

MINUTES  
BOARD OF WATER SUPPLY  
**Thursday August 17, 2023**

The Board of Water Supply, County of Kaua'i, met in a regular meeting in Līhu'e on Thursday, August 17, 2023. Chair Kurt Akamine called the meeting to order at 9:38 a.m. The following Board members were present:

**BOARD:**

Mr. Kurt Akamine, *Chair*  
Ms. Julie Simonton, *Vice Chair*  
Ms. Micah Finnila  
Mr. Tom Shigemoto  
Mr. Ka'aina Hull  
Mr. Troy Tanigawa (*entered at 9:43 a.m. Remote*)

**EXCUSED:**

Mr. Larry Dill

Quorum was achieved with 5 members present at Roll Call. Board member Tanigawa entered the meeting remotely at 9:43 a.m.

**ANNOUNCEMENTS**

Next Scheduled Meeting: Thursday, September 21, 2023

**APPROVAL OF AGENDA**

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

**APPROVAL OF MEETING MINUTES**

1. Regular Board Meeting – July 17, 2023

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

**PUBLIC TESTIMONY**

None

**CORRESPONDENCE**

1. Letter dated July 10, 2023 from Chair Bronson Bautista of the Charter Review Commission re: Request for Proposals to Amend the Charter

**Correspondence was received for the record.**

**NEW BUSINESS**

1. Manager's Report No. 23-32 Discussion and possible action to request Board Approval for a Memorandum of Understanding for Kuhio Highway Intersection Improvements at Kolo Road and Kalamania Road between the Board of Water Supply, County of Kaua'i and Kaua'i District, Hawai'i Department of Transportation, Highways Division

**Board member Simonton moved to approve Manager's Report No. 23-32, seconded by Mr. Shigemoto; with no objections, motion carried with 5 Ayes.**

1. Water Systems Investment Plan Briefing (*Information only; non-action item*)

Michelle Sorenson of Brown & Caldwell provided a presentation to update the Board on the Water System Investment Plan. She was joined by fellow members of the Brown and Caldwell team Dean Nakano, Stan Kowalczyk, Marissa Tsuruda, Dustin Yamamoto, and Susan Mukai.

Board member Hull asked if there is a desire to eventually have the GIS data available publicly to allow the general public to see what the water capacity is in their respective neighborhoods. He noted that would greatly reduce the call volume and amount of work staff is currently doing to address questions and issues from a capacity standpoint. He added that the Planning Department is just now putting zoning maps online and having this data available would help applicants determine if building is feasible from a water availability standpoint. Engineering Division Head Jason Kagimoto stated the goal is to be as transparent as possible while also considering the security of our water facilities. We want to make is user-friendly to provide the public with reliable and useful information as well as improving coordination with other agencies such as Planning, Fire, and Public Works.

In response to Board member Hull, Ms. Sorenson clarified that a full assessment of the CIP plan needs to be completed first before they can move ahead with the FRC Study. One of the options being considered is fixture count, which Mr. Hull appreciates and agrees would be a much more equitable assessment, noting that currently the FRC charge would be the same for both a 900 sq. ft. home as well as a 10,000 sq. ft. home.

Board member Simonton asked how many closed valves were found in the system when doing field testing. Mr. Kowalczyk stated in working with Operations and Engineering staff they were able to understand the water system better, obtain all of the Department's knowledge which they can then capture in the models. Ms. Simonton expressed her excitement to potentially be able to have the field and computer data match. Mr. Kagimoto stated they have been running several scenarios based on specific community needs in coordination with the Operations staff and it has already proved to be a useful tool to help them make better decisions on how to operate the system by giving them the ability to run scenarios rather than having to try something out in the field. The goal is to maintain accuracy in GIS to the best of their ability and this tool along with feedback from the field will help them keep the data updated on a continual basis.

Board member Hull asked how robust the Climate Change and Resiliency portion of this plan will be. Ms. Sorenson stated that currently the climate change task is limited to identifying the infrastructure that will be affected, such as prioritizing ductile iron pipes in inundation zones. It will feed into the CIP when considering the prioritization criteria and timeline. They acknowledge that the roads will be affected as well as other infrastructure and will require a coordinated effort between Planning, Water and others to get a plan in place for appropriate climate change strategies. In response to Mr. Hull, Ms. Sorenson stated the big effect is with the material that is susceptible to salt which is why the iron pipes are the priority and what will be underwater more often.

Board member Hull noted that our flood zones as established by FEMA are severely outdated, and we currently have flood zones that are not recognized. He asked if there is any assessment occurring with the climate change portion about infrastructure that may be currently identified as being outside the FEMA flood zone but will be flooded in the next decade or so. Ms. Sorenson stated no, not within this report, but they can certainly build on what is being done in order to take a look at that as well as other climate change impacts. Mr. Hull mentioned the recent fires on Maui and asked if the compound climate hazards of large-scale fires or catastrophic rains will eventually be incorporated into this plan. Mr. Kagimoto stated those things could be included if

they adjust the scope. He added that this update provides a better idea of what the plan includes currently, but it can be adjusted as they go along based on additional needs and feedback.

