

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 MEETING NOTICE AND AGENDA

Thursday, August 25, 2022
9:30 a.m. or shortly thereafter

Meetings of the Board of Water Supply, County of Kauai will be conducted in-person at the Department of Water Board Room, 2nd Floor located at 4398 Pua Loke Street, Lihue, Kauai, Hawaii, and 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:
<https://us06web.zoom.us/j/83250540244>

OR

Dial phone number and enter conference ID to call in and join by AUDIO:
Phone: 888 788 0099 US Toll-free
Phone Conference ID: 832 5054 0244

Please Note: If you do not provide a name, unique identifier, or alias when joining the meeting, you will be renamed to allow staff to address and manage individual guests.

In the event of a lost connection the Board will recess for up to 30 minutes to restore the connection. If the connection cannot be restored within 30 minutes, the Board will continue the meeting to 12:00 p.m. or shortly thereafter. If the visual link cannot be restored, the Board may reconvene with an audio-only link using the above dial-in phone number and conference ID. A lost connection only applies to remote connections provided as part of the remote meeting but does not apply to a public member being unable to access the meeting due to a connectivity issue on their end.

CALL TO ORDER

ROLL CALL

ANNOUNCEMENTS

Next Scheduled Meeting: Thursday, September 22, 2022 – 9:30 a.m.

APPROVAL OF AGENDA

APPROVAL OF MEETING MINUTES

Regular Board Meeting – July 28, 2022

Executive Session Meeting – July 28, 2022

PUBLIC TESTIMONY

NEW BUSINESS

Manager's Report No. 23-01 Discussion and Adoption of Resolution No. 23-01, Farewell to Alan Iwasaki (Retiree), Water Service Investigator II, Operations Division

Manager's Report No. 23-02 Discussion and Possible Action for Job No. 02-14, Package A – Well and Drainage Package of Water Plan 2020 No. WK-08, Kapaa Homesteads 325' Tanks, Two 0.5 MG Tanks, and WK-39, Drill and Develop Kapaa Homesteads Well No. 4, Wailua-Kapaa Water System for Additional Construction Funding

Manager's Report No. 23-03 Discussion and Possible Action on the Approval of the Department of Water (DOW)'s Supplemental Budget for Fiscal Year 2023

STAFF REPORTS

1. Fiscal - Statement of Revenues and Expenditures
 - a. June and July Monthly Summary Budget
 - b. Accounts Receivable Aging Summary
2. Public Relations Activities – updates on Public Notices & Announcements, Community Outreach & Education, Upcoming Events, and Project WET
3. Operational Activities – Monthly service dashboard & highlights, Monthly comparison of water produced, customer meter read, and water loss
4. Manager and Chief Engineer – update on monthly activities, personnel matters, and required communications to the Board

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

1. Retirement Resolutions
2. Status update on dashboard and benchmarks

TOPICS FOR FUTURE BOARD OF WATER SUPPLY MEETINGS:

1. Facility Improvement Program including discussion regarding Base Yard Improvements
2. Hanalei Satellite Base Yard updates
3. Future Organizational changes
4. Updates on Department Programs

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
Līhu'e, Hawai'i 96766

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

Public Testimony

You do not need to register to provide oral testimony on the day of the meeting. Please note that public testimony is taken after the approval of the meeting agenda to ensure public testimony is received before any action is taken on an agenda item. The length of time allocated to present oral 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, July 28, 2022

The Board of Water Supply, County of Kaua‘i, met in a regular meeting in Līhu'e on Thursday, July 28, 2022. Chair Julie Simonton called the meeting to order at 9:36 a.m. The following Board members were present:

Prior to the Call to Order, an Oath of Office was given to new Board of Water Supply member Tom Shigemoto.

BOARD:

Ms. Julie Simonton, *Chair*
Mr. Greg Kamm, *Vice Chair (remote)*
Mr. Kurt Akamine, *Secretary*
Mr. Tom Shigemoto
Mr. Lawrence Dill (*entered at 9:41 a.m.*)

EXCUSED:

Mr. Ka‘aina Hull

Quorum was achieved with 4 members present at Roll Call.

STAFF:

Manager & Chief Engineer Joseph Tait	Civil Engineer Dustin Moises
Commission Support Clerk Cherisse Zaima	Waterworks Controller Marites Yano
Deputy County Attorney Mahealani M. Krafft (<i>remote</i>)	Asst. Waterworks Controller Marcelino Soliz
Computer Systems Support Technician Darrel Acob	Info. and Education Specialist Jonell Kaohelaulii
Deputy Manager Judith Hayducsko	Chief of Operations Valentino Reyna
Civil Engineer Michael Hinazumi	I.T. Specialist Wayne Takabayashi

ANNOUNCEMENTS

Next Scheduled Meeting: Thursday, August 25, 2022 – 9:30 a.m.

APPROVAL OF AGENDA

The agenda was approved with no objections.

APPROVAL OF MEETING MINUTES

1. Regular Board Meeting – June 23, 2022
2. Executive Session – June 23, 2022

The meeting minutes were approved with no objections.

PUBLIC TESTIMONY

No public testimony was received.

STAFF REPORTS

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

Waterworks Controller Marites Yano provided an overview of the Fiscal Report submitted. She noted that due to a technical issue they were unable to print out their Summary report; however Ms. Yano verbally read that information into the record.

2. Public Relations Activities – updates on Public Notices & Announcements, Community Outreach & Education, Upcoming Events, and Project WET

Information and Education Specialist Jonell Kaohelaulii provided an overview of the PR Report submitted.

3. Operational Activities – Monthly service dashboard & highlights, Monthly comparison of water produced, customer meter read, and water loss

Chief of Operations Val Reyna provided an overview of the Operations Report submitted.

4. Manager and Chief Engineer – update on monthly activities, personnel matters, and required communications to the Board

Manager Tait provided examples of dashboards that the department will use to provide information to the board and establish measurable benchmarks. Civil Engineer Dustin Moises and Information and Education Specialist Jonell Kaohelaulii provided an explanation of how the dashboard will work and what type of information will be provided. Manager Tait asked the Board to provide the department with some feedback as to what information they would like to see and how they would like it presented noting that the Board needs to dictate that, not the staff. In response to Board Member Dill Manager Tait stated there are industry standards that the department will be following.

QUARTERLY REPORTS

1. Build America Bond – Statement of Expenditures

Waterworks Controller Marites Yano provided an overview of the BAB Statement of Expenditures submitted. Board Member Shigemoto pointed out that the header shows FY 2010-2012 to which Ms. Yano stated they will make the correction to the date.

In response to Chair Simonton Ms. Yano stated that whether this money is spent now or later, the interest paid remains the same.

2. Claims Settled by Department of Water

There were no claims settled this month. Board Member Dill asked if any outstanding claims could be listed in this report in the future.

3. Engineering – updates on quarterly accomplishments, Water Plan 2020 Construction Project status, and Supplemental Support Services

Civil Engineer Michael Hinazumi provided an overview of the Engineering Quarterly Report submitted.

Board Member Shigemoto stated that when he worked for the County the Water Department would receive any and all building permit applications even if they did not impact the water systems at all and asked if they are still receiving those types of applications for review. Mr. Hinazumi stated for the most part, yes. He added that they generally don't review it if it doesn't affect the structure. However, things like sheds and garages or anything that might change the use of the facility has to be reviewed. Mr. Shigemoto asked if permits are screened prior to it being forwarded to the Water Department as it does not make sense to him that DOW needs to review things like rock walls, etc. He asked to clarify that the number of building permit applications listed does not necessarily mean it pertains to DOW's requirements to which Mr. Hinazumi affirmed.

Board Member Dill referenced the Water System Investment Plan noting that it was mentioned that it would include updates to the manner in which we calculate the Facilities Reserve Charge. Mr. Hinazumi stated it will take into account the projects that will be part of the Water Systems Investment Plan and will also include proposals for adjustments. Mr. Dill stated the importance of bringing those proposals to the Board early to allow them time to look at how to arrive at a new methodology and not just provided an update for information. Mr. Hinazumi stated that they are planning to have a consultant come in, likely at the September meeting, to provide an explanation on an FRC based on today's methodology as well as an updated methodology.

Mr. Shigemoto asked if the Water System Investment Plan is based on Water Plan 2020 to which Mr. Hinazumi explained that Water Plan 2020 has accomplished 45% of the projects that were identified, and the Water System Investment Plan will continue to work with the remaining projects under Water Plan 2020 as well as identifying changes and determining project priorities.

Mr. Shigemoto stated that during his confirmation at Council one of the members asked about contamination in Hanamaulu noting that this Council member had stated that quite a few residences in the Hanamaulu triangle had been experiencing some problems with their water lines. He asked if the Department could shed some light on that. Mr. Hinazumi explained that a portion of the residents are experiencing some bacterial growth in their water line and the department has done extended testing and research on our water system to the effect that the Department of Health has issued statements that DOW's water is in compliance. For DOW's own monitoring and additional confidence they have temporarily increased some of the testing.

Chair Simonton noted that should a Council member have a technical question, having that discussion with a Board member may not be the best way to get that information. She asked if there is a system in place for them to obtain that type of information. Manager Tait stated that Council members can reach out to him, and any type of policy questions will be brought to the Board. Anything technical are handled by staff, and in concert with the Mayor's office who receive the same calls.

4. Information Technology – updates on Business Process Improvements and IT Issues and Timelines

Information Technology Specialist Wayne Takabayashi provided an overview of the I.T. Quarterly Report submitted, highlighting the billing practice partnership between DOW and DPW, and the reactivation of the IT Steering Committee.

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

1. Supplemental Budget for Fiscal Year 2023

2. Retirement Resolutions

TOPICS FOR FUTURE BOARD OF WATER SUPPLY MEETINGS:

1. Facility Improvement Program including discussion regarding Base Yard Improvements
2. Hanalei Satellite Base Yard MOA

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).

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:

1. Manager's Report No. 20-53 Discussion and Possible Action on correspondence from Grove Farm regarding Grove Farm's Request for Revenue Requirement Shortfall.

The Board entered into Executive Session at 10:44 a.m.

The Board resumed in Open Session at 11:45 a.m.

ADJOURNMENT

The meeting was adjourned at 11:45 a.m.

Respectfully submitted,

Approved,

Cherisse Zaima
Commission Support Clerk

Kurt Akamine
Secretary, Board of Water Supply

A horizontal splash of clear blue water with bubbles and ripples, centered on the page. The text 'NEW BUSINESS' is overlaid on this splash, with 'NEW' above the water and 'BUSINESS' below it. Both words have a reflection effect below the water line.

NEW

BUSINESS

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER'S REPORT No. 23-01

August 25, 2022

Re: Discussion and Adoption of Resolution No. 23-01, Farewell to Alan "Bondo" Iwasaki (Retiree), Water Service Investigator II, Operations Division

It is requested that the Board approve Resolution 23-01, and wish Alan "Bondo" Iwasaki, Water Service Investigator II, a happy retirement.

