BOARD OF WATER SUPPLY of the COUNTY OF KAUA‘I

REGULAR MEETING
Second Floor, Kaua‘i County Department of Water
4398 Pua Loke Street, Līhu‘e, Kaua‘i, Hawai‘i 96766

FRIDAY, FEBRUARY 24, 2017

10:00 a.m.
Or soon thereafter

A. CALL TO ORDER

B. ROLL CALL

C. ACCEPTANCE OF AGENDA

D. MEETING MINUTES
Review and approval of:
Regular Board Meeting – January 27, 2017

Review and approval of Executive Session:
Executive Session – January 27, 2017

E. CORRESPONDENCE/ANNOUNCEMENTS
1. Correspondence from Mr. Royce Kawabata and Ms. Shawn Shimabukuro, Grove Farm Company regarding Wailaau Water System, dated January 27, 2017

F. BOARD COMMITTEE REPORTS

G. OLD BUSINESS
1. Manager’s Report No. 16-38 – Discussion and Possible Action on the Proposed Rule Amendments to Part 5, Facilities Reserve Charge Section III, Applicability relating to Multi-Family Dwelling Units and Affordable Housing Units

(Note: The current and proposed rule amendment may be viewed in person at the Department of Water office building located at 4398 Pua Loke Street, Lihue. The current and proposed Rule may be accessed on the Department’s website kauaiwater.org, the current rule may be found under Rules and Regulations and the proposed rule is in the Agenda under the February 24, 2017 Board Agenda.)

H. NEW BUSINESS

1. **Manager’s Report No. 17-27** - Request Board Approval of Resolution No. 17-06, (2/17), Employee of the Year, Craig Shirai, Lead Pipefitter, Operations Division

2. **Manager’s Report No. 17-28** – Request Board Approval of Resolution No. 17-07, (2/17), Employee of the Year, Mary-jane “MJ” Akuna, Private Secretary, Administration Division


4. **Manager’s Report No. 17-30** – Discussion and Possible Action to Request additional funds to proceed with Phase II of CC&B implementation in the amount of $218,620

5. **Manager’s Report No. 17-31** - Discussion and Possible Action for the Board of Water Supply (Board) to enter into a Memorandum of Agreement with the County of Kaua‘i, Department of Public Works for Job No. 15-07, Water Plan 2020 No. HE-10 Hanapēpē Road 6-Inch Main Replacement, Hanapēpē, Kaua‘i, Hawai‘i

6. **Manager’s Report No. 17-32** - Discussion and Possible Action to approve a Right of Entry from multiple owners that will allow the Department of Water to upgrade aging water lines along the privately owned roadways affecting land owners at Lāwa‘i and Omao, Kaua‘i, Hawai‘i:
   b. Helene Carvalho, Randal G. Silva, Helen P. Silva Trust, Clyde J. Silva Revocable Living Trust, and Kauai View Estates, LLC, TMK: (4) 2-5-10:039;

NOTE: If you need an ASL Interpreter, materials in an alternate format, or other auxiliary aid support, please contact Edie at 245-5406 or email eineumiller@kauaiwater.org at least seven (7) calendars day before the meeting.
H. NEW BUSINESS (cont’d)

7. **Manager’s Report No. 17-33** - Discussion and Possible Action to approve a Right of Entry from multiple owners that will allow the Department of Water to enter private property to relocate water meters from private property to the right of way on TMK: (4) 5-3-05:002; (4) 5-3-07:011; (4) 5-3-07:021, for Job No. 10-01, WP2020 Project No. ANI-01b at Kīlauea, Kaua‘i, Hawai‘i

8. **Manager’s Report No. 17-34** - Discussion and Possible Action to approve a Right of Entry from No Ka Oi West LLC that will allow the Department of Water to install a new water main affecting land owner:
   a. No Ka Oi West LLC, on TMK: (4) 2-1-002:001, for Job No. 15-07, WP2020 Project No. HE-1 (Water System Reorganization) ‘Ele‘ele, Kaua‘i, Hawai‘i

9. **Manager’s Report No. 17-35** - Discussion and Possible Action to enter into a Memorandum of Understanding between the County of Kaua‘i, Department of Water and State of Hawai‘i, Department of Transportation regarding the Līhu‘e Baseyard Final Inspection

I. STAFF REPORTS

MONTHLY

1. Discussion and Receipt of the Kaua‘i County Water Department’s Statement of Revenues and Expenditures
   a. January Monthly Summary Budget
   b. Accounting Policies Re-descriptions

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

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

4. Discussion and Receipt of the Manager and Chief Engineer’s Monthly Update Regarding Activities of Note of the DOW
   a. Report of the BAB pay down as of January 2017

J. EXECUTIVE SESSION

**Pursuant to H.R.S. §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 H.R.S. §92-4 and shall be limited to those items described in H.R.S. §92-5(a).**

1. **Pursuant to Hawai‘i Revised Statutes (HRS) Section 92-4, 92-5(a)(4), the purpose of this executive session is to review executive session minutes dated January 24, 2017. This consultation involves the consideration of the powers, duties, privileges, immunities, and/or liabilities of the Board and the Department as they relate to this agenda item.**

K. TOPICS FOR NEXT WATER BOARD MEETING (March 2017)

1. Draft Budget for Fiscal Year 2017-2018
   a. Fiscal Year 2017 - 2018 – Draft Operating Budget
   b. Fiscal Year 2017 - 2018 – Draft Capital Outlay Budget

2. Quarterly Report on Manager’s Goals
L. **TOPICS FOR FUTURE WATER BOARD MEETINGS**
1. Discussion and Possible Action on Board Policy regarding Proposed Delegation of a Meter Restriction
2. Discussion and Possible Action on Proposed Board Policy for Delegating Routine Actions from the Water Board to the Department of Water’s Manager and Chief Engineer regarding Right of Entry
3. Discussion and Possible Action on a Right of Entry Agreement for a portion of the Department of Water’s Koloa 1.0 MG Tank site, TMK: (4) 2 7-003:008, Lot 426, affecting the following:
   a. Kauai Island Utility Cooperative (KIUC), TMK: (4) 2-7-003:008, Koloa, Kaua’i, Hawai’i
4. Workshop presentation regarding the Long Range Plan of the Department of Water’s former Administration Building

M. **UPCOMING EVENTS**
1. AWWA Annual Conference, Philadelphia, PA *(June 11 - 14, 2017)*
2. Hawai’i State Association for Counties *(June 19-20, 2017, Kōloa Landing Resort)*
3. Project Wet – Make A Splash *(September 28, 2017)*
4. HWWA & HRWA Conference, Hawai’i, HI *(November 1 – 3, 2017)*

N. **NEXT WATER BOARD MEETING**
1. Friday, March 24, 2017, 10:00 a.m.
2. Friday, April 28, 2017, 10:00 a.m.
3. Friday, May 26, 2017, 10:00 a.m.
4. Friday, June 23, 2017, 10:00 a.m.

O. **ADJOURNMENT**
Draft Minutes
MEETING MINUTES
BOARD OF WATER SUPPLY
Friday, January 27, 2017

The Board of Water Supply, County of Kaua‘i, met in regular meeting at the Board Conference Room in Līhu‘e on Friday, January 27, 2017. Vice Chair Laurie Ho called the meeting to order at 10:03 a.m. The following Board members were present:

BOARD: Ms. Laurie Ho, Vice Chair
Mr. Lyle Tabata
Mr. Thomas Canute
Ms. Beth Tokioka
Mr. Larry Dill
Mr. Michael Dahilig (entered meeting at 10:09 a.m.)

EXCUSED: Mr. Sherman Shiraishi, Chair

Quorum was achieved with 5 members present at the time of roll call.

STAFF: Mr. Kirk Saiki
Mr. Eddie Doi
Mr. Val Reyna
Ms. Anne Parrott
Mr. Keith Aoki
Deputy County Attorney Mahealani Krafft
Mr. Dustin Moises
Mr. Chris Nakamura
Ms. Regina Flores
Mr. Carl Arume
Ms. Kim Tamaoka
Ms. MJ Akuna

GUEST(s): Mr. Hall Parrott – Private Citizen
Ms. Shawn Shimabukuro – Grove Farm Company
Mr. Royce Kawabata – Grove Farm Company
Mr. Tyler Navarro – Kodani & Associates Engineers

ACCEPTANCE OF AGENDA
Vice Chair Ho suggested to move the Item J. Executive Session before Adjournment.

Mr. Tabata moved to approve the reorder of the Agenda by Chair Ho to move the Item J. Executive Session before Adjournment; seconded by Ms. Tokioka; with no objections, motion carried with 5 ayes.

D. MEETING MINUTES
Review and approval of:
Regular Board Meeting – December 23, 2016

Mr. Dill referenced page 12 of the minutes:

➢ Manager will provide all of the accounting policy re-descriptions that the Department should have (i.e., what does it entail and what is needed) by the next Board meeting. Manager Saiki commented that the accounting policy re-descriptions will be ready by the February Board meeting

At 10:09 a.m., Mr. Dahilig entered the meeting.

Mr. Tabata moved to approve as amended the Regular Board Meeting minutes of December 23, 2016; seconded by Ms. Tokioka; with no objections, motion carried with 6 ayes.
Review and approval of Executive Session:
Executive Session – December 23, 2016

Mr. Tabata moved to approve the Executive Session minutes of December 23, 2016; seconded by Ms. Tokioka; with no objections, motion carried with 6 ayes.

E. CORRESPONDENCE/ANNOUNCEMENTS
Vice Chair Ho welcomed new Board member Mr. Tom Canute and for volunteering for the Finance Committee.

F. BOARD COMMITTEE REPORTS
None.

At 10:11 a.m., Mr. Dill exited the meeting.  
At 10:12 a.m., Mr. Dill re-entered the meeting.

G. OLD BUSINESS
1. Manager’s Report No. 16-46 - Discussion and Receipt on the Memorandum of Understanding with the Board of Water, County of Kaua’i between Keith P. Robinson and Bruce B. Robinson for the Existing Hā’ena 100,000 Gallon Storage Tank, Existing Hā’ena 6,500 Gallon Storage Tank, Existing Wainiha Booster Pump Station, Proposed Hā’ena 200,000 Gallon Storage Tank (WP2020 Project No. HW-11), and Proposed Wainiha Well #4 (WP2020 Project No. HW-12, Job No. 05-02), TMK: (4) 5-8-002:003, Hā’ena, Kaua’i, Hawai’i (Update No. 2)

BACKGROUND:
Manager Saiki recommended that the Board receive the updated Memorandum of Understanding which was previously approved by the Board on March 31, 2016.

DISCUSSION:
Civil Engineer Mr. Aoki has been working with Mr. Keith Robinson on the negotiation of the MOU. Keith’s brother Bruce added two more items on the MOU which were highlighted in red in the report packet. The Department is in agreement on the proposed additions. Deputy County Attorney Ms. Krafft explained the clarifications that Mr. Robinson requested.

Mr. Dahilig moved to receive and ratify the changes in the Memorandum of Understanding with the Board of Water, County of Kaua’i between Keith P. Robinson and Bruce B. Robinson for the Existing Hā’ena 100,000 Gallon Storage Tank, Existing Hā’ena 6,500 Gallon Storage Tank, Existing Wainiha Booster Pump Station, Proposed Hā’ena 200,000 Gallon Storage Tank (WP2020 Project No. HW-11), and Proposed Wainiha Well #4 (WP2020 Project No. HW-12, Job No. 05-02), TMK: (4) 5-8-002:003, Hā’ena, Kaua’i, Hawai’i (Update No. 2); seconded by Ms. Tokioka; with no objections, motion carried with 6 ayes.

H. NEW BUSINESS
1. Manager’s Report No. 17-23 – Discussion and Possible Action to approve a Right of Entry Agreement from McBryde Sugar Company LLC that will allow the Department of Water to locate a booster pump and water line affecting land owner:
   a. McBryde Sugar Company, LLC, TMK: (4) 2-1-001:003, for WP2020 Project No. HE-1 (Water System Reorganization) Eleele, Kaua`i, Hawai`i

BACKGROUND:
Manager Saiki recommended the Board approve the Right of Entry Agreement.
Mr. Dahilig moved to approve a Right of Entry Agreement from McBryde Sugar Company LLC that will allow the Department of Water to locate a booster pump and water line affecting land owner: a. McBryde Sugar Company, LLC, TMK: (4) 2-1-001:003, for WP2020 Project No. HE-1 (Water System Reorganization) Eleele, Kaua‘i, Hawai‘i; seconded by Mr. Dill; with no objections, motion carried with 6 ayes.

2. **Manager’s Report No. 17-24** – Discussion and Possible Action for Board approval to Request for State of Hawai‘i, Department of Land and Natural Resources Application Form to obtain an Executive Order for the Clearwell Tank site as part of the Kalāheo Water Improvements Project, Package B – 0.5 MG Clearwell Reservoir, Kalāheo, Kaua‘i, Hawai‘i

Mr. Dahilig moved to approve the Request for State of Hawai‘i, Department of Land and Natural Resources Application Form to obtain an Executive Order for the Clearwell Tank site as part of the Kalāheo Water Improvements Project, Package B – 0.5 MG Clearwell Reservoir, Kalāheo, Kaua‘i, Hawai‘i; seconded by Mr. Dill; with no objections, motion carried with 6 ayes.

3. **Manager’s Report No. 17-25** - Discussion and Possible Action on Grant of Easement for Wailaaau Road Water Line, Koloa, Kaua‘i, TMK: (4) 2-8-04:01, Līhu‘e, Kaua‘i, Hawai‘i, affecting the Following Landowner:
   a. Grove Farm Properties, Incorporated, affecting TMK(s): (4) 2-8-04:01, Lihue, Kaua‘i, Hawai‘i

**BACKGROUND:**
Manager Saiki recommended approval on the Grant of Easement for Wailaaau Road Water Line, Koloa, Kaua‘i, TMK: (4) 2-8-04:01, Līhu‘e, Kaua‘i, Hawai‘i, affecting the Following Landowner: a. Grove Farm Properties, Incorporated, affecting TMK(s): (4) 2-8-04:01, Lihue, Kaua‘i, Hawai‘i.

Mr. Dill moved to approve the Grant of Easement for Wailaaau Road Water Line, Koloa, Kaua‘i, TMK: (4) 2-8-04:01, Līhu‘e, Kaua‘i, Hawai‘i, affecting the Following Landowner: a. Grove Farm Properties, Incorporated, affecting TMK(s): (4) 2-8-04:01, Lihue, Kaua‘i, Hawai‘i; seconded by Ms. Tokioka; with no objections, motion carried with 6 ayes.

4. **Manager’s Report No. 17-26** – Discussion Possible Action on the Conveyance of Water Facility from Grove Farm Company, Incorporated, for the Wailaaau Road Water Line, TMK: (4) 2-8-02: Kōloa, Kaua‘i Hawai‘i

**DISCUSSION:**
Mr. Dahilig asked if the Conveyance of Water Facility is a condition of approval. Was there an action based on an issued permit? Construction Project Management Officer Mr. Moises explained Board Policy 24 requires a Manager’s Report for conveyances exceeding $500,000. Grove Farm is taking their existing private system off the Department’s system and becoming a Department of Water (DOW) customer so that they could have a mainline extension connected to DOW. Chief of Water Resources and Planning Mr. Doi said Grove Farm will be getting new meters.

Mr. Dahilig asked if the homes on the private system will receive maintenance on the private system. Mr. Doi explained when Grove Farm reconnects, they will eventually terminate the private service. Manager Saiki added Grove Farm will not have any responsibility on the private system. Mr. Moises explained once the new Department meters are dropped in, the service for the homes on the private system will be disconnected (abandoned).
The main concern Mr. Dahilig had was if there would be any liability on the infrastructure when the Department takes over service. He wanted to prevent complaints with abandoned pipelines.

Testimony was allowed for the public.

Ms. Shawn Shimabukuro, Grove Farm Company provided her testimony.

Ms. Shimabukuro explained the private system belongs to Knudsen Trust. Grove Farm will cut and plug the system once the connection is on the Department’s source; the mainline will be abandoned. The line in the back that services the homes will be left as is. Knudsen Trust will take over their Kōloa water system. DOW’s source is coming from the front of the house. Mr. Doi said an agreement was entered with each homeowner.

DISCUSSION:
Mr. Dahilig was comfortable with the explanation as long as it does not create an environmental liability.

Mr. Moises clarified the pipe was never owned by DOW because it was on private property and would not create a liability for DOW. The new line was connected to the DOW’s system last Tuesday. There are 19 connections serving 24 homes.

Ms. Shimabukuro thanked the staff, Eddie, Dustin and Keith and working with them has been great on this challenging project. Mr. Moises also thanked Grove Farm for adding 19 new customers.

Mr. Dill moved to approve Discussion Possible Action on the Conveyance of Water Facility from Grove Farm Company, Incorporated, for the Wailau Road Water Line, TMK: (4) 2-8-02: Kōloa, Kaua'i Hawai'i; seconded by Mr. Canute; 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. December Monthly Summary Budget

DISCUSSION:
Mr. Dill inquired on the disparity on the Capital Project Budget of $20.9M vs. Actual of $1.6M as of December 2016. Manager Saiki explained no capital projects have been built which have been in design a long time. The allocated $20M was projected to be spent this fiscal year. The funds come from different sources of capital projects, bond money funded by the customer and Facilities Reserve Charges (FRC) rates. Mr. Dill urged the Department to get the projects out.

Ms. Tokioka asked if the budget amount will be spent by the end of this year. Manager Saiki said the Department will not spend the $20M which is partly due to staffing up. Getting the projects done is not only by internal staff. Manager Saiki answered Mr. Canute’s question regarding the capital project amount not spent which will be carried over to the next fiscal year. Manager Saiki is trying to be transparent by telling the Board the Department completed 1 project or 20 projects. In the past, to satisfy the Board, a project list was provided by the Manager.

Ms. Tokioka asked what was the $118.8K other water revenue projections for? Will this continue? Per Ms. Yano, they were for small DOW projects, water connections and meter installations for customers and it depended on the number of water applications received. The FRC applications were down this year and in the coming year, installations may slow down.
Mr. Dahilig moved to receive the Discussion and Receipt of the Kaua‘i County Water Department’s Statement of Revenues and Expenditures, b) December Monthly Summary Budget; seconded by Mr. Dill; with no objections, motion carried with 6 ayes.

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

BACKGROUND:
Information and Education Specialist Ms. Tamaoka highlighted the following:
1. The future print ad and informational brochure are being updated which coincides with IT and Fiscal’s new billing system regarding online services and payment. No launch date set for online services.

DISCUSSION:
Mr. Dahilig asked if there is an anticipated water shut down, what is the general practice when the public is notified on shutdowns? Ms. Tamaoka explained a work order is generated, Ops tells her who is affected, a press release is sent out one (1) week in advance and a mass notification is sent out through the County’s Connect CTY

Mr. Dahilig explained there may be feedback from the public of when they are notified and that the notice is not enough time to plan for a shut down. The public notice should be sent out well in advance.

Deputy County Attorney Mr. Krafft mentioned if the Board would like more information on how to notify the public, it would have to be an agenda item.

Ms. Tamaoka said chlorinating water is done two (2) weeks in advance. Once the results of the chlorination passes, the notice of the shutdown is done one (1) week in advance. Manager Saiki could work on how to get notices out better such as the upcoming Hanamā'ulu shutdown.

Mr. Dahilig asked Ms. Tamaoka to add on the notice “this is a health and safety matter.” The public has a misconception that closing lanes or shutting water systems is not responsive to health and safety matters.

Mr. Dahilig moved to receive the Report by the Information and Education Specialist on Public Relations Activities; seconded by Mr. Canute; with no objections, motion carried with 6 ayes.

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

BACKGROUND:
Chief of Operations Mr. Reyna highlighted the following:
1. Completed upgrade in December on the Supervisory Control & Data Acquisition (SCADA) communications in Wainiha and Princeville. Operations now has an FCC license for high frequency radios for that subsystem.
2. Water Loss for calendar year 2016 is 12.5% within the industry standard. Next year’s goal is 10%. Operations is working with the Rural Water Association who helped deploy their leak detection equipment and an equipment supplier who detected water loss in Kekaha last week. A long running water leak was detected by the leak detection devices. Kekaha has more than 15% water loss and Operations will concentrate on this area. Operations has its own leak detection equipment and plans to purchase more. When Operations receives the leak reports, Mr. Reyna
compares the Department’s production with the billing to concentrate on areas with non-revenue water (water loss). Audits are done every year which is a State law.

Mr. Dill moved to receive the Chief of Operation’s Summary Report on Operational Activities; seconded by Ms. Tokioka; with no objections, motion carried with 6 ayes.

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

BACKGROUND:
Manager Saiki provided the following highlights:
1. Transfer of Salary Funding within the DOW’s Engineering Division in the amount of $46,139 – Funding is transferred from a CE II to acquire a CE V.
2. Recruitment and Position Actions – Deputy Manager position – closed January 17th. Department of Human Resources is reviewing the applications and interviews will be scheduled. Accountant I position – filled to assist with the new billing system.

Mr. Dahilig moved to receive the Manager and Chief Engineer’s Monthly Update Regarding Activities of Note of the DOW; seconded by Mr. Dill; with no objections; motion carried with 6 ayes.


Mr. Dahilig moved to receive the Report of the BAB pay down as of December 2016; seconded by Mr. Dill; with no objections; motion carried with 6 ayes.

QUARTERLY (October – December 2016)
1. Discussion and Receipt of the DOW’s Quarterly Project Status Update
   a. Construction Management Division Status

BACKGROUND:
Mr. Moises summarized the Executive Summary for Construction Management (CM):
1. Connected Halewili waterline for the new building.
2. Started construction on Kōloa Well D.

Since Mr. Moises has been more engaged with the design team, he has a better gauge of what projects are coming out of design. There are imminent design projects coming on line (page 111). DOW’s CM could only procure 6 projects a year and every other month because there is not enough staff to manage the 6 capital projects and private projects. The design projects will be shown in the CM budget for next year. Bidding out on projects will begin in April. Between April and December and every other month, five (5) projects will be coming out.

DISCUSSION:
Mr. Dill was encouraged to see the projects coming out and thanked Mr. Moises and Mr. Aoki on their efforts. Mr. Dill asked if Mr. Moises is outsourcing CM jobs. Mr. Moises said there is one CM contract for two (2) years. His crew is picking up another contract so that he can overlap two (2) on-call CM’s if needed. If four or five projects are done a year ($20M), Mr. Moises could work on projects with the as needed CM’s but could later come back to the Board for one (1) full time position.

Mr. Dill moved to receive Construction Management Division Quarterly Status Update; seconded by Mr. Canute; with no objections; motion carried with 6 ayes.
b. Engineering Division Design Status

**BACKGROUND:**
Mr. Aoki provided an update on the imminent design projects as follows:
1. 'Anini & Kaliihiwai Road phase II – design should be done soon.
2. Replacement of the Grove Farm tanks – design should be done next month; final check on permitting is with the County.
3. Kōloa Well 16” Repair – plans are approved; use permit application will be done soon.
4. Hanapēpē Replacement Pump – plans to be submitted Tuesday; final plans submittal will be approved soon.
5. Kapa’a Homestead Tank and Kapa’a Homesteads project – There has been a long negotiation period regarding the drainage from the site. The landowner did not want to accept the additional water drainage, so another water drainage will have to be located and addressed.

Mr. Dill moved to receive the Engineering Division Design Quarterly Status Update; seconded by Ms. Tokioka; with no objections; motion carried with 6 ayes.

c. Water Resources & Planning Division Status

**BACKGROUND:**
Mr. Doi stated the Water Use Development Plan sustainable numbers were provided. The consultant has been working on a draft on the larger system.

Mr. Dahilig acknowledged Mr. Doi and the Water Resources & Planning Division which has been very accommodating and open with communication.

Mr. Dill inquired about the yielded numbers from last year’s numbers. Mr. Doi said the numbers went up but more studies had to be done. Manager Saiki added the sustainable yield went up but then was cut in half, and is still below the sustainable yield for the island which is based on how the consultant does their studies.

Mr. Dill noted the water restriction policies (page 139), and asked if some of the projects that anticipated Notice To Proceed (NTP) will allow the Department to release some restrictions. Mr. Doi said there will be some restrictions in Kapa’a Homestead and Wainiha.

Mr. Dahilig moved to receive Water Resources & Planning Division Quarterly Status Update; seconded by Mr. Dill; with no objections; motion carried with 6 ayes.

K. **TOPICS FOR NEXT WATER BOARD MEETING (February 2017)**

1. Employees of the Year Resolution
2. Workshop presentation regarding the Financial Management Planning and Water Rate Analysis for the Department of Water, an update by Raftelis Financial (*8 am – 11 am*)
3. Discussion and Possible Action on Financial Management Planning and Water Rate Analysis for the Department of Water, an update by Raftelis Financial (**Start Board Meeting @ 10 am or soon thereafter**)
4. Discussion and Possible Action on the Accounting Policy Re-descriptions
5. *Manager’s Report No. 16-38* – Discussion and Possible Action on the Proposed Rule Amendments to Part 5, Facilities Reserve Charge Section III, Applicability relating to Multi-Family Dwelling Units
L. **TOPICS FOR FUTURE WATER BOARD MEETINGS**

1. Discussion and Possible Action on a Right of Entry Agreement for a portion of the Department of Water’s Koloa 1.0 MG Tank site, TMK: (4) 2 7-003:008, Lot 426, Affecting the following:
   a. Kauai Island Utility Cooperative (KIUC), TMK: (4) 2-7-003:008, Koloa, Kaua‘i, Hawai‘i
   a. Fiscal Year 2017 - 2018 – Draft Operating Budget
   b. Fiscal Year 2017 - 2018 – Draft Capital Outlay Budget
3. Discussion and Possible Action on Board Policy regarding Proposed Delegation of a Meter Restriction
4. Workshop presentation regarding the Long Range Plan of the Department of Water’s former Administration Building
5. Discussion and Possible Action on Proposed Board Policy for Delegating Routine Actions from the Water Board to the Department of Water’s Manager and Chief Engineer regarding Right of Entry

M. **UPCOMING EVENTS**

1. HWWA & HWEA Pacific Water Conference, Honolulu, HI (February 14 – 16, 2017)
2. AWWA Annual Conference, Philadelphia, PA (June 11 - 14, 2017) (4 registrations available for Board)
4. HWWA & HRWA Conference, Hawai‘i, HI (November 1 – 3, 2017)
   (Possible Board attendance to Hawai‘i State Association for Counties (HSAC); Kaua‘i to host.
   Ms. Tokioka will provide information on HSAC to be held in June 2017.)

N. **NEXT WATER BOARD MEETING**

1. Friday, February 24, 2017, 8:00 am – Workshop on Rate Study (worksheet will be requested)
2. Friday, February 24, 2017, 10:00 a.m.
3. Friday, March 24, 2017, 10:00 a.m.
4. Friday, April 28, 2017, 10:00 a.m.

There was no public testimony to agenda items before Executive Session.

At 11:09 a.m., Mr. Dahilig moved to go into Executive Session and read the Executive Session language; seconded by Mr. Canute: with no objections, motion carried with 6 ayes.

J. **EXECUTIVE SESSION**

*Pursuant to H.R.S. §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 H.R.S. §92-4 and shall be limited to those items described in H.R.S. §92-5(a).*

1. Pursuant to Hawai‘i Revised Statutes (HRS) Section 92-4, 92-5(a)(4), the purpose of this executive session is to review executive session minutes dated December 27, 2016. This consultation involves the consideration of the powers, duties, privileges, immunities, and/or liabilities of the Board and the Department as they relate to this agenda item.

2. 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 its attorney on issues pertaining to the Board’s powers, duties, privileges, immunities, and liabilities as they may relate to this agenda item
a. *Manager’s Report No. 16-38* – Discussion and Possible Action on the Proposed Rule Amendments to Part 5, Facilities Reserve Charge Section III, Applicability relating to Multi-Family Dwelling Units (Regarding Paragraph 3d)

Vice Chair Ho reconvened the Regular Board meeting at 11:25 a.m. with no objections.

**O. ADJOURNMENT**

Mr. Tabata moved to adjourn the Regular Meeting at 11:25 a.m.; seconded by Mr. Dill; with no objections, motion carried with 6 ayes.

Respectfully submitted,  

Edie Ignacio Neumiller  
Commission Support Clerk

Approved,  

Beth Tokioka  
Secretary – Board of Water Supply
Correspondence
January 27, 2017

Mr. Sherman Shiraishi, J. D.
Chairman of the Board
Board of Water Supply
Mr. Kirk Saiki, P. E.
Manager and Chief Engineer
Department of Water
County of Kaua‘i
4398 Pua Loke Street
Lihue, Hawai‘i 96766

Re: Wailaua Water System

Dear Messrs. Shiraishi and Saiki:

We would like to express our sincerest gratitude to your staff – namely, department heads Edward Doi, Dustin Moises, Keith Aoki and their respective staff for their guidance and efforts in the Wailaua Water System project. With their willingness to work together, these gentlemen were able to find solutions that worked for all parties.

After years of planning, and through all of its challenges, this long-standing project is coming to a close. We are grateful for this opportunity and look forward to working with your staff in the future.

Sincerely,

Royce Kawabata and Shawn Shimabukuro
Old Business
DEPARTMENT OF WATER
County of Kaua‘i

“Water has no Substitute – Conserve It!”

MANAGER’S REPORT No. 16-38

February 24, 2017

Re: Discussion and Possible Action on the Proposed Rule Amendments to Part 5, Facilities Reserve Charge Section III, Applicability relating to Multi-Family Dwelling Units and Affordable Housing Units

RECOMMENDATION:
The Department recommends that the Board discuss and possibly act on the proposed Rule amendments to Part 5, Facilities Reserve Charge, Section III, Applicability.

FUNDING: N/A.

BACKGROUND:
On January 29, 2016 the Department received a memorandum from Mr. Dahilig and Mr. Rezentes, Jr. to propose amendments to Part 5 Section III of the Department’s Rules and Regulations relating to how the Facilities Reserve Charge (FRC) is assessed for multi-family units, additional dwelling units with existing meters on the parcel, and affordable housing units.

During the July 22, 2016 Regular Board meeting, the Board motioned to hold a public hearing on the proposed changes to get the public’s comments. On September 7, 2016, the Department held a public hearing where three (3) people from the community testified in favor of the rule. Eleven (11) written testimonies were also submitted to the Department as of 4:39 p.m. that day.

The Small Business Regulatory Review Board does not require a post-public hearing statement from the Department because the proposed rule change does not affect small business, does not implement a statute or ordinance, and is not being adopted pursuant to an emergency rule making.

Adoption of the proposed changes will impact the Department’s FRC revenue stream. The Department requests discussion of potential funding avenues that may be utilized to make up the FRC shortfall to minimize future impacts to its water system capacity and capability. The following are the Department’s interpretation of the proposed rule changes:

<table>
<thead>
<tr>
<th>Part</th>
<th>Section</th>
<th>Paragraph</th>
<th>Existing Rule</th>
<th>Rule Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>III</td>
<td>3.c.</td>
<td>None</td>
<td>The Facilities Reserve Charge for conversion of legally existing single-family units to a multi-family two dwelling unit structure, as provided by law, will be assessed at 50% of the Facilities Reserve Charge for multi-family units, per unit.</td>
</tr>
<tr>
<td>5</td>
<td>III</td>
<td>3.d.</td>
<td>None</td>
<td>For projects developed by the County of Kaua‘i Housing Agency or in partnership with the County of Kaua‘i Housing Agency, and certified by the County of Kaua‘i Housing Agency as affordable housing (defined by Kaua‘i County Ordinance 7 A-1.3), the Facilities Reserve Charge shall be $4,940.00 per unit.</td>
</tr>
</tbody>
</table>

A comparison of the existing rule to the proposed amendment is shown below:
1. Paragraph 3.c.:

<table>
<thead>
<tr>
<th>Conversion of Single-Family Dwelling to Two-Unit Multi-Family Dwelling</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Existing Rule</strong></td>
</tr>
<tr>
<td>Unit 1 FRC</td>
</tr>
<tr>
<td>Unit 2 FRC</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
</tr>
<tr>
<td>FRC Credit</td>
</tr>
<tr>
<td><strong>Total FRC</strong></td>
</tr>
</tbody>
</table>

2. Paragraph 3.d.:

<table>
<thead>
<tr>
<th>County Certified Affordable Housing FRC – Lima Ola</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Existing Rule</strong></td>
</tr>
<tr>
<td>Single-Family</td>
</tr>
<tr>
<td>Multi-Family</td>
</tr>
</tbody>
</table>

**EVALUATION**

The intent of the proposed rule amendments is to assist in the development of affordable housing, but by reducing the FRC burden on developers there are negative revenue implications that the Board and Department must address. The following show the estimated revenue impacts:

1. Paragraph 3.c.:

<table>
<thead>
<tr>
<th>Conversion of Single-Family Dwelling to Two-Unit Multi-Family Dwelling</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Estimated Number of Conversions</strong></td>
</tr>
<tr>
<td>15</td>
</tr>
<tr>
<td>30</td>
</tr>
<tr>
<td>45</td>
</tr>
</tbody>
</table>

2. Paragraph 3.d.:

<table>
<thead>
<tr>
<th>County Certified Affordable Housing FRC – Lima Ola</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unit Type</strong></td>
</tr>
<tr>
<td>Phase 1</td>
</tr>
<tr>
<td>Single Family</td>
</tr>
<tr>
<td>Multi-Family</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
</tr>
<tr>
<td>Phase 2</td>
</tr>
<tr>
<td>Single Family</td>
</tr>
<tr>
<td>Multi-Family</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
</tr>
<tr>
<td>Phase 3</td>
</tr>
<tr>
<td>Single Family</td>
</tr>
<tr>
<td>Multi-Family</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
</tr>
<tr>
<td>Phase 4</td>
</tr>
</tbody>
</table>
County Certified Affordable Housing FRC – Lima Ola

<table>
<thead>
<tr>
<th>Unit Type</th>
<th>Number of Units</th>
<th>Existing FRC</th>
<th>Total Existing</th>
<th>Proposed FRC</th>
<th>Total Proposed</th>
<th>FRC Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family</td>
<td>18</td>
<td>$14,115</td>
<td>$254,070</td>
<td>$4,940</td>
<td>$88,920</td>
<td>$165,150</td>
</tr>
<tr>
<td>Multi-Family</td>
<td>75</td>
<td>$9,880</td>
<td>$741,000</td>
<td>$4,940</td>
<td>$370,500</td>
<td>$370,500</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
<td><strong>$995,070</strong></td>
<td><strong>$459,420</strong></td>
<td></td>
<td><strong>$535,650</strong></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>$6,132,775</strong></td>
<td><strong>$2,717,000</strong></td>
<td></td>
<td><strong>$3,415,775</strong></td>
</tr>
</tbody>
</table>

The actual reduction in revenue associated with these two proposed rule amendments is not known at this time and may be difficult to estimate. The number of single family homeowners who will take advantage of the converting to a multi-family dwelling is unknown and the only known County certified affordable housing project is Lima Ola. Without an estimate the Department will not be able to determine the significance of the revenue reduction or developing a method to compensate for the reduction.

The DOW submitted the attached proposed rule amendment to the Small Business Regulatory Review Board (SBRRB) for their review and comment on July 11th. The SBRRB chair reviewed the proposal and indicated that they did not see a negative effect on small business and there was no need to place the item on the Board’s agenda.

During the September 23, 2016 Regular Board Meeting, the Board deferred the subject matter to the October Regular Board Meeting.

**DISCUSSION ITEMS:**
The following are potential Board discussion items:
1. Revenue recovery
2. Edits to amendments

**OPTIONS:**
Option 1: **Adopt the proposed Rule change and forward formal Rule to the County Clerk.**
Pro: 1. FRC rates will be reduced for projects as established in the proposed rule subsection c and d.
Con: 1. The Department will not be able determine revenue recovery options.

Option 2: **Deny the proposed Rule change and revise language.**
Pros: 1. The Department will continue to work with the Board to address any factors as it relates to the proposed rule change.
2. The Department can discuss with the Board on revenue recovery options.
Con: 1. Proposed Rule change affecting the FRC rates as established in subsection c and d will be deferred from moving forward.

Option 3: **Deny the proposed Rule change.**
Con: 1. FRC rates will not be reduced for projects as established in the proposed rule subsection c and d.
Respectfully submitted,

Kirk Saiki, P.E.
Manager and Chief Engineer

KS/Mja/ED

Attachment: Part 5, Facilities Reserve Charge Section III, Proposed Rule Amendment

PART 5
FACILITIES RESERVE CHARGE IN THE COUNTY OF KAUAI

SECTION III – APPLICABILITY

1. The Facilities Reserve Charge shall be assessed against all new developments and subdivisions requiring supply of water from the County of Kauai, Department of Water, and existing developments requiring new or additional supply of water from the Department’s system. The Facilities Reserve Charge must be paid before water services are made available to the new or existing development.

2. The Facilities Reserve Charge shall be paid by all Applicants for new or additional water service, including but not limited to the following:
   a. All irrigation services and/or meters.
   b. Additional buildings to be connected to existing services where additional demands are indicated. The charges shall be based on the meter sizes required if the buildings were metered separately.
   c. Additional dwellings connected to existing services and meters under the categories of single family and multi-family residential units. The charges will be based on the established schedule of charges for the respective categories.
   d. Changes in service that require an increase in meter size
   e. Where an FRC was paid but a water meter was never installed to serve the subject property, the applicant shall pay the Facilities Reserve Charge in accordance with Part 5, Section IV (6) of these Rules.

3. The Facilities Reserve Charge shall apply to all Applicants for water service as follows:
   a. For each parcel created by subdivision, including the first lot created; and for every new single family residential dwelling unit not yet metered and a Facilities
Reserve Charge has not yet been paid, the applicable Facilities Reserve Charge shall be $14,115.00.

b. The Facilities Reserve Charge for multi-family and/or resort development will be the cost of the approved meter size or the cost of $9,880.00 per unit or hotel room, whichever number is larger.

c. The Facilities Reserve Charge for conversion of legally existing single-family units to a multi-family two dwelling unit structure, as provided by law, will be assessed at 50% of the Facilities Reserve Charge for multi-family units, per unit.

d. For projects developed by the County of Kaua‘i Housing Agency or in partnership with the County of Kaua‘i Housing Agency, and certified by the County of Kaua‘i Housing Agency as affordable housing (defined by Kaua‘i County Ordinance 7 A-1.3, the Facilities Reserve Charge shall be $4,940.00 per unit).

e. For all other uses, the Facilities Reserve Charge shall be determined by the size of the meter, as shown below. Meter sizes shall be determined by the Department and not by the Developer or Applicant.

