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, JULY 28, 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 – June 23, 2017

E.  CORRESPONDENCE/ANNOUNCEMENTS

F.  BOARD COMMITTEE REPORTS

G.  OLD BUSINESS
   1.  Manager’s Report No. 17-43 - Discussion and Possible Action on the Re-establishment of the Water Field Operations Superintendent – Position No. 2491

H.  NEW BUSINESS
      a. Report from Kaua‘i Board of Water Supply Member, Michael Dahilig
      b. Report from Kaua‘i Board of Water Supply Member, Lyle Tabata

   2. Discussion and Possible Action by the Board to create an Audit Committee for the Scope of the Procurement on a Performance Audit for Professional Services for the Department of Water

   3. Manager’s Report No. 18-54 - Discussion and Possible Action to approve the Request for State Lands – Application Form to obtain a right of entry for construction related purposes on TMK: (4) 1-9-05:007, WP2020 No. HE-10 Reorganize Water System: Hanapepe Road 6-Inch Main Replacement Hanapēpē -‘Ele’ele Water System project, Hanapēpē, Kaua‘i Hawai‘i
H. NEW BUSINESS (cont’d)

4. Manager’s Report No. 18-55 - Discussion and Possible Action to approve the Request for State Lands – Application Form to obtain a right of entry for construction related purposes on TMK: (4) 1-9-05:049, WP2020 No. HE-10 Reorganize Water System: Hanapēpē Road 6-Inch Main Replacement, Hanapēpē-`Ele`ele Water System project, Hanapēpē, Kaua`i, Hawai`i

5. Manager’s Report No. 18-56 - Discussion and Possible Action to approve the Request for State Lands – Application Form to obtain a right of entry for construction related purposes on TMK: (4) 1-9-10:037, WP2020 No. HE-10 Reorganize Water System: Hanapēpē Road 6-Inch Main Replacement Hanapēpē-`Ele`ele Water System project, Hanapēpē, Kaua`i, Hawai`i

6. Manager’s Report No. 18-57 - Discussion and Possible Action for the Board of Water Supply to join in the Petition for Subdivision, Designation of Restriction of Access Rights, and Cancellation of Portions of Easement and Easements; Joinders, Land Court of the State of Hawaii Application No. 1087, Puhi, Kaua`i, Hawai`i

7. Manager’s Report No. 18-58 - Discussion and Possible Action for Board Approval on the Ninth Amendment to Contract No. 427, Job No. 02-14, WP2020 WK-08 Kapa`a Homesteads 325’ Tanks – Two 0.5 Million Gallon (MG) Storage Tanks, Kapa`a, with Belt Collins Hawai`i for a time extension of 360 calendar days and expenditure of an additional $160,149.00

8. Manager’s Report No. 18-59 - Discussion and Possible Action on the Manager and Chief Engineer’s Goals for FY17-18

I. STAFF REPORTS

MONTHLY

1. Discussion and Receipt of the Kaua`i County Water Department’s Statement of Revenues and Expenditures
   a. June Monthly Summary Budget

2. Discussion and Receipt of the Report by the Public Relations 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 June 2017

QUARTERLY (April – June 2017)

1. Discussion and Receipt of the DOW’s Quarterly Project Status Update
   a. Construction Management Division Status
   b. Engineering Division Design Status
   c. Water Resources & Planning Division Status
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).

K. TOPICS FOR NEXT WATER BOARD MEETING (August 2017)
1. Discussion and Possible Action on Part 2 Rules and Regulation for Water Service Connection to address Landlord and/or Property Managers and Tenant issues
   a. Section I – Definitions
   b. Section III – Conservation Measures and Interruption of Water Supply
   c. Section IV – Elevation Agreement, Pressure Controls
   d. Section V – Application for Water Service and Service Connection
2. Annual Evaluation of the Department of Water’s Manager and Chief Engineer for Fiscal Year 2016-2017
3. Discussion and Possible Action on the Approval of the Department of Water’s Supplemental Budget for Fiscal Year (FY) 2017-2018

L. TOPICS FOR FUTURE WATER BOARD MEETINGS
1. 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
2. Workshop presentation regarding the Long Range Plan of the Department of Water’s former Administration Building
3. Discussion and Possible Action on Utility Agreement No. 2257 between the State of Hawai‘i Department of Transportation and the Board of Water Supply, County of Kaua‘i for the upcoming Hanapēpē River Bridge, Kaumuali‘i Highway, Route 50, HI STP SR50 (1) Project, Hanapēpē, Kaua‘i Hawai‘i Water System Improvements
4. Discussion and Possible Action on the Department of Water’s Standard Operations Procedures as it relates to the Board of Water’s Rules and Regulations
5. Discussion and Receipt of the Department of Water’s Capital Improvement Projects (CIP) for the 2018 Legislative Session (September)

M. UPCOMING EVENTS
1. Project Wet – Make A Splash (September 28, 2017)
2. HWWA & HRWA Conference, Hawai‘i, HI (November 1 – 3, 2017)

N. NEXT WATER BOARD MEETING
1. Friday, August 25, 2017, 10:00 a.m.
2. Friday, September 22, 2017, 10:00 a.m.
3. Friday, October 27, 2017, 10:00 a.m.
4. Wednesday, November 29, 2017, 10:00 a.m.
5. Friday, December 22, 2017, 10:00 a.m.

O. ADJOURNMENT
Draft Minutes
MEETING MINUTES
BOARD OF WATER SUPPLY
Friday, June 23, 2017

The Board of Water Supply, County of Kaua‘i, met in regular meeting at the Board Conference Room in Līhu‘e on Friday, June 23, 2017. Chair Sherman Shiraishi called the meeting to order at 10:02 a.m. The following Board members were present:

BOARD: Mr. Sherman Shiraishi, Chair
Ms. Laurie Ho
Mr. Thomas Canute
Ms. Beth Tokioka
Mr. Michael Dahilig (entered meeting @ 10:06 am)

EXCUSED: Mr. Lawrence Dill
Mr. Lyle Tabata

Quorum was achieved with 4 members present at the time of roll call.

STAFF: Mr. Kirk Saiki     Ms. Marites Yano
Mr. Eddie Doi     Ms. Sandi Nadatani-Mendez
Mr. Valentino Reyna     Ms. MJ Akuna
Mr. Carl Arume     Ms. Jonell Kaohelaulii
Mr. Keith Aoki     Mr. Michael Hinazumi
Mr. Dustin Moises     Mr. Chris Nakamura
Deputy County Attorney, Mahealani Krafft     Mr. Ryan Smith
Mr. Trestin Alflier, Admin. Intern

GUEST(s) Mr. Daniel Plunkett, Kaua‘i Christian Academy
Mr. Hall Parrott, Private Citizen

ACCEPTANCE OF AGENDA
Ms. Ho moved to reorder the Agenda Item H5, Manager’s Report No. 17-53 after the Meeting Minutes; seconded by Mr. Canute; with no objections, motion carried with 4 ayes.

D. MEETING MINUTES
Review and approval of:
Regular Board Meeting – April 28, 2017
Ms. Tokioka moved to approve as amended the Regular Board Meeting minutes of April 28, 2017, seconded by Mr. Canute; with no objections, motion carried with 4 ayes.

Regular Board Meeting – May 26, 2017
Ms. Tokioka approved the Regular Board Meeting minutes of May 26, 2017, seconded by Mr. Canute; with no objections, motion carried with 4 ayes.

MD entered the meeting at 10:06 a.m.
MD exited the meeting approx. 10:08 a.m.

Finance Committee Meeting – May 9, 2017
Ms. Tokioka approved as amended the Finance Committee Meeting minutes of May 9, 2017, seconded by Mr. Canute, with no objections, motion carried with 4 Ayes.
Finance Committee Meeting – May 15, 2017
Ms. Tokioka approved as amended the Finance Committee Meeting minutes of May 15, 2017, seconded by Mr. Canute, with no objections, motion carried with 4 Ayes.

Finance Committee Meeting – May 24, 2017
Ms. Tokioka approved the Finance Committee Meeting minutes as of May 24, 2017; seconded by Mr. Canute, with no objections, motion carried with 4 Ayes.

Finance Committee Meeting – June 5, 2017
Ms. Tokioka approved the Finance Committee Meeting minutes as of June 5, 2017; seconded by Mr. Canute; with no objections, motion carried with 4 Ayes.

H. NEW BUSINESS
5. Manager’s Report No. 17-53 - Discussion and Possible Action on the Manager’s Recommendations regarding a communication request from Mr. Daniel Plunkett and the Board of Directors of Kaua'i Christian Academy

BACKGROUND:
Manager Saiki recommended denial of Mr. Plunkett’s request to revise the rules regarding meter service charges to reduce or eliminate charges for non-profits.

Chair Shiraishi asked Mr. Daniel Plunkett, representative for Kaua'i Christian Academy, to provide comments or questions for the Board.

Mr. Dahilig re-entered the meeting at 10:20 a.m.

Mr. Daniel Plunkett, Administrator and School Board Representative of Kaua'i Christian Academy provided his testimony.

Mr. Plunkett provided history on the school that recently completed a fire line detector check assembly with a 6 inch inlet line diameter. This was for the community center building on the school campus in Kilauea. The building is used for school programs, church meetings, community events (i.e., annual fall festival concerts, youth activities, and outreach events).

When the fire line was completed, the Academy learned about the monthly charge for the detector check meter service charge of $166.00 plus a bypass water meter charge of $17.75 which totaled $183.75 per month. Since he was not aware of the charges, he called the Department of Water (DOW) and received assistance and learned nothing could be done about the charge other than changing the Department’s rules. He stated that a one-time charge would be okay but a monthly charge for a non-profit is substantial.

Mr. Plunkett did not know if the Board had experience with non-profits, but a non-profit’s budget is always tight. His request to the DOW is to reduce or eliminate the charge for non-profits since it is not a consumption charge. It would be simple to provide that non-profits receive a reduced monthly charge. He added non-profits could submit their IRS documents to prove they are non-profit. A reduced or elimination of the charge would be helpful because non-profits exist to serve the community through education and other benefits. The DOW could lend a helping hand for non-profits to help the community. This would not affect the actual consumption charges. Mr. Plunkett did not know if other non-profits have a line service charge.
DISCUSSION:
Chair Shiraishi asked if the Board or the Department had any questions for Mr. Plunkett. There were no questions from the Board.

Manager Saiki commented that anytime there is no charge, the DOW ends up subsidizing the loss in revenues. To subsidize the lost revenues, the Department will make up the loss through water rate increases or realize a loss. To reduce or eliminate the service charge across the board for non-profits, the Department cannot predict what the cost would be. The Department would also not know if the water rates are correct. With a stable rate structure, it affects customers to pay for someone else. Manager Saiki did not know how many non-profits would be affected. Mr. Canute said what the Department subsidizes for one non-profit, the Department would have to subsidize for all non-profits.

A concern for the Manager is how easy it would be for anyone to make themselves a non-profit. This could result with every house without a service charge. Mr. Canute commented that requirements for non-profit and tax filing are stringent. Manager Saiki was not aware of large water users that are non-profit.

Mr. Dahilig compared the request to accommodate non-profits to the affordable housing situation; when looking at the product, users can change. If a non-profit builds their commercial building and sells it to a commercial user, this becomes an equity concern for Mr. Dahilig (regulating the person coming in vs. the product). Non-profits build the same product as for-profit entities. Several months ago, the Board was looking at the rate increases. Mr. Dahilig, Chair of the Rules Committee, asked the Board if they would like to refer this matter to the Rules Committee; this could be discussed again but felt skeptical of this matter. Chair Shiraishi asked the Board if they would like to refer this matter to the Rules Committee. The Board did not respond.

Chair Shiraishi stated the proposal failed for a lack of a motion by the Board. He thanked Mr. Plunkett for his testimony.

E. CORRESPONDENCE/ANNOUNCEMENTS
1. Correspondence from Mr. Edward Kawamura, Jr. and Mr. Peter Tausend regarding East and West Soil and Water Conservation Districts, Kaua'i 2017 Annual Report, received June 1, 2017

DISCUSSION:
The correct title of the annual report is East and West Soil and Water Conservation Districts, Kaua'i 2017 Annual Report as indicated by Ms. Ho.

Mr. Dahilig moved to receive the correspondence from Mr. Edward Kawamura, Jr. and Mr. Peter Tausend regarding East and West Soil and Water Conservation Districts, Kaua'i 2017 Annual Report, received June 1, 2017; seconded by Ms. Ho; with no objections, motion carried with 5 ayes.

F. BOARD COMMITTEE REPORTS
Report of the Finance Committee of the Kaua'i County Board of Water Supply
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

BACKGROUND:
Finance Committee Member Ms. Tokioka mentioned Finance Chair Mr. Dill was not available at today’s meeting but provided his written report in the Board packet. The Finance Committee appreciated the due
diligence of the Department in tightening up the draft budget for Fiscal Year 2017-2018 and felt comfortable with the budget proposal.

Chair Shiraishi declared Mr. Dahilig was Out of Order when he also moved to receive the Manager’s Report No. 17-49 - Discussion and Possible Adoption of the Budget Resolution No. 17-08 (06/17). Budget for Fiscal Year 2017-18. Chair Shiraishi requested to make the motions separate for this agenda item. Mr. Dahilig moved to receive the Report of the Finance Committee of the Kaua‘i County Board of Water Supply, Draft Budget for Fiscal Year 2017-2018, a) Fiscal Year 2017 – 2018 Draft Operating Budget, b) Fiscal Year 2017 – 2018 Draft Capital Outlay Budget; seconded by Ms. Ho; with no objections; motion carried with 5 ayes.

G. OLD BUSINESS

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

BACKGROUND:
Chair Shiraishi asked what the difference was between Agenda Item No. G.1. and Agenda Item No. H.1. Waterworks Controller Ms. Yano explained the proposed budget is approved by the Board. Once the budget is approved, the Board will then approve the Resolution to adopt the budget for Fiscal Year 2017-18.

DISCUSSION:
Mr. Dahilig thanked the Finance Committee for working hard on the budget. Ms. Yano and Manager Saiki put together a responsible budget and supported the budget as presented. Mr. Canute added Finance Chair Dill had good insight on the budget which helped the Finance Committee. Ms. Tokioka added “kudos” to Finance Committee Chair Dill. Chair Shiraishi agreed and had attended some of the meetings. He said the Finance Committee worked really hard along with the Department. He recognized and appreciated the work of the Finance Committee.

Chair Shiraishi requested the Department to calendar the follow-up matters when the next year’s budget is discussed so that the concerns brought up during the discussion of the current years’ budget is discussed next year. He asked how will the Board know what to follow up on? Mr. Canute suggested reviewing the Finance minutes and the recommendations. Manager Saiki added the Department will work with Finance Committee Chair Dill on the budget format.

Mr. Dahilig moved to approve the proposed Draft Budget for Fiscal Year 2017-2018, a) Fiscal Year 2017 – 2018 Draft Operating Budget, b) Fiscal Year 2017 – 2018 Draft Capital Outlay Budget; seconded by Ms. Tokioka; with no objections, motion carried with 5 ayes.


DISCUSSION:
Mr. Dahilig questioned if it was necessary to approve the Water Field Operations Superintendent position since it is already included in the 2017-2018 budget. Manager Saiki would like to get the Board’s approval on the position. If the Board does not approve the position, it will not get filled. Deputy County Attorney Krafft mentioned this position was dollar funded.
Mr. Dahilig asked if the budget is being amended because the position counts have been approved already? Manager Saiki said the Department would come back to the Board for a budget amendment since the position is dollar-funded, and the position would have to be amended.

After discussions to either formalize the position or to reaffirm the position, Mr. Dahilig suggested to defer Manager’s Report No. 17-43 to the July Board meeting. The way the Manager’s Report is written, the Department is asking for funding which would throw the budget out of balance. Monies are being committed which reflects a dollar-funded item. Mr. Dahilig suggested coming back with a budget amendment for Fiscal Year 2017-2018.

Manager Saiki said assuming the position had been reaffirmed; the Department could and come back to the Board with the budget amendment. If the Board does not want to fill the position, then the budget amendment will not be passed.

Chief of Operations Mr. Reyna added if the budget is not amended, the position could be funded using Operations Division money from other unfilled positions. Mr. Dahilig said the Department has the authority to do this.

Deputy County Attorney Krafft added there is an issue which a Board member raised at a previous meeting, which was whether this position should be filled regardless of availability of funding. Based on the position’s history, it looked like the position was approved, then abolished, and then approved which remains questionable. Manager Saiki said the Board member is Mr. Dill who had questions.

Mr. Canute asked if a budget amendment needs to be done but Chair Shiraishi said only if the position is filled. Ms. Yano said there are monies available under Salaries and Wages but would end as of June 30th.

Manager Saiki proposed to come to the Board to discuss the money for the position and amending the budget at the same time.

Ms. Tokioka moved to defer Manager’s Report No. 17-43 - Discussion and Possible Action on the Re-establishment of the Water Field Operations Superintendent – Position No. 2491 to the July Board meeting to discuss all Board member’s concerns; seconded by Mr. Canute; with no objections, motion carried with 5 ayes.

H. NEW BUSINESS (cont’d)

1. Manager’s Report No. 17-49 - Discussion and Possible Adoption of the Budget Resolution No. 17-08 (06/17), Budget for Fiscal Year 2017-18

Mr. Dahilig moved to approve the adoption of the Budget Resolution No. 17-08 FY 2017-18 as presented in Option 1 for the Capital Budget and Operation Outlay Budget in Draft 1; seconded by Mr. Canute; with no objections, motion carried with 5 ayes.

2. Manager’s Report No. 17-50 – Discussion and Possible Action to enter into a Use and Occupancy Agreement No. 362 between the State of Hawai‘i and the Board of Water Supply, County of Kaua‘i and to approve the State of Hawai‘i’s May 3, 2017 conditional letter or Job No. 16-02, Water Plan 2020 No. PLH-35b, Kapaa Cane Haul Road 18” Main, Līhu‘e, Kaua‘i, Hawai‘i

BACKGROUND:

Civil Engineer Mr. Aoki stated the Department is connecting a new pipeline in the State Right of Way. The State requires a Use and Occupancy Agreement to be completed. Prior to a Use and Occupancy Agreement, the State requires a conditional letter to be completed. The Department requests that the Board approve the conditional letter for the Department to complete a Use and Occupancy Agreement.

BACKGROUND:
Civil Engineer Mr. Aoki mentioned on the reorganized water project, the State required the Department to run the new water line close to the Right of Way line to mitigate their concern affecting traffic along the highway road pavements. Because of the terrain and a slope area to run the water line, the Department needed to fill slopes and do grading outside of the Right of Way. The Department needs to request a Right of Entry from the State.

Mr. Aoki added in the future, similar requests on multiple State lands will be presented to the Board.

Ms. Ho moved to approve Manager’s Report No. 17-51 – Discussion and Possible Action for Board approval on the Request for State Lands – Application Form to obtain a Right of Entry for construction related purposes on TMK: (4) 1-9-07:007, WP2020 No. HE-01 Reorganize Water System: Pipeline Connecting Hanapepe and ‘Ele’ele project, ‘Ele’ele, Kaua’i, Hawai’i seconded by Mr. Dahilig; with no objections, motion carried with 5 ayes.

4. Manager’s Report No. 17-52 – Discussion and Possible Action on Board Approval for Amendment No. 3 to Contract No. 618 with Prithibi for a time extension of 180 calendar days

DISCUSSION:
Chair Shiraishi noted a mistake on the contract price and asked who made the mistake and who drafted the amendment? Information Technology Specialist, Ms. Nadatani-Mendez said the staff drafted the amendment.

Mr. Dahilig moved to approve Manager’s Report No. 17-52 – Discussion and Possible Action on Board Approval for Amendment No. 3 to Contract No. 618 with Prithibi for a time extension of 180 calendar days; seconded by Ms. Tokioka; with no objections, motion carried with 5 ayes.

I. STAFF REPORTS

MONTHLY

1. Discussion and Receipt of the Kaua’i County Water Department’s Statement of Revenues and Expenditures
   a. May Monthly Summary Budget

DISCUSSION:
Mr. Dahilig inquired if the fiscal reports would be done in time for next year’s audit? Ms. Yano said yes, because the reports are done every month. She did not anticipate any problems for the next fiscal year.

Mr. Dahilig moved to receive the Kaua’i County Water Department’s Statement of Revenues and Expenditures, a) May Monthly Summary Budget; seconded by Mr. Canute; with no objections, motion carried with 5 ayes.
2. Discussion and Receipt of the Report by the Information and Education Specialist on Public Relations Activities

Information Specialist Ms. Kaohelaulli mentioned Ms. Kim Tamaoka, former Information and Education Specialist, moved to her new job. Ms. Kaohelaulli acknowledged she was taking over Make A Splash.

Ms. Ho moved to receive the Report by the Information and Education Specialist on Public Relations Activities; seconded by Ms. Tokioka; with no objections, motion carried with 5 ayes.

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

**BACKGROUND:**
Chief of Operations Mr. Reyna highlighted the water loss tracking for the past 12 months. Operations is at 12.1% within the industry standard of 15%.

Mr. Canute moved to receive the Chief of Operation’s Summary Report on Operational Activities; seconded by Ms. Ho; with no objections, motion carried with 5 ayes.

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

**BACKGROUND:**
Manager Saiki highlighted the following:

1. Personnel Matters:
   - Summer interns - are on board within the divisions.
   - CEV – is in the selection phase for Engineering Design.

Ms. Tokioka moved to receive the Manager and Chief Engineer’s Monthly Update Regarding Activities of Note of the DOW; seconded by Mr. Dahilig; with no objections, motion carried with 5 ayes.

   a. Report of the BAB pay down as of May 2017

Ms. Tokioka moved to receive the BAB pay down as of May 2017; seconded by Mr. Dahilig; with no objections, motion carried with 5 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).*

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

1. Discussion and Possible Action on Part 2 Rules and Regulation for Water Service Connection to address Landlord and/or Property Managers and Tenant issues
   a. Section I – Definitions
   b. Section III – Conservation Measures and Interruption of Water Supply
   c. Section IV – Elevation Agreement, Pressure Controls
   d. Section V – Application for Water Service and Service Connection
2. Discussion and Possible Action on the Manager and Chief Engineer’s Goals for FY17-18
K. **TOPICS FOR NEXT WATER BOARD MEETING (cont’d) (July 2017)**

3. **Manager’s Report No. 17-43** - Discussion and Possible Action on the Re-establishment of the Water Field Operations Superintendent – Position No. 2491
4. Board to create an Audit Committee for the Scope of the Procurement for a Performance Audit for Professional Services

**DISCUSSION:** Mr. Canute volunteered to be on the Audit Committee.
Mr. Dahilig volunteered Mr. Tabata as the Chair of the Audit Committee.
Mr. Tabata has qualifications and was the Chair with Hawa‘i Pacific Health. He is familiar with principles related to auditing.

L. **TOPICS FOR FUTURE WATER BOARD MEETINGS**

1. 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
2. Workshop presentation regarding the Long Range Plan of the Department of Water’s former Administration Building
3. Discussion and Possible Action on Utility Agreement No. 2257 between the State of Hawa‘i Department of Transportation and the Board of Water Supply, County of Kaua‘i for the upcoming Hanapēpē River Bridge, Kaumuali‘i Highway, Route 50, HI STP SR50 (1) Project, Hanapēpē, Kaua‘i Hawa‘i Water System Improvements
4. Discussion and Possible Action on the Procurement for a Performance Audit *(August)*

**DISCUSSION:** Ms. Yano said there is money in the budget and procurement could done be any time for a performance audit.
5. Discussion and Possible Action on the Department of Water’s Standard Operations Procedures as it relates to the Board of Water’s Rules and Regulations
6. Annual Evaluation of the Department of Water’s Manager and Chief Engineer for Fiscal Year 2016-2017 *(August)*

M. **UPCOMING EVENTS**

1. Project Wet – Make A Splash *(September 28, 2017)*
2. HWWA & HRWA Conference, Hawa‘i, HI *(November 1 – 3, 2017)*

N. **NEXT WATER BOARD MEETING**

1. Wednesday, July 26, 2017, 5:00 p.m. – *Public Hearing*
2. Friday, July 28, 2017, 10:00 a.m.
3. Friday, August 25, 2017, 10:00 a.m.
4. Friday, September 22, 2017, 10:00 a.m.
5. Friday, October 27, 2017, 10:00 a.m.

O. **ADJOURNMENT**

Mr. Dahilig moved to adjourn the Regular Board Meeting at 10:59 a.m., seconded by Ms. Ho; with no objections, motion carried with 5 ayes.

Respectfully submitted, 

Approved,

Edith Ignacio Neumiller
Commission Support Clerk

Beth Tokioka
Secretary – Board of Water Supply
MANAGER’S REPORT No. 17-43


Re: Discussion and Possible Action on the Re-establishment of the Water Field Operations Superintendent – Position No. 2491

RECOMMENDATION:
Board approval is recommended for Option 1 below to re-establish the Water Field Operations Superintendent (SR-24, Position No. 2491). Currently, the aforementioned position is active as shown on the attached Tables of Organization.

FUNDING:
Funds for requested position is 50% funded in the approved budget for Fiscal Year 2017-2018.

Water Field Operations Superintendent (SR-24)…………………. $51,792.00 - $70,896.00

Total funds to be requested for FY2017-2018………………….. $51,792.00 - $70,896.00

The requested fund is based on current Collective Bargaining Agreement (CBA) salary schedule (attached) for SR24 Step A – SR24 Step I. Although the CBA salary schedule allows up to Step M, salary higher than Step I, will cause an inversion with the subordinate receiving higher base compensation than the immediate supervisor.

BACKGROUND:
The then vacant position of Water Field Superintendent was recommended to be abolished to re-establish the Assistant Chief of Operations through Manager’s Report 13-19 (attached) for which the Board went to executive session. The position of Assistant Chief of Operations is currently filled.

In the years after the recommended abolishment of the Field Operations Superintendent position, situations have changed. The Operations Division is focusing on more in-house small diameter pipeline replacement, construction, maintenance, and rehabilitation projects to reduce the amount of contracted outside work. Field Section personnel is performing more new service lateral installations for Additional Dwelling Units (ADU), meter testing and replacement as well as leak detection and hydrant maintenance programs. Moreover, Field Section personnel is responsible for timely response to requests for pipe locating and marking in accordance with Hawaii’s One Call Center Law. All these while responsible for maintaining and repairing the existing distribution system infrastructure and appurtenances as well.
JUSTIFICATION:
The Water Field Operations Superintendent is responsible for the 24 hour-a-day, 7 day-a-week operation of the Department’s distribution system; responds to trouble and emergency call-outs and must remain on standby for trouble and emergency call-outs during designated non-regular working hours. Due to this vacancy, the two (2) Water Service Supervisors are on weeklong standby and are rotating weekly. A weekly rotation shared between only two (2) personnel is causing undue stress which is resulting in reduced efficiency and workload production. At this time, to allow the Water Service Supervisors to have a weekend off from standby duty, the Chief of Operations takes a weekend of standby duty a month.

The Water Field Operations Superintendent will also be responsible for the proper implementation of fire hydrant replacement/maintenance, meter testing/replacement and leak detection programs. These programs are designed to reduce non-revenue water. The hydrant replacement/maintenance program was supervised by the West Side Water Service Supervisor prior to the weeklong standby implementation and subsequently passed to the Chief of Operations due to the increased work load and lack of time. The meter testing/replacement program is being performed by the Meter Mechanic but the position does not have the administrative skills to properly execute the program. The leak detection program is relatively new and has not been fully implemented due to the vacancy of the Superintendent position as well as lack of personnel. These programs are currently being overseen by the Chief of Operations.

The Water Field Operations Superintendent will be responsible for directing the daily activities of the Field Section through subordinate supervisors and subordinate non-supervisory personnel. The duties include but not limited to parts and materials procurement, scheduling of in-house rehabilitation/replacement projects, training scheduling, and work process streamlining. These duties will allow for the existing Water Service Supervisors to provide field support and evaluation for the pipeline repair crews.

On June 30, 2016, Governor David Ige signed into Law, Act 169, related to validated annual water audits of public water systems. Act 169 will be implemented by the State of Hawaii, Commission on Water Resource Management. The Water Field Operations Superintendent will assist the administrators in complying with the provisions of Act 169.