2. Discussion and Possible Action on Correspondence Item 1., letter from the Charter Review Commission re: request for proposals to amend the County Charter

The Board did not have any proposals to the amend the Charter at this time, but should any board members wish to do so, Chair Akamine asked that proposals be submitted in time for discussion at the next Board meeting scheduled on September 21, 2023. The deadline to submit proposals to the Charter Review Commission is September 29, 2023.

3. Discussion and Possible Action on Manager's Annual Evaluation timeline, process and criteria

Commission Support Clerk Cherisse Zaima explained that Joe's employment anniversary date is coming up in October, and the Manager's Annual Evaluation is due. Past practice has been to adhere to County DHR's evaluation schedule, form and process for conducting this annual evaluation; however, we were informed last year that the Board is not required to follow the guidelines set by County DHR, and the Board has the authority to create an evaluation process that they feel works best. Manager Tait requested that the Board consider changing the evaluation period to encompass the fiscal year rather than his anniversary date as many of his goals are tied to the budget period. Chair Akamine noted that Board member Finnila has a background in Human Resources and asked if she could provide recommendations at the next meeting on how the Board could implement the Manager's evaluation moving forward. He asked the Commission Support Clerk to work with Ms. Finnila in getting the information together.

## **STAFF REPORTS**

1. Fiscal:
  - a. Monthly dashboard
  - b. Budget Report for July 2023

Assistant Waterworks Controller Sherri Silva provided an overview of the monthly dashboard and budget report, noting that they were down to just 3 vacant positions. Two of those have now been filled, one of which is a Customer Service Representative who started on August 1 and is currently going through software training. The second position is an Accountant II who will assist with billing and will start on September 1. The third position, Account Clerk, will remain unfilled for the time being as they continue to build their team and do a needs assessment.

Overtime in July was below budget as well as below prior years for the same time period. July through November is primarily a peak period for the accounting division.

Ms. Silva explained that the Fiscal division is working on expanding their dashboard to include how many walk-in customers they receive in the lobby. The 2 windows that are currently open each received over 600 walk-ins for the month. Additionally, they received over 600 emails to set up accounts, or with questions on billing.

Ms. Silva pointed out a \$300,000 variance in revenues that was due to an adjustment made to a large commercial account. The FRC revenue will fluctuate each month based on the individuals that come in. They are currently backlogged in rebilling and they have some bills as far back as

2021 that were based on estimates and as those customer meters are repaired, and their re-billing efforts increase, there may be some fluctuations.

There is a budget of \$1, 075,000 for Labor, the majority of which looks to be OPEB costs and fringe rates. However, those costs do not appear to be accurate, so they will be researching this as it seems to be a trend since January. They will be looking into the new Workday payroll software to determine if it's due to a payroll code or a percentage that is inaccurate and the appropriate adjustments will be made.

Manager Tait stated this page is a good example of the clean up that's occurring, so the Board may be seeing this for a while.

## 2. Operations – Monthly dashboard

Assistant Chief of Operations Ryan Smith provided an overview of the monthly dashboard, noting they are currently recruiting for 3 positions in the electrical tradesperson series, and really pushing to find a licensed electrician to fill the recent retirement vacancy. Interviews are being conducted for the meter mechanic position and hope to fill that soon. The increasing water losses and failing transponders are related to the estimation of the bills that goes along with Ms. Silva's earlier report.

## 3. Engineering – Monthly dashboard

Engineering Division Head Jason Kagimoto noted that Engineering has removed the charts and graphs from their dashboard to try and better convey the oversight on the project work. Regarding staffing, they are moving forward with one of the inspector positions, but they are still having difficulties hiring engineering positions, which reflects in their overtime costs. They currently have about 30 ongoing projects, 5 projects currently in construction and 1 currently in the bidding process. That project will have a several year construction period but will have a great benefit to the community as far as water restrictions. They are also trying to bid out another project at Kuhio Highway between Hardy and Oxford. They are very busy, moving full steam ahead and appreciate everyone's willingness to help to keep projects on track. Manager Tait asked how many staff they have to work on those 30-some projects to which Mr. Kagimoto replied 2 engineers, a Project Management Officer and himself.