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8”</td>
<td>$14,115.00</td>
</tr>
<tr>
<td>¾”</td>
<td>$21,170.00</td>
</tr>
<tr>
<td>1”</td>
<td>$35,290.00</td>
</tr>
<tr>
<td>1 ½”</td>
<td>$70,580.00</td>
</tr>
<tr>
<td>2”</td>
<td>$112,920.00</td>
</tr>
<tr>
<td>3”</td>
<td>$225,840.00</td>
</tr>
<tr>
<td>4”</td>
<td>$352,880.00</td>
</tr>
<tr>
<td>6”</td>
<td>$705,750.00</td>
</tr>
<tr>
<td>8”</td>
<td>$1,129,200.00</td>
</tr>
</tbody>
</table>

Facilities Reserve Charges are periodically adjusted by the Department. These adjustments may increase or decrease existing Facilities Reserve Charge amounts. Where adjustments to Facilities Reserve Charges result in decreases of such charges, no refund will be made of the difference between the higher, pre-existing charges and the lower, adjusted charges.
January 24, 2017

Re: Discussion and Possible Action on the Department of Water’s proposed Part 2 Rules and Regulations for Water Service Connections, Section II General Conditions, Subsection 1. Rule amendment relating to the DOW’s Standard Operating Procedure for Providing Water Service Outside of the Water Zone – Small Business Regulatory Review Board (SBRRB) Results

RECOMMENDATION:
It is recommended that the Board discuss and possibly act on the Department’s proposed Part 2 Rules and Regulations for Water Service Connections, Section II General Conditions, Subsection 1. as it relates to the DOW’s SOP for Providing Water Service Outside of the Water Zone.

FUNDING:  N/A.

BACKGROUND:
Standard Operating Procedures (SOPs) are drafted and established within the DOW to help carry out routine operations to achieve efficiency and uniformity when executing a task. SOPs may be modified and updated to conform to the DOW’s Rules and Regulations established by the Board.

The SOP, “Water Service Request In and Out of the Water Service Area” has been brought before the Board of Water Supply, County of Kaua’i to satisfy the Board’s suggestion during its Regular Board meeting held on December 18, 2014 to provide a written policy regarding water demands outside the service area. This suggestion was made during discussions held when Manager Kirk Saiki provided the affordable housing update on County of Kaua’i, Housing Agency’s Lima Ola project. The Department’s proposed SOP will provide a written guidance on how water service requests inside and outside of the DOW’s water system water service area are addressed.

During the June 30, 2016 Regular Board meeting, Board member Shiraishi recommended for the Department to make the necessary revisions to the proposed SOP to conform to the DOW’s rules and regulations. With follow-up discussions and meetings, the DOW has found that it is necessary to review and refine Part 2, Section II of the DOW’s rules and regulations.

The Department has revised the SOP based on recommendations by the Rules Committee meeting during the August 2, 2016 meeting and worked on refining Part 2 Rules and Regulations for Water Service Connections, Section II General Conditions, Subsection 1. for the committee’s review.

During the October 4, 2016 Rules Committee meeting, the Department presented the revised SOP and amendments to Part 2 Rules and Regulations for Water Service Connections, Section II General Conditions, subsection 1. The Rules Committee accepted the Department’s SOP and recommended that the proposed amendments to Part 2 Rules and Regulations for Water Service Connections, Section II General Conditions, Subsection 1. be referred to the full Board for discussion and approval.
At the November 23, 2016 Board meeting, the Board moved to approve as amended and act on the proposed Part 2 Rules and Regulations for Water Service Connections, Section II General Conditions, Subsection 1. by sending it to the Small Business Regulatory Review Board (SBRRB) for comments.

The proposed rule amendment was sent to the SBRRB and the SBRRB chair reviewed the proposed rule amendment and found there to be no negative impact to small business based on the proposed definition of water service area. Therefore, the proposed rule amendment does not need to be brought before a SBRRB meeting.

We request the Board’s approval to schedule a public hearing to obtain any comments regarding the proposed rule amendment.

**OPTIONS:**

**Option 1:** Approve Proposed Part 2, Section II Rule Amendment.

**Pros:**
1. The Department can move forward and schedule a public hearing regarding the proposed rule amendment.
2. The Department’s SOP will relate to the proposed Rule.

**Con:**
1. None.

**Option 2:** Deny Proposed Part 2, Section II Rule Amendment.

**Pro:**
1. The Department can address any concerns that the Board may have and refine the proposed rule.

**Cons:**
1. The proposal will not move forward to public hearing for comments.
2. The Department’s SOP will not relate to the proposed Rule and may need to be revised.

Respectfully submitted,

Edward Doi, P.E.
Chief of Water Resources and Planning

CONCURRED:

Kirk Saiki, P.E.
Manager and Chief Engineer

Attachments: Part 2 Rules and Regulations for Water Service Connections, Section II General Conditions, subsection 1. Rule amendment
SOP Water Service Request In and Out of the Water Service Area

ED/ein
Administrative rule material to be repealed is bracketed. New material is underscored. Deleted material is stricken through or [bracketed.] In printing this rule amendment, the brackets, bracketed material, underscoring, strikes need not be included.

**SECTION II - GENERAL CONDITIONS**

1. Any prospective consumer may obtain water service provided all of the following conditions are met:
   a. In the event that Water Service limits Areas are established by the Department, that the premises are within these limits a Water Service Area.

   A “Water Service Area” is defined as an area that is serviced by existing water system facilities. A Water Service Area is generally limited to areas that have appropriate planning and zoning approvals in place. Water service is generally available within a Water Service Area unless system infrastructure improvements are needed to provide adequate water supply without detrimentally affecting existing consumers. As identified in Water Plan 2020, water systems and the Water Service Area can be used for purposes of planning and can be applied to guide service and development of future water service.

   Consistent with the Kaua'i General Plan and for the purposes of Water Plan 2020, the Department takes a conservative approach in defining service areas of the existing water systems, in effect, limiting them to areas that have appropriate planning and zoning approvals in place. Land use policies area established and governed by the County. The Department seeks to coordinate development effort with the County and private developers seeking to connect to Department-operated water systems.

   If the premises are not located within a Water Service Area, then the Department may grant an exemption to this section pursuant to procedures adopted by the Department, and as long as the prospective consumer provides the necessary source, storage and transmission facilities required for the prospective consumer’s anticipated use.

   b. The Department has a sufficient water system developed for domestic use and, if required by the Department, a sufficient water system for fire protection. In order to determine the sufficiency of the water system, the Department may require the prospective consumer to estimate the amount of water to be used.

   c. The consumer agrees to design, construct, and install any component of the water system required by the Department in compliance with (1) all applicable statutes, ordinances, rules, and regulations of the State of Hawai‘i and the County of Kaua‘i, and (2) the 2002 Water System Standards (“Standards”) developed by Hawai‘i’s four county departments of water, as amended by the Department’s 2005 Amendments (“2005 Amendments”) to the Standards it may be subsequently amended. The Standards and the 2005 Amendments (as amended) are hereby incorporated by reference into the Department’s rules. The Manager and
Chief Engineer may, for good cause shown, permit departure from the Standards or 2005 Amendments, or both (as amended).

d. The consumer agrees to abide by these rules and regulations.

e. All applicable charges have been paid.
**STANDARD OPERATING PROCEDURE**

**DEPARTMENT OF WATER**  
**COUNTY OF KAUA‘I**

<table>
<thead>
<tr>
<th>Applicable to:</th>
<th>WATER RESOURCES AND PLANNING DIVISION</th>
</tr>
</thead>
</table>

| Subject: | Water Service Request In and Out of the Water Service Area |

**S.O.P. No.** | XX |
---|---|
Supersedes S.O.P. No. | N/A |
Date Effective: | Immediately |

**Purpose:** This SOP has been prepared to define the Department’s practices relative reviewing water service request made for development located inside and outside of the water service area.

As used herein, the following shall mean,

**Department of Water’s Water Plan 2020** – A 20 year plan that was completed by the Kauai Department of Water and members of the Water Board in March 2001. It is a comprehensive, long range planning effort, to ensure that the DOW continues to provide safe, affordable, and sufficient drinking water in the 21st century for our community.

**Facilities Reserve Charge (FRC)** means the fee to be paid by an Applicant as their proportionate share in required improvements to capital water facilities.

**Water Service Area** – An area that is serviced by the existing water system and is defined by Water Plan 2020 which normally incorporates the County’s General Plan. The water service area is generally limited to the areas that have appropriate planning and zoning approvals in place. The water service area normally is within the service limits as used in the Rules and Regulations of the Department of Water.

**Water System** – Mains, valves, hydrants, laterals, pumps, tanks, reservoirs, and all appurtenances necessary to provide water.

**Affordable or Workforce Housing Projects** – Any project confirmed or sponsored by the County Housing Agency as a residential development where majority of housing lots, single family dwelling units, or multiple-family units are affordable housing or workforce housing as defined in Chapter 7A of the Kauai County Code 1987, as amended.

1. For all water service requests the DOW will review the adequacy of the DOW’s existing source, storage, and transmission mains to ensure adequate domestic and fire flow demands can be provided.

2. The Facilities Reserve Charge shall be accessed against all new developments and subdivision requiring supply of water from the County of Kauai, Department of Water in accordance with the Department of Water’s Rules and Regulations.
III. For water service requests located within the water service area and the DOW determines the domestic and fire flow demands cannot be met, the applicant will be required to construct water system improvements to provide adequate source, storage, and transmission mains for the proposed development.

IV. For water service requests located outside the water service area and the DOW determines the domestic and fire flow demands cannot be met, the applicant will be required to construct water system improvements to provide adequate source, storage, and transmission mains for the proposed development.

V. For water service requests located within the water service area and the DOW has determined adequate domestic and fire flow demands can be met, the applicant will be required to pay all applicable fees and complete other DOW requirements as necessary.

VI. For water service requests located outside the water service area and the DOW has determined adequate domestic and fire flow demands can be met where:
   a. The water service request is for development of land presently zoned and/or the development is consistent with the existing Land Use designation, the DOW will issue requirements to obtain water service, including all water system standards.
   b. The water service request is for the development of land that is not presently zoned and/or the development is not consistent with the existing Land Use designation, the DOW will require the applicant to provide all necessary source, storage, and transmission facilities required for the proposed development.
   c. The water service request is for the development of Workforce Housing projects, the applicant shall provide the DOW with a written certification from the County Housing Agency that verifies the proposed project meets the requirements of a Workforce Housing project.
      i. Upon receipt of the written certification, the DOW will review the adequacy of the DOW’s existing source, storage, and transmission mains to ensure adequate domestic and fire flow demands can be provided and make recommendations thereon.
   d. The Land Use amendment application for the development has been approved, the DOW will review the Land Use amendment application and make recommendations thereon.

VII. The Manager may grant exceptions to any of the above if the Manager finds all of the following:
   a. Strict application of the SOP would cause an absurd, unfair, or unreasonably harsh result; and
   b. The circumstance or condition is unique or exceptional; and
   c. An exception thereof is reasonably necessary or expedient and not contrary to law or the intent and purposes of this SOP.

VIII. The Rules and Regulations of the Department of Water shall govern any discrepancy contained herein.
APPROVED:

Kirk Saiki, P.E.
Manager and Chief Engineer
New Business
MANAGER’S REPORT No. 17-27

February 24, 2017

Re: Request Board Approval of Resolution No. 17-06, (2/17), Employee of the Year, Craig Shirai, Lead Pipefitter, Operations Division

It is requested that the Board approve Resolution 17-06, (2/17), and congratulate Employee of the Year, Craig Shirai, Lead Pipefitter, Operations Division.

Respectively submitted,

Kirk Saiki, P.E.
Manager and Chief Engineer

KS/cin

Attachments: Resolution 16-06 for Employee of the Year, Lead Pipefitter, Operations Division

Mgrrp/February 2017/17-27/ Request Board Approval of Resolution No. 17-06, (2/17), Employee of the Year, Craig Shirai, Lead Pipefitter, Operations Division (2-24-17):cin
WHEREAS, Craig Shirai, Lead Pipefitter, has been selected by his peers as the Department of Water’s 2016 Outstanding Employee of the Year; and

WHEREAS, Craig began his DOW career in July 3, 1991 as a Laborer and over the years, through hard work and dedication got promoted to Pipefitter Helper, Pipefitter, and to his current position as Lead Pipefitter, and

WHEREAS, Craig works diligently to ensure that the water we distribute for consumption is safe, potable and palatable;

WHEREAS, Craig is a dependable employee who has on multiple occasions represented the Department of Water in a professional manner when performing repair and maintenance jobs while assisting customers. In addition to his outstanding customer support, Craig’s “can do” attitude is essential in completing his assigned duties and influences cooperation in his fellow employees, and

WHEREAS, Craig’s dedication to the performance of his duties is evident by making himself available any time of the day or night, rain or shine, after regular work hours, weekends and holidays, and answering callouts for overtime even when he is not on standby duty, and

WHEREAS, Craig is willing to learn new procedures and new technologies to keep up with changing times and did so without hesitation or complaint, and

WHEREAS, Craig on a daily basis, exercises commendable behavior and shows patience as well as empathy when dealing face-to-face with irate complaining customers, and

WHEREAS, Craig has been very helpful and reliable by stepping up to the plate when Operations Division is in need of a supervisor. Over the years, he has been relied upon to take temporary assignments as Water Service Supervisor for either the east and west or even both, and

WHEREAS, Craig has consistently shown his reliability by conscientiously working with counterparts and co-workers at various facilities island-wide and performing his duties above expectations; he has demonstrated outstanding dependability, excellent positive attitude and consistently getting the job done for the betterment of the Department, its employees and the people of Kaua‘i, and

WHEREAS, Craig has demonstrated sustained excellent performance and dependability as an employee of the Department of Water; now, therefore

BE IT RESOLVED BY THE BOARD OF WATER SUPPLY, COUNTY OF KAUA‘I, STATE OF HAWAI‘I that it acknowledges and appreciates the contributions of CRAIG SHIRAI for his outstanding dedication and loyalty and congratulate him upon the receipt of the 2016 Outstanding Employee of the Year Award.

CONGRATULATIONS CRAIG

______________________________
Sherman Shiraishi, Chairperson

______________________________
Beth Tokioka, Secretary
MANAGER’S REPORT No. 17-28

February 24, 2017

Re: Request Board Approval of Resolution No. 17-07, (2/17), Employee of the Year, Mary-jane “MJ” Akuna, Private Secretary, Administration Division

It is requested that the Board approve Resolution 17-07, (2/17), and congratulate Employee of the Year Mary-jane “MJ” Akuna, Private Secretary, Administration Division.

Respectfully submitted,

Kirk Saiki, P.E.
Manager and Chief Engineer

KS/ein

Attachments: Resolution 17-07 for Employee of the Year, Mary-jane “MJ” Akuna, Private Secretary, Administration Division

Mgrrp/February 2017/17-28/ Request Board Approval of Resolution No. 17-07, (2/17), Employee of the Year, Mary-jane “MJ” Akuna, Private Secretary, Administration Division (2-24-17):ein
COUNTY OF KAUAI  
DEPARTMENT OF WATER  
Employee of the Year  
MARY-JANE “MJ” AKUNA  
MAHALO  
2016

WHEREAS, MARY-JANE “MJ” AKUNA, has been selected by her peers as the Department of Water’s 2016 Outstanding Employee of the Year; and

WHEREAS, MJ joined the DOW on August 2, 2010 as a Data Entry Clerk and was promoted shortly thereafter to the Private Secretary to the Manager and Chief Engineer on August 16, 2012 and has now worked under two (2) Manager and Chief Engineers; and

WHEREAS, MJ who has also temporary assigned in the Commission Support Clerk, Deputy Secretary, and Private Secretary positions during 2011 and 2012 has gained the knowledge of understanding the functionality of these positions; and

WHEREAS, MJ, gate keeper of the company Pcard turns in novel sized back-up documents to Fiscal every month; and

WHEREAS, MJ loves to contribute to those who are in need and has successfully implemented the Salvation Army’s Angel Tree Project at the DOW since 2012 and has coordinated over two hundred sixty-six (266) gifts to the keiki and kupuna of Kaua‘i; and

WHEREAS, MJ’s adventures include kayaking to Kalalau every summer and exploring all the different eateries all over the world; and

WHEREAS, MJ, a devout forever student has previously achieved her accounting degree and completed the Disaster Preparedness and Emergency Management program through the University of Hawai‘i, West O‘ahu and is currently a junior majoring in Public Administration, General through the University of Hawai‘i, West O‘ahu; and

WHEREAS, MJ’s love and devotion of efficiency and change leaves her excited during legislature opening to read all 2,500 legislature bills to make sure the DOW tracks all necessary bills that will affect the Department; and

WHEREAS, MJ’s knowledge of Administration has enabled her to draft the DOW’s Administration Budget while making sure all expenditures are accounted and quarterly reports are transmitted to Council pursuant to the Kaua‘i County Charter; and

WHEREAS, MJ, gained a lot of experience in her capacity of Private Secretary and has continued to work closely with the County Board of Water’s Secretaries as well as the County of Kaua‘i’s Administrative Professionals to make sure the DOW is kept in the loop of all important activities when it comes to Kaua‘i’s precious resource; and

WHEREAS, MJ prides herself in her work to have the ability to create presentations, dictate, process, and compose like the Manager to make sure correspondences and inquiries are addressed in a timely manner; and

WHEREAS, MJ, coming from a background of banking and photography has enabled her to be the jack of all trades in being good with numbers, and applying Standard Operating Procedures while still being artistic; and

WHEREAS, MJ has demonstrated sustained excellent performance and dependability as an employee of the Department of Water; now, therefore;

BE IT RESOLVED BY THE BOARD OF WATER SUPPLY, COUNTY OF KAUA‘I, STATE OF HAWAI‘I that it acknowledges and appreciates the contributions of MJ for her outstanding dedication and loyalty and congratulate her upon being chosen to receive the 2016 Outstanding Employee of the Year Award.

CONGRATULATIONS “MJ”

____________________________________
Sherman Shiraishi, Chairperson

____________________________________
Beth Tokioka, Secretary
MANAGER’S REPORT No. 17-29

February 24, 2017

Re: Discussion and Possible Action on the Financial Management Planning and Water Rate Analysis for the Department of Water for July 2017 to June 2021 and submit an Impact Statement to the Small Business Regulatory Review Board

RECOMMENDATION: It is recommended that the Board approve the proposed rates of the Department of Water (DOW) for FY 2017 – 2021 as presented.

FUNDING: N/A.

BACKGROUND: The Water Rate Study Report is submitted for your review and action. Together with the report, the consultants developed a financial planning/rate model that DOW can use to provide DOW the flexibility to conduct what-if scenarios to better meet challenges resulting from dynamic changes and future updates.

The Department of Water was approved by the Board to conduct another 5 year water rate study after the last water rate study ended on June 30, 2016. Raftelis Financial Consultants, Inc. was selected to conduct an analysis of the DOW’s Financial Management Plan and perform the 5 year Water Rate Study.

The DOW staff and consultants worked together to address several issues such as:

- Adequate revenues to meet the ongoing operating and capital costs with emphasis on allocation between fixed and variable sources to ensure revenue stability ad equity amongst customer classes.
- Funding of DOW capital outlay for ongoing replacement and rehabilitation capital projects.
- Development of a comprehensive financial plan that will provide for effective implementation of capital projects and recovery of operations and maintenance costs for the overall stability of DOW and reserves to meet DOW’s risk management practices.
- Design of water rates that will meet DOW’s objectives.

The water rate study was presented to the Board in two separate workshops and it is our hope that the Board were provided enough information to direct the department with recommendations if any and/or approve the water rate study report as presented.

OPTIONS:
Option 1: Refer to the Finance Committee if further discussion is required.
Pro: Finance Committee will have more time to review, analyze and discuss the impacts of the Department’s financial plan as presented by the staff.

Con: Additional time, fees and costs to consultants.
Option 2: Incorporate recommendations from the workshop and re-submit the revised financial plan and rate model.

Pro: Board will have more time to review, analyze and discuss the results of the Water Rate Study Report before it goes out to Small Business Regulatory Review Board (SBRRB).

Con: Submission to SBRRB will be delayed for another month or so.

Option 3: Approve the Water Rate Study Report with the recommended change/s if any.

Pro: This option will allow the DOW to incorporate changes as discussed and recommended by the Board and to allow the department to move forward to SBRRB for the impact statement.

Con: The Board will have no additional time to discuss the Water Rate Study Report after the changes are incorporated before it goes out to SBRRB.

Respectfully submitted,

Marites Yano
Waterworks Controller

CONCURRED:

Kirk Saiki, P.E.
Manager and Chief Engineer

Attachment: County of Kaua'i, Department of Water Board Presentation 2-24-17

Mgrnp/February 2017/17-29/ Discussion and Possible Action on the Financial Management Planning and Water Rate Analysis for the Department of Water for July 2017 to June 2021 and submit an Impact Statement to the Small Business Regulatory Review Board (2-24-17);ein
AGENDA

» Study Objectives
» Financial Plan
  › Key Assumptions
  › Revenue and Expenses
  › Proposed Revenue Adjustments
» Rate Design
  › Scenarios Review
» Next Steps
» Q&A
STUDY OBJECTIVES

» Adequate funding of the water utility’s ongoing operation and capital needs
  › Overall financial stability and adequate reserves
  › Minimize overall impacts

» Development of water rates that
  › Provide revenue stability
  › Are fair and equitable to customers
KEY ASSUMPTIONS

» Inflation Factors:
  › General (CPI) – 3% per year
  › Salaries, benefits, and utilities – 5% per year
  › Retirement benefits – 7.75% per year
  › Chemicals and capital – 4% per year

» Miscellaneous revenue growth rate – 1% per year

» Customer growth rate – 0.05% per year (~10 new accounts per year)
» Financing assumptions:
  › Bonds – 5% interest, 30 year term, 2% issuance cost
  › SRF Loan – 2% interest, 20 year term
» Debt coverage – 150% of annual debt service
» Reserve interest rate – 1% per year until FY 2018, 1.5% in FY 2019 and 2% per year
O&M EXPENSES

O&M Expenses

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Salaries</th>
<th>Benefits</th>
<th>Utility Services</th>
<th>Bulk Water Purchase</th>
<th>All Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 2019</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 2020</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 2021</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Page 43
CIP FINANCING PLAN

Assume $4.9M in grant funding in FY 2017-2019

Capital Financing Plan

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Debt Funded</th>
<th>Rate/FRC Funded</th>
<th>Other/Grant Funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2017</td>
<td>$6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 2018</td>
<td>$6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 2019</td>
<td>$6</td>
<td></td>
<td>$23</td>
</tr>
<tr>
<td>FY 2020</td>
<td>$6</td>
<td>$7</td>
<td></td>
</tr>
<tr>
<td>FY 2021</td>
<td>$6</td>
<td>$7</td>
<td>$10</td>
</tr>
</tbody>
</table>
Assume rates effective every July 1 starting July 1, 2018
CURRENT TARGET RESERVE

» Utility Fund

» Emergency Reserve Fund
  › 25% of operating expenses, net of depreciation

» Debt Reserve Fund
  › 50% of annual debt service budget
ENDING FUND BALANCE

Fund Ending Balances - Total Funds

Millions

FY 2017: $53
FY 2018: $46
FY 2019: $26
FY 2020: $15
FY 2021: $7

Ending Balance
Target Balance
EXISTING WATER RATES

» Monthly service charge + 5-tier consumption rate
   › Tiers are based on meter size
   › Agriculture customers have uniform rate of $2.20/kgal
   › Power adjustment rate of $0.12/kgal for everyone

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>No. of Meters</th>
<th>Meter Charge</th>
<th>Tier 0 Min</th>
<th>Tier 1</th>
<th>Tier 2</th>
<th>Tier 3</th>
<th>Tier 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot;</td>
<td>20,784</td>
<td>$17.75</td>
<td>1</td>
<td>7</td>
<td>14</td>
<td>18</td>
<td>18 +</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>108</td>
<td>$24.75</td>
<td>2</td>
<td>29</td>
<td>57</td>
<td>65</td>
<td>65 +</td>
</tr>
<tr>
<td>1&quot;</td>
<td>211</td>
<td>$36.50</td>
<td>3</td>
<td>68</td>
<td>137</td>
<td>175</td>
<td>175 +</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>209</td>
<td>$65.50</td>
<td>10</td>
<td>169</td>
<td>337</td>
<td>387</td>
<td>387 +</td>
</tr>
<tr>
<td>2&quot;</td>
<td>199</td>
<td>$100.00</td>
<td>12</td>
<td>400</td>
<td>750</td>
<td>925</td>
<td>925 +</td>
</tr>
<tr>
<td>3&quot;</td>
<td>53</td>
<td>$181.00</td>
<td>50</td>
<td>600</td>
<td>1,200</td>
<td>1,750</td>
<td>1,750 +</td>
</tr>
<tr>
<td>4&quot;</td>
<td>40</td>
<td>$297.00</td>
<td>175</td>
<td>1,000</td>
<td>2,500</td>
<td>2,750</td>
<td>2,750 +</td>
</tr>
<tr>
<td>6&quot;</td>
<td>59</td>
<td>$587.00</td>
<td>225</td>
<td>4,000</td>
<td>7,500</td>
<td>10,000</td>
<td>10,000 +</td>
</tr>
<tr>
<td>8&quot;</td>
<td>56</td>
<td>$934.00</td>
<td>250</td>
<td>1,000</td>
<td>2,500</td>
<td>12,500</td>
<td>12,500 +</td>
</tr>
</tbody>
</table>
FY 2015 CUSTOMER DATA

FY 2015 Consumption by Tier

- Ag: 3%
- Tier 0: 10%
- Tier 1: 54%
- Tier 2: 22%
- Tier 3: 6%
- Tier 4: 6%
FY 2015 CUSTOMER DATA

FY 2015 Meter Equivalents v. Use

<table>
<thead>
<tr>
<th>Diameter</th>
<th>Use</th>
<th>Meter Equiv</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8 inch</td>
<td>54%</td>
<td>80.1%</td>
</tr>
<tr>
<td>3/4 inch</td>
<td>1%</td>
<td>0.6%</td>
</tr>
<tr>
<td>1 inch</td>
<td>3%</td>
<td>2.0%</td>
</tr>
<tr>
<td>1-1/2 inch</td>
<td>7%</td>
<td>4.0%</td>
</tr>
<tr>
<td>2 inch</td>
<td>9%</td>
<td>4.1%</td>
</tr>
<tr>
<td>3 inch</td>
<td>9%</td>
<td>3.2%</td>
</tr>
<tr>
<td>4 inch</td>
<td>5%</td>
<td>2.1%</td>
</tr>
<tr>
<td>6 inch</td>
<td>10%</td>
<td>2.5%</td>
</tr>
<tr>
<td>8 inch</td>
<td>2%</td>
<td>1.4%</td>
</tr>
</tbody>
</table>
Scenario A:

- Meter charges based on AWWA capacity factors ratios
- Tier design:
  - Tier 1 – 25<sup>th</sup> percentile for 5/8” meter (4 kgal/mo)
  - Tier 2 – 60<sup>th</sup> percentile for 5/8” meter (8 kgal/mo)
  - Tier 3 – 85<sup>th</sup> percentile for 5/8” meter (14 kgal/mo)
  - Tier 4 – over 14 kgal/mo
- Tiers for larger meter sizes would be based on AWWA capacity factors
Scenario B:

- Meter charges based on average water use ratio for each meter size
- Tier design:
  - Tier 1 – up to 60% of usage for each meter size
  - Tier 2 – up to 80% of usage for each meter size
  - Tier 3 – over Tier 2
- Tiers would be based on percentage of water usage for each meter size
## CURRENT TIERS

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Tier 0</th>
<th>Tier 1</th>
<th>Tier 2</th>
<th>Tier 3</th>
<th>Tier 4</th>
<th>Tier 0</th>
<th>Tier 1</th>
<th>Tier 2</th>
<th>Tier 3</th>
<th>Tier 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot;</td>
<td>1</td>
<td>7</td>
<td>14</td>
<td>18</td>
<td>18 +</td>
<td>10%</td>
<td>47%</td>
<td>20%</td>
<td>5%</td>
<td>18%</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>2</td>
<td>29</td>
<td>57</td>
<td>65</td>
<td>65 +</td>
<td>5%</td>
<td>41%</td>
<td>22%</td>
<td>4%</td>
<td>28%</td>
</tr>
<tr>
<td>1&quot;</td>
<td>3</td>
<td>68</td>
<td>137</td>
<td>175</td>
<td>175 +</td>
<td>6%</td>
<td>58%</td>
<td>19%</td>
<td>6%</td>
<td>12%</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>10</td>
<td>169</td>
<td>337</td>
<td>387</td>
<td>387 +</td>
<td>8%</td>
<td>61%</td>
<td>18%</td>
<td>3%</td>
<td>10%</td>
</tr>
<tr>
<td>2&quot;</td>
<td>12</td>
<td>400</td>
<td>750</td>
<td>925</td>
<td>925 +</td>
<td>5%</td>
<td>68%</td>
<td>16%</td>
<td>3%</td>
<td>8%</td>
</tr>
<tr>
<td>3&quot;</td>
<td>50</td>
<td>600</td>
<td>1,200</td>
<td>1,750</td>
<td>1,750 +</td>
<td>8%</td>
<td>61%</td>
<td>22%</td>
<td>7%</td>
<td>3%</td>
</tr>
<tr>
<td>4&quot;</td>
<td>175</td>
<td>1,000</td>
<td>2,500</td>
<td>2,750</td>
<td>2,750 +</td>
<td>15%</td>
<td>50%</td>
<td>24%</td>
<td>2%</td>
<td>10%</td>
</tr>
<tr>
<td>6&quot;</td>
<td>225</td>
<td>4,000</td>
<td>7,500</td>
<td>10,000</td>
<td>10,000 +</td>
<td>6%</td>
<td>51%</td>
<td>7%</td>
<td>0%</td>
<td>35%</td>
</tr>
<tr>
<td>8&quot;</td>
<td>250</td>
<td>1,000</td>
<td>2,500</td>
<td>12,500</td>
<td>12,500 +</td>
<td>9%</td>
<td>22%</td>
<td>43%</td>
<td>26%</td>
<td>0%</td>
</tr>
</tbody>
</table>
## Scenario A Tiers

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Proposed Monthly Tier (kgal/month)</th>
<th>Proposed Tier Usage Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tier 1</td>
<td>Tier 2</td>
</tr>
<tr>
<td>5/8&quot;</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>1&quot;</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>20</td>
<td>40</td>
</tr>
<tr>
<td>2&quot;</td>
<td>32</td>
<td>64</td>
</tr>
<tr>
<td>3&quot;</td>
<td>70</td>
<td>140</td>
</tr>
<tr>
<td>4&quot;</td>
<td>126</td>
<td>252</td>
</tr>
<tr>
<td>6&quot;</td>
<td>260</td>
<td>520</td>
</tr>
<tr>
<td>8&quot;</td>
<td>480</td>
<td>960</td>
</tr>
</tbody>
</table>
## SCENARIO B TIERS

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Proposed Monthly Tier (kgal/month)</th>
<th>Proposed Tier Usage Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tier 1</td>
<td>Tier 2</td>
</tr>
<tr>
<td>5/8&quot;</td>
<td>7</td>
<td>16</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>45</td>
<td>85</td>
</tr>
<tr>
<td>1&quot;</td>
<td>59</td>
<td>124</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>127</td>
<td>259</td>
</tr>
<tr>
<td>2&quot;</td>
<td>275</td>
<td>512</td>
</tr>
<tr>
<td>3&quot;</td>
<td>488</td>
<td>813</td>
</tr>
<tr>
<td>4&quot;</td>
<td>875</td>
<td>1,734</td>
</tr>
<tr>
<td>6&quot;</td>
<td>4,304</td>
<td>4,992</td>
</tr>
<tr>
<td>8&quot;</td>
<td>2,019</td>
<td>2,727</td>
</tr>
</tbody>
</table>
### SCENARIO A

**Advantages**
- Consistent with AWWA meter capacities
- Greater conservation signals for larger meter sizes

**Disadvantages**
- Significant customer impacts for larger meter sizes

### SCENARIO B

**Advantages**
- Minimizes customer impacts
- Ties in with actual usage consumption per meter size

**Disadvantages**
- Lesser conservation signals
SCENARIO A PROPOSED MONTHLY METER CHARGES – FY 2018

- Current fixed charge revenue is ~19% without Tier 0 revenue, ~25% with Tier 0 revenue
- Proposed fixed charge revenue is retained at ~25%

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Meter Ratio</th>
<th>Meter Component</th>
<th>Billing Component</th>
<th>Total Monthly Charges</th>
<th>Current Charges + Tier 0</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot;</td>
<td>1.00</td>
<td>$16.01</td>
<td>$5.89</td>
<td>$21.90</td>
<td>$21.55</td>
<td>$0.35</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>1.50</td>
<td>$24.01</td>
<td>$5.89</td>
<td>$29.91</td>
<td>$32.35</td>
<td>($2.44)</td>
</tr>
<tr>
<td>1&quot;</td>
<td>2.50</td>
<td>$40.01</td>
<td>$5.89</td>
<td>$45.91</td>
<td>$47.90</td>
<td>($1.99)</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>5.00</td>
<td>$80.03</td>
<td>$5.89</td>
<td>$85.93</td>
<td>$103.50</td>
<td>($17.57)</td>
</tr>
<tr>
<td>2&quot;</td>
<td>8.00</td>
<td>$128.05</td>
<td>$5.89</td>
<td>$133.94</td>
<td>$145.60</td>
<td>($11.66)</td>
</tr>
<tr>
<td>3&quot;</td>
<td>17.50</td>
<td>$280.10</td>
<td>$5.89</td>
<td>$286.00</td>
<td>$371.00</td>
<td>($85.00)</td>
</tr>
<tr>
<td>4&quot;</td>
<td>31.50</td>
<td>$504.18</td>
<td>$5.89</td>
<td>$510.08</td>
<td>$962.00</td>
<td>($451.92)</td>
</tr>
<tr>
<td>6&quot;</td>
<td>65.00</td>
<td>$1,040.38</td>
<td>$5.89</td>
<td>$1,046.28</td>
<td>$1,442.00</td>
<td>($395.72)</td>
</tr>
<tr>
<td>8&quot;</td>
<td>120.00</td>
<td>$1,920.70</td>
<td>$5.89</td>
<td>$1,926.60</td>
<td>$1,884.00</td>
<td>$42.60</td>
</tr>
</tbody>
</table>
Current fixed charge revenue is ~19% without Tier 0 revenue, ~25% with Tier 0 revenue.

Proposed fixed charge revenue is retained at ~25%.