OPTIONS:

Option 1: Approve as recommended
Pro: This will allow the recruitment of Water Field Operations Superintendent to assist the Division’s administrators in the implementation of various tasks and improvements including but not limited to meter testing and leak detection programs to reduce non-revenue water, ADU service lateral installation, Hawaii One Call Center pipe locating and marking, and hydrant maintenance program. Such recruitment will also provide some relief to the Water Service Supervisors on weekly after-hours standby rotation which will result in improved employee morale and efficiency.

Con: Higher annual labor budget.

Option 2: Reject the proposal
July 28, 2017
Page 3 of 3

Pro: Annual budget will be lower.

Con: Status quo with current position will cost no additional funds in the future but will slow down the implementation of programs and improvements. Supervisors on weekly standby rotation will see no relief which will negatively affect overall performance.

Respectively submitted,

Valentino P. Reyna
Chief of Operations Division

Funding reviewed:

Marites Yano
Waterworks Controller

CONCURRED:

Kirk Saiki, P.E.
Manager and Chief Engineer

Attachment: Operations Division - Table of Organization
Collective Bargaining Agreement Salary Schedule
Regular Board Meeting Agenda – Board Approvals (12-20-12)
Assistant Chief of Operations Manager’s Report No. 13-19 (12-20-12)
Regular Board Meeting Minutes re: Re-Establishment of the Assistant Chief of Operations Position #2400 (12-20-12)

Mgrrp/July 2017/17-43/Discussion and Possible Action on the Re-establishment of the Water Field Operations Superintendent – Position No. 2491 (5-26-17, 6-23-17, 7-28-17)
State of Hawaii  
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT  
SALARY SCHEDULE

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<td>04 White Collar, Supervisor</td>
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Note: The table above shows the salary schedule for different steps and positions as of the Effective Date: 07/01/2017. The data includes steps for various positions such as Step A through Step M, with specific values for each step listed for each position. The data is organized in a tabular format, with columns for the various steps and rows for different positions within the bargaining unit.
BOARD OF WATER SUPPLY of the COUNTY OF KAUAI

REGULAR MEETING
Second Floor, Microbiology Lab Bldg
Kauai' i County Department of Water
4398 Pua Loke Street, Lihu'e, Kauai' i, Hawaii' i 96766

THURSDAY, December 20, 2012

10:00 a.m.
Or soon thereafter

A. CALL TO ORDER

B. ROLL CALL
ROLL CALL – 5 present
[Larry Dill and Ray McCormick excused]

C. ACCEPTANCE OF AGENDA
[RO moved to approve the agenda, CN 2nd] – 5 Ayes

D. MEETING MINUTES:
Review and approval of:
Special Board Meeting – November 19, 2012
[RO moved to approve minutes RO 2nd] – 4 Ayes

Regular Board Meeting – November 29, 2012
[RO moved to approve minutes as amended RO 2nd] – 4 Ayes

Review & Approval of Executive Session:
Executive Session – October 25, 2012
[RO moved to approve minutes RO 2nd] – 4 Ayes

Executive Session – November 29, 2012
[RO moved to approve minutes RO 2nd] – 4 Ayes

E. CORRESPONDENCE/ANNOUNCEMENTS
None

F. BOARD COMMITTEE REPORTS
None

G. OLD BUSINESS
None

NOTE: Special Accommodations for persons with disabilities are available upon request five (5) days prior to the meeting date. Please call the Department of Water, County of Kauai', at 245-5408 or drop by at 4398 Pua Loke Street, Lihu'e, Kauai. Our mailing address is P. O. Box 1706, Lihu'e, HI 96766
H. NEW BUSINESS
1. Election of Officers for 2013
   [CN moved to nominate Board Member Mr. Randall Nishimura, Chair for the 2013 DOW Board of Water, RO 2\textsuperscript{nd}] – 4 Ayes

   [RN moved to nominate Board Member Mr. Clyde Nakaya, Vice Chair for the 2013 DOW Board of Water, RO 2\textsuperscript{nd}] – 4 Ayes

   [RN moved to nominate Mr. Sherman Shiraishi, Secretary for the 2013 DOW Board of Water, contingent on Mr. Shiraishi being sworn in to the Water Board. The County Council confirmed Mr. Shiraishi’s appointment on December 19, 2012, RO 2\textsuperscript{nd}] – 4 Ayes

   [RN moved to reappoint Board Member Mr. Michael Dahilig, Chair of the Rules Committee, RO 2\textsuperscript{nd}] – 4 Ayes

   [RN moved to reappoint Board Member Mr. Larry Dill, Chair of the Finance Committee, RO 2\textsuperscript{nd}] – 4 Ayes

   Mr. Randall Nishimura will Chair of the 2013 Board of Water Committee of the Whole.

2. Final CIP Projects for 2013
   [RN moved to approve as amended, RO 2\textsuperscript{nd}] - 4 Ayes

   (Note: Before the CIP is sent to the legislature, Manager Craddock will correct the pricing which did not get reorganized along with the reordering of the projects. The Elele pipeline will be moved up to the current year (Page 4 of the Proposed CIP for DOW).

3. Manager’s Report No. 13-16 – Grant of Easement for Job No. 05-06, Eiwa, Umi, Ekahi, Elua and Hardy Streets 8” Waterline Improvements (Water Plan 2020 Project No. PLH-25), Lihu'e, Kaua'i, Affecting the following Landowner, 1. County of Kaua'i, affecting TMK(s): (4) 3-6-005:006, Lihu'e, Kaua'i, Hawai'i
   [CN moved to approve RO 2\textsuperscript{nd}] - 4 Ayes

4. Manager’s Report No. 13-17 – Request for Board Approval on County of Kaua'i, Department of Water Submittal to Legislature for Changes to HRS regarding Vehicle Policy
   [RO moved to approve CN 2\textsuperscript{nd}] – 4 Ayes

5. Manager’s Report No. 13-18 - Request for Board Approval on County of Kaua'i, Department of Water Submittal to Legislature for Changes to HRS Regarding Impact Fee
   [RO approved CN 2\textsuperscript{nd}] – 4 Ayes

   [CN approved RN 2\textsuperscript{nd}] – 5 Ayes

NOTE: Special Accommodations for persons with disabilities are available upon request five (5) days prior to the meeting date. Please call the Department of Water, County of Kaua'i, at 245-5408 or drop by at 4398 Pua Lake Street, Lihu'e, Kaua'i. Our mailing address is P. O. Box 1706, Lihu'e, HI 96766
I. REPORTS
MONTHLY
1. Statement of Keau‘i County Water Department’s Revenues and Expenditures
   [RN moved to rec RO 2nd] – 4 Ayes
2. Report by the Public Relations Specialist on Public Relations Activities
   [CN moved to rec RO 2nd] – 4 Ayes
   [RN moved to rec CN 2nd] – 4 Ayes
   [CN moved to rec RO 2nd] – 4 Ayes
5. Manager’s Monthly Update Regarding Activities of Note of the Kaua‘i County Water Department
   with quarterly report on Manager’s Goals.
   [CN moved to rec RO 2nd] – 5 Ayes
      a. Report of the BAB Bond pay down as of November 2012
   [RN moved to rec RO 2nd] – 5 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 Haw. Rev. Stat. §§92-4 and 92-5(a)(4) the purpose of this executive session is to receive
   and consider a letter from the Manager and Chief Engineer responding to certain inquiries posed
   by the Board at the October 25, 2012 Board meeting. The purpose of this to consult with the Board’s
   attorney on questions and issues pertaining to the Board’s powers, duties, privileges, immunities, and
   liabilities as it relates to the Manager’s response letter dated October 29, 2012.

2. Pursuant to Hawai‘i Revised Statutes Sections 92-4 and 92-5(a)(4), the purpose of this executive
   session is to provide the Board with a briefing regarding the Re-Establishment of Assistant Chief of
   Operations - Position #2400. This briefing and consultation with the Board counsel 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
1. Quarterly Update on Affordable Housing
2. Quarterly Report on Manager’s Goals
3. AWWA Annual Conference Agenda, Denver, CO (June 9-13 2013)
4. Benefit Zone
BOARD OF WATER SUPPLY
REGULAR MEETING
December 20, 2012

L. TOPICS FOR FUTURE WATER BOARD MEETINGS
   1. Facilities Reserve Charge (FRC) – Finance Committee Meeting (to be scheduled in January 2013)

M. UPCOMING EVENTS
   2. 39th Annual AWWA Hawaii Section Conference Honolulu, HI (May 14-17 2013)

N. NEXT WATER BOARD MEETING
   1. Thursday, January 24, 2013, 10:00 a.m.
   2. Thursday, February 28, 2013, 10:00 a.m.
   3. Thursday, March 21, 2013, 10:00 a.m.
   4. Thursday, April 25, 2013, 10:00 a.m.

O. ADJOURNMENT
MANAGER'S REPORT No.13-19

December 20, 2012

Re: Request for Board Approval for the Re-Establishment of Assistant Chief of Operations - Position #2400

RECOMMENDATION:
Board approval is requested for the re-establishment of the Assistant Chief of Operations Position #2400. As Manager of the Department of Water, upon reviewing the needs of the Department, it is necessary at this time to implement Executive Order 03-02 and Civil Services Rules §8-8(d)(1). This is in the best interest of the Department at this time.

There are eleven Operations Division positions funded and vacant this Fiscal Year. The current budget shows ample funding at this time to appropriate monies to the Assistant Chief of Operations position. Thus, no additional funding is required for this action and no additional positions will be created.

Attached is the Operations Division Table of Organization identifying the location of the Assistant Chief of Operation's position. The position reports to the Chief of Operations.

Note: Along with the re-establishment of the Assistant Chief Operations position, the Water Field Superintendent position will be abolished. This position is currently funded at $36K.

It is recommended that the Board approve this Request for the Re-Establishment of Assistant Chief of Operations - Position #2400:

FUNDING: Salaries # 15
OPERATIONS:
   Assistant Chief of Operations Approx. $78,000

BACKGROUND:
A letter of request to apply for Leave Without Pay to Certain Appointed Positions via Executive Order 03-02 was submitted to me, which I approved in November 2009. Subsequent to that action the position was abolished. Department of Personnel Services (DPS) is saying the position should not have been abolished as long as the person could return to the position. It is within my authority to implement action at this time. In order to do so, the Assistant Chief of Operations position must be re-established.
Respectfully submitted,

[Signature]

David R. Craddick, P.E., C.E.M.
Manager and Chief Engineer

DM:en

Mgrgr/December2012/13-19 Request for Board Approval for the Re-Establishment of Assistant Chief of Operations - Position #2600
(12-20-12):en

Attached: Operations Division Table of Organization
Re: Manager Report No. 13-19 – Re-establishment of the Assistant Chief of Operations Position #2400

BACKGROUND:
Manager Craddick requested the re-establishment of the Assistant Chief of Operations Position #2400. In 2009, Manager Craddick signed a letter that stated an employee would be able to have return rights to this position. An email was received from the Department of Personnel (DPS), which indicated the position should never have been abolished if the letter had been signed. The letter is still outstanding.

Manager Craddick explained the Department is taking the Water Field Superintendent position which is currently funded at $36K. The Assistant Chief of Operations position will now be funded between $78K and $80K. No additional funding is being requested because there are five (5) unfilled funded positions from the beginning of the year. The Department may request for additional funding next year.

Manager Craddick read a portion of the Executive Order from DPS signed May 12, 2004, as follows: “We are transmitting a copy of Executive Order No. 03-02 granting employees excluded from bargaining units 2, 3, 4 and 13, adjustments identical to their counterparts, effective July 1, 2003. Executive Order No. 03-05 grants county officers and employees in the executive branch, who are excluded from collective bargaining, exempt from civil service coverage and whose compensation adjustments are set at the discretion of the Mayor, adjustments as stated therein.”

DISCUSSION:
Manager Craddick explained that if the position is re-established and is filled, funding would be half the year and is the current amount in the position that is being abolished. By taking half of $78K which is more than $36K, there would be a $2,000 to $3,000 difference. The total budget would have no change in the budget number request until the end of this year.

Mr. Nishimura requested to go into executive session regarding the impact from the information received from DPS.

Chair Kaneshiro deferred the Manager’s Report No. 13-19 until a quorum is established for the executive session.

STAFF REPORTS
Re: Statement of Kaua'i County Water Department’s Revenues and Expenditures

PRESENTATION:
Ms. Yano presented the Budget Status Summary as of October 31, 2012. The Total of All Funds was $56,033,355.75 reflected on page 48 (on iPad). The Revenue Comparative Report, the Water Sales Receipt Comparative Report and the Water Consumption (Gallons) Comparative Report as of November 2012 and 2013 were referenced on page 68.
New Business
This year’s AWWA ACE conference was held from Sunday, June 11 through Wednesday June 14 at the Pennsylvania Convention Center in Philadelphia, Pennsylvania. I attended the following:

June 11 – Attended pre-conference workshop entitled “One Water – Application of Disinfection Techniques Across Stormwater and Combined Sewers.” The workshop outlined the detailed history of regulations governing stormwater control and an overview of the key authorities associated with progressive stormwater regulations. The workshop discussed the US legal framework for surface water quality, and how clean water programs of each state are responsible for monitoring total maximum daily load via the identification of pollutants and other particulate material. The seminar further delved into National Pollutant Discharge Effluent System (NPDES) requirements, who can apply for MS4 permits, and the current criteria for wastewater disinfection. Attended AWWA Hawaii Section dinner that evening.

June 12 – Attended the morning Opening General Session and listened to four water practitioners discuss their career in the water field and how they persevered to become leaders in the industry. Went through the exposition and learned about the newest products available in the water industry – also watched the Honolulu pipe tapping team compete in the pipe tapping competition. Attended an afternoon session entitled “Transformational Water Utility Leadership” where the speaker discussed innovative ways to attract top talent and retain them.

June 13 – Attended keynote remarks concerning infrastructure funding and availability. The speakers from both the municipal bond market and municipal CFO’s
discussed the challenges of bundling private public partnership deals to better leverage debt and reduce risk. What was clear is the County is well behind in having the procurement tools necessary to attract this type of creative financing. I also attended a session entitled “Taking a Leap of Faith: Thinking Big, When Incremental Steps Just Won’t Do.” This session discussed how the City of Baltimore had to commit to a bold action of instituting metered water charges where in the past everything was self-reported. In the afternoon I attended a set of sessions entitled “Innovating Approaches for Sustainability of Small Water Systems.” One of the presentations were two college professors who had come up with an inputs-outputs algorithm to easier evaluate proposed projects along a triple-bottom-line standard.

June 14 – Traveled back to Hawaii
MEMO

To: Board of Water Supply, County of Kaua‘i

From: Lyle Tabata
Acting County Engineer, Department of Public Works
Ex-Officio Board Member

Date: July 13, 2017

Subject: American Water Works Association, Annual Conference Exposition Report
June 12-14 2017, Philadelphia Pennsylvania

This year’s AWWA ACE conference was held from Sunday, June 11th through Wednesday June 14th at the Philadelphia Convention Center in Philadelphia, Pennsylvania.

I attended the following:

June 12 – Attended the morning Opening General Session where the various Sections from around the country were gathered by section to hear the opening remarks by AWWA President Jeanne Bennett-Bailey welcomed everyone to the conference with her opening remarks.

June 12 – Attended the morning track first sessions was a workshop on Solutions to Optimize Pumping Systems in Today’s Water and Wastewater Facilities. The speakers presented a system wide approach to optimizing pumping systems, meaning developing system curves of the pumping system approach first to then optimize the use of various variable speed drives to accomplish savings in energy by meeting the flows with the energy usage. The use of variable speed drives will keep the power use at optimum power factor there by keeping power use at the highest efficiency. Then the discussion segwayed to proper implementation of maintenance to be timely and effective to keep electric motor drives running with minimum slip.

My afternoon session was an Introduction to Water and Sewer Infrastructure, Operations and Maintenance; this was a 4 hour session which I did not know started from Sunday and ran 3 days until the 16th. So this session focused on the wastewater operations which includes the user, connected to a sewer collections system that send the sewer to the treatment plants. They discussed the various types of processing options available in the industry and the resultant end uses for wastewater and sludge. The previous day was about Water systems which deliver the potable water to the consumer, source, treatment and distribution.
June 13 – My morning session included a facility tour of the Brandywine Microfiltration Water Treatment Plant in Wilmington Delaware. The plant is a membrane plant which is the prime supply of potable water for the City of Wilmington. The plant is fully automated much like the Waiahi Surface Water Plant but if I remember correctly double the capacity. What stands out about this plant is the excellent maintenance of the facility, outstanding, no water leaks at all from any of the valves, fittings, pump shafts etc. Nothing!

My afternoon session was a workshop the continuation for the previous day workshop, Financing Your Water and Sewer Utility for the Future, the focus of discussion was to build financially sustainable utilities through capital improvement planning, budgeting, and utility finance. The one common theme was that everyone as an aging infrastructure and identifying your utility needs via a computerized maintenance management system is paramount towards acquiring the best information in order to plan for your financial needs. The old and true garbage in garbage out issue, your information is only as good as your source.

June 14 - The final day of the conference morning session attended was Strategic Planning and Financial Risk Assessment, the focus was on developing strategic plans which included how to develop the plan and implement the plan. Case studies brought forward was a case that a new manager took over a system which had no direction and was just operating month to month, had seen multiple managers over the years and when he was hired created the systems first strategic plan outlined where he was and what was needed to improve the system and become financially sustainable. There were 3 case studies of similar instance where a new manager took a system over and basically started from scratch to create strategic plans which provided direction for improvement of services and financial sustainability.

The balance of my time of the conference was walking the floor of the exhibition hall looking at the various different exhibits and suppliers. It is mind boggling how many vendors are out there all selling the same goods just with different names. What rises to the surface is the ongoing service that the particular vendor product will support after you purchase long after the product is installed.
H. NEW BUSINESS

2. Discussion and Possible Action by the Board to create an Audit Committee for the Scope of the Procurement on a Performance Audit for Professional Services for the Department of Water
MANAGER’S REPORT No. 18-54

July 28, 2017

Re: Discussion and Possible Action to approve the Request for State Lands – Application Form to obtain a Right of Entry for construction related purposes on TMK: (4) 1-9-05:007, WP2020 No. HE-10 Reorganize Water System: Hanapepe Road 6-Inch Main Replacement Hanapēpē -‘Ele‘ele Water System project, Hanapēpē, Kaua‘i, Hawai‘i

RECOMMENDATION:
It is recommended that the Board approve the Request for State Lands – Application Form to obtain a Right of Entry (ROE) from the State Department of Land and Natural Resources (DLNR) for construction related purposes on TMK: (4) 1-9-05:007.

FUNDING: N/A

BACKGROUND:
The County of Kauai, Department of Water is proposing to replace aging water mains along Hanapēpē Road between Moi Road and Kona Road with our upcoming Reorganize Water System: Pipeline Connecting Hanapēpē and ‘Ele‘ele Project. This project has been identified in our Water Plan 2020 and will improve our water system’s reliability, service, and fire-flow capacity. The project is funded by the Kaua‘i Department of Water and State of Hawaiian.

As part of the project, we will be reconnecting water meter services and relocating water meters per the DOW’s Water System Standards. The location of the water meter servicing the subject property is currently located within private property. However, per Water System Standards, water meters are to be located within County right-of-way whenever possible. In order to legally enter onto the property to relocate the existing water meter and reconnect the plumbing from the property to the County’s right of way, the DOW and its contractors are required to obtain a ROE from the landowner.

The subject property is owned by the State of Hawaiian and the Department is working with the State Department of Land and Natural Resources (DLNR) to obtain the necessary right of entry to perform the work. Upon approval of the subject request, the DOW will proceed with applying for a ROE from the DLNR and a Manager’s Report will be submitted to the Board for approval of the subsequent ROE at a future Board meeting.

OPTIONS:

Option 1: Approve the submittal of the Request for State Land – Application Form.

Pro: This will allow the DOW to begin the ROE with DLNR to obtain rights to construct the improvements within the affected property.

Con: None.
Option 2: Do not approve the submittal of the Request for State Land – Application Form.

Pro: None.

Con: Not approving the submittal of the Request for State Land – Application Form would prevent DOW from acquiring rights to construct proposed improvements within the property.

Respectfully submitted,

Keith Aoki, P.E.
Engineering Division

CONCURRED:

Kirk Saiki, P.E.
Manager and Chief Engineer

Attachments: Request for State Lands Application Form
Exhibit 1

Mgrp/July 2017/18-54/ Discussion and Possible Action to approve the Request for State Lands – Application Form to obtain a Right of Entry for construction related purposes on TMK: (4) 1-9-05:007, WP2020 No. HE-10 Reorganize Water System: Hanapepe Road 6-Inch Main Replacement Hanapēpē -‘Ele’ele Water System project, Hanapēpē, Kaua‘i, Hawai‘i (7-28-17):ein
This Application Form is for government agencies requesting State lands under the jurisdiction of the Department of Land and Natural Resources for the following categories:

- Governor's Executive Order
- Consent to lease
- Right-of-Entry
- Grant of Easement
- Month-to-Month Revocable Permit
- Direct Lease
- Direct Land License
- Fee Conveyance via Land Patent Grant, Deed or Quitclaim Deed

NOTE: This application form is not to be used for the acquisition of private properties or land exchanges or requesting technical services from Land Division.

Please note the following important points:

1) The use of State lands triggers the environmental assessment requirements of Chapter 343, HRS. Please contact the Office of Environmental Quality Control for their opinion of whether an environmental assessment is required and the process to be followed. Phone number: (808) 586-4185. Website: http://www.state.hi.us/health/oeqc/index.html

2) You are responsible for contacting the appropriate agencies to verify that your proposed project has complied with all applicable zoning and permitting laws and regulations (e.g., State Land Use classification, Special Management Area, County General Plan, etc.).

3) You are responsible for processing and obtaining subdivision approval from the respective County Planning Department, and providing our office with survey maps and descriptions according to State DAGS standards.

All applications must be complete to be considered for processing. Please submit one completed application form with a cover letter or memorandum addressed to the Director of the Department of Land and Natural Resources, P.O. Box 621, Honolulu, Hawaii 96809. A copy of the application form and cover letter or memorandum can be submitted to our office in your county:

Oahu District Branch
1151 Punchbowl Street, Room 220
Honolulu, Hawaii 96813
Phone: (808) 587-0433; Fax: (808) 587-0455

Maui District Branch
54 High Street, Room 101
Wailuku, Hawaii 96793
Phone: (808) 984-8103; Fax: (808) 984-8111

Hawaii District Branch
75 Aupuni Street, Room 204
Hilo, Hawaii 96720
Phone: (808) 974-6203; Fax: (808) 974-6222

Kauai District Branch
3060 Eiwa Street, Room 205A
Lihue, Hawaii 96766
Phone: (808) 274-3491; Fax: (808) 241-3537
I. APPLICANT

Should a land disposition result from your application, the following information will be used in the preparation of the legal documents. Therefore, please include all applicable, full legal agency names and addresses.

Applicant name(s): Department of Water, County of Kauai
Government Agency Name

Mailing address: 4398 Pua Loke Street
No. and Street
Lihue HI 96766
City State Zip Code

Please provide contact information for the staff or other person processing this request.

Name: Saiki Kirk
Last Name First Name

Mailing address: 4398 Pua Loke Street
No. and Street
Lihue HI 96766
City State Zip Code

Phone numbers: (808)245-5408 (808)245-5813 ksaiki@kauaiwater.org
Office Fax E-mail address

II. TYPE OF REQUEST

☐ Governor's executive order (public purposes)
☐ Consent to lease (lands under Governor's executive order)
☒ Right-of-entry (right to temporarily enter onto State lands for a specific purpose)
  Date(s), if appropriate: ____________________________________________
☐ Grant of easement (access, utility, seawall, etc.)
☐ Month-to-month revocable permit (temporary use of State lands for a specific purpose)
☐ Direct lease (long term use of State lands for a specific purpose)
☐ Direct land license (removal of timber, soil, sand, gravel, stone, etc.)
☐ Fee conveyance
Is this request being made to resolve an encroachment or other violation?  ☒ Yes  ☐ No

If yes, explain:  The water meter box servicing the parcel will be relocated from within the private property to within the County Right-of-Way.

III. LOCATION AND AREA
If your request pertains to a specific parcel, please specify below.

Island:  ☒ Kauai  ☐ Molokai  ☐ Maui

Town:  Hanapepe  Tax Map Key:  (4) 1-9-05:007

Area:  6,873  ☒ acres  ☐ sq.ft.(select one)

County Zoning:  Commercial

State Land Use:  ☐ Agricultural  ☐ Rural  ☐ Conservation  ☒ Urban

Is property located in a Special Management Area?  ☐ Yes  ☒ No

IV. USE

A. Fully describe your proposed use of the public lands: The Department of Water will be replacing an existing water line and service lateral along Hanapepe Road fronting the State parcel. The Department will need to enter the State parcel to reconnect the parcel's existing plumbing to the new water lateral, including removal of the existing water meter box and cover, including ground restoration in order to provide continued water service.

B. Attach a location map showing a preliminary sketch or plot plan of your proposed project in relation to the tax maps.

See Exhibit 2
C. Describe any improvements you intend to place on the land and the availability of funding for such improvements: New copper pipe and appropriate fittings needed to reconnect the existing plumbing to the new water lateral will be placed within the parcel. Improvements will be constructed using Department of Water construction funds budgeted for this project.

D. If constructing improvements, attach a Plan of Development showing improvements to be constructed and their location on the public lands including a timeframe for construction.

E. Is it your opinion that an environmental assessment is required? ☒ Yes ☐ No
   If no, identify exemption: 
   If yes, describe completion of EA/EIS: An EA for this project was completed in December 2016.

F. Describe what other permits or approvals are required for this use and whether you have obtained such permits or approvals: None required for Right-of-Entry.

G. Consent to Lease. Attach a copy of the draft lease document.
   Name of lessee: N/A
   Leased area: ______ acres, more or less.
   Lease character of use: ______ purposes
   Lease term: ______ years, commencing ______ and expiring on ______.
   Lease rent amount: $_______ per annum.
V. CERTIFICATION

I/We hereby certify that the statements and information contained in this application, including all attachments, are true and accurate to the best of my/our knowledge and understand that if any statements are shown to be false or misrepresented, this application may be rejected or my/our lease/permit/agreement may be cancelled.

Sherman Shiraishi
Printed Name

X
Signature

Printed Name

X
Signature

Date
<table>
<thead>
<tr>
<th>For DLNR Use Only:</th>
<th>TO CLOSE FUTURE TENANT:</th>
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<td>Reason for closing:</td>
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<td>Approved by DLA:</td>
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<td>Date request closed:</td>
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</tbody>
</table>
HANAPÊPE 6-INCH MAIN REPLACEMENT
HANAPÊPE AND ‘ELE‘ELE WATER SYSTEM

PMO 12-INCH WATER LINE

RIGHT OF ENTRY FOR CONSTRUCTION PURPOSES
(AREA = 125 SQ FT)

TMK: 1-9-05:007
STATE OF HAWAII

EXHIBIT

PROPOSED RIGHT-OF-ENTRY TMK: 1-9-05:007
MANAGER’S REPORT No. 18-55

July 28, 2017

Re: Discussion and Possible Action to approve the Request for State Lands – Application Form to obtain a Right of Entry for construction related purposes on TMK: (4) 1-9-05:049, WP2020 No. HE-10 Reorganize Water System: Hanapēpē Road 6-Inch Main Replacement, Hanapēpē-‘Ele’ele Water System project, Hanapēpē, Kaua‘i, Hawai‘i

RECOMMENDATION:
It is recommended that the Board approve the Request for State Lands – Application Form to obtain a Right of Entry (ROE) from the State Department of Land and Natural Resources (DLNR) for construction related purposes on TMK: (4) 1-9-05:049.

FUNDING: N/A

BACKGROUND:
The County of Kauai, Department of Water is proposing to replace aging water mains along Hanapēpē Road between Moi Road and Kona Road with our upcoming Reorganize Water System: Pipeline Connecting Hanapēpē and ‘Ele’ele Project. This project has been identified in our Water Plan 2020 and will improve our water system’s reliability, service, and fire-flow capacity. The project is funded by the Kaua‘i Department of Water and State of Hawai‘i.

As part of the project, we will be reconnecting water meter services and relocating water meters per the DOW’s Water System Standards. The location of the water meter servicing the subject property is currently located within private property. However, per Water System Standards, water meters are to be located within County right-of-way whenever possible. In order to legally enter onto the property to relocate the existing water meter and reconnect the plumbing from the property to the County’s right of way, the DOW and its contractors are required to obtain a ROE from the landowner.

