

MINUTES
BOARD OF WATER SUPPLY
December 17, 2020

The Board of Water Supply, County of Kaua'i, met in regular meeting **via remote** in Lihu'e on Thursday, December 17, 2020. Chair Kurt Akamine called the meeting to order at 10:01 a.m. The following Board members were present:

BOARD: Mr. Kurt Akamine, *Chair*
Ms. Julie Simonton, *Vice Chair*
Mr. Troy Tanigawa
Mr. Elesther Calipjo
Mr. Lawrence Dill
Mr. Gregory Kamm (*joined at 10:03 a.m.*)

EXCUSED: Mr. Ka'aina Hull

Quorum was achieved with 6 members present at Roll Call.

STAFF:	Manager & Chief Engineer Mark Knoff	Mr. Carl Arume
(<i>via remote</i>)	Mr. Steve Kyono, Board Advisor	Mr. Val Reyna
	Mr. Michael Hinazumi	Mrs. Mary-jane Akuna
	Mrs. Marites Yano	Mrs. Jonell Kaohelaulii
	Deputy County Attorney Mahealani Krafft	Mr. Jas Banwait

GUEST: DCA Laura Barzilai, County Attorney's Office

C. ACCEPTANCE OF AGENDA

Mr. Tanigawa moved to approve the Agenda as distributed; seconded by Ms. Simonton; with no objections, Motion carried with 5 Ayes.

At 10:03 a.m., Mr. Kamm joined the meeting.

D. MEETING MINUTES

Review and Approval of:

Regular Board Meeting – November 19, 2020

Mr. Tanigawa moved to approve the Regular Board Meeting minutes of November 19, 2020; seconded by Ms. Simonton; with no objections, motion carried with 6 ayes.

Special Board Meeting – November 16, 2020

Mr. Kamm moved to approve the Special Board Meeting minutes of November 16, 2020; seconded by Ms. Simonton, with no objections, motion carried with 6 ayes.

Review and Approval of:

Executive Session – November 19, 2020

Ms. Simonton moved to approve Executive Session of November 19, 2020, seconded by Mr. Kamm; with no objections, motion carried with 6 ayes.

Executive Session – November 16, 2020 – Special Board Meeting

Ms. Simonton moved to approve Executive Session of November 16, 2020 – Special Board Meeting; seconded by Mr. Tanigawa; with no objections, motion carried with 6 ayes.

Executive Session – November 19, 2020 – Special Board Meeting Continuance

Ms. Simonton moved to approve Executive Session of November 19, 2020 – Special Board Meeting Continuance; seconded by Mr. Tanigawa; with no objections, motion carried with 6 ayes.

E. CORRESPONDENCE/ANNOUNCEMENTS/PUBLIC TESTIMONY

1. Report of the Independent Auditors, Accuity LLP, Department of Water County of Kauai Financial Statement June 20, 2020 and 2019, Dated November 19, 2020

Received for the Record

No voice or written testimonies were received as of December 16th.

(Note: 12/24, 9:04 am Muriel Urigawa left an after-the-fact voice message public testimony regarding the water planning design section on the Board agenda.)

Chair Akamine acknowledged Board Advisor Mr. Steve Kyono for assisting the Department this year and welcomed acting Manager & Chief Engineer Mr. Mark Knoff. Chair also acknowledged the following staff: Mr. Michael Hinazumi has been an excellent resource to the Chair and Board with difficult decisions, the Division Heads and supervisors for their hard work on projects and DCA Krafft who has been another excellent resource for the Department.

F. BOARD COMMITTEE & PERMITTED INTERACTION GROUP REPORTS

None.

G. OLD BUSINESS

1. Manager's Report No. 20-41 - Waiahi Surface Water Treatment Plant Renovation Construction Cost Progress Report (*Update*)

No update.

2. Manager's Report No. 21-12 - Discussion and Receipt relating to Contract No. 639 Job No. 17-10, WP2020 Project No. KW-07 Rehabilitate Paua Valley Tank #1, 0.5MG Concrete, As-Needed Engineering Services Indefinite Delivery Indefinite Quantity (*Update*)

BACKGROUND:

Manager Knoff gave an update on this project to take a step back on its evaluation before going forward. The Environmental Protection Agency information was received on the potential disposal of the tank or to take a different route to demolish it completely and that waste changes financials on potential paths. Manager Knoff highlighted three task orders (refer to details on page 87 in packet): 1) Provide a high-level analysis of all options; demolish or replace 2) Analyze options to filter and dispose of the PCB contaminated water currently in the tank and give a solution & 3) Provide a high-level analysis of the other 15 tanks within the Department of Water (DOW) system which may be contaminated with PCBs; provide options & recommendations. A cost-effective action for consumers would be presented to the Board at a future meeting.