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Meter Ratio</th>
<th>Meter Component</th>
<th>Billing Component</th>
<th>Total Monthly Charges</th>
<th>Current Charges + Tier 0</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot;</td>
<td>1.00</td>
<td>$11.55</td>
<td>$5.89</td>
<td>$17.45</td>
<td>$21.55</td>
<td>($4.10)</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>4.25</td>
<td>$49.09</td>
<td>$5.89</td>
<td>$54.99</td>
<td>$32.35</td>
<td>$22.64</td>
</tr>
<tr>
<td>1&quot;</td>
<td>5.29</td>
<td>$61.10</td>
<td>$5.89</td>
<td>$67.00</td>
<td>$47.90</td>
<td>$19.10</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>12.16</td>
<td>$140.42</td>
<td>$5.89</td>
<td>$146.32</td>
<td>$103.50</td>
<td>$42.82</td>
</tr>
<tr>
<td>2&quot;</td>
<td>24.58</td>
<td>$283.81</td>
<td>$5.89</td>
<td>$289.71</td>
<td>$145.60</td>
<td>$144.11</td>
</tr>
<tr>
<td>3&quot;</td>
<td>61.95</td>
<td>$715.38</td>
<td>$5.89</td>
<td>$721.28</td>
<td>$371.00</td>
<td>$350.28</td>
</tr>
<tr>
<td>4&quot;</td>
<td>112.14</td>
<td>$1,295.03</td>
<td>$5.89</td>
<td>$1,300.93</td>
<td>$962.00</td>
<td>$338.93</td>
</tr>
<tr>
<td>6&quot;</td>
<td>272.88</td>
<td>$3,151.26</td>
<td>$5.89</td>
<td>$3,157.15</td>
<td>$1,442.00</td>
<td>$1,715.15</td>
</tr>
<tr>
<td>8&quot;</td>
<td>90.69</td>
<td>$1,047.27</td>
<td>$5.89</td>
<td>$1,053.17</td>
<td>$1,884.00</td>
<td>($830.83)</td>
</tr>
</tbody>
</table>
## Proposed Monthly Private Fire Meter Charges – FY 2018

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Meter Ratio</th>
<th>Meter Component</th>
<th>Billing Component</th>
<th>Total Monthly Charges</th>
<th>Current Charges</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>2&quot;</td>
<td>0.06</td>
<td>$10.84</td>
<td>$5.89</td>
<td>$16.74</td>
<td>$28.25</td>
<td>($11.51)</td>
</tr>
<tr>
<td>3&quot;</td>
<td>0.16</td>
<td>$31.49</td>
<td>$5.89</td>
<td>$37.39</td>
<td>$49.00</td>
<td>($11.61)</td>
</tr>
<tr>
<td>4&quot;</td>
<td>0.34</td>
<td>$67.10</td>
<td>$5.89</td>
<td>$73.00</td>
<td>$80.00</td>
<td>($7.00)</td>
</tr>
<tr>
<td>6&quot;</td>
<td>1.00</td>
<td>$194.91</td>
<td>$5.89</td>
<td>$200.81</td>
<td>$166.00</td>
<td>$34.81</td>
</tr>
<tr>
<td>8&quot;</td>
<td>2.13</td>
<td>$415.37</td>
<td>$5.89</td>
<td>$421.27</td>
<td>$283.00</td>
<td>$138.27</td>
</tr>
</tbody>
</table>
» Water rates are comprised on 3 components:

- Water supply cost – lower cost water would be allocated to Ag and lower tiers
  - Groundwater (~80% of total water)
  - Purchased water (~20% of total water)
- Base delivery cost – all system costs to provide water at average rate of use
- Peaking cost – costs to provide extra capacity in the water system
## PROPOSED RATES

### Scenario A

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Supply Unit Cost</th>
<th>Base Delivery Unit Cost</th>
<th>Peaking Unit Cost</th>
<th>Total Rate ($/kgal)</th>
<th>Current Rate ($/kgal)</th>
<th>Difference ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>$1.45</td>
<td>$1.54</td>
<td>$0.55</td>
<td>$3.54</td>
<td>$4.97</td>
<td>($1.43)</td>
</tr>
<tr>
<td>Tier 2</td>
<td>$1.45</td>
<td>$1.54</td>
<td>$1.10</td>
<td>$4.09</td>
<td>$5.77</td>
<td>($1.68)</td>
</tr>
<tr>
<td>Tier 3</td>
<td>$1.45</td>
<td>$1.54</td>
<td>$2.19</td>
<td>$5.19</td>
<td>$9.62</td>
<td>($4.43)</td>
</tr>
<tr>
<td>Tier 4</td>
<td>$1.93</td>
<td>$1.54</td>
<td>$3.29</td>
<td>$6.76</td>
<td>$10.12</td>
<td>($3.36)</td>
</tr>
<tr>
<td>Agricultural</td>
<td>$1.45</td>
<td>$1.54</td>
<td>$0.00</td>
<td>$2.99</td>
<td>$2.32</td>
<td>$0.67</td>
</tr>
</tbody>
</table>

### Scenario B

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Supply Unit Cost</th>
<th>Base Delivery Unit Cost</th>
<th>Peaking Unit Cost</th>
<th>Total Rate ($/kgal)</th>
<th>Current Rate ($/kgal)</th>
<th>Difference ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>$1.45</td>
<td>$1.54</td>
<td>$1.15</td>
<td>$4.15</td>
<td>$4.97</td>
<td>($0.82)</td>
</tr>
<tr>
<td>Tier 2</td>
<td>$1.49</td>
<td>$1.54</td>
<td>$2.30</td>
<td>$5.34</td>
<td>$5.77</td>
<td>($0.43)</td>
</tr>
<tr>
<td>Tier 3</td>
<td>$2.45</td>
<td>$1.54</td>
<td>$4.61</td>
<td>$8.60</td>
<td>$9.62</td>
<td>($1.02)</td>
</tr>
<tr>
<td>Tier 4</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$10.12</td>
<td>($10.12)</td>
</tr>
<tr>
<td>Agricultural</td>
<td>$1.45</td>
<td>$1.54</td>
<td>$0.00</td>
<td>$2.99</td>
<td>$2.32</td>
<td>$0.67</td>
</tr>
</tbody>
</table>
## COMPARISON OF RATES

<table>
<thead>
<tr>
<th>Commodity Rates ($/kgal)</th>
<th>Current</th>
<th>Scenario A</th>
<th>Scenario B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>$4.97</td>
<td>$3.54</td>
<td>$4.15</td>
</tr>
<tr>
<td>Tier 2</td>
<td>$5.77</td>
<td>$4.09</td>
<td>$5.34</td>
</tr>
<tr>
<td>Tier 3</td>
<td>$9.62</td>
<td>$5.19</td>
<td>$8.60</td>
</tr>
<tr>
<td>Tier 4</td>
<td>$10.12</td>
<td>$6.76</td>
<td>N/A</td>
</tr>
<tr>
<td>Agricultural</td>
<td>$2.32</td>
<td>$2.99</td>
<td>$2.99</td>
</tr>
</tbody>
</table>
## SUMMARY

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Rates</th>
<th>Tier 1</th>
<th></th>
<th>Tier 2</th>
<th></th>
<th>Tier 3</th>
<th></th>
<th>Tier 4</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$4.97</td>
<td></td>
<td>$3.54</td>
<td>$4.15</td>
<td>$5.77</td>
<td>$4.09</td>
<td>$5.34</td>
<td>$9.62</td>
<td>$5.19</td>
</tr>
<tr>
<td>5/8&quot;</td>
<td>Current</td>
<td>7</td>
<td>4</td>
<td>7</td>
<td>14</td>
<td>8</td>
<td>16</td>
<td>18</td>
<td>14</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td></td>
<td>29</td>
<td>6</td>
<td>45</td>
<td>57</td>
<td>12</td>
<td>85</td>
<td>65</td>
<td>21</td>
</tr>
<tr>
<td>1&quot;</td>
<td></td>
<td>68</td>
<td>10</td>
<td>59</td>
<td>137</td>
<td>20</td>
<td>124</td>
<td>175</td>
<td>35</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td></td>
<td>169</td>
<td>20</td>
<td>127</td>
<td>337</td>
<td>40</td>
<td>259</td>
<td>387</td>
<td>70</td>
</tr>
<tr>
<td>2&quot;</td>
<td></td>
<td>400</td>
<td>32</td>
<td>275</td>
<td>750</td>
<td>64</td>
<td>512</td>
<td>925</td>
<td>112</td>
</tr>
<tr>
<td>3&quot;</td>
<td></td>
<td>600</td>
<td>70</td>
<td>488</td>
<td>1,200</td>
<td>140</td>
<td>813</td>
<td>1,750</td>
<td>245</td>
</tr>
<tr>
<td>4&quot;</td>
<td></td>
<td>1,000</td>
<td>126</td>
<td>875</td>
<td>2,500</td>
<td>252</td>
<td>1,734</td>
<td>2,750</td>
<td>441</td>
</tr>
<tr>
<td>6&quot;</td>
<td></td>
<td>4,000</td>
<td>260</td>
<td>4,304</td>
<td>7,500</td>
<td>520</td>
<td>4,992</td>
<td>10,000</td>
<td>910</td>
</tr>
<tr>
<td>8&quot;</td>
<td></td>
<td>1,000</td>
<td>480</td>
<td>2,019</td>
<td>2,500</td>
<td>960</td>
<td>2,727</td>
<td>12,500</td>
<td>1,680</td>
</tr>
</tbody>
</table>
CUSTOMER IMPACTS – SCENARIO A
NEXT STEPS

» Finalize financial plan
» Finalize rate structure
» Finalize water rates
» Develop water rate report
## Scenario A: 5-Year Rates

### Monthly Service Charges

<table>
<thead>
<tr>
<th>Diameter</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot;</td>
<td>$21.90</td>
<td>$23.00</td>
<td>$24.15</td>
<td>$25.36</td>
<td>$26.63</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>$29.91</td>
<td>$31.41</td>
<td>$32.99</td>
<td>$34.64</td>
<td>$36.38</td>
</tr>
<tr>
<td>1&quot;</td>
<td>$45.91</td>
<td>$48.21</td>
<td>$50.63</td>
<td>$53.17</td>
<td>$55.83</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>$85.93</td>
<td>$90.23</td>
<td>$94.75</td>
<td>$99.49</td>
<td>$104.47</td>
</tr>
<tr>
<td>2&quot;</td>
<td>$133.94</td>
<td>$140.64</td>
<td>$147.68</td>
<td>$155.07</td>
<td>$162.83</td>
</tr>
<tr>
<td>3&quot;</td>
<td>$286.00</td>
<td>$300.30</td>
<td>$315.32</td>
<td>$331.09</td>
<td>$347.65</td>
</tr>
<tr>
<td>4&quot;</td>
<td>$510.08</td>
<td>$535.59</td>
<td>$562.37</td>
<td>$590.49</td>
<td>$620.02</td>
</tr>
<tr>
<td>6&quot;</td>
<td>$1,046.28</td>
<td>$1,098.60</td>
<td>$1,153.53</td>
<td>$1,211.21</td>
<td>$1,271.78</td>
</tr>
<tr>
<td>8&quot;</td>
<td>$1,926.60</td>
<td>$2,022.93</td>
<td>$2,124.08</td>
<td>$2,230.29</td>
<td>$2,341.81</td>
</tr>
</tbody>
</table>

### Monthly Private Fire Service Charge

<table>
<thead>
<tr>
<th>Diameter</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>2&quot;</td>
<td>$16.74</td>
<td>$17.58</td>
<td>$18.46</td>
<td>$19.39</td>
<td>$20.36</td>
</tr>
<tr>
<td>3&quot;</td>
<td>$37.39</td>
<td>$39.26</td>
<td>$41.23</td>
<td>$43.30</td>
<td>$45.47</td>
</tr>
<tr>
<td>4&quot;</td>
<td>$73.00</td>
<td>$76.65</td>
<td>$80.49</td>
<td>$84.52</td>
<td>$88.75</td>
</tr>
<tr>
<td>6&quot;</td>
<td>$200.81</td>
<td>$210.86</td>
<td>$221.41</td>
<td>$232.49</td>
<td>$244.12</td>
</tr>
<tr>
<td>8&quot;</td>
<td>$421.27</td>
<td>$442.34</td>
<td>$464.46</td>
<td>$487.69</td>
<td>$512.08</td>
</tr>
</tbody>
</table>

### Commodity Rates ($/kgal)

<table>
<thead>
<tr>
<th>Tier</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>$3.54</td>
<td>$3.72</td>
<td>$3.91</td>
<td>$4.11</td>
<td>$4.32</td>
</tr>
<tr>
<td>Tier 2</td>
<td>$4.09</td>
<td>$4.30</td>
<td>$4.52</td>
<td>$4.75</td>
<td>$4.99</td>
</tr>
<tr>
<td>Tier 3</td>
<td>$5.19</td>
<td>$5.45</td>
<td>$5.73</td>
<td>$6.02</td>
<td>$6.33</td>
</tr>
<tr>
<td>Tier 4</td>
<td>$6.76</td>
<td>$7.10</td>
<td>$7.46</td>
<td>$7.84</td>
<td>$8.24</td>
</tr>
<tr>
<td>Agricultural</td>
<td>$2.99</td>
<td>$3.14</td>
<td>$3.30</td>
<td>$3.47</td>
<td>$3.65</td>
</tr>
</tbody>
</table>
## SCENARIO B: 5-YEAR RATES

<table>
<thead>
<tr>
<th></th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Monthly Service Charges</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>$54.99</td>
<td>$57.74</td>
<td>$60.63</td>
<td>$63.67</td>
<td>$66.86</td>
</tr>
<tr>
<td>1&quot;</td>
<td>$67.00</td>
<td>$70.35</td>
<td>$73.87</td>
<td>$77.57</td>
<td>$81.45</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>$146.32</td>
<td>$153.64</td>
<td>$161.33</td>
<td>$169.40</td>
<td>$177.87</td>
</tr>
<tr>
<td>2&quot;</td>
<td>$289.71</td>
<td>$304.20</td>
<td>$319.41</td>
<td>$335.39</td>
<td>$352.16</td>
</tr>
<tr>
<td>3&quot;</td>
<td>$721.28</td>
<td>$757.35</td>
<td>$795.22</td>
<td>$834.99</td>
<td>$876.74</td>
</tr>
<tr>
<td>4&quot;</td>
<td>$1,300.93</td>
<td>$1,365.98</td>
<td>$1,434.28</td>
<td>$1,506.00</td>
<td>$1,581.30</td>
</tr>
<tr>
<td>6&quot;</td>
<td>$3,157.15</td>
<td>$3,315.01</td>
<td>$3,480.77</td>
<td>$3,654.81</td>
<td>$3,837.56</td>
</tr>
<tr>
<td>8&quot;</td>
<td>$1,053.17</td>
<td>$1,105.83</td>
<td>$1,161.13</td>
<td>$1,219.19</td>
<td>$1,280.15</td>
</tr>
<tr>
<td><strong>Monthly Private Fire Service Charge</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2&quot;</td>
<td>$16.74</td>
<td>$17.58</td>
<td>$18.46</td>
<td>$19.39</td>
<td>$20.36</td>
</tr>
<tr>
<td>3&quot;</td>
<td>$37.39</td>
<td>$39.26</td>
<td>$41.23</td>
<td>$43.30</td>
<td>$45.47</td>
</tr>
<tr>
<td>4&quot;</td>
<td>$73.00</td>
<td>$76.65</td>
<td>$80.49</td>
<td>$84.52</td>
<td>$88.75</td>
</tr>
<tr>
<td>6&quot;</td>
<td>$200.81</td>
<td>$210.86</td>
<td>$221.41</td>
<td>$232.49</td>
<td>$244.12</td>
</tr>
<tr>
<td>8&quot;</td>
<td>$421.27</td>
<td>$442.34</td>
<td>$464.46</td>
<td>$487.69</td>
<td>$512.08</td>
</tr>
<tr>
<td><strong>Commodity Rates ($/kgal)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tier 1</td>
<td>$4.15</td>
<td>$4.36</td>
<td>$4.58</td>
<td>$4.81</td>
<td>$5.06</td>
</tr>
<tr>
<td>Tier 2</td>
<td>$5.34</td>
<td>$5.61</td>
<td>$5.90</td>
<td>$6.20</td>
<td>$6.51</td>
</tr>
<tr>
<td>Tier 3</td>
<td>$8.60</td>
<td>$9.03</td>
<td>$9.49</td>
<td>$9.97</td>
<td>$10.47</td>
</tr>
<tr>
<td>Tier 4</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Agricultural</td>
<td>$2.99</td>
<td>$3.14</td>
<td>$3.30</td>
<td>$3.47</td>
<td>$3.63</td>
</tr>
</tbody>
</table>
### CUSTOMER IMPACTS – 5/8” METER

#### SCENARIO A

<table>
<thead>
<tr>
<th>Monthly Usage (kgal)</th>
<th>Current Fixed + Tier</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>$21.55</td>
<td>$14.91</td>
<td>$36.46</td>
<td>$21.90</td>
<td>$14.16</td>
<td>$36.06</td>
<td>$(0.40)</td>
</tr>
<tr>
<td>6</td>
<td>$21.55</td>
<td>$24.85</td>
<td>$46.40</td>
<td>$21.90</td>
<td>$22.34</td>
<td>$44.24</td>
<td>$(2.16)</td>
</tr>
<tr>
<td>8</td>
<td>$21.55</td>
<td>$35.59</td>
<td>$57.14</td>
<td>$21.90</td>
<td>$30.52</td>
<td>$52.42</td>
<td>$(4.72)</td>
</tr>
<tr>
<td>10</td>
<td>$21.55</td>
<td>$47.13</td>
<td>$68.68</td>
<td>$21.90</td>
<td>$40.90</td>
<td>$62.80</td>
<td>$(5.88)</td>
</tr>
<tr>
<td>12</td>
<td>$21.55</td>
<td>$58.67</td>
<td>$80.22</td>
<td>$21.90</td>
<td>$51.28</td>
<td>$73.18</td>
<td>$(7.04)</td>
</tr>
<tr>
<td>15</td>
<td>$21.55</td>
<td>$79.83</td>
<td>$101.38</td>
<td>$21.90</td>
<td>$68.42</td>
<td>$90.32</td>
<td>$(11.06)</td>
</tr>
<tr>
<td>20</td>
<td>$21.55</td>
<td>$128.93</td>
<td>$150.48</td>
<td>$21.90</td>
<td>$102.22</td>
<td>$124.12</td>
<td>$(26.36)</td>
</tr>
<tr>
<td>30</td>
<td>$21.55</td>
<td>$230.13</td>
<td>$251.68</td>
<td>$21.90</td>
<td>$169.82</td>
<td>$191.72</td>
<td>$(59.96)</td>
</tr>
</tbody>
</table>

#### SCENARIO B

<table>
<thead>
<tr>
<th>Monthly Usage (kgal)</th>
<th>Current Fixed + Tier</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>$21.55</td>
<td>$14.91</td>
<td>$36.46</td>
<td>$17.45</td>
<td>$16.60</td>
<td>$34.05</td>
<td>$(2.41)</td>
</tr>
<tr>
<td>6</td>
<td>$21.55</td>
<td>$24.85</td>
<td>$46.40</td>
<td>$17.45</td>
<td>$24.90</td>
<td>$42.35</td>
<td>$(4.05)</td>
</tr>
<tr>
<td>8</td>
<td>$21.55</td>
<td>$35.59</td>
<td>$57.14</td>
<td>$17.45</td>
<td>$34.39</td>
<td>$51.84</td>
<td>$(5.30)</td>
</tr>
<tr>
<td>10</td>
<td>$21.55</td>
<td>$47.13</td>
<td>$68.68</td>
<td>$17.45</td>
<td>$45.07</td>
<td>$62.52</td>
<td>$(6.16)</td>
</tr>
<tr>
<td>12</td>
<td>$21.55</td>
<td>$58.67</td>
<td>$80.22</td>
<td>$17.45</td>
<td>$55.75</td>
<td>$73.20</td>
<td>$(7.02)</td>
</tr>
<tr>
<td>15</td>
<td>$21.55</td>
<td>$79.83</td>
<td>$101.38</td>
<td>$17.45</td>
<td>$71.77</td>
<td>$89.22</td>
<td>$(12.16)</td>
</tr>
<tr>
<td>20</td>
<td>$21.55</td>
<td>$128.93</td>
<td>$150.48</td>
<td>$17.45</td>
<td>$111.51</td>
<td>$128.96</td>
<td>$(21.52)</td>
</tr>
<tr>
<td>30</td>
<td>$21.55</td>
<td>$230.13</td>
<td>$251.68</td>
<td>$17.45</td>
<td>$197.51</td>
<td>$214.96</td>
<td>$(36.72)</td>
</tr>
</tbody>
</table>
# CUSTOMER IMPACTS – 3/4” METER

## SCENARIO A

<table>
<thead>
<tr>
<th>Monthly Usage (kcal)</th>
<th>Current Fixed + Tier</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>$32.35</td>
<td>$49.70</td>
<td>$82.05</td>
<td>$29.91</td>
<td>$45.78</td>
<td>$75.69</td>
<td>($6.36)</td>
</tr>
<tr>
<td>20</td>
<td>$32.35</td>
<td>$89.46</td>
<td>$121.81</td>
<td>$29.91</td>
<td>$87.30</td>
<td>$117.21</td>
<td>($4.60)</td>
</tr>
<tr>
<td>40</td>
<td>$32.35</td>
<td>$197.66</td>
<td>$230.01</td>
<td>$29.91</td>
<td>$220.93</td>
<td>$250.84</td>
<td>$20.83</td>
</tr>
<tr>
<td>75</td>
<td>$32.35</td>
<td>$473.91</td>
<td>$506.26</td>
<td>$29.91</td>
<td>$457.53</td>
<td>$487.44</td>
<td>($18.82)</td>
</tr>
<tr>
<td>100</td>
<td>$32.35</td>
<td>$726.91</td>
<td>$759.26</td>
<td>$29.91</td>
<td>$626.53</td>
<td>$656.44</td>
<td>($102.82)</td>
</tr>
<tr>
<td>120</td>
<td>$32.35</td>
<td>$929.31</td>
<td>$961.66</td>
<td>$29.91</td>
<td>$761.73</td>
<td>$791.64</td>
<td>($170.02)</td>
</tr>
</tbody>
</table>

## SCENARIO B

<table>
<thead>
<tr>
<th>Monthly Usage (kcal)</th>
<th>Current Fixed + Tier</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>$32.35</td>
<td>$49.70</td>
<td>$82.05</td>
<td>$54.99</td>
<td>$49.80</td>
<td>$104.79</td>
<td>$22.74</td>
</tr>
<tr>
<td>20</td>
<td>$32.35</td>
<td>$89.46</td>
<td>$121.81</td>
<td>$54.99</td>
<td>$83.00</td>
<td>$137.99</td>
<td>$16.18</td>
</tr>
<tr>
<td>40</td>
<td>$32.35</td>
<td>$197.66</td>
<td>$230.01</td>
<td>$54.99</td>
<td>$166.00</td>
<td>$220.99</td>
<td>($9.02)</td>
</tr>
<tr>
<td>75</td>
<td>$32.35</td>
<td>$473.91</td>
<td>$506.26</td>
<td>$54.99</td>
<td>$346.95</td>
<td>$401.94</td>
<td>($104.32)</td>
</tr>
<tr>
<td>100</td>
<td>$32.35</td>
<td>$726.91</td>
<td>$759.26</td>
<td>$54.99</td>
<td>$529.35</td>
<td>$584.34</td>
<td>($174.92)</td>
</tr>
<tr>
<td>120</td>
<td>$32.35</td>
<td>$929.31</td>
<td>$961.66</td>
<td>$54.99</td>
<td>$701.35</td>
<td>$756.34</td>
<td>($205.32)</td>
</tr>
</tbody>
</table>
CUSTOMER IMPACTS – 1” METER

<table>
<thead>
<tr>
<th>Monthly Usage (kgal)</th>
<th>Current Fixed + Tier</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCENARIO A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>$47.90</td>
<td>$59.64</td>
<td>$107.54</td>
<td>$45.91</td>
<td>$55.85</td>
<td>$101.76</td>
<td>($5.78)</td>
</tr>
<tr>
<td>25</td>
<td>$47.90</td>
<td>$109.34</td>
<td>$157.24</td>
<td>$45.91</td>
<td>$102.25</td>
<td>$148.16</td>
<td>($9.08)</td>
</tr>
<tr>
<td>50</td>
<td>$47.90</td>
<td>$233.59</td>
<td>$281.49</td>
<td>$45.91</td>
<td>$255.55</td>
<td>$301.46</td>
<td>$19.97</td>
</tr>
<tr>
<td>100</td>
<td>$47.90</td>
<td>$507.69</td>
<td>$555.59</td>
<td>$45.91</td>
<td>$593.55</td>
<td>$639.46</td>
<td>$83.87</td>
</tr>
<tr>
<td>150</td>
<td>$47.90</td>
<td>$846.24</td>
<td>$894.14</td>
<td>$45.91</td>
<td>$931.55</td>
<td>$977.46</td>
<td>$83.32</td>
</tr>
<tr>
<td>200</td>
<td>$47.90</td>
<td>$1,339.74</td>
<td>$1,387.64</td>
<td>$45.91</td>
<td>$1,269.55</td>
<td>$1,315.46</td>
<td>($72.18)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monthly Usage (kgal)</th>
<th>Current Fixed + Tier</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCENARIO B</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>$47.90</td>
<td>$59.64</td>
<td>$107.54</td>
<td>$67.00</td>
<td>$62.25</td>
<td>$129.25</td>
<td>$21.71</td>
</tr>
<tr>
<td>25</td>
<td>$47.90</td>
<td>$109.34</td>
<td>$157.24</td>
<td>$67.00</td>
<td>$103.75</td>
<td>$170.75</td>
<td>$13.51</td>
</tr>
<tr>
<td>50</td>
<td>$47.90</td>
<td>$233.59</td>
<td>$281.49</td>
<td>$67.00</td>
<td>$207.50</td>
<td>$274.50</td>
<td>($6.99)</td>
</tr>
<tr>
<td>100</td>
<td>$47.90</td>
<td>$507.69</td>
<td>$555.59</td>
<td>$67.00</td>
<td>$463.79</td>
<td>$530.79</td>
<td>($24.80)</td>
</tr>
<tr>
<td>150</td>
<td>$47.90</td>
<td>$846.24</td>
<td>$894.14</td>
<td>$67.00</td>
<td>$815.55</td>
<td>$882.55</td>
<td>($11.59)</td>
</tr>
<tr>
<td>200</td>
<td>$47.90</td>
<td>$1,339.74</td>
<td>$1,387.64</td>
<td>$67.00</td>
<td>$1,245.55</td>
<td>$1,312.55</td>
<td>($75.09)</td>
</tr>
</tbody>
</table>
## CUSTOMER IMPACTS – 1 1/2” METER

### SCENARIO A

<table>
<thead>
<tr>
<th>Monthly Usage (kgal)</th>
<th>Current Fixed + Tier 0</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>35</td>
<td>$103.50</td>
<td>$124.25</td>
<td>$227.75</td>
<td>$85.93</td>
<td>$132.15</td>
<td>$218.08</td>
<td>($9.67)</td>
</tr>
<tr>
<td>80</td>
<td>$103.50</td>
<td>$347.90</td>
<td>$451.40</td>
<td>$85.93</td>
<td>$375.90</td>
<td>$461.83</td>
<td>$10.43</td>
</tr>
<tr>
<td>120</td>
<td>$103.50</td>
<td>$546.70</td>
<td>$650.20</td>
<td>$85.93</td>
<td>$646.30</td>
<td>$732.23</td>
<td>$82.03</td>
</tr>
<tr>
<td>200</td>
<td>$103.50</td>
<td>$969.10</td>
<td>$1,072.60</td>
<td>$85.93</td>
<td>$1,187.10</td>
<td>$1,273.03</td>
<td>$200.43</td>
</tr>
<tr>
<td>300</td>
<td>$103.50</td>
<td>$1,546.10</td>
<td>$1,649.60</td>
<td>$85.93</td>
<td>$1,863.10</td>
<td>$1,949.03</td>
<td>$299.43</td>
</tr>
<tr>
<td>375</td>
<td>$103.50</td>
<td>$2,125.15</td>
<td>$2,228.65</td>
<td>$85.93</td>
<td>$2,370.10</td>
<td>$2,456.03</td>
<td>$227.38</td>
</tr>
</tbody>
</table>

### SCENARIO B

<table>
<thead>
<tr>
<th>Monthly Usage (kgal)</th>
<th>Current Fixed + Tier 0</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>35</td>
<td>$103.50</td>
<td>$124.25</td>
<td>$227.75</td>
<td>$146.32</td>
<td>$145.25</td>
<td>$291.57</td>
<td>$63.82</td>
</tr>
<tr>
<td>80</td>
<td>$103.50</td>
<td>$347.90</td>
<td>$451.40</td>
<td>$146.32</td>
<td>$332.00</td>
<td>$478.32</td>
<td>$26.92</td>
</tr>
<tr>
<td>120</td>
<td>$103.50</td>
<td>$546.70</td>
<td>$650.20</td>
<td>$146.32</td>
<td>$498.00</td>
<td>$644.32</td>
<td>($5.88)</td>
</tr>
<tr>
<td>200</td>
<td>$103.50</td>
<td>$969.10</td>
<td>$1,072.60</td>
<td>$146.32</td>
<td>$916.87</td>
<td>$1,063.19</td>
<td>($9.41)</td>
</tr>
<tr>
<td>300</td>
<td>$103.50</td>
<td>$1,546.10</td>
<td>$1,649.60</td>
<td>$146.32</td>
<td>$1,584.53</td>
<td>$1,730.85</td>
<td>$81.25</td>
</tr>
<tr>
<td>375</td>
<td>$103.50</td>
<td>$2,125.15</td>
<td>$2,228.65</td>
<td>$146.32</td>
<td>$2,229.53</td>
<td>$2,375.85</td>
<td>$147.20</td>
</tr>
</tbody>
</table>
### CUSTOMER IMPACTS – 2” METER

<table>
<thead>
<tr>
<th>Monthly Usage (kgal)</th>
<th>Current Fixed + Tier 0</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Current</td>
<td>Proposed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>75</td>
<td>$145.60</td>
<td>$313.11</td>
<td>$458.71</td>
<td>$133.94</td>
<td>$301.25</td>
<td>$435.19</td>
<td>($23.52)</td>
</tr>
<tr>
<td>150</td>
<td>$145.60</td>
<td>$685.86</td>
<td>$831.46</td>
<td>$133.94</td>
<td>$750.16</td>
<td>$884.10</td>
<td>$52.64</td>
</tr>
<tr>
<td>240</td>
<td>$145.60</td>
<td>$1,133.16</td>
<td>$1,278.76</td>
<td>$133.94</td>
<td>$1,358.56</td>
<td>$1,492.50</td>
<td>$213.74</td>
</tr>
<tr>
<td>350</td>
<td>$145.60</td>
<td>$1,679.86</td>
<td>$1,825.46</td>
<td>$133.94</td>
<td>$2,102.16</td>
<td>$2,236.10</td>
<td>$410.64</td>
</tr>
<tr>
<td>500</td>
<td>$145.60</td>
<td>$2,505.36</td>
<td>$2,650.96</td>
<td>$133.94</td>
<td>$3,116.16</td>
<td>$3,250.10</td>
<td>$599.14</td>
</tr>
<tr>
<td>775</td>
<td>$145.60</td>
<td>$4,188.36</td>
<td>$4,333.96</td>
<td>$133.94</td>
<td>$4,975.16</td>
<td>$5,109.10</td>
<td>$775.14</td>
</tr>
</tbody>
</table>

### SCENARIO B

<table>
<thead>
<tr>
<th>Monthly Usage (kgal)</th>
<th>Current Fixed + Tier 0</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>75</td>
<td>$145.60</td>
<td>$313.11</td>
<td>$458.71</td>
<td>$289.71</td>
<td>$311.25</td>
<td>$600.96</td>
<td>$142.25</td>
</tr>
<tr>
<td>150</td>
<td>$145.60</td>
<td>$685.86</td>
<td>$831.46</td>
<td>$289.71</td>
<td>$622.50</td>
<td>$912.21</td>
<td>$80.75</td>
</tr>
<tr>
<td>240</td>
<td>$145.60</td>
<td>$1,133.16</td>
<td>$1,278.76</td>
<td>$289.71</td>
<td>$996.00</td>
<td>$1,285.71</td>
<td>$6.95</td>
</tr>
<tr>
<td>350</td>
<td>$145.60</td>
<td>$1,679.86</td>
<td>$1,825.46</td>
<td>$289.71</td>
<td>$1,541.75</td>
<td>$1,831.46</td>
<td>$6.00</td>
</tr>
<tr>
<td>500</td>
<td>$145.60</td>
<td>$2,505.36</td>
<td>$2,650.96</td>
<td>$289.71</td>
<td>$2,342.75</td>
<td>$2,632.46</td>
<td>($18.50)</td>
</tr>
<tr>
<td>775</td>
<td>$145.60</td>
<td>$4,188.36</td>
<td>$4,333.96</td>
<td>$289.71</td>
<td>$4,668.63</td>
<td>$4,958.34</td>
<td>$624.38</td>
</tr>
</tbody>
</table>
## CUSTOMER IMPACTS – 3” METER

### SCENARIO A

<table>
<thead>
<tr>
<th>Monthly Usage (kgal)</th>
<th>Current Fixed + Tier</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>150</td>
<td>$371.00</td>
<td>$497.00</td>
<td>$868.00</td>
<td>$286.00</td>
<td>$586.00</td>
<td>$872.00</td>
<td>$4.00</td>
</tr>
<tr>
<td>300</td>
<td>$371.00</td>
<td>$1,242.50</td>
<td>$1,613.50</td>
<td>$286.00</td>
<td>$1,450.85</td>
<td>$1,736.85</td>
<td>$123.35</td>
</tr>
<tr>
<td>600</td>
<td>$371.00</td>
<td>$2,733.50</td>
<td>$3,104.50</td>
<td>$286.00</td>
<td>$3,478.85</td>
<td>$3,764.85</td>
<td>$660.35</td>
</tr>
<tr>
<td>800</td>
<td>$371.00</td>
<td>$3,887.50</td>
<td>$4,258.50</td>
<td>$286.00</td>
<td>$4,830.85</td>
<td>$5,116.85</td>
<td>$858.35</td>
</tr>
<tr>
<td>1,000</td>
<td>$371.00</td>
<td>$5,041.50</td>
<td>$5,412.50</td>
<td>$286.00</td>
<td>$6,182.85</td>
<td>$6,468.85</td>
<td>$1,056.35</td>
</tr>
<tr>
<td>1,200</td>
<td>$371.00</td>
<td>$6,195.50</td>
<td>$6,566.50</td>
<td>$286.00</td>
<td>$7,534.85</td>
<td>$7,820.85</td>
<td>$1,254.35</td>
</tr>
</tbody>
</table>

### SCENARIO B

<table>
<thead>
<tr>
<th>Monthly Usage (kgal)</th>
<th>Current Fixed + Tier</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>150</td>
<td>$371.00</td>
<td>$497.00</td>
<td>$868.00</td>
<td>$721.28</td>
<td>$622.50</td>
<td>$1,343.78</td>
<td>$475.78</td>
</tr>
<tr>
<td>300</td>
<td>$371.00</td>
<td>$1,242.50</td>
<td>$1,613.50</td>
<td>$721.28</td>
<td>$1,245.00</td>
<td>$1,966.28</td>
<td>$352.78</td>
</tr>
<tr>
<td>600</td>
<td>$371.00</td>
<td>$2,733.50</td>
<td>$3,104.50</td>
<td>$721.28</td>
<td>$2,623.28</td>
<td>$3,344.56</td>
<td>$240.06</td>
</tr>
<tr>
<td>800</td>
<td>$371.00</td>
<td>$3,887.50</td>
<td>$4,258.50</td>
<td>$721.28</td>
<td>$3,691.28</td>
<td>$4,412.56</td>
<td>$154.06</td>
</tr>
<tr>
<td>1,000</td>
<td>$371.00</td>
<td>$5,041.50</td>
<td>$5,412.50</td>
<td>$721.28</td>
<td>$5,368.90</td>
<td>$6,090.18</td>
<td>$677.68</td>
</tr>
<tr>
<td>1,200</td>
<td>$371.00</td>
<td>$6,195.50</td>
<td>$6,566.50</td>
<td>$721.28</td>
<td>$7,088.90</td>
<td>$7,810.18</td>
<td>$1,243.68</td>
</tr>
</tbody>
</table>
# CUSTOMER IMPACTS – 4” METER

<table>
<thead>
<tr>
<th>Monthly Usage (kgal)</th>
<th>Current Fixed + Tier 0</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SCENARIO A</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>300</td>
<td>$962.00</td>
<td>$621.25</td>
<td>$1,583.25</td>
<td>$510.08</td>
<td>$1,210.50</td>
<td>$1,720.58</td>
<td>$137.33</td>
</tr>
<tr>
<td>700</td>
<td>$962.00</td>
<td>$2,609.25</td>
<td>$3,571.25</td>
<td>$510.08</td>
<td>$3,693.13</td>
<td>$4,203.21</td>
<td>$631.96</td>
</tr>
<tr>
<td>1,100</td>
<td>$962.00</td>
<td>$4,677.25</td>
<td>$5,639.25</td>
<td>$510.08</td>
<td>$6,397.13</td>
<td>$6,907.21</td>
<td>$1,267.96</td>
</tr>
<tr>
<td>1,500</td>
<td>$962.00</td>
<td>$6,985.25</td>
<td>$7,947.25</td>
<td>$510.08</td>
<td>$9,101.13</td>
<td>$9,611.21</td>
<td>$1,663.96</td>
</tr>
<tr>
<td>2,000</td>
<td>$962.00</td>
<td>$9,870.25</td>
<td>$10,832.25</td>
<td>$510.08</td>
<td>$12,481.13</td>
<td>$12,991.21</td>
<td>$2,158.96</td>
</tr>
<tr>
<td>2,700</td>
<td>$962.00</td>
<td>$14,679.25</td>
<td>$15,641.25</td>
<td>$510.08</td>
<td>$17,213.13</td>
<td>$17,723.21</td>
<td>$2,081.96</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monthly Usage (kgal)</th>
<th>Current Fixed + Tier 0</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SCENARIO B</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>300</td>
<td>$962.00</td>
<td>$621.25</td>
<td>$1,583.25</td>
<td>$1,300.93</td>
<td>$1,245.00</td>
<td>$2,545.93</td>
<td>$962.68</td>
</tr>
<tr>
<td>700</td>
<td>$962.00</td>
<td>$2,609.25</td>
<td>$3,571.25</td>
<td>$1,300.93</td>
<td>$2,905.00</td>
<td>$4,205.93</td>
<td>$634.68</td>
</tr>
<tr>
<td>1,100</td>
<td>$962.00</td>
<td>$4,677.25</td>
<td>$5,639.25</td>
<td>$1,300.93</td>
<td>$4,832.75</td>
<td>$6,133.68</td>
<td>$494.43</td>
</tr>
<tr>
<td>1,500</td>
<td>$962.00</td>
<td>$6,985.25</td>
<td>$7,947.25</td>
<td>$1,300.93</td>
<td>$6,968.75</td>
<td>$8,269.68</td>
<td>$322.43</td>
</tr>
<tr>
<td>2,000</td>
<td>$962.00</td>
<td>$9,870.25</td>
<td>$10,832.25</td>
<td>$1,300.93</td>
<td>$10,505.91</td>
<td>$11,806.84</td>
<td>$974.59</td>
</tr>
<tr>
<td>2,700</td>
<td>$962.00</td>
<td>$14,679.25</td>
<td>$15,641.25</td>
<td>$1,300.93</td>
<td>$16,525.91</td>
<td>$17,826.84</td>
<td>$2,185.59</td>
</tr>
</tbody>
</table>
# CUSTOMER IMPACTS – 6” METER

## SCENARIO A

<table>
<thead>
<tr>
<th>Monthly Usage (kgal)</th>
<th>Current Fixed + Tier 0</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,000</td>
<td>$1,442.00</td>
<td>$3,851.75</td>
<td>$5,293.75</td>
<td>$1,046.28</td>
<td>$4,616.30</td>
<td>$5,662.58</td>
<td>$368.83</td>
</tr>
<tr>
<td>1,500</td>
<td>$1,442.00</td>
<td>$6,336.75</td>
<td>$7,778.75</td>
<td>$1,046.28</td>
<td>$7,996.30</td>
<td>$9,042.58</td>
<td>$1,263.83</td>
</tr>
<tr>
<td>2,600</td>
<td>$1,442.00</td>
<td>$11,803.75</td>
<td>$13,245.75</td>
<td>$1,046.28</td>
<td>$15,432.30</td>
<td>$16,478.58</td>
<td>$3,232.83</td>
</tr>
<tr>
<td>4,000</td>
<td>$1,442.00</td>
<td>$18,761.75</td>
<td>$20,203.75</td>
<td>$1,046.28</td>
<td>$24,896.30</td>
<td>$25,942.58</td>
<td>$5,738.83</td>
</tr>
<tr>
<td>6,000</td>
<td>$1,442.00</td>
<td>$30,301.75</td>
<td>$31,743.75</td>
<td>$1,046.28</td>
<td>$38,416.30</td>
<td>$39,462.58</td>
<td>$7,718.83</td>
</tr>
<tr>
<td>9,000</td>
<td>$1,442.00</td>
<td>$53,386.75</td>
<td>$54,828.75</td>
<td>$1,046.28</td>
<td>$58,696.30</td>
<td>$59,742.58</td>
<td>$4,913.83</td>
</tr>
</tbody>
</table>

