

BOARD OF WATER SUPPLY

TOM SHIGEMOTO CHAIR
JULIE SIMONTON, VICE CHAIR
KURT AKAMINE, SECRETARY

MICAH FINNILA, MEMBER
KA'AINA HULL, EX-OFFICIO
TROY TANIGAWA, EX-OFFICIO
VACANT, EX-OFFICIO



JOSEPH E. TAIT
MANAGER AND CHIEF ENGINEER

REGULAR MONTHLY MEETING NOTICE AND AGENDA

Thursday, August 15, 2024
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/82507426121>

Passcode: 678657

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: 825 0742 6121

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 Board Meeting: Thursday, September 19, 2024 – 9:30 a.m.

APPROVAL OF AGENDA

MEETING MINUTES

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

PUBLIC TESTIMONY

NEW BUSINESS

1. Discussion and Adoption of Resolution No. 25-02, Farewell to Duane Moriguchi (Retiree)
Heavy Vehicle & Construction Equipment Mechanic, Operations Division

INFORMATIONAL BRIEFING Item Cancelled

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

STAFF REPORTS

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

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

TOPICS FOR FUTURE BOARD OF WATER SUPPLY MEETING:

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

EXECUTIVE SESSION:

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

ADJOURNMENT

WRITTEN TESTIMONY

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

Please include:

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

Send written testimony to:

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

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

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 18, 2024

The Board of Water Supply, County of Kaua'i, met in a regular meeting in Lihu'e on Thursday, July 18, 2024. Chair Pro Tem Kurt Akamine called the meeting to order at 9:35 a.m. The following Board members were present:

BOARD:

Mr. Kurt Akamine, *Chair Pro Tem*
Mr. Ka'aina Hull
Ms. Micah Finnila
Mr. Troy Tanigawa
Mr. Larry Dill

EXCUSED:

Mr. Tom Shigemoto, *Chair*
Ms. Julie Simonton, *Vice Chair*

Prior to roll call, Commission Support Clerk Cherisse Zaima stated for the record that Secretary Kurt Akamine will preside over the meeting in the absence of the Chair and Vice Chair.

Quorum was achieved with 5 members present at Roll Call.

ANNOUNCEMENTS

Next Scheduled Board Meeting: Thursday, August 15, 2024 – 9:30 a.m.

APPROVAL OF AGENDA

Board member Dill moved to amend the agenda to receive the Informational Briefing presentation prior to New Business, seconded by Ms. Finnila; with no objections, motion carried with 5 Ayes.

MEETING MINUTES

1. Regular Board Meeting – June 20, 2024
2. Executive Session – June 20, 2024

The meeting minutes were approved with no objections.

PUBLIC TESTIMONY

The Board received testimony from Ms. Felicia Cowden re: Informational Briefing Item 1. Ms. Cowden thanked the Board for their consideration of what is happening in Kilauea. She noted that another element that is important for everyone to keep in mind is the Namahana School, which teaches grades 7 through 12, that is trying to open there. If Namahana Charter School is not able to open in the fall of 2025, they will lose their charter appointment. Ms. Cowden stated in the 40 years she has lived on the island, there has been a persistent push to put a school there, so if water is unable to be provided for that school, it will frustrate decades of effort. She emphasized the sense of urgency, noting that the Kilauea Housing Development is located directly across the street. It is an enormous community effort, and it will be devastating to not get that accomplished.

INFORMATIONAL BRIEFING

1. Affordable Housing Presentation by Housing Director, Adam Roversi (*Information only; non-action item*)

Housing Director Adam Roversi provided a presentation on County Affordable Housing Projects and Infrastructure Challenges (presentation in agenda packet). He described the way the departments historically worked in relatively constrained silos and noted that his intention is to encourage a qualitative change to the way the Housing Agency and the Department of Water work together as well as Public Works Wastewater and Roads Divisions. Currently, there isn't a proper system for the level of collaboration they are seeking, which is what he is hoping they can create. Mr. Roversi provided an overview of some of the projects the Housing Agency is currently working on, focusing on the Lima Ola Housing Project, the Kilauea Town Expansion, and the Waimea 400-acre source and storage project.

Referencing the Lima Ola Project, Board member Hull requested the Department provide an update on how things are moving forward with Phase II and III not having sufficient water. Deputy Manager Hinazumi stated that he recalls this project started around 2012-2013, and his understanding was that the Water Master Plan for full development was approximately 15-20 years from the time they hit the ground until they reached Phase IV. Given that timeframe, DOW looked at other areas of the system to take care of more immediate needs, essentially Phase I & II of the project. The department is currently looking at potentially reactivating Nagoshi well, which requires system evaluation, water quality analysis, and DOH and CWRM approvals. Through the Water System Investment Plan, the Department is evaluating infrastructure needs and prioritization across the island. In addition to the Lima Ola project plan being accelerated, DHHL has also accelerated their plans and have significant water needs in Hanapepe.

Mr. Hull asked if there is a timeline for those plans to which Mr. Hinazumi stated the Department has just started its new budget and do not have budget funds at the present time for drill and test in the area. The primary focus was to go back to Kilauea which was put on the back burner back in 2016, but it will be prioritized in the WSIP. The preliminary WSIP prioritization and CIP presentation will be brought before the Board for consideration, and they will move forward from there.

Mr. Hull asked the Department to update the Board on the Kilauea housing development and its issues with water. Mr. Hinazumi stated Kilauea is running at, or near, full capacity in both source and storage. Since 2016, there has been a water restriction of 5 water services, or dwellings, per lot of record. Design is nearly complete to drill another well and construct another 1 Million Gallon tank, and the Environmental Assessment update is in progress and once that is done, it will go out for solicitation. The hope is that will be done during this budget year. Regarding the drill and test, Mr. Hinazumi explained that in 2016, landowners in Kilauea were not agreeable to allowing the Department access to their property to drill and test wells. There were several agreements in place, but due to land ownership changes, those agreements became null and void. The department is currently working with the Housing Agency to work with current landowners on potential agreements.

Manager Tait asked for a quick briefing of when the Kilauea project was brought before the Board years ago. Mr. Hinazumi stated in 2016 that the Kilauea project, as well as some other pipeline projects were brought before the Board; however, the Department was instructed to redirect focus elsewhere.

Mr. Hull stated given the connection of these DOW projects to the current housing crisis, he would like to request a follow up agenda item or quarterly briefing regarding the Housing Agency's projects and its interface with the Department of Water.

NEW BUSINESS

1. Manager's Report No. 25-01 Discussion and Possible Action to Approve the FY2024 to FY2025 Supplemental Budget – Encumbrance Rollover

Waterworks Controller Renee Yadao provided a summary of the Manager's Report submitted.

Board member Dill moved to approve Manager's Report No. 25-01, seconded by Ms. Finnila; with no objections, motion carried with 5 Ayes.

2. Manager's Report No. 25-02 Discussion and Possible Action to re-appropriate certain budget line items to another line item budget to purchase replacement appurtenances for the emergency repair of Piwai Well No. 2, Job No. 24-16, EP-2024-01

Chief of Operations Ryan Smith explained that there was a catastrophic failure of Piwai well 2, compounded with a couple of other wells being offline for repairs at the same time. Upon inspection, they discovered the damage was much greater than they expected and required the replacement of an entire pump column shafts, couplings, and bushings. A spare pump is on site, but they need to order the new parts to reinstall it. They are looking at a lead time of approximately 4 weeks for the parts to be manufactured and an additional couple of weeks for them to be shipped over. This is the most affordable and quickest solution to getting the pump back online.

Board member Akamine asked what kind of impact this is having to which Mr. Smith stated it is putting stress on other wells in the system, but they have been able to reconfigure the way the water is being moved around to fill in the tanks in conjunction with the water conservation request that is in place.