The subject property is owned by the State of Hawai‘i and the Department is working with the State Department of Land and Natural Resources (DLNR) to obtain the necessary right of entry to perform the work. Upon approval of the subject request, the DOW will proceed with applying for a ROE from the DLNR and a Manager’s Report will be submitted to the Board for approval of the subsequent ROE at a future Board meeting.

OPTIONS:

Option 1: Approve the submittal of the Request for State Land – Application Form.
Pro: This will allow the DOW to begin the ROE with DLNR to obtain rights to construct the improvements within the affected property.
Con: None.
Option 2: Do not approve the submittal of the Request for State Land – Application Form.
Pro: None.

Con: Not approving the submittal of the Request for State Land – Application Form would prevent DOW from acquiring rights to construct proposed improvements within the property.

Respectfully submitted,

Keith Aoki, P.E.
Engineering Division

CONCURRED:

Kirk Saiki, P.E.
Manager and Chief Engineer

Attachments: Request for State Lands – Application Form
Exhibit 1

Mgrrp/July 2017/18-55/Discussion and Possible Action to approve the Request for State Lands – Application Form to obtain a Right of Entry for construction related purposes on TMK: (4) 1-9-05:049, WP2020 No. HE-10 Reorganize Water System: Hanapēpē Road 6-Inch Main Replacement, Hanapēpē-'Ele'ele Water System project, Hanapēpē, Kaua'i, Hawai'i (7-28-17)
REQUEST FOR STATE LANDS – APPLICATION FORM
(Government Agencies)

This Application Form is for government agencies requesting State lands under the jurisdiction of the Department of Land and Natural Resources for the following categories:

- Governor's Executive Order
- Consent to lease
- Right-of-Entry
- Grant of Easement
- Month-to-Month Revocable Permit
- Direct Lease
- Direct Land License
- Fee Conveyance via Land Patent Grant, Deed or Quitclaim Deed

NOTE: This application form is not to be used for the acquisition of private properties or land exchanges or requesting technical services from Land Division.

Please note the following important points:

1) The use of State lands triggers the environmental assessment requirements of Chapter 343, HRS. Please contact the Office of Environmental Quality Control for their opinion of whether an environmental assessment is required and the process to be followed. Phone number: (808) 586-4185. Website: http://www.state.hi.us/health/oeqc/index.html

2) You are responsible for contacting the appropriate agencies to verify that your proposed project has complied with all applicable zoning and permitting laws and regulations (e.g., State Land Use classification, Special Management Area, County General Plan, etc.).

3) You are responsible for processing and obtaining subdivision approval from the respective County Planning Department, and providing our office with survey maps and descriptions according to State DAGS standards.

All applications must be complete to be considered for processing. Please submit one completed application form with a cover letter or memorandum addressed to the Director of the Department of Land and Natural Resources, P.O. Box 621, Honolulu, Hawaii 96809. A copy of the application form and cover letter or memorandum can be submitted to our office in your county:

Oahu District Branch
1151 Punchbowl Street, Room 220
Honolulu, Hawaii 96813
Phone: (808) 587-0433; Fax: (808) 587-0455

Maui District Branch
54 High Street, Room 101
Wailuku, Hawaii 96793
Phone: (808) 984-8103; Fax: (808) 984-8111

Hawaii District Branch
75 Aupuni Street, Room 204
Hilo, Hawaii 96720
Phone: (808) 974-6203; Fax: (808) 974-6222

Kauai District Branch
3060 Eiwa Street, Room 205A
Lihue, Hawaii 96766
Phone: (808) 274-3491; Fax: (808) 241-3537
I. **APPLICANT**

Should a land disposition result from your application, the following information will be used in the preparation of the legal documents. Therefore, please include all applicable, full legal agency names and addresses.

Applicant name(s): Department of Water, County of Kauai

Mailing address: 4398 Pua Loke Street

<table>
<thead>
<tr>
<th>No. and Street</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Lihue</td>
<td>HI</td>
<td>96766</td>
</tr>
</tbody>
</table>

Please provide contact information for the staff or other person processing this request.

Name: Saiki Kirk

Mailing address: 4398 Pua Loke Street

<table>
<thead>
<tr>
<th>No. and Street</th>
<th>City</th>
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Phone numbers: (808)245-5408 (808)245-5813 ksaiki@kauaiwater.org

II. **TYPE OF REQUEST**

- ☐ Governor's executive order (public purposes)
- ☐ Consent to lease (lands under Governor's executive order)
- ☑ Right-of-entry (right to temporarily enter onto State lands for a specific purpose)
  - Date(s), if appropriate: 
- ☐ Grant of easement (access, utility, seawall, etc.)
- ☐ Month-to-month revocable permit (temporary use of State lands for a specific purpose)
- ☐ Direct lease (long term use of State lands for a specific purpose)
- ☐ Direct land license (removal of timber, soil, sand, gravel, stone, etc.)
- ☐ Fee conveyance
Is this request being made to resolve an encroachment or other violation? ☒ Yes ☐ No

If yes, explain: The water meter box servicing the parcel will be relocated from within the private property to within the County Right-of-Way.

III. LOCATION AND AREA
If your request pertains to a specific parcel, please specify below.

Island: ☐ Oahu ☒ Kauai ☐ Molokai
☐ Hawaii ☐ Maui

town: Hanapepe Tax Map Key: (4) 1-9-05:049

Area: 19,672 ☐ acres ☒ sq.ft.(select one)

County Zoning: Commercial

State Land Use: ☐ Agricultural ☐ Rural ☐ Conservation ☒ Urban

Is property located in a Special Management Area? ☐ Yes ☒ No

IV. USE

A. Fully describe your proposed use of the public lands: The Department of Water will be replacing an existing water line and service lateral along Hanapepe Road fronting the State parcel. The Department will need to enter the State parcel to reconnect the parcel's existing plumbing to the new water lateral, including removal of the existing meter box and cover, in order to provide continued water service. Portions of the existing sidewalk and asphalt pavement will need to be sawcut and removed to install the connection. After the connection is made, the sidewalk and pavement will be restored to its original condition or better.

B. Attach a location map showing a preliminary sketch or plot plan of your proposed project in relation to the tax maps.

See Exhibit 2
C. Describe any improvements you intend to place on the land and the availability of funding for such improvements: New copper pipe and appropriate fittings needed to reconnect the existing plumbing to the new water lateral will be placed within the parcel. Improvements will be constructed using Department of Water construction funds budgeted for this project.

D. If constructing improvements, attach a Plan of Development showing improvements to be constructed and their location on the public lands including a timeframe for construction.

E. Is it your opinion that an environmental assessment is required? ☒ Yes ☐ No

If no, identify exemption: ________________________________________________________

If yes, describe completion of EA/EIS: An EA for this project was completed in December 2016.

F. Describe what other permits or approvals are required for this use and whether you have obtained such permits or approvals: None required for Right-of-Entry.

G. Consent to Lease. Attach a copy of the draft lease document.

Name of lessee: N/A

Leased area: _______ acres, more or less.

Lease character of use: _______ purposes

Lease term: _______ years, commencing _______ and expiring on _______.

Lease rent amount: $_______ per annum.
V. CERTIFICATION

I/We hereby certify that the statements and information contained in this application, including all attachments, are true and accurate to the best of my/our knowledge and understand that if any statements are shown to be false or misrepresented, this application may be rejected or my/our lease/permit/agreement may be cancelled.

Sherman Shiraishi
Printed Name

X
Signature

X
Signature

Date

Printed Name
TO CLOSE FUTURE TENANT:

Reason for closing: ____________________________________________________________
___________________________________________________________________________
___________________________________________________________________________

Approved by DLA: __________________________
Date request closed: ______________________
NEW 12-INCH WATER LINE

HANAPEPE ROAD (COUNTY)

TMK: 1-9-05:049
STATE OF HAWAII

RIGHT OF ENTRY FOR CONSTRUCTION PURPOSES
(AREA = 500 SQ FT)

PROPOSED RIGHT-OF-ENTRY TMK: 1-9-05:049

HANAPÊPE 6-INCH MAIN REPLACEMENT
HANAPÊPE AND 'ELE'ELE WATER SYSTEM

EXHIBIT 2
MANAGER’S REPORT No. 18-56

July 28, 2017

Re: Discussion and Possible Action to approve the Request for State Lands – Application Form to obtain a Right of Entry for construction related purposes on TMK: (4) 1-9-10:037, WP2020 No. HE-10 Reorganize Water System: Hanapēpē Road 6-Inch Main Replacement Hanapēpē-‘Ele‘ele Water System project, Hanapēpē, Kaua‘i, Hawai‘i

RECOMMENDATION:
It is recommended that the Board approve the Request for State Lands – Application Form to obtain a Right of Entry (ROE) from the State Department of Land and Natural Resources (DLNR) for construction related purposes on TMK: (4) 1-9-10:037.

FUNDING: N/A.

BACKGROUND:
The County of Kauai, Department of Water is proposing to replace aging water mains along Hanapēpē Road between Moi Road and Kona Road with our upcoming Reorganize Water System: Pipeline Connecting Hanapēpē and ‘Ele‘ele Project. This project has been identified in our Water Plan 2020 and will improve our water system’s reliability, service, and fire-flow capacity. The project is funded by the Kaua‘i Department of Water and State of Hawai‘i.

As part of the project, we will be reconnecting water meter services and relocating water meters per the DOW’s Water System Standards. The DOW and its contractors are required to obtain a Right of Entry from the landowner to reconnect new water meter service to private plumbing located on the subject property.

The subject property is owned by the State of Hawai‘i and the Department is working with the State Department of Land and Natural Resources (DLNR) to obtain the necessary right of entry to perform the work. Upon approval of the subject request, the DOW will proceed with applying for a ROE from the DLNR and a Manager’s Report will be submitted to the Board for approval of the subsequent ROE at a future Board meeting.

OPTIONS:

Option 1: Approve the submittal of the Request for State Land – Application Form.
Pro: This will allow the DOW to begin the ROE with DLNR to obtain rights to construct the improvements within the affected property.
Con: None.

Option 2: Do not approve the submittal of the Request for State Land – Application Form.
Pro: None.
Con: Not approving the submittal of the Request for State Land – Application Form would prevent DOW from acquiring rights to construct proposed improvements within the property.
Respectfully submitted,

Keith Aoki, P.E.
Engineering Division

CONCURRED:

Kirk Saiki, P.E.
Manager and Chief Engineer

Attachments: Request for State Lands – Application Form
Exhibit 1

Mgrp/July 2017/18-56/Discussion and Possible Action to approve the Request for State Lands – Application Form to obtain a Right of Entry for construction related purposes on TMK: (4) 1-9-10:037, WP2020 No. HE-10 Reorganize Water System: Hanapēpē Road 6-Inch Main Replacement Hanapēpē-'Ele'ele Water System project, Hanapēpē, Kaua‘i, Hawai‘i (7-28-17)
State of Hawaii  
Department of Land and Natural Resources  
Land Division  

REQUEST FOR STATE LANDS – APPLICATION FORM  
(Government Agencies)

This Application Form is for government agencies requesting State lands under the jurisdiction of the Department of Land and Natural Resources for the following categories:

- Governor's Executive Order
- Consent to lease
- Right-of-Entry
- Grant of Easement
- Month-to-Month Revocable Permit
- Direct Lease
- Direct Land License
- Fee Conveyance via Land Patent Grant, Deed or Quitclaim Deed

NOTE: This application form is not to be used for the acquisition of private properties or land exchanges or requesting technical services from Land Division.

Please note the following important points:

1) The use of State lands triggers the environmental assessment requirements of Chapter 343, HRS. Please contact the Office of Environmental Quality Control for their opinion of whether an environmental assessment is required and the process to be followed. Phone number: (808) 586-4185. Website: http://www.state.hi.us/health/oeqc/index.html

2) You are responsible for contacting the appropriate agencies to verify that your proposed project has complied with all applicable zoning and permitting laws and regulations (e.g., State Land Use classification, Special Management Area, County General Plan, etc.).

3) You are responsible for processing and obtaining subdivision approval from the respective County Planning Department, and providing our office with survey maps and descriptions according to State DABS standards.

All applications must be complete to be considered for processing. Please submit one completed application form with a cover letter or memorandum addressed to the Director of the Department of Land and Natural Resources, P.O. Box 621, Honolulu, Hawaii 96809. A copy of the application form and cover letter or memorandum can be submitted to our office in your county:

Oahu District Branch  
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Honolulu, Hawaii 96813  
Phone: (808) 587-0433; Fax: (808) 587-0455

Maui District Branch  
54 High Street, Room 101  
Wailuku, Hawaii 96793  
Phone: (808) 984-8103; Fax: (808) 984-8111

Hawaii District Branch  
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Hilo, Hawaii 96720  
Phone: (808) 974-6203; Fax: (808) 974-6222

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I. APPLICANT

Should a land disposition result from your application, the following information will be used in the preparation of the legal documents. Therefore, please include all applicable, full legal agency names and addresses.

Applicant name(s): Department of Water, County of Kauai

Mailing address: 4398 Pua Loke Street

Name: Saiki Kirk

Mailing address: 4398 Pua Loke Street

Phone numbers: (808)245-5408 (808)245-5813 ksaiki@kauaiwater.org

II. TYPE OF REQUEST

☐ Governor's executive order (public purposes)
☐ Consent to lease (lands under Governor's executive order)
☒ Right-of-entry (right to temporarily enter onto State lands for a specific purpose)
  Date(s), if appropriate: ______________________
☐ Grant of easement (access, utility, seawall, etc.)
☐ Month-to-month revocable permit (temporary use of State lands for a specific purpose)
☐ Direct lease (long term use of State lands for a specific purpose)
☐ Direct land license (removal of timber, soil, sand, gravel, stone, etc.)
☐ Fee conveyance
Is this request being made to resolve an encroachment or other violation?  □ Yes  ☒ No

If yes, explain: ________________________________________________________________

III. LOCATION AND AREA
If your request pertains to a specific parcel, please specify below.

Island:  □ Oahu  ☒ Kauai  □ Molokai
         □ Hawaii  □ Maui

Town:  Hanapepe  Tax Map Key:  (4) 1-9-10:037

Area:  16,855  □ acres  ☒ sq.ft. (select one)

County Zoning: Commercial

State Land Use:  □ Agricultural  □ Rural  □ Conservation  ☒ Urban

Is property located in a Special Management Area?  □ Yes  ☒ No

IV. USE

A. Fully describe your proposed use of the public lands: The Department of Water will be replacing an existing water line and service lateral along Hanapepe Road fronting the State parcel. The Department will need to enter the State parcel to reconnect the parcel's existing plumbing to the new water lateral, in order to provide continued water service.

..............................................................................................................................

..............................................................................................................................

B. Attach a location map showing a preliminary sketch or plot plan of your proposed project in relation to the tax maps.

See Exhibit 2
C. Describe any improvements you intend to place on the land and the availability of funding for such improvements: New copper pipe and appropriate fittings needed to reconnect the existing plumbing to the new water lateral will be placed within the parcel. Improvements will be constructed using Department of Water construction funds budgeted for this project.

D. If constructing improvements, attach a Plan of Development showing improvements to be constructed and their location on the public lands including a timeframe for construction.

E. Is it your opinion that an environmental assessment is required? ☒ Yes ☐ No
   If no, identify exemption: _____________________________________________
   If yes, describe completion of EA/EIS: An EA for this project was completed in December 2016.

F. Describe what other permits or approvals are required for this use and whether you have obtained such permits or approvals: _____________________________________________

G. Consent to Lease. Attach a copy of the draft lease document.
   Name of lessee: N/A
   Leased area: _______ acres, more or less.
   Lease character of use: ________ purposes
   Lease term: _______ years, commencing _______ and expiring on _______.
   Lease rent amount: $_______ per annum.
V. CERTIFICATION

I/We hereby certify that the statements and information contained in this application, including all attachments, are true and accurate to the best of my/our knowledge and understand that if any statements are shown to be false or misrepresented, this application may be rejected or my/our lease/permit/agreement may be cancelled.

Sherman Shiraishi
Printed Name

X
Signature

Printed Name

X
Signature

Date
For DLNR Use Only:  

TO CLOSE FUTURE TENANT:

Reason for closing: 


Approved by DLA: 


Date request closed: 


HANAPÊPE 6-INCH MAIN REPLACEMENT
HANAPÊPE AND ‘ELE‘ELE WATER SYSTEM

PROPOSED RIGHT-OF-ENTRY TMK: 1-9-10:037

EXHIBIT

2
MANAGER’S REPORT No. 18-57

July 28, 2017

Re: Discussion and Possible Action for the Board of Water Supply (Board) to join in the Petition for Subdivision, Designation of Restriction of Access Rights, and Cancellation of Portions of Easement and Easements; Joinders, Land Court of the State of Hawaii Application No. 1087, Puhi, Kaua‘i, Hawai‘i

RECOMMENDATION:
It is recommended that the Board join in and sign the Petition for Subdivision, Designation of Restriction of Access Rights, and Cancellation of Portions of Easement and Easements; Joinders, Land Court of the State of Hawaii Application No. 1087.

FUNDING: N/A.

BACKGROUND:
The State Department of Transportation Highways Division (DOT) “Kaumuali‘i Highway Widening, Vicinity of Anonui Street to the Vicinity of the Līhu‘e Mill Bridge” project required the State to obtain land from the University of Hawaii’s Kauai Community College property (UH) to accommodate the widening of the highway in the area. To obtain the land from UH, the property was subdivided through County subdivision S-2007-01. The State is trying to acquire two of the lots created from the subdivision, Lots 445-A-1-B and 445-A-3-B for the highway widening.

The DOT conveyed in an undated letter to and received by the Department of Water (DOW) on October 30, 2015, that it is the State’s Policy to acquire the property (lots from UH) for highway purposes free and clear of any and all liens and/or encumbrances. The DOW has water facilities located within easement 115 that is an encumbrance on the lots that the State is trying to acquire from UH. The State has requested that the DOW join/agree to the subject Petition to remove the easement encumbrance on Lots 445-A-1-B and 445-A-3-B.

Applicable to the Board:
In the Petition, the Board is specifically agreeing to the cancellation of the portion of Easement 115 (DOW) water facilities located in easement 115 affecting Lot 445-A-1-B.

If the Board joins the Petition:
The State will send a Partial Release of Easement document to the Department for Board execution once the Petition has been filed and recorded with the Bureau of Conveyances. The State is proposing to replace the released portion of the easement with a Use and Occupancy Agreement (UOA).

The Department will submit an updated Manager’s Report to the Board at future Board meetings for Board consideration of approving the Partial Release of Easement and subsequent UOA that the State will send to the Department.
OPTIONS:

Option 1: Join in the subject Petition.
Pros: This will allow the State to obtain the highway widening lots from UH in accordance with their State Policy referenced in this report.

Cons:
1. The DOW may be without legal rights to have water facilities located in Lots 445-A-1-B and 445-A-3-B between the time period after the easement is cancelled and the completion of the UOA.
2. The Board will be subject to the conditions of the UOA when the UOA is completed.

Option 2: Do not join the subject Petition.
Pros: The DOW will not need to enter into a UOA for the water facilities located in the easement if the easement is not cancelled.

Cons:
1. It is not known how this option would affect the State’s highway widening project.
2. It is not known how this option may affect DOW facilities located in the State ROW.

Respectively submitted,

Keith Aoki, P.E.
Engineering Division

CONCURRED:

Kirk Saiki, P.E.
Manager and Chief Engineer

KA/ein

Attachments: Petition for Subdivision, Designation of Restriction of Access Rights, and Cancellation of Portions of Easement and easements; Joinders, Correspondence from Jaime K. Yamashiro, DLNR regarding Kaumualii’i Highway Widening, dated October 27, 2015 Land Court Application 1087
IN THE LAND COURT OF THE STATE OF HAWAII

In the Matter of the Application of

GROVE FARM COMPANY, LIMITED

Application No. 1087
L.D. Case No. _____

to register title to land situated at
Haiku, District of Lihue,
Island and County of Kauai,
State of Hawaii.

PETITION FOR SUBDIVISION, DESIGNATION OF EASEMENTS, DESIGNATION OF
RESTRICTION OF ACCESS RIGHTS, AND CANCELLATION OF PORTIONS OF
EASEMENTS AND EASEMENTS; JOINDERS

DOUGLAS S. CHIN 6465
Attorney General
State of Hawaii

FAWN Y.J. YAMADA 6161
Deputy Attorney General
Room 300, Kekuanao'a Bldg.
465 South King Street
Honolulu, Hawaii 96813
Tel. No. 587-2994

Attorneys for Petitioner
STATE OF HAWAII

Reflected to the Surveyor of the State for check and report. Map filed herewith. Transfer Certificate of Title Nos. 168,002 and 428,387 are at the Bureau.

_____ white prints requested.

BY ORDER OF THE COURT

Registrar
IN THE LAND COURT OF THE STATE OF HAWAII

In the Matter of the Application of

GROVE FARM COMPANY, LIMITED

to register title to land situate at
Haiku, District of Lihue,
Island and County of Kauai
State of Hawaii

Application No. 1087
L.D. Case No. ___

PETITION FOR SUBDIVISION, DESIGNATION OF BASEMENTS, DESIGNATION OF RESTRICTION OF ACCESS RIGHTS, AND CANCELLATION OF PORTIONS OF BASEMENTS AND EASEMENTS; JOINERS

TO THE HONORABLE PRESIDING JUDGE OF THE LAND COURT OF THE STATE OF HAWAII:

Comes now Petitioner, the STATE OF HAWAII, by its Director of Transportation, whose address is 869 Punchbowl Street, Honolulu, Hawaii 96813, as party in interest in lands designated as Lots 445-A-1 and 445-A-3, as shown on Map 51 of Land Court Application 1087, being the land described in and covered respectively by Transfer Certificate of Title Nos. 168,802 and 428,387 issued to the UNIVERSITY OF HAWAII, a body corporate, whose address is 2244 Dole Street, Honolulu, Hawaii 96822, ("Owner") of said land, and petitions the court as follows:

A. Land Court Map

Petitioner files this Petition with a tracing ("Map") that shows the following:

B. **Designation of Easements**

1. Basements "___" and "___" for drainage purposes affecting Lot 445-A-1-A as shown on Map ____.

2. Basement "___" for drainage purposes affecting Lot 445-A-3-A as shown on Map ____.

C. **Designation of Restriction of Access Rights**

1. Lots 445-A-1-A and 445-A-3-A will have direct access to the Kaumualii Highway (STP-050-1(26)), a public road, and designation of restriction of access rights as shown on Map ____.

D. **Cancellation of Portions of Easements and Easements**

1. That certain portion of Easement 81 for ditch and reservoir purposes and Easement 82 for ditch purposes as shown on Map 51, Land Court Order No. 37170, affecting Lot 445-A-3-B as shown on Map ____ be cancelled and no other than the Owner has any right, title or interest therein. The Owner hereby agrees to the cancellation of portion of said Easements 81 and 82.

2. That a certain portion of Easement 449 as shown on Map 129, Land Court Order No. 121856, affecting Lot 445-A-1-B as shown on Map ____ be cancelled, and no one other than the Owner has any right, title or interest therein. The Owner hereby agrees to the cancellation of portion of said Easement 449.

3. That a certain portion of Easement 115 as shown on Map 72, Land Court Order No. 60107, affecting Lot 445-A-1-B as shown on Map ____ be cancelled and no one other than the Owner, Kauai Island Utility Cooperative, a consumer cooperative association formed pursuant to the provisions of Chapter 421C, Hawaii Revised Statutes, successor in interest, Hawaiian Telcom, Inc., a Hawaii corporation, successor in interest, and the Board of Water Supply, County of Kauai has any right, title or interest therein. The Owner and the Kauai Island Utility Cooperative, a consumer cooperative association formed pursuant to the provisions of Chapter 421C, Hawaii Revised
Statutes, successor in interest, Hawaiian Telcom, Inc., a Hawaii corporation, and the Board of Water Supply, County of Kauai agree to the cancellation of portion of said Easements 110.

4. That Easements 110, 111, 112 and 114 as shown on Map 72, Land Court Order No. 60107, affecting Lot 445-A-1-B as shown on Map _____ be cancelled, and no one other than the Owner has any right, title or interest therein. The Owner hereby agrees to the cancellation of portion of said Easements 110, 111, 112 and 114.

E. Encumbrances

See Exhibit "A" for Statement of Encumbrances.

F. Approval

Said Map filed herewith was approved by the Department of Planning, County of Kauai as evidenced by the endorsement of said Office on the Map, recertified on May 12, 2015.

Lots 445-A-1-B and 445-A-3-B are required by the State of Hawaii for a public purpose, to wit: the construction, preservation and protection of Kaumualii Highway Widening, Lihue to West of Maluhia Road, Phase 1 Lihue to West of Kipu Road, FAP No. STP-050-1(26), District of Lihue, Island and County of Kauai, State of Hawaii.

This Petition for Subdivision, Designation of Easements, Designation of Restriction of Access Rights, and Cancellation of Portions of Easements and Easements affecting Lots 445-A-1 and 445-A-3 as shown on Map 51 is being initiated by Petitioner upon the request of said Owner and is limited for this petition for subdivision, designation of easements, designation of restriction of access rights, and cancellation of portions of easements and easements and any return and/or amended return of the State Land Surveyor.

WHEREFORE, Petitioner prays as follows:

1. That this Petition and said Map filed herewith be examined and, if found true and correct, that an Order issue approving this Petition and approving and authorizing said Map;

2. That an Order issue approving and authorizing the subdivision, designation of easements, designation of restriction of access rights, and cancellation of portions of easements and easements; and directing the Assistant Registrar of this Court to note and endorse the subdivision,
designation of easements, designation of restriction of access rights and cancellation of portions of
easements and easements on Transfer Certificate of Title Nos. 168,802 and 428,387 a reference to
said map in accordance with Chapter 501, Hawaii Revised Statutes, or any amendments thereto.

This instrument may be executed in two or more counterparts, and when all
counterparts have been executed, each counterpart shall be considered an original, but when
assembled shall constitute one and the same instrument, and shall have the same force and effect as
though all the signatories had executed a single instrument. Any unexecuted duplicate pages may be
omitted from the assembled original document.

(Signature Page follows)
DATED: Honolulu, Hawaii, ______________, 20__

DEPARTMENT OF TRANSPORTATION

By ____________________________
FORD N. FUCHIGAMI
Its Director of Transportation

APPROVED AS TO FORM:

By ____________________________
FAWN Y. J. YAMADA
Deputy Attorney General

Dated: ____________________________

PETITION FOR SUBDIVISION, DESIGNATION OF EASEMENTS, DELETION OF EASEMENTS
DESIGNATION OF ACCESS AND RESTRICTION OF ACCESS RIGHTS PARCELS 10 AND 11
EXHIBIT "A"

STATEMENT OF ENCUMBRANCES

1. Lot 445-A-3-A will be subject to the following encumbrances:
   a. Remainder portion of Basement 81, Map 51, as set forth by Land Court Order No. 37170.
   b. Remainder portion of Basement 82, Map 51, as set forth by Land Court Order No. 37170.
   d. Grant of Easement in favor of the Board of Water Supply, County of Kauai, Document No. A-50090935.

2. Lot 445-A-3-B will be subject to the following encumbrance:

3. Lot 445-A-1-A will be subject to the following encumbrances:
   a. Remainder portion of Basement 449 and Basements 450 through 456, Map 129, as set forth by Land Court Order No. 121856.
   b. Remainder portion of Basement 115 and Basements 113 and 116, Map 72, as set forth by Land Court Order No. 60107.
   c. Remainder portion of Basement 115, Map 72, as set forth by Land Court Order No. 60107, and Basements 73, Map 51, as set forth by Land Court Order No. 37170, and 116, Map 72, as set forth by Land Court Order No. 60107 in favor of the Board of Water Supply, County of Kauai as set forth by Document No. 1342234.


Agreement and Subordination of Mortgage Lien and Security Interest, Document No. 3043400.


e. Basements 72, 73, and 74, Map 51, as set forth by Land Court Order Nos. 37170 and 54345.

f. Grant of Basement in favor of Island School, Document No. 2010-169130.


h. Grant of Basement in favor of the Board of Water Supply, County of Kauai, Document No. A-50090935.