VR/mja

Attachment: Resolution No. 23-01 Mahalo and Aloha Alan "Bondo" Iwasaki

*Mahalo and Aloha***Alan “Bondo” Iwasaki***Water Service Investigator II*

WHEREAS, Alan Iwasaki joined the Department of Water (DOW) on July 16, 1993 as a Janitor II, got a promotion as an Account Clerk on September 7, 1994, transferred to pipefitter series as a Pipefitter Helper on May 28, 1999, promoted to Pipefitter on April 16, 2001 promoted to Lead Pipefitter on April 18, 2011 and transferred to his current position as Water Service Investigator II on December 16, 2020; and

WHEREAS, after more than twenty-nine (29) years of service to the County of Kaua`i and DOW customers, Alan decided it is time to pursue other interests; and

WHEREAS, now Alan can dedicate more time to traveling and taking care of his family; and

WHEREAS, in 2022, the Department has grown to more than 100 employees (plus vacancies), over 80 vehicles and equipment, some of which are now retired too and will be hitting the auction block, 52 deep well sources, 19 booster pumping stations, 60 storage tanks, 75 control valve stations, the equivalent of more than 22,400 service connections, and more importantly more than 400 miles of mainlines, 4,000 valves, and 2,600 hydrant and standpipes that Alan will not have to worry about marking and locating anymore; and

WHEREAS, Alan has tremendously benefitted our community and has played a key role in repairing, maintaining, and replacing the growing and aging DOW water distribution, source and storage infrastructure and facilities as well as ensuring that the DOW delivers safe and potable drinking water; and

WHEREAS, Alan demonstrated his dedication and loyalty to the Department by working independently and fulfilling his assignments, and having a good relationship with all his co-workers, and making himself available to help during water related emergencies anytime of the day or night; and

WHEREAS, in addition to his many years of dedicated, loyal, and devoted service with the Department of Water of the County of Kaua`i, we will miss the “can do” attitude by which Alan performs his work duties and work assignments; and

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF WATER SUPPLY, COUNTY OF KAUAI, STATE OF HAWAII, that on behalf of the water-consuming customers on Kaua`i, the Board expresses its gratitude and appreciation for the many years of dedicated service rendered by Alan Iwasaki. We extend to Alan our best wishes for much happiness and success in retirement.

BE IT FURTHER RESOLVED that a copy of this Resolution be forwarded to Alan Iwasaki with our warmest Aloha and best wishes for success in all his future endeavors.



We do certify that the foregoing was duly adopted by the Board of Water Supply during its meeting on August 25, 2022.

Julie Simonton, Chairperson

Kurt Akamine, Secretary

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER’S REPORT No. 23-02

August 25, 2022

Re: Discussion and Possible Action for Job No. 02-14, Package A – Well and Drainage Package of Water Plan 2020 No. WK-08, Kapaa Homesteads 325’ Tanks, Two 0.5 MG Tanks, and WK-39, Drill and Develop Kapaa Homesteads Well No. 4, Wailua-Kapaa Water System for Additional Construction Funding

RECOMMENDATION:

It is recommended that the Board approve additional funds for the subject project to construct the re-designed drainage ditch, pipeline and drainage structures.

FUNDING:

FROM:			
Account No.	10-00-00-330-000		
Acct Description	Water Utility Fund (unrestricted)		
Funds Available	<i>Verified by WWC</i>		\$ 225,000.00
TO:			
Contract No.	656		
Vendor	Earthworks Pacific, Inc.		
	Contract Amount	\$ 2,176,400.00	
	Contingency	\$ 108,600.00	
	Change Order Nos. 1-24 – Contract Time Only	\$ 0.00	
	Change Order No. 25 – Damaged Casing	\$ <27,750.00>	
	Change Order No. 26-27 – Contract Time Only	\$ 0.00	
	Total Funds Certified To Date	\$ 2,285,000.00	
Additional Funds for Change Order No. 28:			
	Description: Re-designed drainage system, pipeline and outlet structure	\$ 225,000.00	
	Total Funds Requested	\$ 225,000.00	\$ <225,000.00>
	New Total Funds Certified To Date	\$ 2,510,000.00	

BACKGROUND:

The original scope of a portion of the drainage system for the Package A – Well and Drainage Package of Water Plan 2020 No. WK-08, Kapaa Homesteads 325’ Tanks, Two 0.5 MG Tanks,

and WK-39, Drill and Develop Kapaa Homesteads Well No. 4 project was to install and construct an 18-inch reinforced drain line, retention basin with headwall, grouted rubble pavement overflow, grass berm and chain link security fence in an easement through private property.

During construction an analysis was conducted to determine if the original design and drainage structures would be the most beneficial for the long-term intent and use by the Department with minimal impact to the grantor of the easement.

The review and analysis determined that removal of the retention basin with headwall and the grouted rubble pavement overflow and grass berm would be a better long-term solution. The drainage system would be improved by filling the constructed basin and extending the drain line through a narrowed easement area and downslope to the existing natural drainage way.

The contractor prepared a proposal of \$251,125.00 for the work involved. The proposal was reviewed and deemed reasonable. The Department recommends and request the Board to approve an additional \$225,000.00 to fund the change order work and retain a contingency to allow the project to move forward.

OPTIONS:

Option 1: Approve the additional funds.

Pros: The re-designed drainage improvements and removal of the detention basin minimizes the maintenance required of the underground structure and minimizes the land impact of the originally designed structures. The project will be able to continue to completion and allow the next phases of the project to move forward.

Con: Additional project funds allotted to this project could be used for other projects.

Option 2: Not approve additional funds.

Pro: Department does not spend more than previously budgeted.

Con: The Department will have a retention basin and security fencing in private property which will require routine inspection and maintenance. Grantor of the easement will have a larger above ground structure that impacts their property.

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER'S REPORT No. 23-03

August 25, 2022

Re: Discussion and Possible Action on the Approval of the Department of Water (DOW)'s Supplemental Budget for Fiscal Year 2023

RECOMMENDATION:

The Department is requesting Board approval to rollover the budget of the attached list of Outstanding Purchase Orders (PO) into the current Fiscal Year (FY) 2022- 2023 DOW Budget.

BACKGROUND:

The Board approved the Operating & New Capital Outlay Budgets for FY 2023 on May 26, 2022.

In addition to the approved Operating and Capital Outlay budgets, the Department requests Board approval to rollover the attached list of Outstanding Purchase Orders from the FY 2022 budget to the FY 2023 Operating and Capital Outlay budget. These PO Rollovers are existing encumbrances of contracts and miscellaneous purchase orders for materials and services as of June 30, 2022. The Outstanding PO list is attached.

If approved, the FY 2023 budget will be increased as follows:

Operating Expenses - W/U		\$ 4,504,225.18
Capital Outlay:		37,757,967.27
Water Utility	\$ 12,530,862.40	
FRC	451,855.33	
BAB	1,371,249.54	
SAF	12,800,000.00	
SRF	10,604,000.00	
Total PO Rollovers		\$ 42,262,192.45

OPTIONS:

Option 1: Approve the Supplemental Budget for Fiscal Year 2023 as recommended.

Pro: The Department will be able to continue the implementation of its ongoing programs and projects.

Con: None known.

Option 2: Do not approve the Supplemental Budget for Fiscal Year 2023.

Pro: None Known.

Con: The DOW is still obliged to fulfill its contractual obligations for the remaining terms of the contract.

MY/

Supplemental Budget - FY 2022- 2023
Year End Encumbrance Increase Report
FY 2022 PO Rollvers

FY Encumbrance Increase Budget	\$42,262,192.45
Water Utility Fund - Prior Year Encumbrances - Operating Expenses	\$4,504,225.18

PO Number	Account Number	Description	Amount
PO0004964	10-01-10-540-010	WU-Adm-Adm-Professional Services	7,386.37
		10-01-10-540-010 Total	\$ 7,386.37
PO0005250	10-01-10-541-010	WU-Adm-Adm-Other Services	250,000.00
		10-01-10-541-010 Total	\$ 250,000.00
PO0005008	10-01-10-542-010	WU-Adm-Adm-Public Relations-General	649.21
PO0005026	10-01-10-542-010	WU-Adm-Adm-Public Relations-General	1,151.84
PO0005125	10-01-10-542-010	WU-Adm-Adm-Public Relations-General	5,091.06
PO0005222	10-01-10-542-010	WU-Adm-Adm-Public Relations-General	296.00
		10-01-10-542-010 Total	\$ 7,188.11
PO0005057	10-02-10-540-010	WU-Adm/IT-Adm-Professional Services	8,973.43
PO0005078	10-02-10-540-010	WU-Adm/IT-Adm-Professional Services	6,270.00
PO0005243	10-02-10-540-010	WU-Adm/IT-Adm-Professional Services	18,810.00
PO0005254	10-02-10-540-010	WU-Adm/IT-Adm-Professional Services	25,000.01
		10-02-10-540-010 Total	\$ 59,053.44
PO0004750	10-02-10-543-000	WU-IT-Adm-Communication Services-	195.84
PO0005105	10-02-10-543-000	WU-IT-Adm-Communication Services-	7,195.00
PO0005193	10-02-10-543-000	WU-IT-Adm-Communication Services-	1,110.01
PO0005237	10-02-10-543-000	WU-IT-Adm-Communication Services-	564.12
		10-02-10-543-000 Total	\$ 9,064.97
PO0004933	10-02-10-545-000	WU-IT-Adm-Rentals and Leases-	983.32
		10-02-10-545-000 Total	\$ 983.32
PO0005076	10-02-10-561-000	WU-IT-Adm-Repairs and Maint-Non Water System	75,280.00
PO0005104	10-02-10-561-000	WU-IT-Adm-Repairs and Maint-Non Water System	7,020.00
PO0005180	10-02-10-561-000	WU-IT-Adm-Repairs and Maint-Non Water System	69.90
PO0005218	10-02-10-561-000	WU-IT-Adm-Repairs and Maint-Non Water System	0.01
PO0005251	10-02-10-561-000	WU-IT-Adm-Repairs and Maint-Non Water System	900.01
PO0005252	10-02-10-561-000	WU-IT-Adm-Repairs and Maint-Non Water System	9,952.15
PO0005255	10-02-10-561-000	WU-IT-Adm-Repairs and Maint-Non Water System	630.22
		10-02-10-561-000 Total	\$ 93,852.29
PO0004983	10-02-10-563000	WU-IT-Adm-Operating Supplies-	33.80
PO0004938	10-02-10-563-000	WU-IT-Adm-Operating Supplies-	1,276.95
PO0004939	10-02-10-563-000	WU-IT-Adm-Operating Supplies-	10,217.60
PO0004995	10-02-10-563-000	WU-IT-Adm-Operating Supplies-	1,265.71
PO0005075	10-02-10-563-000	WU-IT-Adm-Operating Supplies-	2,200.00
PO0005168	10-02-10-563-000	WU-IT-Adm-Operating Supplies-	19.96
PO0005181	10-02-10-563-000	WU-IT-Adm-Operating Supplies-	582.36
PO0005239	10-02-10-563-000	WU-IT-Adm-Operating Supplies-	9,641.06
		10-02-10-563-000 Total	\$ 25,237.44
PO0004723	10-10-40-540-010	WU-Eng-Adm-Professional Services	6,669.00