Board member Dill stated that he notices we are tapping into the Water Utility Fund for this effort but pointed out that we have an emergency reserve in place as part of our budget. He asked if it would make more sense to use monies from the Reserve Fund and then replenish that in the next budget. Waterworks Controller Renee Yadao explained that the Water Utility Fund account number is being used because there will be additional funding later from the Pro-Fi loans, we are getting reimbursed for, which will allow us to move the budget around again. She added that the Reserve Fund could be used in this type of situation if it were a much larger amount. Mr. Dill stated that his understanding is that the Reserve Fund is funded on the basis of a large scale event; however, he noted that this is considered catastrophic. He added that at the end of the day, this will impact their top line supply and inventory stock. He emphasized that he feels that the Reserve Fund should be considered for this as he feels this circumstance qualifies. Ms. Yadao stated while that is an option, the Department will be getting budget back when we are reimbursed for the Pro-Fi loans for the meter purchases that were made in the amount of \$1.5 million. Once the meter shipment is received, they can apply for a reimbursement that can then be applied back to Operation's budget. Mr. Dill stated his understanding but added that he would encourage the Department to utilize the Reserve Fund for this type of qualifying event. He would not want Operation's inventory stock to be depleted at the beginning of the year.

Board member Akamine asked who has authority to utilize the Emergency Reserve Fund to which Ms. Yadao replied she believed it would need to come to the Board. However, Deputy County Attorney Tyler Saito stated for clarification that per Board Policy 31 that responsibility falls under the Manger's authority.

Board member Finnila asked what the estimated timeline is for a reimbursement to come to which Ms. Yadao explained that it usually takes 30 days from the time the request is submitted to the State; the Department will need to wait to receive the shipment before a request can be submitted.

Board member Dill moved to approve Manager's Report No. 25-02, seconded by Ms. Finnila; with no objections, motion carried with 5 Ayes.

3. Manager's Report No. 25-03 Discussion and Adoption of Resolution No. 25-01, Safe Drinking Water State Revolving Fund (DWSRF) Pro-Fi Loan of \$5M for SFY 2025 for Kaua'i Board of Water Supply (Board

Engineering Division Head Jason Kagimoto provided an overview of the Manager's Report submitted, noting it is similar to the Pro-Fi Loan that approval was requested for last year. It is anticipated that the Department will be doing this on an annual basis as these types of loans allow the loan reimbursements to be spread out further. It has been very beneficial to be able to spread the monies out to cover design fees, and to allow for reimbursement of things like emergency generators and meter purchases. These will predominantly cover CIP projects.

Board member Dill asked what the specific scope of work these monies will fund. Mr. Kagimoto stated the loan application identifies the capital improvement projects and emergency generators and meter purchases. Ms. Finnila asked to clarify that if we pursue this annually, does that equate to \$5 million each year with a payback on 20 years? Mr. Kagimoto stated the understanding they have with DOH, there is a responsibility on DOW's part to spend the money they request, so we did not want to ask for more than we felt we could spend this fiscal year. However, that could change in the long run depending on the Capital Improvement Program. Next fiscal year there will be two debt-service loans, and in 20 years there will be 20 debt-service loans the Department will be paying against. The big benefit is that it allows the Department to spread out the capital over 20 years rather than having to come up with it all at once as well as the additional benefit of the principal forgiveness.

Board member Dill moved to approve Manager's Report No. 25-03, seconded by Ms. Finnila; with no objections, motion carried with 5 Ayes.

1. Manager's Report No. 24-04 Discussion and Possible Action on the Kauai Water Use and Development Plan (KWUDP) Update

Manager Joe Tait expressed his appreciation to Amanda Waki and Amanda Tanaka of Fukunaga and Associates as well as all the DOW staff who lead the public meetings and captured all of the data for this 35-year update. He added that the previous Water Use and Development update was done in 1990 so this has been a herculean effort.

Engineering Division Head Jason Kagimoto noted that this project has been a long time coming both in terms of the last update in 1990 and what is included in this specific update. He provided a high-level overview of the plan (PowerPoint slides on file) noting that the full Kauai Water Use and Development Plan is available electronically at <https://www.kauai.gov/Government/Boards-and-Commissions/Board-of-Water>

Board member Dill asked Board member Ka'aina Hull (Planning Director) what the projection for the next General Plan update is. Mr. Hull stated there is nothing currently in the works, but there is a 10-20 year horizon. The next general plan update will likely be in the next 4-5 years. Mr. Dill stated he hopes that when that general plan update is made it will help refine the KWUDP to keep it current as a living document. Mr. Dill noted the plan mentions aquifer sustainable yields as opposed to existing well production capacity as well as instream flow standards. He noted that we currently only have one surface water treatment plant and asked if this plan takes future surface water availability into consideration when estimating capacity to produce drinking water. He elaborated that when we look at sustainable yields, we look at aquifers, but not necessarily surface water which we do have a supply of to tap into. Mr. Kagimoto explained that currently the preferable source for potable water is groundwater and moving forward they will have to make those evaluations. However, the effort for providing more drinking water based on our current needs has been focused on wells. Mr. Dill stated he is assuming the Department of Agriculture is conversely looking at surface water and not groundwater for Agriculture to which Ms. Waki confirmed that DOA is focusing on surface water irrigation systems. Mr. Dill asked if ADU's and ARU's are being considered when looking at full buildout to which Mr. Kagimoto stated yes, further adding that it looks at what is the max allowed based on zoning. He also pointed out that the current infrastructure needs improvement and is nowhere near being able to support full build out at this time.

Board member Finnilla commented that month after month she hears what is being accomplished by the staff, many of whom are in acting roles, and expressed how impressed and appreciative she is by the amount of care and energy that goes into all of it. She thanked the Department staff and assured them that the passion and dedication is recognized, and it is greatly appreciated. The Department is doing a huge amount of lift and shift that will help DOW moving forward.

Board member Dill moved to approve Manager's Report No. 25-04, seconded by Ms. Finnilla; with no objections, motion carried with 5 Ayes.

Fiscal:

- a. Monthly dashboard
- b. Budget Report for June 2024
- c. Quarterly BAB Statement
4. Operations – Monthly dashboard
5. Engineering
 - a. Monthly dashboard
 - b. Quarterly Update
6. Administration:
 - a. Monthly dashboard
 - b. Public Relations – updates on Public Notices & Announcements, Community Outreach & Education, and Upcoming Events
 - c. Human Resources – updates on Personnel Vacancies

- d. Information Technology
 - i. Corrective Action Plan updates
- 7. Manager and Chief Engineer – Required communications to the Board, and update of Department activities

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

- 1. Water Systems Investment Plan presentation (*information only; non-action item*)

TOPICS FOR FUTURE BOARD OF WATER SUPPLY MEETING:

EXECUTIVE SESSION:

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

- 1. Pursuant to Hawaii Revised Statutes (HRS) Sections 92-4 and 92-5(a)(4), the Office of the County Attorney requests an Executive Session with the Board, to provide the Board with a briefing and request authority to and/or approval of a settlement agreement in United Public Workers, Local 646 and Department of Water, County of Kauai, Grievance Number: 0646-0000-2020.0140 and to consult with the Board's attorney on its powers, duties, privileges, immunities, and liabilities as they relate to this agenda item.

The Board entered into executive session at 11:08 a.m.

The Board resumed in open session at 11:54 a.m.

Chair Pro Tem Kurt Akamine reported that the Board has concluded its executive session for Item 1. which involved discussion and/or final action for the purpose stated on the agenda for the particular item. Pursuant to HRS 92-4(b), the disclosure of the discussion and/or final action would defeat the purpose of convening the executive meeting which was held pursuant to HRS 92-4 and 92-5(a)(4).

Board member Dill moved to ratify actions taken in executive session, seconded by Ms. Finnila; with no objections, the motion carried with 5 Ayes.

ADJOURNMENT

The meeting was adjourned at 11:55 a.m.

Respectfully submitted,

Cherisse Zaima
Commission Support Clerk

A horizontal splash of clear blue water with bubbles and ripples, set against a white background. The water splash is centered horizontally and spans across the middle of the page.

NEW

BUSINESS

MAHALO AND ALOHA

Duane Moriguchi

Heavy Vehicle & Construction Equipment
Mechanic I
October 2013 – July 2024

WHEREAS, Duane Moriguchi joined the County of Kaua'i, Department of Water as a Heavy Vehicle & Construction Equipment Mechanic I on January 2, 2019, following his original hire into the County of Kaua'i, Department of Public Works on October 16, 2013; and

WHEREAS, after more than 10 years of service to the County of Kaua'i and DOW customers, Duane decided it is time to pursue other interests; and

WHEREAS, now Duane can dedicate more time to his family and help prep them for the next stage in their lives; and

WHEREAS, Duane no longer has to worry about the countless repairs to the Department's fleet of vehicles and equipment, including the numerous emergency generators scattered around the island; and

WHEREAS, Duane demonstrated his dedication and loyalty to the Department and his fellow employees by working independently and fulfilling his assignments with little to no supervision producing high quality work and providing a helping hand to whoever needed it; and

WHEREAS, Duane can retire knowing that the community is in good hands and has well cared for emergency generators to provide water in case of emergency; and

WHEREAS, Duane's morning routine will be missed as he was always one of the first to arrive, opening up the shop, always prompt in the office, ready to tackle the day's work schedule big or small; and

WHEREAS, Duane will forever be admired for his dedication to his duties as our heavy-duty construction mechanic, the pride taken in cleaning and keeping supplies completely stocked, and the pure joy he exhibited when operating our EC4000 service truck crane; 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 Duane 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 of Kaua'i, the Board expresses its gratitude and appreciation for the many years of dedicated service rendered by Duane Moriguchi. We extend to Duane our best wishes for much happiness and success in retirement.