## SCENARIO B

<table>
<thead>
<tr>
<th>Monthly Usage (kgal)</th>
<th>Current Fixed + Tier 0</th>
<th>Current Commodity</th>
<th>Current Total Bill</th>
<th>Proposed Fixed</th>
<th>Proposed Commodity</th>
<th>Proposed Total Bill</th>
<th>Difference Total Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,000</td>
<td>$1,442.00</td>
<td>$3,851.75</td>
<td>$5,293.75</td>
<td>$3,157.15</td>
<td>$4,150.00</td>
<td>$7,307.15</td>
<td>$2,013.40</td>
</tr>
<tr>
<td>1,500</td>
<td>$1,442.00</td>
<td>$6,336.75</td>
<td>$7,778.75</td>
<td>$3,157.15</td>
<td>$6,225.00</td>
<td>$9,382.15</td>
<td>$1,603.40</td>
</tr>
<tr>
<td>2,600</td>
<td>$1,442.00</td>
<td>$11,803.75</td>
<td>$13,245.75</td>
<td>$3,157.15</td>
<td>$10,790.00</td>
<td>$13,947.15</td>
<td>$701.40</td>
</tr>
<tr>
<td>4,000</td>
<td>$1,442.00</td>
<td>$18,761.75</td>
<td>$20,203.75</td>
<td>$3,157.15</td>
<td>$16,600.00</td>
<td>$19,757.15</td>
<td>$2,157.15</td>
</tr>
<tr>
<td>6,000</td>
<td>$1,442.00</td>
<td>$30,301.75</td>
<td>$31,743.75</td>
<td>$3,157.15</td>
<td>$30,204.32</td>
<td>$33,361.47</td>
<td>$1,917.72</td>
</tr>
<tr>
<td>9,000</td>
<td>$1,442.00</td>
<td>$53,386.75</td>
<td>$54,828.75</td>
<td>$3,157.15</td>
<td>$56,004.32</td>
<td>$59,161.47</td>
<td>$4,332.72</td>
</tr>
<tr>
<td>Monthly Usage (kcal)</td>
<td>Current Fixed + Tier 0</td>
<td>Current Commodity</td>
<td>Current Total Bill</td>
<td>Proposed Fixed</td>
<td>Proposed Commodity</td>
<td>Proposed Total Bill</td>
<td>Difference Total Bill</td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------------------</td>
<td>-------------------</td>
<td>-------------------</td>
<td>---------------</td>
<td>-------------------</td>
<td>-------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>SCENARIO A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>275</td>
<td>$1,884.00</td>
<td>$124.25</td>
<td>$2,008.25</td>
<td>$1,926.60</td>
<td>$973.50</td>
<td>$2,900.10</td>
<td>$891.85</td>
</tr>
<tr>
<td>600</td>
<td>$1,884.00</td>
<td>$1,739.50</td>
<td>$3,623.50</td>
<td>$1,926.60</td>
<td>$2,190.00</td>
<td>$4,116.60</td>
<td>$493.10</td>
</tr>
<tr>
<td>900</td>
<td>$1,884.00</td>
<td>$3,230.50</td>
<td>$5,114.50</td>
<td>$1,926.60</td>
<td>$3,417.00</td>
<td>$5,343.60</td>
<td>$229.10</td>
</tr>
<tr>
<td>1,500</td>
<td>$1,884.00</td>
<td>$6,612.50</td>
<td>$8,496.50</td>
<td>$1,926.60</td>
<td>$6,465.00</td>
<td>$8,391.60</td>
<td>($104.90)</td>
</tr>
<tr>
<td>2,000</td>
<td>$1,884.00</td>
<td>$9,497.50</td>
<td>$11,381.50</td>
<td>$1,926.60</td>
<td>$9,562.40</td>
<td>$11,489.00</td>
<td>$107.50</td>
</tr>
<tr>
<td>3,000</td>
<td>$1,884.00</td>
<td>$17,192.50</td>
<td>$19,076.50</td>
<td>$1,926.60</td>
<td>$16,322.40</td>
<td>$18,249.00</td>
<td>($827.50)</td>
</tr>
<tr>
<td>SCENARIO B</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>275</td>
<td>$1,884.00</td>
<td>$124.25</td>
<td>$2,008.25</td>
<td>$1,053.17</td>
<td>$1,141.25</td>
<td>$2,194.42</td>
<td>$186.17</td>
</tr>
<tr>
<td>600</td>
<td>$1,884.00</td>
<td>$1,739.50</td>
<td>$3,623.50</td>
<td>$1,053.17</td>
<td>$2,490.00</td>
<td>$3,543.17</td>
<td>($80.33)</td>
</tr>
<tr>
<td>900</td>
<td>$1,884.00</td>
<td>$3,230.50</td>
<td>$5,114.50</td>
<td>$1,053.17</td>
<td>$3,735.00</td>
<td>$4,788.17</td>
<td>($326.33)</td>
</tr>
<tr>
<td>1,500</td>
<td>$1,884.00</td>
<td>$6,612.50</td>
<td>$8,496.50</td>
<td>$1,053.17</td>
<td>$6,225.00</td>
<td>$7,278.17</td>
<td>($1,218.33)</td>
</tr>
<tr>
<td>2,000</td>
<td>$1,884.00</td>
<td>$9,497.50</td>
<td>$11,381.50</td>
<td>$1,053.17</td>
<td>$8,300.00</td>
<td>$9,353.17</td>
<td>($2,028.33)</td>
</tr>
<tr>
<td>3,000</td>
<td>$1,884.00</td>
<td>$17,192.50</td>
<td>$19,076.50</td>
<td>$1,053.17</td>
<td>$14,507.37</td>
<td>$15,560.54</td>
<td>($3,515.96)</td>
</tr>
</tbody>
</table>
## METER CAPACITY FACTORS

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Capacity (gpm)</th>
<th>AWWA Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot;</td>
<td>20</td>
<td>1.00</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>30</td>
<td>1.50</td>
</tr>
<tr>
<td>1&quot;</td>
<td>50</td>
<td>2.50</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>100</td>
<td>5.00</td>
</tr>
<tr>
<td>2&quot;</td>
<td>160</td>
<td>8.00</td>
</tr>
<tr>
<td>3&quot;</td>
<td>350</td>
<td>17.50</td>
</tr>
<tr>
<td>4&quot;</td>
<td>630</td>
<td>31.50</td>
</tr>
<tr>
<td>6&quot;</td>
<td>1,300</td>
<td>65.00</td>
</tr>
<tr>
<td>8&quot;</td>
<td>2,400</td>
<td>120.00</td>
</tr>
</tbody>
</table>
# METER CAPACITY FACTORS COMPARISON

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>AWWA Ratio</th>
<th>Current Rate Ratio</th>
<th>Tier 1 Ratio</th>
<th>Tier 2 Ratio</th>
<th>Tier 3 Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot;</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>1.50</td>
<td>1.50</td>
<td>4.14</td>
<td>4.07</td>
<td>3.61</td>
</tr>
<tr>
<td>1&quot;</td>
<td>2.50</td>
<td>2.22</td>
<td>9.71</td>
<td>9.79</td>
<td>9.72</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>5.00</td>
<td>4.80</td>
<td>24.14</td>
<td>24.07</td>
<td>21.50</td>
</tr>
<tr>
<td>2&quot;</td>
<td>8.00</td>
<td>6.76</td>
<td>57.14</td>
<td>53.57</td>
<td>51.39</td>
</tr>
<tr>
<td>3&quot;</td>
<td>17.50</td>
<td>17.22</td>
<td>85.71</td>
<td>85.71</td>
<td>97.22</td>
</tr>
<tr>
<td>4&quot;</td>
<td>31.50</td>
<td>44.64</td>
<td>142.86</td>
<td>178.57</td>
<td>152.78</td>
</tr>
<tr>
<td>6&quot;</td>
<td>65.00</td>
<td>66.91</td>
<td>571.43</td>
<td>535.71</td>
<td>555.56</td>
</tr>
<tr>
<td>8&quot;</td>
<td>120.00</td>
<td>87.42</td>
<td>142.86</td>
<td>178.57</td>
<td>694.44</td>
</tr>
</tbody>
</table>
MANAGER’S REPORT 17-30

February 24, 2017

Re: Discussion and Possible Action to Request additional funds to proceed with Phase II of CC&B implementation in the amount of $218,620

RECOMMENDATION:
It is recommend that the Board approve additional funds of $218,620 to increase budget from $240,680 to $459,300 for WU/Bill/Collection/Capital Outlay – Expansion.

FUNDING: Water Utility Fund

FY 2016-2017 approved budget: 10-30-00-605-999

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>WU/Bill/Collection/Capital Outlay – Expansion</td>
<td>$290,680</td>
</tr>
<tr>
<td>MR #, Budget transfer to: 10-02-00-605-999</td>
<td>(50,000)</td>
</tr>
<tr>
<td>New Budget Request</td>
<td>218,620</td>
</tr>
<tr>
<td>Amended Budget 10-30-00-605-999</td>
<td>$ 459,300</td>
</tr>
<tr>
<td>Phase II – proposed amount</td>
<td>$377,430.00</td>
</tr>
<tr>
<td>Phase II – optional item</td>
<td>60,000.00</td>
</tr>
<tr>
<td>Contingency (5%, rounded)</td>
<td>21,870.00</td>
</tr>
<tr>
<td>Balance</td>
<td>459,300</td>
</tr>
</tbody>
</table>

BACKGROUND:
The Department of Water (DOW)’s Customer Care & Billing (CC&B) program was previously hosted by Honolulu Board of Water Supply (HBWS). After many years of being hosted by HBWS, DOW was approved to implement its own instance of CC&B.

The DOW contracted through a Sole Source Procurement the Consultants of Prithibi, Inc. The project was planned to be implemented in several phases. Phase I - was the conversion of HBWS’ hosted CC&B environment to Kauai’s own instance of CC&B and Phase II was planned to be implemented after Phase I. The CC&B Phase I conversion was accomplished earlier than DOW had planned for with a remaining available budget of $240,680 in WU/Bill/Collection/Capital Outlay/Expansion.

In order to move forward with Phase II, it is requested that the Board approve additional funds of $218,620 to increase the WU/Bill/Collection/Capital Outlay – Expansion budget from $240,680 to $459,300. The additional funds will allow the DOW to implement the whole Phase II lists without waiting for the next fiscal/budget year.

Some of the Phase II lists include Field Service Management (FSM) implementation, CC&B GL extract and integration to accounting and a few other configurations that were not available to the Department from the old system. More importantly, the reports that the staff use every day needed to be re-worked according to our needs. New reports will also be designed to collect data for the ongoing DOW efforts on regular water audit. We are confident that these new reports and configurations will help the staff deliver a more accurate reporting in addition to having improved efficiency amongst the users of CC&B.
OPTIONS:

OPTION 1: Approve additional budget request of $218,620 to continue on to CC&B project – Phase II.

Pros: The DOW can continue on with Phase II without waiting for the next fiscal year’s budget.
Cons: None.

OPTION 2: Implement partial lists in Phase II using available funds of $240,680 and additional funds needed will be included in FY 2017 – 2018 budget.

Pros: No action needed from the board.
Cons: Piecemeal implementation of Phase II will be more costly.

Respectfully submitted,

[Signature]
Marites Yano
Waterworks Controller

CONCURRED:

[Signature]
Kirk Saiki, P.E.
Manager and Chief Engineer

Mgrrp/February 2017/17-30/Discussion and Possible Action to Request additional funds to proceed with Phase II of CC&B implementation in the amount of $218,620 (2-24-17):ein
MANAGER’S REPORT No. 17-31

February 24, 2017

Re: Discussion and Possible Action for the Board of Water Supply to enter into a Memorandum of Agreement with the County of Kaua‘i, Department of Public Works, for Job No. 15-07, Water Plan 2020 No. HE-10 Hanapēpē Road 6-Inch Main Replacement, Hanapēpē, Kaua‘i, Hawai‘i

RECOMMENDATION:
It is recommended that the Board of Water Supply (Board) enter into a Memorandum of Agreement (MOA) with the County of Kaua‘i, Department of Public Works, (DPW) For Job No. 15-07, Water Plan 2020 No. HE-10 Hanapēpē Road 6-Inch Main Replacement, Hanapēpē, Kaua‘i, Hawai‘i.

BACKGROUND:
The Department of Water (DOW) is replacing old water lines in Hanapēpē Road (County Road) in Hanapēpē. The DOW has proposed to abandon the old waterlines in place when the new waterline is installed. This will save on the cost of removal of the old waterlines. The DPW has agreed to allow the abandonment of the old waterlines if the MOA is completed.

The MOA has provisions for the Board to pay the DPW for the removal of abandoned facilities, if the DPW construction contractor encounters abandoned DOW facilities during future reconstruction of the County Roads. The payment shall be 10 percent (10%) more than the successful bidder’s line item cost. DPW shall provide the Board copies of the invoices which details the completion of the removal of old facilities. The DPW will notify the Board in writing five (5) months prior to the fiscal year in which DPW intends to reconstruct a County Road to allow the DOW time to budget for the old facilities removal.

It is unknown if the removal of abandoned DOW facilities will be required in the future. Therefore, specific funding for the removal cost will not be requested or budgeted at this time due to the uncertainty of whether funding will actually be needed and when it would be needed. If special funding is required in the future, the necessary funds will be requested from the Board at that time.

FUNDING: N/A.

OPTIONS: Enter into a MOA with DPW.

Option 1:
Pro: This will allow the DOW to abandon old waterlines in place when the new waterline is installed. This will also save on construction costs.

Con: If the DPW encounters the abandoned DOW water lines in a future project, the Board will be required to pay the DPW 10 percent (10%) more than the successful bidder’s line item cost.
Option 2: Do not enter into a MOA with DPW.

Pro: None.

Con: This will require the DOW to change the design of the waterline to include the removal of the old waterlines. Also, this will increase construction costs and could delay the start of construction.

Respectively submitted,

Keith Aoki, P.E.
Engineering Division

CONCURRED:

Kirk Saiki, P.E.
Manager and Chief Engineer

KA/ein

Attachment(s): Memorandum of Agreement for Job No. 15-07, Water Plan 2020 No. HE-10 Hanapēpē Road 6-Inch Main Replacement, Hanapēpē, Kaua‘i, Hawai‘i
Exhibit A

Mgrpp/February 2017/17-31/Discussion and Possible Action for the Board of Water Supply to enter into a Memorandum of Agreement with the Department of Public Works, County of Kaua‘i for Job No. 15-07, Water Plan 2020 No. HE-10 Hanapēpē Road 6-Inch Main Replacement, Hanapēpē, Kaua‘i, Hawai‘i (2-24-17)
MEMORANDUM OF AGREEMENT

FOR

JOB NO. 15-07 WATER PLAN 2020 JOB NO. HE-10,
HANAPÊPÊ ROAD 6-INCH MAIN REPLACEMENT
HANAPÊPÊ-’ELE’ELE WATER SYSTEM

THIS Memorandum of Agreement (“Agreement”) effective as of 24th day of February, 2017, by and between the BOARD OF WATER SUPPLY, COUNTY OF KAUA’I (hereinafter referred to as the “BWS”), whose business and mailing address is 4398 Pua Loke Street, Līhu’e, Hawai‘i 96766 and the DEPARTMENT OF PUBLIC WORKS, COUNTY OF KAUA’I (hereinafter referred to as the “DPW”), whose principal place of business and mailing address is 4444 Rice Street, Suite 275, Līhu’e, Hawai‘i 96766.

RECITALS

WHEREAS, the DPW is the owner of certain parcels of lands upon which County roads, Moi Road, Hanapēpē Road, Pū‘olo Road, Awāwa Road, Iona Road, and Kona Road are situated (hereinafter referred to as the “County Roads”); and

WHEREAS, the BWS desires to install new water pipelines while abandoning existing, aging pipelines within portions of the County Roads (hereafter referred to as “Old Facilities”) for Job No. 15-07, HE-10, Hanapēpē Road 6-Inch Replacement, Hanapēpē - ’Ele’ele Water System; and

WHEREAS, the DPW is willing to allow the BWS to occupy or continue to occupy portions of the County Roads for the BWS’s Old Facilities, provided that the BWS enters into this Memorandum of Agreement for the abandonment of the Old Facilities and provided further that the BWS fully complies with the terms and conditions set forth below.

NOW THEREFORE, in consideration of the mutual covenants and promises herein made, the parties do hereby agree as follows:

1. Right to Abandon the Old Facilities. The BWS is allowed to abandon the Old Facilities that are located within and under the County Roads in the execution of Job No. 15-07, HE-10 until such time that the DPW reconstructs the County road that contains the Old Facilities and desires that the Old Facilities be removed. A map of the Old Facilities in the County Roads is attached hereto as Exhibit “A” and incorporated herein by reference. The term “reconstruction” as used in this Agreement shall be defined as the excavation of the pavement, soil, and facilities below the surface of the pavement.

2. Notification to the BWS. The DPW shall notify the BWS in writing five (5) months prior to the fiscal year in which DPW intends to reconstruct a County road to allow the BWS time to budget for the Old Facilities removal.

3. The DPW shall utilize any and all BWS record drawings available during the design of any road reconstruction of the County Roads. However, should the DPW construction contractor encounter abandoned BWS facilities in the County Roads that are not reflected prior to bid proposal, the BWS shall incur any and all costs for potential change orders associated with the conflict.

4. The removal of the Old Facilities shall be limited to one pipe length beyond the trench excavation.

5. Inclusion of Old Facilities Removal in DPW’s Bid Specifications and Contracts. The DPW shall include the removal of the Old Facilities in the bid specifications and

Job No. 15-07 WP2020 Job No. HE-10,
Hanapēpē Road 6-inch Main Replacement
Hanapēpē-‘Ele‘ele Water System
contracts relating to the reconstruction of any of the County Roads that contain an Old Facility.

6. Payment for the Removal of the Old Facility. The BWS shall pay the DPW the successful bidder’s line item cost plus ten percent (10%) for the removal of the Old Facilities. (For example, if the Successful Bidder’s line item for the removal of the Old Facilities is $75,000.00, the BWS will pay DPW $75,000.00 + [$75,000.00 x10%] = $82,500.00 when the removal of the Old Facilities is completed). DPW shall provide copies of invoices which details the completion of the removal of the Old Facilities.

7. Termination. If not otherwise terminated or canceled, this Agreement may be canceled by the mutual written agreement of the parties hereto.

8. Headings. The headings and captions herein are for convenience of reference only and are not intended to fully describe, define, or limit the provisions of this Agreement to which they may pertain.

IN WITNESS WHEREOF, the undersigned have executed this Agreement the day and year first above written.

RECOMMEND APPROVAL:                                BOARD OF WATER SUPPLY
                                                     COUNTY OF KAUA‘I

Kirk Saiki, P.E.                                           Sherman Shiraishi
Manager and Chief Engineer                                Chairperson
Department of Water                                        Board of Water Supply

APPROVED AS TO FORM
AND LEGALITY:

Mahealani M. Krafft
Deputy County Attorney

RECOMMEND APPROVAL:                                APPROVED:

Lyle Tabata                                           Ken Shimonishi
Acting County Engineer                                  Director of Finance
County of Kaua‘i                                      County of Kaua‘i

APPROVED AS TO FORM
AND LEGALITY:

Deputy County Attorney
STATE OF HAWAI'I

COUNTY OF KAUA'I

On this 24th day of February, 2017 in the Fifth Circuit, State of Hawai‘i, before me personally appeared Sherman Shiraishi, who is personally known to me or whose identity I proved on the basis of satisfactory evidence, who being by me duly sworn or affirmed, did say that such person is the Chairperson for the Board of Water Supply, County of Kaua‘i executed MOA for JOB NO. 15-07 WATER PLAN 2020 JOB NO. HE-10, HANAPÉPÉ ROAD 6-INCH MAIN REPLACEMENT HANAPÉPÉ-ÊLE’ÊLE WATER SYSTEM, dated February 24, 2017 and consisting of 4 pages at the time of notarization, as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

______________________________
Notary Public, State of Hawai‘i
Name of Notary: _____________________
My Commission expires: ______________

(Seal)

______________________________
Notary Public, State of Hawai‘i
Name of Notary: _____________________
My Commission expires: ______________

(Seal)
Job No. 15-07 WP2020 Job No. HE-10, Hanapepe Road 6-inch Main Replacement Hanapepe-Elé’ele Water System
MANAGER’S REPORT No. 17-32

February 24, 2017

Re: Discussion and Possible Action to approve a Right of Entry from multiple owners that will allow the Department of Water to upgrade aging water lines along the privately owned roadways of TMK: (4) 2-5-08:006, (4) 2-5-10:039, (4) 2-5-10:038, and (4) 2-5-05:012, for WP2020 Project No. LO-8 and LO-10 at Lāwa‘i and Omao, Kaua‘i, Hawai‘i

RECOMMENDATION:
It is recommended that the Board approve the Right of Entry (ROE) whereby, the owners of four (4) privately owned roadways grants to the Board of Water Supply (BWS), County of Kaua‘i, its officers, employees, contractors, subcontractors, and agents, a right of entry, over, under, and across TMK’s:


b. (4) 2-5-10:039; owners Helene Carvalho, Randal G. Silva, Helen P. Silva Trust, Clyde J. Silva Revocable Living Trust, and Kauai View Estates, LLC

c. (4) 2-5-10:038; owners Robert O. Barker, Marie E. Barker, Mildred M. Orsatelli Revocable Trust, Blackstad Living Trust, Alan M. Rasay, Richard M. Rasay, Megan Rasay, Bernardine C. Rasay, Jeffrey L. Olson, Scott T. Wagner, Ellen J. Wagner, Michael A. Givens Trust, and Kauai View Estates, LLC


all for the purpose of constructing new pipeline and appurtenances as part Job No. 11-04, WP2020 Project No. LO-8 and LO-10 at Lawai and Omao, Kauai, Hawaii.

Further, BWS approval is specifically requested of the indemnification provision in these agreements; wherein, the BWS agrees to “...indemnify and hold harmless the Grantor from and against any claims for injuries or damages of any kind occasioned, in whole or in part, by Grantee’s, its contractor’s, subcontractor’s or agent’s negligent actions or omissions arising out of its exercise of this right-of-entry.”

BACKGROUND:
The Lawai-Omao pipeline replacement project serves to help replace and/or upsize aging pipeline along various government and privately owned roadways in the Lawai-Omao service area. The project proposes to upsize existing water lines located along four (4) privately owned roadways which stem off of Koloa Road. Water line easements along these four roads couldn’t be found and DOW is obtaining a Right of Entry (ROE) to construct the new waterline along the privately owned roadways.
The owners of each privately owned roadway have indicated they are willing to grant the BWS a temporary ROE and a subsequent Grant of Easement (GOE) after or near the end of construction. The Department will submit a Manager’s Report for the subsequent GOE at a future BWS meeting.

**FUNDING:** N/A.

**OPTIONS:**

**Option 1:** Approval of the Right of Entry.
Pros: This will allow the DOW to access the property for construction purposes for the project and install the pipeline.
Cons: None.

**Option 2:** Do not approve the Right of Entry.
Pros: None.
Cons: The Department will not be able to access the privately owned roadways to construct the pipeline. The alternative would be to not upgrade the main water line along the privately owned roadways and have the water meters moved to be located along Koloa Road. This would require all owners to re-plumb their service lines to Koloa Road. This will cause delay to the project due to the challenges involved.

Respectfully submitted,

Keith Aoki, P.E.
Engineering Division

**CONCURRED:**

Kirk Saiki, P.E.
Manager and Chief Engineer

Attachment: Right of Entry Agreements
Exhibit A

Mgrrp/February 2017/17-32/Discussion and Possible Action to approve a Right of Entry from multiple owners that will allow the Department of Water to upgrade aging water lines along the privately owned roadways of TMK: (4) 2-5-08:006, (4) 2-5-10:039, (4) 2-5-10:038, and (4) 2-5-05:012, for WP2020 Project No. LO-8 and LO-10 at Lāwa‘i and Omao, Kaua‘i, Hawai‘i (2-24-17)
RIGHT-OF-ENTRY

THIS INDENTURE made this 29th day of November _______, 2016 by and between KURT S. AKAMINE and KRISTI L. AKAMINE, whose mailing address is P.O. Box 957, Lawai, Hawaii 96765; EARL T. MIYAO, HELENE E. TADA, and MELANIE M. TADA MATSUMOTO, whose mailing address is P. O. Box 76, Lawai, Hawaii 96765; KEITH K. FUJIMOTO and WANDA E. FUJIMOTO, whose mailing address is 2495 Apapane Street, Lihue, Hawaii 96766; TIMOTHY N. TEXEIRA, whose mailing address is P.O. Box 1172, Lawai, Hawaii 96765; ROBERT S. BARROS JR. and KERRILYN R.V. BARROS, whose mailing address is P.O. Box 3902, Lihue, Hawaii 96766; and ADOLF SANTANA and ARLENE CARBONEL-SANTANA, whose mailing address is P.O. Box 944, Koloa, Hawaii 96756; (joint owners, collectively referred to hereinafter as the “Grantor”), and the BOARD OF WATER SUPPLY of the County of Kauai, whose mailing address is P. O. Box 1706, Lihue, Kauai, Hawaii 96766 (hereinafter the “Board”);

WITNESSETH:

For and in consideration of the sum of One Dollar ($1.00) to the Grantor paid, the receipt whereof is hereby acknowledged, the Grantor does hereby grant to the Board, its officers, employees, contractors, subcontractors, and agents (hereinafter collectively the “Grantee”), a temporary construction right-of-entry subject to the following terms and conditions:

1. The right-of-entry shall be an area over and across that certain property situated, lying and being at Koloa, Kauai, Hawaii at Tax Map Key Nos. (4) 2-5-08:006. The specific area of the right-of entry is outlined on the map attached hereto and incorporated herein as Exhibit “A”.
2. The right-of-entry shall be used by the Grantee for purpose of removing and relocating water mains and any necessary appurtenances for:
Job No. 11-04 – Koloa Road 8" Main Replacements, Lawai 6" & 8" Main Replacement (Water Plan 2020 Project No. LO-8 & LO-10).

3. The Board shall indemnify, and hold harmless the Grantor from and against any claims for injuries or damages of any kind occasioned, in whole or in part, by Grantee’s, its contractor’s, subcontractor’s or agent’s negligent actions or omissions arising out of its exercise of this right-of-entry.

4. This right-of-entry shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

5. The Grantor warrants and covenants with the Grantee that Grantor is the fee simple owner of the property upon which the right-of-entry is located, has full right to convey said right-of-entry and will warrant and defend the right-of-entry granted herein against all adverse claims.

6. This Agreement may be executed in counterparts. Each counterpart shall be executed by one or more parties hereinbefore named and the several counterparts shall constitute one instrument to the same effect as though the signatures of all the parties are upon the same document.

7. The term of this right-of-way shall commence upon the execution of the same by the OWNER, and shall automatically expire, without the submission or presentation of any documents to that effect, at such time that the OWNER executes either: (a) a Grant of Easement with respect to that portion of the SUBJECT PROPERTY which the BOARD deems necessary for the purposes designated and described in paragraph (1) above and a

-2-
Conveyance of Water Facilities for those improvements and facilities deemed necessary by the BOARD, or (b) a Dedication Deed in favor of the County of Kauai, by which the OWNER conveys, for public roadway and related purposes, the roadway lot depicted on the subdivision maps on file with the Planning Commission, together with all improvements and appurtenances thereon.
OWNER:

[Signature]

By: Kurt S. Akamine

STATE OF HAWAI'I

) ss:

COUNTY OF KAUAI

On this ______ day of ______________________, 2023, before me personally appeared Kurt S. Akamine, a credible witness;

✓ who is personally known to me

____ whose identity I proved on the basis of ______________________

____ whose identity I proved on the oath/affirmation of ______________________

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Name of Notary: Peggy H.Y.Y. Montemayor

My Commission expires: July 18, 2018

Notary Public, State of Hawaii

[Signature]

Doc. Date: July 8, 2023 # Pages: 16

Notary Name: Peggy H.Y.Y. Montemayor

Doc. Description: Right of Entry

[Seal]

Date: July 8, 2013
OWNER:

Kristi A. Akamine
By: Kristi L. Akamine

STATE OF HAWAI'I

COUNTY OF KAUAI

On this 8th day of July, 2016, before me personally appeared Kristi L. Akamine, a credible witness;

which is personally known to me

whose identity I proved on the basis of

whose identity I proved on the oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

GRANTOR

Name of Notary: Peggy H.Y. Montemayor
My Commission expires: July 18, 2018

Page 97
OWNER:

Earl T. Miyao
By: Earl T. Miyao

State of Hawaii  
)  
County of Kauai  
)

On this 13 day of June, 2016, before me personally appeared Earl T. Miyao, a credible witness;

who is personally known to me

✓ whose identity I proved on the basis of Hawaii Driver License

 whose identity I proved on the oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Doc. Date: undated  # Pages 17
Notary Name: Arlene Purisima  Fifth Circuit
Doc. Description Right of Entry
Notary Signature  c/13/16

Arlene Purisima  c/13/16
Name of Notary: ARLENE PURISIMA
My Commission expires: 10/06/17

GRANTOR
OWNER:

Helene E. Tada
By: Helene E. Tada

STATE OF HAWAI'I

COUNTY OF KAUAI

On this 20 day of June, 2016, before me personally appeared Helene E. Tada, a credible witness;

who is personally known to me

whose identity I proved on the basis of

whose identity I proved on the oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Name of Notary: GEORGEATTE GALICINAO-CAYABAN
My Commission expires: 01/11/2019

GRANTOR
OWNER:

[Signature]

By: Melanie M. T. Matsumoto

STATE OF HAWAI'I

) SS:

COUNTY OF KAUA'I

On this 20th day of JUNE, 2016, before me personally appeared Melanie M. T. Matsumoto, a credible witness;

X who is personally known to me

whose identity I proved on the basis of

whose identity I proved on the oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

[Signature]

Notary Public, State of HAWAI'I

Name of Notary: GEORGEATTE GALICINAO-CAYABAN

My Commission expires: 01/11/2019

Notary Certification next page

GRANTOR

-8-
Doc Date ___ undated ____ # pages ___18___

Notary Name ___ Georgeatte Galicinao-Cayaban ___ FIFTH CIRCUIT

DOC DESCRIPTION ___ Right-of Entry _______________________

[Signature] 6/20/16

Notary Signature Date

NOTARY CERTIFICATION
OWNER:

By: Keith K. Fujimoto

State of Hawaii

County of Kauai

On this 15th day of November, 2016, before me personally appeared Keith K. Fujimoto, a credible witness;

who is personally known to me

X whose identity I proved on the basis of Hawaii Driver License

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Notary Public, State of Hawaii

Name of Notary: Corinne Simao

Notary Signature: [Stamp]

GRANTOR
OWNER:

Wanda E. Fujimoto
By: Wanda E. Fujimoto

State of Hawaii

County of Kauai

On this 29 day of November, 2016, before me personally appeared Wanda E. Fujimoto, a credible witness;

✓ who is personally known to me
✓ whose identity I proved on the basis of Hawaii Drivers License

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

NOTARY PUBLIC CERTIFICATION
Pamela R. Yasay  Fifth Judicial Circuit
Doc. Description: Right of Entry

No. of Pages: 17  Date of Doc. Undated
Pamela R. Yasay  11/29/16
Notary Signature  Date
PAMELA R. YASAY

Name of Notary: PAMELA R. YASAY
My Commission expires: 10-6-2017

GRANTOR


OWNER:

By: Timothy N. Texeira

STATE OF HAWAI'I 

) ss:

COUNTY OF KAUA'I 

On this 21 day of June 2016, before me personally appeared Timothy N. Texeira, a credible witness;

who is personally known to me.

x whose identity I proved on the basis of HAWAI'I DL 841261

whose identity I proved on the oath/affirmation of 841261

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Date: 6/21/16 Pages: 17

Name: NICHOLAS RICCIARDI (34th Circuit)
Doc. Description: Right of Entry

Notary Signature

NOTARY CERTIFICATION

Notary Public, State of HAWAI'I

Name of Notary: NICHOLAS RICCIARDI
My Commission expires: 12/29/17

GRANTOR
OWNER:

Robert S. Barros Jr.

By: Robert S. Barros Jr.

STATE OF HAWAII

COUNTRY OF KAUAI

On this 21ST day of June, 2015, before me personally appeared Robert S. Barros Jr., a credible witness;

X who is personally known to me

whose identity I proved on the basis of

whose identity I proved on the oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Notary Public, State of Hawaii

Name of Notary: Frances Yako

My Commission expires: 12-13-2016

GRANTOR
OWNER:

\[Signature\]

By: Kerrilyn R. V. Barros

STATE of HAWAI\(i\)

\[Signature\]

County of KAU\(ai\)

\[Signature\]

On this 21\(st\) day of June, 20\(14\), before me personally appeared Kerrilyn R. V. Barros, a credible witness;

who is personally known to me

\[Signature\]

whose identity I proved on the basis of HAWAI\(i\) LICENSE

whose identity I proved on the oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Notary Public, State of HAWAI\(i\)

Notary Name: FRANCES YKOO

Doc. Date: 4/24/14

Notary Signature: FRANCES YKOO

Doc. Description: HAWAI\(i\) LICENSE

Notary Public

State of HAWAI\(i\)

No. 98-654

My Commission expires: 12/13/21

-13-
OWNER:

[Signature]

By: Adolf Santana

State of Hawaii

County of Kauai

On this 12th day of August, 2014, before me personally appeared Adolf Santana, a credible witness;

✓ who is personally known to me

✓ whose identity I proved on the basis of ____________________________

✓ whose identity I proved on the oath/affirmation of ____________________________

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

[Notary Seal]

Adm. G. Dufy

Notary Public, State of Hawaii

Name of Notary

My Commission expires

Nov. 18, 2019

-GRANTOR-
OWNER:

Arlene Carbonel-Santana

By: Arlene Carbonel-Santana

(State of Hawaii)

County of Kauai

On this 12th day of August, 2014, before me personally appeared Arlene Carbonel-Santana, a credible witness;

________ who is personally known to me

________ whose identity I proved on the basis of ____________________________

________ whose identity I proved on the oath/affirmation of ____________________________

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Notary Public, State of Hawaii

[Stamp]

My Commission expires

GRANTOR
APPROVED:

[Signature]

Manager and Chief Engineer

BOARD OF WATER SUPPLY
COUNTY OF KAUAI

By: Sherman Shiraishi

Its: Chairperson

APPROVED AS TO FORM
AND LEGALITY:

[Signature]

Deputy County Attorney

STATE OF HAWAII )
) ss.
COUNTY OF KAUAI )

On this ______ day of ____________________, 2016, before me appeared ________________________ to me personally known, who being by me was duly sworn, and said Officer is the ________________________ of the BOARD OF WATER SUPPLY, COUNTY OF KAUAI, and that the foregoing instrument was signed on behalf of said Board with authority of said Board, and that said officer acknowledged the instrument to be the free act and deed of said Board, and that said Board has no corporate seal.

____________________________
Notary Public, State of Hawai‘i

Name of Notary: ______________________

My Commission expires: ______________________

GRANTEE

-16-
RIGHT-OF-ENTRY

THIS INDENTURE made this 27th day of September, 2016 by and between HELENE CARVALHO, whose mailing address is P.O. Box 1251, Lawai, Hawaii 96765; RANDAL G. SILVA, whose mailing address is 4031-E Koloa Road, Koloa, Hawaii 96756; HELEN P. SILVA TRUST created under Declaration and Agreement dated May 9, 2006, whose mailing address is 4031-E Koloa Road, Koloa, Hawaii 96756; CLYDE J. SILVA REVOCABLE LIVING TRUST dated July 13, 2011 (unrecorded), whose mailing address is P. O. Box 21, Lawai, Hawaii 96765; and KAUAHI VIEW ESTATES, LLC, a Hawaii limited liability company, whose mailing address is 608 Saint James Place, Newport Beach, CA 92663; (joint owners, collectively referred to hereinafter, as the "Grantor"), and the BOARD OF WATER SUPPLY of the County of Kauai, whose mailing address is P. O. Box 1706, Lihue, Kauai, Hawaii 96766 (hereinafter the "Board");

WITNESSETH:

For and in consideration of the sum of One Dollar ($1.00) to the Grantor paid, the receipt whereof is hereby acknowledged, the Grantor does hereby grant to the Board, its officers, employees, contractors, subcontractors, and agents (hereinafter collectively the "Grantee"), a temporary construction right-of-entry subject to the following terms and conditions:

1. The right-of-entry shall be an area over and across that certain property situated, lying and being at Koloa, Kauai, Hawaii at Tax Map Key Nos. (4) 2-5-10:039. The specific area of the right-of-entry is outlined on the map attached hereto and incorporated herein as Exhibit "A".
2. The right-of-entry shall be used by the Grantee for purpose of removing and relocating water mains and any necessary appurtenances for Job No. 11-04 – Koloa Road 8" Main Replacements, Lawai 6" & 8" Main Replacement (Water Plan 2020 Project No. LO-8 & LO-10).

3. The Board shall indemnify, and hold harmless the Grantor from and against any claims for injuries or damages of any kind occasioned, in whole or in part, by Grantee's, its contractor's, subcontractor's or agent's negligent actions or omissions arising out of its exercise of this right-of-entry.

4. This right-of-entry shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

5. The Grantor warrants and covenants with the Grantee that Grantor is the fee simple owner of the property upon which the right-of-entry is located, has full right to convey said right-of-entry and will warrant and defend the right-of-entry granted herein against all adverse claims.

6. This Agreement may be executed in counterparts. Each counterpart shall be executed by one or more parties hereinbefore named and the several counterparts shall constitute one instrument to the same effect as though the signatures of all the parties are upon the same document.

7. The term of this right-of-way shall commence upon the execution of the same by the OWNER, and shall automatically expire, without the submission or presentation of any documents to that effect, at such time that the OWNER executes either: (a) a Grant of
Easement with respect to that portion of the SUBJECT PROPERTY which the BOARD
deems necessary for the purposes designated and described in paragraph (1) above and a
Conveyance of Water Facilities for those improvements and facilities deemed necessary
by the BOARD, or (b) a Dedication Deed in favor of the County of Kauai, by which the
OWNER conveys, for public roadway and related purposes, the roadway lot depicted on
the subdivision maps on file with the Planning Commission, together with all improvements
and appurtenances thereon.
OWNER:

Helene Carvalho
By: Helene Carvalho

State of Hawaii

County of Kauai

On this 27 day of September, 2016, before me personally appeared Helene Carvalho, a credible witness;

✓ who is personally known to me

✓ whose identity I proved on the basis of __________________________

✓ whose identity I proved on the oath/affirmation of __________________________

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

NOTARY CERTIFICATE, STATE OF HAWAII
DOC. DESCRIPT/ID: Right of Entry

DOC. DATE: 8/27/2016
NAME OF NOTARY: Tinina Olores
SIGNATURE OF NOTARY: ____________
CERT. DATE: 8/27/2016

NOTARY PUBLIC, STATE OF HAWAII
Name of Notary: Tinina Olores
My Commission expires: 8/21/2019

Page T15
OWNER:

[Signature]

By: Randal G. Silva

STATE OF HAWAI'I

)ss:

COUNTY OF KAUAI

On this 26th day of AUGUST, 2016, before me personally appeared Randal G. Silva, a credible witness;

who is personally known to me

whose identity I proved on the basis of HAWAI'I DL

whose identity I proved on the oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

[Signature]

Name of Notary: NICHOLAS RICCIARDI

My Commission expires: 12/30/17

GRANTOR
OWNER:
HELEN P. SILVA TRUST

By: Helen P. Silva
Trustee of the Helen P. Silva Trust
created under Declaration and 
Agreement dated May 9, 2006

STATE OF HAWAI‘I 

)ss:
COUNTY OF KAUAI

On this 22nd day of AUGUST, 2016, before me personally appeared Helen P. Silva, to me known, who being by me duly sworn or affirmed, did say that she is the Trustee of the Helen P. Silva Trust created under Declaration and Agreement dated May 9, 2006 and that said instrument was signed on behalf of said Trust and acknowledged said instrument to be the free act and deed of said Trust.