PO0005013	10-10-40-540-010	WU-Eng-Adm-Professional Services	4,389.00
		10-10-10-540-000 Total	\$ 11,058.00
PO0005024	10-10-40-563-000	WU-Eng-Purif-Operating Supplies	561.86
PO0005225	10-10-40-563-000	WU-Eng-Purif-Operating Supplies	8,078.47
		10-02-10-563-000 Total	\$ 8,640.33
PO0004301	10-20-10-540-010	WU-Eng-Adm-Professional Services	12,016.68
PO0004593	10-20-10-540-010	WU-Eng-Adm-Professional Services	80,039.82
PO0004705	10-20-10-540-010	WU-Eng-Adm-Professional Services	1,571.00
PO0005197	10-20-10-540-010	WU-Eng-Adm-Professional Services	20,000.00
		10-20-10-540-010 Total	\$ 113,627.50
PO0002835	10-21-10-540-010	WU-Eng/CM-Adm-Professional Services	279,570.40
PO0004461	10-21-10-540-010	WU-Eng/CM-Adm-Professional Services	700,000.00
PO0005044	10-21-10-540-010	WU-Eng/CM-Adm-Professional Services	11,412.38
PO0005260	10-21-10-540-010	WU-Eng/CM-Adm-Professional Services	1,000,000.00
		10-21-10-540-010 Total	\$ 1,990,982.78
PO0004217	10-22-10-540-010	WU-Eng/WRP-Adm-Professional Services	138,211.40
PO0005038	10-22-10-540-010	WU-Eng/WRP-Adm-Professional Services	26,160.00
PO0005146	10-22-10-540-010	WU-Eng/WRP-Adm-Professional Services	1,103,245.72
PO0005235	10-22-10-540-010	WU-Eng/WRP-Adm-Professional Services	46,175.87
		10-22-10-540-010 Total	\$ 1,313,792.99
PO0005246	10-31-10-540-010	WU-Acct-Adm-Professional Services	1,000.00
PO0004959	10-31-10-540-010	WU-Acct-Adm-Professional Services	124,357.79
		10-31-10-540-010 Total	\$ 125,357.79
PO0005245	10-31-10-540-020	WU-Acct-Adm-Professional Services	106,800.00
		10-31-10-540-020 Total	\$ 106,800.00
PO0005123	10-40-60-560-000	WU-Ops-TandD-Repairs and Maintenance-Water System	75,000.00
PO0005144	10-40-60-560-000	WU-Ops-TandD-Repairs and Maintenance-Water System	100,000.00
		10-40-60-560-000 Total	\$ 175,000.00
PO0004960	10-40-60-561-000	WU-Ops-TandD-Repairs and Maint-Non Water System	2,934.03
PO0005082	10-40-60-561-000	WU-Ops-TandD-Repairs and Maint-Non Water System	22,923.65
PO0005132	10-40-60-561-000	WU-Ops-TandD-Repairs and Maint-Non Water System	5,333.87
PO0005171	10-40-60-561-000	WU-Ops-TandD-Repairs and Maint-Non Water System	245.99
PO0005189	10-40-60-561-000	WU-Ops-TandD-Repairs and Maint-Non Water System	8,524.39
PO0005190	10-40-60-561-000	WU-Ops-TandD-Repairs and Maint-Non Water System	6,260.76
PO0005204	10-40-60-561-000	WU-Ops-TandD-Repairs and Maint-Non Water System	2,653.74
		10-40-60-561-000 Total	\$ 48,876.43
PO0005157	10-31-10-562-000	WU-Acct-Adm-Office Supplies	144.17
PO0005191	10-31-10-562-000	WU-Acct-Adm-Office Supplies	180.24
		10-31-10-562-000 Total	\$ 324.41
PO0005143	10-20-10-563-000	WU-Eng-Adm-Operating Supplies	895.00
		10-20-10-563-000 Total	\$ 895.00
PO0005145	10-21-10-563-000	WU-Eng/CM-Adm-Operating Supplies	895.00
		10-21-10-563-000 Total	\$ 895.00
PO0005192	10-30-20-563-000	WU-Bill-Collection-Operating Supplies	844.00
		10-30-20-563-000 Total	\$ 844.00
PO0005083	10-40-50-563-000	WU-Ops-PowerAndPump-Operating Supplies	6,655.00
PO0005224	10-40-50-563-000	WU-Ops-PowerAndPump-Operating Supplies	8,328.80

PO0005226	10-40-50-563-000	WU-Ops-PowerAndPump-Operating Supplies	4,537.70
PO0005011	10-40-50-563-010	WU-Ops-PandP-Supplies-Inv Stock	1,727.18
		10-40-50-563-000 Total	\$ 21,248.68
PO0005176	10-40-60-563-000	WU-Ops-TandD-Bulk Water Purchase	7,356.37
PO0005186	10-40-60-563-000	WU-Ops-TandD-Bulk Water Purchase	3,223.46
PO0005214	10-40-60-563-000	WU-Ops-TandD-Bulk Water Purchase	3,823.90
PO0005229	10-40-60-563-000	WU-Ops-TandD-Bulk Water Purchase	1,756.46
		10-40-60-563-000 Total	\$ 16,160.19
PO0005056	10-40-60-563-010	WU-Ops-TandD-Bulk Water Purchase	8,929.54
PO0005223	10-40-60-563-010	WU-Ops-TandD-Supplies-Inv Stock	108,026.60
		10-40-60-563-010 Total	\$ 116,956.14
All Funds - Prior Year Encumbrances - Capital Outlay			\$ 37,757,967.27
Water Utility Fund - Prior Year Encumbrances - Capital Outlay			\$ 12,530,862.40
Water Utility Fund - Prior Year Encumbrances - Miscellaneous Capital Purchases			\$ 780,834.49
PO0004956	10-02-00-604-999	WU-IT-RandR Misc. Capital Purchases	25,479.93
PO0005091	10-02-00-604-999	WU-IT-RandR Misc. Capital Purchases	13,021.47
PO0005154	10-02-00-604-999	WU-IT-RandR Misc. Capital Purchases	4,462.86
PO0005212	10-02-00-604-999	WU-IT-RandR Misc. Capital Purchases	14,447.11
PO0005240	10-02-00-604-999	WU-IT-RandR Misc. Capital Purchases	214,012.87
PO0005241	10-02-00-604-999	WU-IT-RandR Misc. Capital Purchases	17,950.02
PO0005242	10-02-00-604-999	WU-IT-RandR Misc. Capital Purchases	19,200.00
PO0005253	10-02-00-604-999	WU-IT-RandR Misc. Capital Purchases	12,094.10
		10-02-00-604-999 Total	\$ 320,668.36
PO0005248	10-02-00-605-999	WU-IT-Exp- Misc. Capital Purchases--	64,500.44
		10-02-00-605-999 Total	\$ 64,500.44
PO0005249	10-30-00-604-999	WU-Bill-RandR Capital Purchases	47,138.41
		10-30-00-604-999 Total	\$ 47,138.41
PO0004566	10-40-00-604-999	WU-Ops-RandR Capital Purchases	30,478.10
PO0004831	10-40-00-604-999	WU-Ops-RandR Capital Purchases	7,839.09
PO0005054	10-40-00-604-999	WU-Ops-RandR Capital Purchases	52,713.41
PO0005068	10-40-00-604-999	WU-Ops-RandR Capital Purchases	38,429.30
PO0005090	10-40-00-604-999	WU-Ops-RandR Capital Purchases	58,534.00
PO0005185	10-40-00-604-999	WU-Ops-RandR Capital Purchases	58,453.38
		10-40-00-604-999 Total	\$ 246,447.28
PO0005088	10-40-00-605-999	WU-Ops-Exp Misc Capital Purchases	102,080.00
		10-40-00-605-999 Total	\$ 102,080.00
Water Utility Fund - Prior Year Encumbrances - Capital Outlay - CIP			\$ 11,750,027.91
PO0004335	10-20-00-604-001	WU-Eng-ALLR-KW-07 Paua Valley Tank Repair	17,270.12
PO0003601	10-20-00-604-148	WU-Eng-56%R-Kuhio Hwy Hardy-Oxford 16IN Main Repla	108,491.31
PO0002836	10-20-00-604-157	WU-Eng-16-4-WKK-03-Kilauea Wells MCC Rehab	92,769.92
PO0003581	10-20-00-604-160	WU/Eng-Job No. 18-2 Island Wide Rehabilitation of Stora	346,218.15
PO0004577	10-20-00-604-164	WU-Eng-18-9 Makaleha Tunnel Water Line Repairs	241,268.00
		10-20-00-604-001... Total	\$ 806,017.50
PO0002624	10-20-00-605-139	WU-Eng-ALLE-Moloaa Tank Site Acquisition	125,200.00
		10-20-00-605-139 Total	\$ 125,200.00
PO0004404	10-21-00-604-001	WU-Eng/CM-ALLR-KW-07 Paua Valley Tank Repair	2,210,848.31

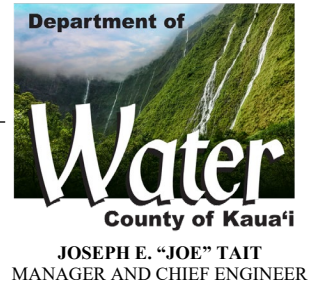
PO0005257	10-21-00-604-029	WU/Const/Capital Outlay/09-01, Yamada Tank, Clearwell &	1,060,000.00
PO0005258	10-21-00-604-029	WU/Const/Capital Outlay/09-01, Yamada Tank, Clearwell &	2,040,000.00
PO0003576	10-21-00-604-146	WU-Eng-Hanapepe-Eleele Connecting Pipeline HE-1 and HE-	909,736.41
PO0005219	10-21-00-604-157	WU/Eng-Kilauea Wells MCC rehab	520,000.00
PO0004976	10-21-00-604-167	WU-Eng-18-7 Kukuilono UST (underground storage tank) a	400,016.25
		10-21-00-604-001... Total	\$ 7,140,600.97
PO0003577	10-21-00-605-017	WU/Cns/1.45%R-18In Cane Haul Main (1.45% RR of \$3.15M	2,990,220.00
PO0005221	10-21-00-605-153	WU-Eng-Haena 0.2 MG tank (EXP)	4,020.00
		10-21-00-605-017... Total	\$ 2,994,240.00
PO0005198	10-40-00-604-170	WU/Ops/R&R/Meter Replacement Program	125,369.44
PO0005200	10-40-00-604-170	WU/Ops/R&R/Meter Replacement Program	63,600.00
		10-40-00-604-170 Total	\$ 188,969.44
PO0005209	10-40-00-605-176	Hanalei Satellite Ops Facility	495,000.00
		10-40-00-605-176 Total	\$ 495,000.00
FRC Fund - Prior Year Encumbrances - Capital Outlay - CIP			\$ 451,855.33
PO0004612	20-20-00-605-117	ESAKI SURVEYING & MAPPING INC.	26,832.00
PO0004545	20-20-00-605-118	FRC-Cns-ALLE-WK-39-Kapaa Homestead Well No. 4	61,504.69
PO0002616	20-20-00-605-153	FRC-Eng-Haena 0.2 MG tank (EXP)	16,811.38
PO0003149	20-20-00-605-154	FRC-Eng-Drill and Test Kilauea Well #3 (EXP)	346,707.26
		20-20-00-605-117... Total	451,855.33
BAB Fund - Prior Year Encumbrances - Capital Outlay - CIP			\$ 1,371,249.54
PO0004218	30-20-00-604-105	BAB-Eng-ALLR-09-01 K-01 Kalaheo 1111FT & 1222FT	2,513.75
PO0004334	30-20-00-604-105	BAB-Eng-ALLR-09-01 K-01 Kalaheo 1111FT & 1222FT	33,672.05
		30-20-00-604-105 Total	\$ 36,185.80
PO0004748	30-20-00-605-116	BAB/Eng/Capital Outlay/WK-08-Kapaa Homestead 313' 1.0 MG Tank (Ornellas) (0% RR of \$10M)	40,978.70
PO0004929	30-20-00-605-116	BAB/Eng/Capital Outlay/WK-08-Kapaa Homestead 313' 1.0 MG Tank (Ornellas) (0% RR of \$10M)	24,843.75
PO0002611	30-20-00-605-120	BAB-Eng-90%E-0206WKK15-Kilauea 466 Tnk Puu Pane W3	29,861.24
PO0002608	30-20-00-605-125	ESAKI SURVEYING & MAPPING INC.	53,508.05
PO0002620	30-20-00-605-139	BAB-Eng-ALLE-Moloaa Tank Site Acquisition	94,222.00
		30-20-00-605-116...Total	\$ 243,413.74
PO0003577	30-21-00-605-017	WU/Cns/1.45%R-18In Cane Haul Main (1.45% RR of \$3.15M	1,091,650.00
		30-21-00-605-116... Total	1,091,650.00
SAF Fund - Prior Year Encumbrances - Capital Outlay - CIP			\$ 12,800,000.00
PO0005220	40-21-00-604-157	SAF/Eng-Kilauea Wells MCC rehab	2,600,000.00
		40-21-00-605-029 Total	\$ 2,600,000.00
PO0005256	40-21-00-605-029	SAF/Const/Capital Outlay/09-01, Yamada Tank, Clearwell &	10,200,000.00
		40-21-00-605-029 Total	\$ 10,200,000.00
SRF Fund - Prior Year Encumbrances - Capital Outlay - CIP			\$ 10,604,000.00
PO0005259	60-21-00-604-029	SRF-Const/Capital Outlay/09-01 Yamada Tank Clearwell, Co	10,604,000.00
		60-21-00-605-029 Total	\$ 10,604,000.00
			\$ 42,262,192.45