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



Photo



We do certify that the foregoing was duly adopted by the Board of Water Supply during its meeting on August 15, 2024.

Tom Shigemoto, Chairperson

Kurt Akamine, Secretary

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

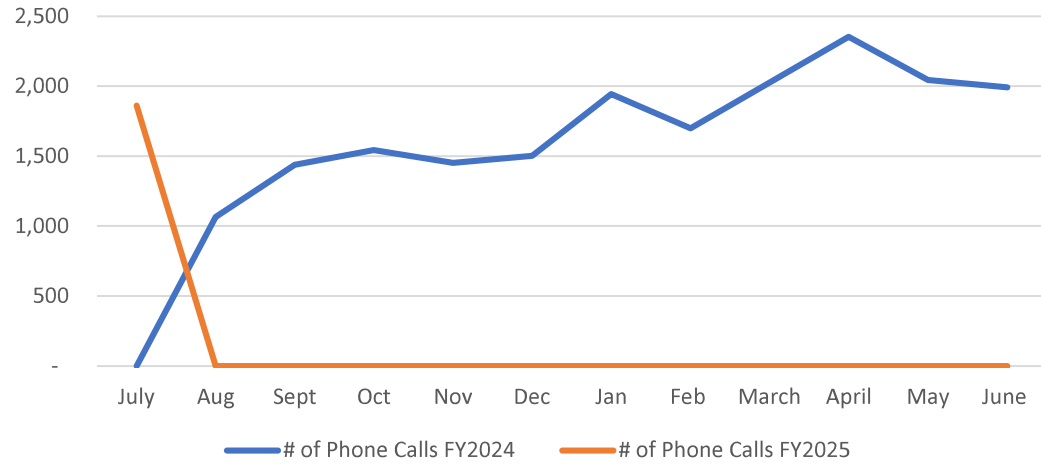
STAFF

REPORTS

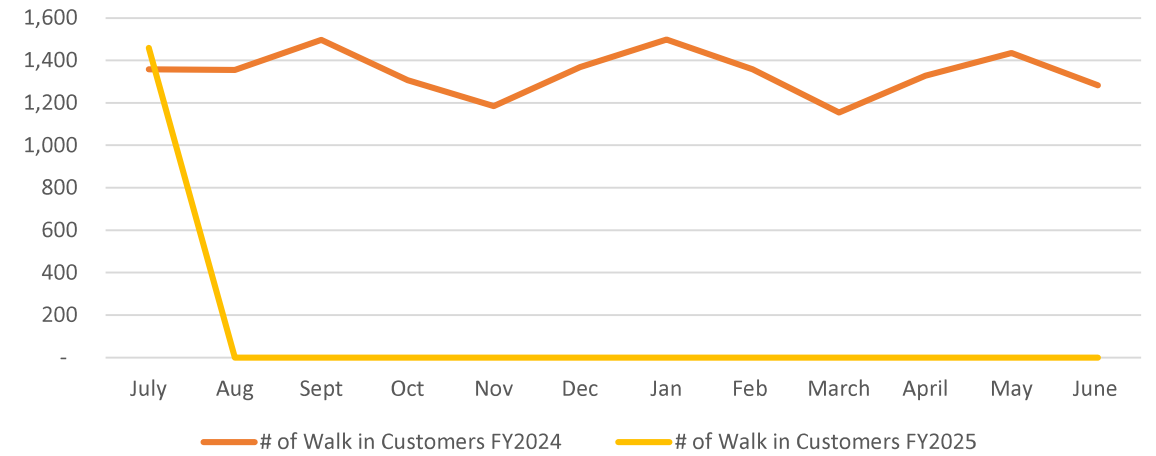


FISCAL DIVISION DASHBOARD

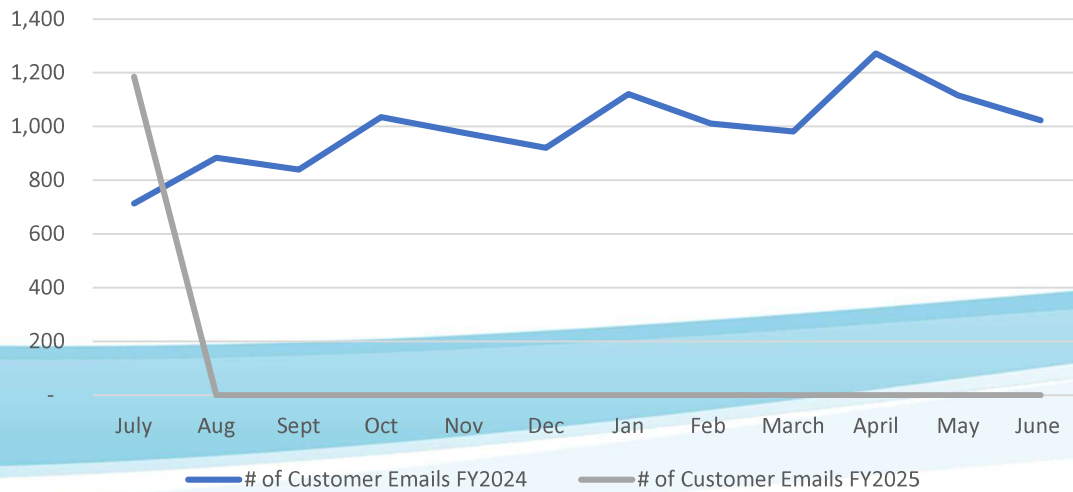
of Customer Service Calls



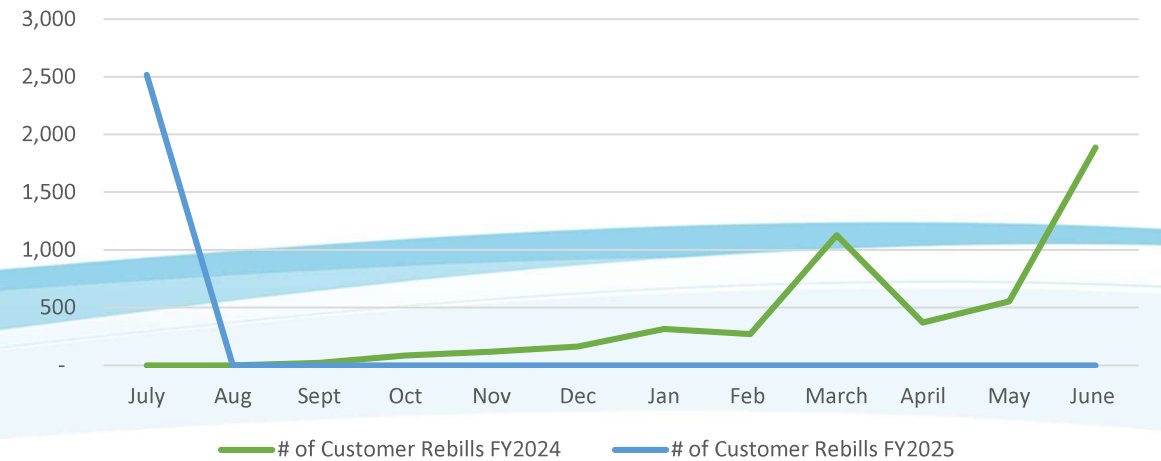
of Walk in Customers



of Customer Emails and Correspondence

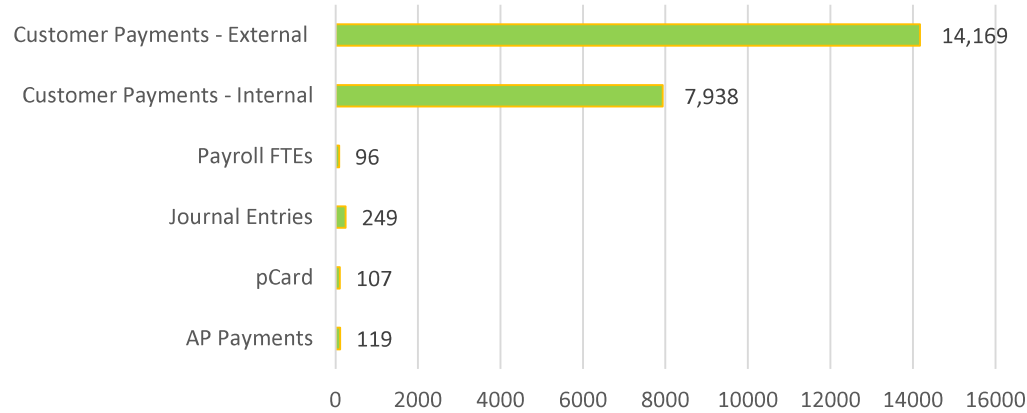


of Customer Rebills



FISCAL DIVISION DASHBOARD

Accounting Highlights - July 2024



Monthly Transactional Volume processed and reconciled by the Accounting Team.

Overtime



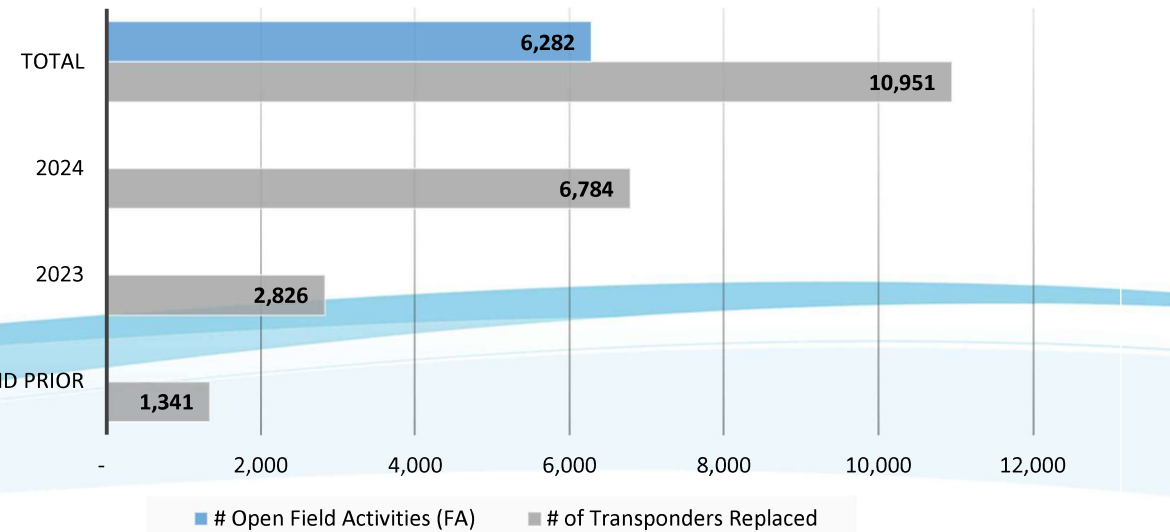
Transponder Replacement Highlights:

7,680 parts ordered on May 30, 2024

- 1,800 Expected to ship September 2024
- 1,800 Expected to ship October 2024
- 1,800 Expected to ship November 2024
- 2,280 Expected to ship December 2024

48% Replaced to date.
27% Awaiting parts.
25% Active; expected to fail

Transponder Replacement Progress (Calendar Year)



Department Of Water Budget Report for July 2024

	July 2024			Fiscal Year 2025			
	Budget	Actual	Variance	Year to Date Budget	Year to Date Actual	Variance	Variance %
Operating Revenue	\$ 2,765,742.00	\$ 2,386,656.39	\$ (379,085.61)	\$ 2,765,742.00	\$ 2,386,656.39	\$ (379,085.61)	(14.%)
Expenses							
Labor *	\$ 1,166,793.00	\$ 1,054,615.88	\$ 112,177.12	\$ 1,166,793.00	\$ 1,054,615.88	\$ 112,177.12	10.%
Services	1,341,633.30	240,269.98	1,101,363.32	1,341,633.30	240,269.98	1,101,363.32	82.%
Utilities & Materials	952,621.84	164,051.79	788,570.05	952,621.84	164,051.79	788,570.05	83.%
Total Operating Expenses	\$ 3,461,048.14	\$ 1,458,937.65	\$ 2,002,110.49	\$ 3,461,048.14	\$ 1,458,937.65	\$ 2,002,110.49	58.%
Debt Service Principal & Interest	4,816,517.00	4,506,401.29	310,115.71	4,816,517.00	4,506,401.29	310,115.71	6.%
