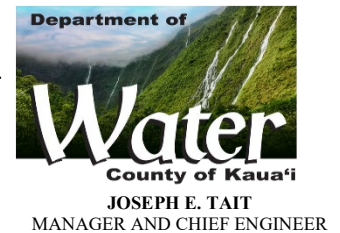


BOARD OF WATER SUPPLY

JULIE SIMONTON, CHAIR
TOM SHIGEMOTO, VICE CHAIR
MICAH FINNILA, SECRETARY

CLYDE KODANI, MEMBER
KA'AINA HULL, EX-OFFICIO
TROY TANIGAWA, EX-OFFICIO
ERIC FUJIKAWA, EX-OFFICIO



REGULAR MONTHLY MEETING NOTICE AND AGENDA

Thursday, July 17, 2025
9:30 a.m. or shortly thereafter

Meetings of the Board of Water Supply, County of Kaua'i will be conducted in-person at the Department of Water Board Room, 2nd Floor located at 4398 Pua Loke Street, Līhu'e, Kaua'i, Hawai'i, and remotely in accordance with Act 220, Session Laws of Hawai'i 2021 via interactive conference technology as follows:

Click on the link below to join on your computer or mobile app by VIDEO:

<https://us06web.zoom.us/j/82794501996>

Passcode: 680856

OR

Dial phone number and enter conference ID to call in and join by AUDIO:

Phone: 888 788 0099 US Toll-free

Phone Conference ID: 827 9450 1996

Please Note: If you do not provide a name, unique identifier, or alias when joining the meeting, you will be renamed to allow staff to address and manage individual guests.

In the event of a lost connection the Board will recess for up to 30 minutes to restore the connection. If the connection cannot be restored within 30 minutes, the Board will continue the meeting to 12:00 p.m. or shortly thereafter. If the visual link cannot be restored, the Board may reconvene with an audio-only link using the above dial-in phone number and conference ID. A lost connection only applies to remote connections provided as part of the remote meeting but does not apply to a public member being unable to access the meeting due to a connectivity issue on their end.

CALL TO ORDER

ROLL CALL

ANNOUNCEMENTS

1. Next Scheduled Board Meeting: Thursday, August 21, 2025 – 9:30 a.m.

APPROVAL OF AGENDA

MEETING MINUTES

1. Regular Board Meeting – June 19, 2025

PUBLIC TESTIMONY

NEW BUSINESS

1. Manager's Report No. 26-01 Discussion and Possible Action to Request Board Approval for the Memorandum of Understanding between the Office of the Auditor, State of Hawaii and the Department of Water, County of Kauai
2. Manager's Report No. 26-02 Discussion and Possible Action on the Approval of the Department of Water (DOW)'s Supplemental Operating and Capital Budget appropriations for Fiscal Year 2026

INFORMATIONAL BREIFING (non-action item) (deferred from June 19, 2025 meeting)

1. Follow up discussion on April 22, 2025 Board workshop on Water System Investment Plan FRC Update, and preliminary discussion on upcoming rate study workshop
 - Follow up from April Board Workshop
 - Rate Making Overview
 - Financial Assurance Basics and How to Set Targets
 - Rate Making Process and Key Decisions from the Board
 - Current DOW Rates and other County Water Rates
 - Review of Current Financial Position (from previous Board workshop)
 - Overall Schedule and Stakeholder Outreach Process for the Rate Study
 - Input from the Board on Rate Study
 - Next Steps

STAFF REPORTS

1. **Fiscal:**
 - a. Monthly dashboard – Number of Service Calls, Number of Walk-in Customers, Number of Customer Emails and Correspondence, Number of Customer Rebills, Accounting Highlights, Transponder Replacement highlights and progress, Staff Overtime hours
 - b. Budget Report for June 2025
 - c. Build America Bond Quarterly Statement
2. **Operations**
 - a. Monthly dashboard – Annual Financial Impact Overview, Staff Overtime Hours, Budgeted and Vacant Positions, Services Received/Completed, Highlights: New Hires, Transponders replaced, Training for HazMat Certifications
3. **Engineering**
 - a. Monthly dashboard – Budgeted and Vacant Positions, Staff Overtime Hours, Projects In Design, In Construction, Completed; Water Resources and Planning Statistics – Customer Requests, Applications and Permits, Service and Records Requests, Number of Backflow Devices tested
 - i. Capital Improvement Plan (CIP) Project Highlights/Status Updates:
 - Kapa'a Homesteads 325' Tanks
 - Pu'u Pane 1.0 Million Gallon Tank
 - Kalāheo Water System Improvements
 - University of Hawai'i Experimental Station 605' Tank
 - Hā'ena 0.2 MG Tank
 - Paua Valley Tank No. 1 Rehab
 - Weke, 'Anae, Mahimahi and He'e Roads 6" and 8" Main Replacement
 - ii. DOW Project Highlights/Status Updates:
 - Water Systems Investment Plan (WSIP)
 - Kaua'i Water Use and Development Plan (KWUDP)

- As-Needed Grant Writing and Preparation Services: Drought Resiliency Grant with United States Bureau of Reclamation (USBR) for Haena 0.2 MG Tank Construction; WaterSMART Grant for Advanced Metering Infrastructure (AMI) Meters
- America’s Water Infrastructure Act (AWIA) Risk and Resilience Assessment/Emergency Response Plan
- b. Quarterly Update:
 - Water Resources and Planning Section – Overview of the status of various applications; water service requests, Backflow devices, KWUDP Plan Update, As-Needed Grant Writing and Preparation Services, and America’s Water Infrastructure Act (AWIA) Risk and Resilience Assessment/Emergency Response Plan
 - Project Management Section – Overview of CIP design and construction projects; 8 active design, and 12 active construction (\$73 million total):
 - Water Plan 2020 Construction Project Status – Kapa’a 325’ Tanks, Kapa’a Homestead Well No. 4, Kalaheo Water System Improvements, Kapaia Haul Cane Road 18” Transmission Line, Kilauea Wells No. 1 & 2, Paua Valley Tank, Kūhiō Highway (Hardy-Oxford) 18” Main Replacement, Weke, Anaae Mahimahi and Hee Roads 6” and 8” Main Replacement, Kapa’a Homesteads Well, Hanapēpē Town Well
 - Supplemental Support Services – RM Towill, Inc., Kennedy/Jenks, Brown and Caldwell, Maddaus Water Management

4. Administration

- a. Human Resources – updates on Personnel Vacancies
- b. Office of the County Attorney Quarterly Claims report for the months of April to June 2025

5. Manager and Chief Engineer

- a. Reports to Manager:
 1. First Amendment to Contract No. 747 with Kennedy Jenks/Jenks Consultants, Inc. Job No. 23012, As Needed Project Management and Inspectional Services
 2. Change Order No. 3 for Contract No. 753 with Hawai’i Drilling & Pump Services, LLC Job. No. 24-10 Piwai Well No. 3 Repair
 3. Memorandum of Understanding between the Office of the Auditor, State of Hawai’i and Department of Water, County of Kaua’i
 4. First Amendment to Memorandum of Understanding with County of Kaua’i, Department of Public Works – Wastewater Consumption Data from CC&B

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

TOPICS FOR FUTURE BOARD OF WATER SUPPLY MEETING:

EXECUTIVE SESSION:

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

ADJOURNMENT

WRITTEN TESTIMONY

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

Please include:

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

Send written testimony to:

Board of Water Supply, County of Kauaʻi
C/O Administration
4398 Pua Loke Street
Līhuʻe, Hawaiʻi 96766

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

Public Testimony

You do not need to register to provide oral testimony on the day of the meeting. Please note that public testimony is taken after the approval of the meeting agenda to ensure public testimony is received before any action is taken on an agenda item. The length of time allocated to present oral testimony may be limited at the discretion of the chairperson.

SPECIAL ASSISTANCE

If you need an auxiliary aid/service or other accommodation due to a disability, or an interpreter for non-English speaking persons, please call (808) 245-5406 or email board@Kaua'iwater.org as soon as possible. Requests made as early as possible will allow adequate time to fulfil your request. Upon request, this notice is available in alternate formats such as large print, Braille, or electronic copy.

A horizontal splash of blue water with white bubbles and droplets, spanning the width of the page. The water is in motion, creating a sense of fluidity. The text 'DRAFT' is positioned above the splash, and 'MINUTES' is positioned below it, both in a blue serif font. The splash itself is a light blue color, matching the text.

DRAFT

MINUTES

MINUTES
BOARD OF WATER SUPPLY
Thursday, June 19, 2025

The Board of Water Supply, County of Kaua‘i, met in a regular meeting in Līhu‘e on Thursday, June 19, 2025. Chair Simonton called the meeting to order at 9:30 a.m. The following Board members were present:

BOARD:

Ms. Julie Simonton, *Chair*
Ms. Micah Finnilla
Mr. Eric Fujikawa
Mr. Clyde Kodani
Mr. Ka‘aina Hull

EXCUSED:

Mr. Tom Shigemoto, *Vice-Chair*
Mr. Troy Tanigawa

Quorum was achieved with **5** members present at Roll Call.

ANNOUNCEMENTS

Next Scheduled Board Meeting: Thursday, July 17, 2025 – 9:30 a.m.

APPROVAL OF AGENDA

The agenda was approved with no objections

MEETING MINUTES

1. Special Board Meeting – April 28, 2025
2. Regular Board Meeting – May 22, 2025

The minutes of the April 28, 2025 Special Board Meeting and the May 22, 2025 Regular Board Meeting were received for the record.

PUBLIC TESTIMONY

None.

CORRESPONDENCE

1. Letter from the Office of Boards and Commissions dated May 8, 2025 re: Request for proposals to amend the Charter

The correspondence re: Request for proposals to amend the Charter was received for the record.

NEW BUSINESS

1. Manager’s Report No. 25-30 Discussion and Possible Adoption of Budget Resolution No. 25-10 for Department of Water’s (DOW)’s Annual Operating and Capital Budgets for Fiscal Year 2025-2026

Board member Finnilla moved to approve Manager’s Report No. 25-30 and adopt Resolution No. 25-10, seconded by Mr. Fujikawa; with no objections, motion carried with 5 Ayes.

2. Manager's Report No. 25-31 Discussion and Possible Action to Request Board Approval for the Liability and Insurance provision of the Master Lease Agreement between the Board of Water Supply, County of Kaua'i and Ricoh USA, Inc

Board member Kodani moved to approve Manager's Report No. 25-31, seconded by Mr. Fujikawa; with no objections, motion carried with 5 Ayes.

3. Manager's Report No. 25-32 Discussion and Possible Action to Request Board Approval for Unspecified Future Obligation provision of the agreement between the Board of Water Supply, County of H Hawaii Media

Board member Kodani moved to approve Manager's Report No. 25-32, seconded by Ms. Finnila; with no objections, motion carried with 5 Ayes.

4. Manager's Report No. 25-33 Discussion and Possible Action to Request Board Approval for Unspecified Future Obligation provision of the agreement between the Board of Water Supply, County of Kaua'i and Pacific Media Group - Kauai

Board member Kodani moved to approve Manager's Report No. 25-33, seconded by Ms. Finnila; with no objections, motion carried with 5 Ayes.

INFORMATIONAL BRIEFING (non-action item)

1. Follow up discussion on April 22, 2025 Board workshop on Water System Investment Plan FRC Update, and preliminary discussion on upcoming rate study workshop
 - Follow up from April Board Workshop
 - Rate Making Overview
 - Financial Assurance Basics and How to Set Targets
 - Rate Making Process and Key Decisions from the Board
 - Current DOW Rates and other County Water Rates
 - Review of Current Financial Position (from previous Board workshop)
 - Overall Schedule and Stakeholder Outreach Process for the Rate Study
 - Input from the Board on Rate Study
 - Next Steps

Board member Finnila moved to defer the Informational Briefing to the July 17, 2025 Board meeting, seconded by Mr. Kodani; with no objections, motion carried with 5 Ayes.

STAFF REPORTS

1. Fiscal:
 - a. Monthly dashboard – Number of Service Calls, Number of Walk-in Customers, Number of Customer Emails and Correspondence, Number of Customer Rebills, Accounting Highlights, Transponder Replacement highlights and progress, Staff Overtime hours
 - b. Budget Report for May 2025
2. Operations
 - a. Monthly dashboard – Annual Financial Impact Overview, Staff Overtime Hours, Budgeted and Vacant Positions, Services Received/Completed, Highlights: New Hires, Transponders replaced, Training for HazMat Certifications
3. Engineering
 - a. Monthly dashboard – Budgeted and Vacant Positions, Staff Overtime Hours, Projects In Design, In Construction, Completed; Water Resources and Planning Statistics – Customer Requests, Applications and Permits, Service and Records Requests, Number of Backflow Devices tested
 - i. Capital Improvement Plan (CIP) Project Highlights/Status Updates:
 - Kapa'a Homesteads 325' Tanks

- Pu‘u Pane 1.0 Million Gallon Tank
- Kalāheo Water System Improvements
- Hā‘ena 0.2 MG Tank
- Paua Valley Tank No. 1 Rehab
- Kūhiō Highway (Hardy-Oxford) 18” Main Replacement
- Weke, ‘Anae, Mahimahi and He‘e Roads 6” and 8” Main Replacement
- Kuamoo Road Water Main Replacement
- ii. DOW Project Highlights/Status Updates:
 - Water Systems Investment Plan (WSIP)
 - Kaua‘i Water Use and Development Plan (KWUDP)
 - As-Needed Grant Writing and Preparation Services: Drought Resiliency Grant with United States Bureau of Reclamation (USBR) for Haena 0.2 MG Tank Construction; WaterSMART Grant for Advanced Metering Infrastructure (AMI) Meters
 - America’s Water Infrastructure Act (AWIA) Risk and Resilience Assessment/Emergency Response Plan
- 4. Administration
 - a. Monthly Dashboard – Budgeted Staff/Vacancies, Number of Agreements Processed/Pending, Contracts Executed/Pending, Memorandums of Understanding/Agreement Executed/Pending, Purchase Orders Processed, IT Help Desk Tickets Received/Completed; Staff Overtime Hours
 - b. Human Resources – updates on Personnel Vacancies
- 5. Manager and Chief Engineer
 - a. Reports to Manager:
 - 1. Change Order No. 4 To Contract No. 726 (Hawaiian Dredging Construction Company, Inc.) Job No. 09-01, WP2020 #K-01, K-12, Kalāheo Water System Improvements; Package A-0.5 MG Yamada Reservoir; Package B-0.1 MG Clearwell Reservoir; Package C-Water Main Installation, Kalāheo-Kōloa Water System, Kalāheo Kaua‘i, Hawai‘i
 - 2. Contract No. 774, Change Order No. 2, Job No. 24-15, Lihue Administrative Building Fencing

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

TOPICS FOR FUTURE BOARD OF WATER SUPPLY MEETING:

EXECUTIVE SESSION:

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

ADJOURNMENT

The meeting was adjourned at 10:56 a.m.

Respectfully submitted,

Cherisse Zaima
Commission Support Clerk

A dynamic splash of blue water with white foam and bubbles, moving from left to right across the middle of the frame. The water is translucent and has a natural, fluid appearance.