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

STAFF

REPORTS

FISCAL DIVISION
DEPARTMENT OF WATER, COUNTY OF KAUAI
MARITES YANO, WATERWORKS CONTROLLER



TO: Joe Tait, Manager & Chief Engineer
FROM: Marites Yano, Waterworks Controller
DATE: August 18, 2022
SUBJECT: Fiscal Monthly Report

Aloha Joe,

This is a progress report of the ongoing technical issues of MS Dynamics Great Plains (GP) and Management Reporter (MR) that Fiscal uses to generate the monthly financial reports.

As of today, we have contacted three firms but haven't secured a consultant to help Fiscal & IT trouble shoot the issue.

We prepared some of the Fiscal reports manually and will continue to do so with the remaining June and July Statement of Net Positions. I will be submitting them to be received for the record before the board meeting on August 25, 2022.

Thank you for your patience and understanding.

Sincerely,

Marites Yano



DEPARTMENT OF WATER

County of Kauai

“Water has no Substitute – Conserve It!”

FISCAL REPORT: MONTHLY SUMMARY HIGHLIGHTS – JUNE 2022

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

YEAR TO DATE (YTD) BUDGET & ACTUAL EXPENSES SUMMARY – AS OF JUNE 2022

	<u>BUDGET</u>	<u>vs</u>	<u>EXPENSED/ DISBURSED</u>
· Operating Expenses	\$32,877,960		\$22,735,383
· Debt Principal Payment	5,170,095		5,170,095
· Capital Projects	<u>41,735,999</u>		<u>990,418.21</u>
TOTAL	<u>\$79,784,054</u>		<u>\$28,895,896</u>

REVENUES: VARIANCE = “ACTUAL” LESS “BUDGET”- POSITIVE INDICATES HIGHER PERFORMANCE THAN EXPECTED & NEGATIVE IS VICE VERSA.

- Total Revenue as of June 2022 was 14% above projection.
 - Water sales of \$28.5 million (M) was \$3.4 M or 14% higher than projected.
 - Other Water Revenues - Revenues from Fire hydrants of \$2.2M and other water revenue receipts of \$125 thousand (K) were \$41K above projection.
 - Capital Contributions: Contributions from Federal & State Grants – \$714.3K.
 - Investment Income & Net Increase in FV of Investments –\$208.1K.
 - Miscellaneous Revenues - \$66.1K.

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 were \$22.7M. Total spending was \$10.1M lower than budget.
 - Employee Related Expenses –\$10M with a 22% positive variance.
 - Contracts & Services – \$4.6M with a 59% positive variance.
 - Professional Services, Other Services – Billing, Communication, Insurance and Repairs and Maintenance for non-water systems are the main items contributing to the 59% positive variance.
 - Fuel & Utilities – \$2.8M with a 7% positive variance.
 - Bulk Water Purchase –\$1.7M with a 9% positive variance.
 - Office & Operating Supplies – \$986.9K with 23% positive variance.
 - Training, Travel & Meeting Expenses – \$72K or 60% positive variance.
 - Debt Service – Interest Expense - \$2.7M.
 - Depreciation & Amortization (non-cash expenses) is \$7M.

NET OPERATING INCOME:



DEPARTMENT OF WATER

County of Kaua'i

“Water has no Substitute – Conserve It!”

- Net Operating Income before depreciation and amortization - \$12.3M.
- Net Operating Income after depreciation & amortization was a positive \$5.3M.

NON-OPERATING PROCEEDS & DISBURSEMENTS

- SRF Loan Proceeds – None.
- FRC – Facility Reserve Charge –\$830.2K.
- YTD Debt Principal Payment is \$5.2M.

CAPITAL PROJECTS BUDGET: YTD DISBURSEMENTS = \$990,418.21

- Capital Projects: Water Utility Fund - \$828,279.78
- Capital Projects: FRC Fund – None
- Capital Projects: BAB Fund - \$162,138.43
- Capital Projects: SRF Loan Fund - None

II. COMPARATIVE CHARTS:

METERED CONSUMPTION:

- July 2022, monthly metered consumption of 368.5 million gallons (mg) increased by 35.3 mg as compared from the same month of FY 2022.
- Year to Date (YTD) metered consumption as of 7/31/22 was 368.5 mg with a YTD cumulative increase of 35.3 mg as compared from the same month of FY 2022.

III. STATEMENT OF NET POSITION (BALANCE SHEET): TO BE RECEIVED FOR THE RECORD.

Statement of Net Position as of June 30, 2022 (unadjusted).

IV. OTHER FISCAL ONGOING ACTIVITIES/INITIATIVES:

- Annual Water Audit – On going in coordination with other divisions.
- MS Great Plains (GP) Technical issues. Fiscal is working with IT to trouble shoot the problem.
- Meter Issues – DOW unable to secure meter inventory stocks.
- Fiscal Year end closing as of 6/30/22.

MY/



Department of Water, County of Kauai
 Monthly Budget Summary vs. Actual
 SUMMARY
 6/30/2022

	June				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	\$2,276,391.95	\$191,174.95	\$25,022,604.00	\$28,469,219.31	\$3,446,615.31	14.0%
Other Water Revenue Total	\$206,192.00	\$206,192.00	\$209,299.50	\$3,107.50	\$2,474,304.00	\$2,340,331.76	(\$133,972.24)	5.0%
Capital Contributions Total	\$1,348,057.00	\$1,348,057.00	-\$25,110.24	-\$1,373,167.24	\$16,176,684.00	\$714,332.20	(\$15,462,351.80)	96.0%
Investment Income Total	\$19,584.00	\$19,584.00	\$35,407.21	\$15,823.21	\$235,008.00	\$208,111.70	(\$26,896.30)	11.0%
Miscellaneous Revenues Total	\$709.00	\$709.00	\$101.58	-\$607.42	\$8,508.00	\$66,093.48	\$57,585.48	677.0%
Grand Total	\$3,659,759.00	\$3,659,759.00	\$2,496,090.00	-\$1,163,669.00	\$43,917,108.00	\$31,798,088.45	-\$12,119,019.55	
Expenses								
Total Employee-Related Expenses	1,064,602.00	1,064,602.00	949,649.11	114,952.89	12,775,224.00	9,998,875.20	2,776,348.80	22.0%
Total Contracts & Services	623,091.00	623,091.00	353,658.31	269,432.69	11,011,078.32	4,550,636.96	6,460,441.36	59.0%
Total Fuel & Utilities	249,500.00	249,500.00	51,574.42	197,925.58	2,994,000.00	2,777,034.43	216,965.57	7.0%
Total Bulk Water Purchase	151,681.00	151,681.00	144,954.26	6,726.74	1,821,536.96	1,654,703.50	166,833.46	9.0%
Total Office & Operating Supplies	82,871.00	82,871.00	127,935.71	(45,114.71) #	1,277,293.50	986,884.30	290,409.20	23.0%
Total Training, Travel & Meeting Expenses	14,753.00	14,753.00	6,399.71	8,353.29	179,895.68	71,944.24	107,951.44	60.0%
Total Interest Expense	234,911.00	234,911.00	225,190.45	9,720.55	2,818,932.00	2,695,304.03	123,627.97	4.0%
Total Operating Expenses	2,421,409.00	2,421,409.00	1,859,361.97	561,997.03	32,877,960.46	22,735,382.66	10,142,577.80	31.0%
Net Operating Income (Loss) Before Depreciation & Amortization	\$2,812,183.00	\$2,812,183.00	\$856,324.50	(\$3,079,902.56)	\$29,925,143.54	\$12,325,481.45	(\$37,884,817.69)	(127.0%)
Total Depreciation & Amortization	661,895.00	661,895.00	561,993.30	99,901.70	7,942,740.00	7,020,814.52	921,925.48	12.0%
Net Operating Income (Loss)	2,150,288.00	2,150,288.00	294,331.20	(3,179,804.26)	21,982,403.54	5,304,666.93	(38,806,743.17)	(177.0%)
Non Operating Proceeds	1,191,667.00	1,191,667.00		(1,191,667.00)	14,300,004.00			
FRC-Facility Reserve Charge	66,667.00	66,667.00	131,913.26	65,246.26	800,004.00	830,238.26	(30,234.26)	(4.0%)
Total Non Operating Proceeds	1,258,334.00	1,258,334.00	131,913.26	(1,126,420.74)	15,100,008.00	830,238.26	(30,234.26)	(0.0%)
Debt Principal Payment	0	0	0.00	0.00	5,170,095.00	5,170,095.00	0.00	
Net Proceeds (Expenditures)	3,408,622.00	3,408,622.00	426,244.46	(2,982,377.54)	31,912,316.54	964,810.19	(38,836,977.43)	(122.0%)
II. CAPITAL BUDGET								
Capital Projects (See Attached for Details)	2,455,417.00	2,455,417.00	(217,445.56)	(2,672,862.56)	41,735,998.98	990,418.21	(40,745,580.77)	(98.0%)



DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

FISCAL REPORT: MONTHLY SUMMARY HIGHLIGHTS – JULY 2022

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

YEAR TO DATE (YTD) BUDGET & ACTUAL EXPENSES SUMMARY – AS OF JULY 2022

	<u>BUDGET</u>	<u>vs</u>	<u>EXPENSED</u>
· Operating Expenses	\$2,553,086		\$1,842,512
· Debt Principal Payment	3,466,347		3,466,347
· Capital Projects	<u>4,400,181</u>		<u>21,818.22</u>
TOTAL	<u>\$10,419,614</u>		<u>\$5,330,677</u>

REVENUES: VARIANCE = "ACTUAL" LESS "BUDGET" - POSITIVE INDICATES HIGHER PERFORMANCE THAN EXPECTED & NEGATIVE IS VICE VERSA.

