better quantitative assessments of the Department’s water systems and will be used to make planning and operational decisions.

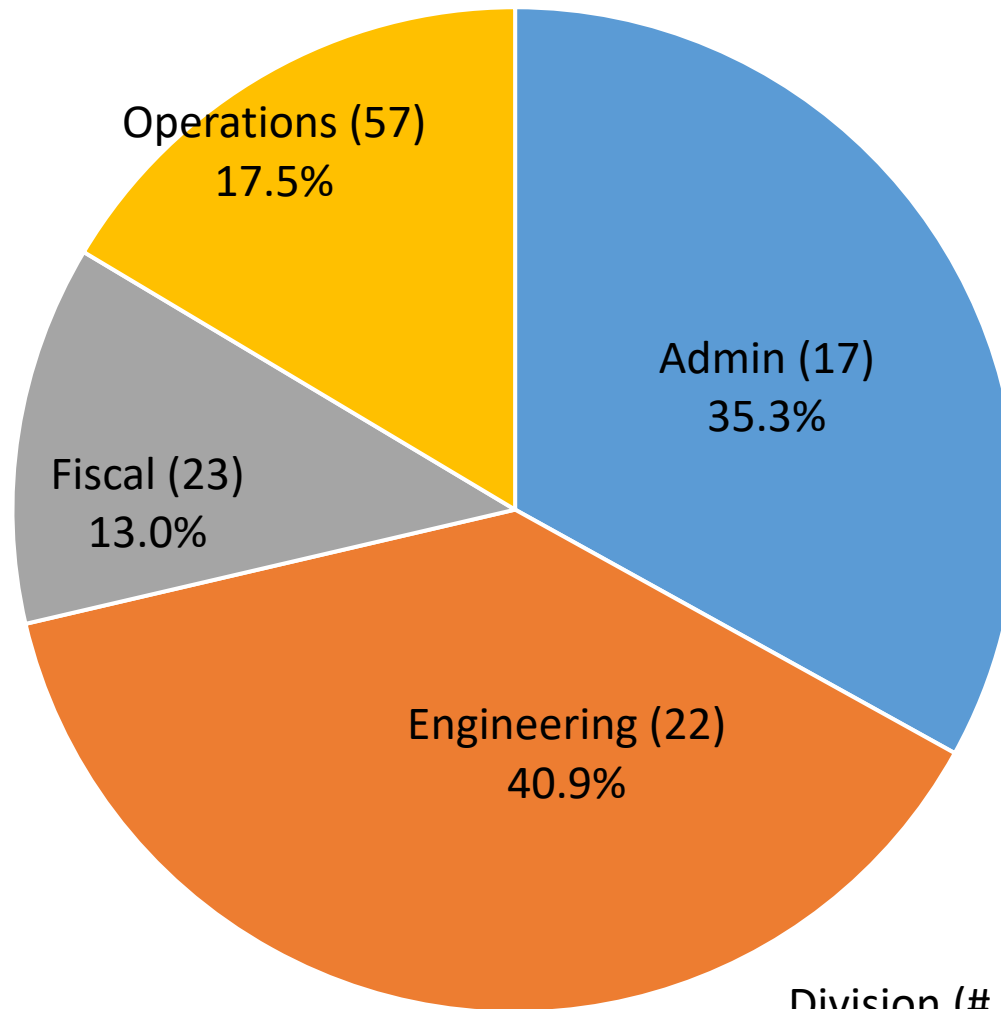
Climate change will also be included in the assessment of the Department’s facilities so that any changes in the Department’s approach can be incorporated into future projects.

PERSONNEL MATTERS

Please reference following pie chart attachment.

Mgrrp/Manager’s Update (January 20, 2022):mja

% Vacancy Within Each Division Level



Division (# Auth) - % Vacant

A horizontal splash of clear blue water with bubbles, positioned behind the text.