Date: 8/22/16 # Pages: 10
Name: NICHOLAS RICCIARDI
Doc. Description: DECLARATION AND AGREEMENT
Notary Signature
NOTARY CERTIFICATION

Notary Public, State of HAWAI‘I
Name of Notary: NICHOLAS RICCIARDI
My Commission expires: 12/30/17

GRANTOR
OWNER:

CLYDE J. SILVA REVOCABLE LIVING TRUST

____________________________
By: Clyde J. Silva

Trustee of the Clyde J. Silva
Revocable Living Trust

dated July 13, 2011 (unrecorded)

State: Hawaii

County: Kauai

On this 10th day of August, 2014, before me personally appeared Clyde J. Silva, to me known, who being by me duly sworn or affirmed, did say that he is the Trustee of the Clyde J. Silva Revocable Living Trust dated July 13, 2011 (unrecorded) and that said instrument was signed on behalf of said Trust and he acknowledged said instrument to be the free act and deed of said Trust.

Notary Public, State of Hawaii

Name of Notary: MINERVA R. OLIGO

My Commission expires: 5/19/20
OWNER:
KAUAI VIEW ESTATES, LLC
a Hawaii limited liability company

By: Fred D. Howser
MANAGER

State of California )
County of Orange )

On this 2nd day of August, 2016, before me appeared
Fred D. Howser to me known, who, being by me duly
sworn, did say that he is the manager of Kauai View Estates, LLC, a
Hawaii limited liability company and that said instrument was signed on behalf of said
LLC and has acknowledged said instrument to be the free act and deed of
said LLC.

Natalie Asik
NOTARY PUBLIC - CALIFORNIA
COMMISSION # 205454
ORANGE COUNTY
My Comm. Exp. January 27, 2017

Name of Notary: Natalie Asik

GRANTOR
On this ______ day of __________________, 2016, before me appeared ___________________________ to me personally known, who being by me was duly sworn, and said Officer is the ___________________________ of the BOARD OF WATER SUPPLY, COUNTY OF KAUAI, and that the foregoing instrument was signed on behalf of said Board with authority of said Board, and that said officer acknowledged the instrument to be the free act and deed of said Board, and that said Board has no corporate seal.

__________________________________________
Notary Public, State of Hawaii

Name of Notary: ____________________________
My Commission expires: ______________________

GRANTEE
RIGHT-OF-ENTRY

THIS INDENTURE made this 12th day of September, 2016 by and between ROBERT O. BARKER and MARIE E. BARKER, whose mailing address is 74 Eden Road, Stamford, Connecticut 06907; MILDRED M. ORSATELLI REVOCABLE TRUST dated March 24, 1999, whose mailing address is P.O. Box 131, Kalaheo, Hawaii 96741; BLACKSTAD LIVING TRUST, whose mailing address is P.O. Box 144, Lawai, Hawaii 96765 or P.O. Box 264, Lawai, Hawaii 96765 or P.O. Box 624, Koloa, Hawaii 96756; ALAN M. RASAY, RICHARD M. RASAY, MEGAN RASAY, and BERNARDINE C. RASAY, whose mailing address is P.O. Box 563, Lawai, Hawaii 96765; JEFFREY L. OLSON, whose mailing address is P.O. Box 621, Lawai, Hawaii 96765; SCOTT T. WAGNER and ELLEN J. WAGNER, whose mailing address is P.O. Box 1651, Koloa, Hawaii 96756; MICHAEL A. GIVENS TRUST (unrecorded), whose mailing address is 4232 Puu Pinao Place, Koloa, Hawaii 96756; and KAUAI VIEW ESTATES, LLC, a Hawaii limited liability company, whose mailing address is 608 Saint James Place, Newport Beach, CA 92663; (joint owners, collectively referred to hereinafter, as the "Grantor"), and the BOARD OF WATER SUPPLY of the County of Kauai, whose mailing address is P. O. Box 1706, Lihue, Kauai, Hawaii 96766 (hereinafter the "Board");

WITNESSETH:

For and in consideration of the sum of One Dollar ($1.00) to the Grantor paid, the receipt whereof is hereby acknowledged, the Grantor does hereby grant to the Board, its officers, employees, contractors, subcontractors, and agents (hereinafter collectively the "Grantee"), a temporary construction right-of-entry subject to the following terms and conditions:

-1-
1. The right-of-entry shall be an area over and across that certain property situated, lying and being at Koloa, Kauai, Hawaii at Tax Map Key Nos. (4) 2-5-10:038. The specific area of the right-of entry is outlined on the map attached hereto and incorporated herein as Exhibit “A”.

2. The right-of-entry shall be used by the Grantee for purpose of removing and relocating water mains and any necessary appurtenances for Job No. 11-04 – Koloa Road 8" Main Replacements, Lawai 6" & 8" Main Replacement (Water Plan 2020 Project No. LO-8 & LO-10).

3. The Board shall indemnify, and hold harmless the Grantor from and against any claims for injuries or damages of any kind occasioned, in whole or in part, by Grantee’s, its contractor’s, subcontractor’s or agent’s negligent actions or omissions arising out of its exercise of this right-of-entry.

4. This right-of-entry shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

5. The Grantor warrants and covenants with the Grantee that Grantor is the fee simple owner of the property upon which the right-of-entry is located, has full right to convey said right-of-entry and will warrant and defend the right-of-entry granted herein against all adverse claims.

6. This Agreement may be executed in counterparts. Each counterpart shall be executed by one or more parties hereinbefore named and the several counterparts shall constitute one instrument to the same effect as though the signatures of all the parties are upon the same document.
7. The term of this right-of-way shall commence upon the execution of the same by the OWNER, and shall automatically expire, without the submission or presentation of any documents to that effect, at such time that the OWNER executes either: (a) a Grant of Easement with respect to that portion of the SUBJECT PROPERTY which the BOARD deems necessary for the purposes designated and described in paragraph (1) above and a Conveyance of Water Facilities for those improvements and facilities deemed necessary by the BOARD, or (b) a Dedication Deed in favor of the County of Kauai, by which the OWNER conveys, for public roadway and related purposes, the roadway lot depicted on the subdivision maps on file with the Planning Commission, together with all improvements and appurtenances thereon.
OWNER:

Robert O. Barker
By: Robert O. Barker

STATE OF CONNECTICUT


COUNTY OF FAIRFIELD

On this 16 day of June, 2016, before me personally appeared Robert O. Barker, a credible witness;

who is personally known to me

✓ whose identity I proved on the basis of CTD

✓ whose identity I proved on the oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Notary Public, State of CT

Name of Notary: Karen L. Patterson
My Commission expires: July 31, 2020

GRANTOR
OWNER:

[Signature]
By: Marie E. Barker

STATE OF CONNECTICUT

) ss: Stamford

COUNTY OF FAIRFIELD

On this 110 day of June, 2016, before me personally appeared Marie E. Barker, a credible witness;

who is personally known to me

whose identity I proved on the basis of CTDL

whose identity I proved on the oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

[Signature]
Notary Public, State of CT

Name of Notary: Karen Jefferson
My Commission expires: July 31, 2020

GRANTOR
OWNER:  
MILDRED M. ORSATELLI REVOCABLE TRUST

Mildred Orsatelli
By: Mildred M. Orsatelli
Trustee of the Mildred M. Orsatelli
Revocable Trust dated March 24, 1999

State of Hawaii )
County of Kauai )

On this 24th day of June, 2016, before me personally appeared Mildred M. Orsatelli, to me known, who being by me duly sworn or affirmed, did say that she is the Trustee of the Mildred M. Orsatelli Revocable Trust dated March 24, 1999 and that said instrument was signed on behalf of said Trust and she acknowledged said instrument to be the free act and deed of said Trust.

Name of Notary: Minerva R. Oligo
My Commission expires: 5-18-20

Notary Public, State of Hawaii

GRANTOR

Page 127
OWNER:
BLACKSTAD LIVING TRUST

[Signature]
By: Ronald A. Blackstad
Trustee of the Blackstad Living
Trust

State of Hawaii

County of Kauai

On this 6th day of July, 2016, before me personally appeared Ronald A. Blackstad, to me known, who being by me duly sworn or affirmed, did say that he is the Trustee of the Blackstad Living Trust and that said instrument was signed on behalf of said Trust and he acknowledged said instrument to be the free act and deed of said Trust.

Date: 7/6/16  # Pages: 19 Circuit Court
Name: Joel C. Gronnes  5th Circuit
Doc. Description: 
Right of Entry:

[Signature]
Notary Public, State of Hawaii

Name of Notary: Joel C. Gronnes
My Commission expires: 16 October 2019

GRANTOR
Grantor

Name of Notary:
Notary Public, State of
My Commission expires:

On this day of , 2013

Trustee, Blackstad Living Trust

Personally appeared before me, the undersigned officer, to me known who being by me duly sworn or affirmed, did say that she is the Trustee of the Blackstad Living Trust and that said instrument was signed on behalf of said Trust and acknowledged said instrument to be the free act and deed of said Trust.

By: Sharon Blackstad
Trustee of the Blackstad Living Trust

ss:

Owner:

Blackstad Living Trust

Legal Owner is Ronald A. Blackstad Solely
OWNER:

By: Alan M. Rasay

State of Alaska
County of Anchorage

On this 8th day of July, 2016, before me personally appeared Alan M. Rasay, a credible witness;

who is personally known to me
\[ \checkmark \] whose identity I proved on the basis of Alaska Driver Licence
____ whose identity I proved on the oath/affirmation of ______________________

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

\[ \text{State of Alaska} \]
\[ \text{Notary Public} \]
\[ \text{RoseAnna Traini} \]
\[ \text{My Commission Expires: 12/2/20} \]

Notary Public, State of Alaska
Name of Notary: RoseAnna Traini
My Commission expires: 12/2/20

GRANTOR
OWNER:

By: Richard M. Rasay

State of Hawaii

) ss:

County of Kauai

On this 24th day of June, 2016, before me personally appeared Richard M. Rasay, a credible witness;

\(\checkmark\) who is personally known to me

\(\_\) whose identity I proved on the basis of ____________________________

\(\_\) whose identity I proved on the oath/affirmation of ____________________

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Date: 6/24/2016  # Pages: 19

Name: Joel C. Groomees 5th Circuit

Doc. Description: __________

Right of entry __________________________

Notary Certification

Notary Public, State of Hawaii

Name of Notary: Joel C. Groomees

My Commission expires: 10/16/2019

LS

GRANTOR
OUTPUT:

By: Megan Rasay

State of Hawaii )

County of Kauai ) ss:

On this 6th day of July, 2016, before me personally appeared Megan Rasay, a credible witness;

who is personally known to me

whose identity I proved on the basis of ____________________________

whose identity I proved on the oath/affirmation of ____________________________

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Date: 7/6/16  # Pages: 19

Name: Joel C. Groffes  5th Circuit

Doc. Description: Right of Entry

Notary Public, State of Hawaii

NOTARY CERTIFICATION

Name of Notary: Joel C. Groffes

My Commission expires: 6 October 2019

GRANTOR
OWNER:

By: Bernardine C. Rasay

State of Hawaii )
)ss:
County of Kauai )

On this 24th day of June, 2016, before me personally appeared _______ Bernardine C. Rasay, a credible witness;

[X] who is personally known to me

____ whose identity I proved on the basis of _____________________________

____ whose identity I proved on the oath/affirmation of _________________________

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Date: 6/24/2016  # Pages: 19

Name: Joel C. Groomees  5th Circuit

Doc. Description: Right of Entry

Notary Signature

NOTARY CERTIFICATION

Notary Public, State of Hawaii

Name of Notary: Joel C. Groomees

My Commission expires: 10/16/2019

GRANTOR

-12-
OWNER:

By: Jeffrey L. Olson

State of Hawaii  )
County of Kauai  )

On this 8 day of July 2016, before me personally appeared Jeffrey L. Olson, a credible witness;

who is personally known to me

✓ whose identity I proved on the basis of Hawaii Driver-License

_____ whose identity I proved on the oath/affirmation of _______________________

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

K. Walls
Notary Public, State of Hawaii

Name of Notary: K. Walls
My Commission expires: 10-25-19

(See attached)

GRANTOR
State of HAWAII

County of KAUAI

On this 8th day of July, 2016, before me personally appeared

Jeffrey L. Olson, to me personally

known (or proved to be on the basis of satisfactory evidence), who, being by me duly sworn or affirmed,
did say that such person executed the foregoing instrument as the free act and deed of such person, and
if applicable, in the capacity shown, having been duly authorized to execute such instrument in such
capacity.

Signature: KWallis

Name: KWallis

Notary Public, State of Hawaii

My Commission expires 10-25-19

Notary Certification:

Doc Date: 7/8/16

Name: KWallis

Doc. Description: Right of Entry

Signature: KWallis

Date: 7-8-16

(Stamp or Seal)
OWNER:

By: Scott T. Wagner

Hawaii

Kauai

On this __12__ day of __September__ 2016, before me personally appeared ___Scott T. Wagner___, a credible witness;

who is personally known to me

✓ whose identity I proved on the basis of __HI Driver License___

___ whose identity I proved on the oath/affirmation of ________________

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Notary Public, State of Hawaii

Name of Notary: __KWalks__

My Commission expires: __10-25-19__

See attached acknowledgment

GRANTOR
OWNER:

By: Ellen J. Wagner

Hawaii )

Kauai )

On this 12 day of September 2016, before me personally appeared Ellen J. Wagner, a credible witness;

who is personally known to me

✓ whose identity I proved on the basis of HI Driver License

whose identity I proved on the oath/affirmation of 

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Notary Public, State of Hawaii

Name of Notary: KWallis

My Commission expires: 10-25-19

See attached acknowledgement

GRANTOR
On this __9-12-16__, before me personally appeared Ellen J Wagner and Scott W Wagner, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that he/she/they executed the same as his/her/their free act and deed.

[Signature]

(notary signature)

K Wallis

(print name)

Notary Public, State of Hawaii

My commission expires: __10-25-19__

---

NOTARY CERTIFICATE (Hawaii Administrative Rules §5-11-8)

Doc Date: __9-12-16__  # Pages 19

Notary Name: K Wallis  Fifth Circuit

Doc. Description: Right of Entry

[Signature]

K Wallis  9-12-16

(Official Stamp or Seal)
OWNER:

MICHAEL A. GIVENS TRUST

By: Michael A. Givens
Trustee of the Michael A. Givens Trust (unrecorded)

State of Hawaii)

County of Kauai)

On this 22nd day of August, 2016, before me personally appeared Michael A. Givens, to me known, who being by me duly sworn or affirmed, did say that he is the Trustee of the Michael A. Givens Trust and that said instrument was signed on behalf of said Trust and he acknowledged said instrument to be the free act and deed of said Trust.

Date: 8/22/2016 # Pages: 19
Name: Joel C. Groome 5th Circuit
Doc. Description: Right of Entry
Notary Signature
NOTARY CERTIFICATION

Joel C. Groome
Notary Public, State of Hawaii

Name of Notary: Joel C. Groome
My Commission expires: 16 October 2019
OWNER:

KAUAI VIEW ESTATES, LLC
a Hawaii limited liability company

By: [Signature]

Fred D. Howser
Manager

State of California

County of Orange

On this 2nd day of August, 2014, before me appeared

Fred D. Howser
to me known, who, being by me duly sworn, did say that he is the manager of Kauai View Estates, LLC, a Hawaii limited liability company and that said instrument was signed on behalf of said LLC and has acknowledged said instrument to be the free act and deed of said LLC.

Notary Public, State of California

Name of Notary: Natalie Ask

GRANTOR
APPROVED:

[Signature]

Manager and Chief Engineer

BOARD OF WATER SUPPLY
COUNTY OF KAUAI

APPROVED AS TO FORM
AND LEGALITY:

[Signature]

Deputy County Attorney

By: ________________________
Sherman Shiratsui
Its: ________________________
Chairperson

STATE OF HAWAII )
ss. )
COUNTY OF KAUAI )

On this ______ day of ______________________, 2016, before me appeared
______________________________________ to me personally known, who being by me was
duly sworn, and said Officer is the ________________________ of the BOARD OF
WATER SUPPLY, COUNTY OF KAUAI, and that the foregoing instrument was signed on
behalf of said Board with authority of said Board, and that said officer acknowledged the
instrument to be the free act and deed of said Board, and that said Board has no corporate
seal.

______________________________________
Notary Public, State of Hawai‘i

Name of Notary: ________________________

My Commission expires: ________________________
RIGHT-OF-ENTRY

THIS INDENTURE made this ___8th___ day of ___August___, 2016 by and between

MICHAEL H. MURAOKA, whose mailing address is 1717 Mott-Smith Drive, Apt. 2410, Honolulu, Hawaii 96822; NORA A. MASUDA and LEANNE K. ROSA, whose mailing address is P.O. Box 485, Koloa, Hawaii 96756; HANAYO SANEKANE, DARREN T. SANEKANE, VERN A H. SCHOFFSTALL, and NAN T. SANEKANE, whose mailing address is P.O. Box 253, Koloa, Hawaii 96756; RANDAL T. ONO, whose mailing address is P. O. Box 797, Lawai, Hawaii 96765; JOHN C. FERGUSON TRUST and KRISTINE T. FERGUSON TRUST, whose mailing address is P. O. Box 600, Kalaheo, Hawaii 96741; JUSTIN G. EILER AND COURTNEY L. EILER, whose mailing address is 4111-L Koloa Road, Lawai, Hawaii 96765; REYNOLD Y. MIYAZAKI, GLEND A L. B. MIYAZAKI, and CRAIG M. MIYAZAKI, whose mailing address is P.O. Box 748, Kalaheo, Hawaii 96741; and TRAVIS R. and JANA M. MIYAZAKI TRUST dated February 6, 2011, whose mailing address is P. O. Box 154, Kalaheo, Hawaii 96741; (joint owners, collectively referred to, hereinafter as the “Grantor”), and the BOARD OF WATER SUPPLY of the County of Kauai, whose mailing address is P. O. Box 1706, Lihue, Kauai, Hawaii 96766 (hereinafter the "Board");

WITNESSETH:

For and in consideration of the sum of One Dollar ($1.00) to the Grantor paid, the receipt whereof is hereby acknowledged, the Grantor does hereby grant to the Board, its officers, employees, contractors, subcontractors, and agents (hereinafter collectively the "Grantee"), a temporary construction right-of-entry subject to the following terms and conditions:
1. The right-of-entry shall be an area over and across that certain property situated, lying and being at Koloa, Kauai, Hawaii at Tax Map Key Nos. (4) 2-5-05:012. The specific area of the right-of-entry is outlined on the map attached hereto and incorporated herein as Exhibit "A".

2. The right-of-entry shall be used by the Grantee for purpose of removing and relocating water mains and any necessary appurtenances for Job No. 11-04 – Koloa Road 8” Main Replacements, Lawai 6” & 8” Main Replacement (Water Plan 2020 Project No. LO-8 & LO-10).

3. The Board shall indemnify, and hold harmless the Grantor from and against any claims for injuries or damages of any kind occasioned, in whole or in part, by Grantee’s, its contractor’s, subcontractor’s or agent’s negligent actions or omissions arising out of its exercise of this right-of-entry.

4. This right-of-entry shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

5. The Grantor warrants and covenants with the Grantee that Grantor is the fee simple owner of the property upon which the right-of-entry is located, has full right to convey said right-of-entry and will warrant and defend the right-of-entry granted herein against all adverse claims.

6. This Agreement may be executed in counterparts. Each counterpart shall be executed by one or more parties hereinbefore named and the several counterparts shall constitute one instrument to the same effect as though the signatures of all the parties are upon the same document.
7. The term of this right-of-way shall commence upon the execution of the same by the OWNER, and shall automatically expire, without the submission or presentation of any documents to that effect, at such time that the OWNER executes either: (a) a Grant of Easement with respect to that portion of the SUBJECT PROPERTY which the BOARD deems necessary for the purposes designated and described in paragraph (1) above and a Conveyance of Water Facilities for those improvements and facilities deemed necessary by the BOARD, or (b) a Dedication Deed in favor of the County of Kauai, by which the OWNER conveys, for public roadway and related purposes, the roadway lot depicted on the subdivision maps on file with the Planning Commission, together with all improvements and appurtenances thereon.
OWNER:

Michael H. Muraoka

By: Michael H. Muraoka

State of Hawaii

City and County of Honolulu

On this 28th day of June, 2016, before me personally appeared Michael H. Muraoka, a credible witness;

who is personally known to me

✓ whose identity I proved on the basis of Hawaii Driver License

whose identity I proved on the oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Notary Public, State of Hawaii

Name of Notary: Micah S. Yoshimura

My Commission expires: FEB 07 2018
OWNER:

Nora A. Masuda
By: Nora A. Masuda

STATE OF HAWAII

) ss:

COUNTY OF KAUAI

On this 10 day of June, 2016, before me personally appeared Nora A. Masuda, a credible witness;

who is personally known to me

✓ whose identity I proved on the basis of

✓ whose identity I proved on the oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Notary Public, State of Hawaii

Name of Notary: Randy Ricks
My Commission expires: July 16, 2020

GRANTOR
OWNER:

[Signature]

By: Leanne K. Rosa

(State of Hawaii)

County of Kauai

On this 8 day of June, 2016, before me personally appeared Leanne K. Rosa, a credible witness;

✓ who is personally known to me

whose identity I proved on the basis of ____________________________

whose identity I proved on the oath/affirmation of ____________________________

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Name of Notary: Mary Ann Ornelas

My Commission expires: Sept 5, 2016

Notary Public, State of Hawaii
OWNER:

Hanayo Sanekane
By: Hanayo Sanekane

State of Hawaii

County of Hawaii

)ss:

On this 27 day of June, 2016, before me personally appeared Hanayo Sanekane, a credible witness;

who is personally known to me

✓ whose identity I proved on the basis of Hawaii Driver License

whose identity I proved on the oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Doc. Date: Undated # Pages 20
Notary Name: Arlene Purisma Fifth Circuit
Doc. Description Right of Entry

Arlene Purisma 6/7/16
Notary Signature Date

Notary Public, State of Hawaii

Name of Notary: ARLENE PURISIMA
My Commission expires: 10/6/17

GRANTOR
OWNER:

[Signature]

By: Darren T. Sanekane

State of Hawaii)
County of Kauai)

On this 13th day of July, 2016, before me personally appeared Darren T. Sanekane, a credible witness;

who is personally known to me

/\ whose identity I proved on the basis of Hawaii Driver License

/\ whose identity I proved on the oath/affirmation of ________________

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Doc. Date: undated # Pages 0

Notary Name: Arlene Purisima Fifth Circuit

Doc. Description: Right of Entry

[Signature]

Notary Signature

[Signature]

Notary Public, State of Hawaii

Name of Notary: ARLENE PURISIMA

My Commission expires: 10/06/17

GRANTOR
OWNER:

Verna H. Schoffstall

By: Verna H. Schoffstall

State of Hawaii )
County of Kauai ) ss:

On this 27 day of June, 2016, before me personally appeared Verna H. Schoffstall, a credible witness;

who is personally known to me

✓ whose identity I proved on the basis of Hawaii Driver License

✓ whose identity I proved on the oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Doc. Date: undated # Pages 20
Notary Name: Arlene Purisima Fifth Circuit
Doc. Description Right of Entry

Arlene Purisima 6/27/16
Notary Signature

Name of Notary: ARLENE PURISIMA
My Commission expires: 10/06/17

GRANTOR
OWNER:

[Signature]

By: Nan T. Sanekane

State of Hawaii

County of Kauai

On this 12 day of July, 2016, before me personally appeared Nan T. Sanekane, a credible witness;

who is personally known to me

\(\checkmark\) whose identity I proved on the basis of Hawaii Driver License

\(\checkmark\) whose identity I proved on the oath/affirmation of _______________________

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Doc. Date: undated # Pages 3a

Notary Name: Arlene Purisima Fifth Circuit

Doc. Description Right of Entry

Arlene Purisima 7/13/16 Date

Notary Signature

Notary Public, State of Hawaii

Name of Notary: ARLENE PURISIMA

My Commission expires: 10/06/17

GRANTOR
OWNER:

Randal T. Ono

By: Randal T. Ono

State of Hawaii   
)  
)ss:
County of Kauai  
)

On this 10th day of August, 2016, before me personally appeared Randal T. Ono, a credible witness;

_____ who is personally known to me  

X  whose identity I proved on the basis of Hawaii DL 

_____ whose identity I proved on the oath/affirmation of 

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Date: 8/10/2016   # Pages: 2   Circuit:   
Name: Joel C. Grooces  5th Circuit   
Doc. Description:   
Right of Entry:   

Joel C. Grooces  Notary Signature   

Notary Public, State of Hawaii

Name of Notary: Joel C. Grooces

My Commission expires: 16 October 2019

GRANTOR

Page 153
OWNER:

JOHN C. FERGUSON TRUST

By: John C. Ferguson
Trustee of the John C. Ferguson Trust

State of Hawaii
County of Kauai

On this 15 day of June, 2016, before me personally appeared John C. Ferguson, to me known, who being by me duly sworn or affirmed, did say that he is the Trustee of the John C. Ferguson Trust and that said instrument was signed on behalf of said Trust and he acknowledged said instrument to be the free act and deed of said Trust.

Notary Public, State of Hawaii

Name of Notary: Catherine Valencia
My Commission expires: 10-3-2016

-12-
OWNER:

KIRSTINE T. FERGUSON TRUST

[Signature]

By:  Kristine T. Ferguson
Trustee of the Kristine T. Ferguson
Trust

State of Hawaii

County of Kauai

On this 14th day of June, 2014, before me personally appeared Kristine T. Ferguson, to me known, who being by me duly sworn or affirmed, did say that she is the Trustee of the Kristine T. Ferguson Trust and that said instrument was signed on behalf of said Trust and she acknowledged said instrument to be the free act and deed of said Trust.

CATHERINE VALENCIA

NOTARY PUBLIC
No. 04-560
STATE OF HAWAII

Notary Public, State of Hawaii

Name of Notary: Catherine Valencia

My Commission expires: 10-3-2016

-13-
OWNER:

[Signature]

By: Justin G. Eiler

State of Hawaii )

)ss:

County of Hawaii )

On this 8th day of August 2016, before me personally appeared Justin G. Eiler, a credible witness;

who is personally known to me

 whose identity I proved on the basis of State DL

 whose identity I proved on the oath/affirmation of 

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Date: 8/8/2016  # Pages: 2
Name: Joel C. Groome
Doc. Description: Right of Entry
Circuit: 1st

Notary Public, State of Hawaii

Name of Notary: Joel C. Groome
My Commission expires: 16 October 2019

GRANTOR
OWNER:

By: Courtney L. Eiler

STATE OF HAWAII

COUNTY OF KAUA'I

On this 26th day of JULY, 2016, before me personally appeared Courtney L. Eiler, a credible witness;

who is personally known to me

X whose identity I proved on the basis of HAWA'I DL

who is known to me by oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Date: 7/26/16 # Pages: 23
Name: NICHOLAS RICCIARDI 82nd Circuit
Doc. Description: RIGHT

Notary Public, State of HAWA'I

Name of Notary: NICHOLAS RICCIARDI
My Commission expires: 12/20/17

GRANTOR IS

-15-
OWNER:

Reynold Y. Miyazaki

By: Reynold Y. Miyazaki

State of Hawaii )

County of Kauai ) ss:

On this 8th day of June, 2016, before me personally appeared Reynold Y. Miyazaki, a credible witness;

who is personally known to me

✓ whose identity I proved on the basis of Hawaii driver license

✓ whose identity I proved on the oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Doc. Date: June 8, 2016 # Pages 22
Notary Name: Emely B. Aiona Fifth Circuit
Doc. Description Right of entry
Notary Signature: [Signature]
Date: 6/18/16

Notary Public, State of Hawaii

Name of Notary: Emely B. Aiona
My Commission expires: May 23, 2018

GRANTOR
OWNER:

Glenda L. B. Miyazaki

By: Glenda L. B. Miyazaki

State of Hawaii

County of Kauai

On this 8th day of June, 2010, before me personally appeared Glenda L. B. Miyazaki, a credible witness;

who is personally known to me
✓ whose identity I proved on the basis of Hawaii Drivers License

✓ whose identity I proved on the oath/affirmation of

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Doc. Date: June 8, 2010
Doc. Pages: 22

Notary Name: Emely B. Aiona
Fifth Circuit

Doc. Description: Right of Entry

Notary Signature: Emely B. Aiona

Notary Public, State of Hawaii

My Commission expires: May 23, 2018

GRANTOR
OWNER:

[Signature]

By: Craig M. Miyazaki

State of Hawaii )

County of Kauai )

On this 10th day of June, 2016, before me personally appeared Craig M. Miyazaki, a credible witness;

who is personally known to me

whose identity I proved on the basis of a Hawaii Driver's License

whose identity I proved on the oath/affirmation of _____________

who being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Doc. Date: June 10, 2016
Doc. Description: Right of Entry

Notary Signature

Notary Public, State of Hawaii
Name of Notary: Emely B. Aiona
My Commission expires: May 23, 2018

GRANTOR
OWNER:

TRAVIS R. AND JANA M. MIYAZAKI TRUST

By: Travis R. Miyazaki
Trustee of the Travis R. and
Jana M. Miyazaki Trust

State of Hawaii,

City of Kauai

On this 25th day of June, 2016, before me personally appeared Travis R. Miyazaki, to me known, who being by me duly sworn or affirmed, did say that he is the Trustee of the Travis R. and Jana M. Miyazaki Trust and that said instrument was signed on behalf of said Trust and acknowledged said instrument to be the free act and deed of said Trust.

Date: 6/25/16
Name: Joel C. Groomes
Doc. Description: Right

Notary Public, State of Hawaii

Name of Notary: Joel C. Groomes
My Commission expires: 16 October 2019

GRANTOR
OWNER:

TRAVIS R. AND JANA M. MIYAZAKI TRUST

By: Jana M. Miyazaki

Trustee of the Travis R. and Jana M. Miyazaki Trust

State of Hawaii

County of Kauai

On this 25th day of June, 2016, before me personally appeared Jana M. Miyazaki to me known, who being by me duly sworn or affirmed, did say that she is the Trustee of the Travis R. and Jana M. Miyazaki Trust and that said instrument was signed on behalf of said Trust and she acknowledged said instrument to be the free act and deed of said Trust.

Date: 6/25/16

Name: Joel C. Geonres 5th Circuit

Doc. Description: Right

Name of Notary: Joel C. Geonres

My Commission expires: 10/16/2020

GRANTOR

Page 162

ROE-Job No. 11-04 WP 2020 Project No. L0-8 & L0-10
Koloh Road 6" Water Main and Lewiai 6" & 8" Water Main Replacement
STATE OF HAWAII  )
COUNTY OF KAUAI  )

On this ______ day of __________________, 2016, before me appeared
___________________________________________________________ to me personally known, who being by me was
duly sworn, and said Officer is the ___________________________ of the BOARD OF
WATER SUPPLY, COUNTY OF KAUAI, and that the foregoing instrument was signed on
behalf of said Board with authority of said Board, and that said officer acknowledged the
instrument to be the free act and deed of said Board, and that said Board has no corporate
seal.

___________________________________________________________
Notary Public, State of Hawaii

Name of Notary:__________________________
My Commission expires:__________________________
MANAGER’S REPORT No. 17-33

February 24, 2017

Re: Discussion and Possible Action to approve a Right of Entry from multiple owners that will allow the Department of Water to enter private property to relocate water meters from private property to the right of way on TMK: (4) 5-3-05:002, (4) 5-3-07:011, and (4) 5-3-07:021, for Job No. 10-01, WP2020 Project No. ANI-01b at Kīlauea, Kaua‘i, Hawai‘i

RECOMMENDATION:
It is recommended that the Board approve the Right of Entry (ROE) whereby, the owners of three (3) privately owned properties grants to the Board of Water Supply (BWS), County of Kaua‘i, its officers, employees, contractors, subcontractors, and agents, a Right of Entry (ROE), over, under, and across TMK’s:

a. (4) 5-3-05:002, owner Thomas & Helen Akutagawa LTD. Partnership. For the purpose of removing and relocating a water meter, and any necessary appurtenances, to the right of way.
b. (4) 5-3-07:011, owners Anini Beach, LLC. For the purpose of installing a new water meter and any necessary appurtenances.
c. (4) 5-3-07:021, owner David L. Schnitt and Melanie A. Schnitt, trustees of the Schnitt Family Trust. For the purpose of installing a new water main blow off, removing a fire hydrant, and installing a new water meter and any necessary appurtenances.

Further, BWS approval is specifically requested of the indemnification provision in these agreements; wherein, the BWS agrees to “…indemnify, defend, and hold harmless the Grantor from and against any claims for injuries or damages of any kind occasioned, in whole or in part, by Grantee’s, its contractor’s, subcontractor’s or agent’s negligent actions or omissions arising out of its exercise of this right-of-entry.”

BACKGROUND:
The Pipeline Replacement from Kīlauea to 'Anini project services to help replace and upsize aging pipeline along various roadways in the Kīlauea-Kalihiwai-'Anini area. The project proposes to install new water meters and reconnect water services to the newly installed main as part of the project. A number of existing water meters have been located within privately owned property and no records of a Grant of Easement (GOE) could be found.

There are also a number of properties where part of the roadway is located within private property, so the subsequent water meter service and other appurtenances will be located within private property as well.

The owners of each of the privately owned properties have indicated they are willing to grant the BWS a temporary ROE and a subsequent GOE, if necessary, after or near the end of construction. The Department will submit a Manager’s Report for the subsequent GOE at a future BWS meeting. Grant of easements will be necessary for TMK’s: (4) 5-3-07:011 and (4)
5-3-07:021. Manager Reports for the necessary GOE will be submitted for Board approval at a future Board meeting.

**FUNDING:** N/A.

**OPTIONS:**

**Option 1:** Approval of the Right of Entry.

Pros: This will allow the DOW to access the property for construction purposes for the project and relocated and/or install water meters and other appurtenances.

Cons: None.

**Option 2:** Do not approve the Right of Entry.

Pros: None.

Cons: The Department will not be able to access the privately owned properties to relocate and/or install water meters and other appurtenances. The alternative would be to install new water meters outside of the private property on other side of the roadway. This presents a problem due to the fact that private plumbing cannot be located within the public right of way. This will cause delay to the project due to the changes involved.

Respectfully submitted,

Keith Aoki, P.E.
Engineering Division

**CONCURRED:**

Kirk Saiki, P.E.
Manager and Chief Engineer

KA/ein

Attachments: Right of Entry Agreements

Mgrip/February 2017/17-33/Discussion and Possible Action to approve a Right of Entry from multiple owners  that will allow the Department of Water to enter private property to relocate water meters from private property to the right of way on TMK: (4) 5-3-05:002, (4) 5-3-07:011, and (4) 5-3-07:021, for Job No. 10-01, WP2020 Project No. ANI-01b at Kilauea, Kaua'i, Hawai'i (2-24-17):ein
RIGHT-OF-ENTRY

THIS INDENTURE made this ____ day of ______________, 2016 by and between THOMAS & HELEN AKUTAGAWA LTD PARTNERSHIP, whose mailing address is Post Office Box 434, Kapaa, Kauai, Hawaii 96746; (referred to hereinafter as the “GRANTOR”), and the BOARD OF WATER SUPPLY of the County of Kauai, whose mailing address is 4398 Pua Loke Street, Lihue, Kauai, Hawaii 96766 (hereinafter the “BOARD”);

WITNESSETH:

For and in consideration of the sum of One Dollar ($1.00) to the Grantor paid, the receipt whereof is hereby acknowledged, the Grantor does hereby grant to the Board, its officers, employees, contractors, subcontractors, and agents (hereinafter collectively the “GRANTEE”), a temporary construction Right-of-Entry subject to the following terms and conditions:

1. The Right-of-Entry shall be an area over and across that certain property situated, lying and being at Kilauea, Kauai, Hawaii at Tax Map Key Nos. (4) 5-3-05:002.

2. The Right-of-Entry shall be used by the Grantee for the purpose of removing and relocating a water meter and any necessary appurtenances for Job No. 10-01 – Pipeline Replacement From Kilauea to Anini, Phase 2 (Water Plan 2020 Project No. ANI-01b).

3. The Board shall indemnify, defend and hold harmless the Grantor from and against any claims for injuries or damages of any kind occasioned, in whole or in part, by Grantee’s, its contractor’s, subcontractor’s or agent’s negligent actions or omissions arising out of its exercise of this Right-of-Entry.
4. This Right-of-Entry shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

5. The Grantor warrants and covenants with the Grantee that Grantor is the fee simple owner of the property upon which the Right-of-Entry is located, has full right to convey said right-of-entry and will warrant and defend the Right-of-Entry granted herein against all adverse claims.

6. This Right-of-Entry may be executed in counterparts. Each counterpart shall be executed by one or more parties hereinbefore named and the several counterparts shall constitute one instrument to the same effect as though the signatures of all the parties are upon the same document.

7. Upon termination of the Right-of-Entry, the BOARD shall remove all of its equipment from the Property and reasonably restore the Property to a condition similar to that which existed prior to the BOARD's work thereon.

8. This Right-of-Entry will terminate upon the BOARD's completion of the entire work described in paragraph 2 above and the BOARD will notify the GRANTORS of such completion.

APPROVED:

Manager and Chief Engineer

APPROVED AS TO FORM

AND LEGALITY:

Deputy County Attorney
OWNER:

Thomas & Helen Akutagawa LTD Partnership

Celia Ann Lam
By: Celia Ann Lam
Its: Manager

STATE OF Hawaii ss
COUNTY OF Honolulu

On this 23 day of DECEMBER 2016, before me appeared Celia Ann Lam to me known, who, being by me duly sworn, did say that she is the Manager of the Thomas & Helen Akutagawa Limited Partnership, and that said instrument was signed on behalf of said Limited Partnership and she acknowledged said instrument to be the free act and deed of said Limited Partnership.

Notary Public State of Hawaii
Name of Notary: MERLE S. HAKIKAWA
My Commission expires: 10/4/2017

GRANTOR
BOARD OF WATER SUPPLY,
COUNTY OF KAUA'I

By: Sherman Shiraishi
Its: Chairperson

STATE OF HAWAI'I )
 )ss.
COUNTY OF KAUA'I )

On this ______ day of ____________________, 2016, before me appeared
______________________________ to me personally known, who being
by me was duly sworn, and said Officer is the ___________________ of the
BOARD OF WATER SUPPLY, COUNTY OF KAUA'I, and that the foregoing instrument
was signed on behalf of said Board with authority of said Board, and that said officer
acknowledged the instrument to be the free act and deed of said Board, and that said
Board has no corporate seal.