- Total Revenue as of July 2022 was 40% below projection.
 - Water sales of \$2.7 million (M) was \$171.5 thousand ("K) or 7% higher than projected.
 - Other Water Revenues - Revenues from Fire hydrants and other water revenue receipts of \$193.5K were \$2.5K below projection.
 - Capital Contributions: Contributions from Federal & State Grants – Total receipt was \$67.2K or 97% below monthly projection. This projection consists of the anticipated reimbursement from the State Appropriation Fund for CIP's that are in progress.
 - Investment Income & Net Increase in FV of Investments –\$27.4K.
 - Miscellaneous Revenues - \$102.

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 2022.**

- YTD Operating Expenses before depreciation and amortization were \$1.8M. Total spending was \$710.5K lower than budget.
 - Employee Related Expenses –\$937K with a 11% positive variance.
 - Contracts & Services – \$231.4K with a 70% positive variance.
 - Professional Services, Other Services – Billing, Communication, Insurance and Repairs and Maintenance for non-water systems are the main items contributing to the 70% positive variance.
 - Fuel & Utilities – \$259.3K with a 6% positive variance.
 - Bulk Water Purchase –\$149.2K with a 7% positive variance.
 - Office & Operating Supplies – \$36.5K with 38% positive variance.
 - Training, Travel & Meeting Expenses – \$4K or 85% positive variance.
 - Debt Service – Interest Expense - \$225.2K.
 - Depreciation & Amortization (non-cash expenses) is \$556.8K.



DEPARTMENT OF WATER

County of Kaua'i

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NET OPERATING INCOME:

- Net Operating Income before depreciation and amortization - \$1.2M.
- Net Operating Income after depreciation & amortization was a positive \$608.6K.

NON-OPERATING PROCEEDS & DISBURSEMENTS

- SRF Loan Proceeds – None.
- FRC – Facility Reserve Charge –\$494.8K.
- YTD Debt Principal Payment is \$3.5M.

CAPITAL PROJECTS BUDGET: YTD DISBURSEMENTS = \$21,818.22

- Capital Projects: Water Utility Fund - \$21.8K
- Capital Projects: FRC Fund – None
- Capital Projects: BAB Fund - None
- Capital Projects: SRF Loan Fund - None

II. COMPARATIVE CHARTS:

METERED CONSUMPTION:

- July 2022, monthly metered consumption of 368.5 million gallons (mg) increased by 35.3 mg as compared from the same month of FY 2022.
- Year to Date (YTD) metered consumption as of 7/31/22 was 368.5 mg with a YTD cumulative increase of 35.3 mg as compared from the same month of FY 2022.

III. STATEMENT OF NET POSITION (BALANCE SHEET): TO BE RECEIVED FOR THE RECORD.

Statement of Net Position as of July 31, 2022 (unadjusted).

IV. OTHER FISCAL ONGOING ACTIVITIES/INITIATIVES:

- Annual Water Audit – was completed in coordination with other divisions.
- MS Great Plains (GP) – Ongoing technical issues. Fiscal is working with IT in securing Consultants for As needed technical support.
- Meter Issues – DOW unable to secure meter inventory stocks.
- Fiscal Year end closing as of 6/30/22.
- Financial Audit - Kick off meeting was completed with the new Auditors, N&K CPA firm. October 31, 2022 is the target date for completing the audit.

MY/



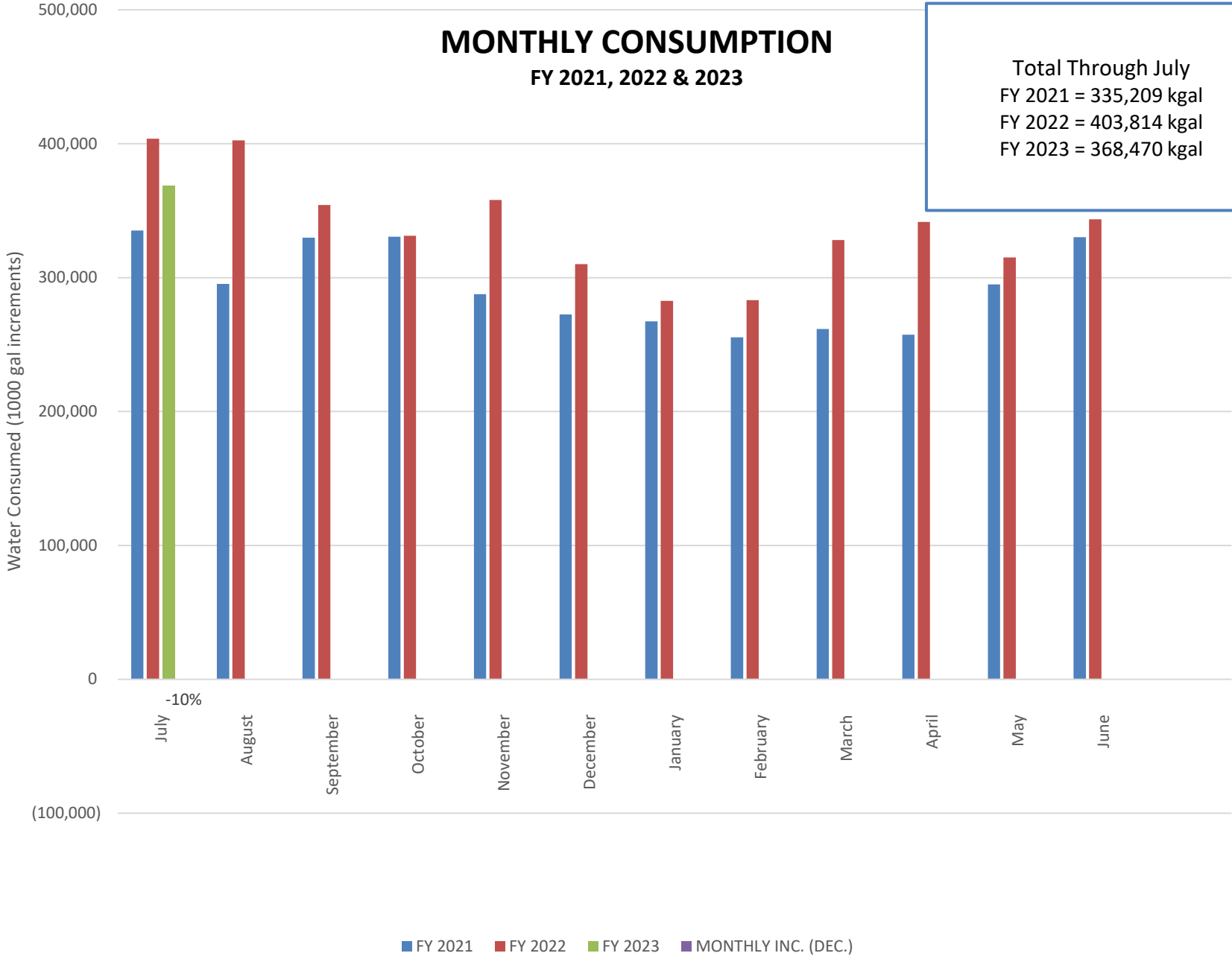
Department of Water, County of Kauai
 Monthly Budget Summary vs. Actual
 SUMMARY
 7/31/2022

	July				FY 2023			
	Original Budget	Revised Budget	Actual	Variance	Revised YTD Budget	YTD Actual	*Variance	Variance %
I. OPERATING BUDGET								
Revenue								
Water Sales	\$2,548,205.00	\$2,548,205.00	\$2,719,677.15	\$171,472.15	\$2,548,205.00	\$2,719,677.15	\$171,472.15	7.%
Other Water Revenue Total	195,970.00	195,970.00	193,454.75	(2,515.25)	195,970.00	193,454.75	(2,515.25)	(1.%)
Capital Contributions Total	2,265,432.00	2,265,432.00	67,222.04	(2,198,209.96)	2,265,432.00	67,222.04	(2,198,209.96)	(97.%)
Investment Income Total	25,000.00	25,000.00	27,437.44	2,437.44	25,000.00	27,437.44	2,437.44	10.%
Miscellaneous Revenues Total	709.00	709.00	102.38	(606.62)	709.00	102.38	(606.62)	(86.%)
Grand Total	5,035,316.00	5,035,316.00	3,007,893.76	(2,027,422.24)	5,035,316.00	3,007,893.76	(2,027,422.24)	(40.%)
Expenses								
Total Employee-Related Expenses	1,050,437.00	1,050,437.00	937,066.43	113,370.57	1,050,437.00	937,066.43	113,370.57	11.%
Total Contracts & Services	762,969.00	762,969.00	231,382.52	531,586.48	762,969.00	231,382.52	531,586.48	70.%
Total Exceptional Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Total Fuel & Utilities	276,874.00	276,874.00	259,328.37	17,545.63	276,874.00	259,328.37	17,545.63	6.%
Total Bulk Water Purchase	159,849.00	159,849.00	149,159.91	10,689.09	159,849.00	149,159.91	10,689.09	7.%
Total Office & Operating Supplies	58,500.00	58,500.00	36,514.12	21,985.88	58,500.00	36,514.12	21,985.88	38.%
Total Training, Travel & Meeting Expenses	26,179.00	26,179.00	3,820.06	22,358.94	26,179.00	3,820.06	22,358.94	85.%
Total Interest Expense	218,278.00	218,278.00	225,240.50	(6,962.50)	218,278.00	225,240.50	(6,962.50)	(3.%)
Total Operating Expenses	2,553,086.00	2,553,086.00	1,842,511.91	710,574.09	2,553,086.00	1,842,511.91	710,574.09	28.%
Net Operating Income (Loss) Before Depreciation & Amortization	\$2,482,230.00	\$2,482,230.00	\$1,165,381.85	(\$1,316,848.15)	\$2,482,230.00	\$1,165,381.85	(\$1,316,848.15)	(53.%)
Depreciation & Amortization								
Depreciation	599,173.00	599,173.00	546,242.34	52,930.66	599,173.00	546,242.34	52,930.66	9.%
Amortization	19,655.00	19,655.00	10,526.17	9,128.83	19,655.00	10,526.17	9,128.83	46.%
Total Depreciation & Amortization	618,828.00	618,828.00	556,768.51	62,059.49	618,828.00	556,768.51	62,059.49	10.%
Net Operating Income (Loss)	1,863,402.00	1,863,402.00	608,613.34	(1,254,788.66)	1,863,402.00	608,613.34	(1,254,788.66)	(67.%)
Non Operating Proceeds								
FRC-Facility Reserve Charge	66,667.00	66,667.00	494,780.22	428,113.22	66,667.00	494,780.22	428,113.22	642.%
Total Non Operating Proceeds	66,667.00	66,667.00	494,780.22	428,113.22	66,667.00	494,780.22	428,113.22	642.%
Transfers Out(In) to Other Funds								
Debt Principal Payment	3,466,347.00	3,466,347.00	3,466,346.47	0.53	3,466,347.00	3,466,346.47	0.53	0.0%
Net Proceeds (Expenditures)	(1,536,278.00)	(1,536,278.00)	(2,362,952.91)	(826,674.91)	(1,536,278.00)	(2,362,952.91)	(826,674.91)	54.%
II. CAPITAL BUDGET								
Capital Projects (See Attached for Details)	3,300,243.00	3,300,243.00	21,818.22	3,278,424.78	4,400,181.00	21,818.22	4,378,362.78	100.0%