NEW

BUSINESS

DEPARTMENT OF WATER

County of Kauaʻi

“Water has no Substitute – Conserve It!”

MANAGER’S REPORT No. 26-01

July 17, 2025

Re: Discussion and Possible Action to Request Board Approval for the Memorandum of Understanding between the Office of the Auditor, State of Hawaii and the Department of Water, County of Kauai

RECOMMENDATION:

It is recommended that the Board approve the Memorandum of Understanding between the Office of the Auditor and the Department of Water, County of Kauai, to perform audit services for FY ending June 30, 2025, 2026, and 2027.

FUNDING:

Account No.	Account Description	Amount
10-31-10-540-010	WU/Acctg/Admin/Professional Services-General (Year 1)	\$4,600.00 (FY2025)
10-31-10-540-010	WU/Acctg/Admin/Professional Services-General (Year 2)	\$4,800.00 (FY2026)
10-31-10-540-010	WU/Acctg/Admin/Professional Services-General (Year 3)	\$5,000.00 (FY2027)
	TOTAL	\$14,400.00

BACKGROUND:

The Office of the Auditor coordinates the audit of the of the Employee’s Retirement System of the State of Hawai‘i (“ERS”) to meet the Governmental Accounting Standards Board (“GASB”) reporting requirement for GASB 68.

The Department of Water (“DOW”) is a participating employer of the ERS pension fund and by participating in this MOU, the DOW will receive a copy of the audited schedule of employer allocations for pension expense, deferred outflows of resources, deferred inflows of resources and net pension liability. This information will be used in the annual preparation of the DOW’s financial statements.

The total contract amount of \$14,400.00 is for a period of three years and the annual cost-share will be budgeted for each fiscal year as stated below and in the MOU.

Year 1 (FY 2025) = \$4,600.00

Year 2 (FY 2026) = \$4,800.00

Year 3 (FY 2027) = \$5,000.00

OPTIONS:

Option 1: Approve Manager’s Report as recommended.

Pro: The Department will be able to move forward with the requirements as required by GASB and included in the cost-sharing agreement with all State of Hawaii Employers.

Con: None noted.

Option 2: Do not approve Manager's Report.

Pro: None noted.

Con: The Department will not be able to successfully implement GASB Statement No. 68 as a government entity and will not be in compliance with said pronouncement. The Department will not be able to complete and finalize the annual external audit and financial statement reports.

RY /cz

Attachment(s): Memorandum of Understanding DOW/State Auditor ERS required reporting for GASB

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU”) is effective as of _____, by and between the OFFICE OF THE AUDITOR, STATE OF HAWAI‘I (“Auditor”), and the DEPARTMENT OF WATER, COUNTY OF KAUA‘I (“Employer”).

RECITALS

- A. The state and county government employers identified below (the “employers”) have requested assistance from Auditor in conducting an audit of the schedule of employer allocations of the Employees’ Retirement System of the State of Hawai‘i (“ERS”) and the total for all employers of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense included in the schedule of pension amounts by employer of ERS for the fiscal years ending June 30, 2025, 2026, and 2027, from actuarial information received from the actuary for ERS. The information is provided to meet reporting requirements under Governmental Accounting Standards Board (“GASB”) Statement No. 68, *Accounting and Financial Reporting for Pensions*.
- 1) State of Hawai‘i
 - 2) City and County of Honolulu
 - 3) County of Maui
 - 4) County of Kaua‘i
 - 5) County of Hawai‘i
 - 6) Board of Water Supply, City and County of Honolulu
 - 7) Department of Water Supply, County of Hawai‘i
 - 8) Department of Water, County of Kaua‘i
 - 9) Honolulu Authority for Rapid Transportation
 - 10) University of Hawai‘i
- B. Auditor is willing to authorize KKDLY LLC (“KKDLY”), the contract auditor for ERS, to conduct the audits of the above-mentioned schedule and information.
- C. The purpose of this MOU is to provide for payment by Employer to Auditor as authorized under Section 23-3.5, Hawai‘i Revised Statutes, for the above-mentioned audited schedule and information to meet the reporting requirements of GASB Statement No. 68.

TERMS AND CONDITIONS

1. Upon execution of this MOU, Auditor shall instruct KKDLY to audit the schedule and information to meet the reporting requirements of GASB Statement No. 68 for Employer’s Annual Comprehensive Financial Report for the fiscal years ending June 30, 2026, 2027, and 2028.

2. The cost to Employer for the audit for the fiscal years ending June 30, 2025, 2026, and 2027, will be FOUR THOUSAND SIX HUNDRED DOLLARS AND NO CENTS (\$4,600.00) for FY2025; FOUR THOUSAND EIGHT HUNDRED DOLLARS AND NO CENTS (\$4,800.00) for FY2026; and FIVE THOUSAND DOLLARS AND NO CENTS (\$5,000.00) for FY2027.
3. Auditor shall pay KKDLY for services rendered and will invoice Employer for its allocation of the audit costs paid by Auditor under the contract between Auditor and KKDLY.
4. Employer shall pay Auditor the amount of the invoice within sixty (60) days after the invoice date.
5. This MOU may be amended or modified only by a written agreement signed by both parties.

IN WITNESS WHEREOF, the parties have executed this MOU as of the last date written below.

OFFICE OF THE AUDITOR
STATE OF HAWAI'I

EMPLOYER:
DEPARTMENT OF WATER
COUNTY OF KAUA'I

By: _____
Leslie H. Kondo
State Auditor

By: _____
Joseph E. Tait
Manager & Chief Engineer

Date: _____

Date: _____

By: _____
Julie Simonton
Chairperson

Date: _____

APPROVED AS TO FORM:

By: _____
Deputy County Attorney
County of Kaua'i

Date: _____

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER'S REPORT No. 26-02

July 17, 2025

Re: Discussion and Possible Action on the Approval of the Department of Water (DOW)'s Supplemental Operating and Capital Budget appropriations for Fiscal Year 2026

RECOMMENDATION:

It is recommended that the Board grant approval to the Waterworks Controller to perform the annual encumbrance rollover from Fiscal Year 2025 (July 2024 – June 2025) to Fiscal Year 2026 (July 2025 – June 2026).

BACKGROUND:

The Board approved the Department's Operating and Capital Budget for Fiscal Year 2026 on May 15, 2025.

In addition to the approved Operating and Capital budget, the Department requests Board approval to rollover outstanding purchase order (PO) balances from FY 2025 to the FY 2026 Operating and Capital budgets. The PO balances are existing encumbrances for contracts and other goods and services as of June 30, 2025. The outstanding PO list is attached.

If approved, the FY 2026 budget will be increased as follows:

Operating Expenses – Water Utility	\$ 8,610,078.57
Capital Outlay:	<u>\$ 41,361,048.49</u>
Water Utility	\$18,973,901.65
Facility Reserve Charge (FRC)	\$, 3,639,804.86
Build America Bonds (BAB)	\$ 9,418,863.75
State Revolving Fund (SRF)	\$ 9,328,478.23
Total PO encumbrance rollover	<u>\$ 49,971,127.06</u>

OPTIONS:

Option 1: Approve Manager's Report as recommended.

Pro: The Department will be able to continue processing payments and contractual obligations of on-going projects and goods and services against existing encumbrances.

Con: Delays in performing the encumbrance rollover will impact fiscal year 2026 budget; whereby, payments will be offset against the current budget vs. encumbrances reserved from a prior fiscal year.

Option 2: Do not approve the Supplemental Budget for Fiscal Year 2026.

Pro: None known.

Con: The DOW remains obligated to fulfill its contractual obligations for the remaining terms of these contracts.

RY/crz

Attachment(s): Supplemental Budget FY 2025-2026 Encumbrance Increase Report

Supplemental Budget - FY2026 (July 2025 - June 2026)								
Year End Encumbrance Increase Report								
FY2025 Purchase Order (PO) Rollovers								
FY2026 Budget Increase for PO Rollovers from FY2025 totaling \$49,971,127.06			Sources of Funds					
Account Number	Encumbrance 6/30/2025	Account Description	Operating Expense: Water Utility	Capital Outlay: Water Utility	Capital Outlay: Facility Reserve Charge (FRC)	Capital Outlay: Build America Bonds (BAB)	Capital Outlay: State Revolving Fund (SRF)	
10-01-10-540-010	1,098.25		1,098.25					
PO0005814	1,098.25	WU-Adm-Adm-Professional Services-General						
10-01-10-542-010	11,241.89		11,241.89					
PO0005888	575.91	WU-Adm-Adm-Professional Services-General						
PO0005889	1,518.32	WU-Adm-Adm-Professional Services-General						
PO0005936	4,098.54	WU-Adm-Adm-Professional Services-General						
PO0006067	5,049.12	WU-Adm-Adm-Professional Services-General						
10-01-10-551-000	3,066.43		3,066.43					
PO0005876	3,066.43	WU-Adm-Adm-Utility Services						
10-01-10-563-000	281.68		281.68					
PO0006081	281.68	WU-Adm-Adm-Operating Supplies						
10-02-00-604-999	57,665.38			57,665.38				
PO0006074	2,319.37	WU-IT-RandR Capital Purchases						
PO0006080	55,346.01	WU-IT-RandR Capital Purchases						
10-02-00-605-999	58,196.32			58,196.32				
PO0006088	58,196.32	WU-IT-Expansion Capital Purchases						
10-02-10-540-010	144,658.11		144,658.11					
PO0006020	140,000.00	WU-IT-Adm-Professional Services-General						
PO0006021	4,658.11	WU-IT-Adm-Professional Services-General						
10-02-10-543-000	3,096.12		3,096.12					
PO0005883	3,096.12	WU-IT-Adm-Communication Services						
10-02-10-545-000	4,563.24		4,563.24					
PO0005806	1,293.96	WU-IT-Adm-Rentals and Leases						
PO0006077	3,269.28	WU-IT-Adm-Rentals and Leases						
10-02-10-550-000	376,775.23		376,775.23					
PO0006072	365,026.92	WU-IT-Adm-Subscription Based IT Arrangement/SBITA						
PO0006076	11,748.31							
10-02-10-561-000	233,995.84		233,995.84					
PO0005944	165,178.07	WU-IT-Adm-Repairs and Maint-Non Water System						
PO0006075	68,817.77	WU-IT-Adm-Repairs and Maint-Non Water System						
10-20-00-604-001	9,407.62			9,407.62				
PO0004335	9,407.62	WU-ENG-ALLR-17-10-KW-07 Paua Valley Tank Repair						

FY2026 Budget Increase for PO Rollovers from FY2025 totaling \$49,971,127.06			Sources of Funds				
			Operating Expense: Water Utility	Capital Outlay: Water Utility	Capital Outlay: Facility Reserve Charge (FRC)	Capital Outlay: Build America Bonds (BAB)	Capital Outlay: State Revolving Fund (SRF)
Account Number	Encumbrance 6/30/2025	Account Description					
10-20-00-604-009	54,498.95			54,498.95			
PO0005561	54,498.95	WU-ENG-ALLR-Hanapepe Stream Crossing					
10-20-00-604-110	75,324.96			75,324.96			
PO0005807	75,324.96	WU-Eng 11-04 LO-10 Lawai 6n8inch Main Replacement					
10-20-00-604-116	2,297,000.00			2,297,000.00			
PO0005830	2,297,000.00	WU-Eng WK-08, Kapaa Homesteads 2-0.5 MG Tanks					
10-20-00-604-136	3,124,663.00			3,124,663.00			
PO0005522	29,663.00	WU-Eng 23-055 Weke Anae, Mahimahi Hee 6-8IN Mains					
PO0005813	3,000,000.00	WU-Eng 23-055 Weke Anae, Mahimahi Hee 6-8IN Mains					
PO0005867	89,000.00	WU-Eng 23-055 Weke Anae, Mahimahi Hee 6-8IN Mains					
PO0006057	6,000.00	WU-Eng 23-055 Weke Anae, Mahimahi Hee 6-8IN Mains					
10-20-00-604-138	402,319.08			402,319.08			
PO0005555	66,419.00	WU-Eng-69%R-11-07 HE-03 Hanapepe & Koloa Well MCC					
PO0005972	150,000.00	WU-Eng-69%R-11-07 HE-03 Hanapepe & Koloa Well MCC					
PO0006046	185,900.08	WU-Eng-69%R-11-07 HE-03 Hanapepe & Koloa Well MCC					
10-20-00-604-148	2,799,896.96			2,799,896.96			
PO0003601	41,479.46	WU-Eng-Job 18-3 Kuhio Hwy Hardy-Oxford 16IN Main					
PO0005560	45,147.00	WU-Eng-Job 18-3 Kuhio Hwy Hardy-Oxford 16IN Main					
PO0005738	200,000.00	WU-Eng-Job 18-3 Kuhio Hwy Hardy-Oxford 16IN Main					
PO0006056	2,513,270.50	WU-Eng-Job 18-3 Kuhio Hwy Hardy-Oxford 16IN Main					
10-20-00-604-149	69,074.57			69,074.57			
PO0005560	69,074.57	WU-Eng-56%R-Job 23-03 Kuhio Hwy Papaloa to Waikaea					
10-20-00-604-157	33,462.60			33,462.60			
PO0002836	33,462.60	WU-Eng-16-4-WKK-03-Kilauea Wells MCC Rehab					
10-20-00-604-175	180,700.00			180,700.00			
PO0006035	180,700.00	WU-Eng-Phase I Demo Admin Bldg/MoveConduit/ATS Lab					
10-20-00-604-177	99,063.00			99,063.00			
PO0006048	99,063.00	WU-23-02 WK-34, Kuamoo Rd 8" Main Replace (6,500')					
10-20-00-605-141	1,124,375.70			1,124,375.70			
PO0005827	1,124,375.70	WU-Eng-PLH-35b, Kapaia Cane Haul Road 18" Main Env					
10-20-00-605-178	368,315.39			368,315.39			
PO0005973	347,895.00	WU-Eng-Security Fencing Admin Bldg					
PO0006018	4,369.94	WU-Eng-Security Fencing Admin Bldg					
PO0006073	16,050.45	WU-Eng-Security Fencing Admin Bldg					
10-20-00-605-999	3,867.01			3,867.01			
PO0005808	3,867.01	WU-Eng-Expansion Capital Purchases					