_____________________________________
Notary Public, State of Hawai'i

Name of Notary: ______________________
My Commission expires: ________________

GRANTEE
RIGHT-OF-ENTRY

THIS INDENTURE made this ____ day of ______________, 2016 by and between ANINI BEACH, LLC, a Hawaii Limited Liability Corporation, whose mailing address is Post Office Box 2545, Roswell, New Mexico 88202; (referred to hereinafter, as the "GRANTOR"), and the BOARD OF WATER SUPPLY of the County of Kauai, whose mailing address is 4398 Pua Loke Street, Lihue, Kauai, Hawaii 96766 (hereinafter the "BOARD");

WITNESSETH:

For and in consideration of the sum of One Dollar ($1.00) to the Grantor paid, the receipt whereof is hereby acknowledged, the Grantor does hereby grant to the Board, its officers, employees, contractors, subcontractors, and agents (hereinafter collectively the "Grantee"), a temporary construction Right-of-Entry subject to the following terms and conditions:

1. The Right-of-Entry shall be an area over and across that certain property situated, lying and being at Kilauea, Kauai, Hawaii at Tax Map Key Nos. (4) 5-3-07:011.

2. The Right-of-Entry shall be used by the Grantee for purpose of Installing a new water meter and any necessary appurtenances for Job No. 10-01 – Pipeline Replacement from Kilauea to ‘Anini, Phase 2 (Water Plan 2020 Project No. ANI-01b).

3. The Board shall indemnify, and hold harmless the Grantor from and against any claims for injuries or damages of any kind occasioned, in whole or in part, by Grantee’s, its contractor’s, subcontractor’s or agent’s negligent actions or omissions arising out of its exercise of this right-of-entry.

4. This Right-of-Entry shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

ANINI BEACH LLC

Job No. 10-01 WP 2020 Project No. ANI-01b - Pipeline Replacement From Kilauea to Anini, Phase 2

Page 171
5. The Grantor warrants and covenants with the Grantee that Grantor is the fee simple owner of the property upon which the right-of-entry is located, has full right to convey said Right-of-Entry and will warrant and defend the right-of-entry granted herein against all adverse claims.

6. This Right of Entry may be executed in counterparts. Each counterpart shall be executed by one or more parties hereinbefore named and the several counterparts shall constitute one instrument to the same effect as though the signatures of all the parties are upon the same document.

7. The term of this right-of-entry shall commence upon the execution of the same by Grantor and shall automatically expire, without the submission or presentation of any documents to that effect, at such time that the Grantor executes (a) a Grant of Easement with respect to that portion of Tax Map Key Nos. (4) 5-3-07:011 which the Board deems necessary for the purposes designated and described in paragraph (2) above and (b) a Conveyance of Water Facilities for those improvements and facilities deemed necessary by the Board.

APPROVED:

APPROVED AS TO FORM
AND LEGALITY:

____________________________________________________
Manager and Chief Engineer

____________________________________________________
Deputy County Attorney

ANINI BEACH LLC

Job No. 10-01 WP 2020 Project No. ANI-01b - Pipeline Replacement From Kiluaea to Anini, Phase 2

5-3-07:011

Page 172
OWNER:

Anini Beach LLC
a Hawaii Limited Liability Corporation

By: Mark B. Murphy
Its: Managing Member

STATE OF New Mexico ss
COUNTY OF Chaves

On this 19th day of December, 2016, before me appeared Mark B. Murphy to me known, who, being by me duly sworn, did say that he is the Managing Member of Anini Beach LLC, a Hawaii Limited Liability Corporation and that said instrument was signed on behalf of said company and he acknowledged said instrument to be the free act and deed of said Hawaii Limited Liability Corporation.

Cheri D. Rogers,
Notary Public, State of New Mexico

Name of Notary: Cheri D. Rogers
My Commission expires: February 10, 2019

GRANTOR
BOARD OF WATER SUPPLY,
COUNTY OF KAUA'I

By: Sherman Shiraishi
Its: Chairperson

STATE OF HAWAI'I )
 )ss.
COUNTY OF KAUA'I )

On this ______ day of __________________, 2016, before me appeared
__________________________________________, to me personally known, who being
by me was duly sworn, and said Officer is the __________________________ of the
BOARD OF WATER SUPPLY, COUNTY OF KAUA'I, and that the foregoing instrument
was signed on behalf of said Board with authority of said Board, and that said officer
acknowledged the instrument to be the free act and deed of said Board, and that said
Board has no corporate seal.

_____________________________________
Notary Public, State of Hawai'i

Name of Notary:_____________________
My Commission expires:_______________

GRANTEE
RIGHT-OF-ENTRY

THIS INDENTURE made this 7th day of January, 2019, by and between DAVID L. SCHNITT, TRUSTEE OF THE SCHNITT FAMILY TRUST AND MELANIE A. SCHNITT, TRUSTEE OF THE SCHNITT FAMILY TRUST, established under agreement dated December 6, 2001 and restated September 13, 2013, whose mailing address is 10 Oceanaire Drive, Rancho Palos Verdes, California 90275; (referred to hereinafter, as the “GRANTOR”), and the BOARD OF WATER SUPPLY of the County of Kauai, whose mailing address is 4398 Pua Loke Street, Lihue, Kauai, Hawaii 96766 (hereinafter the “BOARD”);

WITNESSETH:

For and in consideration of the sum of One Dollar ($1.00) to the Grantor paid, the receipt whereof is hereby acknowledged, the Grantor does hereby grant to the Board, its officers, employees, contractors, subcontractors, and agents (hereinafter collectively the “GRANTEE”), a temporary construction Right-of-Entry subject to the following terms and conditions:

1. The Right-of-Entry shall be an area over, under, and across that certain property situated, lying and being at Kilauea, Kaua‘i, Hawai‘i at Tax Map Key No. (4) 5-3-07:021.

2. The Right-of-Entry shall be used by the Grantee for purpose of installing a new water main blow off, removing a fire hydrant, and installing a new water meter and any necessary appurtenances for Job No. 10-01 – Pipeline Replacement from Kilauea to ‘Anini, Phase 2 (Water Plan 2020 Project No. ANI-01b).
3. The Grantee shall indemnify and hold harmless the Grantor from and against any claims for injuries or damages of any kind occasioned, in whole or in part, by Grantee's negligent actions or omissions arising out of its exercise of this Right-of-Entry.

4. This Right-of-Entry shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

5. The Grantor warrants and covenants with the Board that Grantor is the fee simple owner of the property upon which the Right-of-Entry is located, has full right to convey said Right-of-Entry and will warrant and defend the Right-of-Entry granted herein against all adverse claims.

6. This Right-of-Entry may be executed in counterparts. Each counterpart shall be executed by one or more parties hereinbefore named and the several counterparts shall constitute one instrument to the same effect as though the signatures of all the parties are upon the same document.

7. The term of this Right-of-Entry shall commence upon the execution of the same by Grantor and shall automatically expire, without the submission or presentation of any documents to that effect, at such time that the Grantor executes (a) a Grant of Easement with respect to that portion of Tax Map Key No. (4) 5-3-07:021 which the Board deems necessary for the purposes designated and described in paragraph (2) above and (b) a Conveyance of Water Facilities for those improvements and facilities deemed necessary by the Board.

APPROVED:  

Manager and Chief Engineer

APPROVED AS TO FORM AND LEGALITY:

Deputy County Attorney
OWNER(S)

THE SCHRITT FAMILY TRUST
established under agreement dated December 6, 2001
and restated September 13, 2013

By: David L. Schnitt
Trustee of the Schnitt Family Trust, established
Under agreement dated December 6, 2001
and restated September 13, 2013

STATE OF ________________________

)ss:
COUNTY OF ________________________

On this _________ day of __________________, _____, before me personally appeared David L. Schnitt, to me known, who being by me duly sworn or affirmed, did say that he is the Trustee of the Schnitt Family Trust, established under agreement dated December 6, 2001 and restated September 13, 2013 and that said instrument was signed on behalf of said Trust and ______ acknowledged said instrument to be the free act and deed of said Trust.

____________________________
Notary Public, State of

____________________________
Name of Notary:

____________________________
My Commission expires:

GRANTOR
ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of LOS ANGELES

On 01/07/2017 before me, CRISTIAN FISCHER, NOTARY PUBLIC (insert name and title of the officer)

personally appeared DAVID L. SCHNITT -------------------------------
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature ___________________________ (Seal)
OWNER(S)

THE SCHNITT FAMILY TRUST
established under agreement dated December 6, 2001
and restated September 13, 2013

By: ______ Melanie A. Schnitt
Trustee of the Schnitt Family Trust, established
Under agreement dated December 6, 2001
and restated September 13, 2013

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this ______ day of JANUARY, 2017, before me personally appeared ______ Melanie A. Schnitt, to me known, who being by me duly sworn or affirmed, did say that she is the Trustee of the Schnitt Family Trust, established under agreement dated December 6, 2001 and restated September 13, 2013 and that said instrument was signed on behalf of said Trust and ______ she __________ acknowledged said instrument to be the free act and deed of said Trust.

SEE ATTACHED

Notary Public, State of ______

Name of Notary: __________
My Commission expires: __________

GRANTOR
ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of LOS ANGELES

On 01/07/2017 before me, CRISTIAN FISCHER, NOTARY PUBLIC (insert name and title of the officer)

personally appeared MELANIE A. SCHNITT --------------------- who proved to me on the basis of satisfactory evidence to be the person(ies) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature] (Seal)
BOARD OF WATER SUPPLY,
COUNTY OF KAUA'I

By: Sherman Shiraishi
Its: Chairperson

STATE OF HAWAI'I )
 )ss.
COUNTY OF KAUA'I )

On this ______ day of ____________________, 2016, before me appeared
_______________________________________ to me personally known, who being
by me was duly sworn, and said Officer is the _________________________ of the
BOARD OF WATER SUPPLY, COUNTY OF KAUA'I, and that the foregoing instrument
was signed on behalf of said Board with authority of said Board, and that said officer
acknowledged the instrument to be the free act and deed of said Board, and that said
Board has no corporate seal.

_____________________________________
Notary Public, State of Hawai'i

Name of Notary: _____________________
My Commission expires: ____________

GRANTEE
CERTIFICATION OF TRUST AGREEMENT

THIS CERTIFICATION is made and entered into on Sept. 13, 2013, by DAVID L. SCHNITT and MELANIE A. SCHNITT, as Trustees, and DAVID L. SCHNITT and MELANIE A. SCHNITT, as all of the Trustees currently acting and appointed in the Trust. The name of the Trust is the SCHNITT FAMILY TRUST, established under agreement dated December 6, 2001, and restated Sept. 13, 2013 ("Trust").

THE TRUSTORS AND THE TRUSTEES CERTIFY AS FOLLOWS:

Abstract and Description of Trust: The Trustors and Trustees desire to confirm the establishment of a revocable trust for the benefit of the Trustors and containing essentially the following provisions:

1. DAVID L. SCHNITT and MELANIE A. SCHNITT are designated as joint Trustees to serve until death, resignation or incompetency.

2. When either DAVID L. SCHNITT or MELANIE A. SCHNITT is no longer serving as Trustee, the other is designated as the sole Trustee. Upon the removal of both Trustees as Trustee, then ANTHONY ASHE shall serve as successor Trustee. If he is unable or unwilling to serve, then DAVID CAHN shall serve as successor Trustee.

3. Upon the death of the first Trustor to die, the Trust becomes irrevocable as to the assets of the first Trustor to die. The Trust for the assets of the surviving Trustor remains revocable until death.

4. The Trustors retain the unlimited right to withdraw income and principal from the Trust during their joint lives.

5. Each Trustee has the right to act on behalf of all Trustees for all purposes.

6. DAVID L. SCHNITT and MELANIE A. SCHNITT, Trustees, or any successor Trustee shall have the power and authority to manage and control the Trust property, in such manner as the Trustees or successor Trustee may deem advisable, and shall have, enjoy, and exercise all powers and rights over and concerning the property and its proceeds as fully and amply as though the Trustee was the absolute and unqualified owner, including the power to grant, bargain, purchase, sell and convey, encumber and hypothecate, real and personal property, and the power to invest and reinvest the Trust Estate in every kind of property, real, personal, or mixed, and every kind of investment, specifically including, but not by way of limitation, corporate obligations of every kind, stocks, preferred or common, shares of investment trusts, investment companies and mutual funds and mortgage participation, options and commodities; and with respect to securities held in the Trust, to have all the rights, powers and privileges of an owner, including, but not by way of limitation, the power to vote, give proxies and pay assessments, to participate in voting trusts, pooling agreements, foreclosures, reorganizations, consolidations, mergers, liquidations, sales and leases and, incident to such participations, to deposit securities with and transfer title to any protective or other committee on such terms and conditions as the Trustee may deem advisable; and to exercise or sell stock subscription or conversion rights.

7. Following the death of the surviving Trustor, the Trust continues or is distributed in whole or in part for the benefit of the other named beneficiaries according to the terms of the Trust.
8. Unless otherwise indicated to a prospective transferee, the Trustee has full power to transfer assets held in the name of the Trust and subsequent transferees shall be entitled to rely upon such transfer provided the chain of title is not otherwise deficient.

9. All personal property transferred into Trust shall remain personal property and all that real property transferred into Trust shall remain real property.

10. This Trust contains a spendthrift provision. No one other than the Trustee may use the principal or income of the Trust as security or collateral for any transaction.

11. The situs of the Trust is the State of California.

Title to assets transferred to the Trust shall be taken in the name of DAVID L. SCHNITT and MELANIE A. SCHNITT, Trustees of the SCHNITT FAMILY TRUST, dated December 6, 2001.

The use of this Certification of Trust Agreement is for convenience only and the Trust Agreement is solely controlling as to provisions and interpretations, and any conflict between this Certification and the Trust Agreement shall be decided in favor of the Trust Agreement.

Certificate of Trust: The undersigned declare under penalty of perjury under the laws of the state of California that:

The Trust has not been revoked, modified, or amended in any manner which would cause the above representations to be incorrect, and

The above abstract is a true and correct representation of the terms of the Trust Agreement.

DAVID L. SCHNITT

MELANIE A. SCHNITT

DAVID L. SCHNITT

MELANIE A. SCHNITT
STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On Sept. 13, 2013, before me, Paulette Settle, a notary public, personally appeared DAVID L. SCHNITT and MELANIE A. SCHNITT, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify that under PENALTY OF PERJURY under the laws of the State of California that the foregoing is true and correct.

WITNESS my hand and official seal.

Paulette Settle

Notary Public in and for said
County and State
MANAGER’S REPORT No. 17-34

February 24, 2017

Re: Discussion and Possible Action to approve a Right of Entry from No Ka Oi West LLC that will allow the Department of Water to install a new water main affecting land owner:

a. No Ka Oi West LLC on TMK: (4) 2-1-002:001, for Job No. 15-07, WP2020
   Project No. HE-1 (Water System Reorganization) ‘Ele’ele, Kaua’i, Hawai’i

RECOMMENDATION:
It is recommended that the Board approve the Right of Entry (ROE) whereby, No Ka Oi West LLC, a Hawai’i limited liability company (Grantor), grants to the Board of Water Supply (BWS), County of Kaua’i, its officers, employees, contractors, subcontractors, and agents, a Right of Entry (ROE), over, under, and across TMK: (4) 2-1-002:001 for the purpose of surveying, grading, installing new water lines, and all necessary appurtenances for Job No. 15-07 – Reorganize Water System - Pipeline Connection Hanapēpē and ‘Ele’ele.

Further, BWS approval is specifically requested of the indemnification provision in this agreement; wherein, the BWS agrees to “…indemnify and hold harmless the Grantor from and against any claims for injuries or damages of any kind occasioned, in whole or in part, by the BWS, or its officers, employees, contractors, subcontractors, and agents (collectively the “Grantee”) negligent actions or omissions arising out of its exercise of this right-of-entry.”

FUNDING: N/A.

BACKGROUND:
The ‘Ele’ele water system currently obtains water from the Hanapēpē water system. Water from the Hanapēpē 212’ water system is pumped by a booster pump located in Hanapēpē Valley, up to the ‘Ele’ele 340’ storage tanks through a transmission line that runs up the valley cliff from the booster pumps to the ‘Ele’ele 340’ storage tanks. From these storage tanks, water flows down transmission lines to the ‘Ele’ele 340’ service zone and then through a pressure reducing valve to the lower ‘Ele’ele 190’ sub-zone.

The Department is proposing to reorganize the Hanapēpē and ‘Ele’ele water systems by connecting the Hanapēpē 212’ system with the ‘Ele’ele 190’ service zone with a new transmission water line along Kaumuali‘i Highway. The project will reduce the Department’s energy cost by eliminating the need to pump water from the 212’ service area and up to the ‘Ele’ele 340’ level and then dropping water back down to the ‘Ele’ele 190’ service area from the 340’ level. The project will also strengthen the ‘Ele’ele system by providing a redundant way to transmit water from Hanapēpē to the ‘Ele’ele system. Due to existing conditions and State requirements, the best location for a portion of the new water main was determined to be in the Grantor’s property.

The owner has indicated that they are willing to grant the BWS a temporary ROE and, a subsequent Grant of Easement (GOE) after or near the end of construction. The Department will submit a Manager’s Report for the subsequent GOE at a future BWS meeting.
OPTIONS:

Option 1: Approve of the Right of Entry.
Pro: This will allow the DOW to access the property for design and construction purposes for the project, and to install the new water main connecting Hanapēpē and ‘Ele’ele.

Con: None.

Option 2: Do not approve the Right of Entry.
Pro: None.

Con: The Department will not be able to locate the new water main in the Grantor’s property. The alternative would be to locate the new water main in the State Right-of-Way, which will most likely cause delays and add costs to the project due to the design challenges involved.

Respectfully submitted,

Keith Aoki, P.E.
Engineering Division

CONCURRED:

Kirk Saiki, P.E.
Manager and Chief Engineer

Attachment(s): Right of Entry Agreement
Exhibit A

Mggrp/February 2017/17-34/Discussion and Possible Action to approve a Right of Entry from No Ka Oi West LLC that will allow the Department of Water to install a new water main on TMK: (4) 2-1-002:001, for Job No. 15-07, WP2020 Project No. HE-1 (Water System Reorganization) 'Ele'ele, Kaua'i, Hawai'i (2-24-17)
RIGHT-OF-ENTRY

THIS INDENTURE made this 28 day of [MM] [DD] [YYYY], 2016 by and between

NO KA OI WEST LLC, a Hawai‘i limited liability company, whose mailing address is
Post Office Box 879, Hanapēpē, Kaua‘i, Hawai‘i 96719 (hereinafter, the “GRANTOR”), and the
BOARD OF WATER SUPPLY, County of Kaua‘i, whose mailing address is
4398 Pua Loke Street, Lihu‘e, Kaua‘i, Hawai‘i 96766 (hereinafter, the “BOARD”);

WITNESSETH:

For and in consideration of the sum of One Dollar ($1.00) to the Grantor paid, the receipt
whereof is hereby acknowledged, the Grantor does hereby grant to the Board, its officers,
employees, contractors, subcontractors, and agents (hereinafter collectively the “Grantee”), a
temporary construction Right-of-Entry subject to the following terms and conditions:

1. The Right-of-Entry shall be an area over, under, and across that certain property
situated, lying, and being at ‘Ele‘ele, Kaua‘i, Hawai‘i at Tax Map Key No. (4) 2-1-02:001 and as
described in the map attached hereto as Exhibit “A” and made a part hereof.

2. The Right-of-Entry shall be used by the Grantee for purpose of installing a new
water main and any necessary appurtenances for Job No.15-07 – Reorganize Water System –
Pipeline Connecting Hanapēpē and ‘Ele‘ele (Water Plan 2020 Project No. HE-1).

3. The Grantee shall indemnify and hold harmless the Grantor from and against any
claims for injuries or damages of any kind occasioned, in whole or in part, by Grantee’s
negligent actions or omissions arising out of its exercise of this Right-of-Entry.

4. This Right-of-Entry shall be binding upon and inure to the benefit of the parties
and their respective successors and assigns.

ROE for Job No. 15-07, HE-1 – No Ka Oi West LLC
Reorganize Water System - Pipeline Connecting Hanapēpē and ‘Ele‘ele

Page 187
5. The Grantor warrants and covenants with the Board that Grantor is the fee simple owner of the property upon which the right-of-entry is located, has full right to convey said Right-of-Entry and will warrant and defend the Right-of-Entry granted herein against all adverse claims.

6. This Right-of-Entry may be executed in counterparts. Each counterpart shall be executed by one or more parties hereinbefore named and the several counterparts shall constitute one instrument to the same effect as though the signatures of all the parties are upon the same document.

7. The term of this Right-of-Entry shall commence upon the execution of the same by Grantor and shall automatically expire, without the submission or presentation of any documents to that effect, at such time that the Grantor executes (a) a Grant of Easement with respect to that portion of Tax Map Key Nos. (4) 2-1-02:001 which the Board deems necessary for the purposes designated and described in paragraph (2) above and (b) a Conveyance of Water Facilities for those improvements and facilities deemed necessary by the Board.

APPROVED:  

Manager and Chief Engineer

APPROVED AS TO FORM
AND LEGALITY:

Deputy County Attorney
OWNER:

No Ka Oi West, LLC
   a Hawaii limited liability company

By:  Abigail Santos

Its:  Registered Agent

STATE OF HAWAII  )  ss
COUNTY OF KAUAI  )

On this ______ day of __________________________, 2016, before me appeared
Abigail Santos ____________________________ to me known, who, being by me duly sworn, did
say that she is the Registered Agent ____________________________ of No Ka Oi West, LLC
a Hawaii limited liability company ____________________________ and that said instrument was signed on
behalf of said company and ___ she ___ acknowledged said instrument to be the free act and deed
of said Hawaii limited liability company ____________________________.

Doc. Date: NOV 2 8 2016  # Pages: 4
Notary Name: Josielyn V. Pabustan  Fifth Circuit
Doc. Description: Right of Entry
Notary Signature:  NOV 2 8 2016

Name of Notary: JOSIELYN V. PABUSTAN
My Commission expires: 1-1-2018

GRANTOR

2-1-02:001

Page 189
BOARD OF WATER SUPPLY,
COUNTY OF KAUAI

By: Sherman Shiraishi
Its: Chairperson

STATE OF HAWAI‘I )
)ss.
COUNTY OF KAUAI )

On this ______ day of __________________, 2016, before me appeared
__________________________________________ to me personally known, who being by me was duly
sworn, and said Officer is the ____________________________________ of the BOARD OF WATER
SUPPLY, COUNTY OF KAUAI, and that the foregoing instrument was signed on behalf of said
Board with authority of said Board, and that said officer acknowledged the instrument to be the free
act and deed of said Board, and that said Board has no corporate seal.

__________________________________________
Notary Public, State of Hawai‘i

Name of Notary:________________________
My Commission expires:__________________

GRANTEE
6' WIDE RIP-RAP LINING OVER W. TRENCH

EASEMENT FOR WATER LINE PURPOSES IN FAVOR OF DEPARTMENT OF WATER (AREA = 714 SQ FT)

TMK.2-1-002:001 NO KA OI WEST LLC

NEW 16-INCH WATER LINE

HE-01 PIPELINE CONNECTING HANAPÉPE AND 'ELE'ELÉ: KAUMUALI'I HIGHWAY 16-INCH MAIN AND EMERGENCY PUMP CONNECTION

PROPOSED NO KA OI WEST LLC EASEMENT

EXHIBIT A

ROE for Job No. 15-07, HE-1 – No Ka Oi West LLC

Reorganize Water System - Pipeline Connecting Hanapépe and 'Ele'ele

2-1-02:001
MANAGER’S REPORT No. 17-35

February 24, 2017

Re: Discussion and Possible Action to enter into a Memorandum of Understanding between the County of Kaua‘i, Department of Water and State of Hawai‘i, Department of Transportation regarding the Līhu'e Baseyard Final Inspection

RECOMMENDATION:
The Department is recommending approval of Option 1 below to execute the Memorandum of Understanding to allow the release of bond to the contractor.

FUNDING: NO FUNDING REQUIRED.

BACKGROUND:
During a morning walk-through inspection of the baseyard along with the new landscaped area of the new building, the Chief of Operations commented to the construction and maintenance crew that the landscaped area looks well-kept but the surrounding area needs work. The following day, the crew cleared all vegetation and debris in the area not knowing the boundaries and that the final inspection for grassing has not been done. After being informed of the situation, the crews seeded the area with vegetation and installed temporary irrigation.

After coordinating with State of Hawai‘i Department of Transportation (HDOT) inspector, said inspector instructed Department of Water (DOW) that a Letter of Mutual Understanding needs to be executed to allow for the release of bond to the contractor.

OPTIONS:

Option 1: Approve and execute the Memorandum of Understanding.
Pro: This option will ensure that Operations Division will maintain the vegetation within the State Right-of-Way along Kaumuali‘i Highway fronting the new Administrative building as the specified by HDOT-Highways and allow for the release of bond to the contractor.

Con: DOW resources will be expended in the maintenance of vegetation along the highway fronting the new building.

Option 2: Do not approve the Memorandum of Understanding.
Pro: DOW resources will not be expended in the maintenance of vegetation on the State Right-of-Way along Kaumuali‘i Highway.

Con: Release of contractor’s bond will be delayed.
Respectively submitted,

Valentino P. Reyna  
Chief of Operations

CONCURRED:

Kirk Saiki, P.E.  
Manager and Chief Engineer

VPR/ein

Mggrp/February 2017/17-35/Discussion and Possible Action to enter into a Memorandum of Understanding between the County of Kaua'i, Department of Water and State of Hawai'i, Department of Transportation regarding the Lihu'e Baseyard Final Inspection (2-24-17)
MEMORANDUM OF UNDERSTANDING
FOR
JOB NO. PLH-39
LĪHUʻE BASEYARD IMPROVEMENTS
FOR THE DEPARTMENT OF WATER
LĪHUʻE, KAUAʻI, HAWAIʻI

This Memorandum of Understanding (“Understanding”) effective as of 24th day of February, 2017, by and between the BOARD OF WATER SUPPLY, COUNTY OF KAUAʻI (hereinafter referred to as the “BWS”), whose business and mailing address is 4398 Pua Loke Street, Līhuʻe, Hawaiʻi 96766 and the DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION, STATE OF HAWAII, whose principal place of business and mailing address is 1720 Haleukana Street Lihue, HI 96766, Līhuʻe, Hawaiʻi 96766.

RECITALS

WHEREAS, the Manager and Chief Engineer of the Department of Water (DOW) and the Kauaʻi District Engineer of the Hawaiʻi Department of Transportation – Highways Division, for the purpose of releasing the maintenance and surety bond for Kauaʻi Construction / Unlimited Construction related to the construction along Kaumualiʻi Highway covered by permit #1732, hereby affirm their intent to have the DOW, Operations Division, restore the disturbed areas as shown on the attached map per Section 641 of the Hawaiʻi Standard Specification for Bridge and Road Construction, 2005; and

WHEREAS, the initial inspection shall be conducted after Planting Period and final inspection shall be conducted after completion of the Plant Establishment period of 5 months, instead of 9 months. (Hawaii Standard Specification for Road and Bridge Construction Re. 2005, sub-sections 641.03(B) and 641.03(C)) by HDOT-Highways Division. Acceptance will be based on sub section 641.03(D) of the Hawaii Standard Specification for Road and Bridge Construction Rev. 2005. This mutual understanding shall expire upon acceptance by and the sole discretion of the HDOT-Highways Inspector.

IN WITNESS WHEREOF, the undersigned have executed this Agreement the day and year first above written.

RECOMMENDED APPROVAL:
BOARD OF WATER SUPPLY
COUNTY OF KAUAʻI

Kirk Saiki, P.E.
Manager and Chief Engineer
Department of Water

Sherman Shiraishi
Chairperson
Board of Water Supply

APPROVED AS TO FORM
AND LEGALITY:

Mahealani M. Krafft
Deputy County Attorney

Lawrence Dill, P.E.
Kauaʻi District Engineer
State of Hawaiʻi, Department of Transportation

JOB NO. PLH-39 LĪHUʻE BASEYARD IMPROVEMENTS
FOR THE DEPARTMENT OF WATER
LĪHUʻE, KAUAʻI, HAWAIʻI

Page 194

Department of Water
County of Kauaʻi
STATE OF HAWAI'I

COUNTY OF KAUA'I

On this 24th day of February, 2017 in the Fifth Circuit, State of Hawai'i, before me personally appeared Sherman Shiraishi, who is personally known to me or whose identity I proved on the basis of satisfactory evidence, who being by me duly sworn or affirmed, did say that such person is the Chairperson for the Board of Water Supply, County of Kaua'i, who executed MOU for JOB NO. PLH-39 LIʻHUʻE BASEYARD IMPROVEMENTS FOR THE DEPARTMENT OF WATER LIʻHUʻE, KAUAʻI, HAWAIʻI, dated February 24, 2017 and consisting of 5 pages at the time of notarization, as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

___________________________________
Notary Public, State of Hawai'i
Name of Notary: _____________________ (Affix Seal)
My Commission expires: ______________

STATE OF HAWAII

COUNTY OF KAUAI

On this ____ day of ________, 2017 in the Fifth Circuit, State of Hawai'i, before me personally appeared Lawrence Dill, who is personally known to me or whose identity I proved on the basis of satisfactory evidence, who being by me duly sworn or affirmed, did say that such person is the _______________ for the ________________, State of Hawai'i, who executed MOU for JOB NO. PLH-39 LIʻHUʻE BASEYARD IMPROVEMENTS FOR THE DEPARTMENT OF WATER LIʻHUʻE, KAUAʻI, HAWAIʻI, dated February 24, 2017 and consisting of 3 pages at the time of notarization, as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

___________________________________
Notary Public, State of Hawai'i
Name of Notary: _____________________ (Affix Seal)
My Commission expires: ______________
Staff Reports
FISCAL REPORT: MONTHLY SUMMARY HIGHLIGHTS – JANUARY, 2017

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

<table>
<thead>
<tr>
<th>YEAR TO DATE (YTD) BUDGET &amp; ACTUAL EXPENSES SUMMARY – AS OF JANUARY, 2017</th>
<th>BUDGET</th>
<th>vs</th>
<th>ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>· Operating Expenses</td>
<td>$15,671,866.00</td>
<td>$12,432,152.59</td>
<td></td>
</tr>
<tr>
<td>· Debt Principal Payment</td>
<td>4,117,431.62</td>
<td>4,117,432.12</td>
<td></td>
</tr>
<tr>
<td>· Capital Projects</td>
<td>24,309,540.00</td>
<td>1,756,551.38</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>$44,098,837.62</td>
<td>$18,306,136.09</td>
<td></td>
</tr>
</tbody>
</table>

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

- Total Revenue as of January, 2017 was 15% below projection.
  - Water sales of $16.88 million (M) was $511.5 thousand (K) or 3% below projection.
  - Other Water Revenue - Receipts of $236K exceeded projection by $148.5K or 170%.
  - Capital Contributions: Cash contributions including Federal & State Grants - $80K.
  - Investment Income & Net Increase in FV of Investments - $221.6K net, combined.
  - Note: Line item “FRC Receipts” was moved down to “Non-Operating Proceeds” category.
  - Note: BAB subsidy was re-classed from Federal grants to Capital contributions – cash receipts.

OPERATING EXPENSES: VARIANCE = BUDGET LESS ACTUAL EXPENDITURES; POSITIVE INDICATES LESS SPENDING THAN PLANNED.

- YTD Operating Expenses before depreciation and amortization was $12.4M. Total spending was $3.24M less than planned or budgeted and remained at 21% positive variance.
  - Employee Related Expenses – $5M; remained at 11% positive variance.
  - Contracts & Services – $2.1M; with a 46% positive variance.
  - Professional Services, Insurance, Repairs and Maintenance for both water and non-water systems are the main items contributing the 46% positive variance.
  - Exceptional Expenses – None
  - Fuel & Utilities – $1.49M; remained at 25% positive variance.
  - Bulk Water Purchase – $1.08M; remained at 4% positive variance.
  - Office & Operating Supplies – $536.3K with 21% positive variance.
  - Training, Travel & Meeting Expenses – $60.87K
  - Debt Service – Interest Expense - $2.16M
  - Depreciation & Amortization (non-cash expenses) is $4.28M.

NET OPERATING INCOME:

- Net Operating Income before depreciation and amortization - $6.24M.
- Net Operating Income after depreciation & amortization expenses of $4.28M was $1.96M.
NON-OPERATING PROCEEDS & DISBURSEMENTS

- SRF Loan Proceeds – None
- FRC – Facility Reserve Charge - Receipts of $237,025
- YTD Debt Principal Payment is $4,117,432

CAPITAL PROJECTS BUDGET: YTD DISBURSEMENTS = $1,756,551

- Capital Projects: Water Utility Fund - $822,011
- Capital Projects: FRC Fund – $33,657
- Capital Projects: BAB Fund - $900,884
- Capital Projects: SRF Loan Fund - None.

II. FY 2016 – 2017 ENCUMBERED FUNDS

- FY 2016 – 2017 Certification of Funds - $2,059,439.26

III. COMPARATIVE CHARTS:

METERED CONSUMPTION:

- January, 2017 metered consumption – 316.39 million gallons (mg); decreased by 6.03 mg as compared from the same month of FY 2016.
- YTD metered consumption as of 01/31/17 – 2.39 billion gallons (bg); decreased by 8.777 mg as compared from the same month of FY 2016.

IV. COMPARATIVE BALANCE SHEET:

* See attached.

V. OTHER FISCAL ONGOING ACTIVITIES/INITIATIVES:

- Five (5) years Water Rate Study - Ongoing.
  - Board workshop scheduled on February, 2017 board meeting.
- Customer Care & Billing (CC&B) conversion: “GO LIVE” was implemented as planned on October 3, 2016.
- CC&B Phase II & III – Service cloud, Billing insight and Field Service Management are in development and testing.
- FY 2017 – 2018 proposed budget – will be submitted to the board for the March board meeting.
- Procurement in process - Budget Program Solution.
- New procurement - professional services to conduct audit of DOW’s financial statements.