MONTHLY CONSUMPTION

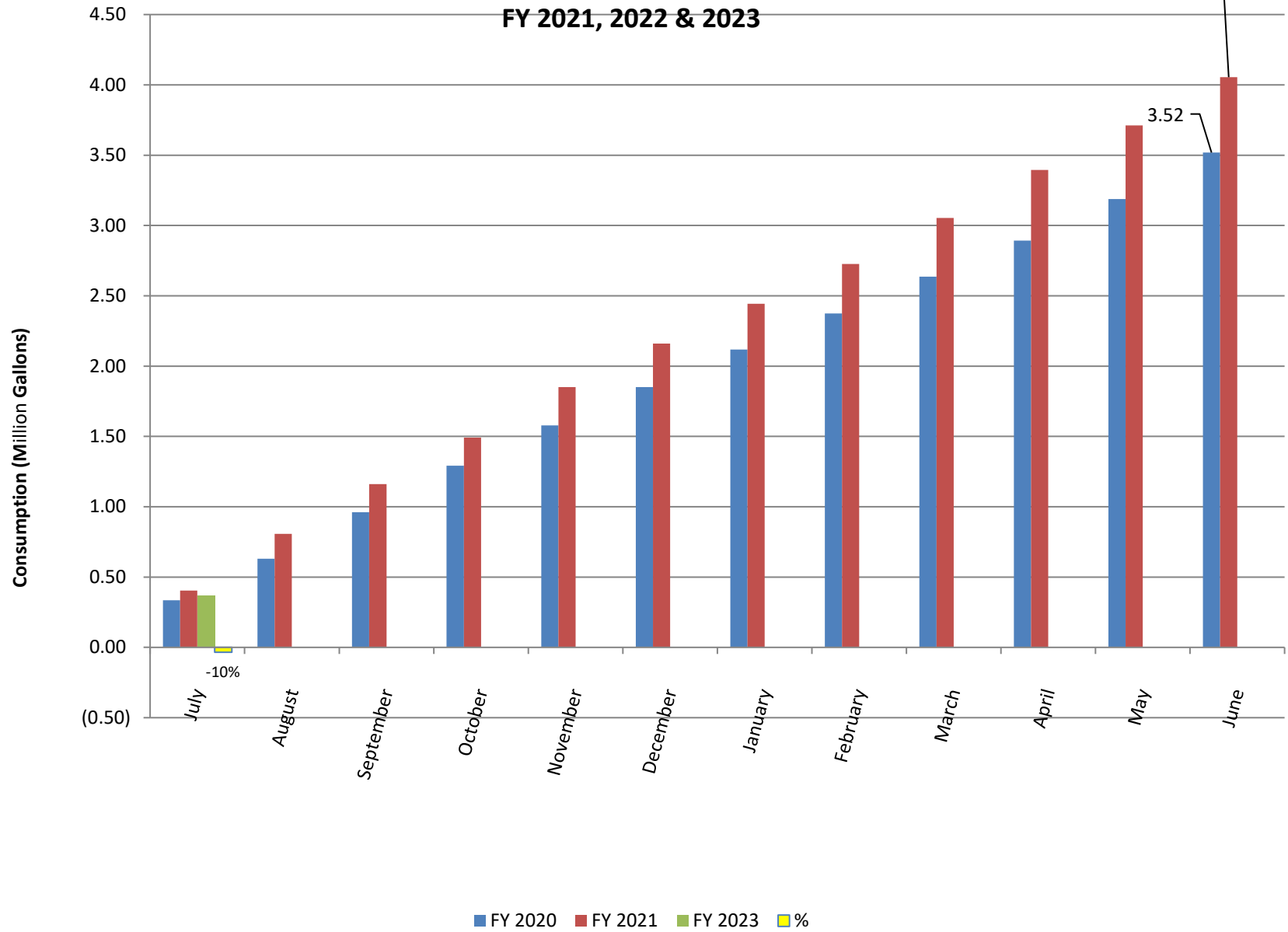
FY 2021, 2022 & 2023

Total Through July
 FY 2021 = 335,209 kgal
 FY 2022 = 403,814 kgal
 FY 2023 = 368,470 kgal