4. Lot 445-A-1-B will be subject to the following encumbrances:


Agreement and Subordination of Mortgage Lien and Security Interest, Document No. 3043400.


END OF EXHIBIT "A"
ORDER

Upon the record and the evidence herein, the prayer of the petition is hereby granted and the Registrar of this Court is so ordered.

Dated: Honolulu, Hawaii, ____________________________.

__________________________
Registrar for the Judge of the Land Court
JOINDER

KNOW ALL MEN BY THESE PRESENTS:

That the UNIVERSITY OF HAWAII, a body corporate, whose address is 2244 Dole Street, Honolulu, Hawaii 96822, the owner of Lots 445-A-1 and 445-A-3 as shown on Map 51 of Land Court Application 1087, being the land described in and covered by Transfer Certificate of Title Nos. 168,802 and 428,387, having had an opportunity to obtain the advice and counsel of its own attorney, and acknowledging that the State of Hawaii, Department of the Attorney General, is not acting as its attorney, hereby consents to the State of Hawaii’s Petition for Subdivision, Designation of Easements, Designation of Restriction of Access Rights, and Cancellation of Portions of Easements and Easements affecting Lots 445-A-1 and 445-A-3 and does hereby join in, sign, and swear to the State of Hawaii’s Petition for Subdivision, Designation of Easements, Designation of Restriction of Access Rights, and Cancellation of Portions of Easements and Easements affecting Lots 445-A-1 and 445-A-3.

DATED: ___________________________, Hawaii, ______________________, 20__

University of Hawaii

APPROVED AS TO FORM:

By _______________________________

Its _______________________________

By _______________________________

Its _______________________________
STATE OF HAWAII

CITY AND COUNTY OF HONOLULU

On this ___ day of __________, 20__ before me appeared ________________________
and ________________________, to me personally known, who, being by me duly sworn, did
say that they are the __________________ and __________________, respectively, of the
UNIVERSITY OF HAWAII, a body corporate, and that the instrument was signed in behalf of said
corporation by authority of its Board of Directors, and the said officers acknowledged the instrument
to be the free act and deed of said corporation.

Notary Public, State of Hawaii

Print Name: ______________________

My commission expires: ______

Document Date:                    # Pages: __
Notary Name:                      ______ Circuit
Doc. Description:                 __________________________

______________________________  __________________
Notary Signature                  Date

PETITION FOR SUBDIVISION, DESIGNATION OF EASEMENTS, DELETION OF EASEMENTS
DESIGNATION OF ACCESS AND RESTRICTION OF ACCESS RIGHTS PARCELS 10 AND 11

13
JOINDER

KNOW ALL MEN BY THESE PERSENTS:

That Board of Water Supply of the County of Kauai, a political subdivision of the State of Hawaii, whose address is P.O. Box 1706, Lihue, Hawaii 96766, the Grantee named in that Grant of Basement, Document No. 1342234 of the land described as Lot 445-A-1 as shown on Map 72 of Land Court Application 1087 does hereby join in this Petition to cancel a portion of Basement 115 affecting Lot 445-A-1-B.

DATED:________________________, Hawaii, ____________________, 20___

Board of Water Supply, County of Kauai

By______________________________________________
Its_____________________________________________

By______________________________________________
Its_____________________________________________

APPROVED AS TO
FORM AND LEGALITY:

Deputy County Attorney
STATE OF HAWAII  )
COUNTY OF KAUA'I  ) SS:

On this ___ day of ________, 20___ before me appeared ________________________ and ________________________, to me personally known, who, being by me duly sworn, did say that they are the ______________________ and ______________________, respectively, of the BOARD OF WATER SUPPLY, COUNTY OF KAUA'I, a political subdivision of the State of Hawaii, and that the instrument was signed in behalf of said corporation by authority of its Board of Directors, and the said officers acknowledged the instrument to be the free act and deed of said corporation.

Notary Public, State of Hawaii
Print Name: __________________________
My commission expires: ____________

Document Date: _____________________ # Pages: _______
Notary Name: _________________________ Circuit
Doc. Description: _______________________

Notary Signature ______________________ Date ____________________

PETITION FOR SUBDIVISION, DESIGNATION OF EASEMENTS, DELETION OF EASEMENTS
DESIGNATION OF ACCESS AND RESTRICTION OF ACCESS RIGHTS PARCELS 10 AND 11
JOINDER

KNOW ALL MEN BY THESE PRESENTS:

That KAUAI ISLAND UTILITY COOPERATIVE, a cooperative association formed pursuant to the provision of Chapter 421C of the Hawaii Revised Statutes whose address is 4463 Pahe'e Street, Suite 1, Lihue, Hawaii 96766, the Grantee named in that Grant of Easement, Document No. 1342233 of the land described as Lot 445-A-1 as shown on Map 72, filed in the office of the Assistant Registrar of the Land Court Application 1087, does hereby join in this Petition to cancel a portion of Easement 115 affecting Lot 445-A-1-B.

DATED: ________________, Hawaii, ________________, 20___

Kauai Island Utility Cooperative, a cooperative association formed pursuant to the provision of Chapter 421C of the Hawaii Revised Statutes

By ____________________________

Its ____________________________
STATE OF HAWAII  
)  
COUNTY OF KAUA\IAI  )

On this ___ day of ________, 20__ before me appeared______________________, as __________________________ for KAUA\I ISLAND UTILITY COOPERATIVE, a cooperative association formed pursuant to the provision of Chapter 421C of the Hawaii Revised Statutes, to me known to be the person described in and who executed the foregoing instrument, as __________________________ for said KAUA\I ISLAND UTILITY COOPERATIVE, and acknowledged that __________________________ executed the same as the free act and deed of said KAUA\I ISLAND UTILITY COOPERATIVE.

____________________
Notary Public, State of Hawaii

Print Name: ____________________

My commission expires: __________

Document Date: ________________  # Pages: ______

Notary Name: ____________________  Circuit

Doc. Description: ________________________________

____________________________
Notary Signature  Date
JOINDER

KNOW ALL MEN BY THESE PRESENTS:

That Hawaiian Telcom, Inc. a Hawaii corporation whose address is P.O. Box 2200, Honolulu, Hawaii 96841, the Grantee named in that Grant of Easement, Document No. 1342233 of the land described as Lot 445-A-1 as shown on Map 72, filed in the office of the Assistant Registrar of the Land Court Application 1087, does hereby join in this Petition to cancel a portion of Easement 115 affecting Lot 445-A-1-B.

DATED:______________, Hawaii, ________________, 20__

Hawaiian Telcom, Inc., a Hawaii corporation

By____________________________
Its____________________________

By____________________________
Its____________________________
STATE OF HAWAII

CITY AND COUNTY OF HONOLULU

On this ___ day of __________, 20___ before me appeared ______________________ and ______________________, to me personally known, who, being by me duly sworn, did say that they are the ______________________ and ______________________, respectively, of HAWAIIAN TELCOM, a Hawaii corporation, and that the instrument was signed in behalf of said corporation by authority of its Board of Directors, and the said officers acknowledged the instrument to be the free act and deed of said corporation.

Notary Public, State of Hawaii

Print Name: ______________________

My commission expires: ________

Document Date: ________________ # Pages: ______

Notary Name: ____________________ Circuit ______

Doc. Description: ______________________

Notary Signature ____________________ Date: ________

PETITION FOR SUBDIVISION, DESIGNATION OF EASEMENTS, DELETION OF EASEMENTS
DESIGNATION OF ACCESS AND RESTRICTION OF ACCESS RIGHTS PARCELS 10 AND 11
- CERTIFIED MAIL; RETURN RECEIPT REQUESTED -

Board of Water Supply  
County of Kauai  
P.O. Box 1706  
Lihue, Hawaii 96766

Attention: Keith Aoki

Gentlemen:

Subject: Kaumualii Highway Widening  
Lihue to West of Maluhia Road  
Phase I Lihue to West of Kipu Road  
At Lihue, Puna, Kauai, Hawaii  
Federal Aid Project No. STP-050-1(26)  
Tax Map Key Nos. (4) 3-4-07: 003

In connection with the subject project, the State of Hawaii, Department of Transportation (State) requires a portion of property identified as Tax Map Key Nos. (4) 3-4-07: 003, situated at Lihue, Puna, Kauai, Hawaii. The property is designated as Lot 445-A-1-B, containing an area of 2.761 acres.

Our Certificate of Search reveals the property is encumbered by the following document:

Grant of Easement, dated March 13, 1985, recorded in the Bureau of Conveyances of the State of Hawaii on December 24, 1985 as Document No. 1342234.

It is the State’s policy to acquire the property for highways purposes free and clear of any and all liens and/or encumbrances. As a party of interest to the subject property, we are transmitting for your review and approval the original and two (2) copies of the Petition for Subdivision, Designation of Restriction of Access Rights, and Cancellation of Portions of Easements and Easements document (Petition).
If the Petition meets your approval, please sign, notarize, and return the original and one (1) copy to this office for further processing. You may retain a copy for your files. We will send the Partial Release of Easement document for execution once the Petition has been filed and recorded with the Bureau of Conveyances. The released portion of the easement shall be replaced with our standard Use and Occupancy Agreement.

Thank you for your cooperation. Should there be any questions, please contact me at (808) 692-7336.

Sincerely,

[Signature]

AIIME K. YAMASHIRO
Supervising Right-of-Way Agent

2 Enclosures
1. Petition (Original + 2 copies)
2. Land Court Map
LAND COURT
STATE OF HAWAII

LAND COURT APPLICATION 1087


AS SHOWN ON MAP 51


DESIGNATION OF EASEMENTS

AFFECTING LOT 445-A-1-A

DESIGNATION OF EASEMENT

AFFECTING LOT 445-A-3-A

DESIGNATION OF RESTRICTION OF ACCESS RIGHTS


CANCELLATION OF PORTION OF EASEMENT 81 AND PORTION OF EASEMENT 82 AS SHOWN ON MAP 51

CANCELLATION OF PORTION OF EASEMENT 449

AS SHOWN ON MAP 129 AFFECTING LOT 445-A-1-B

CANCELLATION OF PORTION OF EASEMENT 115

AS SHOWN ON MAP 72 AFFECTING LOT 445-A-1-B

CANCELLATION OF EASEMENTS 110, 111, 112 AND 114

AS SHOWN ON MAP 72 AFFECTING LOT 445-A-1-B

At Lihue, Puna, Kauai, Hawaii
Note: This copy of Land Court map submitted was “best fitted” to this sheet and location of Lot 445-A-1-B was added on to this sheet for reference.
MANAGER’S REPORT No. 18-58

July 28, 2017

Re: Discussion and Possible Action for Board Approval on the Ninth Amendment to Contract No. 427, Job No. 02-14, WP2020 WK-08 Kapa’a Homesteads 325’ Tanks – Two 0.5 Million Gallon (MG) Storage Tanks, Kapa’a, with Belt Collins Hawai’i for a time extension of 360 calendar days and expenditure of an additional $160,149.00

RECOMMENDATION:
It is recommended that the Board approve a ninth contract amendment to Contract No. 427 with Belt Collins Hawai’i for the subject project and a total of $160,149.00 in additional design funds to be expended to complete the project. The proposed amendment and additional funding are necessary to provide additional design services to complete the project, including: drainage plans from the project site to private property for the disposal of site storm water, well discharge waters, and tank discharge waters, easement boundary mapping, additional permitting requirements, a coordination meeting between the designer, the Department, and land owner to discuss the appropriate design for storm runoff, and various other updates to the plans and specifications necessary to accommodate the design changes.

FUNDING:
Account (BAB-Expansion-Design)
Account No. 30-20-00-605-116

| Contract No. 427: Belt Collins Hawai’i, LLC | $256,700.00 |
| Amendment No. 1 | $354,978.00 |
| Amendment No. 2 | $10,000.00 |
| Amendment No. 3 | $19,000.00 |
| Amendment No. 4 | $40,450.00 |
| Amendment No. 5 | $76,200.00 |
| Amendment No. 6 | $2,300.00 |
| Amendment No. 7 | $18,100.00 |
| Amendment No. 8 | $51,911.26 |
| Total Contract Amount | $829,639.26 |

Available Funds:
BAB Fund Account No. 30-20-00-605-116 $2,359,724.00

Additional Funds Requested for Budget
BAB/Capital Projects/Expansion/Design - Amendment No. 9 $160,149.00

Allocation of Additional Funds Requested:
BAB Fund Account No. 30-20-00-605-116 (100% of total requested for Expansion portion of Project) $160,149.00

Total Additional Funds Requested $160,149.00

Total (new) Amount for Kapa’a Homesteads 325’ Tanks – Two 0.5 Million Gallon Storage Tanks Project $989,788.26
BACKGROUND:
The Department of Water (DOW) is proposing to construct two new 0.5 MG concrete storage tanks on the same site as the existing Ornellas tank in the Kapa’a Homesteads located near the intersection of Kawaihau Road and Ka’apuni Road. The project’s design includes drainage improvements for site storm water and potential tank overflow or washout events. The Department also intends to construct a separate project, Drill and Test Kapa’a Well No. 4; a new well which will be drilled and tested at the same site. The design for the Drill and Test Kapa’a Well No. 4 project has been complete since 2011; however, the project did not go to construction because of construction proposals coming in much higher than budgeted. It is believed one of the major reasons for the high construction proposals was due to a suitable discharge location for the new well not been identified. The Kapa’a Homesteads 325’ Tanks project has been substantially delayed because the project’s drainage also requires a suitable discharge location and discussions with private owners have not been successful.

Because the tank project and well project share the same site, the design must accommodate three different types of flows: site storm water runoff, flows from the tank via a washout or an unintended tank overflow event, and flows pumped from the new well. The flows pumped from the new well would be discharged during the drilling and testing phase of the project and, if the well is successful, at the start of each pump cycle when the well is pumping into the DOW system (also known as “pump to waste”).

Most recently, the eighth amendment to Contract No. 427 provided for the project’s drainage to be routed to a private property along Kapahi Road which was anticipated to be approved; however, discussions and negotiations with the private owner were not successful. Subsequently, the DOW has determined another suitable location for the project’s drainage to be discharged to a private property along Ka’apuni Road. The owner of the private property has verbally agreed to accept the flows from the DOW project site.

The new drainage pipe will convey water away from the project site along Ka’apuni Road approximately 2600 feet to the south and will ultimately discharge onto private property. The Department of Public Works (DPW) requires that, as a part of the project, the DOW obtains permission from the landowner to discharge the additional water associated with the project onto the private owner’s property.

The drainage improvements are critical for the schedule of the Drill and Test Kapa’a Well No. 4 project because $750,000.00 in state funding has been appropriated for the project which will lapse after June 30, 2018. To utilize the state funding for the well project, the Department must complete the design of the new drainage improvements and have a construction contract in place for the well project prior to June 30, 2018. Therefore, to meet this deadline, the Department is proposing to phase the design and construction of the Drill and Test Kapa’a Well No. 4 project and the Kapa’a Homesteads 325’ Tanks project as follows: Phase one will construct the drainage improvements and the Drill and Test Kapa’a Well No. 4 project together. Phase two will then consist of constructing the Kapa’a Homesteads 325’ Tanks project.

The construction documents for both the drainage improvements and the Drill and Test Kapa’a Well No. 4 will be combined and will be constructed together under one construction contract. Belt Collins Hawai’i will be responsible to provide the design and all construction documents necessary for the drainage improvements, and the Department will combine the drainage improvements with the Drill and Test Kapa’a Well No. 4 project. Belt Collins Hawai’i will continue the design of the Kapa’a Homesteads 325’ Tanks project, but priority will be given to completing the design of the drainage improvements.
For the proposed ninth amendment to Contract No. 427 with Belt Collins Hawai‘i, additional funds are needed to complete the drainage design package. Completion of the drainage design in a timely manner will allow the state funds for the *Kapa‘a Homesteads Well #4* project to be utilized prior to the lapse date of June 30, 2018. The design of the drainage improvements and the subsequent additional work for the *Kapa‘a Homesteads 325’ Tanks* project will include, but not be limited to the following:

1. Conduct a site visit with the DOW staff to verify viable alternatives for the disposal of storm water runoff and all project site drainage into existing drainage ways. Meet with the private owner to discuss and coordinate the work on private property.

2. Design a drain line from the project site to the private lot on Ka‘apuni Road and through the lot to the existing drainage way. The design may include a drain ditch and/or a retention basin/pond within the parcel for water storage. The design services will include a topographic survey and preparation of easement maps.

3. Prepare construction documents for the installation of the drainage improvements (“Package A”) so that it can be combined with the *Drill and Test Kapa‘a Well No. 4* project (“Package B”). Provide a request for proposal (RFP), opinion of probable construction cost, and assistance during construction for Package A.

4. Revise the *Kapa‘a Homesteads 325’ Tanks* project’s construction drawings to route storm water runoff and site discharges toward the Ka‘apuni Road. The drainage piping will be designed to minimize trench excavation.

5. Update the project’s drainage report and the National Pollutant Discharge Elimination System (NPDES) permit applications to accommodate the revised drainage improvements. The NPDES effort is necessary because a second application and fee are required for the construction of Package A. However, the cost to update the NPDES application for the new discharge location is covered by the fee previously included in Amendment 8. Funds from the previous Amendment No. 8, which were intended for the design of the drainage improvements along Kapahi Road, will be credited back to the Department and utilized for the revised drain line design.

We have thoroughly reviewed the proposal from Belt Collins Hawai‘i for additional engineering services of $160,149.00 for the work and find it acceptable. The requested amount includes a credit to the Department in the amount of $23,625.00 for services included in the eighth amendment to Contract No. 427 which are no longer included in the project’s scope. The proposed contract amendment will stipulate that the drainage improvements must be completed within 180 calendar days to provide the Department adequate time to secure a construction contract prior to the June 30, 2018 deadline to utilize the State funding. The proposed contract amendment will also stipulate that the remaining work on the contract can be done concurrently, but must be completed within 360 calendar days from the execution of the amendment.
OPTIONS:

Option 1: Approve the expenditure of the additional design funds.

Pro: This will allow the DOW to finish the design of the project Kapa’a Homesteads 325’ Tanks and will also provide a drainage solution which will allow the Drill and Test Kapa’a Well No. 4 project to be constructed. The Department will be able to complete the project in phases in time to encumber the $750,000.00 in state funding appropriated for the Drill and Test Kapa’a Well No. 4 project prior to the June 30, 2018 deadline.

Con: None.

Option 2: Do not approve the expenditure of the additional design funds.

Pro: None.

Con: Not approving the expenditure of additional design funds would delay the completion of the Kapa’a Homesteads 325’ Tanks project. Also, the Drill and Test Kapa’a Well No. 4 project would not be constructed in time to utilize the $750,000.00 in state funding appropriated for the project.

Respectfully submitted,

Keith Aoki, P.E.
Engineering Division

Funding reviewed:

Marites Yano
Water Works Controller

CONCURRED:

Kirk Saiki, P.E.
Manager and Chief Engineer
DEPARTMENT OF WATER
County of Kaua‘i

“Water has no Substitute – Conserve It!”

MANAGER’S REPORT No. 18-59

July 28, 2017

Re: Discussion and Possible Action on the Manager and Chief Engineer’s Goals for FY17-18

RECOMMENDATION:
It is recommended that the Board discuss and set the Manager and Chief Engineer’s Goals/Objectives for FY17-18.

BACKGROUND:
The Manager and Chief Engineer’s goals along with the progress of the objective will be provided to the Board via the Manager’s Update every month.

Submitted below are the goals that are recommended for the Board’s review and consideration to add, delete, or create targets for FY17-18.

<table>
<thead>
<tr>
<th>DEPARTMENT OF WATER</th>
<th>GOALS FOR FY 2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>(July 1, 2017 through June 30, 2018)</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Goals/Objectives</th>
<th>Success Measurements</th>
<th>Outcomes</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Administration</strong></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

**Goal 1** Implement systems that will serve to reduce customer complaints.

| 1. Public inquiries requiring response. | Provide a response within 2 working days, if more detailed study is required supply an estimated timeline. | Meet expectations throughout the year. |        |

**Goal 2** Ensure the health, safety and welfare of the Department employees and public.

<p>| 1. Support the needs of Department Divisions delivery of programs for health and safety for employees. | Insure adherence of the County wide safety program. Actively participate on the County wide safety committee. | No adverse activities throughout the year. Active DOW participation throughout the year. |        |
| 2. Support the needs of Department Divisions delivery of programs for health and safety for Public | Insure compliance of all regulatory agency requirements, State and Federal. Insure compliance of all County Ordinances. | No adverse activities throughout the year. All regulatory needs met by DOW throughout the year. |        |</p>
<table>
<thead>
<tr>
<th><strong>Goals/Objectives</strong></th>
<th><strong>Success Measurements</strong></th>
<th><strong>Outcomes</strong></th>
<th><strong>Status</strong></th>
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</thead>
<tbody>
<tr>
<td><strong>Operations</strong></td>
<td></td>
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</tr>
<tr>
<td><strong>Goal 1</strong> Improve existing asset management program.</td>
<td>Contract a consultant to assist the Department with the identification, acquisition and implementation of an asset management computer program by the end of June 2018.</td>
<td>Asset management program will be in the progress of implementation.</td>
<td></td>
</tr>
<tr>
<td>1. Assess existing asset management program.</td>
<td></td>
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<tr>
<td><strong>Goal 2</strong> Improve water system reliability and resiliency.</td>
<td>Complete Preliminary Engineering Report and possibly complete design and begin construction by the end of June 2018.</td>
<td>Portable generators will be protected during hurricanes.</td>
<td></td>
</tr>
<tr>
<td>1. Improve hurricane survivability of standby power generators.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Improve pump motor control center reliability.</td>
<td>Continue and possibly complete design on replacing old MCCs by the end of June 2018.</td>
<td>Reliability of MCCs will be improved.</td>
<td></td>
</tr>
<tr>
<td>3. Assess existing preventative maintenance program.</td>
<td>Contract a consultant to evaluate and improve the current preventative maintenance program for the plant and distribution systems by the end of June 2018.</td>
<td>Development of an improved preventative maintenance plan.</td>
<td></td>
</tr>
<tr>
<td><strong>Fiscal</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Goal 1</strong> Ensure fiscal control and sustainability.</td>
<td>Acquire and implement add-on program to Great Plains accounting software to assist with the budgeting process by the end of January 2018.</td>
<td>Development of a more streamlined budgeting process.</td>
<td></td>
</tr>
<tr>
<td>1. Use accounting program to develop annual budget.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Develop fair and reasonable water rates.</td>
<td>Complete current water rate study within the contracted time.</td>
<td>Department will have updated water service rates.</td>
<td></td>
</tr>
<tr>
<td><strong>Engineering</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Goal 1</strong> Oversee all engineering design work required for the Department.</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></td>
</tr>
<tr>
<td>Goals/Objectives</td>
<td>Success Measurements</td>
<td>Outcomes</td>
<td>Status</td>
</tr>
<tr>
<td>------------------</td>
<td>----------------------</td>
<td>----------</td>
<td>--------</td>
</tr>
<tr>
<td>Goal 2 Continue rehabilitation, replacement and expansion of water system</td>
<td>Complete four (4) design projects before the end of June 2018.</td>
<td>Projects will be completed.</td>
<td></td>
</tr>
<tr>
<td><strong>Goal 1</strong> Continue to improve construction management methods and expertise.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Upgrade project document management system.</td>
<td>Successfully implement construction document management program by the end of June 2018.</td>
<td>All construction projects will be using the electronic construction document management system.</td>
<td></td>
</tr>
<tr>
<td><strong>Goal 1</strong> Implement a fair and reasonable method of determining system capacity and accounting for existing use.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Evaluate existing design flow standards.</td>
<td>Evaluate the need to modify the existing design flow standards. If modification is justified, begin the process of revising the Design Standards. Evaluation of design flow standards shall be completed by the end of June 2017.</td>
<td>Department will determine the validity of existing design flow standards.</td>
<td></td>
</tr>
</tbody>
</table>

Respectfully submitted,

Kirk Saiki, P.E.
Manager and Chief Engineer

KS:mja

Mgrep/July 2017/18-XX/ Discussion and Possible Action on the Manager and Chief Engineer’s Goals for FY17-18 (7-28-17):mja
FISCAL REPORT: MONTHLY SUMMARY HIGHLIGHTS – JUNE, 2017

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

YEAR TO DATE (YTD) BUDGET & ACTUAL EXPENSES SUMMARY – AS OF JUNE, 2017

<table>
<thead>
<tr>
<th></th>
<th>BUDGET</th>
<th>vs</th>
<th>ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Expenses</td>
<td>$28,195,325.48</td>
<td></td>
<td>$21,486,459.62</td>
</tr>
<tr>
<td>Debt Principal Payment</td>
<td>4,717,296.00</td>
<td></td>
<td>4,717,296.03</td>
</tr>
<tr>
<td>Capital Projects</td>
<td>46,049,211.62</td>
<td></td>
<td>2,837,247.70</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$78,961,833.10</td>
<td></td>
<td>$29,041,003.35</td>
</tr>
</tbody>
</table>

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

- Total Revenue as of June, 2017 was 14% below projection.
  - Water sales of $28.4 million (M) was $1.45M or 5% below projection.
  - Other Water Revenue- Receipts of $330.5 thousand ("K") exceeded projection by $180.5K or 120%.
  - Capital Contributions: Cash contributions including Federal & State Grants - $885K.
  - Investment Income & Net Increase in FV of Investments - $326K net, combined.
  - Miscellaneous Revenues - $224.7K.
  - 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.

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

- YTD Operating Expenses before depreciation and amortization was $21.5M. Total spending was $6.7M less than planned or budgeted; a positive variance of 24%.
  - Employee Related Expenses – $8.65M; a 10% positive variance.
  - Contracts & Services – $3.75M with a 52% positive variance.
    - Professional & Other Services, Insurance, Repairs and Maintenance for both water and non-water systems are the main items contributing the 53% positive variance.
  - Exceptional Expenses – None
  - Fuel & Utilities – $2.65M; a 22% positive variance.
  - Bulk Water Purchase – $1.8M; a 6% positive variance.
  - Office & Operating Supplies – $802K, a 40% positive variance.
  - Training, Travel & Meeting Expenses – $132.3K
  - Debt Service – Interest Expense - $3.7M
  - Depreciation & Amortization (non-cash expenses) is $7.4M.

NET OPERATING INCOME:

Fiscal report 6/2017
### DEPARTMENT OF WATER
County of Kaua’i

“Water has no Substitute – Conserve It!”

- Net Operating Income before depreciation and amortization - $10.8M.
- Net Operating Income after depreciation & amortization expenses of $7.4M was $3.4M

### NON-OPERATING PROCEEDS & DISBURSEMENTS
- SRF Loan Proceeds – None
- FRC – Facility Reserve Charge - Receipts of $348,145.00
- YTD Debt Principal Payment is $4,717,296.03

### CAPITAL PROJECTS BUDGET: YTD DISBURSEMENTS = $2,837,248.70
- Capital Projects: Water Utility Fund - $1,738,917.40
- Capital Projects: FRC Fund – $33,657.12
- Capital Projects: BAB Fund - $1,064,673.18
- Capital Projects: SRF Loan Fund - None

### II. FY 2016 – 2017 ENCUMBERED FUNDS
- FY 2016 – 2017 Certification of Funds – $3,654,467.63

### III. COMPARATIVE CHARTS:

### METERED CONSUMPTION:
- June, 2017 metered consumption – 355 million gallons (mg); higher by 297mg as compared from the same month of FY 2016.
- YTD metered consumption as of 06/30/17 – 4.025 billion gallons (bg); decreased by 23mg 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, it is currently referred to the Finance Committee for deliberation.
- CC&B Phase II & III – Field Service Management is in development and testing. Billing Insight is on hold until oracle software upgrade is completed.
- Fiscal Year end closing; kick off meeting with new Auditor on July 25, 2017.
- Budget Program Solution – procurement is in process.