Board member Hull asked if capabilities to increase the GE tax were allowed, and the flow of money came to DOW, would there even be the capacity, staffing-wise, to be able to get more projects online? Mr. Kagimoto replied that his history on the wastewater side was always a shortage of money, and you did what you could based on the amount of money. At DOW funding has not necessarily been an issue, but rather the manpower issue. His approach is to take and move forward whatever they can, and they have been able to move projects forward by hiring and managing consultants. If DOW can obtain more money to take on more work, they are happy to do everything they possibly can. Manager Tait added that from his level, he looks at groups like Bowers and Kubota that provide a service with expertise that the Department does not possess, which makes sense. However, with traditional engineering and construction positions, we are unable to hire those staff members because of salary restrictions. We are currently the only island that does not allow us to use the full salary range in our existing State classification.

Board member Tanigawa commented that staffing is one essential element to move projects forward, but projects also rely on other agencies' services. He noted that one agency that has resulted in some project delays is the State Historic Preservation Division and asked for some elaboration on the tasks that remain on the Weke, Anae, Mahamahi and Hee Roads project

before it is ready to bid out. Mr. Kagimoto stated that they are just awaiting agency review and final agency approval from Public Works Engineering and DOT Highways. They have exchanged comments and the plans will be updated to address DOT's comments. The goal is to be able to bid this out in the next 2 months. In response to Mr. Tanigawa, Mr. Kagimoto confirmed that they have secured concurrence from Historic Preservation.

Board member Shigemoto asked once lines are replaced, what is the lifespan to which Mr. Kagimoto stated it depends on the soil conditions, construction and quality of materials used. However, they have been replacing lines that are 50-70 years old. Mr. Shigemoto referenced earlier discussion about sea-level rise and its effect on ductile iron and asked when the County intends to make adjustments to standards if we do not have current standards in place. Mr. Kagimoto explained that in areas where there is concern about pipes being in ground water, especially on the coastline, they have been moving towards using PVC.

The Water Resources and Planning division is currently holding public meetings for the Water Use and Development update. They just received an update on the long range plan for which they are doing stakeholder interviews, and they are moving forward with the Lead and Copper Rule Revisions. Mr. Kagimoto emphasized that he is happy to report that they have been doing more with less, and all of the projects mentioned are being done with the existing staff they have. He expressed his pride in seeing his team being able to do all they have been doing with their limited resources.

Board member Hull referenced the fires in Maui, noting that the temperature of the fire was hot enough to melt engine blocks. He asked whether the infrastructure could withstand that heat at the depth they are at whether they are ductile iron or PVC. Mr. Kagimoto stated he is unsure, but noted that the PVC pipes in Maui did melt.

Chair Akamine acknowledged Joe, Michael, and Jason's leadership, noting that the teamwork that is happening within Engineering is incredible. He also pointed out that a big hurdle has been the ability to obtain enough staff and having to utilize consultants which come at a cost. However, knowing that we want these projects to move forward and if there is funding available, perhaps that is something to consider.

4. Administration:
  - a. Monthly dashboard

Manager Tait provided an overview of the dashboard, noting that the vacancies with Administrative Staff have not been the priority because fiscal and engineering is doing the heavy lifting. There has been great help from all divisions to assist with things they would not normally do. Administration is undergoing a dramatic culture shift where everything used to flow through one person, but the model being implemented is to be bifurcated to relevant people. Manager Tait is looking to incorporate a resource pool type model where everyone on the 2<sup>nd</sup> floor is cross trained to back up one another. It is a model that is foreign to County DHR, so there are some challenges with the Position Descriptions with HR.

- b. Public Relations – updates on Public Notices & Announcements, Community Outreach & Education, and Upcoming Events
    - c. Human Resources – updates on Personnel Vacancies
    - d. Information Technology – Monthly update
5. Manager and Chief Engineer – Required communications to the Board, and update of Department activities

Manager Tait has continued to reach out and has now been getting significant response from folks at the elected level and from Water Industry associates regarding federal funding opportunities. DOW has a big advantage in that we have never defaulted in federal monies, but the downside is that we never sought out federal funding.

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

1. Discussion and Possible action to determine criteria for Annual Evaluation of the Manager and Chief Engineer

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

1. Water Systems Investment Plan Briefing *(July/August)*
2. CIP Update

**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 (HRS) Sections 92-4, 92-5(a)(3), and 92-5(a)(4), the purpose of this Executive Session is to deliberate on the acquisition of public property, specifically, property identified by tax map key: 4-3-018-001 and 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 they relate to this agenda item.

**The Board entered into Executive Session at 11:05 a.m.**

**The Board resumed in open session at 11:25 a.m.**

In accordance with Act 19 Relating to Public Agency Meetings, Chair Akamine reported the Board's desire to ratify actions taken in Executive Session to allow the Board to consider acquisition of public property and to delegate or authorize the Manager and Chief Engineer to do due diligence as such.

Board member Shigemoto moved to ratify actions taken in executive session, seconded by Mr. Hull; with no objections, motion carried with 6 Ayes.

**ADJOURNMENT**

The meeting was adjourned at 11:26 a.m.

Respectfully submitted,



Cherisse Zaima  
Commission Support Clerk