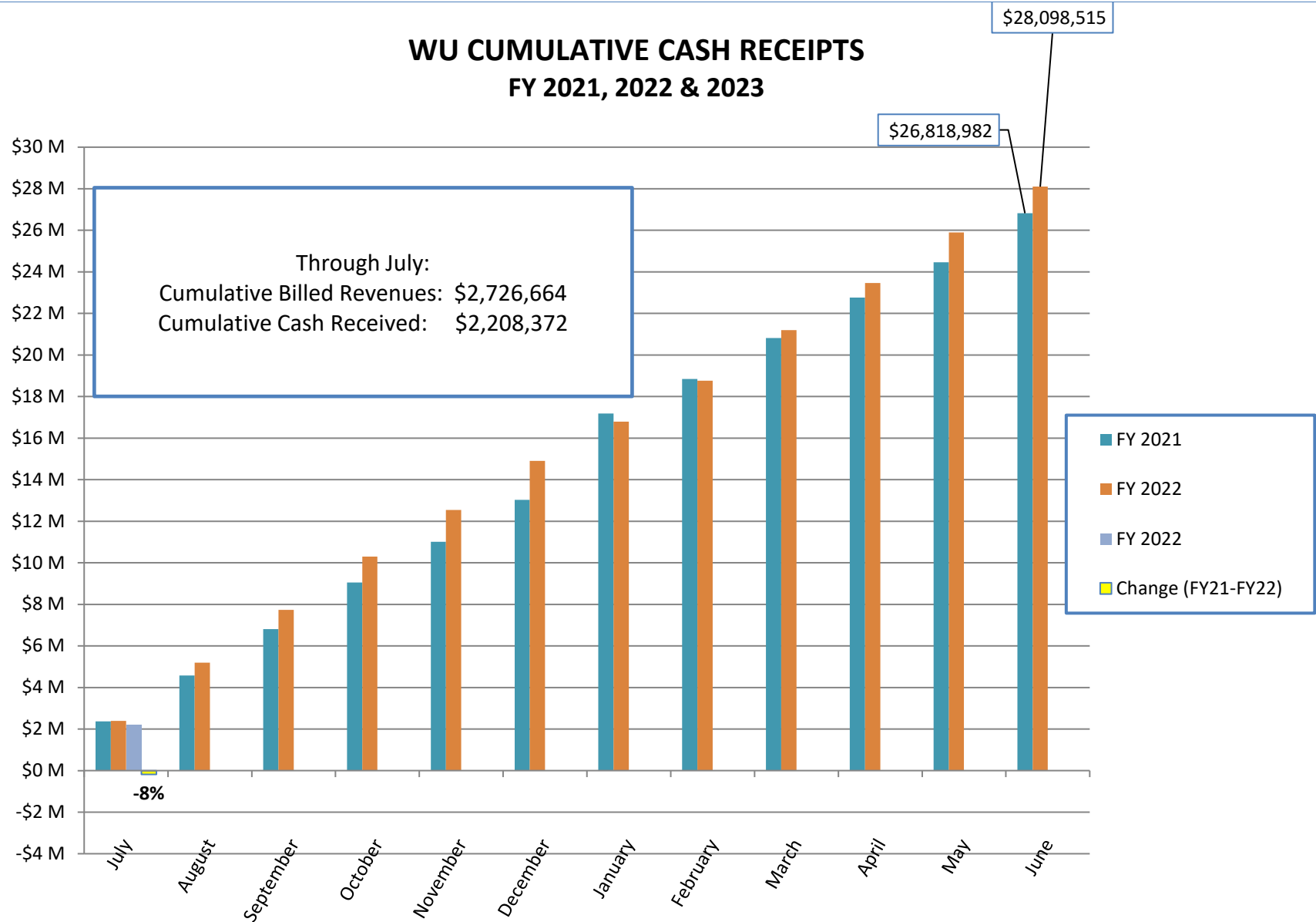


YTD CUMULATIVE WATER CONSUMPTION

FY 2021, 2022 & 2023

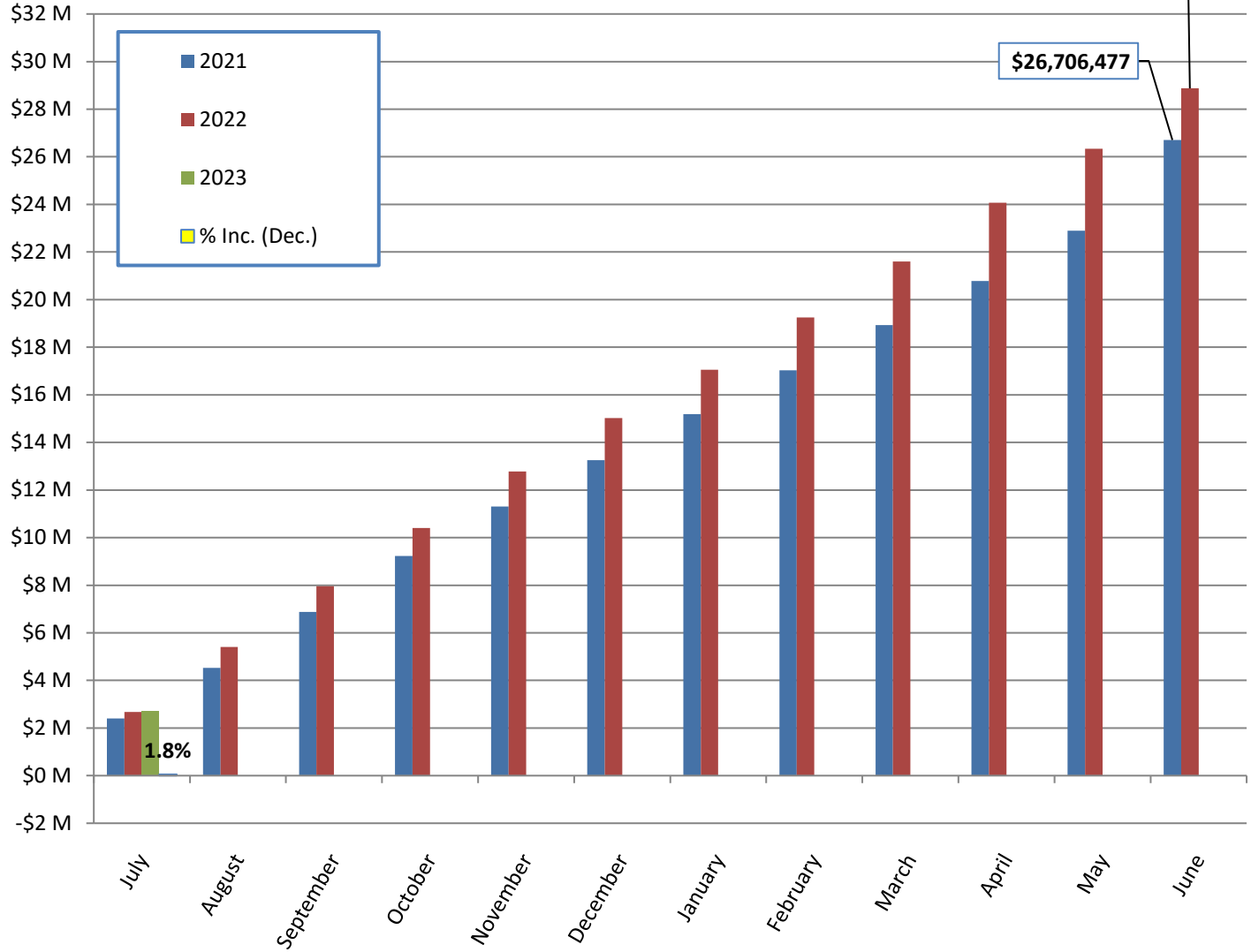


WU CUMULATIVE CASH RECEIPTS FY 2021, 2022 & 2023



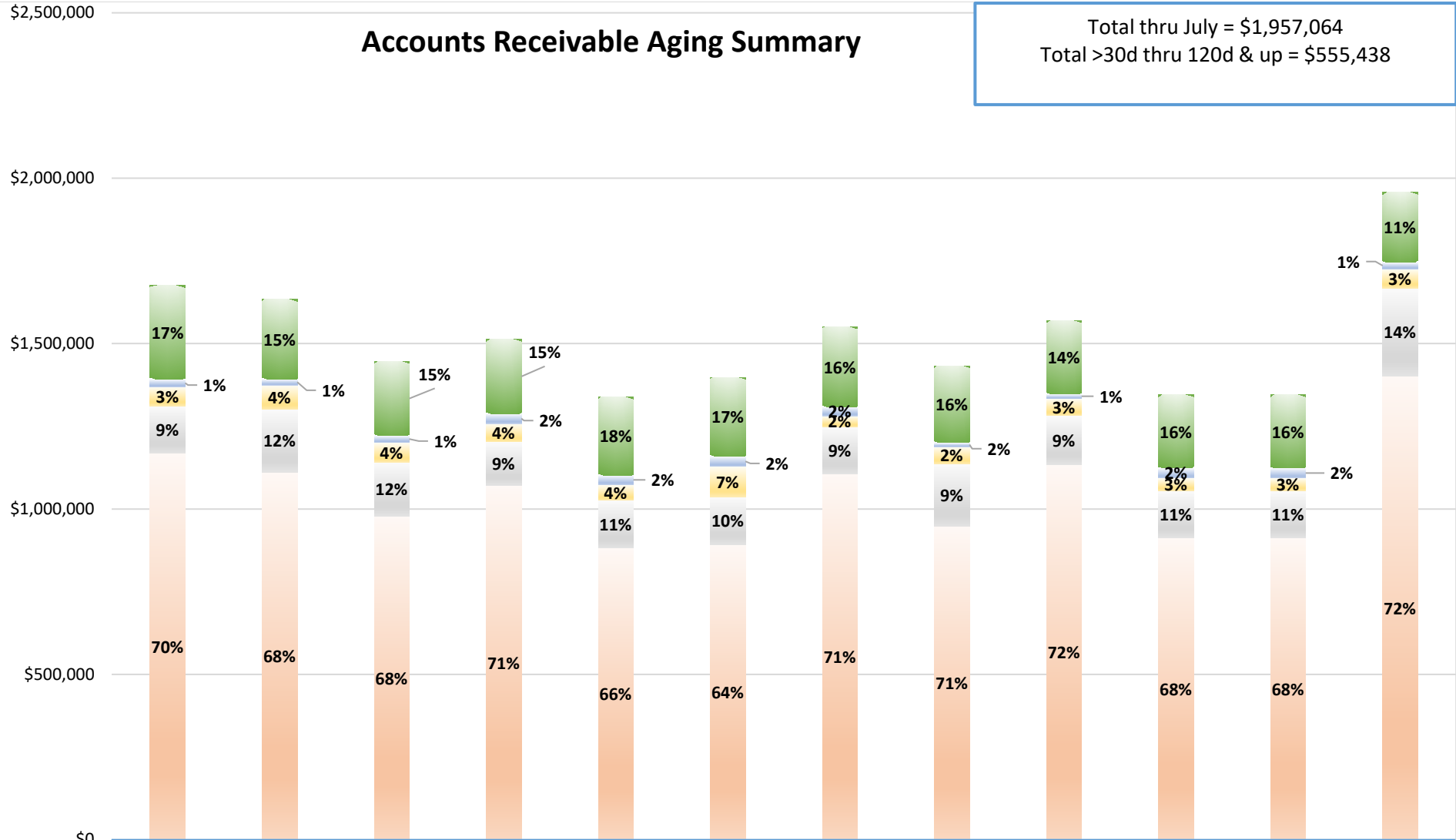
Note: July '19-'20 receipts included a \$2.29 million state appropriation grant for the Hanapēpē

CUMULATIVE BILLED REVENUES FY 2021, 2022 & 2023



Accounts Receivable Aging Summary

Total thru July = \$1,957,064
 Total >30d thru 120d & up = \$555,438



	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22
121 days and over	\$282,882	\$240,783	\$223,428	\$224,064	\$235,516	\$238,389	\$241,358	\$232,210	\$220,795	\$221,053	\$221,053	\$211,003
91-120 days	\$23,726	\$18,305	\$21,463	\$30,065	\$29,192	\$31,305	\$27,490	\$12,167	\$14,142	\$30,088	\$30,088	\$20,731
61-90 days	\$57,021	\$73,096	\$59,044	\$55,620	\$47,341	\$90,933	\$33,108	\$51,517	\$51,435	\$38,119	\$38,119	\$57,214
31-60 days	\$142,845	\$189,626	\$163,726	\$132,167	\$144,413	\$145,059	\$142,017	\$190,304	\$147,763	\$143,026	\$143,026	\$266,490
0-30 days	\$1,169,088	\$1,111,708	\$977,992	\$1,070,638	\$881,641	\$892,283	\$1,106,268	\$946,677	\$1,134,531	\$912,477	\$912,477	\$1,401,627

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve it!"

INFORMATION & EDUCATION SPECIALIST REPORT

August 25, 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>
07-26-2022	KAPA'A - a portion of Kamalu Road; between Opaeka'a Road and Heamoi Place, including Kololia Place, Pilikua Place, and Heamoi Place	Water service shutdown	July 28, 2022 9 a.m. to 4 p.m.	Kaua'i County Alerts Garden Island Newspaper (Attached)
07-29-2022	KILAUEA – Anini Road and Kalihiwai Bay View Estates	Water conservation notice issued by Princeville Utilities Co. Inc.	July 29, 2022 10 a.m. until further notice	Kaua'i County Alerts
08-04-2022	LIHUE - a portion of Rice Street from Ho'olaulea Way to Wa'apa Road, including Wa'apa Road and a portion of Nawiliwili Road from Wa'apa Road to Kanoa Street due	Emergency water service shutdown due to mainline break	August 4, 2022 Approximately 3 p.m.	Kaua'i County Alerts
08-04-2022		Water service restored to customers	Approximately 10 p.m.	Kaua'i County Alerts

Public Relations Program

Community Outreach & Education

- The Department's "Wise Water Wednesday" campaign for the month of August includes a monthly reminder to check for household leaks and included the following topics: automatic bill payment services, EPA WaterSense labeled appliances and how-to locate your meter. The weekly media campaign is featured on the Department's Facebook page, in radio advertisements and is published as a banner ad in the Garden Island Newspaper.
- The Department conducted a welcome presentation to educate new homeowners of water services, water rates and conservation. Jonell Kaohelaulii worked with Habitat for Humanity to present the new welcome package to 11 new homeowners in Ele'ele. The package included

DOW educational materials, water service application, automatic bill pay application a DOW rice paddle, pen and hand sanitizer.

Upcoming Community Outreach & Educational Events

- Water Station at the Kauai Charity Walk in Lihue – August 20, 2022
- Make a Splash with Project WET Festival in Lihue – September 15, 2022
- Water Station at the Ohana Fit Fest in Princeville – October 1, 2022

Project WET Hawaii

- The Make a Splash with Project WET festival planning is underway. There are currently 689 students registered for this year's festival.

Attachments: *GardenIsland* (Water shutdown planned Thursday in Homesteads)

Water shutdown planned Thursday in Homesteads

WAILUA HOMESTEADS — The county Department of Water announced a water-service shutdown on and near portions of Kamalu Road Thursday from 9 a.m. to 4 p.m.

The shutdown will affect the portion of Kamalu Road between Opaeka'a Road and Heamoi Place, and include Kololia, Pilikua and Heamoi places.

The shutdown will allow Kaiwa Construction to tie-in a new eight-inch line to the existing system.

Customers located in the service area are advised to prepare for the shutdown by taking the following steps:

- ▶ Store water to meet needs until service restored;
- ▶ Notify neighbors, family and friends of the shutdown.

Those with faulty water heaters should ensure their heaters do not empty during the shutdown.

To monitor the latest water-service announcements online, see [facebook.com/KauaiDOW](https://www.facebook.com/KauaiDOW).

•••

The Garden Island

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	Auto Repair Shop	Hydrants Hit
Jan-22	36	207	171	1	293	265	29	22	2
Feb-22	35	184	45	2	361	175	43	14	1
Mar-22	30	225	24	2	182	180	35	19	1
Apr-22	28	196	42	3	191	180	29	58	3
May-22	39	169	26	0	172	165	28	31	2
Jun-22	35	231	21	1	196	186	30	42	*0
Jul-22	27	230	18	1	176		34		5
Aug-21	27	220	99	3	187	184	18		6
Sep-21	19	193	106	1	180	180	39		1
Oct-21	32	198	23	0	146	144	25		1
Nov-21	28	189	13	0	126	125	47	12	4
Dec-21	27	193	15	1	131	120	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