Respectfully submitted,

Marites Yano
Waterworks Controller

Fiscal report 6/2017
## I. OPERATING BUDGET

<table>
<thead>
<tr>
<th>Revenue</th>
<th>June</th>
<th>FY 2017</th>
<th>Variance %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td><strong>Original Budget</strong></td>
<td><strong>Revised Budget</strong></td>
<td><strong>Actual</strong></td>
</tr>
<tr>
<td>Water Sales</td>
<td>$2,484,170.00</td>
<td>$2,484,163.00</td>
<td>$2,494,164.42</td>
</tr>
<tr>
<td></td>
<td>165,932.00</td>
<td>165,932.00</td>
<td>176,836.50</td>
</tr>
<tr>
<td>Other Water Revenue</td>
<td>12,500.00</td>
<td>12,500.00</td>
<td>23,475.83</td>
</tr>
<tr>
<td>Federal Grants</td>
<td>370,837.00</td>
<td>370,837.00</td>
<td>(370,837.00)</td>
</tr>
<tr>
<td>Capital Contributions</td>
<td>80,065.00</td>
<td>80,065.00</td>
<td>39,500.77</td>
</tr>
<tr>
<td>Net Increase in Fair Value of Investments</td>
<td>16,674.00</td>
<td>16,674.00</td>
<td>(7,232.37)</td>
</tr>
<tr>
<td>Gain or Loss on Disposal of Capital Assets</td>
<td>50.00</td>
<td>50.00</td>
<td>(28.00)</td>
</tr>
<tr>
<td>Miscellaneous Revenues</td>
<td>87.00</td>
<td>87.00</td>
<td>(38.73)</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>3,139,365.00</td>
<td>3,139,266.00</td>
<td>2,685,135.93</td>
</tr>
<tr>
<td><strong>Employee-Related Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages (Includes Leaves &amp; CTO)</td>
<td>474,122.00</td>
<td>474,122.00</td>
<td>417,753.33</td>
</tr>
<tr>
<td>Temporary Assignment</td>
<td>5,023.00</td>
<td>5,023.00</td>
<td>5,674.73</td>
</tr>
<tr>
<td>Overtime</td>
<td>45,915.00</td>
<td>45,915.00</td>
<td>29,175.76</td>
</tr>
<tr>
<td>Standby</td>
<td>15,131.00</td>
<td>15,131.00</td>
<td>15,345.70</td>
</tr>
<tr>
<td>FICA</td>
<td>41,972.00</td>
<td>41,972.00</td>
<td>33,551.98</td>
</tr>
<tr>
<td>Retirement Contribution</td>
<td>82,750.00</td>
<td>82,750.00</td>
<td>70,541.02</td>
</tr>
<tr>
<td>Life &amp; Health Insurance</td>
<td>47,153.00</td>
<td>47,153.00</td>
<td>36,848.68</td>
</tr>
<tr>
<td>Workers Compensation</td>
<td>6,055.63</td>
<td>6,055.63</td>
<td>(9,085.63)</td>
</tr>
<tr>
<td>Unemployment Compensation</td>
<td>1,250.00</td>
<td>1,250.00</td>
<td>1,250.00</td>
</tr>
<tr>
<td>Post Employment Benefits (OPEB)</td>
<td>80,665.00</td>
<td>80,665.00</td>
<td>95,249.11</td>
</tr>
<tr>
<td><strong>Total Employee-Related Expenses</strong></td>
<td>803,957.00</td>
<td>803,957.00</td>
<td>730,251.14</td>
</tr>
<tr>
<td><strong>Contracts &amp; Services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional Services-General</td>
<td>167,618.00</td>
<td>167,618.00</td>
<td>27,842.75</td>
</tr>
<tr>
<td>Professional Services-Accounting &amp; Auditing</td>
<td>15,837.00</td>
<td>15,837.00</td>
<td>15,837.00</td>
</tr>
<tr>
<td>Other Services-General</td>
<td>6,437.00</td>
<td>6,437.00</td>
<td>5,882.53</td>
</tr>
<tr>
<td>Other Services-Billing Costs</td>
<td>21,286.00</td>
<td>21,286.00</td>
<td>35,873.06</td>
</tr>
<tr>
<td>Public Relations-General</td>
<td>6,538.00</td>
<td>6,538.00</td>
<td>2,288.40</td>
</tr>
<tr>
<td>Procurement Advertising</td>
<td>837.00</td>
<td>837.00</td>
<td>342.20</td>
</tr>
<tr>
<td>Communication Services</td>
<td>10,589.00</td>
<td>10,589.00</td>
<td>8,859.52</td>
</tr>
<tr>
<td>Freight and Postage</td>
<td>799.00</td>
<td>799.00</td>
<td>630.64</td>
</tr>
<tr>
<td>Rentals and Leases</td>
<td>9,776.00</td>
<td>9,776.00</td>
<td>14,471.59</td>
</tr>
<tr>
<td>Insurance</td>
<td>56,337.00</td>
<td>56,337.00</td>
<td>59,337.00</td>
</tr>
<tr>
<td>County Service Charge</td>
<td>165,932.00</td>
<td>165,932.00</td>
<td>176,838.50</td>
</tr>
<tr>
<td>Repairs and Maintenance-Water System</td>
<td>30,600.00</td>
<td>30,600.00</td>
<td>734.39</td>
</tr>
<tr>
<td>Repairs and Maint-Non Water System</td>
<td>66,481.00</td>
<td>66,481.00</td>
<td>17,041.57</td>
</tr>
<tr>
<td><strong>Total Contracts &amp; Services</strong></td>
<td>562,949.00</td>
<td>562,949.00</td>
<td>292,625.24</td>
</tr>
</tbody>
</table>

**Note:** Variance % is calculated based on the actual figures.
### Exceptional Expenses

**FY2014 & FY2015 Kalaeo Emergency**  
**FY 2015 Klaus**

#### Total Exceptional Expenses

<table>
<thead>
<tr>
<th>Category</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>271,700.00</td>
<td>271,700.00</td>
<td>232,873.96</td>
<td>38,826.04</td>
<td>3,280,367.00</td>
<td>2,568,887.97</td>
<td>691,479.13</td>
<td>21%</td>
</tr>
<tr>
<td>Fuel</td>
<td>12,394.00</td>
<td>12,394.00</td>
<td>10,836.59</td>
<td>1,557.51</td>
<td>148,750.00</td>
<td>78,919.08</td>
<td>69,830.92</td>
<td>47%</td>
</tr>
<tr>
<td><strong>Total Fuel &amp; Utilities</strong></td>
<td>284,094.00</td>
<td>284,094.00</td>
<td>243,710.55</td>
<td>40,383.55</td>
<td>3,429,117.00</td>
<td>2,647,796.95</td>
<td>761,320.05</td>
<td>22%</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>159,730.00</td>
<td>159,730.00</td>
<td>149,413.55</td>
<td>10,316.45</td>
<td>1,916,826.00</td>
<td>1,799,563.27</td>
<td>117,262.73</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Total Bulk Water Purchase</strong></td>
<td>159,730.00</td>
<td>159,730.00</td>
<td>149,413.55</td>
<td>10,316.45</td>
<td>1,916,826.00</td>
<td>1,799,563.27</td>
<td>117,262.73</td>
<td>6%</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>279.52</td>
<td>2,220.48</td>
<td>30,000.00</td>
<td>13,324.68</td>
<td>16,675.32</td>
<td>50%</td>
</tr>
<tr>
<td>Operating Supplies</td>
<td>91,506.00</td>
<td>91,506.00</td>
<td>67,082.61</td>
<td>24,423.93</td>
<td>1,274,681.24</td>
<td>763,657.52</td>
<td>511,023.72</td>
<td>40%</td>
</tr>
<tr>
<td>Books, Subscriptions and Dues</td>
<td>2,470.00</td>
<td>2,470.00</td>
<td>436.43</td>
<td>2,033.57</td>
<td>29,850.00</td>
<td>24,459.63</td>
<td>5,390.17</td>
<td>18%</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>1,500.00</td>
<td>800.00</td>
<td>700.00</td>
<td>50%</td>
</tr>
<tr>
<td><strong>Total Office &amp; Operating Supplies</strong></td>
<td>96,601.00</td>
<td>96,601.00</td>
<td>67,872.56</td>
<td>28,728.44</td>
<td>1,336,041.24</td>
<td>802,062.03</td>
<td>533,959.21</td>
<td>40%</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>7,688.00</td>
<td>7,688.00</td>
<td>7,010.76</td>
<td>(677.24)</td>
<td>92,530.00</td>
<td>74,869.42</td>
<td>17,660.58</td>
<td>19%</td>
</tr>
<tr>
<td>Travel and Per Diem</td>
<td>5,986.00</td>
<td>5,986.00</td>
<td>3,114.62</td>
<td>2,871.38</td>
<td>71,920.00</td>
<td>40,604.02</td>
<td>31,315.98</td>
<td>44%</td>
</tr>
<tr>
<td>Travel and Per Diem - Board</td>
<td>1,686.00</td>
<td>1,686.00</td>
<td>770.25</td>
<td>915.75</td>
<td>20,210.00</td>
<td>6,861.76</td>
<td>13,348.24</td>
<td>68%</td>
</tr>
<tr>
<td>Meeting Expense</td>
<td>563.00</td>
<td>563.00</td>
<td>253.50</td>
<td>309.50</td>
<td>6,800.00</td>
<td>2,298.07</td>
<td>4,501.93</td>
<td>65%</td>
</tr>
<tr>
<td>Meeting Expense - Board</td>
<td>689.00</td>
<td>689.00</td>
<td>5,049.31</td>
<td>(4,360.31)</td>
<td>7,050.00</td>
<td>5,682.40</td>
<td>1,367.60</td>
<td>20%</td>
</tr>
<tr>
<td><strong>Total Training, Travel &amp; Meeting Expenses</strong></td>
<td>16,522.00</td>
<td>14,765.00</td>
<td>12,207.16</td>
<td>2,557.84</td>
<td>198,550.00</td>
<td>132,303.67</td>
<td>66,246.33</td>
<td>33%</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>317,392.00</td>
<td>317,392.00</td>
<td>308,284.06</td>
<td>9,108.04</td>
<td>3,008,660.00</td>
<td>3,099,416.89</td>
<td>99,756.89</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total Interest Expense</strong></td>
<td>317,392.00</td>
<td>317,392.00</td>
<td>308,284.06</td>
<td>9,108.04</td>
<td>3,008,660.00</td>
<td>3,099,416.89</td>
<td>99,756.89</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>2,241,245.00</td>
<td>2,239,488.00</td>
<td>1,794,365.39</td>
<td>445,122.61</td>
<td>28,195,325.48</td>
<td>21,486,458.62</td>
<td>6,708,866.85</td>
<td>24%</td>
</tr>
<tr>
<td><strong>Net Operating Income (Loss) Before Depreciation &amp; Amortization</strong></td>
<td>889,058.00</td>
<td>889,058.00</td>
<td>890,770.54</td>
<td>(372.54)</td>
<td>9,386,192.52</td>
<td>10,777,427.83</td>
<td>1,401,234.31</td>
<td>15%</td>
</tr>
<tr>
<td><strong>Depreciation &amp; Amortization</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>Depreciation</td>
<td>609,557.00</td>
<td>609,557.00</td>
<td>639,134.30</td>
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<td>7,314,750.00</td>
<td>6,789,064.83</td>
<td>525,685.17</td>
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<td>Amortization</td>
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<td>54,163.00</td>
<td>87,536.09</td>
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<td>586,057.00</td>
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<td><strong>Total Depreciation &amp; Amortization</strong></td>
<td>663,720.00</td>
<td>663,720.00</td>
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<td>9,964,750.00</td>
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<td>225,338.00</td>
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<td>164,070.65</td>
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<td>Variance</td>
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<td>Revised YTD Budget</td>
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<td>Variance</td>
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<td><strong>Non Operating Proceeds</strong></td>
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<td>FRC-Facility Reserve Charge</td>
<td>58,807.00</td>
<td>58,807.00</td>
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<td>(72,922.00)</td>
<td>705,750.00</td>
<td>348,145.00</td>
<td>(357,605.00)</td>
<td>(51%)</td>
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<tr>
<td><strong>Total Non Operating Proceeds</strong></td>
<td>58,807.00</td>
<td>58,807.00</td>
<td>(14,115.00)</td>
<td>(72,922.00)</td>
<td>705,750.00</td>
<td>348,145.00</td>
<td>(357,605.00)</td>
<td>(51%)</td>
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<td><strong>Transfers Out(In) to Other Funds</strong></td>
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<td><strong>Debt Principal Payment</strong></td>
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<td>4,717,296.03</td>
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<td><strong>Net Proceeds (Expenditures)</strong></td>
<td>235,014.48</td>
<td>236,764.48</td>
<td>139,955.65</td>
<td>(96,808.83)</td>
<td>(2,608,102.48)</td>
<td>(947,846.02)</td>
<td>1,640,256.46</td>
<td>(63%)</td>
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<td><strong>II. CAPITAL BUDGET</strong></td>
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<tr>
<td>Capital Projects (See Attached for Details)</td>
<td>3,453,964.00</td>
<td>3,453,964.00</td>
<td>602,228.50</td>
<td>3,385,735.50</td>
<td>46,049,211.62</td>
<td>2,837,247.70</td>
<td>43,211,963.92</td>
<td>94%</td>
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## Monthly Budget Summary vs. Actual
### SUMMARY
6/30/2017

**Department of Water, County of Kauai**

### Capital Projects (See Attached for Details):
- Water Utility - Capital Projects (See Attached for Details):
  - Original Budget: 1,959,894.00
  - Revised Budget: 1,059,894.00
  - Actual: 66,980.50
  - Variance: 92,913.50
  - revised YTD Budget: 14,186,309.05
  - YTD Actual: 1,738,917.40
  - Variance: 12,447,391.65
  - Variance %: 88%
- FRC Special Trust Fund - Capital Projects (See Attached for Details):
  - Original Budget: 1,223,222.00
  - Revised Budget: 1,223,222.00
  - Actual: 1,223,222.00
  - Variance: 16,735,039.93
  - revised YTD Budget: 15,127,880.64
  - YTD Actual: 33,657.12
  - Variance: 15,094,223.52
  - Variance %: 100%
- BAB Fund - Capital Projects (See Attached for Details):
  - Original Budget: 1,170,848.00
  - Revised Budget: 1,170,848.00
  - Actual: 1,248.00
  - Variance: 1,169,600.00
  - revised YTD Budget: 16,735,039.93
  - YTD Actual: 1,064,673.18
  - Variance: 15,670,357.75
  - Variance %: 94%
- SRF Loan Fund - Capital Projects (See Attached for Details):

### Total Capital Projects (See Attached for Details):
- Original Budget: 3,453,964.00
- Revised Budget: 3,453,964.00
- Actual: 66,228.50
- Variance: 3,385,735.50
- revised YTD Budget: 46,049,211.62
- YTD Actual: 2,637,247.70
- Variance: 43,211,963.92
- Variance %: 94%
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<tr>
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<th>Actual</th>
<th>Variance</th>
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<tr>
<td>209,622.94</td>
<td>10,254.16</td>
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**Total Capital Projects (See Attached for Details):**

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<tr>
<th>Revised YTD Budget</th>
<th>YTD Actual</th>
<th>Variance</th>
<th>Variance %</th>
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<td>100%</td>
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<td>2,712.50</td>
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<tr>
<td>18,763.00</td>
<td>18,763.00</td>
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<td>100%</td>
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<td>60,354.10</td>
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<tr>
<td>36,570.70</td>
<td>36,570.70</td>
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<td>100%</td>
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<tr>
<td>209,622.94</td>
<td>10,254.16</td>
<td>196,368.46</td>
<td>95%</td>
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<td>100%</td>
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<td>1,738,917.40</td>
<td>12,447,382.65</td>
<td>88%</td>
</tr>
</tbody>
</table>
### June

#### Capital Projects (See Attached for Details):
- **20-20-00-005-006 FRC-Eng-66%E-PLH-28 Hanamaulu Main (Hoohanu Street)**
  - Original Budget: 1.00
  - Revised Budget: 1.00
  - Variance: 100%

- **20-20-00-005-010 FRC-Eng-ALLE-4s-Towers Homesteads 538 1.0 MG Tank**
  - Original Budget: 1.00
  - Revised Budget: 1.00
  - Variance: 100%

- **20-20-00-005-014 FRC-Eng-ALLE-Purchase Water System 1**
  - Original Budget: 1.00
  - Revised Budget: 1.00
  - Variance: 100%

- **20-20-00-005-016 FRC-Eng-ALLE-Popu 1 MG Storage Tank**
  - Original Budget: 1.00
  - Revised Budget: 1.00
  - Variance: 100%

- **20-20-00-005-017 FRC-Eng-ALLE-18IN Cane Haul Road Main**
  - Original Budget: 20,800.00
  - Revised Budget: 20,800.00
  - Variance: 100%

- **20-20-00-005-018 FRC-Eng-ALLE-H-38 Hanalei Well 2**
  - Original Budget: 6,250.00
  - Revised Budget: 6,250.00
  - Variance: 100%

- **20-20-00-005-019 FRC-Eng-ALLE-Kapaa SWTP Expansion**
  - Original Budget: 1.00
  - Revised Budget: 1.00
  - Variance: 100%

- **20-20-00-005-104 FRC-Eng-ALLE-05-02 HW-12 Drill Wainiha-Haena Well**
  - Original Budget: 47,860.00
  - Revised Budget: 47,860.00
  - Variance: 100%

- **20-20-00-005-117 FRC-Eng-ALLE-12-02 WK-23 UH Expmtal Storage Tank**
  - Original Budget: 26,832.00
  - Revised Budget: 26,832.00
  - Variance: 100%

- **20-20-00-005-118 FRC-Eng-ALLE-WK-39 Drill Kapaa Homestead Well 4**
  - Original Budget: 111,990.00
  - Revised Budget: 111,990.00
  - Variance: 100%

- **20-20-00-005-120 FRC-Eng-60%E-Kilauea 1.0MG Tank Job 02-05**
  - Original Budget: 40,868.36
  - Revised Budget: 33,657.12
  - Variance: 7,212.24
  - Variance %: 18%

- **20-20-00-005-149 FRC-Eng-ALLE-Kuhio Hwy (Hardy-Oxford) 18IN Main Repl**
  - Original Budget: 1.00
  - Revised Budget: 1.00
  - Variance: 100%

- **20-20-00-005-149 FRC-Eng-ALLE-Kuhio Hwy Papakoa to Walipoa Canal**
  - Original Budget: 1.00
  - Revised Budget: 1.00
  - Variance: 100%

- **20-20-00-005-150 FRC-Eng-ALLE-Maanaul Waihono Ho Rd Main Repl**
  - Original Budget: 1.00
  - Revised Budget: 1.00
  - Variance: 100%

- **20-20-00-005-152 FRC-Eng-ALLE-Hoorna Hoonee Pahee Rd Main Repl**
  - Original Budget: 1.00
  - Revised Budget: 1.00
  - Variance: 100%

- **20-20-00-005-153 FRC-Eng-ALLE-Haena 0.2MG Tank**
  - Original Budget: 200,671.28
  - Revised Budget: 200,671.28
  - Variance: 100%

- **20-20-00-005-154 FRC-Eng-ALLE-Drill & Test Kilauea Well #4**
  - Original Budget: 25,000.00
  - Revised Budget: 25,000.00
  - Variance: 25,000.00

- **20-20-00-005-155 FRC-Eng-ALLE-Wainiha Well #4**
  - Original Budget: 6,663.00
  - Revised Budget: 6,663.00
  - Variance: 6,663.00

- **20-20-00-005-156 FRC-Eng-ALLE-Land Acquisition (6)**
  - Original Budget: 5.00
  - Revised Budget: 5.00
  - Variance: 100%

- **20-21-00-005-017 FRC-Eng-ALLE-18IN Canoe Haul Road Main**
  - Original Budget: 286,309.00
  - Revised Budget: 286,309.00
  - Variance: 3,195,675.00

- **20-21-00-005-020 FRC-Cns-56%E-00-01 Yamada Tank Cleanwell, Conn Pip**
  - Original Budget: 25,000.00
  - Revised Budget: 25,000.00
  - Variance: 25,000.00

- **20-21-00-005-102 FRC-Cm-R&R-10-01 An-01b R/W DOW DOWH-Civil**
  - Original Budget: 60,663.00
  - Revised Budget: 60,663.00
  - Variance: 60,663.00

- **20-21-00-006-165 FRC CM-WK-08-Kapaal Homesteads Tank**
  - Original Budget: 835,337.00
  - Revised Budget: 835,337.00
  - Variance: 835,337.00

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

<table>
<thead>
<tr>
<th>Original Budget</th>
<th>Revised Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
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<tr>
<td>1,223,222.00</td>
<td>1,223,222.00</td>
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<tr>
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<td>30-20-00-504-1150 BAB-Eng-ALLR-11-06 WK-01 Rehah Moeliep Tunnel</td>
<td>33,337.00</td>
<td>33,337.00</td>
<td>33,337.00</td>
</tr>
<tr>
<td>30-20-00-505-0104 BAB-Eng-ALLE-05-02 HH-12 Drill Waialae-Honokaa Well</td>
<td>12,246.00</td>
<td>12,246.00</td>
<td>(1,248.00)</td>
</tr>
<tr>
<td>30-20-00-505-0110 BAB-Eng-ALLE-02-24 WK-08 Kapaa Homesteads Tank</td>
<td>32,500.00</td>
<td>32,500.00</td>
<td>32,500.00</td>
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<tr>
<td>30-20-00-505-1200 BAB-Eng-ALLE-02-08WKK15-Kilaeua 466 Tank Puu Pane</td>
<td>124,000.00</td>
<td>124,000.00</td>
<td>124,000.00</td>
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<tr>
<td>30-20-00-505-1250 BAB-Eng-08F-02-01 Land for Kuakualii Tank Site</td>
<td>1,650,000.00</td>
<td>1,650,000.00</td>
<td>1,650,000.00</td>
</tr>
<tr>
<td>30-20-00-505-1300 BAB-Eng-011E-11-07 HE-03 Hanapepe &amp; Koloa Well MCC</td>
<td>6,735,030.00</td>
<td>6,735,030.00</td>
<td>6,735,030.00</td>
</tr>
<tr>
<td>30-20-00-505-1390 BAB-Eng-ALLE-02-21 M-02 100K Tnk &amp; Pipeline Moloa</td>
<td>1,762,000.00</td>
<td>1,762,000.00</td>
<td>1,762,000.00</td>
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<tr>
<td>Total Capital Projects (See Attached for Details)</td>
<td>1,170,048.00</td>
<td>1,170,048.00</td>
<td>1,170,048.00</td>
</tr>
<tr>
<td>ACCOUNT #</td>
<td>W/U</td>
<td>BAB</td>
<td>FRC</td>
</tr>
<tr>
<td>-----------</td>
<td>-----</td>
<td>-----</td>
<td>-----</td>
</tr>
<tr>
<td>10-40-540-010</td>
<td>OE</td>
<td>27,000.00</td>
<td></td>
</tr>
<tr>
<td>10-21-00-604-033</td>
<td>OE</td>
<td>450,000.00</td>
<td></td>
</tr>
<tr>
<td>10-21-00-604-033</td>
<td>OE</td>
<td>111,000.00</td>
<td></td>
</tr>
<tr>
<td>10-22-10-540-010</td>
<td>OE</td>
<td>184,735.00</td>
<td></td>
</tr>
<tr>
<td>10-31-10-540-010</td>
<td>OE</td>
<td>72,000.00</td>
<td></td>
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<tr>
<td>30-20-00-605-116</td>
<td>CO</td>
<td>51,911.26</td>
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</tr>
<tr>
<td>10-40-540-010</td>
<td>CO</td>
<td>21,000.00</td>
<td></td>
</tr>
<tr>
<td>10-30-20-605-999</td>
<td>CO</td>
<td>50,000.00</td>
<td></td>
</tr>
<tr>
<td>10-02-10-561-000</td>
<td>OE</td>
<td>20,000.00</td>
<td></td>
</tr>
<tr>
<td>10-40-60-604-999</td>
<td>CO</td>
<td>27,000.00</td>
<td></td>
</tr>
<tr>
<td>10-20-10-540-010</td>
<td>OE</td>
<td>21,000.00</td>
<td></td>
</tr>
<tr>
<td>10-40-60-604-000</td>
<td>CO</td>
<td>127,000.00</td>
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<tr>
<td>10-30-20-541-020</td>
<td>OE</td>
<td>63,000.00</td>
<td></td>
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<tr>
<td>10-30-00-604-999</td>
<td>CO/OE</td>
<td>189,191.00</td>
<td></td>
</tr>
<tr>
<td>10-40-00-604-999</td>
<td>CO</td>
<td>89,250.00</td>
<td></td>
</tr>
<tr>
<td>10-20-10-540-010</td>
<td>OE</td>
<td>21,000.00</td>
<td></td>
</tr>
<tr>
<td>10-40-60-560-000</td>
<td>CO</td>
<td>150,000.00</td>
<td></td>
</tr>
<tr>
<td>10-02-10-561-000</td>
<td>OE</td>
<td>315,000.00</td>
<td></td>
</tr>
<tr>
<td>10-20-00-604-157</td>
<td>CO</td>
<td>200,000.00</td>
<td></td>
</tr>
<tr>
<td>10-20-00-604-157</td>
<td>CO</td>
<td>76,626.00</td>
<td></td>
</tr>
<tr>
<td>10-20-00-604-157</td>
<td>CO</td>
<td>90,000.00</td>
<td></td>
</tr>
<tr>
<td>20-20-00-604-012</td>
<td>CO</td>
<td>36,372.00</td>
<td></td>
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<tr>
<td>20-20-00-605-153</td>
<td>CO</td>
<td>27,401.00</td>
<td></td>
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<tr>
<td>10-31-10-540-010</td>
<td>OE</td>
<td>14,178.00</td>
<td></td>
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<tr>
<td>10-01-10-540-010</td>
<td>OE</td>
<td>18,900.00</td>
<td></td>
</tr>
<tr>
<td>10-20-00-604-157</td>
<td>CO</td>
<td>200,000.00</td>
<td></td>
</tr>
<tr>
<td>10-31-10-540-020</td>
<td>OE</td>
<td>88,830.00</td>
<td></td>
</tr>
<tr>
<td>10-30-20-604-105</td>
<td>CO</td>
<td>197,459.00</td>
<td></td>
</tr>
<tr>
<td>10-20-00-604-001</td>
<td>CO</td>
<td>81,147.52</td>
<td></td>
</tr>
<tr>
<td>10-20-10-540-010</td>
<td>OE</td>
<td>17,160.00</td>
<td></td>
</tr>
<tr>
<td>10-20-00-604-000</td>
<td>CO</td>
<td>244,900.00</td>
<td></td>
</tr>
<tr>
<td>10-02-10-561-000</td>
<td>OE</td>
<td>13,612.56</td>
<td></td>
</tr>
<tr>
<td>10-30-00-604-999</td>
<td>CO/OE</td>
<td>189,191.00</td>
<td></td>
</tr>
<tr>
<td>10-30-00-604-999</td>
<td>CO/OE</td>
<td>437,430.00</td>
<td></td>
</tr>
<tr>
<td>10-02-10-561-000</td>
<td>OE</td>
<td>30,000.00</td>
<td></td>
</tr>
</tbody>
</table>
## 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>$13,190,027</td>
<td>$12,718,863</td>
<td>$(522,891)</td>
<td>-6.31%</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>
<tr>
<td>February</td>
<td>$19,738,622</td>
<td>$19,844,393</td>
<td>$19,387,481</td>
<td>$(456,912)</td>
<td>-2.30%</td>
</tr>
<tr>
<td>March</td>
<td>$21,989,961</td>
<td>$22,223,927</td>
<td>$21,562,033</td>
<td>$(661,893)</td>
<td>-2.98%</td>
</tr>
<tr>
<td>April</td>
<td>$24,575,153</td>
<td>$24,867,138</td>
<td>$23,993,720</td>
<td>$(873,418)</td>
<td>-3.51%</td>
</tr>
<tr>
<td>May</td>
<td>$27,030,000</td>
<td>$27,210,768</td>
<td>$26,225,406</td>
<td>$(985,362)</td>
<td>-3.62%</td>
</tr>
<tr>
<td>June</td>
<td>$29,777,259</td>
<td>$29,639,024</td>
<td>$28,767,205</td>
<td>$(871,818)</td>
<td>-2.94%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></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>
<tr>
<td>February</td>
<td>$18,764,382</td>
<td>$19,659,624</td>
<td>$18,823,674</td>
<td>$(835,950)</td>
<td>-4%</td>
</tr>
<tr>
<td>March</td>
<td>$21,084,947</td>
<td>$22,198,390</td>
<td>$21,192,407</td>
<td>$(1,005,983)</td>
<td>-5%</td>
</tr>
<tr>
<td>April</td>
<td>$23,582,827</td>
<td>$24,345,414</td>
<td>$23,243,462</td>
<td>$(1,101,952)</td>
<td>-5%</td>
</tr>
<tr>
<td>May</td>
<td>$25,718,355</td>
<td>$26,778,010</td>
<td>$25,924,897</td>
<td>$(853,114)</td>
<td>-3%</td>
</tr>
<tr>
<td>June</td>
<td>$28,363,672</td>
<td>$29,203,668</td>
<td>$28,436,387</td>
<td>$(767,281)</td>
<td>-3%</td>
</tr>
</tbody>
</table>