FY2026 Budget Increase for PO Rollovers from FY2025 totaling \$49,971,127.06			Sources of Funds				
			Operating Expense: Water Utility	Capital Outlay: Water Utility	Capital Outlay: Facility Reserve Charge (FRC)	Capital Outlay: Build America Bonds (BAB)	Capital Outlay: State Revolving Fund (SRF)
Account Number	Encumbrance 6/30/2025	Account Description					
10-20-10-540-010	4,555,074.26		4,555,074.26				
PO0002836	25,116.10	WU-Eng-Adm-Professional Services-General					
PO0005197	4,460.75	WU-Eng-Adm-Professional Services-General					
PO0005383	7,862.50	WU-Eng-Adm-Professional Services-General					
PO0005388	124,450.93	WU-Eng-Adm-Professional Services-General					
PO0005520	52,613.55	WU-Eng-Adm-Professional Services-General					
PO0005562	690,770.93	WU-Eng-Adm-Professional Services-General					
PO0005629	23,626.70	WU-Eng-Adm-Professional Services-General					
PO0005656	8,900.52	WU-Eng-Adm-Professional Services-General					
PO0005698	48,567.28	WU-Eng-Adm-Professional Services-General					
PO0005699	404,389.00	WU-Eng-Adm-Professional Services-General					
PO0005752	373,897.41	WU-Eng-Adm-Professional Services-General					
PO0005756	23,099.28	WU-Eng-Adm-Professional Services-General					
PO0005823	32,875.59	WU-Eng-Adm-Professional Services-General					
PO0005826	158,200.00	WU-Eng-Adm-Professional Services-General					
PO0005833	13,200.00	WU-Eng-Adm-Professional Services-General					
PO0005871	615,724.00	WU-Eng-Adm-Professional Services-General					
PO0005907	191,962.76	WU-Eng-Adm-Professional Services-General					
PO0005925	19,322.00	WU-Eng-Adm-Professional Services-General					
PO0005926	400,000.00	WU-Eng-Adm-Professional Services-General					
PO0005935	167,039.16	WU-Eng-Adm-Professional Services-General					
PO0005937	146,702.30	WU-Eng-Adm-Professional Services-General					
PO0005952	86,192.00	WU-Eng-Adm-Professional Services-General					
PO0005985	36,290.50	WU-Eng-Adm-Professional Services-General					
PO0005999	22,476.00	WU-Eng-Adm-Professional Services-General					
PO0006000	1,830.00	WU-Eng-Adm-Professional Services-General					
PO0006022	302,565.00	WU-Eng-Adm-Professional Services-General					
PO0006029	50,000.00	WU-Eng-Adm-Professional Services-General					
PO0006045	55,350.00	WU-Eng-Adm-Professional Services-General					
PO0006065	428,051.00	WU-Eng-Adm-Professional Services-General					
PO0006066	39,539.00	WU-Eng-Adm-Professional Services-General					
10-20-10-544-000	917.70		917.70				
PO0005981	917.70	WU-Eng-Adm-Freight and Postage					
10-20-10-560-000	189,436.72		189,436.72				
PO0006007	189,436.72	WU-Eng-Adm-Repairs and Maintenance-Water System					
10-20-10-561-000	2,024.80		2,024.80				

FY2026 Budget Increase for PO Rollovers from FY2025 totaling \$49,971,127.06			Sources of Funds				
Account Number	Encumbrance 6/30/2025	Account Description	Operating Expense: Water Utility	Capital Outlay: Water Utility	Capital Outlay: Facility Reserve Charge (FRC)	Capital Outlay: Build America Bonds (BAB)	Capital Outlay: State Revolving Fund (SRF)
PO0006044	2,024.80	WU-Eng-Admin-Repairs & Maint - other than WS					
10-20-10-563-000	47.69		47.69				
PO0006032	47.69	WU-Eng-Adm-Operating Supplies					
10-21-00-604-001	278,450.95			278,450.95			
PO0004404	278,450.95	WU-Eng-Job 17-10 KW-07 Paua Valley Tank Repair					
10-21-00-604-029	2,520,810.21			2,520,810.21			
PO0005257	480,810.21	WU-Cns-44%R-09-01 Yamada Tank Clearwell, Conn Pipe					
PO0005258	2,040,000.00	WU-Cns-44%R-09-01 Yamada Tank Clearwell, Conn Pipe					
10-21-00-604-171	32,899.55			32,899.55			
PO0005574	32,899.55	WU-Const-R&R-Tank Remediation Repair					
10-21-00-605-017	2,990,220.00			2,990,220.00			
PO0003577	2,990,220.00	Job 16-02 PLH-35B Kapaia Cane Haul Rd 18" Main					
10-21-00-605-118	194,120.62			194,120.62			
PO0005397	194,120.62	Job 02-14 WK39 WK08 Kapaa Hmstd Well 4; Pkg A Well					
10-21-10-540-010	961,594.96		961,594.96				
PO0005260	961,594.96	WU-CM-Adm-Professional Services-General					
10-30-20-541-010	14,764.44		14,764.44				
PO0005993	14,764.44	WU-Bill-Collection-Professional Services-General					
10-30-20-541-020	138,101.63		138,101.63				
PO0005606	14,711.63	WU-Bill-Collection-Billing Costs					
PO0005622	123,390.00	WU-Bill-Collection-Billing Costs					
10-31-10-540-010	2,464.00		2,464.00				
PO0005918	2,464.00	WU-Acc-Adm-Professional Services-General					
10-31-10-550-000	26,550.00		26,550.00				
PO0005971	19,125.00	WU-Acc-Adm-Subscription Based IT Arrangement/SBITA					
PO0006030	7,425.00	WU-Acc-Adm-Subscription Based IT Arrangement/SBITA					
10-40-00-604-182	19,498.65			19,498.65			
PO0005725	19,498.65	WU-Ops-R&R-Upgrade and Replace SCADA RTU and PLC					
10-40-00-604-999	1,944,252.87			1,944,252.87			
PO0005054	16,247.91	WU-Ops-RandR Capital Purchases					
PO0005539	403.00	WU-Ops-RandR Capital Purchases					
PO0005771	859,635.00	WU-Ops-RandR Capital Purchases					
PO0005824	97,500.00	WU-Ops-RandR Capital Purchases					
PO0005869	294,000.00	WU-Ops-RandR Capital Purchases					
PO0005967	36,906.02	WU-Ops-RandR Capital Purchases					
PO0005987	169,032.53	WU-Ops-RandR Capital Purchases					

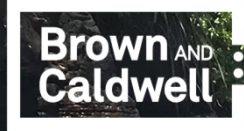
FY2026 Budget Increase for PO Rollovers from FY2025 totaling \$49,971,127.06			Sources of Funds				
			Operating Expense: Water Utility	Capital Outlay: Water Utility	Capital Outlay: Facility Reserve Charge (FRC)	Capital Outlay: Build America Bonds (BAB)	Capital Outlay: State Revolving Fund (SRF)
Account Number	Encumbrance 6/30/2025	Account Description					
PO0006051	146,707.25	WU-Ops-RandR Capital Purchases					
PO0006059	2,558.01	WU-Ops-RandR Capital Purchases					
PO0006063	63,455.47	WU-Ops-RandR Capital Purchases					
PO0006064	257,807.68	WU-Ops-RandR Capital Purchases					
10-40-00-605-999	235,818.26			235,818.26			
PO0005822	882.74	WU-Ops-Expansion Capital Purchases					
PO0006078	234,935.52	WU-Ops-Expansion Capital Purchases					
10-40-30-565-000	314,860.22		314,860.22				
PO0005861	11,380.73	WU-Ops-Source-Bulk Water Purchase					
PO0005862	2,085.00	WU-Ops-Source-Bulk Water Purchase					
PO0005865	301,394.49	WU-Ops-Source-Bulk Water Purchase					
10-40-50-551-000	628,073.63		628,073.63				
PO0005880	628,073.63	WU-Ops-PowerAndPump-Utility Services					
10-40-50-560-000	13,904.58		13,904.58				
PO0005516	13,880.28	WU-Ops-PowerAndPump-R&M Water System					
PO0005945	24.30	WU-Ops-PowerAndPump-R&M Water System					
10-40-50-563-000	18,004.00		18,004.00				
PO0005962	2,152.27	WU-Ops-PowerAndPump-Operating Supplies					
PO0006040	6,911.00	WU-Ops-PowerAndPump-Operating Supplies					
PO0006070	8,940.73	WU-Ops-PowerAndPump-Operating Supplies					
10-40-50-563-010	10,386.07		10,386.07				
PO0005995	10,386.07	WU-Ops-PowerAndPump-Inventory Stock					
10-40-60-541-010	1,089.87		1,089.87				
PO0005856	1,089.87	WU-Ops-T andD-Other Services					
10-40-60-545-000	4,234.47		4,234.47				
PO0006069	4,234.47	WU-Ops-T andD-Rentals and Leases					
10-40-60-560-000	34,004.04		34,004.04				
PO0005812	8,688.00	WU-Ops-T andD-Repairs and Maintenance-Water System					
PO0005846	1,525.35	WU-Ops-T andD-Repairs and Maintenance-Water System					
PO0005868	248.13	WU-Ops-T andD-Repairs and Maintenance-Water System					
PO0006039	8,568.16	WU-Ops-T andD-Repairs and Maintenance-Water System					
PO0006060	14,974.40	WU-Ops-T andD-Repairs and Maintenance-Water System					
10-40-60-561-000	139,643.87		139,643.87				
PO0005730	46,350.00	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0005864	319.88	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0005873	1,483.08	WU-Ops-T andD-Repairs and Maint-Non Water System					

FY2026 Budget Increase for PO Rollovers from FY2025 totaling \$49,971,127.06			Sources of Funds				
			Operating Expense: Water Utility	Capital Outlay: Water Utility	Capital Outlay: Facility Reserve Charge (FRC)	Capital Outlay: Build America Bonds (BAB)	Capital Outlay: State Revolving Fund (SRF)
Account Number	Encumbrance 6/30/2025	Account Description					
PO0005924	363.19	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0005953	6,583.37	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006009	64,580.51	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006047	5,411.07	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006058	432.00	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006062	7,615.18	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006079	4,889.67	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006082	1,615.92	WU-Ops-T andD-Repairs and Maint-Non Water System					
10-40-60-563-000	43,419.61		43,419.61				
PO0005845	12,382.36	WU-Ops-T andD-Operating Supplies					
PO0005924	3,267.00	WU-Ops-T andD-Operating Supplies					
PO0005961	5,349.28	WU-Ops-T andD-Operating Supplies					
PO0005975	5,940.96	WU-Ops-T andD-Operating Supplies					
PO0006026	181.76	WU-Ops-T andD-Operating Supplies					
PO0006055	2,776.23	WU-Ops-T andD-Operating Supplies					
PO0006083	7,263.55	WU-Ops-T andD-Operating Supplies					
PO0006084	3,751.71	WU-Ops-T andD-Operating Supplies					
PO0006085	2,506.76	WU-Ops-T andD-Operating Supplies					
PO0006086	-	WU-Ops-T andD-Operating Supplies					
10-40-60-563-010	664,504.72		664,504.72				
PO0005988	3,144.71	WU-Ops-T andD-Supplies-Inv Stock					
PO0006008	624,891.89	WU-Ops-T andD-Supplies-Inv Stock					
PO0006053	18,651.77	WU-Ops-T andD-Supplies-Inv Stock					
PO0006087	17,816.35	WU-Ops-T andD-Supplies-Inv Stock					
10-40-60-564-000	68,200.50		68,200.50				
PO0005860	68,200.50	WU-Ops-T andD-Fuel					
20-20-00-605-018	130,000.00				130,000.00		
PO0005524	130,000.00	FRC-Eng-ALLE-H-08 Hanalei Well 2					
20-20-00-605-116	3,000,000.00				3,000,000.00		
PO0005830	3,000,000.00	FRC-Eng WK-08, Kapaa Homesteads 5-0.5MG Tanks					
20-20-00-605-117	198,957.00				198,957.00		
PO0005534	198,957.00	FRC-Eng-ALLE-12-02 WK-23 UH Expmntal Storage Tank					
20-20-00-605-118	102,328.99				102,328.99		
PO0004545	61,504.69	FRC-Eng 04-08 WK-39 Drill Kapaa Homestead Well 4					
PO0005536	40,824.30	FRC-Eng 04-08 WK-39 Drill Kapaa Homestead Well 4					
20-20-00-605-120	7,212.24				7,212.24		

FY2026 Budget Increase for PO Rollovers from FY2025 totaling \$49,971,127.06			Sources of Funds				
			Operating Expense: Water Utility	Capital Outlay: Water Utility	Capital Outlay: Facility Reserve Charge (FRC)	Capital Outlay: Build America Bonds (BAB)	Capital Outlay: State Revolving Fund (SRF)
Account Number	Encumbrance 6/30/2025	Account Description					
PO0002611	7,212.24	FRC-Eng-90%E-Kilauea 1.0MG Tank Job 02-06					
20-20-00-605-153	1,306.63				1,306.63		
PO0002616	1,306.63	FRC-Eng-Job 15-08-HW-11-Haena 0.2MG Tank					
20-20-00-605-155	200,000.00				200,000.00		
PO0005523	200,000.00	FRC-Eng-ALLE-Wainiha Well #4					
30-20-00-604-105	63,998.94					63,998.94	
PO0004334	33,672.05	BAB-Eng-ALLR-09-01 Kalaheo 1111FT & 1222FT					
PO0005519	30,326.89	BAB-Eng-ALLR-09-01 Kalaheo 1111FT & 1222FT					
30-20-00-605-116	5,600,000.00					5,600,000.00	
PO0005830	5,600,000.00	BAB-Eng-ALLE-02-14 WK-08 Kapaa Homesteads Tank					
30-20-00-605-118	2,600,000.00					2,600,000.00	
PO0005832	2,600,000.00	BAB-Eng-WK-39, Drill/Dev Kapaa Homesteads Well No4					
30-20-00-605-120	9,706.76					9,706.76	
PO0002611	9,706.76	BAB-Eng-ALLE-02-06WKK15-Kilauea 466 Tank Puu Pane					
30-20-00-605-125	53,508.05					53,508.05	
PO0002608	53,508.05	BAB-Eng-98%E-02-01 Land for Kukuioolono Tank Site					
30-21-00-604-017	1,091,650.00					1,091,650.00	
PO0003577	1,091,650.00	BAB-Eng-Job 16-02 PLH-35B Kapaia Cane Haul Rd 18" Main					
60-20-00-605-116	5,200,000.00						5,200,000.00
PO0005830	5,200,000.00	SRF-Eng WK-08, Kapaa Homesteads 2-0.5MK Tanks					
60-21-00-604-029	4,128,478.23						4,128,478.23
PO0005259	4,128,478.23	SRF/Cons/R&R/Yamada Tank clearwell Conn Pipe					
Grand Total	49,971,127.06		8,610,078.57	18,973,901.65	3,639,804.86	9,418,863.75	9,328,478.23
Note: State Allotments Appropriation Encumbrances shall be paid directly from the State of Hawaii.							

INFORMATIONAL

BRIEFING



Water Systems Investment Plan (WSIP) Water Rate Study Process/Financial Policy Development Board Meeting

June 19, 2025



Agenda

- Follow up from April Board Workshop
- Rate Making Overview
- Financial Assurance Basics and How to Set Targets
- Rate Making Process and Key Decisions from the Board
- Current DOW Rates and other County Water Rates
- Review of Current Financial Position (from previous Board workshop)
- Overall Schedule and Stakeholder Outreach Process for the Rate Study
- Input from the Board on Rate Study
- Next Steps





Next Steps

- Brief Board on Water Rate Study June 19th
- DOW Staff and Brown & Caldwell/Harris team finalize FRC analyses and begin work on rate study
- Present Draft revenue adjustment scenarios (revenue requirements) to Board for consideration
- Present Draft water rate schedule and FRC recommendations
- Schedule Public Hearings including with Small Business Association(SBA) and Ka Pa'akai analysis, for implementation of new FRC and updated water rate schedule
- Complete Board rule making process for implementation of new FRC and updated water rate schedule

Follow Up from April 22, 2025 Board Workshop

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Follow Up from April Board Workshop

Answer:

- 38% of WP 2020 projects were completed
- Of those 62% “not completed”:
 - 82% are included in the 2025 CIP
 - 18% have not been included in the 2025 CIP

*How much of
WP2020 was
completed?*

Follow Up from April Board Workshop

Answer:

- *Project is no longer necessary after an operational change to system*
- *Original need is addressed by an alternate project or strategy*
- *Project will be funded by a private developer*
- *2025 analysis indicates that a Project is not essential or very low priority*

*Why are some
incomplete
WP2020 projects
not included in
the 2025 CIP?*

Follow Up from April Board Workshop

Answer:

- Yes, the \$1.3B project costs include \$260M for planning/design/permitting

Do the project costs identified (e.g., \$1.3B) include design and permitting? (i.e., is it the complete cost or is it just the construction cost)?