Received for the Record

H. NEW BUSINESS

1. Resolution No. 21-02 – Farewell to Randal H. Watanabe (Retiree), Pipefitter, Operations Division

BACKGROUND:

Retiree Randal Watanabe was not available for his Resolution presentation by Operations Chief Mr. Valentino Reyna. Randal was reliable employee and will be missed in Operations. Chair Akamine expressed, on behalf of the Board, that they appreciated Randal's 14 years with the Department.

Ms. Simonton moved to approve and adopt Resolution No. 21-02 – Farewell to Randal H. Watanabe (Retiree), Pipefitter, Operations Division; seconded by Ms. Simonton; seconded by Mr. Tanigawa; with no objections, motion carried with 6 Ayes.

2. Manager's Report No. 21-15 - Discussion and Possible Action to Approve Supplementary Budget for Vacancies on Active Recruitment

BACKGROUND:

Chair Akamine has been in discussions with Waterworks Controller Mrs. Marites Yano to move forward with positions that were dollar funded.

Assistant Waterworks Controller Mr. Marcelino Soliz reviewed the background (Page 91). Option 1 is to approve additional salaries and wages budget of \$397,530.00 (which are accurate).

DISCUSSION:

Mr. Dill asked what the Percent of Funding column represented? Mr. Soliz explained the column is partial funding for the end of the fiscal year. The Proposed Salaries column represents 1/3 of a full salary.

Chair Akamine discussed the active recruitment of positions with division heads that would potentially be filled. The percentage was based on when the position would be filled and on the interview status, etc. Positions were previously approved by the Board and Mr. Dill explained this schedule is to put funding back in to fill positions. Chair Akamine clarified that when Mr. Knoff was hired, a vacant position had to be assigned as the acting Manager for Department of Human Resources (DHR) to move forward. Mr. Dill commented that next year the budget should be close to \$1M and the annual budget is safe.

Mr. Dill moved to approve Manager's Report No. 21-15 - Discussion and Possible Action to Approve Supplementary Budget for Vacancies on Active Recruitment; seconded by Mr. Calipjo; with no objections, motion carried with 6 ayes. Roll Call: KA, JS, LD, TT, LC, GK

3. Chairperson's Report No. 21-16 – Discussion and Possible Action on Board Policy No. 32, Oral Testimony

BACKGROUND:

Chair Akamine commented that the Board must afford all interested persons an opportunity to submit data, views, or arguments, in writing, on any agenda items. Option 1 is to approve Board Policy No. 32.

The Board approved language for Board Policy No. 32: “The Chair may limit all oral testimony during a Board meeting to **3** minutes. The Chair may grant an additional **2** minutes to provide further testimony after all interested persons have had an opportunity to provide oral testimony.”

DISCUSSION:

DCA Krafft clarified that the Chair has discretion to extend the testimony time for each Board meeting but not per testifier. Each additional testifier should have 5 minutes.

Mr. Tanigawa moved to approve/adopt Chairperson's Report No. 21-16 – Discussion and Possible Action on Board Policy No. 32, Oral Testimony; seconded by Ms. Simonton; with no objections.

4. Manager's Report No. 21-17 – Discussion and Possible Action for Board Approval on the Eighth Amendment to Contract No. 666 for the Information Technology Support Services with Brio Consulting, LLC for an extension until March 31, 2021 in an additional amount of \$80,000.00

BACKGROUND:

Civil Engineer Mr. Michael Hinazumi requested the Board's approval of \$80,000 to fund the extension of IT Support Service with Brio Consulting. The Department's IT Support is Jas Banwait to fund for two additional months to the end of March 2021. An offer has been made to the IT Manager's applicant.

Mr. Dill approved Manager's Report No. 21-17 – Discussion and Possible Action for Board Approval on the Eighth Amendment to Contract No. 666 for the Information Technology Support Services with Brio Consulting, LLC for an extension until March 31, 2021 in an additional amount of \$80,000.00; pending legal review to add \$80,000 as an amendment; seconded by Mr. Tanigawa; with no objections, motion carried with 6 ayes.

I. STAFF REPORTS MONTHLY

1. Discussion and Receipt of the Kaua'i County Water Department's Statement of Revenues and Expenditures
 - a. November Monthly Summary Budget
 - b. Accounts Receivable Aging Summary

BACKGROUND:

Assistant Waterworks Controller Mr. Soliz provided the Fiscal Report: Monthly Summary Highlights for November 2020 (Pages 99 -101). Marcy Soliz will prepare a schedule for pandemic items purchased to recover costs to be submitted to FEMA.