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

2. receipts
### 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>
<tr>
<td>February</td>
<td>366,974</td>
<td>320,287</td>
<td>314,462</td>
<td>-5,825</td>
</tr>
<tr>
<td>March</td>
<td>323,359</td>
<td>326,596</td>
<td>306,619</td>
<td>-19,977</td>
</tr>
<tr>
<td>April</td>
<td>334,995</td>
<td>356,954</td>
<td>348,781</td>
<td>-8,173</td>
</tr>
<tr>
<td>May</td>
<td>335,320</td>
<td>324,624</td>
<td>314,701</td>
<td>-9,923</td>
</tr>
<tr>
<td>June</td>
<td>388,313</td>
<td>325,343</td>
<td>355,055</td>
<td>29,712</td>
</tr>
</tbody>
</table>

* refer to monthly summary highlights

3. 12 mo. consumption comp
# YTD METERED CONSUMPTION (000 GALLONS) COMPARATIVE REPORT

For Fiscal Years 2015, 2016 & 2017

(expressed in thousands)

<table>
<thead>
<tr>
<th>Month</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>
<tr>
<td>February</td>
<td>2,666,294</td>
<td>2,714,729</td>
<td>2,700,139</td>
<td>-14,590</td>
</tr>
<tr>
<td>March</td>
<td>2,972,501</td>
<td>3,041,325</td>
<td>3,006,758</td>
<td>-34,567</td>
</tr>
<tr>
<td>April</td>
<td>3,325,957</td>
<td>3,398,279</td>
<td>3,355,339</td>
<td>-42,740</td>
</tr>
<tr>
<td>May</td>
<td>3,661,661</td>
<td>3,722,903</td>
<td>3,670,240</td>
<td>-52,663</td>
</tr>
<tr>
<td>June</td>
<td>4,020,012</td>
<td>4,048,246</td>
<td>4,025,295</td>
<td>-22,951</td>
</tr>
</tbody>
</table>

---

**Graphic: YTD WATER CONSUMPTION COMPARATIVE CHART**

As of June: FY 2015, 2016 & 2017

- **FY 2015**
- **FY 2016**
- **FY 2017**

---

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

**Current Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2017</th>
<th>June 30, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>4,440,657.08</td>
<td>14,971,584.79</td>
</tr>
<tr>
<td>Equity interest in pooled investments</td>
<td>28,778,467.66</td>
<td>14,813,303.20</td>
</tr>
</tbody>
</table>

**Receivables:**

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2017</th>
<th>June 30, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts, net of allowance for doubtful accounts*</td>
<td>1,657,490.30</td>
<td>1,682,640.06</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>1,428,698.79</td>
</tr>
<tr>
<td>Grants and subsidies</td>
<td>254,539.64</td>
<td>274,539.58</td>
</tr>
<tr>
<td>Accrued interest</td>
<td></td>
<td>72,778.40</td>
</tr>
<tr>
<td><strong>Total receivables</strong></td>
<td>3,340,728.73</td>
<td>3,458,656.83</td>
</tr>
</tbody>
</table>

Materials and supplies                                      | 889,994.23           | 889,994.23           |
Prepaid expenses                                            | 45,614.00            | 33,644.00            |

**Total current asset**                                     | 37,495,461.70        | 34,167,183.05        |

**Materials and Supplies**                                  |                      |                      |
**Prepaid expenses**                                        |                      |                      |

**Total current assets**                                    | 37,495,461.70        | 34,167,183.05        |

**Restricted Assets:**

**Facility reserve charge funds:**

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2017</th>
<th>June 30, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>2,273,175.09</td>
<td>1,690,198.68</td>
</tr>
<tr>
<td>Accounts receivable and other</td>
<td>109,088.42</td>
<td>112,064.61</td>
</tr>
<tr>
<td><strong>Total facility reserve charge funds</strong></td>
<td>2,382,263.51</td>
<td>1,802,263.29</td>
</tr>
</tbody>
</table>

**Bond funds:**

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2017</th>
<th>June 30, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>2,354,945.64</td>
<td>411,305.57</td>
</tr>
<tr>
<td>Investments</td>
<td>12,896,886.52</td>
<td>15,859,557.91</td>
</tr>
<tr>
<td>Accrued interest</td>
<td>62,192.65</td>
<td>62,192.65</td>
</tr>
<tr>
<td><strong>Total bond funds</strong></td>
<td>15,314,024.81</td>
<td>16,333,056.13</td>
</tr>
</tbody>
</table>

**Total restricted assets**                                 | 17,696,288.32        | 18,135,319.42        |

**Equity Interest in Pooled Investment - Noncurrent**       | 18,015,347.00        | 18,015,347.00        |

**Utility Plant:**

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2017</th>
<th>June 30, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>In service</td>
<td>330,837,958.10</td>
<td>318,531,983.79</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(120,309,719.71)</td>
<td>(113,429,734.10)</td>
</tr>
<tr>
<td><strong>Total utility plant</strong></td>
<td>210,528,238.39</td>
<td>205,102,249.69</td>
</tr>
</tbody>
</table>

Construction work in progress                               | 5,424,859.56         | 15,360,171.68        |

**Total property, plant and equipment**                     | 215,953,097.95       | 220,462,421.37       |

**Total assets**                                            | 289,160,194.97       | 290,780,270.84       |

**Deferred Outflow of Resources**                           | 2,954,490.64         | 2,970,772.48         |

**Total assets and deferred outflows of resources**         | $292,114,685.61      | $293,751,043.32      |

*Allowance for doubtful accounts                           | (270,024.99)         | (267,292.65)         |

---

Report Format Created by: S. Nadatani
# Liabilities, Deferred Inflows and Net Position

## Current Liabilities:

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2017</th>
<th>June 30, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>2,210,587.64</td>
<td>$3,260,806.13</td>
</tr>
<tr>
<td>Contracts payable, including retainages</td>
<td>585,181.89</td>
<td>543,171.19</td>
</tr>
<tr>
<td>Due to/Due From Other Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer overpayment</td>
<td>121,517.84</td>
<td>105,969.25</td>
</tr>
<tr>
<td>Customer deposits and advances</td>
<td>422,770.54</td>
<td>449,618.70</td>
</tr>
<tr>
<td>Current portion of long term debt</td>
<td>4,717,296.00</td>
<td>4,717,296.00</td>
</tr>
<tr>
<td>Current portion of capital lease obligation</td>
<td>699,064.33</td>
<td>699,064.33</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>8,756,418.24</strong></td>
<td><strong>9,775,925.60</strong></td>
</tr>
</tbody>
</table>

## Long-Term Debt

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2017</th>
<th>June 30, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-Term Debt</td>
<td>77,514,526.37</td>
<td>82,290,035.96</td>
</tr>
<tr>
<td>Capital Lease Obligation</td>
<td>1,269,083.41</td>
<td>1,269,083.41</td>
</tr>
<tr>
<td>OPEB &amp; Retirement Benefits</td>
<td>11,488,599.56</td>
<td>11,310,002.00</td>
</tr>
<tr>
<td>Accrued Vacation and Compensatory Pay</td>
<td>1,283,014.93</td>
<td>1,249,149.98</td>
</tr>
<tr>
<td>Deferred Inflow of Assets</td>
<td>1,286,710.00</td>
<td>1,286,710.00</td>
</tr>
<tr>
<td><strong>Total liabilities and deferred inflows</strong></td>
<td><strong>101,598,352.51</strong></td>
<td><strong>107,180,906.95</strong></td>
</tr>
</tbody>
</table>

## Net Position:

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2017</th>
<th>June 30, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Utility Reserves</td>
<td>10,200,000.00</td>
<td>10,200,000.00</td>
</tr>
<tr>
<td>Restricted FRC</td>
<td>2,382,263.51</td>
<td>1,802,263.29</td>
</tr>
<tr>
<td>Restricted Build American Bonds</td>
<td>14,765,122.04</td>
<td>15,792,466.61</td>
</tr>
<tr>
<td>Invested in Capital Assets Net of Related Debt</td>
<td>133,055,840.89</td>
<td>132,805,936.56</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>30,113,106.66</td>
<td>25,969,469.91</td>
</tr>
<tr>
<td><strong>Total net position</strong></td>
<td><strong>190,516,333.10</strong></td>
<td><strong>186,570,136.37</strong></td>
</tr>
</tbody>
</table>

**Total liabilities, deferred inflows and net position:**

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2017</th>
<th>June 30, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total liabilities, deferred inflows and net position:</strong></td>
<td><strong>$292,114,685.61</strong></td>
<td><strong>$293,751,043.32</strong></td>
</tr>
</tbody>
</table>
Public Notices and Announcements
All news releases were also published on the Department’s Facebook and Twitter social media pages.

- Puhi scheduled shutdown: June 15-16, 2017
  - A news release was sent on June 14th to notify customers located in the Puhi industrial area on Haleukana Street, including a portion of Puhi Road and Hanalima Street that water would be turned off on June 15th from 7 p.m. to 2 a.m., to allow a private contractor to connect a newly installed 8 inch water line to the existing system.
  - The news release was published in The Garden Island Newspaper on June 15th. (Attached)

- Po‘ipu scheduled shutdown: June 20-21, 2017
  - A news release was sent on June 16th to notify Po‘ipu customers located on a portion of Pe‘e Road that water would be turned off on June 20th from 10 p.m. to 4 a.m., to allow private contractor to connect a newly installed 8 inch water line to the existing system.

- 2017 Water quality reports available: June 20, 2017
  - A news release was sent on June 20th to notify the public that the Department’s 2017 Water Quality Reports, covering from January 1, 2016 to December 31, 2016, is now available to view on the Department’s website. Letters were also sent out to all customers providing a direct link to access the water quality reports online. The letters also notified customers that paper copies are available upon request.
  - The news release was published in The Garden Island Newspaper as a sub-article under “Water quality meeting tonight” on June 21st. (Attached)

- Hanamaulu scheduled shutdown: July 11-12, 2017
  - A news release was sent on July 6th to notify Hanamāʻulu customers located on Hehi Road, Hipa Road and along a portion of Kūhiʻō Highway, mauka-side near Laukona Street that water would be turned off on July 11th from 7 p.m. to 5 a.m. to tie in a valve to the area’s water tank.
  - The news release was published in The Garden Island Newspaper on July 7th. (Attached)
  - A news release was sent on July 10th to remind Hanamaulu customers about the July 11th water shutdown from 7 p.m. to 5 a.m.
  - A news release was sent on July 11th to extend the water shutdown for select Hanamaulu customers until 7 a.m.
  - A final news release was sent on July 11th notifying Hanamaulu customers that water has been restored to all affected areas at approximately, 7 a.m. In addition, PR announced the water service restoration through on-air radio announcements via Kong Radio.

- Kilauea - Anini Road water outage: July 11-12, 2017
o A news release was sent on July 11th to notify customers on Anini Road in Kīlauea of an emergency water outage due to a break in the water main line. Water outage expected to last approximately 4 to 6 hours.

o A news release was sent on July 11th to notify customers on Anini Road that water has been temporarily restored until further investigation of repairs can be completed.

o A news release was sent on July 12th to notify customers on Anini Road that emergency repairs are being resumed on July 12th from 1 p.m. to 5 p.m.

o A news release was sent on July 12th to notify customers on Anini Road that repairs will continue beyond 5 p.m. and the water outage has been extended until further notice. In addition, PR announced the water outage extension through live on-air radio announcements via Kong Radio.

o A final news release was sent on July 12th to notify customers on Anini Road that water services have been restored as of 7 p.m., July 12th.

- **Kapa’a - partial one lane road closure: July 17, 2017**
  o A news release was sent on July 17th to notify motorists about a partial one lane road closure along Kuhio Highway in Kapa’a between Papaloa Road and the northern entrance to Aleka Loop from 9:30 a.m. to approximately 4 p.m. to allow DOW to work on emergency repairs to a water main line break.

**Public Relations Program**

- **Community Relations**
  o The Department hosted a hydration station, serving drinking water to all participants at the 9th annual Mayor a Thon event held on June 24th at the Kapa’a beach park. The Department also provided use of six 10-gallon water jugs to serve water along the route. The event received over 1,000 registrants and featured 16 community partners, including DOW. Special thanks to Freddy Levinthol for setting up the Department’s hydration station and to Kim Tamaoka, Kirk Saiki and Jonell Kaohelauli for assisting with water service at this year’s event.

- **Conservation**
  o PR submitted a water conservation article and advertisement in the Kaua’i Family Magazine’s fall issue.

**Upcoming Outreach**

- July 21, 2017 - Water conservation presentation for YWCA’s Summer Camp program
- September 28, 2017 - DOW’s 14th Annual Make a Splash with Project WET Festival

**Project WET**

Planning continues for the DOW’s 14th Annual Make a Splash with Project WET Festival set for Thursday, September 28, 2017. PR is revising event logistics and activity presentations to promote and continue sponsorship opportunities for activity tents. Volunteer and sponsorship requests have been sent. As of this report, there are eight schools that have registered to attend and three sponsors confirmed for this year.

**Miscellaneous**

- The July issue of “As the Water Flows” employee newsletter was completed by Admin intern, Trestin Alfiler.
• The County’s Employee Council meeting was held on July 13th.
• The Department’s summer interns are hosting a luncheon on July 19th.

Respectfully submitted,

Jonell S.T. Kaohelaulli
For Information & Education Specialist

JSK: ein

Attachments: “Water shutdown today” The Garden Island
“Water quality meeting tonight” The Garden Island
“More than 1k register for Mayorathon” The Garden Island
“Water shutdown scheduled for Hanamaulu area on July 11” The Garden Island

Mgrrp/July 2017/Information and Education Specialist Report (7-28-17):ein
Water shutdown today

Published in The Garden Island on June 15, 2017.

PUHI – The Department of Water has scheduled a water shutdown today for customers in the Puhi industrial area between Puhi Road and Haleukana Street, including select customers on Hanalima Street. Water will be turned off from 7 tonight to 2 a.m. Friday, weather permitting.

The seven-hour water shutdown will allow contractor, Cushnie Construction Company, Inc. to connect a newly installed 8 inch water line to the existing system.

Affected customers are advised to store enough water to meet their needs during this scheduled water shutdown.

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LIHUE — Hawaii’s new beach water quality monitoring program will be presented to the public at a meeting at 6 tonight at the State Department of Health Kauai District Health Office conference room.

The state DOH will present its new Hawaii Beach Monitoring Program, which outlines methods and areas for water quality testing throughout Hawaii.

Subjects include sign posting when water is contaminated, response to sewage spills, brown water advisories and water testing methods.

A traditional 30-day comment period has been extended to 90 days at the request of Surfrider. The deadline for public comments is Sept. 1.

All comments must be in writing to Alec Wong, Clean Water Branch, Department of Health, 919 Ala Moana Blvd., Rm. 301, Honolulu, HI 96814.

The state DOH Kauai District Health Office Conference Room is at 3040 Uam St.

**DOW’s water quality reports available**

The county Department of Water Water Quality Reports for 2016 are available at www.kauawater.org.

All DOW customers will also be mailed a letter with a direct link to their applicable water quality report.

The reports describe the quality of Kauai’s drinking water and where it comes from. It contains basic information on Kauai’s water sources, results of water analyses, compliance with drinking water rules and other brief educational materials.

Kauai’s drinking water is tested regularly through the state DOH and DOW’s certified laboratories. Kauai’s drinking water meets all federal Environmental Protection Agency guidelines for safe drinking water, and any contaminants found were well below the levels allowed by the EPA.
Mayor

Continued from A1

have the ocean view, and it’s hard to get the mountain view. You folks have both, and they’re gorgeous.”

Canine participant Bauer Kanna even had special boots to run the path.

“He doesn’t like the gravel on his front paws,” said Nancy Kanna. “He’s OK with his back paws, but he doesn’t like it on his front paws. And he’s real local about it because he drags his feet. Look at the holes he has in his boots.”

The Kanna’s were among the 1,100 people registered to take part in the free event promoting healthy living and lifestyles. The featured event was a walk, bike or run on an 8-mile course along Ke Ala Hele Makalae, starting and ending at the Kapaa Beach Park.

“It’s all about fun,” said Bev Brody of Get Fit Kauai who joined Mayor Bernard Carvalho Jr. in hosting the event in its ninth year. “I like the layout for this year’s event where everything is much more spread out — it gives people more room to enjoy the different games and visit the exhibitors who offer free breakfast, information on healthy living, and even bicycle safety inspections.”

Brody said they had a funny way of counting how many people participated in the annual morning walk:

“Last year, we had 1,000 people registered, and took another 200 walk in registrations,” Brody said.

“This year, we have 1,100 registered, and already there are walk-ins. We are definitely over 1,000 people. Last year, Lenny Rapoza said we needed more portable toilets. This year, look — we have two portable toilets. We are ready.”

Kelson Suga was one of the winners for bicycles being given away by Wilcox Health. She was joined by her brother Nakoa who got one of the prize bicycles being given away by Brody on stage.

Kelson Suga won the second bike given away by Wilcox, and Danielle Gabrielli won the second children’s bicycle given away on the main stage.

Participating members of the Lions Club also performed cleanup duty, being armed with garbage bags and gloves on their walk.

One Lion, Dawnie Peralta, was announced the winner of one of the adult bicycles, and was joined by Norma Estrada who let out a whoop when her name was called.

Kelle Redmond of Los Angeles won the night’s stay with meals at the Courtyard by Marriott at Coconut Beach, and Ron Fadista was the recipient of the Lawal Beach Resort stay.

More than 1K register for Mayor-a-thon

Dennis Fujimoto
THE GARDEN ISLAND

KAPAA — Bob Lough of Atlanta said they know a marathon in Georgia — what they don’t have is a Mayor-a-thon.

Bob and his wife Becky stopped along Ke Ala Hele Makalae and took a path to allow the stream of hundreds of bikers, runners and walkers onto the path Saturday for the ninth annual Mayor-a-thon.

“This is a nice path,” Bob said. “In Georgia, we don’t.

SEE MAYOR, A4

ABOVE LEFT: Bauer Kanna relaxes in the shade after walking Ke Ala Hele Makalae Saturday.

ABOVE RIGHT: Angel Juan of Kaiser Permanente fits on a free bicycle helmet Saturday during the ninth annual Mayor-a-thon at Kapaa Beach Park. Kaiser Permanente had at least 120 helmets to give away.

Donna Fusilier was awarded the grand prize of a stay at the Kauai Marriott Resort and Beach Club.
Water shutdown scheduled for Hanamalu area on July 11

HANAMALU – The Department of Water has scheduled a water shutdown for select Hanamalu customers on Hipa Road, Hehi Road and on a portion of Kuhio Highway; mauka side, near Laukona Street. Water will be turned off on Tuesday, July 11 from 7 p.m. to 5 a.m. Wednesday July 12; weather permitting.

The ten-hour water shutdown will allow private contractor, Earthworks Pacific, Inc. to tie in a new control valve to the area’s water tank.

The DOW will provide a trailer-mounted water tank with potable water for essential water needs and will be on Hanamalu Road, near King Kaumualii Elementary School. Customers will need to bring water containers.

Hanamalu customers outside of the affected areas will be advised to limit water use to essential needs only and may experience low water pressure during the overnight shutdown.

The DOW will notify affected customers via door to door notices on July 7.

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Operations Division Report for the Month of June 2017

**Personnel**

- Congratulations to Wiley Yoshioka, promoted to Pipefitter effective July 1, 2017.
- Field Operations personnel attended Asbestos Operations and Maintenance Refresher Training.

**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 seven (37) leak repair work orders.
- Field Section personnel installed three (3) service laterals.
- In the month of June, no work was performed. Field crew replaced 40 feet of 3” PVC distribution line on Lokokai Road under work order C141516. As of May 2017 a total of 1,746 of old pipe has been replaced.
- We received a total of 56 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.

**Fleet, Inventory, Warehouse and Baseyard Area**

- For the month of June, a total of one hundred fifty four (154) 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 June 2017, thirty six (36) Hawaii One Call requests for markings were received.

Respectfully submitted,

Valentino P. Reyna
Chief, Operations Division

VPR/ein

Attachments: Overtime Chart
Leak Report Chart

Mgrp/July 2017/Operations Division Report for the Month of June 2017 (7-28-17):ein
# of W/O's | Job Reason Code | Description
---|---|---
26 | LEAK-BOX | Meter Box Leak Repair
5 | LEAK-CUST | Customer-Side Leak Repair
122 | LEAK-MAIN | Mainline Leak Repair
153 | LEAK-S/L | Service Lateral Leak Repair
MANAGER’S UPDATE

July 28, 2017

Pursuant to Board Policy No. 3

CONTRACTS AWARDED/EXTENSION/AMENDMENTS:

(1) FOURTH AMENDMENT TO CONTRACT NO. 520 FOR JOB NO. 10-01, WP2020 ANI-01 PIPELINE REPLACEMENT FROM KĪLAUEA TO ‘ANINI, KĪLAUEA-KALIHIWAI-‘ANINI WATER SYSTEM, KAUA‘I, HAWAI‘I, WITH FUKUNAGA AND ASSOCIATES, INC. FOR A TIME EXTENSION ENDING ON DECEMBER 31, 2017 WITH NO ADDITIONAL FUNDING

FUNDING: NO ADDITIONAL FUNDS REQUESTED

Account No. 30-20-00-604-101 BAB-Eng-ALLR-10-01 Ani-01a ‘Anini & Kalihiwai Road

<table>
<thead>
<tr>
<th>Contract No. 520:</th>
<th>Fukunaga and Associates, Inc.</th>
<th>$750,760.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>NTP Issued:</td>
<td>12/6/10</td>
<td></td>
</tr>
<tr>
<td>First Amendment:</td>
<td>Contract Time Extension to 12/31/14, additional work (+46,125) and contract deduction (-46,600)</td>
<td>($475.00)</td>
</tr>
<tr>
<td>Second Amendment:</td>
<td>Contract Time Extension to 8/25/16 and Additional Engineering Services for Design Changes</td>
<td>$41,367.00</td>
</tr>
<tr>
<td>Third Amendment:</td>
<td>Contract Time Extension to 3/22/17</td>
<td>$0.00</td>
</tr>
<tr>
<td></td>
<td>Total Contract No. 520</td>
<td>$791,652.00</td>
</tr>
<tr>
<td></td>
<td>Total Funds Certified (includes $50k fund transfer per Manager’s Report No. 15-32)</td>
<td>$800,760.00</td>
</tr>
</tbody>
</table>

Fourth Amendment:

<table>
<thead>
<tr>
<th>Contract Time Extension to 12/31/17</th>
<th>$0.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Fourth Amendment</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Funds Available</th>
<th>$9,108.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Contract Amount</td>
<td>$791,652.00</td>
</tr>
</tbody>
</table>

BACKGROUND:

Unanticipated delays in the design phase have caused the work to proceed at a pace slower than originally planned, resulting in the contract work extending beyond the contractual limit.

It is the DOW staff’s opinion that Fukunaga and Associates, Inc. has made sufficient progress to the project to extend the project completion date by 120 calendar days.
(2) FOURTH AMENDMENT TO CONTRACT NO. 553 FOR JOB NO. 12-01
WP2020 H-05 HANALEI WATERLINE IMPROVEMENTS, KAUA'I HAWAI'I
TO ESAKI SURVEYING AND MAPPING, INC. IN THE AMOUNT OF $3,560.00

FUNDING:
Account No. 10-20-00-604-136 WU/Eng/AdminCapitalOutlay-R&R/CapitalPurchases

<table>
<thead>
<tr>
<th>Contract No. 553: Esaki Surveying and Mapping, Inc.</th>
<th>$143,605.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>NTP Issued: 5/28/12</td>
<td></td>
</tr>
<tr>
<td>Contingency Funds Available</td>
<td>$14,360.00</td>
</tr>
<tr>
<td>First Amendment: Contract Time Extension to 3/21/14</td>
<td>$0.00</td>
</tr>
<tr>
<td>Second Amendment: Contract Time Extension to 6/26/16</td>
<td>$0.00</td>
</tr>
<tr>
<td>Third Amendment: Contract Time Extension to 11/5/17</td>
<td>$0.00</td>
</tr>
<tr>
<td>Total Certified Funds for Contract No. 553</td>
<td>$157,965.00</td>
</tr>
</tbody>
</table>

Fourth Amendment:

<table>
<thead>
<tr>
<th>Additional Work (funds available taken from contingency)</th>
<th>$3,560.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Fourth Amendment</td>
<td>$3,560.00</td>
</tr>
<tr>
<td>Remaining Contingency Funds Available</td>
<td>$10,800.00</td>
</tr>
<tr>
<td>Total Contract Amount</td>
<td>$147,165.00</td>
</tr>
</tbody>
</table>

BACKGROUND:
The State informed the Department that they are requiring the Department to complete a Use and Occupancy Agreement (UOA) for the project, after contract 553 was executed and the design was almost completed. The UOA requires that a licensed surveyor prepare a map, description, and mathematical closures. The contractor is requesting additional funds for this additional work.

It is the DOW staff’s opinion that Esaki Surveying and Mapping, Inc. proposal for the additional work is reasonable and is moving forward with the contract amendment.

(3) SECOND AMENDMENT TO CONTRACT NO. 608 FOR SOLE SOURCE
#SS-156 FOR THE FURNISHING AND DELIVERY OF LABORATORY TESTING SERVICES FOR FISCAL YEAR 2017-2018 IN THE AMOUNT OF $30,000.00

FUNDING:
Account No. 10-10-40-540-010 WU/Qual/Purification/ProfessionalServices-General

<table>
<thead>
<tr>
<th>Contract No. 608: Eurofins Eaton Analytical, Inc. (not to exceed)</th>
<th>$85,000.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>NTP Issued: Laboratory Service from 7/1/15 to 6/30/16</td>
<td></td>
</tr>
<tr>
<td>First Amendment: Laboratory Service from 7/1/16 to 6/30/17</td>
<td>$27,000.00</td>
</tr>
<tr>
<td>Total Certified Funds for Contract No. 608</td>
<td>$112,000.00</td>
</tr>
</tbody>
</table>
**Second Amendment:**

<table>
<thead>
<tr>
<th>Laboratory Testing Services FY 2017-2018</th>
<th>$30,000.00</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Second Amendment</strong></td>
<td><strong>$30,000.00</strong></td>
</tr>
<tr>
<td><strong>Total Contract Amount</strong></td>
<td><strong>$142,000.00</strong></td>
</tr>
</tbody>
</table>

**BACKGROUND:**

The Department budgeted in the current fiscal year the amount of $30,000.00 for compliance with the Safe Drinking Water Act (SDWA) Program. Phase 2-5/New Source testing will be approximately $30,000. At least two sources are scheduled to be put back in service and will need complete chemical contaminant testing. The remainder of the funds will be used to start Phase 2-5 testing for the 2017 to 2019 testing period. This will begin around January 2018.

**FIRST AMENDMENT TO CONTRACT NO. 629 FOR SOLE SOURCE #SS-2017-2 FOR THE CONTINUATION OF THE DOW’S CUSTOMER CARE AND BILLING (CC&B) PROCESSING SERVICES FOR FISCAL YEAR 2017-2018 RO UTILITEC, INC. IN THE AMOUNT OF $200,000.00**

**FUNDING:**

<table>
<thead>
<tr>
<th>Account No. 10-30-20-541-020 WU/Bill/Collection/BillingCosts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract No. 629: Utilitec, Inc.</td>
</tr>
<tr>
<td>5% Contingency</td>
</tr>
<tr>
<td>NTP Issued: 2/24/17</td>
</tr>
<tr>
<td><strong>Total Certified Funds for Contract No. 629</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>First Amendment:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2nd Year Services FY 2017-2018</strong></td>
</tr>
<tr>
<td><strong>Total First Amendment and Funds Requested</strong></td>
</tr>
<tr>
<td><strong>Total Contract Amount</strong></td>
</tr>
</tbody>
</table>

**BACKGROUND:**

Utilitec, Inc. was awarded Contract No. 629 to process the Department of Water’s (DOW) water bills to over 21,000 customers (including other as-needed correspondences) for Three Years. Funding of the Multi-year contract is appropriated as funds become available. For DOW, funds become available when the annual operating and capital budgets are approved by the Board.