Follow Up from April Board Workshop

Answer:

- The CIP reflects upgrades to the system in accordance with the Water Systems Standards, including **projects for areas that do not meet current fire flow standards.**
- Of the total \$1.3B “Buildout CIP”, projects that provide some benefit associated with **current and future fire protection account for half of the costs.**
- Development policy changes, ordinances supporting fuel reduction on vacant properties, alternate water sources, and emergency/disaster response plans are **all part of the solution.**
- While the Lahaina fires did not specifically impact the CIP list, they did prompt us and staff to review the CIP and prioritization with fire protection in mind.

What was the impact of the Lahaina fires on our CIP list?

What is the dollar value of the fire protection projects?

What is your best guess at the value of fire protection projects if Lahaina hadn't happened?

Follow Up from April Board Workshop

Answer:

- Response to this question is in development as the CIP is programmed and implementation strategy developed:
 - “Future age” of system infrastructure will be quantified based on the amount of R/R to be funded and completed
 - Community and DOW goals that may be deferred as projects and funding are cut from CIP will be characterized

What is the impact of not completing certain CIP projects? Can we quantify this somehow?

Follow Up from April Board Workshop

Answer:

- Out of the four county water agencies, three are semi-autonomous (Kauai DOW, Honolulu BWS, Hawaii DWS). Only Maui DWS is directly under the Mayor/Council.

In the State, how many Water Depts are semi-autonomous (like Kauai) vs. part of the County?

Follow Up from April Board Workshop

Answer:

- Generally speaking the county water agencies do not receive any other income, (e.g., tax revenues), from the County General Funds. The County may sell GO bonds which the water agency may have access to. The water agency would pay its share of debt service for any bond proceeds it receives.

*For the Boards
that are semi-
autonomous, do
their Counties
contribute in any
form to the Water
Dept.?*

Follow Up from April Board Workshop

Answer:

- This would mean that all ratepayers (both new and existing) would absorb the costs for growth and rates would increase.
- By implementing an FRC, new customers would contribute their share to the systemwide facilities that existing customers have already paid for. FRCs support a "growth pays for growth" approach to water system planning.

What would the impact be if we folded the FRC into the water rates?

Follow Up from April Board Workshop

Answer:

- There is precedent for providing a first 5/8" meter for a landowner at a reduced cost. This is being done by the Hawaii County Department of Water Supply. The discount is 78%. The first 5/8" Facilities Charge is \$1,319. The Facilities Charge for subsequent 5/8" meters is \$6,095. This practice has been in place for over 30 years.

If you've been on Kauai for a long time, can you get a different FRC?

Follow Up from April Board Workshop

Answer:

- To date we have not found any examples of water utilities treating vacation rentals as a separate class for FRC purposes.
- We understand that currently there are approximately 1,300 vacation rental units on Kauai. This compares to 23,000 DOW customers total.

*Can we tie the
FRC to water
usage of vacation
rentals?*

Rate Making Overview

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Rate Making Overview



- For FY 2027, set rate levels sufficient to pay ongoing operational needs and debt service obligations; achieve financial performance metrics; and fund adequate level of capital spending
- Assume Across-the-Board adjustments to current rate schedule



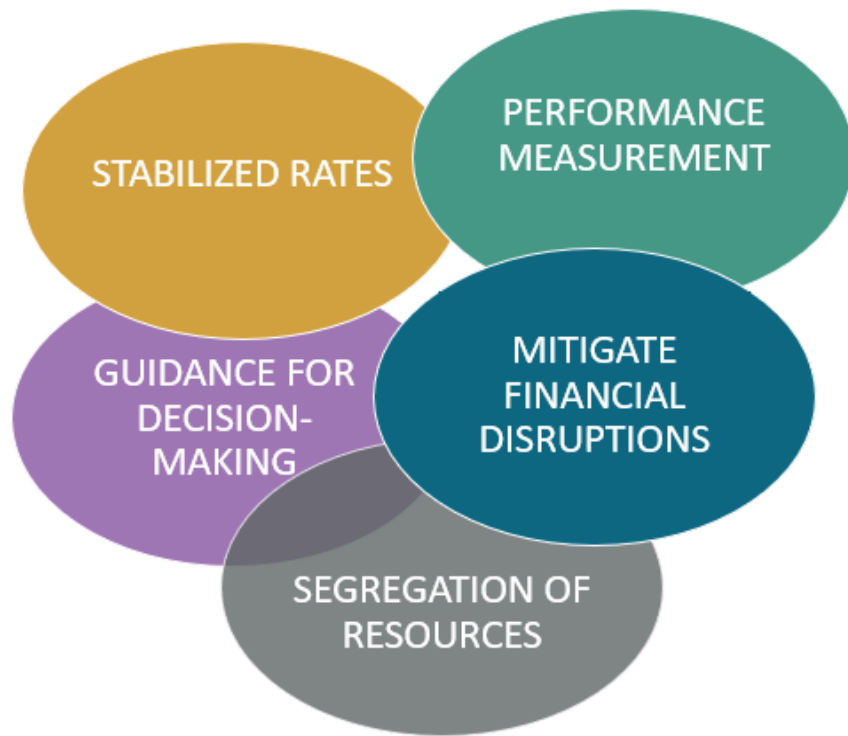
- For FYs 2028-2031 establish fixed and variable rate components that align with revenue needs and DWS pricing goals based on cost-of-service and rate design results



- For FYs 2028-2031 adopt updated rates that may include cost-of-service and rate design changes



Financial Assurance Basics and How to Set Targets



- ✓ Establishes the foundation for financial budgeting and performance measurement
- ✓ Improves ability to weather financial disruptions
- ✓ Identifies uses for specific cash reserves
- ✓ Facilitates an appropriate segregation of financial resources ensuring they are used for their intended purposes
- ✓ Offers guidance and consistency with financial management and planning decisions
- ✓ Promotes stable rates over time

Financial Assurance Basics and How to Set Targets

Operating Reserve

- Indicates liquidity for ongoing operations: how protected the utility is against revenue shortfalls and unanticipated operational expenses
- Benchmark: => 45 to 120 days of O&M expense

Rate-Funded Capital Contribution

- Provides a dedicated source of revenue to invest/reinvest in capital infrastructure; maintains the utility's financial position by offsetting annual decline in asset value
- Benchmark: => annual depreciation expense

Capital Reserve

- Indicates liquidity for capital expenditures: how protected the utility is against unanticipated capital expenditures
- Benchmark: Greater of depreciation expense or average annual capital spending plan

Debt Service Coverage

- Indicates margin of tolerance to business risks or declines in demand for a given year while assuring repayment of debt
- Benchmark: => 1.25 to 1.70 times annual debt service

Debt as % of Net Plant Assets

- Indicates the degree of leveraged assets: How much of plant asset value (cost net of accumulated depreciation) is offset by financial obligations to outside parties
- Benchmark: <= 35% to 50% debt

Rate Making Process/Key Decision Points

Timing – Starts FY 2026

Revenue Requirements

- Utility data analysis
- Customers, water usage, revenues
- Operating expenses
- Capital projections
- Financial assurance

Key Board Decisions:

- CIP levels
- Financial Assurance Goals
- Revenue Adjustment levels

Timing – Starts FY 2027

Cost-of-Service

- Identify functional costs
- Allocation to cost components
- Distribute costs to customer classes

Key Board Decisions:

- Customer classes
- Use of subsidies
- % Cost recovery by class

Timing – Starts FY 2027

Rate Design

- Recover costs of service from fixed and variable charges
- Highlight conservation priorities as needed
- Promote revenue stability

Key Board Decisions:

- Fixed vs. Variable cost recovery
- Conservation message



Current DOW Water Rates - Monthly Service Charge

MONTHLY SERVICE CHARGE

<u>Fiscal Year</u>	<u>Adopted Rate Increase</u>
– 2012	11.2% on January 1, 2012
– 2013	11.2% on July 1, 2012
– 2014	11.2% on July 1, 2013
– 2015	11.2% on July 1, 2014
– 2016	0% on July 1, 2015
– July 1, 2014 was last rate increase	
– Rates are based on service and usage charges	

Source: Department of Water, County of Kauai, Rules and Regulations, Part IV – Fixing Rates for the Furnishing of Water Service

Meter Size	Effective 1/1/12	Effective 7/1/12	Effective 7/1/13	Effective 7/1/14
5/8"	\$12.00	\$14.40	\$16.00	\$17.75
3/4"	\$16.75	\$20.00	\$22.25	\$24.75
1"	\$24.25	\$29.50	\$32.75	\$36.50
1-1/2"	\$46.00	\$53.00	\$59.00	\$65.50
2"	\$70.00	\$81.00	\$90.00	\$100.00
3"	\$132.00	\$146.75	\$163.00	\$181.00
4"	\$216.00	\$240.00	\$267.00	\$297.00
6"	\$420.00	\$475.00	\$528.00	\$587.00
8"	\$680.00	\$755.00	\$840.00	\$934.00



Current DOW Water Rates - Usage Charge

USAGE CHARGE

Meter Size	Effective 1/1/12 (\$/kgal)	Effective 7/1/12 (\$/kgal)	Effective 7/1/13 (\$/kgal)	Effective 7/1/14 (\$/kgal)	Meter Size	0th block Min. (kgal)	1st block From-To (kgal)	2nd block From-To (kgal)	3rd block From-To (kgal)	4th block Over (kgal)
0th Block	\$3.20	\$3.40	\$3.60	\$3.80	5/8"	1	1-7	7-14	14-18	18
1st Block	\$3.50	\$3.90	\$4.35	\$4.85	3/4"	2	2-29	29-57	57-65	65
2nd Block	\$4.25	\$4.50	\$5.05	\$5.65	1"	3	3-68	68-137	137-175	175
3rd Block	\$6.85	\$7.60	\$8.50	\$9.50	1-1/2"	10	10-169	169-337	337-387	387
4th Block	\$7.20	\$8.05	\$8.95	\$10.00	2"	12	12-400	400-750	750-925	925
					3"	50	50-600	600-1,200	1,200-1,750	1,750
					4"	175	175-1,000	1,000-2,500	2,500-2,750	2,750
					6"	225	225-4,000	4,000-7,500	7,500-10,000	10,000
					8"	250	250-1,000	1,000-2,500	2,500-12,500	12,500



Current Honolulu Board of Water Supply Rates - Customer Charge

Customer Charge: There is a customer for charge each month service is provided based on the meter size, effective as follows:

Meter Size	February 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
5/8" or 3/4"	\$13.30	\$14.63	\$15.95	\$17.30	\$18.68	\$20.18
1"	\$16.81	\$18.49	\$20.15	\$21.87	\$23.62	\$25.50
1.5"	\$19.15	\$21.07	\$22.96	\$24.91	\$26.91	\$29.06
2"	\$47.80	\$52.57	\$57.31	\$62.18	\$67.15	\$72.52
3"	\$58.91	\$64.80	\$70.63	\$76.63	\$82.76	\$89.38
4"	\$112.11	\$123.32	\$134.42	\$145.85	\$157.52	\$170.12
6"	\$199.80	\$219.78	\$239.56	\$259.93	\$280.72	\$303.18
8"	\$304.46	\$334.90	\$365.05	\$396.07	\$427.76	\$461.98
12"	\$658.38	\$724.22	\$789.40	\$856.50	\$925.02	\$999.02

Current Honolulu Board of Water Supply Rates – Quantity Charges

Quantity Charge: In addition to the Customer Charge, there is a charge for all water use rounded down to the nearest 1,000 gallons (k-gal), effective as follows:

Single Family Residential (Monthly per dwelling unit)	February 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
Tier 1: Essential Needs First 2,000 gallons	\$4.57	\$4.69	\$4.80	\$4.92	\$5.05	\$5.17
Tier 2 2,001 - 6,000 gallons	\$5.78	\$6.35	\$6.92	\$7.51	\$8.11	\$8.76
Tier 3: 6,001 - 30,000 gallons	\$6.53	\$7.34	\$8.15	\$8.98	\$9.82	\$10.74
Tier 4: Over 30,000 gallons	\$10.95	\$12.32	\$13.67	\$15.06	\$16.48	\$18.02
Multi-Unit Residential (Monthly per dwelling unit)	February 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
Tier 1: Essential Needs First 2,000 gallons	\$3.86	\$3.96	\$4.06	\$4.16	\$4.27	\$4.37
Tier 2 2,001 - 4,000 gallons	\$4.87	\$5.36	\$5.84	\$6.34	\$6.85	\$7.39
Tier 3: 4,001 - 10,000 gallons	\$5.70	\$6.52	\$7.33	\$8.16	\$9.01	\$9.93
Tier 4: Over 10,000 gallons	\$7.21	\$8.25	\$9.27	\$10.33	\$11.40	\$12.57
Non-Residential	February 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
All Usage	\$5.80	\$6.38	\$6.95	\$7.54	\$8.14	\$8.80

Current County of Maui Department of Water Supply Rates

Water Service Charges

Below are regular and agricultural water service charges.

Size of Meter	Cost Per Meter Per Month
5/8 inch	\$26.19
3/4 inch	\$42.32
1 inch	\$62.82
1 1/2 inch	\$120.35
2 inch	\$186.47
3 inch	\$329.30
4 inch	\$571.32
6 inch	\$1,048.74
8 inch	\$1,654.45

Current County of Maui Department of Water Supply Rates

Rates for Single-Family Dwellings		\$/kgals
Gallons	Total	
Tier 1 [0 - 5,000 gals.]	\$2.13	
Tier 2 [5,001 - 15,000 gals.]	\$4.63	
Tier 3 [15,001 - 35,000 gals.]	\$7.58	
Tier 4 [35,001 gals. and over]	\$10.56	

Current County of Maui Department of Water Supply Rates

- COM DOW is the only water department with breakdown of non-residential customers, e.g hotels

Hotels & Resorts

Gallons	Regular
Per 1,000 gals.	\$10.56

Multi-Family

Gallons	Regular
Per 1,000 gals.	\$4.63

Other General Water Consumers

Gallons	Regular
Per 1,000 gals.	\$7.58

Current County of Hawaii Department of Water Supply Rates

A. MONTHLY STANDBY CHARGES*

All meter connections shall be subject to a monthly standby charge as follows:

Meter Size (inches)	Effective July 1, 2023	Effective July 1, 2024
5/8"	\$ 27.37	\$ 29.97
1"	58.26	63.79
1-1/2"	108.39	118.69
2"	169.36	185.45
3"	310.27	339.75
4"	510.80	559.33
6"	1,012.11	1,108.26
8"	1,615.04	1,768.47
10"	2,330.42	2,551.81
12"	4,064.69	4,450.84

*Standby charge is a minimum monthly charge.