QUARTERLY REPORTS

BUILD AMERICA BOND FUND

DEPARTMENT OF WATER
County of Kauai FY 2010 - 2012

CASH RECEIPTS	TOTAL	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
BEGINNING CASH BALANCE	\$ 60,000,000.00									\$ -	\$ -	\$ -	\$ -	\$ 60,000,000.00
Bond Proceeds														
Interest Income	\$ 2,160,562.81		\$ 1,406.49	\$ 318,033.00	\$ 239,725.76	\$ 136,213.08	\$ 43,433.92	\$ 62,650.14	\$ 246,093.42	\$ 1,113,007.00				
TOTAL RESOURCES	\$ 62,160,562.81		\$ 1,406.49	\$ 318,033.00	\$ 239,725.76	\$ 136,213.08	\$ 43,433.92	\$ 62,650.14	\$ 246,093.42	\$ 1,113,007.00	\$ -	\$ -	\$ -	\$ 60,000,000.00
201-01 BAB - CIP	\$ -													
Cost of Issurance	\$ 535,838.66													\$ 535,838.66
217 EA-194 Hanalei River & Moelepe Stream Pipeline	\$ 741,141.50													\$ 741,141.50
218 Job 02-18 Pipeline replacement, Kapaa Homesteads	\$ 2,941,979.00											\$ 966,229.51	\$ 1,975,749.49	
219 Job 04-02 Main replacement, Vivian Heights and Apopo Road and Kanahele Road	\$ 2,651,730.99										\$ 105,007.40	\$ 476,365.60	\$ 2,070,357.99	
220 Job 03-02 Anahola 0.15 MG Tank Renovation	\$ 1,571,169.09									\$ 417,459.47	\$ 738,342.29	\$ 348,437.12	\$ 66,930.21	
684 Job 05-01 Waimea Main Replacement	\$ 3,272,975.12											\$ 112,524.38	\$ 3,160,450.74	
687 Job 02-03 Kekaha 12" Main Replacement and Waimea Canyon Drive 12" Main Replacement	\$ 677,234.29											\$ 8,796.00	\$ 668,438.29	
221 Job 10-01 Pipeline replacement, Anini Road	\$ 724,652.00			\$ 320.25		\$ 40,444.75	\$ 99,727.00		\$ 75,360.00	\$ 91,600.00	\$ 331,800.00	\$ 85,400.00		
222 Job 10-02 & 13-03 Kaunualii Hwy widening, Anonoui St to Lihue Mill Bridge	\$ 5,208,503.03									\$ 603,320.00		\$ 4,368,972.73	\$ 236,210.30	
223 Job 05-06 PLH-25, 8" Main Replacement, Eiwa, Umi, Akahi, Elua & Hardy/Alohi Streets	\$ 2,710,970.00									\$ 207,527.45	\$ 1,837,108.24	\$ 666,334.31		
224 Job 02-16 Rehabilitation of Maka Ridge Deepwell Tank, Pipeline and Rdway, Ohana, Anolani & Kuamoo Roads	\$ 1,381,988.40								\$ 70,243.40	\$ 816,129.43	\$ 495,615.57			
227 Waimea Well A Renovation	\$ 639,282.53									\$ 299,937.43	\$ 308,235.45	\$ 31,109.65		
326 Job 02-02 Omao 0.5 MG Tank and connecting Pipeline	\$ 2,519,540.05											\$ 1,105,978.21	\$ 1,413,561.84	
228 Koloa Tank Site Acquisition	\$ 500,991.73												\$ 500,991.73	
230 Job 02-08 Rehabilitation of Eleeele Twin 0.4 MG Steel Tanks	\$ 2,018,853.05								\$ 419,657.59	\$ 820,325.86	\$ 654,054.56	\$ 124,815.04		
231 Job 02-19 Waipouli Main Replacement to Akullkuli	\$ 2,229,690.39								\$ 140,809.76	\$ 460,829.74	\$ 1,628,050.89			
232 Job 02-14 Kapaa Homesteads 0.5 MG Tank #2 and Kapahi 1.0 MG Tank	\$ 293,603.56			\$ 28,276.20	\$ 181,031.23	\$ 33,913.47				\$ 4,820.46	\$ 44,327.74	\$ 1,234.46		
233 Job 09-01 K-01, K-12 Kalaheo 1111' & 1222' Water System Improvement	\$ 1,062,603.99	\$ 5,326.25	\$ 30,660.00	\$ 67,910.95	\$ 40,510.00	\$ 252,930.74	\$ 4,084.44	\$ 41,155.98	\$ 29,424.45	\$ 54,561.67	\$ 505,005.23	\$ 31,034.28		