The DOW Operating & Capital budgets for FY 2017 – 2018 has been submitted to the Board for approval. Funding for the 2nd year term of this contract is fully budgeted for FY 2017 - 2018. Once the budget is approved, the department would like to process the first contract amendment to increase the total compensation amount from $60,000.00 to $260,000.00. Significant stability with this contract will ensure that the bill processing services will not be disrupted.

**WAIVER RELEASE & INDEMNITY APPLICATIONS:**

<table>
<thead>
<tr>
<th>Applicant</th>
<th>TMK Location &amp; Building permit</th>
<th>Performance Bond Amount</th>
</tr>
</thead>
</table>

**Applicant**

**TMK Location & Building permit**

**Performance Bond Amount**
STAFF REPORTS - FY 16-17:

PERSONNEL MATTERS

July 17, 2017

RECRUITMENT AND POSITION ACTIONS

Administration
3. Senior Clerk #2479. Position will be filled on 8/1/2017.

Construction Management Division
1. Civil Engineer III #2351. As of 7/17/2017, DOW received the list of eligibles. Interviews will be held in early August.
2. Waterworks Inspector I #2357. As of 7/17/2017, the job announcement is posted and closes 7/21/2017.
3. Waterworks Inspector III #2355. As of 7/17/2017, the job announcement is posted on continuous recruitment.

Engineering Division
1. Civil Engineer V #2476. As of 7/17/2017, selection completed. DHR to notify us of the start date.

Operations Division
2. Pipefitter Helper #2410. As of 7/17/2017, the job announcement is posted and closes 7/21/2017.
3. Water Plants Superintendent #2490. As of 7/17/2017, DOW received a list of eligibles. Will interview in early August.

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 $8,950.00

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>TMK</th>
<th>Location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/28/2017</td>
<td>Erik Brandsen, Trustee of the Erik Brandsen Revocable Trust dated January 30, 2013, owner of Unit 2; and M. Joan Porter Trustee of the Porter Revocable Trust dated August 15, 1998 as amended and restated on March 21, 2012 and amended on July 22, 2015, owner of Unit 1</td>
<td>5-2-017:015</td>
<td>Hanalei</td>
<td>$ 8,950.00</td>
</tr>
</tbody>
</table>

CUSTOMER CARE AND BILLING (CC&B) SYSTEM UPDATE:
- Field Service Management (FSM) – In progress
- Functional testing in progress
- Currently retesting defects
Training documentation in progress

- User Acceptance Testing
  - Begin User Acceptance Training target date - July 31st

Other Remaining Phase II Items:
- WRP Reports
- Kaua‘i – AP Credit Refund – waiting for upgrade
- Kaua‘i GL Extract – waiting for upgrade
- Kaua‘i Ag Renewal Process – to Include Automated FA Creation, change date for reminder letter

Phase III – Oracle CC&B upgrade started project planning - project management under I.T.

I.T. STRATEGIC PLAN UPDATE:
No Update

AFFORDABLE HOUSING UPDATE:
No significant activities.

QUARTERLY UPDATES – (April through June 2017)

WATER QUALITY REPORT
1. Engineering is working with the Lab and contractors to install sample stations in new subdivisions. The new subdivision behind the Po‘ipū Shopping Center will also have a sampling station. They will be added to the updated sampling plan required by new Total Coliform Rule. One is being installed in the current Hanamāʻulu project. Two more stations are being considered for installation in our existing distribution systems.

2. The main break monitoring program plan in place now is that Operations or Engineering informs the Lab of major breaks (that require sampling) or installation of new infrastructure so that Lab can sample/monitor water quality. A flow chart is available as reference, includes dirty water events.

3. Continued micro sampling of sources to see if any will present problems with fecal indicators. This is part of the Triggered Monitoring part of the Ground Water Rule.

4. Required samples for 2017 2nd quarter completed. Budget for FY2016-2017 was sufficient.

5. Data section for consumer confidence reports (CCRs) completed for 2017 report. Reports mailed and posted on website.

6. Baseline Chemistry for sources ongoing. Emphasis will be on pH at problem sources. We acquired a new field meter to test Puhi #3 and Wainiha #1 in particular. Operations installed a soda ash injection set up for Wainiha Well 2. We cannot use it until approved by Safe Drinking Water Branch (SDWB). Wainiha 2 has been repaired – Lab took the required micro and chemical samples. We are awaiting testing results before it can go back in service. We will conduct the necessary pH testing and adjustments with soda ash to satisfy SDWB requirements to use such a treatment as soon as we get the green light to put well back on line.

8. Updated sample site plan and sites on Xcel spreadsheet. Continuing.

9. Lab inspection for microbial analysis certification in May 2017 - passed.

10. Recent Hanamā‘ulu episode resulted in a reference flowchart – available to PR, OPS and Lab personnel.

11. Lead and Copper next event is this summer of 2017.

12. Micro analysis ongoing with no coliform hits.

13. Purchased some new equipment. pH meter, digital chlorine meters, new pH probe and scale.

14. Monitoring Moloa’a system for chlorine and coliforms. This is voluntary due diligence. Also helped Ian Kagimoto (HOH) with his sampling for disinfection by-products (DBPs) and Lead/Copper at our customer’s residence.


Pursuant to Board Policy No. 25

COUNTY ATTORNEY QUARTERLY REPORT:
CLAIMS SETTLED:

<table>
<thead>
<tr>
<th>Claimant Name</th>
<th>Date of Incident</th>
<th>Filed with Office</th>
<th>Nature of Claim</th>
<th>Amount Requested</th>
<th>Settlement Amount</th>
<th>Remedial Recommendation/Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonilla, Jeanette</td>
<td>03/2017</td>
<td>5/9/17</td>
<td>Property Damage - Claimant’s Water was &quot;Shut off&quot; without notice to residence(s) in adjoining subdivisions/housing areas. For claimant it caused major leakage to refrigerator - which took her 3 hrs. to clean up but mainly the solar heater was &quot;tripped&quot; causing water to tank to be &quot;Shut off&quot;.</td>
<td>$130.20</td>
<td>$130.20</td>
<td>Investigated by the department; accepted.</td>
</tr>
</tbody>
</table>

Respectfully submitted,

Kirk Saiki, P.E.
Manager and Chief Engineer

Attachments: 2010 BAB Spend Down Report as of June 2017
KS/MJA
Mgrrp/Manager’s Update (07-28-17):mja
Approved FY 17-18 Budget did not spend down BAB. BAB will have to be spent down in FY 18-19.
On June 12, to 14, 2017 I attended the AWWA Conference in Philadelphia. The following is a summary of my activities at the Conference:

June 12, 2017
I attended the following:
1. Opening session
2. Conference Exposition and pipe tapping competition
3. Attended a scheduled meeting with Phil Ragsdale of the Confluence Group to discuss asset management programs. The Confluence Group is currently under contract with Honolulu BWS to assist them with their asset
I worked on Department business and emails in the afternoon.

June 13, 2017
I attended the following sessions:
1. Water Infrastructure Finance and Innovation Act (WIFIA) Program: Latest Update
   a. The Basics: Overview of WIFIA
   b. WIFIA Credit Policies
   c. Panel discussion
   d. The letter of interest and selection process
   e. Project approval
2. Visited Conference Exposition
I worked on Department business and emails in the afternoon.

June 14, 2017
I attended the following sessions:
1. Making progress in asset management
   a. Asset Management as an Element of Effective utility management
b. Best practices – AMCV Benchmarking project  
c. Emerging technologies and innovations in asset management  
d. Leading practices in asset management

2. Attended a scheduled meeting Sudhir Pardiwala of Raftellis to discuss the current rate study they are doing for the Department. Items of discussion are as follows
   a. The affordable housing subsidy and its effects on water rates.
   b. Potential for contract change orders  
   c. Status of project.

I worked on Department business and emails in the afternoon.

June 22, 2016
I attended the Conference Exposition in the morning and Brown and Caldwell function in the afternoon.

Conference Summary
The conference seminars provided a lot of new information for the Department to consider implementing.

I was able to spend some time with Jeffery Pearson the deputy to the chairperson and chief executive officer of the Commission on Water Resource Management. We were able to discuss the current surface water issues on Kauai and the irrigation ditch flow monitoring program that they are implementing.
Quarterly Reports
Quarterly Status of DOW Projects

Period of April 1, 2017–June 30, 2017

CONSTRUCTION MANAGEMENT DIVISION

Submitted by Dustin Moises, P.E.

Department of Water

July 28, 2017
The significant changes for Water Plan 2020 Projects within the CM Division during this quarter are:

The Special Projects Division and Design & Construction Divisions were officially reorganized into the Construction Management and Engineering Divisions in August 2012. This update reflects projects currently within the Construction Management Division.

Current WP 2020 CM Design REVIEWS:
1. Job No. HE-01 – Kaumuali’i Highway 16” Main and Emergency Booster Pump Connection (Preliminary Review Set)
2. Job No. HE-10 – Hanapepe Road 6” Main Replacement (Prefinal Review Set)
3. Job No. PLH-35b – Kapaia Haul Cane Road 18” Transmission Line (Prefinal Review Set)

Current WP 2020 Construction:
3. Halewili 8-Inch Main Replacement – Construction completed. Final payment issued to contract.

Upcoming WP 2020 Construction Projects: CM RFP Reviews:
1. Job No. ANI-01b – Anini Waterline Phase II – Finalized Design review and RFP (Project Construction Procurement Cancelled)

Private Construction Projects:
1. Certificate of completion - 1 project.

Project Management Software:
Current WP 2020 Design Projects
<table>
<thead>
<tr>
<th>WP 2020 NUMBE R</th>
<th>PROJECT TITLE</th>
<th>% COMPLETE MAR 2017</th>
<th>% COMPLETE JUNE 2017</th>
<th>ORIG. EST. COMPLETE</th>
<th>CURRENT EST. COMPLETE</th>
<th>CURRENT CONTRACT AMOUNT</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLH-39</td>
<td>Līhu‘e BASEYARD IMPROVEMENTS (PH 1) – MASTER PLAN Līhu‘e BASEYARD IMPROVEMENTS -DESIGN</td>
<td>100</td>
<td>100</td>
<td>Q4 2011</td>
<td>Q4 2011</td>
<td>$279,719 (P)</td>
<td>Final payment made. Design team still assisting as needed post Construction</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>100</td>
<td>Q4 2012</td>
<td>Q1 2014</td>
<td>$635,030 (D)</td>
<td></td>
</tr>
</tbody>
</table>
• Current WP 2020 Construction Projects
<table>
<thead>
<tr>
<th>WP 2020 NUMBER</th>
<th>JOB NO</th>
<th>PROJECT TITLE</th>
<th>% COMPLETE MAR 2017</th>
<th>% COMPLETE JUNE 2017</th>
<th>ORIGINAL ESTIMATE TO COMPLETE</th>
<th>CURRENT ESTIMATE TO COMPLETE</th>
<th>CURRENT CONTRACT AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLH-39</td>
<td></td>
<td>Līhu'e BASEYARD IMPROVEMENTS FOR THE DEPARTMENT OF WATER (100% R&amp;R)</td>
<td>100</td>
<td>100</td>
<td>Q1 2017</td>
<td>Q2 2016 (2)</td>
<td>$10,895,555</td>
</tr>
<tr>
<td>K-18</td>
<td></td>
<td>8 INCH MAIN REPLACEMENT ALONG HALEWILI ROAD</td>
<td>100</td>
<td>100</td>
<td>Q4 2016</td>
<td>Q1 2017</td>
<td>$694,331</td>
</tr>
<tr>
<td>13-07</td>
<td></td>
<td>KOLOA WELL D RETAINING WALL &amp; SITE REPAIRS</td>
<td>81</td>
<td>99</td>
<td>Q2 2017</td>
<td>Q2 2017 (2)</td>
<td>$552,887</td>
</tr>
</tbody>
</table>

**TOTAL =** $12,142,773

(1) Change order issued which extended project schedule.
(2) Awaiting close out documents
(3) Awaiting contract dispute resolution
(4) Awaiting DPW road permit signoff
(5) Contract closed out
(6) Liquidated Damages being enforced
(7) Awaiting Building Permit signoff
# Water Plan 2020 Construction Projects

## Previous 4 quarters

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>CONSTRUCTION CONTRACTS AWARDED</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>CONSTRUCTION CONTRACTS COMPLETED</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>OPEN CONSTRUCTION CONTRACTS (#)</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>OPEN CONSTRUCTION CONTRACTS ($)</td>
<td>$11,595,157</td>
<td>$12,148,375</td>
<td>$12,144,532</td>
<td>$12,142,773</td>
</tr>
</tbody>
</table>
• Upcoming WP 2020 Construction Projects
## Water Plan 2020 CM Design/RFP Review Status

### APRIL 2017 – JUNE 2017

<table>
<thead>
<tr>
<th>WP 2020 No.</th>
<th>PROJECT TITLE</th>
<th>DESIGN STATUS</th>
<th>RFP STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>HE-10, He-01</td>
<td>HANAPEPE-ELEELE WATERLINE – PHASE I (COUNTY ROADS) &amp; PHASE II (STATE HWY)</td>
<td>REVIEWED PREFINAL/PRELIM DESIGN SETS</td>
<td>NOT SUBMITTED FOR REVIEW</td>
</tr>
<tr>
<td>WKK-15</td>
<td>CONSTRUCT KILAUEA 466 TANK, 1.0 MG</td>
<td>REVIEWED PREFINAL DESIGN REVIEW SET</td>
<td>AWAITING FINAL REVIEW SET</td>
</tr>
<tr>
<td>HE-14</td>
<td>HANAPEPE - ELEELE BOOSTER PUMPS REPLACEMENT</td>
<td>RECEIVED FINAL DESIGN – ATTAINED BUILDING PERMIT</td>
<td>FINALIZED RFP. ANTICIPATE JULY 2017 ADVERTISEMENT</td>
</tr>
<tr>
<td>PLH-01A</td>
<td>GROVE FARM TANKS REPLACEMENT</td>
<td>RECEIVED SIGNED SET</td>
<td>RFP CANCELLED – PROJECT SHELVED</td>
</tr>
<tr>
<td>WK-08</td>
<td>KAPAHI HOMESTEADS 2-0.5 MG STORAGE TANKS</td>
<td>REVIEWED PREFINAL DESIGN REVIEW SET</td>
<td>NOT SUBMITTED FOR REVIEW</td>
</tr>
<tr>
<td>KP-09</td>
<td>KOLOA WELL 16A &amp; 16B SITE/BUILDING IMPROVEMENTS</td>
<td>COMPLETED FINAL DESIGN REVIEW – ATTAINED BUILDING PERMIT</td>
<td>ADVERTISED FOR CONSTRUCTION MAY 2017</td>
</tr>
<tr>
<td>K-01, K-12</td>
<td>KALAHEO CLEARWELL TANK, YAMADA TANK AND PIPELINE (PACKAGES A, B AND C)</td>
<td>REVIEWED FINAL DESIGN SET</td>
<td>REVIEWED PREFINAL SET</td>
</tr>
<tr>
<td>PLH-35</td>
<td>KAPAIA HAUL CANE ROAD 18” TRANSMISSION LINE</td>
<td>REVIEWED PREFINAL DESIGN SET REVIEW</td>
<td>AWAITING PREFINAL SET</td>
</tr>
<tr>
<td>ANI-01A</td>
<td>ANINI PIPELINE PHASE 2</td>
<td>RECEIVED SIGNED SET</td>
<td>RFP CANCELLED – PROJECT SHELVED</td>
</tr>
<tr>
<td>K-05A</td>
<td>KUKUIOLONO 0.5 MG TANK (886’)</td>
<td>REVIEWED PREFINAL SET</td>
<td>AWAITING REVIEW SET</td>
</tr>
</tbody>
</table>

Note: DOW CM Division reviews all WP 2020 or DOW funded plans prior to design completion.
## Future Water Plan 2020 Construction Projects

<table>
<thead>
<tr>
<th>WP 2020 No.</th>
<th>PROJECT TITLE</th>
<th>STATUS</th>
<th>% EXP</th>
<th>% R&amp;R</th>
<th>ANTICIPATE NTP</th>
<th>EST. COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANI-01B</td>
<td>‘Anini AND KALIHIWAI ROAD 6” MAIN</td>
<td>IN DESIGN</td>
<td>56</td>
<td>44</td>
<td>SEPTEMBER 2017</td>
<td>$4.2 M</td>
</tr>
<tr>
<td>KP-09</td>
<td>Koloa WELLS 16A, 16B, SITE AND BUILDING IMPROVEMENTS</td>
<td>IN CONST. PROCUREMENT</td>
<td>0</td>
<td>100</td>
<td>SEPTEMBER 2017</td>
<td>$1.75 M</td>
</tr>
<tr>
<td></td>
<td>Hanapēpē -ELEELE BOOSTER REHAB</td>
<td>FINALIZING PROCUREMENT DOCS</td>
<td>0</td>
<td>100</td>
<td>NOVEMBER 2017</td>
<td>$0.58 M</td>
</tr>
<tr>
<td>HE-10</td>
<td>ELEELE-HANAPEPE WL PHASE I – COUNTY R/W</td>
<td>IN DESIGN</td>
<td>78</td>
<td>22</td>
<td>JANUARY 2018</td>
<td>$2.2M</td>
</tr>
<tr>
<td>HE-01,HE-10</td>
<td>ELEELE-HANAPEPE WL PHASE I – STATE R/W</td>
<td>IN DESIGN</td>
<td>100</td>
<td>0</td>
<td>JANUARY 2018</td>
<td>$2.75M</td>
</tr>
<tr>
<td>PLH-35</td>
<td>KAPAIA HAUL CANE ROAD 18” WATER MAIN</td>
<td>IN DESIGN</td>
<td>100</td>
<td>0</td>
<td>MARCH 2018*</td>
<td>$3.15M</td>
</tr>
<tr>
<td>WK-39</td>
<td>KAPAA HOMESTEADS WELL 4</td>
<td>IN DESIGN</td>
<td>100</td>
<td>0</td>
<td>JUNE 2018*</td>
<td>$0.75M</td>
</tr>
<tr>
<td>H-05</td>
<td>WEKE, ANAE, AND HEE ROADS 6” &amp; 8” MAIN REPLACEMENT</td>
<td>IN REDESIGN</td>
<td>85</td>
<td>15</td>
<td>FY 18-19</td>
<td>$2.1M</td>
</tr>
<tr>
<td>K-01, K-12</td>
<td>Kalāheo CLEARWELL TANK, YAMADA TANK AND PIPELINE</td>
<td>IN DESIGN</td>
<td>Varies</td>
<td>Varies</td>
<td>FY 18-19</td>
<td>$17.1M</td>
</tr>
</tbody>
</table>

* Optimistic estimate at this time – DOW CM will procure no more than 6 projects per year and 1 every 2 months due to staffing capabilities.

TOTAL = $30.38 M
• Private Construction Projects
<table>
<thead>
<tr>
<th>TMK #</th>
<th>OWNER</th>
<th>DESCRIPTION</th>
<th>STATUS</th>
<th>CERT. OF COMPLETION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>State of Hawaii - DOT - Harbors Division</td>
<td>Installation of Lift Station and Force Main</td>
<td>In construction</td>
<td></td>
</tr>
<tr>
<td>2-1-01:52 Por</td>
<td>Kauai Habitat for Humanity</td>
<td>Construction Plans for Eleele Luna Phase 2 Subdivision Increment 2</td>
<td>In construction</td>
<td></td>
</tr>
<tr>
<td>2-5-01:Por 2</td>
<td>Kauai Bible Church</td>
<td>Kauai Bible Church Highway Acess</td>
<td>Awaiting final closeout docs</td>
<td></td>
</tr>
<tr>
<td>2-5-04:036/837</td>
<td>Beth Charlton</td>
<td>2nd 5/8-Inch Domestic Service Connection</td>
<td>In construction</td>
<td></td>
</tr>
<tr>
<td>2-5-05:026, Unit 2</td>
<td>Charlee and Louie Abrams</td>
<td>Water Meter Plan for Lot 34-A, Unit B Kaluamoa Farms Condominium</td>
<td>Awaiting precon</td>
<td></td>
</tr>
<tr>
<td>2-6-15 por</td>
<td>Kukuiula Development Company, LLC</td>
<td>Ala Kukuiula Phase 3A</td>
<td>Awaiting precon</td>
<td></td>
</tr>
<tr>
<td>2-6-15:014</td>
<td>Kukuiula Development Company, LLC</td>
<td>Parcel A</td>
<td>Awaiting precon</td>
<td></td>
</tr>
<tr>
<td>2-6-15:014</td>
<td>Kukuiula Development Company, LLC</td>
<td>Premiere Estate Lot</td>
<td>Awaiting precon</td>
<td></td>
</tr>
<tr>
<td>2-6-15:014</td>
<td>Kukuiula Development Company, LLC</td>
<td>Wastewater Pump Sta. &quot;C&quot; and Force Main</td>
<td>Awaiting precon</td>
<td></td>
</tr>
<tr>
<td>2-6-15:por</td>
<td>Kukuiula Development Company, LLC</td>
<td>Ala Kukuiula Phase 3B</td>
<td>Awaiting precon</td>
<td></td>
</tr>
<tr>
<td>2-6-20:022</td>
<td>Kukuiula Development Company, LLC</td>
<td>Kainani Villas</td>
<td>Awaiting final closeout docs</td>
<td></td>
</tr>
<tr>
<td>2-8-21:041; 2-8-21:044 thru 068</td>
<td>CLDC Land Development Company</td>
<td>Construction Plans for Makahuena Subdivision (S-2015-14)</td>
<td>In construction</td>
<td></td>
</tr>
<tr>
<td>TMK #</td>
<td>OWNER</td>
<td>DESCRIPTION</td>
<td>STATUS</td>
<td>CERT. OF COMPLETION</td>
</tr>
<tr>
<td>------------------</td>
<td>--------------------------------------------</td>
<td>----------------------------------------------------------</td>
<td>---------------------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>2-8-22:033-4</td>
<td>Blake and Kathy Hillis Trust</td>
<td>Proposed Structural Utilities Jacket Crossing Easement W-9</td>
<td>Awaiting final closeout docs</td>
<td></td>
</tr>
<tr>
<td>2-7-03:005</td>
<td>Richard Fuller</td>
<td>Water Meter Plan for Lot 427-A-1</td>
<td>In construction once license renewed</td>
<td></td>
</tr>
<tr>
<td></td>
<td>County of Kauai</td>
<td>Construction Drawings for Puhi Road Rehabilitation (STP-5010(1))</td>
<td>In construction</td>
<td></td>
</tr>
<tr>
<td>3-3-02:001</td>
<td>Grove Farm</td>
<td>Construction Plans for Sewer Lateral for Lot 1528 (Puhi Road &amp; Kaneka Street Intersection)</td>
<td>Awaiting final closeout docs</td>
<td></td>
</tr>
<tr>
<td>3-3-11:002; 3-3-11:005; 3-3-18:005</td>
<td>Grove Farm</td>
<td>Construction Plans for 8&quot; Sewer Line</td>
<td>Awaiting final closeout docs</td>
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<td>3-3-13:024</td>
<td>R.R.S. Inc.</td>
<td>Reduced Pressure Detector Assembly Plan for Lot 1112</td>
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<td></td>
<td>County of Kauai</td>
<td>Hardy Street Improvements</td>
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<td>3-2-03:008</td>
<td>Thomas and Jami McKnight</td>
<td>Water Service Installation Plan for Lots 77, 78 and 79</td>
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<td>3-2-05:009</td>
<td>Curtis Law</td>
<td>Construction Plans for Guardian Storage Facility Kalapaki</td>
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<td>3-2-06:008; 3-2-06:013</td>
<td>Elester Calipjo</td>
<td>Water Meter Plans for Parcel 8 and Parcel 13</td>
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<td>3-3-03:043</td>
<td>Kauai Phillipine Cultural Center</td>
<td>Construction Plans for Kauai Phillipine Culture Center</td>
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<td>Jared and Donna Murayama 1997</td>
<td>Construction Plans for 8&quot; RPDA for Lot 1115</td>
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<td>State - DAGS</td>
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<td>Ma’s Family Kitchen LLC</td>
<td>Service Lateral for a New 1-Inch Water Meter</td>
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<td>3-8-14:039-1; 3-8-14:039-2; 3-8-14:039-3</td>
<td>Jacob Thorp</td>
<td>Water Meter Plan for Lot 1-A-1</td>
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<td>State-DOT</td>
<td>Nawiliwili Road Improvements Phase I (Kaumualii HWY to Kanani St.)</td>
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<td>3-7-03:20</td>
<td>D.R. Horton - Schuler Homes, LLC</td>
<td>Ho’oluana at Kohea Loa (S-2006-24) - Offsite Plans</td>
<td>Awaiting final closeout docs</td>
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<tr>
<td>3-7-03:20</td>
<td>D.R. Horton - Schuler Homes, LLC</td>
<td>Ho’oluana at Kohea Loa (S-2006-24) - Onsite Plans</td>
<td>In construction</td>
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<td>3-8-02:001</td>
<td>D.R. Horton - Schuler Homes, LLC</td>
<td>Ho’oluana at Kohea Loa (S-2006-24) - Kalepa Tank Control Valve Replacement</td>
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<td>Kamalu Bridge Erosion Protection Repairs</td>
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<td>4-4-10:032</td>
<td>Clayton Oshita</td>
<td>Installation of Second Single Service Lateral for Lot 142-F</td>
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<td>4-5-05:007</td>
<td>Peter Sperry</td>
<td>Sewer Improvement Plan for Lot 4</td>
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<td>4-5-05:007</td>
<td>Peter Sperry</td>
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<td>4-8-06:037</td>
<td>Robert Russell</td>
<td>Water Meter Plan for Parcel 37</td>
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<td>5-1-04:007; 5-1-04:008</td>
<td>Jeffrey Lindner</td>
<td>Water Meter and Fire Protection Service Connections for Bertleman's Subdivision</td>
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<td>5-1-04:008</td>
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<td>Water Meter Plan for Parcel 21</td>
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<td>5-2-04:069</td>
<td>Sandy Saeman</td>
<td>Water Service Installation Plan for Lot 8</td>
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<td>5-2-04:099</td>
<td>Kilauea A.G. Committee</td>
<td>Water Service Installation Plan Kilauea Community A.G. Park - Phase I</td>
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<td>5-2-05:024; 5-2-23:027; 5-2-23:028</td>
<td>Hunt Development Group, LLC.</td>
<td>Kilauea Lighthouse Village Ala Namahana Parkway &amp; Kilauea Road Improvement Plan (Honua Plans)</td>
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<td>5-2-12:035/915</td>
<td>Charles Somers</td>
<td>Water Service Installation Plan for Lot 8-W-9-A (Parcel 35)</td>
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<td>5-2-17:015</td>
<td>Erik Brandsen</td>
<td>Water Improvements for Units 1 and 2 &quot;Linzinmeir&quot; CPR Lot 15 Kalihiwai Ridge Subdivision</td>
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<td>5-2-23:027; 5-2-23:028; 5-2-23:003</td>
<td>Kilauea Ventures, LLC</td>
<td>Kilauea Lighthouse Village (Esaki Plans)</td>
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<td>5-4-04:006</td>
<td>Julie Ann Miller</td>
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<td>5-6-04:023/853</td>
<td>Waipa Foundation Community Cultural Center</td>
<td>Waipa Foundation Community Cultural Center</td>
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<td>5-8-08:014</td>
<td>Kent &amp; Sharon Lucien</td>
<td>Water Improvements for Lot 55</td>
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<td>5-9-03:001; 5-9-03:029</td>
<td>Katherine Richardson/Jonathan Wichman</td>
<td>Water Service Installation Plan for Lot 148 and Lot 149</td>
<td>Awaiting final closeout docs</td>
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<td>2-8-02:</td>
<td>Grove Farm</td>
<td>Waila'au Road Waterline</td>
<td>COMPLETED</td>
<td>6/9/17</td>
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## Staffing Update

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<tbody>
<tr>
<td>2470</td>
<td>Chief of Construction Management</td>
<td>Dustin Moises</td>
<td>Reallocated to CE Series with added PE requirement. Pending employee acknowledgement</td>
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<tr>
<td>2351</td>
<td>Civil Engineer III</td>
<td>Vacant</td>
<td>No candidates for interview. Awaiting monthly lists from HR for new candidates in future.</td>
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<tr>
<td>2484</td>
<td>Civil Engineer III</td>
<td>Joel Bautista</td>
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<tr>
<td>2353</td>
<td>Waterworks Inspector III</td>
<td>Daniel Kittredge</td>
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<tr>
<td>2355</td>
<td>Waterworks Inspector III</td>
<td>Leo Anguay</td>
<td>Working with DHR to recruit due to pending retirement</td>
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<tr>
<td>2357</td>
<td>Waterworks Inspector I</td>
<td>Vacant</td>
<td>Position posted for recruitment in June 2017.</td>
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<tr>
<td>2483</td>
<td>Waterworks Inspector II</td>
<td>Richard Banasihan</td>
<td></td>
</tr>
<tr>
<td>2604</td>
<td>Engineering Program Assistant</td>
<td>Bekki Malapit</td>
<td></td>
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</table>
EXECUTIVE SUMMARY

The Engineering Division is currently overseeing 23 ongoing DOW Design projects, including several multi-phased projects:

Significant changes for this quarter include:

1) Hanapēpē-Ele'ele Booster Pump Replacement, Job No. 12-04 – Elevation Certificate completed. Design completed and turned over to DOW CM division.