Current County of Hawaii Department of Water Supply Rates

B. GENERAL USE RATES (per 1,000 gallons)

In addition to standby power cost, and energy CIP charges, a consumption charge will be applied to all general use customers as follows:

	Effective July 1, 2023	Effective July 1, 2024
1 st Block	\$ 1.25	\$ 1.37
2 nd Block	2.72	2.98
3 rd Block	4.78	5.23
4 th Block	6.35	6.95

- HDWS has a General Use Rate which is a consumption charge for all General Use customers. HDWS also adds power cost and energy CIP charges which are based on consumption. These charges are in addition to a monthly standby charge.

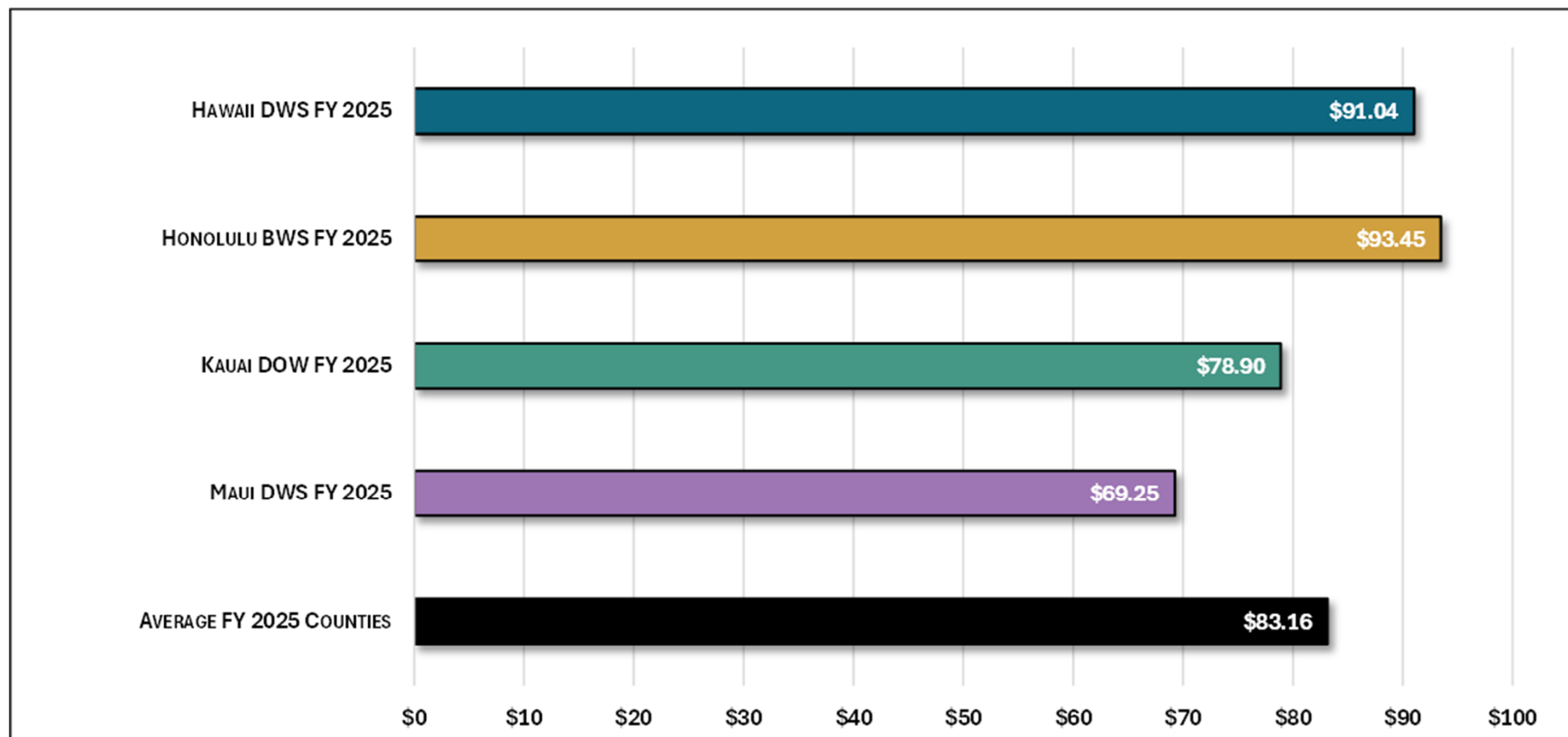
Current County of Hawaii Department of Water Supply Rates

- No specific customer classes. All General Use rates except for Agricultural customers.

BLOCK THRESHOLDS (gallons per month)
 The threshold for the rate blocks vary with the size of the water meter as follows:

Meter Size (inches)	1st Block	2nd Block	3rd Block	4th Block
5/8"	5,000	5,001 - 15,000	15,001 - 40,000	> 40,000
1"	5,000	5,001 - 100,000	100,001 - 300,000	> 300,000
1-1/2"	5,000	5,001 - 400,000	400,001 - 1,000,000	> 1,000,000
2"	5,000	5,001 - 900,000	900,001 - 2,000,000	> 2,000,000
3"	5,000	5,001 - 2,000,000	2,000,001 - 5,000,000	> 5,000,000
4"	5,000	5,001 - 4,700,000	4,700,001 - 10,000,000	> 10,000,000
6"	5,000	5,001 - 10,000,000	10,000,001 - 25,000,000	> 25,000,000
8"	5,000	5,001 - 20,000,000	20,000,001 - 50,000,000	> 50,000,000
10"	5,000	5,001 - 40,000,000	40,000,001 - 100,000,000	> 100,000,000
12"	5,000	5,001 - 60,000,000	60,000,001 - 150,000,000	> 150,000,000

Monthly Bill Comparison: SF 5/8" meter; 12,000 gals/month



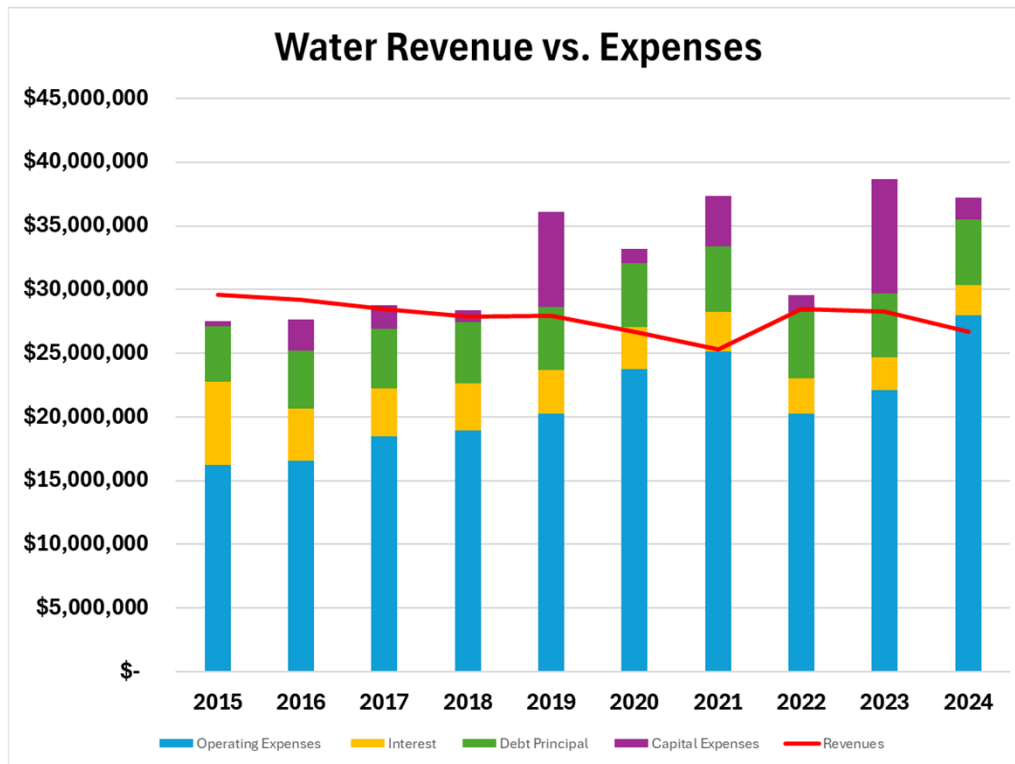
	Kauai DOW	Maui DWS	Honolulu BWS	Hawaii DWS
FY 2025 Monthly Service Charge - 5/8" meter	\$ 17.75	\$ 26.19	\$ 14.63	\$ 29.97
FY 2025 Total Monthly Bill - 5/8" meter; 12,000 gallons per month	\$ 78.90	\$ 69.25	\$ 93.45	\$ 91.04
TYPES OF CHARGES				
Volume Based Charge (\$/kgal) - Inverted Tiers for General Use and Single Family Residential	x	x	x	x
Volume Based Charge (\$/kgal) - Uniform Rate for Non-Residential		x	x	
Power Cost Charge (\$/kgals)				x
Energy CIP Charge (\$/kgals)				x
CUSTOMER CLASSES				
Agriculture Class	x	x	x	x
General Use Class	x			x
Non-Residential Class		x	x	
Single-family Residential Class		x	x	
Multi-unit Residential Class		x	x	
Hotel Class		x		

County Comparison of Rates and Typical Bills

Current (2025) DOW Financial Overview



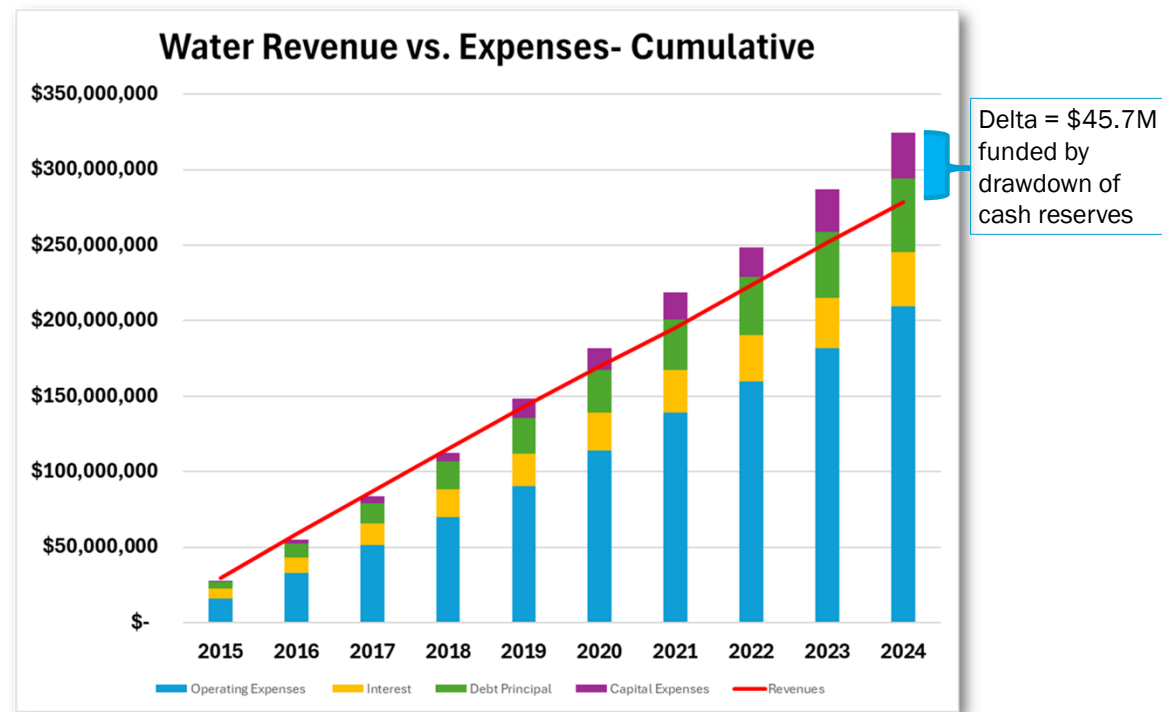
Current Financial Overview – Revenues and Expenses



- Revenues are less than Expenses starting in FY 2017
- The last water rate increase was effective FY 2015
- Expenses include O&M, debt service and rate funded capital
- Depreciation is not included in Expenses for purposes of this graph

Current Financial Overview – Revenues and Expenses

- Revenues are less than Expenses by about \$45.7 million over a 10-year time period.
- Delta funded by drawdown of cash reserves.
- Over the 10-year period an average annual rate increase of 5% per year implemented every year may have closed/reduced the deficit.
- Cumulative rate increase needed was approximately 55% over 10 years.



Overall Schedule for the Rate Study

		2025										2026						
Line No.	Process for New Rate Implementation	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	
1	FRC Board Workshop - April 22	Board																
2	Rates Process Board Presentation - June 19			Board														
3	FY 2026 Budget Implemented				FY26													
4	Public Information Meetings - CIP				Public Meetings													
5	Harris Updates Revenue Requirements (RR)																	
6	Internal Review of RR																	
7	Revenue Requirements Board Workshop - October 21							Board										
8	Update RR and Internal Review of Draft Rates																	
9	Conduct Ka Pa'akai Analyses																	
10	Board Meeting Present Draft Rates & FRC - November 20								Board									
11	Update Rates and FRC as needed																	
12	Board Meeting Discuss Rates & FRC Issues as needed - December									Board								
13	Update Rates and FRC as needed																	
14	Board Approves Rates & FRC for Public Info/SBA Meetings - January 15										Board							
15	Public Information/SBA Meetings - Rates and FRC											Public Meetings						
16	Public Hearing at April 16, 2026 Board Meeting												Board					
17	Update Rate Schedules as Needed/Draft Final Recommendation																	
18	Board Meeting - Final Rates Approved - May 21													Board				
19	KDOW Updates Billing System																	
20	Implement New FRC and Rates - July 1																FY27	

Stakeholder Outreach Process for Rate Study

	Items	Date	Comments
1	Public Information Meetings (6) – CIP	August	Department receives feedback from public on CIP in time to incorporate into rate analyses
2	Rates and FRC Board Workshop	October 21	Present rates and FRC adjustment options to the Board
3	Finalize Rate Recommendations	Nov/Dec	Discuss final rates and FRC adjustments at Board meetings and prepare rulemaking documents
4	Public Information Meetings (6) – Rates/FRC	Jan/Feb	Department receives preliminary feedback on Board recommendation for rates and FRC
5	Small Business Association Mtg	Jan	Per County rules we will meet with SBA and get their approval to schedule the formal Public Hearing
6	Ka Pa’akai Analysis	Jan/Feb	Legal framework that government agencies must follow when considering proposals that may impact the exercise of Native Hawaiian traditional and customary rights
7	Send out Public Hearing Notice	March	Need 30 day notice before April Board meeting
8	Board Public Hearing on Rates and FRC	April	Formal Public Hearing on rates and FRC at April Board meeting
9	Adjust Billing System	May/June	Update rates in billing system
10	Implement New Rates	July	New rates and FRC go into effect July 1, 2026

Board Feedback on Rate Issues





Next Steps

- **Brief Board on Water Rate Study June 19th**
- DOW Staff and Brown & Caldwell/Harris team finalize FRC analyses and begin work on rate study (*Summer 2025*)
- Present Draft revenue adjustment scenarios (revenue requirements) to Board for consideration (*October 2025*)
- Present Draft water rate schedule and FRC recommendations (*November/December 2025*)
- Schedule Public Hearings including with Small Business Association and Ka Pa'akai analysis for implementation of new FRC and updated water rate schedule (*January/February 2026*)
- Complete Board rule making process for implementation of new FRC and updated water rate schedule (*July 1, 2026*)



Thank you!