Operating and Debt Expenses	\$ 8,277,565.14	\$ 5,965,338.94	\$ 2,312,226.20	\$ 8,277,565.14	\$ 5,965,338.94	\$ 2,312,226.20	28%
Net Income (Loss)	\$ (5,511,823.14)	\$ (3,578,682.55)	\$ 1,933,140.59	\$ (5,511,823.14)	\$ (3,578,682.55)	\$ 1,933,140.59	35.%

* Current month's labor is estimated

Capital Projects and Purchases**

	Fiscal Year Budget	July FYD 2025 Actual	Remaining Budget
Water Utility Funded Projects			
IT-Expansion Capital Purchases--	\$ 968,434.45	\$ 9,619.31	\$ 958,815.14
Projects with budget but no activity	22,931,461.87		22,931,461.87
	\$ 22,941,081.18	\$ 9,619.31	\$ 22,931,461.87
FRC Funded Projects			
Projects with budget but no activity	\$ 6,165,434.36		\$ 6,165,434.36
	\$ 6,165,434.36	\$ -	\$ 6,165,434.36
Build America Bonds Funded Projects			
Projects with budget but no activity	\$ 9,418,863.75		\$ 9,418,863.75
	\$ 9,418,863.75	\$ -	\$ 9,418,863.75
State Allotment Funded Projects			
WK-08-Kapaa Homesteads 2-0.5MG Tanks	\$ 2,400,000.00		\$ 2,400,000.00
WK-39, Kapaa Homesteads Well No. 4 Pump and Controls	2,400,000.00		2,400,000.00
PLH-27 Kūhiō Highway (Hardy-Oxford) 16' Main Replacement	2,500,000.00		2,500,000.00
	\$ 7,300,000.00	\$ -	\$ 7,300,000.00
State Revolving Funded Projects			
WK-08, Kapaa Homesteads 2.0 5MG Tanks	\$ 5,200,000.00		\$ 5,200,000.00
Yamada Tank Conn Pipe	6,926,518.00		6,926,518.00
	\$ 12,126,518.00	\$ -	\$ 12,126,518.00
Total Capital Projects	\$ 57,951,897.29	\$ 9,619.31	\$ 57,942,277.98

Selected Divisions

	July 2024			Fiscal Year 2025			
	Budget	Actual	Variance	Year to Date Budget	Year to Date Actual	Variance	Variance %
Engineering	\$ 881,339.59	\$ 210,872.11	\$ 670,467.48	\$ 881,339.59	\$ 210,872.11	\$ 670,467.48	76.%
Fiscal	245,832.78	196,635.03	49,197.75	245,832.78	196,635.03	49,197.75	20.%
Operations	1,561,895.28	701,028.00	860,867.28	1,561,895.28	701,028.00	860,867.28	55.%
	\$ 2,689,067.65	\$ 1,108,535.14	\$ 1,580,532.51	\$ 2,689,067.65	\$ 1,108,535.14	\$ 1,580,532.51	59%