Respectfully submitted,

Marites Yano
Waterworks Controller
## Department of Water, County of Kauai
### Monthly Budget Summary vs. Actual
#### SUMMARY
1/3/2017

### 1. OPERATING BUDGET

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Original Budget</th>
<th>Revised Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Sales</td>
<td>$2,484,167.00</td>
<td>$2,434,167.00</td>
<td>$2,203,239.50</td>
<td>($289,927.50)</td>
</tr>
<tr>
<td>Revenue from Public Fire Protection</td>
<td>185,938.00</td>
<td>185,938.00</td>
<td>178,836.50</td>
<td>10,082.50</td>
</tr>
<tr>
<td>Other Water Revenue</td>
<td>12,500.00</td>
<td>12,500.00</td>
<td>9,879.86</td>
<td>2,620.14</td>
</tr>
<tr>
<td>Federal Grants</td>
<td></td>
<td></td>
<td>370,833.00</td>
<td>(370,833.00)</td>
</tr>
<tr>
<td>State Grants</td>
<td>80,064.00</td>
<td>80,064.00</td>
<td>69,248.00</td>
<td>10,816.00</td>
</tr>
<tr>
<td>Net Increase in Fair Value of Investments</td>
<td>16,666.00</td>
<td>16,666.00</td>
<td>10,492.64</td>
<td>6,173.36</td>
</tr>
<tr>
<td>Investment Income</td>
<td>42.00</td>
<td>42.00</td>
<td>(42.00)</td>
<td>42.00</td>
</tr>
<tr>
<td>Gain or Loss on Disposal of Capital Assets</td>
<td></td>
<td></td>
<td>63.00</td>
<td>51.00</td>
</tr>
<tr>
<td>Gain or Loss from the Retirement of Debt</td>
<td></td>
<td></td>
<td>63.00</td>
<td>51.00</td>
</tr>
<tr>
<td>Miscellaneous Revenues</td>
<td></td>
<td></td>
<td>240.87</td>
<td>157.87</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$3,130,293.00</strong></td>
<td><strong>$3,130,293.00</strong></td>
<td><strong>$2,513,860.60</strong></td>
<td><strong>($616,812.20)</strong></td>
</tr>
</tbody>
</table>

| Employee-Related Expenses                   |                 |                | 474,132.00    | 474,132.00  |
| Salaries and Wages (Includes Leaves & CYO)  | 5,033.00        | 5,033.00       | 4,502.09      | 530.91     |
| Temporary Assignment                        | 45,917.00       | 45,917.00      | 41,028.30     | 4,889.70   |
| Overtime                                    | 15,139.00       | 15,139.00      | 16,677.54     | (2,538.54) |
| FICA                                        | 41,963.00       | 41,963.00      | 45,752.24     | (12,760.24) |
| Retirement Contribution                     | 92,733.00       | 92,733.00      | 76,569.03     | 16,163.97  |
| Life & Health Insurance                     | 47,148.00       | 47,148.00      | 17,376.69     | 29,771.31  |
| Workers Compensation                        | 7,955.69        | 7,955.69       | 7,955.69      | 0.00       |
| Unemployment Compensation                   | 1,250.00        | 1,250.00       | 310.00        | 940.00     |
| Post Employment Benefits (OEPEB)            | 80,667.00       | 80,667.00      | 96,215.25     | (15,548.25) |
| **Total Employee-Related Expenses**         | **803,984.00**  | **803,984.00** | **723,485.38**| **50,498.62**|

| Contracts & Services                         |                 |                | 167,630.00    | 167,630.00  |
| Professional Services-General                | 15,853.00       | 15,853.00      | 15,853.00     | 0.00       |
| Professional Services-Accounting & Auditing | 6,439.00        | 6,439.00       | 24,246.88     | 17,807.88  |
| Other Services-General                       | 21,282.00       | 21,282.00      | 7,756.62      | 13,525.38  |
| Public Relations-General                     | 6,542.00        | 6,542.00       | 1,221.60      | 5,320.40   |
| Procurement Advertising                      | 833.00          | 833.00         | 5,300.88      | (4,467.00) |
| Communication Services                       | 10,581.00       | 10,581.00      | 1,424.41      | 9,156.59   |
| Freight and Postage                          | 851.00          | 851.00         | 736.29        | 114.71     |
| Rentals and Leases                           | 9,784.00        | 9,784.00       | 23,420.40     | (13,636.40) |
| Insurance                                    | 58,333.00       | 58,333.00      | 2,112.32      | 56,220.68  |
| County Service Charge                        | 165,588.00      | 165,588.00     | 176,836.50    | (10,248.50) |
| Repairs and Maintenance-Water System         | 30,500.00       | 30,500.00      | 10,141.74     | 20,358.26  |
| Repairs and Maint-Non Water System           | 87,580.00       | 87,580.00      | 16,933.20     | 70,646.80  |
| **Total Contracts & Services**               | **582,949.00**  | **582,949.00** | **271,586.84**| **310,362.16**|

| Revised YTD Budget                          | **$17,389,169.00**| **$16,877,822.61**| **($511,346.39)**| (3%) |
| YTD Actual                                  | 1,161,566.00      | 1,237,255.50     | 78,690.50      | 7%   |
| Variance                                    | 235,942.77        | 148,452.77       | 87,490.00      | 17%  |
| Variance %                                  | 30%               | 207.45           | 6211%          |      |
## Exceptional Expenses

**FY2014 & FY2015 Kalaehe Emergency**  
**FY 2015 Kilauea**

### Total Exceptional Expenses

<table>
<thead>
<tr>
<th></th>
<th>Original Budget</th>
<th>Revised Budget</th>
<th>Actual</th>
<th>Variance</th>
<th>Revised YTD Budget</th>
<th>YTD Actual</th>
<th>Variance</th>
<th>Variance %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fuel &amp; Utilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utility Services</td>
<td>271,697.00</td>
<td>271,697.00</td>
<td>217,740.84</td>
<td>53,958.16</td>
<td>1,901,679.00</td>
<td>1,453,584.28</td>
<td>448,264.72</td>
<td>24%</td>
</tr>
<tr>
<td>Fuel</td>
<td>12,396.00</td>
<td>12,396.00</td>
<td>3,581.45</td>
<td>8,814.55</td>
<td>86,772.00</td>
<td>41,379.48</td>
<td>45,392.52</td>
<td>52%</td>
</tr>
<tr>
<td><strong>Total Fuel &amp; Utilities</strong></td>
<td>284,093.00</td>
<td>284,093.00</td>
<td>221,322.29</td>
<td>62,770.71</td>
<td>1,988,451.00</td>
<td>1,494,963.76</td>
<td>493,487.24</td>
<td>25%</td>
</tr>
<tr>
<td><strong>Bulk Water Purchase</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bulk Water Purchase</td>
<td>159,736.00</td>
<td>159,736.00</td>
<td>154,640.58</td>
<td>5,695.42</td>
<td>1,116,152.00</td>
<td>1,075,037.45</td>
<td>41,114.55</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Total Bulk Water Purchase</strong></td>
<td>159,736.00</td>
<td>159,736.00</td>
<td>154,640.58</td>
<td>5,695.42</td>
<td>1,116,152.00</td>
<td>1,075,037.45</td>
<td>41,114.55</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Office &amp; Operating Supplies</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Supplies</td>
<td>2,500.00</td>
<td>2,500.00</td>
<td>775.97</td>
<td>1,723.03</td>
<td>17,500.00</td>
<td>8,771.07</td>
<td>8,728.93</td>
<td>50%</td>
</tr>
<tr>
<td>Operating Supplies</td>
<td>91,504.00</td>
<td>91,504.00</td>
<td>95,589.36</td>
<td>(4,085.36)</td>
<td>640,528.00</td>
<td>513,547.57</td>
<td>126,980.43</td>
<td>20%</td>
</tr>
<tr>
<td>Books, Subscriptions and Dues</td>
<td>2,490.00</td>
<td>2,490.00</td>
<td>1,008.78</td>
<td>1,481.22</td>
<td>17,420.00</td>
<td>13,775.56</td>
<td>3,644.44</td>
<td>21%</td>
</tr>
<tr>
<td>Books, Subscriptions and Dues - Board</td>
<td>125.00</td>
<td>125.00</td>
<td>75.00</td>
<td>50.00</td>
<td>875.00</td>
<td>625.00</td>
<td>250.00</td>
<td>28%</td>
</tr>
<tr>
<td><strong>Total Office &amp; Operating Supplies</strong></td>
<td>96,679.00</td>
<td>96,679.00</td>
<td>97,450.11</td>
<td>(631.11)</td>
<td>676,333.00</td>
<td>536,299.53</td>
<td>140,033.47</td>
<td>21%</td>
</tr>
<tr>
<td><strong>Training, Travel &amp; Meeting Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training and Development</td>
<td>7,712.00</td>
<td>17,454.00</td>
<td>12,200.32</td>
<td>5,153.68</td>
<td>57,631.00</td>
<td>38,278.97</td>
<td>19,352.03</td>
<td>33%</td>
</tr>
<tr>
<td>Travel and Per Diem</td>
<td>5,984.00</td>
<td>5,984.00</td>
<td>2,068.65</td>
<td>3,858.35</td>
<td>41,059.00</td>
<td>17,582.72</td>
<td>23,476.28</td>
<td>58%</td>
</tr>
<tr>
<td>Travel and Per Diem - Board</td>
<td>1,684.00</td>
<td>1,684.00</td>
<td>1,472.05</td>
<td>211.35</td>
<td>14,780.00</td>
<td>2,769.67</td>
<td>11,010.33</td>
<td>77%</td>
</tr>
<tr>
<td>Meeting Expense</td>
<td>657.00</td>
<td>657.00</td>
<td>657.00</td>
<td>657.00</td>
<td>3,869.00</td>
<td>2,034.47</td>
<td>1,834.53</td>
<td>49%</td>
</tr>
<tr>
<td>Meeting Expense - Board</td>
<td>591.00</td>
<td>591.00</td>
<td>1,391.88</td>
<td>800.88</td>
<td>4,137.00</td>
<td>2,204.52</td>
<td>1,932.47</td>
<td>47%</td>
</tr>
<tr>
<td><strong>Total Training, Travel &amp; Meeting Expenses</strong></td>
<td>16,548.00</td>
<td>26,290.00</td>
<td>17,773.50</td>
<td>8,516.50</td>
<td>136,483.00</td>
<td>60,669.46</td>
<td>75,813.54</td>
<td>49%</td>
</tr>
<tr>
<td><strong>Debt Service</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Expense</td>
<td>317,388.00</td>
<td>317,388.00</td>
<td>308,284.89</td>
<td>10,103.12</td>
<td>2,221,715.00</td>
<td>2,157,032.60</td>
<td>63,682.40</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total Interest Expense</strong></td>
<td>317,388.00</td>
<td>317,388.00</td>
<td>308,284.89</td>
<td>10,103.12</td>
<td>2,221,715.00</td>
<td>2,157,032.60</td>
<td>63,682.40</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>2,241,317.00</td>
<td>2,275,059.00</td>
<td>1,783,443.50</td>
<td>496,153.50</td>
<td>15,671,865.00</td>
<td>12,432,152.59</td>
<td>3,239,713.41</td>
<td>21%</td>
</tr>
<tr>
<td>Net Operating Income (Loss) Before Depreciation &amp; Amortization</td>
<td>$886,976.00</td>
<td>$855,234.00</td>
<td>$720,237.30</td>
<td>$(164,968.70)</td>
<td>$6,246,185.00</td>
<td>$6,239,941.02</td>
<td>$(4,243.98)</td>
<td>0%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>609,563.00</td>
<td>609,563.00</td>
<td>743,325.09</td>
<td>(133,762.09)</td>
<td>4,266,941.00</td>
<td>3,934,215.14</td>
<td>332,725.86</td>
<td>8%</td>
</tr>
<tr>
<td>Amortization</td>
<td>54,167.00</td>
<td>54,167.00</td>
<td>75,704.38</td>
<td>(20,537.38)</td>
<td>379,169.00</td>
<td>341,065.33</td>
<td>37,003.67</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Total Depreciation &amp; Amortization</strong></td>
<td>663,730.00</td>
<td>663,730.00</td>
<td>819,029.47</td>
<td>(177,299.47)</td>
<td>4,646,109.00</td>
<td>4,276,280.47</td>
<td>369,828.53</td>
<td>8%</td>
</tr>
<tr>
<td>Net Operating Income (Loss)</td>
<td>$226,246.00</td>
<td>$191,504.00</td>
<td>$120,792.17</td>
<td>$(312,266.17)</td>
<td>$1,594,075.00</td>
<td>$1,843,675.65</td>
<td>$259,600.65</td>
<td>23%</td>
</tr>
</tbody>
</table>
Department of Water, County of Kauai  
Monthly Budget Summary vs. Actual  
SUMMARY  
1/31/2017

<table>
<thead>
<tr>
<th></th>
<th>January</th>
<th>FY 2017</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Original Budget</td>
<td>Revised Budget</td>
<td>Actual</td>
<td>Variance</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non Operating Proceeds</td>
<td>58,813.00</td>
<td>58,813.00</td>
<td>51,680.00</td>
<td>(6,953.00)</td>
</tr>
<tr>
<td>FRC-Facility Reserve Charge</td>
<td>58,813.00</td>
<td>58,813.00</td>
<td>51,680.00</td>
<td>(6,953.00)</td>
</tr>
<tr>
<td>Total Non Operating Proceeds</td>
<td>117,626.00</td>
<td>117,626.00</td>
<td>103,360.00</td>
<td>14,266.00</td>
</tr>
<tr>
<td>Transfers Out(in) to Other Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt Principal Payment</td>
<td>359,759.93</td>
<td>359,759.93</td>
<td>359,759.93</td>
<td></td>
</tr>
<tr>
<td>Net Proceeds (Expenditures)</td>
<td>(75,700.93)</td>
<td>(109,442.93)</td>
<td>(428,692.10)</td>
<td>(319,249.17)</td>
</tr>
<tr>
<td>II. CAPITAL BUDGET</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Projects (See Attached for Details)</td>
<td>3,453,531.00</td>
<td>3,453,531.00</td>
<td>157,741.16</td>
<td>3,295,789.84</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Revised YTD Budget</th>
<th>YTD Actual</th>
<th>*Variance</th>
<th>Variance %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>411,691.00</td>
<td>237,025.00</td>
<td>(174,666.00)</td>
<td>(42%)</td>
</tr>
<tr>
<td></td>
<td>411,691.00</td>
<td>237,025.00</td>
<td>(174,666.00)</td>
<td>(42%)</td>
</tr>
<tr>
<td></td>
<td>4,117,431.62</td>
<td>4,117,432.12</td>
<td>(0.50)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(109,442.93)</td>
<td>(2,111,665.62)</td>
<td>(1,916,649.57)</td>
<td>195,019.05</td>
</tr>
<tr>
<td></td>
<td>24,309,549.00</td>
<td>1,756,651.38</td>
<td>22,552,888.62</td>
<td>93%</td>
</tr>
</tbody>
</table>
### Department of Water, County of Kauai
Monthly Budget Summary vs. Actual
SUMMARY
1/31/2017

<table>
<thead>
<tr>
<th>Capital Projects (See Attached for Details):</th>
<th>January</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Utility - Capital Projects (See Attached for Details)</td>
<td>Original Budget</td>
<td>Revised Budget</td>
</tr>
<tr>
<td>1,059,876.00</td>
<td>1,059,876.00</td>
<td>112,482.70</td>
</tr>
<tr>
<td>FRC Special Trust Fund - Capital Projects (See Attached for Details)</td>
<td>1,223,223.00</td>
<td>1,223,223.00</td>
</tr>
<tr>
<td>BAB Fund - Capital Projects (See Attached for Details)</td>
<td>1,170,832.00</td>
<td>1,170,832.00</td>
</tr>
<tr>
<td>SRF Loan Fund - Capital Projects (See Attached for Details)</td>
<td>3,453,931.00</td>
<td>3,453,931.00</td>
</tr>
<tr>
<td>Total Capital Projects (See Attached for Details)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Note: Variance figures are calculated based on the difference between the Revised Budget and Actual amounts.*
### Capital Projects (See Attached for Details):

<table>
<thead>
<tr>
<th>Description</th>
<th>Original Budget</th>
<th>Revised Budget</th>
<th>Actual</th>
<th>Variance</th>
<th>FY 2017</th>
<th>Variance</th>
<th>Variance %</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-02-00-604-999 WU-JT-Rand&amp;R Capital Purchases</td>
<td>56,598.00</td>
<td>59,598.00</td>
<td>59,598.00</td>
<td>417,106.00</td>
<td>56,218.12</td>
<td>980,067.88</td>
<td>87%</td>
</tr>
<tr>
<td>10-02-00-605-099 WU-JT-Expansion Capital Purchases</td>
<td>12,600.00</td>
<td>12,500.00</td>
<td>12,500.00</td>
<td>67,500.00</td>
<td>1,000.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>10-02-00-604-001 WU-Eng-ALLR-KW-67 Paau Valley Tank Repair</td>
<td>10-02-00-604-006 WU-Eng-34%R-PLH-28 Hanamauau Main (Hoonau Street)</td>
<td>50,000.00</td>
<td>25,000.00</td>
<td>25,000.00</td>
<td>1,000.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>10-02-00-604-007 WU-Eng-ALLR-WK-11a Upper Waipaua Rd Maintenance Repair</td>
<td>10-02-00-604-013 WU-Eng-ALLR-PLH-32 Rice St Kupule Intersection Repair</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>10-02-00-604-120 WU-Eng-10%R-Kiauwa 1.0 MG Tank Job 02-06</td>
<td>3,739.68</td>
<td>(3,736.68)</td>
<td>820.57</td>
<td>(820.57)</td>
<td>10,254.19</td>
<td>(10,254.16)</td>
<td>100%</td>
</tr>
<tr>
<td>10-02-00-604-129 WU-Eng-ALLR-11-10 8IN Haleiwai, Hwy 60 to Haka Halo</td>
<td>10-02-00-604-146 WU-Eng-12%R-Job 15-7 HE-01&amp;10 Hanapepe/EleileConn PL</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>10-02-00-604-147 WU-Eng-ALLR-Rehabiliatn Puupilu Steel Tank</td>
<td>10-02-00-604-148 WU-Eng-56%R-Kiauwa Hwy Hardy-Oxford 18IN Main Repla</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>10-02-00-604-148 WU-Eng-37%R-Kiauwa Hwy N Papaoa to Waikoua Canal</td>
<td>10-02-00-604-150 WU-Eng-35%R-Makanak &amp; Kuli Rd Main Replacement</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>10-02-00-604-152 WU-Eng-37%R-Hoona, Hoone, Pane Rd Main Replacement</td>
<td>10-02-00-604-157 WU-Eng-Kiauwa Wells MCC Rehab</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>10-02-00-604-158 WU-Eng-ALLR-17-7 Maio Road Easement</td>
<td>16,666.00</td>
<td>16,666.00</td>
<td>16,666.00</td>
<td>110,052.00</td>
<td>21,000.00</td>
<td>110,062.00</td>
<td>100%</td>
</tr>
<tr>
<td>10-02-00-605-156 WU-Eng-ALL-15-5 Maio Rd Easement</td>
<td>21,000.00</td>
<td>21,000.00</td>
<td>21,000.00</td>
<td>21,000.00</td>
<td>21,000.00</td>
<td>21,000.00</td>
<td>100%</td>
</tr>
<tr>
<td>10-21-00-604-017 WU-CM-18in Kamehameha Hwy</td>
<td>3,000.00</td>
<td>3,806.00</td>
<td>3,806.00</td>
<td>26,642.00</td>
<td>26,642.00</td>
<td>26,642.00</td>
<td>100%</td>
</tr>
<tr>
<td>10-21-00-604-029 WU-Cns-44%R-06-01 Yamada Tank Clearwell, Conn Pipe</td>
<td>391,657.00</td>
<td>391,657.00</td>
<td>391,657.00</td>
<td>2,741,859.00</td>
<td>2,741,859.00</td>
<td>2,741,859.00</td>
<td>100%</td>
</tr>
<tr>
<td>10-21-00-604-033 WU-Cns-ALLR-13-07, Kolua Well D Repairs</td>
<td>37,500.00</td>
<td>37,500.00</td>
<td>112,462.70</td>
<td>373,700.00</td>
<td>153,100.00</td>
<td>223,600.00</td>
<td>59%</td>
</tr>
<tr>
<td>10-21-00-604-035 WU-Cns-ALLR-35%R-Kiauwa Hwy N Papaoa to Waikoua Canal</td>
<td>45,833.00</td>
<td>45,833.00</td>
<td>45,833.00</td>
<td>320,831.00</td>
<td>320,831.00</td>
<td>320,831.00</td>
<td>100%</td>
</tr>
<tr>
<td>10-21-00-604-012 WU-Cns-30%R-10-01 Ani-01b Rd WU DOH-Princv</td>
<td>47,657.00</td>
<td>47,657.00</td>
<td>47,657.00</td>
<td>333,686.00</td>
<td>333,686.00</td>
<td>333,686.00</td>
<td>100%</td>
</tr>
<tr>
<td>10-21-00-604-148 WU-Utility-Construction Managers-No Funci -</td>
<td>123,500.00</td>
<td>123,500.00</td>
<td>123,500.00</td>
<td>884,500.00</td>
<td>884,500.00</td>
<td>884,500.00</td>
<td>100%</td>
</tr>
<tr>
<td>10-21-00-604-155 WU-CM-12%R-Waipoua Rd Maintenance</td>
<td>833.00</td>
<td>833.00</td>
<td>833.00</td>
<td>5,631.00</td>
<td>5,631.00</td>
<td>5,631.00</td>
<td>100%</td>
</tr>
<tr>
<td>10-21-00-604-146 WU-CM-18in HE-10, Recwe WP PL Conn Hanapele-aleele</td>
<td>209,833.00</td>
<td>209,833.00</td>
<td>209,833.00</td>
<td>1,498,831.00</td>
<td>1,498,831.00</td>
<td>1,498,831.00</td>
<td>100%</td>
</tr>
<tr>
<td>10-21-00-605-999 WU-CM-Expansion Capital Purchases</td>
<td>633.00</td>
<td>833.00</td>
<td>833.00</td>
<td>5,831.00</td>
<td>5,831.00</td>
<td>5,831.00</td>
<td>100%</td>
</tr>
<tr>
<td>10-30-00-605-999 WU-Bill-Expansion Capital Purchases</td>
<td>24,223.00</td>
<td>24,223.00</td>
<td>24,223.00</td>
<td>119,561.00</td>
<td>273,745.70</td>
<td>(154,184.70)</td>
<td>129%</td>
</tr>
<tr>
<td>10-40-00-605-999 WU-Cm-Expansion Capital Purchases</td>
<td>52,500.00</td>
<td>52,500.00</td>
<td>52,500.00</td>
<td>307,500.00</td>
<td>226,521.65</td>
<td>140,978.16</td>
<td>38%</td>
</tr>
<tr>
<td>10-40-00-605-999 WU-Ops-Expansion Capital Purchases</td>
<td>32,917.00</td>
<td>32,917.00</td>
<td>32,917.00</td>
<td>230,419.00</td>
<td>71,469.44</td>
<td>159,949.56</td>
<td>69%</td>
</tr>
<tr>
<td>Total Capital Projects (See Attached for Details)</td>
<td>1,056,676.00</td>
<td>1,056,876.00</td>
<td>112,482.70</td>
<td>947,393.30</td>
<td>7,551,140.00</td>
<td>822,010.94</td>
<td>6,729,129.46</td>
</tr>
</tbody>
</table>
### Department of Water, County of Kauai
#### Monthly Budget Summary vs. Actual
#### 20
#### 1/31/2017

**Capital Projects (See Attached for Details):**

<table>
<thead>
<tr>
<th>Project Details</th>
<th>Original Budget</th>
<th>Revised Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-20-00-605-006 FRC-Eng-66%E-PLH-28 Hanamauu Main (Hoohanu Street)</td>
<td>6,250.00</td>
<td>6,250.00</td>
<td>6,250.00</td>
<td>43,750.00</td>
</tr>
<tr>
<td>20-20-00-605-010 FRC-Eng-ALLE-Waialua Homesteads S38 1.0 MG Tank</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>20-20-00-605-014 FRC-Eng-ALLE-Purchase Water System 1</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>20-20-00-605-016 FRC-Eng-ALLE-Poipu 1 MG Storage Tank</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>20-20-00-605-018 FRC-Eng-ALLE-H-06 Hanalei Well 2</td>
<td>33,657.12</td>
<td>33,657.12</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>20-20-00-605-019 FRC-Eng-ALLE-Kapaau SWTP Expansion</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>20-20-00-605-120 FRC-Eng-90%E-Kilauea 1.0MG Tank Job 02-06</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>20-20-00-605-148 FRC-Eng-ALLE-Kuhiu Hwy (Hardy-Oxford) 16IN Main Repl</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>20-20-00-605-149 FRC-Eng-ALLE-Kuhiu Hwy Papaloa to Waikea Canal</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>20-20-00-605-150 FRC-Eng-ALLE-Makenelu Waihohonou Rd Main Repl</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>20-20-00-605-152 FRC-Eng-ALLE-Hoona Hoone Pene Rd Main Repl</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>20-20-00-605-154 FRC-Eng-ALLE-Drill &amp; Test Kilauea Well #4</td>
<td>25,000.00</td>
<td>25,000.00</td>
<td>25,000.00</td>
<td>175,000.00</td>
</tr>
<tr>
<td>20-20-00-605-155 FRC-Eng-ALLE-Wainiha Well #4</td>
<td>6,667.00</td>
<td>6,667.00</td>
<td>6,667.00</td>
<td>46,669.00</td>
</tr>
<tr>
<td>20-20-00-605-156 FRC-Eng-ALLE-Land Acquisition (6)</td>
<td>5.00</td>
<td>5.00</td>
<td>5.00</td>
<td>5.00</td>
</tr>
<tr>
<td>20-21-00-605-017 FRC-Eng-ALLE-16IN Cane Haul Road Main</td>
<td>286,306.00</td>
<td>286,306.00</td>
<td>286,306.00</td>
<td>1,864,142.00</td>
</tr>
<tr>
<td>20-21-00-605-029 FRC-Eng-59%E-09-01 Yamada Tank Clearwell, Conn Pip</td>
<td>25,000.00</td>
<td>25,000.00</td>
<td>25,000.00</td>
<td>175,000.00</td>
</tr>
<tr>
<td>20-21-00-605-102 FRC-CM-R&amp;R-10-01 Ani-01b Rd WL DOW-Princof</td>
<td>60,667.00</td>
<td>60,667.00</td>
<td>60,667.00</td>
<td>424,669.00</td>
</tr>
<tr>
<td>20-21-00-605-116 FRC-CM-WK-08-Kapaiah Homesteads Tank</td>
<td>833,333.00</td>
<td>833,333.00</td>
<td>833,333.00</td>
<td>5,833,331.00</td>
</tr>
</tbody>
</table>

**Total Capital Projects (See Attached for Details):**

<table>
<thead>
<tr>
<th>Amount</th>
<th>Revised YTD Budget</th>
<th>YTD Actual</th>
<th>Variance</th>
<th>Variance %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,223,223.00</td>
<td>1,223,223.00</td>
<td>1,223,223.00</td>
<td>8,562,575.00</td>
<td>33,657.12</td>
</tr>
</tbody>
</table>
### Capital Projects (See Attached for Details):

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Original Budget</th>
<th>Revised Budget</th>
<th>Actual</th>
<th>Variance</th>
<th>Revised YTD Budget</th>
<th>YTD Actual</th>
<th>% Variance</th>
<th>Variance %</th>
</tr>
</thead>
<tbody>
<tr>
<td>30-20-00-604-101 BAB-Eng-ALLR-10-01 Ani-01a Anini &amp; Kalihiwai Rd 8-</td>
<td>4,156.00</td>
<td>4,156.00</td>
<td>4,156.00</td>
<td>1.00</td>
<td>29,162.00</td>
<td>29,162.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>30-20-00-604-108 BAB-Eng-ALLR-08-01 K-01 Kalaeheo 1111 FT &amp; 12221 T</td>
<td>99,000.00</td>
<td>99,000.00</td>
<td>99,000.00</td>
<td>0.00</td>
<td>1,020,000.00</td>
<td>1,020,000.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>30-20-00-604-112 BAB-Eng-ALLR-11-02 PLH-01a Grove Farm Tanks 1 &amp; 2</td>
<td>145,833.00</td>
<td>145,833.00</td>
<td>145,833.00</td>
<td>0.00</td>
<td>1,020,000.00</td>
<td>1,020,000.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>30-20-00-605-123 BAB-Eng-88%E-02-01 Land for Kukuiolono Tank Site</td>
<td>605,698.17</td>
<td>605,698.17</td>
<td>605,698.17</td>
<td>0.00</td>
<td>605,698.17</td>
<td>605,698.17</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>30-20-00-605-139 BAB-Eng-ALLE-02-11 M-02 100K Trk &amp; Pipeline Moloaa</td>
<td>33,333.00</td>
<td>33,333.00</td>
<td>33,333.00</td>
<td>0.00</td>
<td>233,331.00</td>
<td>233,331.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>30-20-00-605-140 BAB-Eng-ALLE-Koloa Weif F Land Acqulization</td>
<td>19,250.00</td>
<td>19,250.00</td>
<td>19,250.00</td>
<td>0.00</td>
<td>134,750.00</td>
<td>134,750.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>30-20-00-605-158 BAB-Eng-ALLE-11-3 MO-03 Land &amp; Well Acq Moloaa&amp;Wai</td>
<td>126,000.00</td>
<td>126,000.00</td>
<td>126,000.00</td>
<td>0.00</td>
<td>882,000.00</td>
<td>882,000.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>30-21-00-604-102 BAB-Cns-44%R-10-01 Ani-01b-Anini Rd WL DOW-Princvl</td>
<td>300,000.00</td>
<td>300,000.00</td>
<td>300,000.00</td>
<td>0.00</td>
<td>2,100,000.00</td>
<td>2,100,000.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>30-21-00-604-107 BAB-Cns-ALLR-XX-YY KP-09-MCC Chlor KoloaWell16-A,E</td>
<td>155,750.00</td>
<td>155,750.00</td>
<td>155,750.00</td>
<td>0.00</td>
<td>1,090,250.00</td>
<td>1,090,250.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>30-21-00-604-112 BAB-Cns-40%R-11-02 PLH-01a Grove Farm Tanks 1-2</td>
<td>135,000.00</td>
<td>135,000.00</td>
<td>135,000.00</td>
<td>0.00</td>
<td>945,000.00</td>
<td>945,000.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>30-21-00-605-112 BAB-Cns-60%E-11-02 PLH-01a Grove Farm Tanks 1-2</td>
<td>62,500.00</td>
<td>62,500.00</td>
<td>62,500.00</td>
<td>0.00</td>
<td>437,500.00</td>
<td>437,500.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>30-21-00-605-118 BAB-Cns-ALLE-WK-39 Dill Kapaa Homestead Well 4</td>
<td>300,000.00</td>
<td>300,000.00</td>
<td>300,000.00</td>
<td>0.00</td>
<td>2,100,000.00</td>
<td>2,100,000.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>30-21-00-605-120 BAB-Cns-ALLE-02-09WK15-Kilauea 486 Tank Puu Piane</td>
<td>30,000.00</td>
<td>30,000.00</td>
<td>30,000.00</td>
<td>0.00</td>
<td>2,100,000.00</td>
<td>2,100,000.00</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>30-21-00-605-136 BAB-Cns-ALLE-89%E-12-01 H-05 Weke Arana Hse 6-8N Mains</td>
<td>1,170,832.00</td>
<td>1,170,832.00</td>
<td>44,788.46</td>
<td>1,036,043.54</td>
<td>8,195,025.00</td>
<td>900,883.72</td>
<td>9%</td>
<td>9%</td>
</tr>
</tbody>
</table>

Total Capital Projects (See Attached for Details): 1,170,832.00, 1,170,832.00, 44,788.46, 1,036,043.54
<table>
<thead>
<tr>
<th>Date</th>
<th>Account</th>
<th>Description</th>
<th>Account Number</th>
<th>Type</th>
<th>W/U</th>
<th>BAB</th>
<th>FRC</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/6/2016</td>
<td>608</td>
<td>A-1, SS# 156, Analytical for the furnishing and delivery of laboratory testing services</td>
<td>10-10-40-540-010</td>
<td>OE</td>
<td>27,000.00</td>
<td></td>
<td></td>
<td>27,000.00</td>
</tr>
<tr>
<td>7/7/2016</td>
<td>624</td>
<td>Job. # 13-07; Koloa Well D</td>
<td>10-21-00-604-033</td>
<td>OE</td>
<td>450,000.00</td>
<td></td>
<td></td>
<td>450,000.00</td>
</tr>
<tr>
<td>7/7/2016</td>
<td>624</td>
<td>Job. # 13-07; Koloa Well D (MR Report # ___)</td>
<td>10-21-00-604-033</td>
<td>OE</td>
<td>111,000.00</td>
<td></td>
<td></td>
<td>111,000.00</td>
</tr>
<tr>
<td>10/5/2016</td>
<td>625</td>
<td>Project Title: Projecting Future Rainfall and Evapotranspiration for Kauai</td>
<td>10-22-10-540-010</td>
<td>OE</td>
<td>184,735.00</td>
<td></td>
<td></td>
<td>184,735.00</td>
</tr>
<tr>
<td>9/22/2016</td>
<td>586</td>
<td>Financial Audit</td>
<td>10-31-10-540-010</td>
<td>OE</td>
<td>72,000.00</td>
<td></td>
<td></td>
<td>72,000.00</td>
</tr>
<tr>
<td>10/28/2016</td>
<td>427</td>
<td>MG Storage tank</td>
<td>30-20-00-605-116</td>
<td>CO</td>
<td>51,911.26</td>
<td></td>
<td></td>
<td>51,911.26</td>
</tr>
<tr>
<td>10/28/2016</td>
<td>593</td>
<td>1st Amendment; Moloa Rd Easement; as needed surveying services</td>
<td>10-20-00-604-159</td>
<td>CO</td>
<td>21,000.00</td>
<td></td>
<td></td>
<td>21,000.00</td>
</tr>
<tr>
<td>11/1/2016</td>
<td>618</td>
<td>First Am.; CC&amp;B and Service Cloud Implementation</td>
<td>10-30-20-605-999</td>
<td>CO</td>
<td>50,000.00</td>
<td></td>
<td></td>
<td>50,000.00</td>
</tr>
<tr>
<td>11/1/2016</td>
<td>618</td>
<td>First Am.; CC&amp;B and Service Cloud Implementation - Support</td>
<td>10-02-10-561-000</td>
<td>OE</td>
<td>20,000.00</td>
<td></td>
<td></td>
<td>20,000.00</td>
</tr>
<tr>
<td>11/7/2016</td>
<td>626</td>
<td>Job # 17-01, Piilai well No. 3, Upper Omao</td>
<td>10-40-00-604-999</td>
<td>CO</td>
<td>157,500.00</td>
<td></td>
<td></td>
<td>157,500.00</td>
</tr>
<tr>
<td>11/15/2016</td>
<td>627</td>
<td>Sole Source No. SS-2017-1</td>
<td>10-02-10-561-000</td>
<td>OE</td>
<td>19,425.00</td>
<td></td>
<td></td>
<td>19,425.00</td>
</tr>
<tr>
<td>12/14/2016</td>
<td>628</td>
<td>Job No. 17-08, Wainiha well No. 2 replacement</td>
<td>10-40-00-604-999</td>
<td>CO</td>
<td>37,427.00</td>
<td></td>
<td></td>
<td>37,427.00</td>
</tr>
<tr>
<td>12/14/2016</td>
<td>629</td>
<td>WU bill mail processing and mailing services</td>
<td>10-30-20-541-020</td>
<td>OE</td>
<td>63,000.00</td>
<td></td>
<td></td>
<td>63,000.00</td>
</tr>
<tr>
<td>12/14/2016</td>
<td>618</td>
<td>Prithibi; 2nd Am.; Phase II - CC&amp;B development/enhancements (partial lists) and Technical Support</td>
<td>10-30-20-604-999</td>
<td>CO/OE</td>
<td>189,191.00</td>
<td></td>
<td></td>
<td>189,191.00</td>
</tr>
<tr>
<td>12/23/2016</td>
<td>630</td>
<td>Job 17-05, Replacement of Puhi well 5A pump assembly</td>
<td>10-40-00-604-999</td>
<td>CO</td>
<td>89,250.00</td>
<td></td>
<td></td>
<td>89,250.00</td>
</tr>
<tr>
<td>12/30/2016</td>
<td>631</td>
<td>Job 17-09, As needed surveying services</td>
<td>10-20-10-540-010</td>
<td>CO</td>
<td>21,000.00</td>
<td></td>
<td></td>
<td>21,000.00</td>
</tr>
<tr>
<td>1/9/2017</td>
<td>632</td>
<td>SCADA System Maintenance and Consultation Services</td>
<td>10-40-60-560-000</td>
<td>OE</td>
<td>150,000.00</td>
<td></td>
<td></td>
<td>150,000.00</td>
</tr>
<tr>
<td>2/15/2017</td>
<td>633</td>
<td>Annual License Renewal for Oracle, SC, FSM, CC&amp;B</td>
<td>10-02-10-561-000</td>
<td>OE</td>
<td>315,000.00</td>
<td></td>
<td></td>
<td>315,000.00</td>
</tr>
<tr>
<td>2/15/2017</td>
<td>634</td>
<td>Microsoft Great Plains Dynamics Annual Software Renewal as needed Technical Support</td>
<td>10-02-10-561-000</td>
<td>OE</td>
<td>30,000.00</td>
<td></td>
<td></td>
<td>30,000.00</td>
</tr>
</tbody>
</table>

**Totals:** 2,007,528.00 51,911.26 - 2,059,439.26
### BILLED REVENUES COMPARATIVE REPORT
For Fiscal Years 2015, 2016 & 2017

<table>
<thead>
<tr>
<th>Month</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>Cum. Inc (Dec)</th>
<th>% Inc. (Dec.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>$2,389,827</td>
<td>$2,936,791</td>
<td>$2,626,380</td>
<td>$(310,411)</td>
<td>-10.57%</td>
</tr>
<tr>
<td>August</td>
<td>$5,141,106</td>
<td>$5,832,920</td>
<td>$5,097,118</td>
<td>$(735,802)</td>
<td>-12.61%</td>
</tr>
<tr>
<td>September</td>
<td>$7,865,590</td>
<td>$8,290,754</td>
<td>$7,767,863</td>
<td>$(522,891)</td>
<td>-6.31%</td>
</tr>
<tr>
<td>October</td>
<td>$10,226,886</td>
<td>$10,623,726</td>
<td>$10,231,048</td>
<td>$(392,679)</td>
<td>-3.70%</td>
</tr>
<tr>
<td>November</td>
<td>$12,656,586</td>
<td>$13,196,027</td>
<td>$12,718,113</td>
<td>$(477,914)</td>
<td>-3.62%</td>
</tr>
<tr>
<td>December</td>
<td>$15,112,749</td>
<td>$15,203,356</td>
<td>$14,905,179</td>
<td>$(298,177)</td>
<td>-1.96%</td>
</tr>
<tr>
<td>January</td>
<td>$17,397,517</td>
<td>$17,528,254</td>
<td>$17,167,603</td>
<td>$(360,651)</td>
<td>-2.06%</td>
</tr>
</tbody>
</table>

**AFS error in billing AJE 288,133**

### BILLED REVENUES COMPARATIVE CHART
As of January: FY 2015, 2016 & 2017

1. revenue comparison
## CASH RECEIPTS (W/U) COMPARATIVE REPORT
For Fiscal Years 2015, 2016 & 2017

<table>
<thead>
<tr>
<th>Month</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>Cum. Inc (Dec)</th>
<th>% of Inc (Dec)</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>$2,288,104</td>
<td>$2,877,122</td>
<td>$2,036,499</td>
<td>($840,623)</td>
<td>-29%</td>
</tr>
<tr>
<td>August</td>
<td>$4,704,550</td>
<td>$5,578,998</td>
<td>$4,881,715</td>
<td>($697,283)</td>
<td>-12%</td>
</tr>
<tr>
<td>September</td>
<td>$7,539,105</td>
<td>$8,342,249</td>
<td>$7,182,779</td>
<td>($1,159,471)</td>
<td>-14%</td>
</tr>
<tr>
<td>October</td>
<td>$10,008,958</td>
<td>$10,566,640</td>
<td>$9,806,314</td>
<td>($760,326)</td>
<td>-7%</td>
</tr>
<tr>
<td>November</td>
<td>$11,856,591</td>
<td>$12,935,656</td>
<td>$12,190,276</td>
<td>($745,379)</td>
<td>-6%</td>
</tr>
<tr>
<td>December</td>
<td>$14,469,704</td>
<td>$15,243,144</td>
<td>$14,510,720</td>
<td>($732,423)</td>
<td>-5%</td>
</tr>
<tr>
<td>January</td>
<td>$16,582,316</td>
<td>$17,306,718</td>
<td>$16,654,692</td>
<td>($652,027)</td>
<td>-4%</td>
</tr>
</tbody>
</table>

### Cash Receipts Comparative Chart
As of January: FY 2015, 2016 & 2017

![Cash Receipts Comparative Chart](image-url)
METERED CONSUMPTION (000 GALLONS) MONTHLY COMPARATIVE CHART
For Fiscal Years 2015, 2016 & 2017
(expressed in thousands)

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>INC (DEC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>436,238</td>
<td>400,235</td>
<td>363,695</td>
<td>-36,540 *</td>
</tr>
<tr>
<td>August</td>
<td>361,599</td>
<td>391,830</td>
<td>335,456</td>
<td>-56,374</td>
</tr>
<tr>
<td>September</td>
<td>415,176</td>
<td>327,625</td>
<td>371,437</td>
<td>43,812</td>
</tr>
<tr>
<td>October</td>
<td>384,934</td>
<td>314,456</td>
<td>344,542</td>
<td>30,086</td>
</tr>
<tr>
<td>November</td>
<td>398,863</td>
<td>350,842</td>
<td>349,909</td>
<td>-933</td>
</tr>
<tr>
<td>December</td>
<td>305,276</td>
<td>287,033</td>
<td>304,246</td>
<td>17,213</td>
</tr>
<tr>
<td>January</td>
<td>453,812</td>
<td>322,421</td>
<td>316,392</td>
<td>-6,029</td>
</tr>
</tbody>
</table>

* refer to monthly summary highlights
### YTD METERED CONSUMPTION (000 GALLONS) COMPARATIVE REPORT

For Fiscal Years 2015, 2016 & 2017

(expressed in thousands)

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>CUM. INC (DEC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>343,770</td>
<td>400,235</td>
<td>363,695</td>
<td>-36,540</td>
</tr>
<tr>
<td>August</td>
<td>718,498</td>
<td>792,065</td>
<td>699,151</td>
<td>-92,914</td>
</tr>
<tr>
<td>September</td>
<td>1,065,275</td>
<td>1,119,690</td>
<td>1,070,588</td>
<td>-49,102</td>
</tr>
<tr>
<td>October</td>
<td>1,387,553</td>
<td>1,434,146</td>
<td>1,415,130</td>
<td>-19,016</td>
</tr>
<tr>
<td>November</td>
<td>1,707,762</td>
<td>1,784,988</td>
<td>1,765,039</td>
<td>-19,949</td>
</tr>
<tr>
<td>December</td>
<td>2,029,101</td>
<td>2,072,021</td>
<td>2,069,285</td>
<td>-2,736</td>
</tr>
<tr>
<td>January</td>
<td>2,341,254</td>
<td>2,394,442</td>
<td>2,385,677</td>
<td>-8,765</td>
</tr>
</tbody>
</table>