2) Kōloa Wells “16-A” & “16-B” MCC and Chlorination Facilities, Job No. 11-07 - Design completed and turned over to DOW CM division.

3) Hanapēpē-'Ele'ele Connecting Pipeline, Job No. 15-07:
   - HE-10 Hanapepe Rd. (County Right of Way) - DOW in process of obtaining Right of Entries from State and 37 private land owners for water meter relocations and/or to reconnect private plumbing. Plans to be resubmitted to DOW for review.
   - HE-1 (State Right of Way) - DOW in process of obtaining Right of Entries from State and private land owner for water line access road grading. Contract amendment No. 1 to modify the contract’s scope and fee completed.

4) Kālaheo 1111’ & 1222’ Water System Improvements, Job No. 09-01 – Contract amendment No. 2 to modify the contract’s scope and fee completed. DOW Executive Order application and construction right of entry for the Package B site was approved by the State Board of Land and Natural Resources (BLNR). When design of Package A (Yamada 0.5 MG Tank), Package B (Clearwell 0.1MG Tank), and Package C (Water Main) is complete the DOW intends to combine the three packages into one construction contract.

5) Kapa'a Homesteads 325’ Two (2) 0.5 MG Tanks, Job No. 02-14 – DOW is continuing work on resolving drainage for project with State, County and private landowner on Ka'apuni Road. Consultant and DOW have successfully negotiated an amendment to modify the contract for the additional drainage design; DOW has decided to construct the drainage improvements with Kapa'a Well No. 4. Additional funds for the contract amendment are required.

6) Ha‘ena 0.2 MG Storage Tank Project, 144’, Job No. HW-11 – Consultant is progressing with design. Additional funds for the First amendment to contract approved at 4/28/17 Board meeting to add 3 site-specific geotechnical borings, which may allow design to be modified and result in substantial construction cost savings by reducing height of site retaining wall.

7) Construct Kapaia Cane Haul Rd. 18” Water Line, Job No. PLH-35b – Plans returned to Grove Farm’s consultant for corrections. DOW awaiting resubmittal of plans from consultant. The consultant is in the process of updating the Environmental Assessment (EA) for project. The conditional letter to complete a Use & Occupancy Agreement was approved by the Board. The State will be sending the Use & Occupancy Agreement (UOA) to the DOW for execution, pending approval of the survey documents required for the UOA.

July 28, 2017
The Engineering Division is currently overseeing 23 ongoing DOW Design projects, including several multi-phased projects:

Significant changes for this quarter include:

8) Kapa’a Homesteads Well No. 4, Job WK-39 – design for the well is complete, but site drainage needs to be resolved. Contract amendment needed to recertify plans, update specifications (RFP), and update permits to drill and test well. DOW confirmed that a construction contract must be in place by 6/30/2018 to utilize State funds allocated for project. DOW has therefore decided to construct the well prior to the Kapa’a 325’ Tanks project, instead of concurrently with the tanks, to expedite design completion and utilize state funds.

9) Construct Kīlauea 1.0 MG Storage Tank and Connecting Pipeline, Job No. 02-06 – Contract amendment needed. DOW received proposal from consultant for additional fee and DOW is in negotiations. DOW requiring consultant to shift tank location on site to accommodate full-width access road around tank. Consultant verified that a Use Permit is required for the project. DOW completed review of RFP and returned for corrections on 1/20/17.

10) Kukui’olono 0.5 MG Tank, Job No. 11-09 – Contract amendment was executed at 4/28/17 Board meeting to extend contract time. DOW continuing work on proposed land agreement with Kukui’olono Board. DOW awaiting resubmittal of plans from consultant since DOW reviewed and returned pre-final drawings on 1/6/17.

    Phase 1: DOW awaiting resubmittal of plans from consultant since DOW reviewed and returned pre-final drawings on 4/11/17. Contract amendment anticipated to extend contract length.
    Phase 2 – Design was completed and turned over to CM division on 3/2/17.

12) U.H. Experimental Station 0.25 MG Tank, Job No. 12-02 – Awaiting an answer from UH concerning the proposed tank site. UH expects a new person to start work with them in the next 3 months. Project on hold until UH is able to give DOW an answer. Contract amendment was executed 3/24/17 to extend contract time.

EXECUTIVE SUMMARY, cont’d

The Engineering Division is currently overseeing 23 ongoing DOW Design projects, including several multi-phased projects:

Significant changes for this quarter include:

14) Replacement of Grove Farm Tanks #1 & #2 with 0.5 MG Water Tank, Job No. 11-02 – Contract amendment to extend contract time and complete Building Permit application was executed 4/28/17 with Notice to Proceed 5/4/17. Design was previously completed and turned over to DOW CM division on 3/15/17.


17) Kolo Rd. Water Main Replacement, Job No. 13-05 – Use and Occupancy Agreement and request to abandon pipe in the State Right-of-Way pending response from the State.

18) Land and Well Acquisition, Moloa'a-Waimea, Job No. 11-03 – Land acquisition for DOW Waimea sites ongoing.


20) Drill and Test Wainiha Well #4, Job No. 05-02 – Contract amendment needed. Right of Entry document approval by private landowner. Design can now proceed.

21) Drill and Test Hanalei Well, Job No. 05-02 – DOW needs to restart project. Contract amendment needed.

22) Site Acquisition for Moloa’a 0.1 MG Tank, Job No. M-02 - Consultant submitted request to extend contract. DOW to evaluate proposal.

Upcoming projects:

23) Drill and Test Kīlauea Well No. 3, Job No. 17-11 – DOW is negotiating scope and fee with consultant.
EXECUTIVE SUMMARY

Projects with design completed this quarter:
- Hanapēpē-Ele’ele Booster Pump Replacement, Job No. 12-04
- Kōloa Wells “16-A” & “16-B” MCC and Chlorination Facilities, Job No. 11-07

Projects with design estimated to be completed within the next three months:
- HE-10 (County Right of Way) Hanapēpē-Ele’ele Connecting Pipeline, Job No. 15-07

Projects with design estimated to be completed within the next three to six months:
- Kālaheo 1111’ & 1222’ Water System Improvements, Job No. 09-01 - Package A (Yamada Tank), Package B (Clearwell Tank), and Package C (Water Main Improvements).
- Kapaia Cane Haul Rd. 18” Water Line, Job No. PLH-35b (~6 months pending completion of EA and UOA with State)
- HE-1 (State Right of Way) Hanapēpē-Ele’ele Connecting Pipeline, Job No. 15-07 (~6 months)
- Hanalei Water Line Improvements, Job 12-01 (redesign)
- Kapa’a Homesteads Well No. 4, Job WK-39

Projects with construction estimated to begin within the next three to six months:
- Hanapēpē-Ele’ele Booster Pump Replacement, Job No. 12-04
- Kōloa Wells “16-A” & “16-B” MCC and Chlorination Facilities, Job No. 11-07

PRIVATE PROJECTS:
- 33 private project reviews (new and existing) were completed by Engineering during this quarter, including 13 new projects which were submitted for Engineering review during this quarter.

July 28, 2017
Design Projects
## WEST SIDE DESIGN PROJECTS
### Kekaha, Waimea, Hanapēpē, ‘Ele‘Ele

<table>
<thead>
<tr>
<th>WP 2020 NUMBER</th>
<th>PROJECT TITLE</th>
<th>% COMPLETE APRIL 2017</th>
<th>% COMPLETE JUNE 2017</th>
<th>EST. DESIGN COMPLETE</th>
<th>BUDGET COST (DESIGN)</th>
<th>FRC GENERATING PROJECT?</th>
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<tr>
<td>HE-14</td>
<td>Hanapēpē-‘Ele’ele Booster Pump Replacements</td>
<td>99</td>
<td>100</td>
<td>Completed Q2 2017</td>
<td>$92,000</td>
<td>No</td>
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<td>KW-28</td>
<td>Amfac Shaft Renovation, Phase 3</td>
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<td>0</td>
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<td>-</td>
<td>Yes</td>
<td>No change - project on hold indefinitely.</td>
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<td>HE-1 &amp; HE-10</td>
<td>Reorganize Water System- Hanapēpē-‘Ele’ele Connecting Pipeline</td>
<td>70</td>
<td>80</td>
<td>Q4 2018 for County ROW (Phase 1) Q1 2018 for State ROW (Phase 2)</td>
<td>$499,972</td>
<td>Yes</td>
<td>County ROW: Awaiting Final plan submittal from consultant. Pursuing obtaining 37 Right of Entries for water meters. State ROW: Awaiting plan re-submittal from consultant. Requesting Right of Entries from the State and private owners.</td>
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<td>KW-07</td>
<td>Rehabilitate Paua Valley Tank #1, 0.5 MG Concrete</td>
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<td>No</td>
<td>Contract executed in June. Consultant issued a notice to proceed date of 7/10/17.</td>
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July 28, 2017
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<th>WP 2020 NUMBER</th>
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<th>FRC GENERATING PROJECT?</th>
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<td>LO-10, LO-08</td>
<td>Kōloa Road 8” and Omao Road 6” Main Replacement</td>
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<td>$86,750</td>
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<td>Plans with DOW for review. DOW has received all Right of Entry’s for private roadways. Contract amendment needed. Use and Occupancy Agreement (UOA) required.</td>
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<td>K-05A</td>
<td>Kukuiolono (Kālaheo) 0.5 MG Tank, 886’</td>
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<td>TBD (2017)</td>
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<tr>
<td>Job No. 13-07</td>
<td>Kōloa Well “D” Retaining Wall and Site Repairs</td>
<td>100</td>
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<td>Design Completed in Q4 2015</td>
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<td>KP-09</td>
<td>Kōloa Wells “16A” &amp; “16B”, MCC Improvements, Site and Building Improvements, MCC Chlorination Facilities</td>
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<td>100</td>
<td>Completed Q2 2017</td>
<td>$300,000</td>
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## EAST SIDE DESIGN PROJECTS
### Lihu‘e-Puhi, Wailua-Kapaʻa, Anahola

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</thead>
<tbody>
<tr>
<td>PLH-01A</td>
<td>Replacement of Grove Farm Tanks 1 &amp; 2 with 0.5 MG Tank</td>
<td>100</td>
<td>100</td>
<td>Complete</td>
<td>$229,658</td>
<td>Yes</td>
<td>Design completed Q1 2017, construction on hold</td>
</tr>
<tr>
<td>PLH-37</td>
<td>Deepen Puhi Well No. 2</td>
<td>PH 1 is 100%</td>
<td>PH 1 is 100%</td>
<td>-</td>
<td>$ 67,900</td>
<td>No</td>
<td>No change - Phase II Proposal Pending</td>
</tr>
</tbody>
</table>

July 28, 2017
<table>
<thead>
<tr>
<th>WP 2020 NUMBER</th>
<th>PROJECT TITLE</th>
<th>% COMPLETE APRIL 2017</th>
<th>% COMPLETE JUNE 2017</th>
<th>EST. DESIGN COMPLETE</th>
<th>BUDGET COST (DESIGN)</th>
<th>FRC GENERATING PROJECT?</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>WK-8</td>
<td>Construct Kapa’a Homestead 325’ Tanks, 1.0MG (Two 0.5 MG Tanks)</td>
<td>90</td>
<td>90</td>
<td>Q1 2018 (pending resolution of drainage)</td>
<td>Currently $829,639 plus pending additional design funds of $160,149.00 for a total of $989,788</td>
<td>Yes</td>
<td>DOW has identified new private owner who is willing to agree to receive site drainage. DOW working with consultant to amend contract and re-design drainline along Ka’apuni Road and process documents w/private owner</td>
</tr>
<tr>
<td>WK-23</td>
<td>Wailua Homesteads 0.25 MG Tank site - U.H. Experimental Station Phase 1</td>
<td>35</td>
<td>35</td>
<td>TBD (2018)</td>
<td>$ 50,000</td>
<td>Yes</td>
<td>DOW waiting for UH to provide information to approve proposed site. Contract amendment executed 3/24/17.</td>
</tr>
<tr>
<td>WK-39</td>
<td>Kapa’a Homesteads Well #4</td>
<td>95</td>
<td>95</td>
<td>Design is complete. Pending resolution of site drainage improvements</td>
<td>$ 352,000</td>
<td>Yes</td>
<td>Re-certification needed. DOW plans to package the construction of this project with the drainage from WK-8 Kapa’a Homesteads 325’ Tanks. Consultant is agreeable to re-certifying plans when directed by KDOW. Contract amendment needed.</td>
</tr>
</tbody>
</table>

July 28, 2017
<table>
<thead>
<tr>
<th>WP 2020 NUMBER</th>
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<th>FRC GENERATING PROJECT?</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>MO-03</td>
<td>Land and Well Acquisition, Moloa‘a and Waimea</td>
<td>95% (Moloa‘a)</td>
<td>95% (Moloa‘a)</td>
<td>TBD – Dependent on State BLNR</td>
<td>$165,000</td>
<td>No</td>
<td>Moloa‘a portion of contract complete. Waimea land acquisition ongoing.</td>
</tr>
<tr>
<td>M-02</td>
<td>Construct Moloa‘a 0.10 MG Tank</td>
<td>25</td>
<td>25</td>
<td>TBD (2018)</td>
<td>$ 119,207</td>
<td>Yes</td>
<td>No change. Contract amendment needed</td>
</tr>
<tr>
<td>WKK-15</td>
<td>Kīlauea 1.0 MG Tank</td>
<td>85</td>
<td>85</td>
<td>Q4 2017</td>
<td>$342,624</td>
<td>Yes</td>
<td>Use permit required. Proposed contract amendment with consultant being negotiated.</td>
</tr>
<tr>
<td>H-08</td>
<td>Drill and Test Hanalei Well #2</td>
<td>70</td>
<td>70</td>
<td>-</td>
<td>$425,000 (Combined w/Wainiha Well 4)</td>
<td>Yes</td>
<td>No change. Contract amendment needed.</td>
</tr>
</tbody>
</table>

July 28, 2017
## NORTH SHORE DESIGN PROJECTS

**Moloa‘a, Kīlauea, ‘Anini, Hanalei, Ha‘ena**

<table>
<thead>
<tr>
<th>WP 2020 NUMBER</th>
<th>PROJECT TITLE</th>
<th>% COMPLETE APRIL 2017</th>
<th>% COMPLETE JUNE 2017</th>
<th>EST. DESIGN COMPLETE</th>
<th>BUDGET COST (DESIGN)</th>
<th>FRC GENERATING PROJECT?</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANI-01</td>
<td>‘Anini &amp; Kalihiwai Road 6” Main</td>
<td>95</td>
<td>95</td>
<td>Phase 1 – Q4 2017</td>
<td>$ 791,652</td>
<td>Yes</td>
<td>Phase 1 – DOW reviewed plans and returned to consultant. Contract amendment being negotiated to extend contract time. Phase 2 – Complete. Plans signed 2/1/17, all construction documents turned over to CM on 3/2/17.</td>
</tr>
<tr>
<td></td>
<td>&quot;Phase 1“ (9,156’) &amp; “Phase 2” (5300’)</td>
<td>98</td>
<td>100 (Complete)</td>
<td>Phase 2 – Completed Q1 2017</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H-05</td>
<td>Weke, Anae, Mahimahi and He’e Roads, 6” and 8” Main Replacement</td>
<td>98</td>
<td>98</td>
<td>Q4 2017</td>
<td>$143,605</td>
<td>Yes</td>
<td>UOA pending with State DOT. Consultant determining if SHPD will require Archaeological Monitoring Plan to be submitted for construction. Recertification of Plans will be needed. Contract amendment executed 5/9/17 for time extension.</td>
</tr>
<tr>
<td>WKK-03 &amp; WKK-21</td>
<td>MCC, Chlorination Facilities – Kilauea Wells No. 1 &amp; 2 &amp; Replace Kilauea Well #2</td>
<td>0</td>
<td>10</td>
<td>Q4 2018</td>
<td></td>
<td></td>
<td>Notice to proceed issued 5/2/17</td>
</tr>
</tbody>
</table>
# NORTH SHORE DESIGN PROJECTS

**Moloa‘a, Kīlauea, ‘Anini, Hanalei, Ha‘ena**

<table>
<thead>
<tr>
<th>WP 2020 NUMBER</th>
<th>PROJECT TITLE</th>
<th>% COMPLETE APRIL 2017</th>
<th>% COMPLETE JUNE 2017</th>
<th>EST. DESIGN COMPLETE</th>
<th>BUDGET COST (DESIGN)</th>
<th>FRC GENERATING PROJECT?</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>HW-11</td>
<td>Construct 0.2 MG Storage Tank Project, 144', Ha‘ena</td>
<td>15</td>
<td>20</td>
<td>Q2 2018</td>
<td>Currently $385,000 plus pending additional design funds of $27,401 for a total of $412,401</td>
<td>Yes</td>
<td>Project in design. Proposed 1st Amendment pending execution to add 3 site-specific geotech. borings which could improve design parameters and substantially reduce construction cost of site retaining wall</td>
</tr>
<tr>
<td>HW-12</td>
<td>Drill and Test Wainiha Well #4</td>
<td>75</td>
<td>75</td>
<td>2018</td>
<td>$133,740</td>
<td>Yes</td>
<td>Right of Entry signed by owner. Project can proceed. Contract amendment needed.</td>
</tr>
</tbody>
</table>

*July 28, 2017*
# Private Projects of Note

<table>
<thead>
<tr>
<th>Area</th>
<th>DEVELOPMENT OR DEVELOPER</th>
<th>PLAN REVIEW STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hanapepe</td>
<td>DOT-Hanapepe Highway Bridge Replacement (partial conceptual only)</td>
<td>DOW awaiting Resubmittal</td>
</tr>
<tr>
<td>Kapa’a</td>
<td>Kulana Subdivision (S-99-49)</td>
<td>DOW awaiting Resubmittal</td>
</tr>
<tr>
<td>Kapa’a</td>
<td>County of Kaua’i Pu’uopae Bridge Replacement</td>
<td>DOW awaiting Resubmittal</td>
</tr>
<tr>
<td>Kōloa</td>
<td>Kukui‘ula CC/FF Subdivisions Road E (S-2009-3)</td>
<td>Plans approved/re-certified</td>
</tr>
<tr>
<td>Kōloa</td>
<td>County of Kauai Workforce Housing</td>
<td>DOW awaiting Resubmittal</td>
</tr>
<tr>
<td>Poipu</td>
<td>Kahela Subdivision Parcel H (S-2016-02)</td>
<td>DOW awaiting Resubmittal</td>
</tr>
<tr>
<td>Lihue</td>
<td>Waiola Subdivision Ph III (S-2009-15)</td>
<td>DOW awaiting Resubmittal</td>
</tr>
<tr>
<td>Lihue</td>
<td>Puakea I Subdivision Re-Certification (S-2006-27)</td>
<td>Plans approved/re-certified</td>
</tr>
</tbody>
</table>

July 28, 2017
## Personnel Status

<table>
<thead>
<tr>
<th>Civil Engineer VI</th>
<th>Keith Aoki</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civil Engineer V</td>
<td>Bryan Wienand</td>
</tr>
<tr>
<td>Civil Engineer V</td>
<td>Vacant</td>
</tr>
<tr>
<td>Civil Engineer III</td>
<td>Eric Fujikawa</td>
</tr>
<tr>
<td>Civil Engineer II</td>
<td>Vacant</td>
</tr>
</tbody>
</table>
QUARTERLY REPORT

Period of April 01, 2017 to June 30, 2017

WATER RESOURCES AND PLANNING DIVISION

Submitted by: Edward Doi, P.E.

DEPARTMENT OF WATER

July 28, 2017
Executive Summary

The significant changes for this quarter are:

• The Division continues to participate in completing the Kauai Source Water Protection Plan Updates (April 27th Meeting with Hawaii Rural Water: educational outreach, outreach materials, water conservation, source water protection activities)

• The Division assisted in the preparation of the proposed Amendments to the Rules and Regulations Part 5 Facilities Reserve Charge Section III Applicability

• The Division continues to represent the Department at the County’s Affordable Housing Task Force meetings that are conducted on a monthly basis or as necessary.

• The Division continues to represent the Department at the Hawaii Hydraulic Modelers Group meetings. (June 22nd Meeting)

• The Division continues to assist other Divisions regarding CIP implementation of WP2020 Projects
## Water Restriction Policy

<table>
<thead>
<tr>
<th>Water System / System</th>
<th>Sub-</th>
<th>Restrictions (5/8-inch water meter or number units per lot)</th>
<th>Inadequate Facilities</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper Lawai</td>
<td></td>
<td>2</td>
<td>Storage</td>
<td>Administration Approved</td>
</tr>
<tr>
<td>Poipu</td>
<td></td>
<td>300</td>
<td>Storage</td>
<td>Board Approved (50% of new tank allowed for new development; 50% to make up storage deficit)</td>
</tr>
<tr>
<td>Wailua Homesteads</td>
<td></td>
<td>5</td>
<td>Storage</td>
<td>Administration Approved</td>
</tr>
<tr>
<td>Upper Wailua Homesteads</td>
<td></td>
<td>2</td>
<td>Storage</td>
<td>Administration Approved</td>
</tr>
<tr>
<td>Kapaa Homesteads</td>
<td></td>
<td>5</td>
<td>Source</td>
<td>Board Approved</td>
</tr>
<tr>
<td>Moloa’a</td>
<td></td>
<td>0</td>
<td>Source and Storage</td>
<td>Water Purchase Agreement</td>
</tr>
<tr>
<td>Kilauea-Kalihiwai</td>
<td></td>
<td>5</td>
<td>Source and Storage</td>
<td>Administration Approved</td>
</tr>
<tr>
<td>Anini</td>
<td></td>
<td>1</td>
<td>Source and Storage</td>
<td>Water Purchase Agreement</td>
</tr>
<tr>
<td>Upper Wainiha Valley</td>
<td></td>
<td>1</td>
<td>Storage</td>
<td>Administration Approved</td>
</tr>
<tr>
<td>Wainiha – Haena</td>
<td></td>
<td>3</td>
<td>Storage</td>
<td>Administration Approved</td>
</tr>
</tbody>
</table>
On-going Projects

- Kauai DOW Source Water Protection Plan Updates
- Kauai Water Use and Development Plan (KWUDP)
- USGS Ground Monitoring Program
- Kauai Watershed Alliance Protection Program – The Nature Conservancy
- Hydraulic System Models Update
- Updating Water Zone Codes
- Conversion of the Department’s map file system from manual to digital format
## Reviewed and Processed Tasks

<table>
<thead>
<tr>
<th>Task</th>
<th>January to March 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subdivision applications; Zoning/Use Permits; Land Use/General Plan Amendment; ADU Clearance Applications</td>
<td>30</td>
</tr>
<tr>
<td>Water Service Requests</td>
<td>89</td>
</tr>
<tr>
<td>Building Permit Applications</td>
<td>201</td>
</tr>
<tr>
<td>Backflow Inspection Program – No. of Devices</td>
<td>1618</td>
</tr>
</tbody>
</table>
Significant Developments

Reviewed, Processed and On-going tasks
Kekaha to Koloa

- TMK: 1-3-09:001 Water Service for the Proposed Kaana School - Office Building and Certified Kitchen (BP 16-1638)
- TMK: 1-3-02:057 Kekaha Faye Park Water Meter Service (William Trugillo)
- TMK: 1-6-08:006 Water Service Inquiry for Forty-five 5/8-inch water meters for the Proposed Low Income Affordable Housing Subdivision (Stephen Spears)
- TMK: 2-1-01:054 Amend the Agricultural Land Use District to Urban Land District Kauai Housing Agency
- TMK: 2-3-01: 013,051,052 Proposed Single Family Dwellings on a Non-Development Agreement Area
- TMK: 2-5-06:008 BP 17-583 Proposed Single Family Residence and Individual Wastewater System using Seepage Pits near the Department’s Storage Tank
- TMK: 2-6-04:019 Water Service for the Proposed Koae Workforce Housing Class IV Zoning Permit Z-IV-2017-16
- TMK: 2-8-21:041 Water Service Request for One 1-inch Water Meter for Makahuena Point Subdivision (S-2015-14) - Landscaping Purposes
Puhi – Lihue - Hanamaulu

- Water Master Plan for Hokuala Development (aka Kauai Lagoons)
- Water Master Plan for the Lihue-Hanamaulu Master Planned Community
  - Subdivision S-2017-11 - Subdivision of Lot 3-A
  - Ahukini Makai Subdivision
  - Building Permit Applications

- TMK: 3-3-06:013  Water Service for the Proposed 2-Story Structure – AutoZone Building Permit 17-604
- TMK: 3-3-12:021  Water Service Request for One 1-inch Water Meter for Unlimited Construction Building
- TMK: 3-3-13:025  Water Service Request for One 1 ½-inch Water Meter for an Industrial Warehouse – JC Linen Company
- TMK: 3-4-07:001, 002, 003, 006  Amend the Agriculture land Use District to Urban District University of Hawaii Community Colleges
- TMK: 3-8-02:001  Water Service Request for One 1 ½-inch Water Meter for the Proposed Adolescent Treatment and Healing Center
- TMK: 3-8-02:015  Water Service Request for One 1 ½-inch Water Meter for Kings Cathedral & Chapels
Wailua - Kapaa

- TMK: 4-1-03:007  Building Permit Applications for Coco Palms Resort
- TMK: 4-3-08:002  Building Permit 17-761 Proposed AutoZone
- TMK: 4-7-04:001  Proposed Kealia Residential Subdivision
Anahola to Hanalei

- Revisit and Update Memorandum of Agreement dated November 30, 1995 between Department of Hawaiian Home Land and county of Kauai, Department of Water

- Princeville Utilities Company - Second Amendment to Agreement for Water dated June 01, 1979

- TMK: 5-1-03 Parcels 06, 09-13, 17, 18, and 022-029 Water Service Request for a 325 Acre Lot (Max Graham / Shawn Smith)

- TMK: 5-1-04:008 Building Permit and Water Service Requests Pila’a Ranch HI / Walter Balcom

- TMK: 5-2-17:028 Building Permit 17-871 Proposed Pu’ukumu School

- TMK: 5-8-04:027 Water Service Request for Residential Use (Sarah Bakewell)
<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief of Water Resources and Planning</td>
<td>Edward Doi</td>
</tr>
<tr>
<td>Civil Engineer VI</td>
<td>Michael Hinazumi</td>
</tr>
<tr>
<td>Civil Engineer III</td>
<td>Regina Flores</td>
</tr>
<tr>
<td>Civil Engineer III</td>
<td>Vacant</td>
</tr>
<tr>
<td>Civil Engineer II</td>
<td>Vacant</td>
</tr>
<tr>
<td>Engineering Drafting Technician IV</td>
<td>Cleve Shigematsu</td>
</tr>
<tr>
<td>Engineering Support Technician IV</td>
<td>Keith Konishi</td>
</tr>
</tbody>
</table>