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

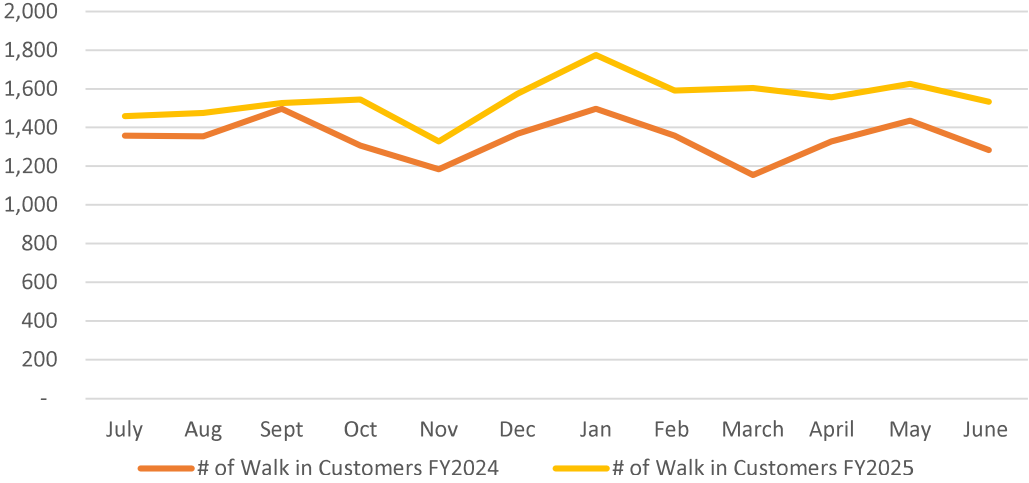
STAFF

REPORTS

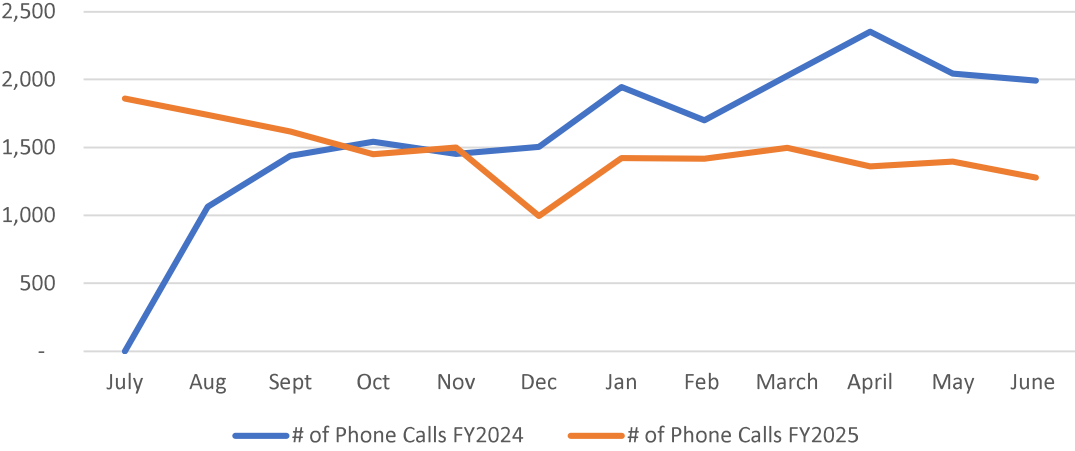


FISCAL DIVISION DASHBOARD

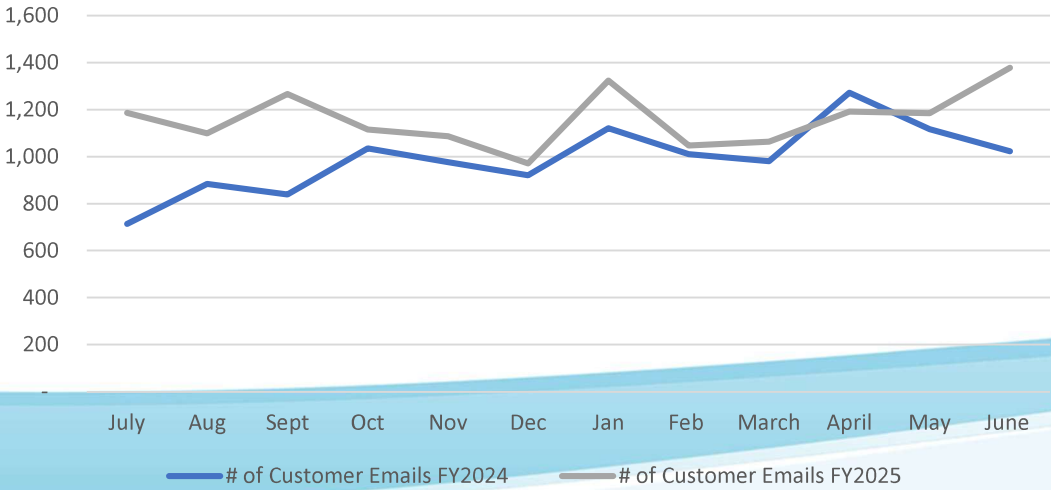
of Walk in Customers



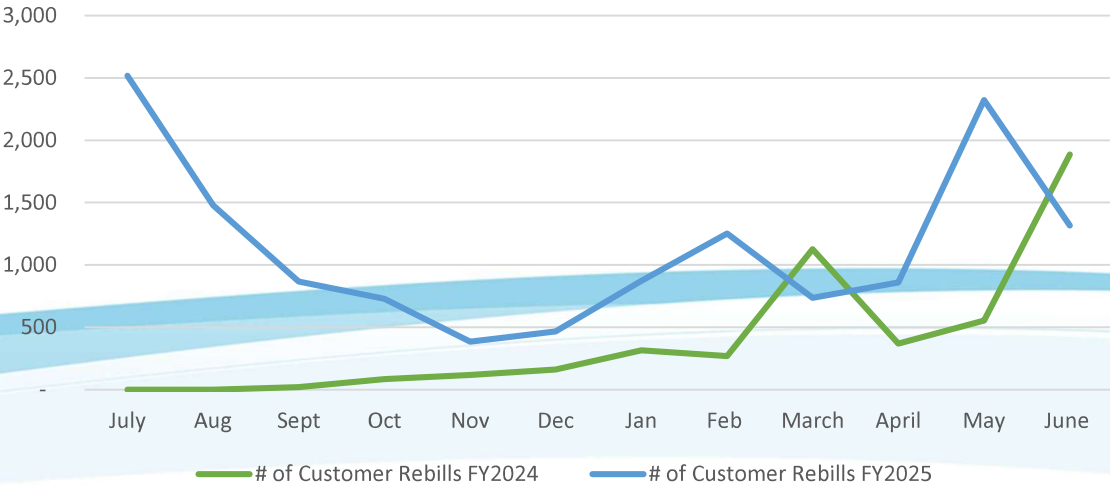
of Customer Service Calls



of Customer Emails and Correspondence



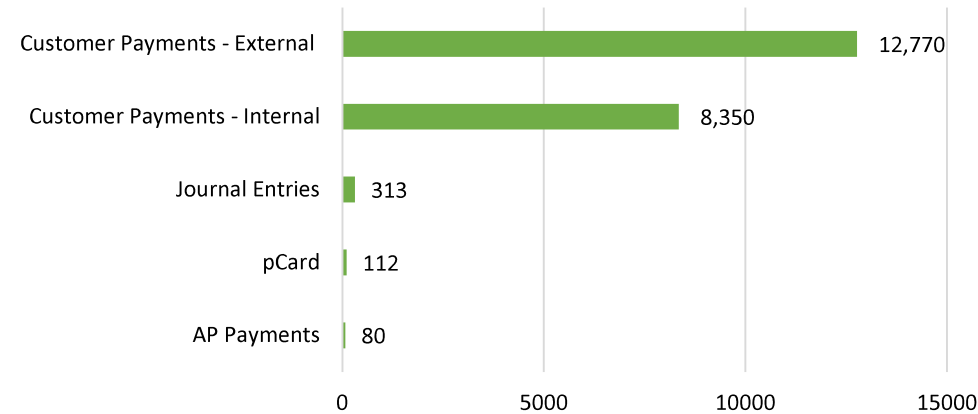
of Customer Rebills





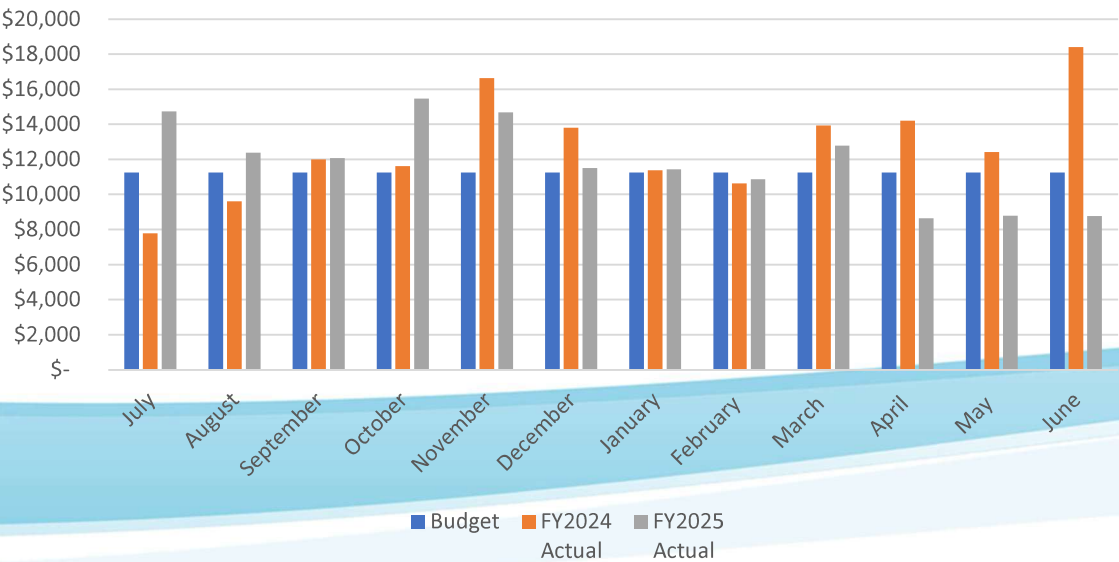
FISCAL DIVISION DASHBOARD

Accounting Highlights



Monthly Transactional Volume processed and reconciled by the Accounting Team.

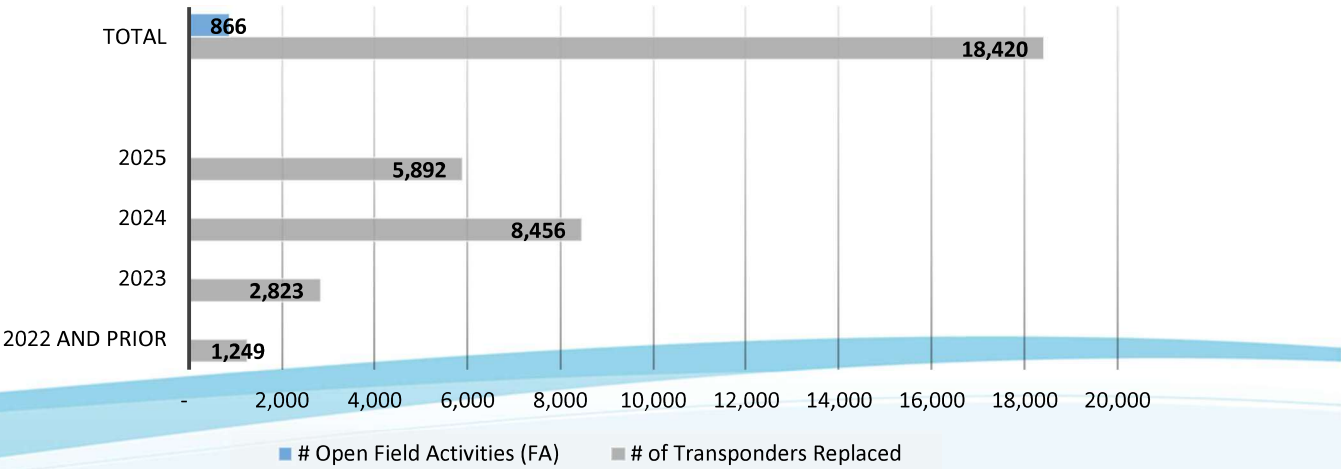
Overtime



Transponder Replacement Highlights:

- 703 Transponders Replaced in June 2025.
- 80% Replaced to date.
- 3% Failed; awaiting replacement.
- 16% Active; expected to fail soon.