BUILD AMERICA BOND FUND

DEPARTMENT OF WATER
County of Kauai FY 2010 - 2012

CASH RECEIPTS		TOTAL	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	
683	Job 04-06	Kekaha Well B Renovation	\$ 627,165.43									\$ 42,828.60	\$ 265,223.57	\$ 319,113.26		
234	Kukuioolono Water Tank Site Acquisition		\$ 302,396.47											\$ 302,396.47		
235	Job 05-05	Nawiliwili, Niumalu and Kupolo 6", 8" and 12" Main replacement	\$ 3,150,226.75									\$ 689,732.75	\$ 2,460,494.00	\$ -		
237	Job 11-02	Replacement Grove Farm Tanks #1 & #2	\$ 201,658.00				\$ 24,767.90	\$ 33,185.10	\$ -	\$ 67,905.00	\$ 44,165.00	\$ -	\$ 31,635.00	\$ -		
692	PLH-39 Lihue Baseyd		\$ 7,755,133.98			\$ 15,035.86	\$ 544,777.77	\$ 575,693.09	\$ 5,951,097.31	\$ 1,510.40	\$ 1,466.25	\$ 382,445.74	\$ 283,107.56	\$ -		
621	Job 02-06	Kilauea 1.0 MG Tank	\$ 250,973.16			\$ 17,438.16	\$ 13,380.00				\$ 73,995.00	\$ 93,310.00	\$ 52,850.00			
238	Job 11-04	Lawai-Omao Water Main Replacement & Service Improvements	\$ 71,737.50							\$ 5,967.45		\$ 30,745.05	\$ 35,025.00			
239	Job 02-17	Maka Ridge Facilities Rehabilitation and Princeville Interconnection Plan	\$ 2,333,850.55							\$ 244,226.89	\$ 276,328.78	\$ 1,813,294.88				
240	Job 11-03	Land and Well Acquisition, Moloaa and Waimea, Kauai	\$ 159,938.00				\$ 3,678.00	\$ 25,300.00	\$ 14,160.00		\$ 23,290.00	\$ 71,730.00	\$ 21,780.00			
242	Job 02-11	Moloaa Land Acquisition	\$ -													
243	Job 11-06	Rehabilitate Moelelpe Tunnel and improve access road	\$ 19,200.00										\$ 19,200.00			
244	K-05A Kukuioolono 0.5 MG 886' Tank		\$ 193,578.95				\$ 67,715.05	\$ 61,552.30			\$ 64,311.60					
610	Job 02-11	Moloaa Land Acquisition	\$ -													
	Job 11-10	8" WL Halewili Kaumualii to Hale	\$ 694,331.55					\$ 282,186.78	\$ 412,144.77							
	Job 11-07	MCC Chlor KoloaWell16-A,B,E	\$ 3,667,032.67		\$ 44,513.76	\$ 1,623,383.03	\$ 1,999,135.88									
	Job 04-08	Kapaa Homesteads Well #4	\$ 1,308,153.06	\$ 43,250.00	\$ 588,360.39	\$ 676,542.67										
	TOTAL		\$ 52,418,123.45	\$ 5,326.25	\$ 73,910.00	\$ 700,785.10	\$ 2,401,506.17	\$ 3,087,416.57	\$ 1,056,359.93	\$ 6,518,285.06	\$ 349,034.19	\$ 2,210,406.85	\$ 6,723,168.75	\$ 16,360,816.36	\$ 11,654,128.06	\$ 1,276,980.16
	Cash Balance		\$ 9,742,439.36	\$ (5,326.25)	\$ (72,503.51)	\$ (382,752.10)	\$ (2,161,780.41)	\$ (2,951,203.49)	\$ (1,012,926.01)	\$ (6,455,634.92)	\$ (102,940.77)					

COUNTY ATTORNEY QUARTERLY REPORT

This report is submitted pursuant to Board Policy No. 25.

CLAIMS SETTLED: None; three pending.

Claimant(s) - Attorney	Date of Loss	Filed with Office	Date Closed	Basis of Claim	Claim Amount	Settled Amount	Corrective Action Recommendation
Vandervoet, David	6/30/2021	7/23/2021	11/26/2021	Property Damage: Claimant's neighbor told him that Kauai Water Dept was digging by the telephone pole at the entrance to his driveway on June 30, 2021, attempting to find a water shut-off valve for the service at the property across the street on Weke Road. On July 1, 2021, he found that he had no cable signal to his house. Spectrum Cable and Kauai Vacation Rentals visited the house on July 3, 2021 and reported that the conduit that carries the coaxial cable from the service pole to his house had been broken by a digging effort at the base of the telephone pole and that his coaxial cable and phone line to the house were both severed.	\$1,830.00	\$1,830.00	Addressed by management
Allen, McKenna	6/23/2021	8/5/2021	11/26/2021	Towing Fee: Claimant is employed by the State DLNR Division of Aquatic Resources. Claimant parked in the lot fronting the old water building on 6/23/21 at 6:00 and returned from field work at 15:45 to find that Claimant's vehicle had been towed.	\$125.00	\$125.00	Addressed by management
Melamed, Mia	6/23/2021	8/6/2021	11/26/2021	Towing Fee: Claimant is employed by the State DLNR Division of Aquatic Resources. Claimant parked in the lot fronting the old water building on 6/23/21 at 6:00 and returned from field work at 15:45 to find that Claimant's vehicle had been towed.	\$130.24	\$125.00	Addressed by management

QUARTERLY UPDATE

Period of October 1, 2021 to December 31, 2021

ENGINEERING DIVISION

Submitted by: Michael K. Hinazumi, P.E.