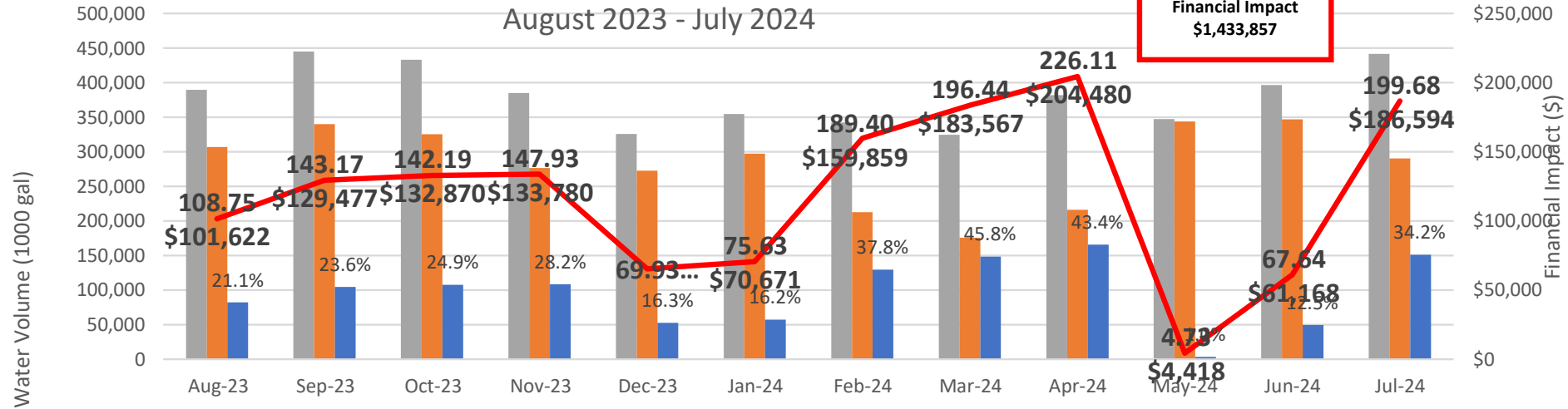


OPERATIONS DASHBOARD

Ops Highlights:

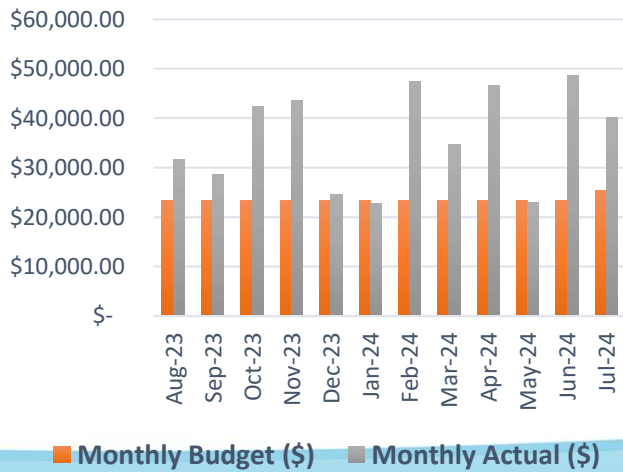
- Hired Electronics Tradesperson and interviewing for Assistant WPO. Recruiting for Water Meter Mechanic Helper and Plant Electrician Helper.
- Over 1,000 meter register/transponder sets replaced in June.
- Cartograph Backflow module implementation in progress.
- Ops annual inventory count completed. Training for OSHA requirements performed.

Monthly Water Audit
August 2023 - July 2024

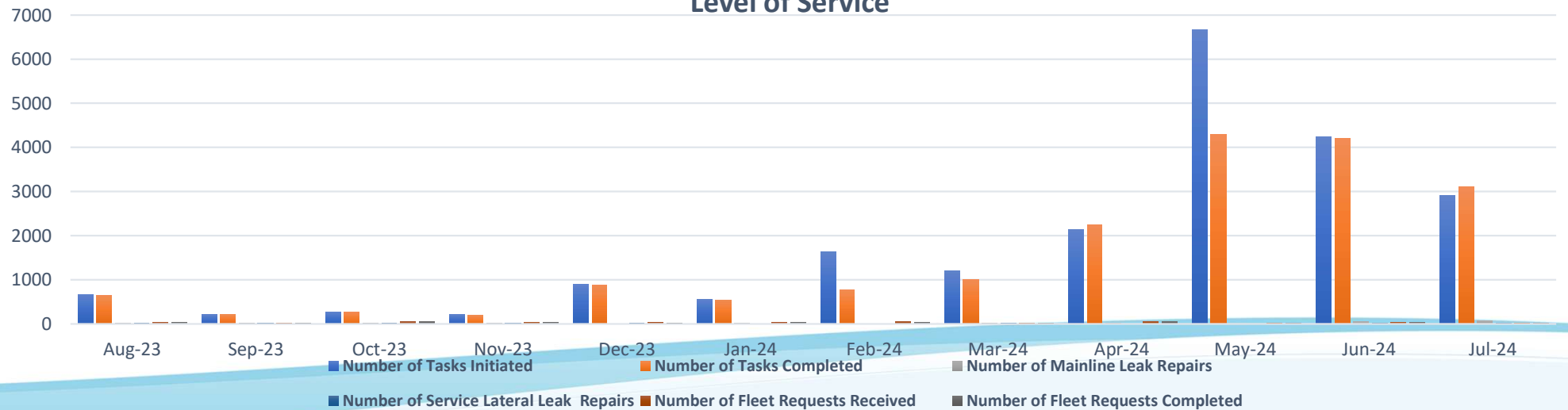


	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24
Produced (Kgals)	389,372	444,660	433,059	384,904	325,580	354,475	342,356	324,631	381,800	347,331	396,223	441,367
Customer Read (Kgals)	307,048	339,771	325,421	276,529	272,639	297,225	212,855	175,924	216,151	343,752	346,671	290,208
Non-Rev Water (Kgals)	82,324	104,889	107,638	108,375	52,941	57,250	129,501	148,707	165,649	3,579	49,552	151,159
Financial Impact	\$101,622	\$129,477	\$132,870	\$133,780	\$65,351	\$70,671	\$159,859	\$183,567	\$204,480	\$4,418	\$61,168	\$186,594

Overtime



Level of Service



OPERATIONS

	Last Month		Current Month		Previous FY		Current FY	
					Year to Date		Year to Date	
STAFFING								
Budgeted Staff Vacancies	49	10	49	10	50	7	49	10
OVERTIME								
Budget (\$) Actual (\$)	\$23,283.33	\$48,719.95	\$25,416.67	\$40,124.98	\$279,400.00	\$20,747.65	\$305,000.00	\$40,124.98
FLEET MANAGEMENT								
# of Vehicles Active per day	38		40		40		40	
# of Vehicles Active per month	725		880		880		880	
METER PROGRAM								
# of Existing Meters Replaced	262		164		1		164	
# of Existing Meters Repaired	1474		618		131		618	
# of New Meters Installed	3		4		9		4	
# of New Laterals Installed	1		1		3		1	

OPERATIONS



LEVEL OF SERVICE

	Last		Current		Previous		Current	
	Month	Month	Month	Month	FY YTD	FY YTD	FY YTD	FY YTD
# of Tasks Initiated	4235		2904		341		2904	
# of Tasks Completed	4204		3108		228		3108	
# of Mainline Leak Repairs	44		62		12		62	
# of Service Lateral Leak Repairs	23		22		11		22	
# of Calls for Service	197		210		185		210	
# of Temporary Hydrant Meters Installed	2		3		4		3	
# One Call Request Received Completed	25	31	27	20	84	84	27	20
# of Auto Shop Requests Received Completed	34	36	21	19	38	38	21	19
# of Hydrant Hits	0		2		3		2	

WATER AUDIT

	Last	Current Month	Previous	Current
	Month		FY YTD	FY YTD
Water Produced (Million Gallons)	396.223	441.367	413.260	441.367
Customer Meter Reading (Million Gallons)	346.671	290.208	296.300	290.208
Non-Revenue Water (Million Gallons)	49.552	151.159	116.960	151.159
Non-revenue %	13%	34%	28%	34%
Financial Impact	\$61,167.98	\$186,593.69	\$144,377.37	\$186,593.69



ENGINEERING DASHBOARD

	Last Month		Current Month		Previous FY Year to Date		Current FY Year to Date	
STAFFING								
Budgeted Staff Vacancies	24	4	24	4	23	6	24	4
OVERTIME								
Budget (\$) Actual (\$)	\$4,900	\$20,100	\$12,900	\$13,200	\$4,900	\$13,500	\$12,900	\$13,200

CIP Project Highlights:

- Kapa‘a Homesteads 325’ Tanks
 - Finalizing EA
- Pu‘u Pane 1.0 MG Tank
 - Issued Draft EA 7/23/24
- Kalāheo Water System Improvements Project
 - Poured floor of Yamada Tank on 8/5/24
- Kūhiō Highway (Hardy-Oxford) 18” Main Replacement
 - Anticipate Issuing IFB in August
- Hā‘ena 0.2 MG Tank
 - 95% design submitted 7/31/24
 - Performing Ka Pa‘akai Analysis
- Weke, ‘Anae, Mahimahi and He‘e Rds Main Replacement
 - NTP issued for 9/3/24
- Hanapēpē Town Well MCC, Chlorination Facilities
 - Issued IFB on 8/5/24
- Kuamo‘o Road Water Main Replacement
 - Amended contract to add section to ‘Ōpaeka‘a Falls Lookout and include final design

	Last Month		Current Month	
PROJECT MANAGEMENT				
DOW Projects In Design In Construction	30	6	30	6
Private Projects Design Approved In Construction	3	156	3	159
Private Projects Construction Completed	1		2	

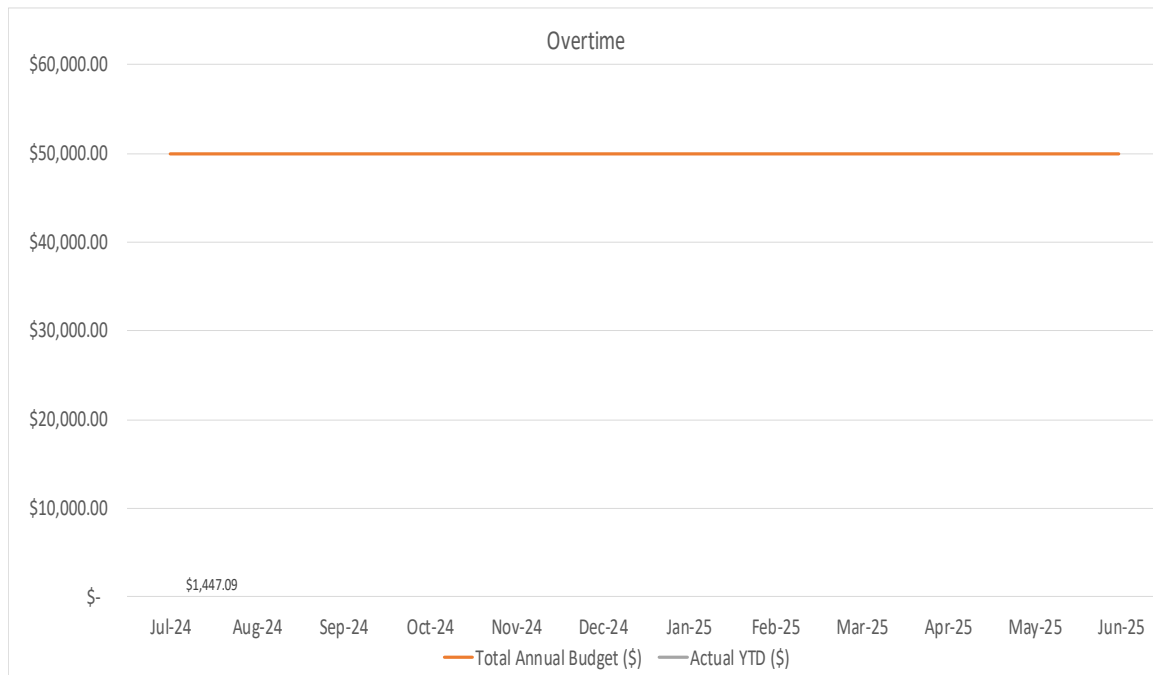
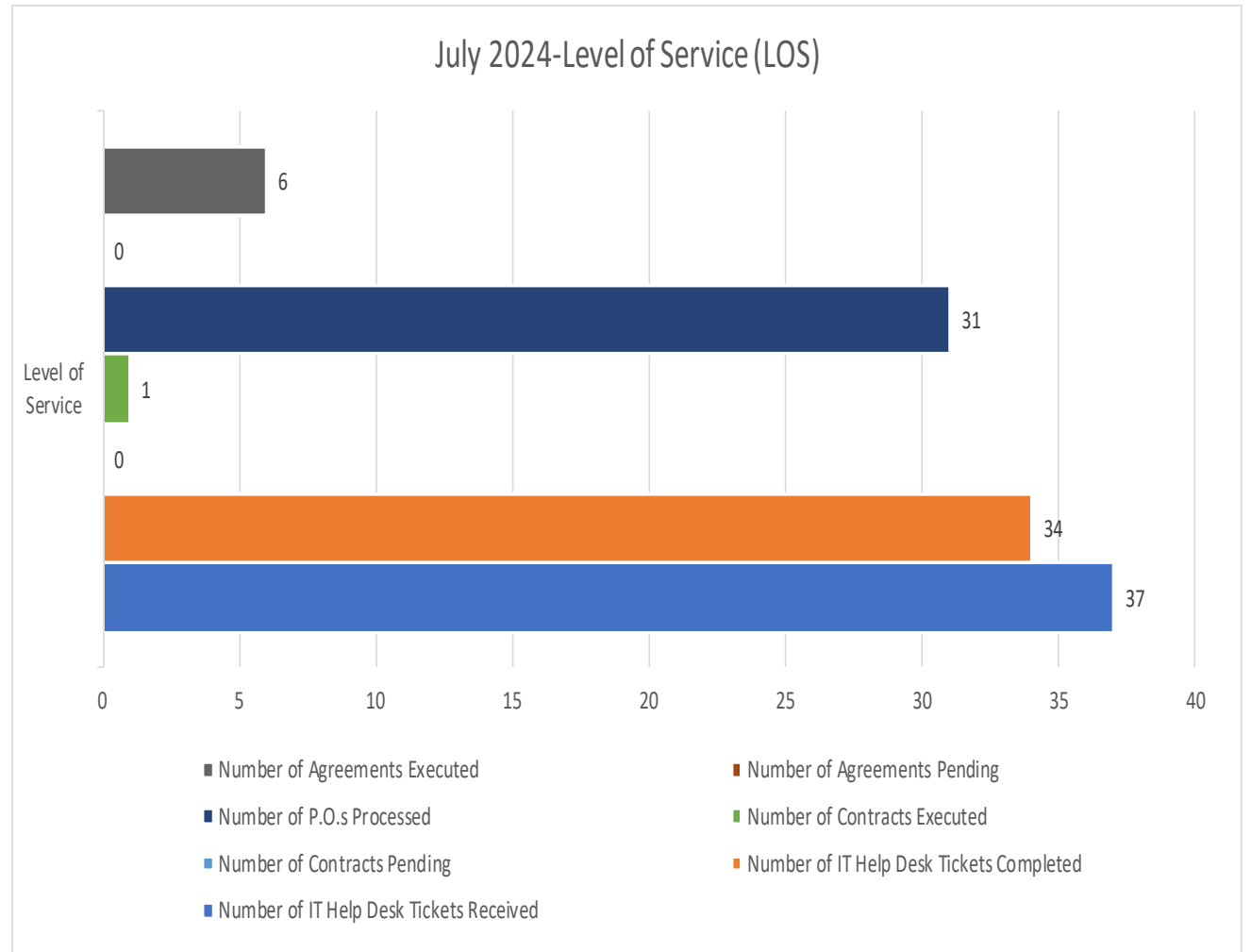
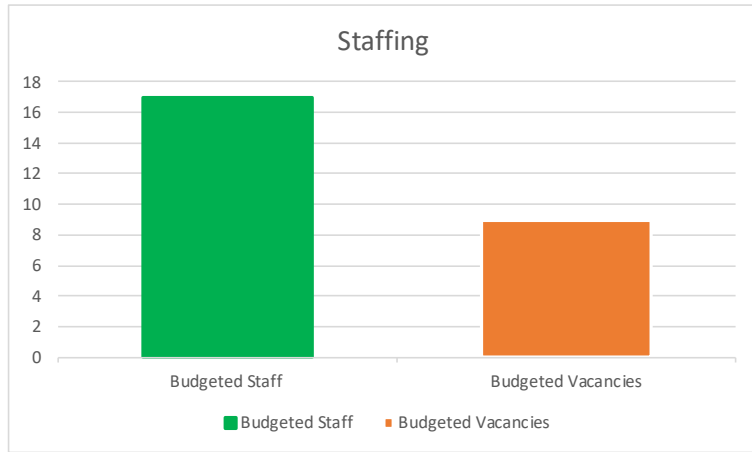
ENGINEERING DASHBOARD