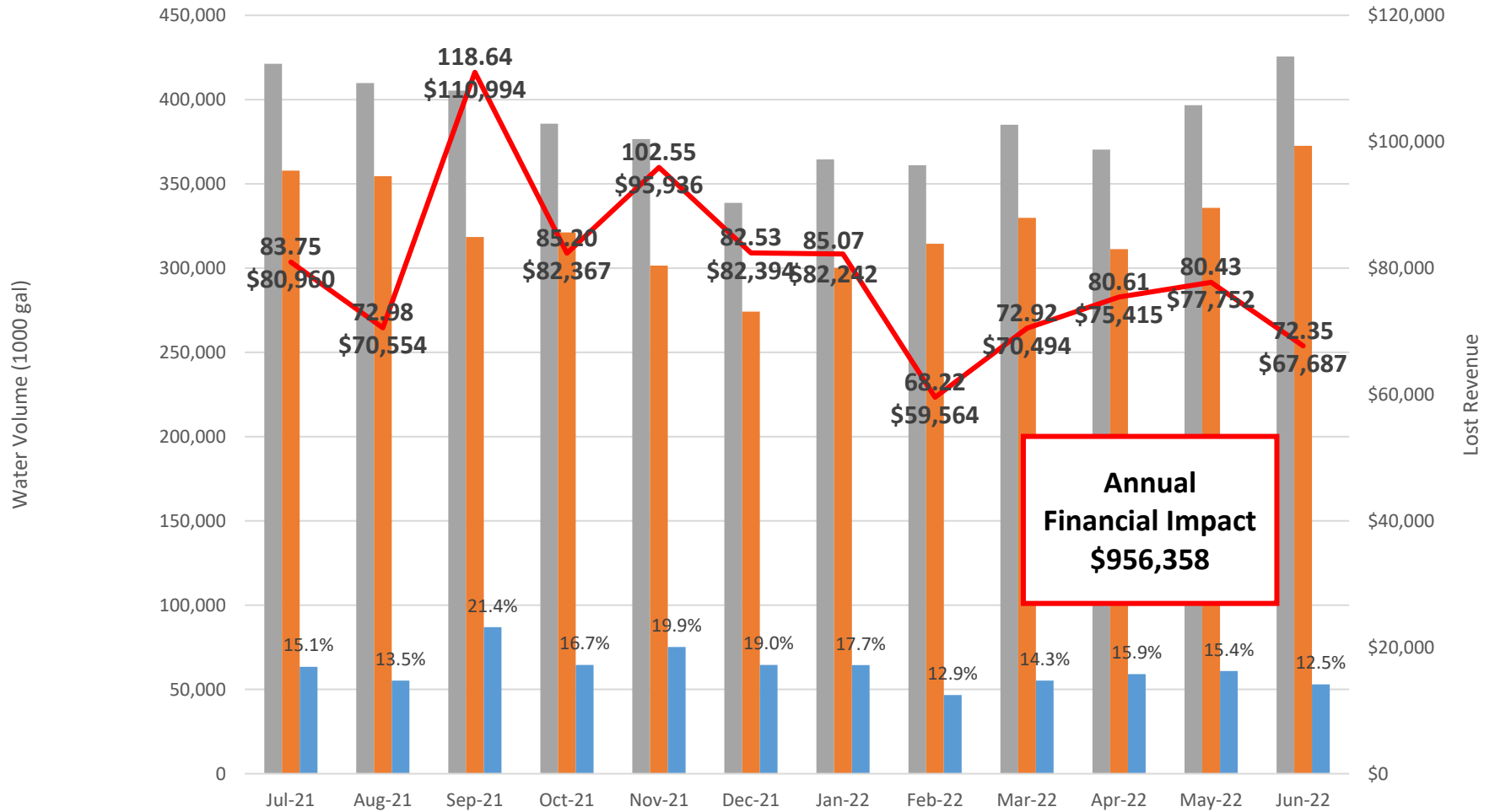
Processing/Notice to Proceed

Type	Contract Number	Job Number	Title	Contractor
Goods	729	GS-2022-05	Furnishing and Delivery of Hydrants & Various Drinking Water Pipe Repair and Maintenance Fittings	Mutual Plumbing Supply Co., Inc.

Highlights

1. Estimated non-revenue water due to flushing and reported leaks for the month of June are 3,528,563 gallons.
2. Gas Boy replacement with Fuel Master on-going

Monthly Water Audit July 2021 - June 2022



	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Produced	421,226	409,825	405,337	385,707	376,586	338,739	364,525	361,076	385,067	370,322	396,641	425,598
Customer Meter Read	357,828	354,575	318,419	321,207	301,460	274,217	300,122	314,433	329,864	311,266	335,754	372,593
Waterloss	63,398	55,250	86,918	64,500	75,126	64,522	64,403	46,643	55,203	59,056	60,887	53,005
Waterloss	\$80,960	\$70,554	\$110,994	\$82,367	\$95,936	\$82,394	\$82,242	\$59,564	\$70,494	\$75,415	\$77,752	\$67,687

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER’S UPDATE

August 25, 2022

Pursuant to Board Policy No. 3

CONTRACTS AWARDED/EXTENSION/AMENDMENTS:

**1 CHANGE ORDER NO. 3 TO CONTRACT NO. 688 (EARTHWORKS PACIFIC, INC.)
JOB NO. 17-10, WP2020 #KW-07, REHABILITATE PAUA VALLEY TANK NO. 1, 0.5 MG
CONCRETE, KEKAHA WATER SYSTEM, KEKAHA, KAUA'I, HAWAII IN THE
AMOUNT OF \$248,329.67**

FUNDING:

Account No.	10-21-00-604-001		
Acct Description	WU/Capital Outlay-R&R/Paua Valley Tank Repair		
Funds Available	Verified by WWC		
Contract No.	688		
Vendor	Earthworks Pacific, Inc.		
	Contract Amount	\$ 2,264,750.00	
	Contingency	\$ 271,106.23	\$ 271,106.23
	Change Order No. 1 – Contract Time Only	\$ 0.00	
	Change Order No. 2 – Filter and Dispose PCB Water in Tank	\$ 994,393.77	
	Total Funds Certified To Date	\$ 3,530,250.00	
Change Order No. 3:			
	Description: Cost escalation for material, labor, and equipment increases due to project delay.	\$ 248,329.67	
	Total Change Order	\$ 248,329.67	\$ <248,329.67>
	Contingency Remaining		\$ 22,776.56
	Contract Amount To Date	\$ 3,507,473.44	

BACKGROUND:

Contract NTP Date: | January 21, 2020 |
Original Contract End Date: | April 20, 2021 |
New Contract End Date: | April 3, 2023 |

The original scope of the Paua Valley Tank #1, 0.5 MG Project was to address the cause of a leak in the tank and perform hazardous material testing. During this testing, it was determined that the tank’s liner contained Polychlorinated Biphenyls (PCBs). The tank was then taken out of service by the DOW Operations Division. This project was then initiated to mitigate the PCBs and other hazardous materials such as lead paint in addition to fixing the leak(s) in the existing tank.

This scope of this project, as indicated in the contract drawings and specifications, is as follows:

Repair the existing tank which is a 0.5 million gallon (MG) reinforced concrete reservoir, with an inside diameter of 69 feet and a maximum water height of 18 feet to the overflow pipe opening. The flat concrete roof is supported on the interior by four square concrete columns. Work includes installation of a level indicator system with gauge board, remove and replace the interior ladder, remove and replace the asphalt concrete pavement surrounding the reservoir, repair the leak at the base of the reservoir, spall repairs, install interior coating of the reservoir, repaint the entire reservoir including appurtenances, remove and replace the reservoir roofing system, mitigate hazardous materials associated with the repair work. The project is located in the Kekaha, Kaua'i, Hawai'i. area accessed by a gated unpaved access road from Koke'e Road.

Bids were opened on October 31, 2019, and additional funding secured at the December 2, 2019 Special Board Meeting to award a contract to Earthworks Pacific, Inc. in the amount of \$2,264,750.00, whose bid was deemed responsive to procurement.

During the startup of the construction work, water within the tank, which was not previously tested, was sampled and tested to determine if it could be discharged to the tank's drainage way. Upon investigation, the sample was determined to contain PCB levels above those allowed by EPA to be discharged without treatment.

At that time, the project was placed on hold to have additional evaluation completed to determine the best course forward. As discussed at the October and November 2020 Board meetings, the Department utilized the current As-Needed Engineering Services Indefinite Delivery Indefinite Quantity (IDIQ) contract with Brown and Caldwell. This is separate and apart from the current contract with KAI Hawai'i.

A high-level analysis of all options and provide an order of magnitude cost analysis to determine a clear financial path forward. Specifically, should the department continue its course to rehabilitate the tank or should the department demolish the tank and construct a new tank.

Based on the analysis, initially (0-10 year) tank rehabilitation is a reasonable alternative given its lower life-cycle cost. As the evaluation period is extended to 20 years, tank rehabilitation and tank replacement reach a break point. Extending beyond the 20-year period tank replacement is a more cost-effective approach.

Given the need and urgency to place the storage tank back into service, it was determined that the best course of action would be to move forward with the rehabilitation of the storage tank to have it back into service as expeditiously as possible.

The Department staff communicated with the EPA Region IX representative to clarify the requirements for disposing of the contaminated tank water. Based on the EPA requirements, the Department requested a proposal for the additional water treatment, sampling and testing work, and disposal from the contractor. A proposal of \$994,393.77 was received and reviewed by the Department and a Contract Change Order No. 2 was issued for this work. The approval and funding for this work, via Manager's Report No. 22-64 was approved by the Board at its May 26th Board meeting.

The Department issued a stop work order on October 27, 2020, to evaluate additional options to address the PCB contaminated water, interior, and exterior coatings. Due to the extended period required for the project re-evaluation, cost for materials, labor and equipment increased during this time. The contractor has submitted documentation of the material, labor and equipment price increases and their request for

MANAGER'S UPDATE

Re: Manager's Update for j 2022 to July 2022

July 28, 2022

Page 3 of 4

compensation to recover \$248,329.67 for the increases. The documentation has been reviewed and evaluated by the Department Staff and is deemed acceptable.

2 CHANGE ORDER NO. 28 TO CONTRACT NO. 656 (EARTHWORKS PACIFIC, INC. JOB NO. 02-14, WP2020 #WK-08, KAPAA HOMESTEADS 325' TANKS TWO 0.5 MG TANKS, PACKAGE A – WELL AND DRAINAGE PACKAGE WAILUA-KAPAA, KAUA'I, HAWAI'I IN THE AMOUNT OF \$251,125.00

FUNDING:

FROM:			
Account No.	10-00-00-330-000		
Acct Description	Water Utility Fund (unrestricted)		
Funds Available	<i>Verified by WWC</i>		\$ 225,000.00
	Per Approved Manager's Report No. 23-02 (08/25/22)		
TO:			
Contract No.	656		
Vendor	Earthworks Pacific, Inc.		
	Contract Amount	\$ 2,176,400.00	
	Contingency	\$ 108,600.00	
	Change Order Nos. 1-24 – Contract Time Only	\$ 0.00	
	Change Order No. 25 – Damaged Casing	\$ <27,750.00>	
	Change Order No. 26-27 – Contract Time Only	\$ 0.00	
	Additional Funds Per Approved Manager's Report No.	\$ 225,000.00	\$ <225,000.00>
	Total Funds Certified To Date	\$ 2,510,000.00	
Change Order No. 28:			
	Description: Re-designed drainage system, pipeline and outlet structure	\$ 251,125.00	
	Total Change Order	\$ 251,125.00	
	Contract Amount To Date	\$ 2,399,775.00	
	Additional Contingency (225,000+27,750-251,125)	\$ 1,625.00	

BACKGROUND:

Contract NTP Date: January 21, 2020
Original Contract End Date: April 20, 2021
New Contract End Date: February 28, 2023

The original scope of a portion of the drainage system for the Package A – Well and Drainage Package of Water Plan 2020 No. WK-08, Kapaa Homesteads 325' Tanks, Two 0.5 MG Tanks, and WK-39, Drill

and Develop Kapaa Homesteads Well No. 4 project was to install and construct an 18-inch reinforced drain line, retention basin with headwall, grouted rubble pavement overflow, grass berm and chain link security fence in an easement through private property.

During construction an analysis was conducted to determine if the original design and drainage structures would be the most beneficial for the long term intent and use by the Department with minimal impact to the grantor of the easement.

The review and analysis determined that removal of the retention basin with headwall and the grouted rubble pavement overflow and grass berm would be a better long term solution. The drainage system would be improved by filling the constructed basin and extending the drain line through a narrowed easement area and downslope to the existing natural drainage way.

The contractor prepared a proposal of \$251,125.00 for the work involved. The proposal was reviewed and deemed reasonable.]

Pursuant to Board Policy No. 24

CONVEYANCE OF WATER FACILITIES NONE

PERSONNEL MATTERS

Please see attached.

Attachment: Personnel Matters Chart

Mgrpp/Manager's Update (August 25, 2022):mja

% Vacancy Within Each Division Level