DEPARTMENT OF WATER

January 20, 2022

Executive Summary

Significant updates for this quarter include:

- **Water Resources and Planning Section**
 - Subdivision-Land Use applications completed => 13 (decrease of 74%)
 - Water Service Requests => 36 (decrease of 8%)
 - Building Permit applications => 385 (decrease of 19%)
 - Backflow Devices Inspected and Tested => 2113 (increase of 7%)
 - Lead and Copper Rule water system sampling conducted
- **Project Management Section**
 - Overseeing 20 ongoing DOW Design project, including several multi-phased projects
 - Private Project Reviews => 40 (decrease of 9%)
 - Kapaia Cane Haul Road 18-Inch Waterline (Job No. 16-02) => Pending SHPD approval
 - Rehabilitate Paua Valley Tank No. 1 (Job No. 17-10) => Under project re-evaluation

 - Overseeing four (4) DOW projects in various phases of construction
 - Hanapepe-Eleele Waterline (Job No. 15-07) – Construction completed
 - Completed and closed twenty-one (21) private projects

Water Restriction Areas

Water System/Sub-System	Restrictions (5/8-inch water meter or number units per lot)	Inadequate Facilities	Comments
Upper Lawai	2	Storage	Administration Approved
Poipu	300	Storage	Board Approved (50% of new tank allowed for new development; 50% to make up storage deficit)
Wailua Homesteads	5	Storage	Administration Approved
Upper Wailua Homesteads	2	Storage	Administration Approved
Kapaa Homesteads	5	Source	Board Approved
Moloa'a	0	Source and Storage	Water Purchase Agreement
Kilauea-Kalihiwai	5	Source and Storage	Administration Approved
Aliomanu - Kukuna Road	0	Transmission	Administration Approved
Anini	1	Source and Storage	Water Purchase Agreement
Upper Wainiha Valley	1	Storage	Administration Approved
Wainiha - Haena	3	Storage	Administration Approved

Accomplishments

	October – December 2021
Subdivision Applications; Zoning / Land Use / Variance Permits; Zoning Amendments; ADU/ARU Clearance Applications	13
Water Service Requests	36
Building Permit Applications	385
Backflow Inspection Program – No. of Tested Devices	2113

Private Projects	October – December 2021
In Design Review	24
Design Approved	11
Preparing to Enter Construction	20
In Construction	10
Closing	18
Completed	21

Water Plan 2020 Construction Project Status

WP 2020 NUMBER	JOB NO	PROJECT TITLE	% COMPLETE DEC 2021	ORIGINAL ESTIMATE TO COMPLETE	CURRENT ESTIMATE TO COMPLETE	CURRENT CONTRACT AMOUNT
HE-01	15-07	Kaumuali'i Highway 16" Main and Emergency Booster Pump Connection	100	Q3 2019	Q4 2021 (9)	\$11,010,599.39
HE-10	15-07	Hanapepe Road 6" Main Replacement				Combined with HE-01
WK-39&WK-08	02-14	Kapaa Well 4 Drainage line & Kapaa Well 4 Drill & Test	87	Q3 2019	Q2 2022 (9)	\$2,382,043.35
KW-07	17-10	Paua Valley Tank Repairs	4	Q2 2021	Q3 2022 (11)	\$2,264,750.00
PLH-35B	16-02	Kapaia Haul Cane Road 18" Transmission Line	7	Q3 2019	Q4 2022 (8)	\$4,127,545.00
					TOTAL =	\$19,784,937.74

- (1) Change order issued which extended project schedule.
- (2) Awaiting close out documents
- (3) Awaiting contract dispute resolution
- (4) Awaiting DPW road permit signoff
- (5) Contract closed out
- (6) Liquidated Damages being enforced
- (7) Awaiting Building Permit signoff
- (8) Project issued stop work order and is on hold pending SHPD review and approval.
- (9) Additional contract time required for re-design and COVID-19 shutdown.
- (10) Progress made but new change order amounts were substantial and reduced work completed to contract amount ratio.
- (11) Project issued stop work order due to redesign and re-evaluation.

IDIQ Services

Contract Number	Company	Contract Amount	Number of Projects Assignments
637	RM Towill Inc.	\$1,467,392	1
690	Bowers & Kubota	\$700,000	2
700	Brown & Caldwell	\$150,000	1