	Last Month		Current Month		Previous FY Year to Date		Current FY Year to Date	
WATER RESOURCES AND PLANNING								
Number of Customer Requests Received Completed								
Subdivision Applications, Zoning, Land Use and Variance Permits	8	1	4	9	4	2	4	9
ADU/ARU Clearance Applications	0	0	5	6	2	5	5	6
Building Permits	110	159	145	123	162	138	145	123
Water Service Requests	19	15	25	18	22	11	25	18
Government Records Request	3	3	4	4	0	2	4	4
Backflow Inspection # of Devices Tested	130		197		88		197	

DOW Project Highlights:

- KWUDP Update
 - Brief CWRM Board in September
- Water System Improvements Plan (WSIP)
 - Evaluating CIP project list
 - Working on FRC update
- Lead and Copper Rule Revisions (LCRR) Update
 - Fieldwork completed
 - Finalizing inventory
 - Deadline to submit inventory is 10/16/24

ADMINISTRATION DASHBOARD



ADMINISTRATION

	Jun-24		Jul-24		Previous FY YTD		Current FY YTD	
STAFFING								
Budgeted Staff vs Vacancies (Admin-HR-IT-PR)	17	9	17	9	9	8	17	9
OVERTIME								
Budget (\$) vs Actual (\$)	\$ 4,166.67	\$ 3,377.63	\$ 4,166.67	\$ 1,447.09	\$ 50,000.00	\$ 90,108.95	\$ 4,166.67	\$ 1,447.09

	Jun-24		Jul-24		Previous FY YTD		Current FY YTD	
LEVEL OF SERVICES								
# of IT Help Desk Tickets Received Completed	29	28	37	34	43	22	37	34
# of Legal Claims Outstanding Resolved	3	1	0	0	0	0	0	0
# of Contracts Pending Executed	0	5	0	1	3	2	0	1
# of Purchase Orders Processed	28		31		32		31	
# of Agreements Pending Executed	5	5	0	6	1	2	0	6
# of MOU MOA Pending	0	0	0	0	0	0	0	0
# of MOU MOA Executed	0	0	0	0	0	0	0	0
# of Customer Remarks	0		1		0		1	
# of Customer Compliments	0		0		0		0	

Notes: DOW Dashboard data tracking started November 2022 & Legal claims are compiled quarterly as of March, June, September, & December

DEPARTMENT OF WATER

"Water has no Substitute – Conserve it!"

INFORMATION & EDUCATION SPECIALIST REPORT

August 15, 2024

Public Notices and Announcements

All news releases are sent to statewide media partners, published on the Department of Water's (DOW) Facebook page and 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 newspaper and radio stations and posted on the Department's Facebook page. Additionally, all roadwork notices are emailed to the Department of Transportation's (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>
07-11-2024 07-16-2024 07-25-2024 08-01-2024	Omao-Koloa	Water conservation notice for Omao-Koloa continues until further notice	June 6, 2024, from 10:30 a.m. until further notice	Kaua'i County Alerts
07-15-2024	Hanapepe, Waimea, Kekaha	Water conservation request issued from Hanapepe to Kekaha	July 15, 2024 from approx. 5 p.m.	Kaua'i County Alerts
07-16-2024	Hanapepe, Waimea, Kekaha	Water conservation notice lifted in Hanapepe, Waimea , Kekaha	July 16, 2024 at approx. 6 a.m.	Kaua'i County Alerts
07-16-2024	Kalaheo – Po'ohiwi Road	Water service shutdown rescheduled to July 23	July 23, 2024 from 9 a.m. to 1 p.m.	Kaua'i County Alerts
07-17-2024	Lihue – private property, Royal Sonesta Resort	Overnight water shutdown scheduled at Royal Sonesta Kauai Resort on July 24	July 24, 2024 from 11 p.m. to 2 a.m. on July 25	
07-19-2024	Lihue – DOW office	DOW office remains open with limited access to online services 12 p.m. update: DOW office resumes normal operations	July 19, 2024	
07-30-2024	KEKAHA – Koae Road	Water service shutdown on Koae Road for hydrant replacement	August 1, 2024 from 9 a.m. to 1:30 p.m.	Kaua'i County Alerts
07-31-2024	KALAHEO – Po'ohiwi Road, Pu'uwai Road, Kikala Road	Noise advisory on Aug. 5 for Kalaheo Water Systems Improvement Project	August 5, 2024 from 2 a.m. to 3:30 p.m.	Kaua'i County Alert
08-01-2024	KALAHEO – Po'ohiwi Road, Pu'uwai Road, Kikala Road	Partial lane and road closures extended on Pu'uwai Road through August 31	August 1-31, 2024	Kaua'i County Alert

Public Relations Programs

Community Outreach & Education and Conservation Program

- The Department of Water sponsored water bottles for more than 2,700 students at the community's Back to School Bash and free school supplies giveaway event held at Kukui Grove Center on July 13. The reusable water bottles were included in the school supplies bags that were distributed to students ages 5-17 years old. The department received recognition at the event as a school supply sponsor for the in-kind donation.
- The main lobby display for the month of August highlights the 2024 Water Quality Reports. Customers may pick-up a free copy of the water quality report, view it online or request a copy to be mailed to them.
- PR's Jonell Kaohelaui'i conducted a presentation for the EPA WaterSense program on Outreach and Education Programs on July 23. The online presentation was attended by the national partner network and offered information on the department's conservation programs, community outreach events and Project WET and the Make a Splash festival.

Advertising & Communications

- The Department's "Wise Water Wednesday" advertising awareness campaign for the month of August includes water conservation notice for Omao-Koloa customers, how to report a leak, billing services and water conservation tips. The weekly media campaign is posted on the Department's Facebook page, aired on local radio stations and published in the Garden Island Newspaper.

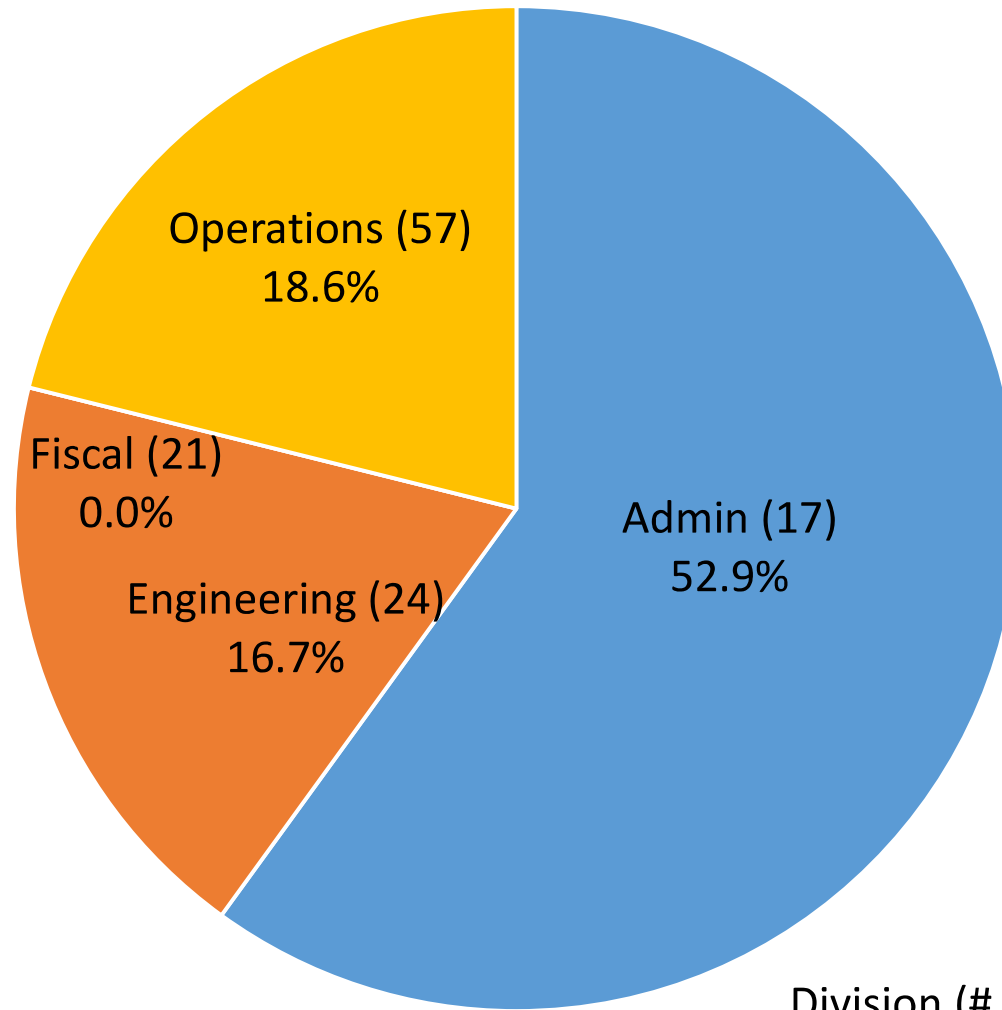
Upcoming Community Outreach & Educational Events