Transponder Replacement Progress (Calendar Year)



Department Of Water Budget Report for June 2025

	June 2025			Fiscal Year 2025			
	Budget	Actual	Variance	Year to Date Budget	Year to Date Actual	Variance	Variance %
Operating							
Expenses							
Labor *	\$ 1,166,793.00	\$ 1,267,670.02	\$ (100,877.02)	\$ 14,001,516.00	\$ 15,212,040.25	\$ (1,210,524.25)	(8.6.%)
Services	1,341,633.30	664,493.21	677,140.09	16,099,599.60	6,445,860.06	9,653,739.54	60.0.%
Utilities & Materials	952,621.84	346,777.31	605,844.53	11,431,462.05	8,183,337.95	3,248,124.10	28.4.%
Total Operating Expenses	\$ 3,461,048.14	\$ 2,278,940.54	\$ 1,182,107.60	\$ 41,532,577.65	\$ 29,841,238.26	\$ 11,691,339.39	28.1.%
Debt Service Principal & Interest	58,955.00	-	58,955.00	7,490,488.00	6,803,534.65	686,953.35	9.2.%
Operating and Debt Expenses	\$ 3,520,003.14	\$ 2,278,940.54	\$ 1,241,062.60	\$ 49,023,065.65	\$ 36,644,772.91	\$ 12,378,292.74	25.2.%
Net Income (Loss)	\$ (754,261.14)	\$ 1,514,989.83	\$ 2,269,250.97	\$ (15,834,161.65)	\$ 5,485,178.19	\$ 21,319,339.84	134.6.%

* Current month's labor is estimated

Capital Projects and Purchases**

	Fiscal Year Budget	June FYD 2025 Actual	Remaining Budget
Water Utility Funded Projects			
IT-RandR Capital Purchases--	\$ 350,610.55	\$ 20,342.12	\$ 330,268.43
IT-Expansion Capital Purchases--	968,434.45	34,868.73	933,565.72
Eng-ALLR-17-10-KW-07 Paua Valley Tank Repair	9,407.62	214,326.31	(204,918.69)
Eng-69%R-11-07 HE-03 Hanapepe & Koloa Well MCC	571,650.00	5,231.00	566,419.00
Eng-ALLR-23-07 Rehabilitate Puupilo Steel Tank	169,783.00	(14,795.50)	184,578.50
Eng-Job 18-3 -Kuhio Hwy Hardy-Oxford 16IN Main	2,808,941.82	14,919.33	2,794,022.49
Eng-56%R-Job 23-03 Kuhio Hwy Papaloa to Waikaea	318,284.46	33,401.10	284,883.36
23-02 WK-34, Kuamoo Rd 8" Main Replace (6,500')	13,085.45	(21,388.05)	34,473.50
Eng-CIPR-23-14 Wailua Hmsteads 538 1.0 MG Tank	-	(32,153.96)	32,153.96
Cns-44%R-09-01 Yamada Tank Clearwell, Conn Pipe	2,777,114.24	23,702.40	2,753,411.84
Ops-R&R-Upgrade and Replace SCADA RTU and PLC	261,281.91	144,290.00	116,991.91
Ops-RandR Capital Purchases	2,193,999.05	46,568.78	2,147,430.27
Ops-Expansion Capital Purchases	631,573.69	47,869.43	583,704.26
Projects with budget but no activity	14,895,449.94		14,895,449.94
	\$ 22,941,081.18	\$ 517,181.69	\$ 22,423,899.49
FRC Funded Projects			
Eng-ALLE--H-08 Hanalei Well 2	\$ 130,000.00	\$ -	\$ 130,000.00
Eng WK-08, Kapaa Homesteads 2-0.5MG Tanks	3,000,000.00		3,000,000.00
Eng-ALLE-12-02 WK-23 UH Expmntal Storage Tank	304,981.00		304,981.00
Eng 04-08 WK-39 Drill Kapaa Homestead Well 4	2,521,934.49	14,025.50	2,507,908.99

Eng-90%E-Kilauea 1.0MG Tank Job 02-06	7,212.24		7,212.24
Job 15-08-HW-11-Haena 0.2MG Tank	1,306.63		1,306.63
Eng-ALLE-Wainiha Well #4	200,000.00		200,000.00
Projects with budget but no activity	6,151,408.86		6,151,408.86
	\$ 6,165,434.36	\$ 14,025.50	\$ 6,151,408.86

Build America Bonds Funded Projects			
Eng-ALLR-09-01 K-01 Kalaheo 1111FT & 1222FT	\$ 63,998.94	\$ -	\$ 63,998.94
Eng-ALLE-02-14 WK-08 Kapaa Homesteads Tank	5,600,000.00		5,600,000.00
Eng WK-39, Drill/Dev Kapaa Homesteads Well No4	2,600,000.00		2,600,000.00
Cns-ALLE-02-06WKK15-Kilauea 466 Tank Puu Pane	9,706.76		9,706.76
Eng-98%E-02-01 Land for Kukuioolono Tank Site	53,508.05		53,508.05
Cons-Exp-Kapaia Cane Haul Road	1,091,650.00		1,091,650.00
Projects with budget but no activity	-		-
	\$ 9,418,863.75	\$ -	\$ 9,418,863.75

State Allotment Funded Projects			
WK-08-Kapaa Homesteads 2-0.5MG Tanks	\$ 2,400,000.00	\$ -	\$ 2,400,000.00
17-10-KW-07 Paua Valley Tank Repair	-	323,200.41	(323,200.41)
WK-39, Kapaa Homesteads Well No. 4 Pump and Controls	2,400,000.00		2,400,000.00
PLH-27 Kūhiō Highway (Hardy-Oxford) 16' Main Replacement	2,500,000.00		2,500,000.00
	\$ 7,300,000.00	\$ 323,200.41	\$ 6,976,799.59

State Revolving Funded Projects			
WK-08, Kapaa Homsteads 2.0 5MG Tanks	\$ 5,200,000.00	\$ -	\$ 5,200,000.00
SRF-Eng-Wailua Hmsteads 538 1.0 MG Tank	-	32,153.96	(32,153.96)
SRF - Job 11-07 Lawai Main Replacement	-	124,675.04	(124,675.04)
23-07 Rehabilitate Puupilo Steel Tank	-	14,795.50	(14,795.50)
SRF--23-02 Kuamoo Rd 8" Main Replace	-	128,389.00	(128,389.00)
SRF-Eng-12-02 UH Experimental Tank	-	106,024.00	(106,024.00)
Yamada Tank Conn Pipe	6,926,518.00	3,163,074.20	3,763,443.80
SRF - Capital Purchases	-	323,536.00	(323,536.00)
	\$ 12,126,518.00	\$ 3,892,647.70	\$ 8,233,870.30

Total Capital Projects	\$ 57,951,897.29	\$ 4,747,055.30	\$ 53,204,841.99
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Selected Divisions

	June 2025			Fiscal Year 2025			
	Budget	Actual	Variance	Year to Date Budget	Year to Date Actual	Variance	Variance %
Engineering	\$ 881,339.59	\$ 361,048.02	\$ 520,291.57	\$ 10,576,075.08	\$ 4,735,831.51	\$ 5,840,243.57	55.2.%
Fiscal	245,832.78	256,233.00	(10,400.22)	2,949,993.36	2,907,435.34	42,558.02	1.4.%
Operations	1,561,895.28	986,829.39	575,065.89	18,742,743.36	16,064,364.76	2,678,378.60	14.3.%
	\$ 2,689,067.65	\$ 1,604,110.41	\$ 1,084,957.24	\$ 32,268,811.80	\$ 23,707,631.61	\$ 8,561,180.19	26.5.%

CASH RECEIPTS	(Preliminary 2024 is not closed)	TOTAL	Preliminary 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
BEGINNING CASH BALANCE		\$ 60,000,000.00																\$ 60,000,000.00
Bond Proceeds																		
Interest Income		\$ 2,609,348.76	\$ 353,655.29	\$ 406,245.12	\$ 10,145.00	\$ (321,259.46)	\$ 1,406.49	\$ 318,033.00	\$ 239,725.76	\$ 136,213.08	\$ 43,433.92	\$ 62,650.14	\$ 246,093.42	\$ 1,113,007.00				
TOTAL RESOURCES		\$ 62,609,348.76	\$ 353,655.29	\$ 406,245.12	\$ 10,145.00	\$ (321,259.46)	\$ 1,406.49	\$ 318,033.00	\$ 239,725.76	\$ 136,213.08	\$ 43,433.92	\$ 62,650.14	\$ 246,093.42	\$ 1,113,007.00	\$ -	\$ -	\$ -	\$ 60,000,000.00
201-01 BAB - CIP		\$ -																
Cost of Issurance		\$ 535,838.66																\$ 535,838.66
217 EA-194 Hanalei River & Moelepe Stream Pipeline		\$ 741,141.50																\$ 741,141.50
218 Job 02-18	Pipeline replacement, Kapaa Homesteads	\$ 2,941,979.00														\$ 966,229.51	\$ 1,975,749.49	
219 Job 04-02	Main replacement, Vivian Heights and Apopo Road and Kanahele Road	\$ 2,651,730.99													\$ 105,007.40	\$ 476,365.60	\$ 2,070,357.99	
220 Job 03-02	Anahola 0.15 MG Tank Renovation	\$ 1,571,169.09												\$ 417,459.47	\$ 738,342.29	\$ 348,437.12	\$ 66,930.21	
684 Job 05-01	Waimea Main Replacement	\$ 3,272,975.12														\$ 112,524.38	\$ 3,160,450.74	
687 Job 02-03	Kekaha 12" Main Replacement and Waimea Canyon Drive 12" Main Replacement	\$ 677,234.29														\$ 8,796.00	\$ 668,438.29	
221 Job 10-01	Pipeline replacement, Anini Road	\$ 724,652.00							\$ 320.25		\$ 40,444.75	\$ 99,727.00		\$ 75,360.00	\$ 91,600.00	\$ 331,800.00	\$ 85,400.00	
222 Job 10-02 & 13-03	Kaumualii Hwy widening, Anonoui St to Lihue Mill Bridge	\$ 5,208,503.03												\$ 603,320.00		\$ 4,368,972.73	\$ 236,210.30	
223 Job 05-06	PLH-25, 8" Main Replacement, Eiwa, Umi, Akahi, Elua & Hardy/Alohi Streets	\$ 2,710,970.00													\$ 207,527.45	\$ 1,837,108.24	\$ 666,334.31	
224 Job 02-16	Rehabilitation of Maka Ridge Deepwell Tank, Pipeline and Rdway, Ohana, Anolani & Kuamoo Roads	\$ 1,381,988.40												\$ 70,243.40	\$ 816,129.43	\$ 495,615.57		
227 Waimea Well A Renovation		\$ 639,282.53													\$ 299,937.43	\$ 308,235.45	\$ 31,109.65	
326 Job 02-02	Omao 0.5 MG Tank and connecting Pipeline	\$ 2,519,540.05														\$ 1,105,978.21	\$ 1,413,561.84	
228 Koloa Tank Site Acquisition		\$ 500,991.73															\$ 500,991.73	
230 Job 02-08	Rehabilitation of Eleee Twin 0.4 MG Steel Tanks	\$ 2,018,853.05												\$ 419,657.59	\$ 820,325.86	\$ 654,054.56	\$ 124,815.04	
231 Job 02-19	Waipouli Main Replacement to Akulikuli	\$ 2,229,690.39												\$ 140,809.76	\$ 460,829.74	\$ 1,628,050.89		
232 Job 02-14	Kapaa Homesteads 0.5 MG Tank #2 and Kapahi 1.0 MG Tank	\$ 410,240.21			\$ 104,355.40	\$ 12,281.25			\$ 28,276.20	\$ 181,031.23	\$ 33,913.47				\$ 4,820.46	\$ 44,327.74	\$ 1,234.46	
233 Job 09-01 K-01, K-12	Kalaheo 1111' & 1222' Water System Improvement	\$ (0.00)		\$ (1,117,183.23)	\$ 54,579.24	\$ 5,326.25	\$ 30,660.00	\$ 67,910.95	\$ 40,510.00	\$ 252,930.74	\$ 4,084.44	\$ 41,155.98	\$ 29,424.45		\$ 54,561.67	\$ 505,005.23	\$ 31,034.28	

BUILD AMERICA BOND FUND

DEPARTMENT OF WATER
County of Kauai FY 2010 - 2025

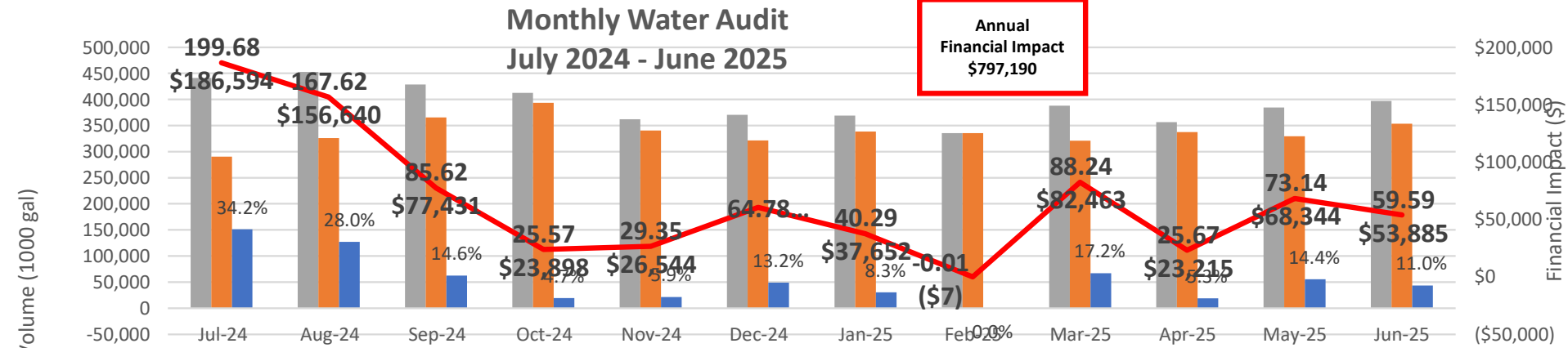
CASH RECEIPTS		(Preliminary 2024 is not closed)	TOTAL	Preliminary 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
683	Job 04-06	Kekaha Well B Renovation	\$ 627,165.43													\$ 42,828.60	\$ 265,223.57	\$ 319,113.26	
234	Kukuioiono Water Tank Site Acquisition		\$ 302,396.47															\$ 302,396.47	
235	Job 05-05	Nawiliwili, Niumalu and Kupolo 6", 8" and 12" Main replacement	\$ 3,150,226.75													\$ 689,732.75	\$ 2,460,494.00		
237	Job 11-02	Replacement Grove Farm Tanks #1 & #2	\$ 201,658.00								\$ 24,767.90	\$ 33,185.10		\$ 67,905.00	\$ 44,165.00		\$ 31,635.00		
692	PLH-39 Lihue Baseyd		\$ 7,755,133.98							\$ 15,035.86	\$ 544,777.77	\$ 575,693.09	\$ 5,951,097.31	\$ 1,510.40	\$ 1,466.25	\$ 382,445.74	\$ 283,107.56		
621	Job 02-06	Kilauea 1.0 MG Tank	\$ 16,329.20		\$ (234,643.96)					\$ 17,438.16	\$ 13,380.00				\$ 73,995.00	\$ 93,310.00	\$ 52,850.00		
238	Job 11-04	Lawai-Omao Water Main Replacement & Service Improvements	\$ 71,737.50											\$ 5,967.45		\$ 30,745.05	\$ 35,025.00		
239	Job 02-17	Maka Ridge Facilities Rehabilitation and Princeville Interconnection Plan	\$ 2,333,850.55											\$ 244,226.89	\$ 276,328.78	\$ 1,813,294.88			
240	Job 11-03	Land and Well Acquisition, Moloaa and Waimea, Kauai	\$ 159,938.00								\$ 3,678.00	\$ 25,300.00	\$ 14,160.00		\$ 23,290.00	\$ 71,730.00	\$ 21,780.00		
242	Job 02-11	Moloaa Land Acquisition	\$ -																
243	Job 11-06	Rehabilitate Moelelpe Tunnel and improve access road	\$ 19,200.00														\$ 19,200.00		
244	K-05A Kukuioiono 0.5 MG 886' Tank		\$ 193,578.95								\$ 67,715.05	\$ 61,552.30			\$ 64,311.60				
	Job 11-10	8" WL Halewili Kaumualii to Hale	\$ 694,331.55									\$ 282,186.78	\$ 412,144.77						
	Job 11-07	MCC Chlor KoloaWell16-A,B,E	\$ 3,667,032.67						\$ 44,513.76	\$ 1,623,383.03	\$ 1,999,135.88								
	Job 04-08	Kapaa Homesteads Well #4	\$ 1,502,796.10			\$ 32,504.61	\$ 162,138.43	\$ 43,250.00	\$ 588,360.39	\$ 676,542.67									
TOTAL			\$ 51,432,155.19	\$ -	\$ (1,351,827.19)	\$ 191,439.25	\$ 179,745.93	\$ 73,910.00	\$ 700,785.10	\$ 2,401,506.17	\$ 3,087,416.57	\$ 1,056,359.93	\$ 6,518,285.06	\$ 349,034.19	\$ 2,210,406.85	\$ 6,723,168.75	\$ 16,360,816.36	\$ 11,654,128.06	\$ 1,276,980.16
Cash & Investment Balance			\$ 11,177,193.57																



OPERATIONS DASHBOARD

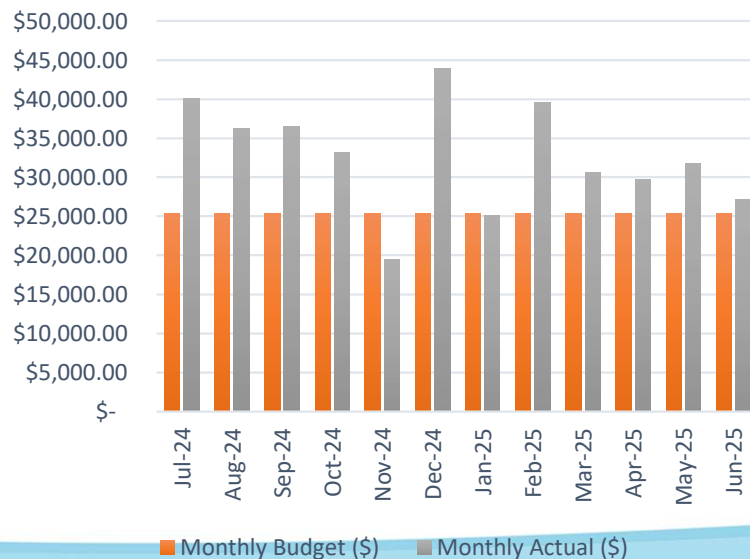
Ops Highlights:

1. Hired Admin Assistant II and Waterworks Programs Assistant. Recruited for Pipefitter Helper, awaiting names for interviews.
2. Meter transponder changeout in progress, over 500 meters replaced last month.
3. Training conducted for Workday, all employees attended.