Received for the Record

2. Discussion and Receipt of the Report by the Information & Education Specialist on Public Relations Activities

BACKGROUND:

Information & Education Specialist Mrs. Jonell Kaohelaulii highlighted the following:

1. DOW was a recipient of the 2019-2020 Hawai'i GREEN Business program's Green Event award.
2. DOW received a commendation from Governor David Y. Ige for the 16th Annual Make a Splash water education festival held September 19, 2019. Video clip of the recognition ceremony featuring the Governor's commendation was shown during the meeting. (Page 118)

Received for the Record

3. Discussion and Receipt of the Chief of Operation's Summary Report on Operational Activities

BACKGROUND:

Chief of Operations Mr. Valentino Reyna provided the following highlights:

1. No hydrants hit in November.
2. Overtime (OT) in November decreased from the previous four months of summer due to overnight OT with contractors.
3. New monthly tabulated graphs would be reformatted for the monthly Operations report.

Received for the Record

4. Discussion and Receipt of the Manager and Chief Engineer's Monthly Update Regarding Activities of Note of the DOW

BACKGROUND:

Manager Knoff highlighted the following items:

1. Contract Award to Allied Machinery for a replacement generator for \$99,685.82.
2. Waiver, Release & Indemnity Applications - None.
3. Personnel Matters – Previously discussed funding for the end of the year and active hiring. A new format will be developed with respect to various positions during hiring process.
4. Conveyance of Water Facilities – No requests.
5. Customer Care & Billing – Continue to install the Beacon meters and providing better data for practical decisions.
6. IT Strategic Plan Update – Done quarterly.
7. IT Initiatives Update – 365 already launched, IT Manager position offer is going out & progressing on SharePoint.
8. Board Advisor's Report Update – Refer to Page 129.

Received for the Record

At 11:06 a.m., Mr. Dill read the following Executive Session language with no objections.

J. EXECUTIVE SESSION

Pursuant to Hawai'i Revised Statutes(HRS) §92-7(a), the Board may, when deemed necessary, hold an executive session on any agenda item without written public notice if the Executive Session was not anticipated in advance. Any such executive session shall be held pursuant to HRS §92-4 and shall be limited to those items described in HRS §92-5(a).

1. Pursuant to Hawai'i Revised Statutes § 92-4 and § 92-5(a)(2), the purpose of this Executive Session is for the Board to consider the discipline of an officer or employee or of charges brought against the officer or employee, where consideration of matters affecting privacy will be involved; provided that if the individual concerned requests an open meeting, an open meeting shall be held.
2. Pursuant to Hawai'i Revised Statutes § 92-4 and § 92-5(a)(2), the purpose of this Executive Session is for the Board to consider the hiring of a Manager and Chief Engineer where consideration of matters affecting privacy will be involved; provided that if the individual concerned requests an open meeting, an open meeting shall be held.

Board deferred Executive Session Item #2 to the January Board meeting.

At 11:33 a.m., Chair Akamine reconvened the Regular Board meeting.

Additional requests:

- 1) Mr. Dill requested Manager Knoff to discuss with Accuity financial consultants on the executed items from the audit that would be included in a future performance audit going forward. (See Page 69 & 70 in today's Accuity's audit report.)
- 2) Chair Akamine and Manager Knoff will discuss a future audit to develop internal controls as it relates to Information Technology matters; put into place policies and procedures based on investigations.

K. TOPICS FOR NEXT BOARD OF WATER SUPPLY MEETING (January 2021)

1. Committee Appointments by 2021 Chair Gregory Kamm for Rules Committee, Finance Committee, Committee of the Whole

L. TOPICS FOR FUGURE BOAD OF WATER SUPPLY MEETINGS

1. Department of Water Performance Audit (Update)
2. Table of Organization Workshop
3. Discussion and Possible Action to establish Fiscal Policies and Procedures
4. Baseyard Master Plan Workshop
5. Employee of the Year Resolutions (*February 2021*)

M. UPCOMING EVENTS

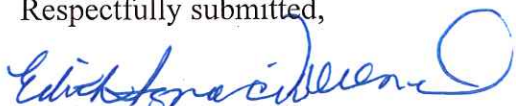
N. NEXT WATER BOARD MEETING

1. Thursday, January 21, 2021, 10:00 a.m.
2. Thursday, February 25, 2021, 10:00 a.m.
3. Thursday, March 25, 2021, 10:00 a.m.
4. Thursday, April 22, 2021, 10:00 a.m.

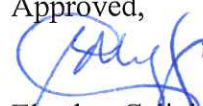
M. ADJOURNMENT

Chair Akamine adjourned the meeting at 11:40 a.m. with no objections.

Respectfully submitted,


Edith Ignacio Neumiller
Commission Support Clerk

Approved,


Elesther Calipjo
Secretary, Board of Water Supply