- Agricultural Day – August 17, 2024
- Make a Splash with Project WET Festival – September 20, 2024
- Ohana Fit Fest – September 28, 2024

Project WET (Water Education Today) Hawaii

- The annual Make a Splash with Project WET Festival is scheduled for Friday, Sept. 20, 2024. The department is currently seeking volunteers from the community for the event. As of this report date, 6 groups have been confirmed. Approximately 700 students are registered to attend this year's event.

% Vacancy Within Each Division Level



Division (# Auth) - % Vacant

CORRECTIVE ACTION PLAN

2023-001 IT General Control Deficiencies

The following items are addressed individually to show plan and movement on corrective action toward auditor's recommendation. The key to the colors below is:

- green text items were validated by an auditor;
- blue text items are complete, awaiting review, or may be recurring actions;
- olive text are items we have planned and are awaiting external pieces or more time for completion; and
- black text items have not yet been designed.

Logical Security

- Design and implement a formal process for management to monitor the effectiveness of security procedures to remove or disable access of terminated users to the Department's systems.

Schedule for Implementation:

An ADCUA from Division Heads is a formal process and a pre-notice to HR & IT communicating action regarding an employee. Employee is disabled in AD. The HR Coordinator posts a separation after the action takes place.

Completed 9/2023

An audit test to verify ADCUA, Tess' account termination, and Debra's Everyone notice were completed successfully. An improvement to this success would be to turn this into a work order whether in Cartegraph or another purchased system to show time stamps on progress.

We will clarify with auditor for missed passing criteria and determine a schedule for the process update.

We will create a checklist for account termination and investigate software tracking such as Cartegraph above. Although work was assigned and completed, IT will ensure there is an ADCUA trail as part of the checklist.

- Reevaluate the sufficiency of the Department's password security policies and reconfigure systems accordingly.

Schedule for Implementation:

Password security has been reviewed and implementation by group policy is now in line with current industry standards. **Completed 3/31/2023**

In communication with auditor for their definition of sufficient and reconfigure accordingly. Modifying group policy takes but a minute. We will notify employees of the change and apply the new policy.

- Design and implement formal policies and procedures over domain administrator and other privileged accounts.

Schedule for Implementation:

We will classify domain administrator and other domain privilege elevation as an event requiring an ADCUA. Changes will be reported at ITSC meetings starting August. As of 7/11, no changes. *Scheduled to start 8/2024.*

- Design and implement a formal security awareness training program for employees.

Schedule for Implementation:

The production security awareness training began on 4/10. As of 5/9 pm, 20 of 96 employees have completed their training campaign. We will complete a small number of cycles each year, including attack simulations. Training courses run from 1-45 minutes. *Completed, Ongoing since 3/2024.*

- Appropriately update systems to ensure vendor support and maintenance.

Schedule for Implementation:

Inventory software and applications, current and modern version, term expiration date. Save this information in the database provided by 2023-004. Devise technical paths to upgrade or replace Department software tools such as we did for GP, SQL, and WorkPlace. Then, work on procurement strategy to complete each task.

- The Department has completed several vulnerability assessments performed by independent contractors and external third-parties. Management should carefully review the findings from these assessments and develop a plan to prioritize and address the findings.

Schedule for Implementation:

Contract regular third-party vulnerability testing. Depending on Section priorities, resolve issues from the top. We'll need external resources to address many upcoming findings. We have applied for CISA vulnerability testing. Contract not complete.

Change Management

- Implement formal policies and procedures to ensure changes to production are consistently and appropriately authorized, tested, accepted, and tracked.

Schedule for Implementation:

Changes to production software and applications are likely implemented by consultants. System users need to prioritize workflow and create user acceptance test scripts including data entry and expected results. Success and failure must be defined with implementors.

If we update software on our own, we will document reasons for change, list the design or workflow changes, and define success or fallback positions. If working from a known broken state, change may be less formal. ***No schedule. When the first one is documented, we critique, establish standards, and move on from there. By the time we reach a period of stability and small changes, we will be more skilled at consistent documentation.***

2023-004

Improve Procedures to Identify and Account for Contracts

- Management will design, implement, and monitor collection, additions, changes to and elimination of Department contracts and agreements to ensure staff efficiency through utilization of a one-source database.

Schedule for Implementation:

This task was jointly owned by the Fiscal Division for assisting Contracts Officer to coordinate the assemblage of all DOW Contracts, Leases, Agreements, and Licenses for inclusion into an IT-populated database that would be globally utilized within DOW to access and track when legal documents need renewing, expiring, transferring, updating, and/or replacing. Fiscal was to assemble the various areas of subject matter documents from each Division, screen and confirm the documents were current and valid, and provide the final, cleared documents to IT for inclusion into the global database for employee use. Fiscal has posted RFP #IT-2025-01 for this software/service and is answering vendor queries.

Procuring 8/2024.

DEPARTMENT OF WATER

County of Kaua‘i

“Water has no substitute – Conserve It!”

MANAGER’S UPDATE

August 15, 2024

Pursuant to Board Policy No. 3

**1. 3RD YEAR AUDIT FOR CONTRACT NO. 724 WITH N&K CPAs, INC.
ANNUAL AUDIT FOR FISCAL YEARS ENDING JUNE 30, 2022, JUNE 30, 2023,
JUNE 30, 2024, JUNE 30, 2025, AND JUNE 30, 2026**

RECOMMENDATION:

It is recommended that the Manager approve the 3rd Year Audit for Contract No. 724 with N&K CPAs, Inc. to conduct the financial audits of the Department of Water’s Financial Statements for its 3rd Fiscal Year FY ending June 30, 2024.

FUNDING:

Account No.	10-31-10-540-020		
Acct Description	WU/Acctg/Admin/Accounting and Auditing (Auditor)		
Funds Available	<i>Verified by WWC</i>		\$98,000.00
Contract No.	724		
Vendor	N&K CPAs, Inc.		
	Contract Amount (FY 2022)	\$107,800.00	
	5% Contingency	\$N/A	
	2 nd Year Audit	\$95,900.00	
	Total Funds Certified To Date	\$203,700.00	
3rd Year Audit:			
	Annual Audit for the 3 rd Fiscal Year (FY) Ending June 30, 2024	\$98,000.00	
	Total for 3 rd Year Audit	\$98,000.00	<\$98,000.00>
	Contract Amount To Date	\$301,700.00	

BACKGROUND:

Contract NTP Date: June 28, 2022
 Original Contract End Date: June 26, 2027
 New Contract End Date: N/A

The DOW entered into Contract No. 724, with N&K CPAs, Inc. to provide financial audit services for the Department of Water for fiscal years ending June 30, 2022, 2023, 2024, 2025, and 2026.

<u>Fiscal Year</u>	<u>Recurring Audit</u>	<u>Single Audit</u>	<u>Total Proposed Fees</u>
2022	\$88,000	\$19,800	\$107,800
2023	\$76,000	\$19,900	\$ 95,900
2024	\$78,000	\$20,000	\$ 98,000
2025	\$80,000	\$20,100	\$100,100
2026	\$82,000	\$20,200	\$102,200

These fees include normal out-of-pocket expenses and are inclusive of Hawaii general excise taxes. The above fee represents the all-inclusive amount that will be charged for the financial and single audits for each year.

We have reviewed the breakdown of the estimated hours, rate of pay and out-of-pocket costs shown by N&K CPAs, Inc. We find the fees to be reasonable and are commensurate with the level of experience and effort required to complete the 3rd year audit engagement.

CONVEYANCE OF WATER FACILITIES NONE