### YTD WATER CONSUMPTION COMPARATIVE CHART

As of January: FY 2015, 2016 & 2017

- **FY 2015**: Blue line
- **FY 2016**: Red line
- **FY 2017**: Green line

4. consumption (000 gallons)
# Assets and Deferred Outflows

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>4,693,579.91</td>
<td>14,461,548.91</td>
</tr>
<tr>
<td>Equity interest in pooled investments</td>
<td>24,808,097.17</td>
<td>13,854,385.18</td>
</tr>
<tr>
<td>Receivables:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts, net of allowance for doubtful accounts*</td>
<td>1,779,832.64</td>
<td>1,897,531.05</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unbilled accounts</td>
<td>1,428,698.79</td>
<td>1,463,208.97</td>
</tr>
<tr>
<td>Grants and subsidies</td>
<td>-</td>
<td>7,947.00</td>
</tr>
<tr>
<td>Accrued interest</td>
<td>72,778.40</td>
<td>41,622.00</td>
</tr>
<tr>
<td><strong>Total receivables</strong></td>
<td>3,281,309.83</td>
<td>3,410,309.02</td>
</tr>
<tr>
<td>Materials and supplies</td>
<td>889,994.23</td>
<td>911,557.62</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>45,614.00</td>
<td>106,596.19</td>
</tr>
<tr>
<td><strong>Total current asset</strong></td>
<td>33,718,595.14</td>
<td>32,744,396.92</td>
</tr>
<tr>
<td><strong>Restricted Assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facility reserve charge funds:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>2,029,538.29</td>
<td>2,716,179.20</td>
</tr>
<tr>
<td>Accounts receivable and other</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total facility reserve charge funds</strong></td>
<td>2,029,538.29</td>
<td>2,716,179.20</td>
</tr>
<tr>
<td>Bond funds:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>2,536,225.16</td>
<td>1,616,882.10</td>
</tr>
<tr>
<td>Investments</td>
<td>12,855,213.44</td>
<td>17,816,731.54</td>
</tr>
<tr>
<td>Accrued interest</td>
<td>62,192.65</td>
<td>48,470.79</td>
</tr>
<tr>
<td><strong>Total bond funds</strong></td>
<td>15,453,631.25</td>
<td>19,482,084.43</td>
</tr>
<tr>
<td><strong>Total restricted assets</strong></td>
<td>17,483,169.54</td>
<td>22,198,263.63</td>
</tr>
<tr>
<td><strong>Equity Interest in Pooled Investment - Noncurrent</strong></td>
<td>18,015,347.00</td>
<td>12,987,388.00</td>
</tr>
<tr>
<td><strong>Utility Plant:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In service</td>
<td>329,559,428.44</td>
<td>314,901,781.99</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(117,271,411.47)</td>
<td>(110,589,345.52)</td>
</tr>
<tr>
<td><strong>Total utility plant</strong></td>
<td>212,288,016.97</td>
<td>204,312,436.47</td>
</tr>
<tr>
<td>Construction work in progress</td>
<td>5,654,775.31</td>
<td>9,378,288.91</td>
</tr>
<tr>
<td><strong>Total property, plant and equipment</strong></td>
<td>217,942,792.28</td>
<td>213,690,725.38</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>287,159,903.96</td>
<td>281,620,773.93</td>
</tr>
<tr>
<td><strong>Deferred Outflow of Resources</strong></td>
<td>2,961,275.48</td>
<td>1,184,051.58</td>
</tr>
<tr>
<td><strong>Total assets and deferred outflows of resources</strong></td>
<td>$ 290,121,179.44</td>
<td>$ 282,804,825.51</td>
</tr>
</tbody>
</table>

*Allowance for doubtful accounts (269,187.20) (239,663.05)
Liabilities, Deferred Inflows and Net Position

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>866,150.67</td>
<td>1,000,228.24</td>
</tr>
<tr>
<td>Contracts payable, including retainages</td>
<td>580,627.76</td>
<td>419,560.52</td>
</tr>
<tr>
<td>Due to/Due From Other Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer overpayment</td>
<td>126,343.73</td>
<td>108,799.69</td>
</tr>
<tr>
<td>Customer deposits and advances</td>
<td>447,934.36</td>
<td>405,739.72</td>
</tr>
<tr>
<td>Current portion of long term debt</td>
<td>4,717,296.00</td>
<td>4,466,350.00</td>
</tr>
<tr>
<td>Current portion of capital lease obligation</td>
<td>699,000.00</td>
<td>663,000.00</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>7,437,352.52</strong></td>
<td><strong>7,063,678.17</strong></td>
</tr>
<tr>
<td>Long-Term Debt</td>
<td>78,138,645.93</td>
<td>82,951,605.34</td>
</tr>
<tr>
<td>Capital Lease Obligation</td>
<td>1,269,147.74</td>
<td>1,953,253.47</td>
</tr>
<tr>
<td>OPEB &amp; Retirement Benefits</td>
<td>11,973,246.16</td>
<td>9,431,888.56</td>
</tr>
<tr>
<td>Accrued Vacation and Compensatory Pay</td>
<td>1,245,154.43</td>
<td>1,074,855.70</td>
</tr>
<tr>
<td>Deferred Inflow of Assets</td>
<td>1,286,710.00</td>
<td>1,147,956.00</td>
</tr>
<tr>
<td><strong>Total liabilities and deferred inflows:</strong></td>
<td><strong>101,350,256.78</strong></td>
<td><strong>103,623,237.24</strong></td>
</tr>
<tr>
<td>Net Position:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Utility Reserves</td>
<td>10,200,000.00</td>
<td>9,000,000.00</td>
</tr>
<tr>
<td>Restricted FRC</td>
<td>2,029,538.29</td>
<td>2,716,179.20</td>
</tr>
<tr>
<td>Restricted Build American Bonds</td>
<td>14,887,288.42</td>
<td>19,103,109.06</td>
</tr>
<tr>
<td>Invested in Capital Assets Net of Related Debt</td>
<td>133,118,702.61</td>
<td>123,656,516.57</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>28,535,393.34</td>
<td>24,705,783.44</td>
</tr>
<tr>
<td><strong>Total net position</strong></td>
<td><strong>188,770,922.66</strong></td>
<td><strong>179,181,588.27</strong></td>
</tr>
<tr>
<td><strong>Total liabilities, deferred inflows and net position:</strong></td>
<td><strong>$ 290,121,179.44</strong></td>
<td><strong>$ 282,804,825.51</strong></td>
</tr>
<tr>
<td>Accounting and Management Policies &amp; Procedures</td>
<td>Guidelines Used</td>
<td></td>
</tr>
<tr>
<td>------------------------------------------------</td>
<td>-----------------</td>
<td></td>
</tr>
<tr>
<td>Board and Governance Policies</td>
<td>Board Policies</td>
<td></td>
</tr>
<tr>
<td>Management Policies and Procedures</td>
<td>SOPs</td>
<td></td>
</tr>
<tr>
<td>Accounting Policies and Procedures</td>
<td>GAAP/SOPs/Board Policies</td>
<td></td>
</tr>
<tr>
<td>Finance and Treasury</td>
<td>County of Kauai</td>
<td></td>
</tr>
<tr>
<td>Payroll &amp; HR</td>
<td>County of Kauai</td>
<td></td>
</tr>
<tr>
<td>Internal Control</td>
<td>SOP's</td>
<td></td>
</tr>
<tr>
<td>Segregation/Division of Duties</td>
<td>Position Descriptions/Past Practice</td>
<td></td>
</tr>
<tr>
<td>Planning</td>
<td>Rules &amp; Regs</td>
<td></td>
</tr>
<tr>
<td>Records Management</td>
<td>Board Policy #12</td>
<td></td>
</tr>
<tr>
<td>Risk Management</td>
<td>County of Kauai/Hawaii State Agencies</td>
<td></td>
</tr>
<tr>
<td>Purchasing</td>
<td>Hawaii State Procurement/COK &amp; SOP 47</td>
<td></td>
</tr>
</tbody>
</table>

**Accounting Policies and Procedures**

The Department of Water (DOW) prepares the financial statements in accordance with generally accepted accounting principles. The fair presentation of the financial statements includes the following accounting procedures below:

**Accounting for Revenue**

Proper revenue classification and accounting. Define and classify revenue types using General Ledger codes.

**Accounts Receivable, Credit and Collections**

Includes an AR policy, Credit and collections procedures.

**Unidentified Receipts, Lost Payments & Returned Checks**

Proper handling and training.

**Asset Management**

Policies and procedures for asset acquisition, capitalization and depreciation along with duties for asset custodians. Provides guidelines to properly accounting for assets including categorization, valuation methods, and G/L account code tables.

**Liabilities**

Policies for long term liabilities and presentation on the balance sheet. Provides guidelines to properly accounting for liabilities including categorization, valuation methods, and proper G/L account code.

**Accounts Payable & Cash Disbursements**

Everything from handling vendor invoices to processing employee expense reports. Cash Disbursements and the required approval authorizations.

**Daily Cash Handling**

Explains the policies and procedures relating to cash and check payments, deposits and reconciliation.
<table>
<thead>
<tr>
<th>Payroll &amp; HR</th>
<th>Union Contracts and EOs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Mastr File</td>
<td>County of Kauai</td>
</tr>
<tr>
<td>Enter Time Cards</td>
<td>DOW</td>
</tr>
<tr>
<td>Prepare Time spreadsheet</td>
<td>DOW</td>
</tr>
<tr>
<td>Proof Reports</td>
<td>DOW</td>
</tr>
<tr>
<td>Printing Payroll Reports</td>
<td>DOW</td>
</tr>
<tr>
<td>Printing PR Checks</td>
<td>County of Kauai</td>
</tr>
<tr>
<td>PR Check distribution</td>
<td>CoK/DOW</td>
</tr>
<tr>
<td>Direct Deposit Administration</td>
<td>CoK/DOW</td>
</tr>
<tr>
<td>Benefits Enrollment &amp; Administration</td>
<td>CoK/DOW</td>
</tr>
</tbody>
</table>

**Records Management**

Records management policies, procedures and schedules for financial transactions.

Board Policy #12

**Delegated Authority**

Delegated Authority relating to company financial transactions.

BP # 15A; Board Resolution

**Journal Vouchers**

Designed to provide information on how to complete a Journal Voucher and how to document the Journal Voucher appropriately.

Internal Control Memos

**Accounts Receivable**

Includes an AR policy, Credit and collections procedures.

GAAP/SOP

**Financial Reporting**

The financial reporting manual includes a month end checklist, helps set realistic time frames for the production of statements and identifies important reports.

monthly/yearly checklist

Period End Close Procedures

GAAP

**Expense Management**

Every entity needs a policy for expense reimbursement, the required documentation, required processing, along with a standard template and GL budget coding.

Budget/ SOP

Purchasing Procedures

State Procurement/ SOP 47
Public Notices and Announcements
All news releases reported below were also published on the Department’s Facebook and Twitter social media pages.

- Hanamā‘ulu water shutdown and waterline connection on January 19th
  o A news release was sent on January 17th to notify Hanamā‘ulu residents of a 9-hour water shutdown on January 19th from 8 a.m. to 5 p.m., for customers located on Aikepa Street, Anai Street, Amo Street, Hanamā‘ulu Road (from Amo Street to the end of the road), Hehi Road and Hipa Road. Water was turned off to allow private contractor Earthworks Pacific Inc. to connect new waterlines to the DOW’s existing system, for the Hooluana at Kohea Loa development.
  o A Blackboard Connect CTY notice was sent out to affected customers on January 17th.
  o Operations delivered door to door notices on January 18th.
  o Radio commercials were aired on FM97 from January 17th to 19th.
  o Radio commercials were aired on KONG on January 19th.

- Kōloa water shutdown and connection on January 24th
  o A news release was sent on January 20th to notify Kōloa customers of an 8-hour water shutdown on Waihohonou Road, and select customers on Wailau Road, on January 24th from 8 a.m. to 4 p.m. Water was turned off to allow private contractor Kaiwa Construction Inc. to connect a newly installed 6-inch waterline to the DOW’s existing system. A water wagon was provided for customers on Wailau Road.
  o Operations delivered door to door notices on January 20th.
  o Radio commercials were aired on FM97 and KONG from January 23rd to 24th.
  o At 9:30 a.m. on January 24th, PR was notified that the affected area had been extended to include approximately eight residents located on Emi Road. Operations delivered immediate door to door notices to these customers.
  o At 3:55 p.m., on January 24th, PR was notified and posted an update on social media that the shutdown had been extended to approximately 5 p.m.
  o At 4:35 p.m., on January 24th, PR was notified and posted an update on social media that water had been restored to all affected residents.

- Hanamā‘ulu water shutdown and waterline connection from January 31st to February 1st
  o A news release was sent on January 26th to notify Hanamā‘ulu residents of a 12-hour water shutdown starting at 8 p.m. on January 31st and ending at 8 a.m. on February 1st. Affected customers were located on the makai-side of Kūhi‘ō Highway, from Laukona Street to Hanamā‘ulu Road, including King Kaumuali‘i Elementary School and Hanamaulu Beach Park. The shutdown allowed private contractor Earthworks Pacific Inc. to connect a new waterline to the DOW’s existing system, for the Hooluana at Kohea Loa development. Customers were asked to conserve water, if they happened to have water during the shutdown. They were also advised of the possibility of discolored water occurring after the
connection was completed and when water was turned back on. Two water wagons were stationed near King Kaumuali‘i Elementary School.

- PR notified both the Department of Education and Department of Parks and Recreation that they would be affected by the scheduled shutdown.
- A Blackboard Connect CTY notice was sent out to affected customers on January 27th.
- Radio commercials were aired on FM97 and KONG from January 28th to February 1st.
- An article, “Water shutdown planned for Hanamaulu Tuesday, Wednesday,” was published in The Garden Island on January 29th. (Attached)
- A news release was sent on February 1st to notify customers on Hehi Road and Hipa Road that the water shutdown had been extended to approximately noon on February 1st. Water service was restored to all other affected customers located on the makai-side of Kūhi‘ō Highway, from Laukona Street to Hanamā‘ulu Road. The extension was due to a leak in the new waterline, and contractors were making emergency repairs.
- A Blackboard Connect CTY notice was sent at approximately 8:15 a.m., on February 1st, to customers on Hipa and Hehi Roads.
- A Blackboard Connect CTY notice was sent at approximately 11:30 a.m., on February 1st, to all Hanamā'ulu residents that water had been restored.

- Lane closure on Kaumuali‘i Highway in Kalāheo from February 2nd to February 3rd
  - A news release was sent on January 27th to notify Kalāheo motorists that one westbound lane of Kaumuali‘i Highway between Lauoho Road and Anuhea Place would be closed from 9 p.m. on February 2nd to 5 a.m. on February 3rd. The closure allowed the Department to install a water pump motor and make necessary improvements to the waterlines in the area. During the closure, intermittent stops and alternating traffic control was in place. Motorists were advised to allow extra travel time and to drive with caution through the work area.

- Emergency water conservation request for all Kekaha residents on February 10th
  - A news release was sent at 3 a.m. on February 10th, to notify all Kekaha residents that a water conservation request had been issued until further notice, due to a main line break that was affecting the main feed of the town’s water source. Residents were asked to limit water consumption to essential uses only in order to avoid a water outage. The main line break occurred on Kokee Road, near the Menēhune Food Mart. It was announced in this news release that the Department anticipated the emergency repairs to complete by 8 a.m., on February 10th.
  - PR contacted the Department of Education to advise that Kekaha schools might be affected.
  - A Blackboard Connect CTY notice was sent at 5 a.m., on February 10th, to affected customers.
  - A news release was sent at 7:45 a.m. on February 10th, to update Kekaha residents that the Department anticipated the emergency repairs to complete by noon, and that water conservation was still requested until further notice.
  - A social media update was posted at noon on February 10th, to update Kekaha residents that the Department had completed the repairs to the main line break,
however conservation measures were still needed in order to restore water levels in the storage tanks.

- A news release and Blackboard Connect CTY notice was sent at 7 p.m., on February 10th, to lift the water conservation request.

**Public Relations Program**

The Department’s ad and editorial for Kauai Family Magazine’s Spring 2017 issue was published. *(Attached)*

PR continues to work on updating the Department’s future print advertisements and informational brochures to increase community outreach efforts.

PR continues to work with IT and Fiscal on the communication plan for the Department’s upcoming launch of its new online billing and customer support services. A launch date has been confirmed by IT and Fiscal for April 1, 2017. PR continues to work on the materials that are needed for a promotional kick-off that month.

PR continues to plan for the Department’s annual Fix a Leak Week campaign.

**Project WET**

PR is starting to plan for DOW’s 14th Annual Make a Splash with Project WET Festival. The date has been set for Thursday, September 28, 2017.

**Upcoming Outreach**

- March 10, 2017 – Kauai Regional Science & Engineering Fair Community Showcase
- March 15, 2017 – Kekaha Elementary School Math & Science Night
- March 20-24, 2017 – Fix a Leak Week
- June 24, 2017 – County of Kauai’s 9th Annual Mayor-a-Thon
- September 28, 2017 – DOW’s 14th Annual Make a Splash with Project WET Festival

**Miscellaneous**

- The February issue of “As the Water Flows” employee newsletter was completed.
- Kim Tamaoka attended a FrameWorks Institute Workshop, “Storytelling for Policy Change in the Fresh Water Sector,” convened by the Hawai‘i Community Foundation on January 31st.
- Jonell Kaohelaulii attended the Mass Casualty Plan Tabletop Exercise at the EOC on February 6th.

Respectfully submitted,

Kim Tamaoka
Information & Education Specialist

KT: ein

Attachments: “Water shutdown planned for Hanamaulu Tuesday, Wednesday,” by The Garden Island
“Start small: Save water in the bathroom,” published in Kauai Family Magazine
Water shutdown planned for Hanamaulu Tuesday, Wednesday

HANAMAULU — The Department of Water has scheduled a 12-hour water shutdown for a large Hanamaulu area starting at 8 p.m. Tuesday through 8 a.m. Wednesday, weather permitting.

Affected customers are on all roads on the makai side of Kuhio Highway, from Laukona Street to Hanamaulu Road, including King Kaumualii Elementary School and Hanamaulu Beach Park.

The shutdown will allow a private contractor, Earthworks Pacific Inc., to connect a new waterline to the DOW’s existing system for the Hooluana at Kohea Loa development.

During the shutdown, some water can remain stored in the pipelines. Customers who do have water are asked to practice water conservation measures and use water for essential needs only to avoid draining the stored water in the system.

***

The Garden Island
When it comes to conserving water, even a little goes a long way. So don’t be overwhelmed with the many water saving tips you may come across. If you want to make a difference, it’s OK to start small. Choose one area of your house and make the extra effort there. Here are some simple tips on how you can save water in the bathroom.

**Toilets**
- Make every flush count. Don’t use the toilet as an ashtray or wastebasket. (Savings: 3.5 to 5 gallons per flush.)
- Check your toilet for leaks by placing a few drops of food coloring in the tank. If the color appears in the bowl, you have a leak and should get it fixed as soon as possible.

**At the Sink**
- Turn off the water while brushing your teeth. (Savings: 3 gallons per minute.)
- Turn off the water while shaving. (Savings: 3 gallons per minute.)
- Check bathroom faucets and pipes for leaks. (Savings: 0.2 gallons per minute or 8,640 gallons per month.)

**In the Shower and Bathtub**
- Install water-saving shower heads or flow restrictors. (Savings: Up to 75% per shower.)
- Limit showers to 5 minutes. (Savings: 21 gallons.)
- Keep tub baths to a minimum. (Savings: 24 gallons.)

For full descriptions on how to save water in the bathroom visit www.kauaiwater.org or call (808) 245-5455.
Operations Division Report for the Month of January 2017

Personnel

- Effective February 1, 2017 Franklin Iwai will transfer from Pipefitter to Equipment Operator II. Both positions are BC-9.

Source and Storage

- Maintenance Workers continued cleaning of various remote facilities island-wide. Works included clearing of vegetation and drainage as well as repair and construction of structures and facilities.
- Water Plant Operators performed routine inspection and maintenance at all sites including valve maintenance, piping repair and replacement, chlorination equipment maintenance, and mixing of sodium hypochlorite.
- Electrical workers performed routine electrical maintenance at all sites including SCADA radio troubleshooting, electrical wiring for motor controls, lighting repair and replacement.

Distribution

- Operations Division Field Section crews continue to perform live taps and routine leak repair of service laterals and mainlines. Field Section personnel responded to and completed thirty three (33) leak repair work orders.
- In the month of January, field crew replaced 80 feet of 3” PVC distribution line on Lokokai Road under work order C141516. As of January 2017, a total of 1,466 old pipes were replaced.
- We received a total of 61 calls from customers reporting leaks on the mainline, service laterals, meters, meter boxes and fire hydrants including complaints of no water, complaints of low pressure, high pressure, calls requesting remote site/facility grounds and vegetation maintenance, calls for assistance in shutting off the water meter, calls reporting damaged meter box and cover, reports of leaking or damaged fire hydrants and report of white milky water. Work orders were generated and all calls resolved. Leak after the meter needs to be addressed by the customer.
- For the months of January, a total of 32 meters were issued, installed and repaired.

Fleet, Inventory, Warehouse and Baseyard Area

- For the month of January, a total of two hundred forty six (246) work orders were issued for Operations Division. Works included: electrical repairs and maintenance; automotive repairs and maintenance including power generator maintenance; water meter installation and replacement; service lateral installations; leak repairs; well, tank site and PRV maintenance; replace damaged meter boxes; repair defective meters; replace damaged or leaking hydrant; door-to-door customer notifications for tie-ins of new lines to existing...
lines as well as notifications regarding scheduled repairs; callouts due to customer
complaints/reports; meter replacement requests; contractor’s requests for markings.

- For the month of January 2017, fifty four (54) Hawaii One Call requests for markings
  were received. Some requests for markings are on private property. Private property
  owners as well as contractors were contacted and informed that DOW Hawaii One Call
  markings will be outside of private property lines.

Respectfully submitted,

Valentino P. Reyna
Chief of Operations
VPR/ein

Attachments: Overtime Chart
Leak Report Chart
Monthly Water Production and Consumption Chart for December 2016

Mgrrp/February 2017/Operations Divison Report for the Month of January 2017 (02-24-17).ein
County Of Kauai - DEPARTMENT OF WATER
Operations Division: Plant & Field
Total Hours for the Month
For the Period: January, 2015 to January, 2017
Work Orders by Job Reason Code for Selected Date Range

01/01/2016 to 01/31/2017

<table>
<thead>
<tr>
<th># of W/O's</th>
<th>Job Reason Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>32</td>
<td>LEAK-BOX</td>
<td>Meter Box Leak Repair</td>
</tr>
<tr>
<td>7</td>
<td>LEAK-CUST</td>
<td>Customer-Side Leak Repair</td>
</tr>
<tr>
<td>125</td>
<td>LEAK-MAIN</td>
<td>Mainline Leak Repair</td>
</tr>
<tr>
<td>149</td>
<td>LEAK-S/L</td>
<td>Service Lateral Leak Repair</td>
</tr>
</tbody>
</table>

Work Orders by Job Reason Code

![Pie chart showing LEAK-BOX, LEAK-CUST, LEAK-Main, and LEAK-S/L with their respective percentages.]

Number of Leak Repairs per Month

![Line graph showing the number of leak repairs per month for LEAK-BOX, LEAK-Main, LEAK-S/L, and LEAK-CUST.]

Page 224
### Monthly Water Produced, Customer Meter Read and Waterloss Comparison For Calendar Year 2016

<table>
<thead>
<tr>
<th></th>
<th>Jan-17</th>
<th>Feb-16</th>
<th>Mar-16</th>
<th>Apr-16</th>
<th>May-16</th>
<th>Jun-16</th>
<th>Jul-16</th>
<th>Aug-16</th>
<th>Sep-16</th>
<th>Oct-16</th>
<th>Nov-16</th>
<th>Dec-16</th>
<th>Total Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Produced (Kgals.)</strong></td>
<td>354,808</td>
<td>373,050</td>
<td>379,057</td>
<td>396,346</td>
<td>365,106</td>
<td>400,488</td>
<td>407,195</td>
<td>380,214</td>
<td>419,009</td>
<td>380,520</td>
<td>406,209</td>
<td>349,978</td>
<td>4,611,979</td>
</tr>
<tr>
<td><strong>Customer Meter Read (Kgals.)</strong></td>
<td>316,424</td>
<td>320,287</td>
<td>326,596</td>
<td>356,954</td>
<td>324,624</td>
<td>336,981</td>
<td>359,598</td>
<td>335,456</td>
<td>371,437</td>
<td>346,244</td>
<td>349,909</td>
<td>304,289</td>
<td>4,048,799</td>
</tr>
<tr>
<td><strong>Waterloss (Kgals.)</strong></td>
<td>38,384</td>
<td>52,763</td>
<td>52,461</td>
<td>39,392</td>
<td>40,482</td>
<td>63,507</td>
<td>47,597</td>
<td>44,758</td>
<td>47,572</td>
<td>34,276</td>
<td>56,300</td>
<td>45,689</td>
<td>563,180</td>
</tr>
<tr>
<td><strong>Waterloss (%)</strong></td>
<td>10.8</td>
<td>14.1</td>
<td>13.8</td>
<td>9.9</td>
<td>11.1</td>
<td>15.9</td>
<td>11.7</td>
<td>11.8</td>
<td>11.4</td>
<td>9.0</td>
<td>13.9</td>
<td>13.1</td>
<td>12.2</td>
</tr>
<tr>
<td><strong>Waterloss ($)</strong></td>
<td>49,016</td>
<td>67,378</td>
<td>66,993</td>
<td>50,303</td>
<td>81,098</td>
<td>60,782</td>
<td>57,156</td>
<td>60,749</td>
<td>71,896</td>
<td>58,345</td>
<td>719,181</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

![Graph showing monthly water production, meter readings, and waterloss](image-url)
MANAGER’S UPDATE

February 24, 2017

Pursuant to Board Policy No. 3

CONTRACTS AWARDED/EXTENSION/AMENDMENTS:

(1) Contract No. 633 Awarded to Mythics, Inc. for Sole Source 2017-4 for the Annual License Renewal of Oracle Service Cloud, Field Service Management, and Customer Care and Billing in the amount of $315,000.00

FUNDING:
Account No. 10-02-10-561-000 Repairs and Maintenance – Other than Water System

<table>
<thead>
<tr>
<th>Account No. 10-02-10-561-000</th>
<th>$ 516,747.15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract No. 633: Mythics, Inc.</td>
<td>$315,000.00</td>
</tr>
<tr>
<td>Total Funds Certified</td>
<td>$315,000.00</td>
</tr>
<tr>
<td>Total Balance/Remaining for Acct No. 10-02-10-561-000</td>
<td>$201,747.15</td>
</tr>
</tbody>
</table>

BACKGROUND:
Mythics, Inc. who is the authorized reseller of Oracle products and has been working with the Department of Water’s Oracle Cloud Services and Customer Care & Billing Software. In accordance with HAR Chapter 3-122-81 No. 3, Sole Source Procurements for annual license renewal and maintenance for computer software is approved by the Procurement Policy Board.

(2) Contract No. 634 Awarded to RSM US, LLC for Sole Source 2017-5 for the Annual License Renewal and Technical Support for Microsoft Great Plains Dynamics in the amount of $30,000.00

FUNDING:
Account No. 10-02-10-561-000 Repairs and Maintenance – Other than Water System

<table>
<thead>
<tr>
<th>Account No. 10-02-10-561-000</th>
<th>$ 201,747.15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract No. 634: RSM US, LLC</td>
<td>$30,000.00</td>
</tr>
<tr>
<td>Total Funds Certified</td>
<td>$30,000.00</td>
</tr>
<tr>
<td>Total Balance/Remaining for Acct No. 10-02-10-561-000</td>
<td>$171,747.15</td>
</tr>
</tbody>
</table>

BACKGROUND:
RSM US, LLC who is the authorized reseller of Microsoft Great Plains Dynamics products and has been working with the Department of Water’s Microsoft Great Plains Dynamics Annual Software Renewal and As-Needed Technical Support. In accordance with HAR Chapter 3-122-81 No. 3 and 6, Sole
Source Procurements for annual license renewal and maintenance for computer software is approved by the Procurement Policy Board.

WAIVER RELEASE & INDEMNITY APPLICATIONS:

<table>
<thead>
<tr>
<th>Applicant</th>
<th>TMK Location &amp; Building permit</th>
<th>Performance Bond Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kilauea Ventures, LLC</td>
<td>(4) 5-2-023:0284 12-2765, 12-2766, 12-2768, 12-2769, 12-2770, 12-2771, 12-2772, 12-2773, 12-2774</td>
<td>$242,000.00</td>
</tr>
<tr>
<td>D.R. Horton – Schuler Homes, LLC</td>
<td>(4) 3-7-003:020 Proposed 151 Dwelling Units Subdivision S-2006-12 Lot 2-D; Subdivision S-2006-24 Hooluana at Kohea Loa</td>
<td>$3,304,195.20</td>
</tr>
</tbody>
</table>

STAFF REPORTS - FY 16-17:

PERSONNEL MATTERS UPDATE

February 13, 2017

RECRUITMENT AND POSITION ACTIONS

Administration
1. Clerk-Typist #2479. Classification review has been completed by the Department of Human Resources (DHR)
2. Deputy Manager reviewing qualified candidates submittals and planning for interviews.

Construction Management Division
1. Construction Project Management Officer #2470. As of 2/13/2017, the DHR is reviewing the classification request.
2. Project Manager #2484. As of 2/13/2017, the DHR is reviewing the classification request.
3. Project Assistant #2351. As of 2/13/2017, the DHR is reviewing the classification request.
4. Waterworks Inspector III #2353. As of 2/13/2017, the DHR is reviewing the classification request.
5. Waterworks Inspector II #2357. As of 2/13/2017, the DHR is reviewing the classification request.
6. Waterworks Inspector II #2355. As of 2/13/2017, the DHR is reviewing the classification request.
7. Waterworks Inspector I #2483. As of 2/13/2017, the DHR is reviewing the classification request.

Operations Division
2. Pipefitter #2418. As of 2/13/2017, pending eligibles list from DHR.
3. Water Plants Superintendent #2490. As of 2/13/2017, pending referred list of eligibles.
Pursuant to Board Policy No. 3
SUMMARY OF WARRANT VOUCHERS
As of September 17, 2015 Regular Board Meeting, the Summary of Warrant Vouchers will be included in the Fiscal Monthly reporting.

Pursuant to Board Policy No. 24
CONVEYANCE OF WATER FACILITIES $0.00

CUSTOMER CARE AND BILLING (CC&B) SYSTEM UPDATE:
Phase I implementation of CC&B is complete. The DOW is operating its own license of CC&B and has transmitted the CC&B cost sharing Memorandum of Agreement to Maui Department of Water Supply, DWS for execution.

1. Field Service Management (FSM):
   • Completed prototype of handheld screens for two (2) field activity (FA) types
   • Continuing to map FA’s information to integrate through CC&B
   • Finishing up configuration of FA screens

2. Service Cloud and ACH via Billing Insight:
   • User acceptance testing (UAT) in progress and expect to be completed on 2/17/17
   • Migration of customers development starting
   • Go-Live has been extended to April 2017 instead of March 2017

Fiscal continues to work with the DOW’s Public Relations team to announce the new features of CC&B to the DOW customers.

I.T. STRATEGIC PLAN UPDATE:
None

AFFORDABLE HOUSING UPDATE:
No significant activities.

2017 LEGISLATURE UPDATE:
The DOW attended the opening session on January 18th as well as on February 3rd for a hearing that presented the DOW’s funding of the Capital Improvement Projects.

The DOW has been monitoring over sixty-two (62) live bills during this legislative session. Bills such as HB264 relating to fluoridation requires the boards of water supply to fluoridate public water systems with 1,000 or more service connections and HB1512 relating to capital improvement projects for the benefit of the DOW are being closely monitored.

Two testimonies have been sent to the Legislature:
   • The DOW supports HB1512 relating the capital improvements projects for the DOW
- The DOW opposes HB215 relating to county services to respond within 72 hours to claims relating to disruption of water or sewer service.

**MANAGER’S GOALS UPDATE** established September 23, 2016 for FY16-17

<table>
<thead>
<tr>
<th>Goals/Objectives</th>
<th>Success Measurements</th>
<th>Outcomes</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goal 1</strong> Implement systems that will serve to reduce customer complaints.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Enhance customer knowledge of the Department by providing information on programs, projects, services and achievements</td>
<td>Develop a plan to enhance customer knowledge of the Department by the end of January 2017.</td>
<td>Implement plan to enhance customer knowledge.</td>
<td>10% done; Developing plan.</td>
</tr>
<tr>
<td>2. Public inquiries requiring response.</td>
<td>Provide a response within 2 working days, if more detailed study is required to supply an estimated timeline.</td>
<td>Meet expectations throughout the year.</td>
<td>Ongoing</td>
</tr>
<tr>
<td>3. Manager Trainings (excluding conference)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Goal 2** Take actions to utilize GIS information.

<table>
<thead>
<tr>
<th>Goals/Objectives</th>
<th>Success Measurements</th>
<th>Outcomes</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. GIS maps and data</td>
<td>Update all maps and data by the end of June 2017.</td>
<td>Meet success measurements</td>
<td>75% done.</td>
</tr>
<tr>
<td>2. Utilize GIS maps and data.</td>
<td>Develop a plan to use GIS maps and data for asset management and hydraulic modeling by the end of June 2017.</td>
<td>Implement plan</td>
<td>10% done.</td>
</tr>
</tbody>
</table>
### Goals/Objectives

<table>
<thead>
<tr>
<th>Goals/Objectives</th>
<th>Success Measurements</th>
<th>Outcomes</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goal 3</strong> Ensure the health, safety and welfare of the Department employees and public.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Support the needs of Department Divisions delivery of programs for health and safety for employees</td>
<td>Insure adherence of the County wide safety program. Actively participate on the County wide safety committee</td>
<td>No adverse activities throughout the year. Active DOW participation throughout the year</td>
<td>Ongoing</td>
</tr>
<tr>
<td>2. Support the needs of Department Divisions delivery of programs for health and safety for Public</td>
<td>Insure compliance of all regulatory agency requirements, State and Federal. Insure compliance of all County Ordinances.</td>
<td>No adverse activities throughout the year. All regulatory needs met by DOW throughout the year</td>
<td>Ongoing; Brown water incident in November.</td>
</tr>
</tbody>
</table>

### Operations

**Goal 1** Improve existing asset management program.

| 1. Assess existing asset management program. | Determine if existing asset management program is compatible with existing GIS and accounting programs by the end of the fiscal year. | Asset management program will be identified. | Gathering information and knowledge about asset management and asset management programs. |

**Goal 2** Improve water system reliability and resiliency.

| 1. Improve hurricane survivability of standby power generators. | Begin design for emergency generator hardened shelters with more efficient method of connecting generator by the end of June 2017. | Portable generators will be protected during hurricanes. |  |
| 2. Improve pump motor control center reliability. | Identify MCCs that are old and have problems obtaining spare parts. Begin design on replacing old MCCs by the end of June 2017. | Reliability of MCCs will be improved. | Kīlauea wells MCC design consultant selected. Other sites will be identified. |
| 3. Assess existing preventative maintenance program. | Contract a consultant to evaluate and improve the current preventative maintenance program for the plan and distribution systems by the end of June 2017. | Development of an improved preventative maintenance plan. |  |
### Goals/Objectives

<table>
<thead>
<tr>
<th>Goals/Objectives</th>
<th>Success Measurements</th>
<th>Outcomes</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goal 1</strong> Ensure fiscal control and sustainability.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Use accounting program to develop annual budget.</td>
<td>Investigate and implement, if possible, whether Great Plains accounting system can be used to develop the budget and possibly use it for the next budget process.</td>
<td>Development of a more streamlined budgeting process.</td>
<td>Began solicitation process for budget application.</td>
</tr>
<tr>
<td>2. Implement CC&amp;B system.</td>
<td>Successfully implement new billing system by the end of June 2017.</td>
<td>Billing system will be independent of Honolulu BWS.</td>
<td>Ongoing; DOW billing independently from BWS.</td>
</tr>
<tr>
<td>3. Develop fair and reasonable water rates.</td>
<td>Complete current water rate study within the contracted time.</td>
<td>Department will have updated water rates.</td>
<td>50% done; Ongoing</td>
</tr>
</tbody>
</table>

### Engineering

**Goal 1** Oversee all engineering design work required for the Department.

<table>
<thead>
<tr>
<th>Goals/Objectives</th>
<th>Success Measurements</th>
<th>Outcomes</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Support the engineering design needs of the other divisions.</td>
<td>Engineering Division shall lead and be responsible for all Department engineering design work.</td>
<td>Ensures quality control and standardization of projects.</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>

**Goal 2** Continue rehabilitation, replacement and expansion of water system

<table>
<thead>
<tr>
<th>Goals/Objectives</th>
<th>Success Measurements</th>
<th>Outcomes</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Timely completion of projects.</td>
<td>Complete five design projects before the end of June 2017.</td>
<td>Projects will be completed.</td>
<td>20% done</td>
</tr>
</tbody>
</table>

### Construction Management

**Goal 1** Continue to improve construction management methods and expertise.

<table>
<thead>
<tr>
<th>Goals/Objectives</th>
<th>Success Measurements</th>
<th>Outcomes</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Upgrade project document management system.</td>
<td>Acquire construction document management program by the end of June 2017.</td>
<td>Time and money will be saved with electronic submittal process. All parties will have access to electronic documents.</td>
<td>Developing procurement documents.</td>
</tr>
</tbody>
</table>

### Water Resources and Planning

**Goal 1** Implement a fair and reasonable method of determining system capacity and accounting for existing use.

<table>
<thead>
<tr>
<th>Goals/Objectives</th>
<th>Success Measurements</th>
<th>Outcomes</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Evaluate existing method of determining system</td>
<td>Determine if the existing method of evaluating system capacity and use</td>
<td>Defendable method of determining system capacity and use.</td>
<td></td>
</tr>
</tbody>
</table>
### Goals/Objectives

1. **Capacity and use.**

   - is similar to other water agencies.
   - Modify existing methods as necessary by the end of June 2017.

2. **Assess existing water system hydraulic model.**

   - Determine if existing hydraulic model is compatible with GIS system and obtain compatible model as necessary by the end of June 2017.

### Success Measurements

#### Status

- GIS compatible hydraulic model has been procured.

---

Respectfully submitted,

Kirk Saiki, P.E.
Manager and Chief Engineer

Attachments: 2010 BAB Spend Down Report as of January 2017

MJA

Mgrrp/Manager’s Update (02-24-17):mja