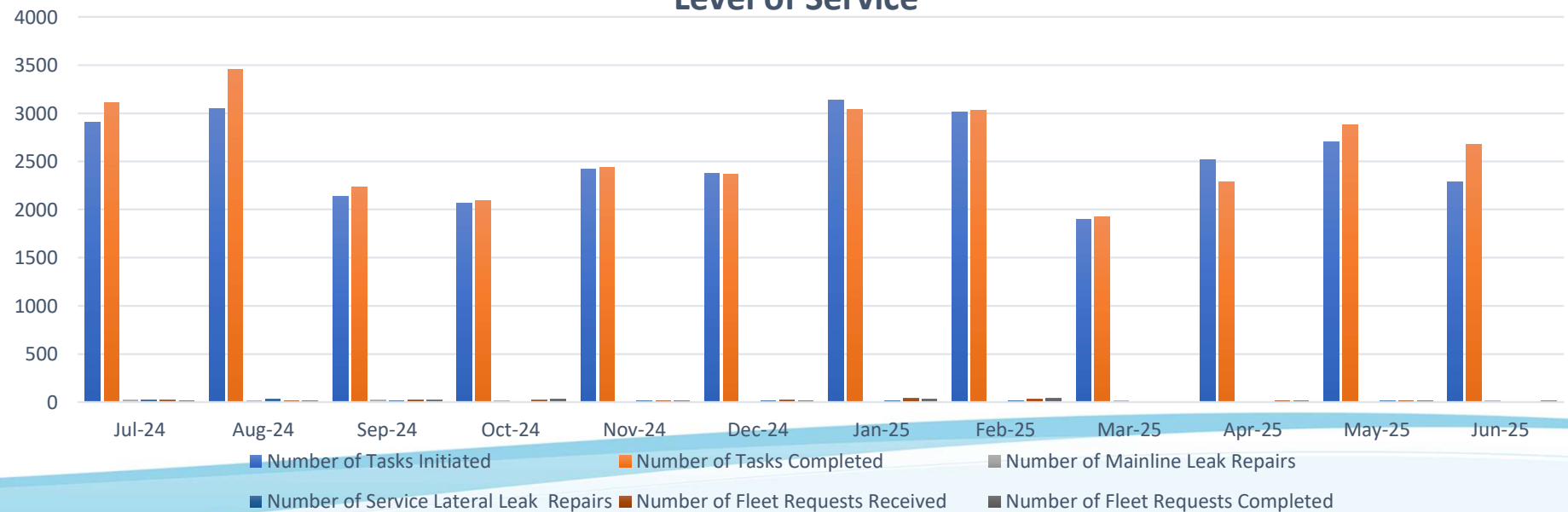


Water	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
Produced (Kgals)	441,367	452,933	428,498	412,714	361,950	370,356	368,847	335,512	387,916	356,362	384,673	397,151
Customer Read (Kgals)	290,208	326,039	365,771	393,354	340,447	321,320	338,345	335,518	321,113	337,556	329,308	353,499
Non-Rev Water (Kgals)	151,159	126,894	62,727	19,360	21,503	49,036	30,502	-6	66,803	18,806	55,365	43,652
Financial Impact	\$186,594	\$156,640	\$77,431	\$23,898	\$26,544	\$60,531	\$37,652	(\$7)	\$82,463	\$23,215	\$68,344	\$53,885

Overtime



Level of Service



OPERATIONS

	Last Month		Current Month		Previous FY Year to Date		Current FY Year to Date	
STAFFING								
Budgeted Staff Vacancies	46	13	46	13	49	10	46	13
OVERTIME								
Budget (\$) Actual (\$)	\$25,416.67	\$31,735.71	\$25,416.67	\$27,211.49	\$279,400.00	\$414,568.84	\$305,000.00	\$393,533.52
FLEET MANAGEMENT								
# of Vehicles Active per day	38		40		41		41	
# of Vehicles Active per month	802		807		843		838	
METER PROGRAM								
# of Existing Meters Replaced	2		1		296		254	
# of Existing Meters Repaired	1097		593		3993		7678	
# of New Meters Installed	5		12		74		142	
# of New Laterals Installed	0		0		19		2	

OPERATIONS



LEVEL OF SERVICE

	Last Month		Current Month		Previous FY YTD		Current FY YTD	
# of Tasks Initiated	2700		2287		19011		30503	
# of Tasks Completed	2878		2676		15476		31522	
# of Mainline Leak Repairs	10		12		131		156	
# of Service Lateral Leak Repairs	14		10		142		181	
# of Calls for Service	174		184		2340		2437	
# of Temporary Hydrant Meters Installed	2		6		28		40	
# One Call Request Received Completed	56	59	65	82	490	482	535	548
# of Auto Shop Requests Received Completed	16	16	10	14	380	358	256	264
# of Hydrant Hits	1		3		26		18	

WATER AUDIT

	Last Month	Current Month	Previous FY YTD	Current FY YTD
Water Produced (Million Gallons)	384.673	397.151	4537.650	4698.279
Customer Meter Reading (Million Gallons)	329.308	353.499	3410.286	4052.478
Non-Revenue Water (Million Gallons)	55.365	43.652	1127.364	645.801
Non-revenue %	14%	11%	25%	14%
Financial Impact	\$68,343.66	\$53,884.90	\$1,391,640.93	\$797,189.67



ENGINEERING DASHBOARD

	Last Month		Current Month		Previous FY Year to Date		Current FY Year to Date	
STAFFING								
Budgeted Staff Vacancies	25	6	25	6	24	4	-	-
OVERTIME								
Budget (\$) Actual (\$)	\$12,900	\$23,700	\$12,900	\$19,500	\$59,000	\$228,100	\$155,000	\$276,600

	Last Month		Current Month	
PROJECT MANAGEMENT				
DOW Projects In Design In Construction	8	12	8	12
Private Projects Design Approved In Construction	2	166	3	166
Private Projects Construction Completed	1		0	

CIP Project Highlights:

- Kapa‘a Homesteads 325’ Tanks
 - Public Meeting July 1, 2025
 - Project Blessing July 11, 2025
 - Mobilizing in July 2025
- Pu‘u Pane 1.0 MG Tank
 - Completing permitting and bid docs to bid FY26
- Kalāheo Water System Improvements
 - Working on change order proposal to upgrade booster pumps at 908’ Tank site and Yamada Tank site
 - Completed leak testing Yamada and Clearwell Tanks
- UH Experimental Station 605’ Tank
 - UH confirming location of tank and road
- Hā‘ena 0.2 MG Tank
 - Completing permitting and bid docs to bid FY26
- Paua Valley Tank No. 1 Rehab
 - Only need record drawing submittal
- Weke, ‘Anae, Mahimahi and He‘e Roads 6” and 8” Main Replacement
 - Completed work in DOT-Hwy ROW

ENGINEERING DASHBOARD

	Last Month		Current Month		Previous FY Year to Date		Current FY Year to Date	
WATER RESOURCES AND PLANNING								
Number of Customer Requests Received Completed								
Subdivision Applications, Zoning, Land Use and Variance Permits	8	9	10	0	81	87	108	99
ADU/ARU Clearance Applications	13	13	13	12	34	59	93	92
Building Permits	110	113	140	119	1,735	1,774	1,645	1,597
Water Service Requests	42	25	28	3	292	276	359	317
Government Records Request	5	3	4	2	24	25	49	40
Backflow Inspection # of Devices Tested	132		97		1,373		1,298	

DOW Project Highlights:

- Water Systems Investment Plan (WSIP)
 - Working on FRC Update
 - Working on Rate Study Update
 - Board Workshop 8/11/25
- Kaua'i Water Use and Development Plan (KWUDP)
 - Budgeted for conditions
- As-Needed Grant Writing and Preparation Services
 - Applied for Drought Resiliency Grant with USBR for Hā'ena 0.2 MG Tank Construction – informed did not receive grant
 - Applied for WaterSMART Grant for AMI Meters 11/13/24
- AWIA RRA/ERP
 - Working on data request

QUARTERLY UPDATE

Period of April 1, 2025 to June 30, 2025

ENGINEERING DIVISION

Submitted by: Jason Kagimoto, P.E.

DEPARTMENT OF WATER

July 17, 2025

Overview

- **Water Resources and Planning Section**

- Subdivision-Land Use Applications Completed = 13
- ADU/ARU Clearance Applications Completed = 42
- Building Permit Applications Reviewed = 340
- Water Service Requests Completed = 63
- Backflow Devices Inspected and Tested = 319
- KWUDP Update – Working on amending contract to address near-term conditions
- WSIP – Working on Rate Study and FRC Update
- As-Needed Grant Writing and Preparation Services – Applied for 3 grants
 - Awarded HCF Freshwater Initiative Grant for \$100k
 - No Awarded USBR Drought Resiliency Grant
 - Waiting to hear back on USBR WaterSMART Grant
- AWIA RRA and ERP Update
 - Working on providing requested data

- **Project Management Section**

- 8 active DOW CIP design projects
- 12 active DOW CIP construction projects (\$73M total)
- Kapa'a Homesteads 325' Tanks – Contractor mobilizing in July '25
- Pu'u Pane 1.0 MG Tank – Bidding FY26
- Kalāheo Water System Improvements – Majority of current SOW complete, looking to add scope to upgrade an existing BPS and construct a new BPS
- Hā'ena 0.2 MG Tank – Bidding FY26
- Rehabilitate Paua Valley Tank No. 1 – Punch list items complete, record drawings outstanding
- Kūhiō Highway (Hardy-Oxford) 16" Main Replacement – NTP 9/8/25
- Weke, 'Ana'e, Mahimahi and He'e Roads Main Replacement – Completed work in DOT-Highways ROW, contractor to mobilize in late November '25 to complete work in County ROW
- Kapa'a Homesteads Well No. 4 Pump and Controls – Working on completing drain line
- Līhu'e Administrative Building Fencing – In construction
- Līhu'e Baseyard Electrical Relocation – Submittals complete, waiting for materials to be delivered

Water Restriction Areas

Water System/Sub-System	Restrictions (5/8-inch water meter or number units per lot)	Inadequate Facilities	Comments
Upper Lāwaʻi	2	Storage	Administration Approved
Poʻipū	300	Storage	Board Approved (50% of new tank allowed for new development; 50% to make up storage deficit
Wailua Homesteads	5	Storage	Administration Approved
Upper Wailua Homesteads	2	Storage	Administration Approved
Kapaʻa Homesteads	5	Source	Board Approved
Moloaʻa	0	Source and Storage	Water Purchase Agreement
Kīlauea-Kalihiwai	5	Source and Storage	Administration Approved
Aliomanu – Kukuna Road	0	Transmission	Administration Approved
ʻAnini	1	Source and Storage	Water Purchase Agreement
Upper Wainiha Valley	1	Storage	Administration Approved
Wainiha – Hāʻena	3	Storage	Administration Approved

Water Plan 2020 Construction Project Status

WP 2020 NUMBER	JOB NO	PROJECT TITLE	% COMPLETE JUNE 2025	ORIGINAL ESTIMATE TO COMPLETE	CURRENT ESTIMATE TO COMPLETE	CURRENT CONTRACT AMOUNT
WK-08	02-14	Kapa'a 325' Tanks – Package A Drain Line	90%	Q3 2019	Q4 2025 (1)	\$2,605,418.35
WK-08	02-14	Kapa'a 325' Tanks – Package B 2 0.5MG Tanks	0%	Q1 2027	Q1 2027	\$23,347,000.00 (2)
WK-39		Drill and Test Kapa'a Homestead Well No. 4	80%	Q3 2019	Q4 2025 (1)	See First Line
K-01 & K-12	09-01	Kalaheo Water System Improvements Package A – 0.5 MG Yamada Reservoir Package B – 0.1 MG Clearwell Reservoir Package C – Water Main Installation	80%	Q1 2025	Q1 2026	\$21,792,073.48 (3)
PLH-35B	16-02	Kapaia Haul Cane Road 18" Transmission Line	10%	Q3 2019	Q4 2026 (4)	\$4,127,545.00
WKK-03	16-04	Kilauea Wells Nos. 1 and No. 2, MCC, Chlorination Facilities	40%	Q3 2024	Q2 2026	\$3,544,469.18 (5)
KW-07	17-10	Rehabilitate Paua Valley Tank No. 1, 0.5 MG Tank	99%	Q2 2021	Q3 2025	\$3,694,829.86 (6)
PLH-27	18-03	Kūhiō Hwy (Hardy-Oxford) 18" Main Replacement	0%	Q4 2026	Q4 2026	\$5,013,270.50 (7)
H-05	23-05	Weke, Anae, Mahimahi and Hee Roads 6" and 8" Main Replacement	10%	Q4 2026	Q4 2026	\$3,089,000.00
	24-05	Kapa'a Homesteads Well No. 4 Pump and Controls	5%	Q4 2027	Q4 2027	\$7,683,000.00 (8)
HE-03a	23-08	Hanapēpē Town Well MCC, Chlorination Fac.	20%	Q3 2025	Q3 2025	\$150,000.00
					TOTAL =	\$71,901,729.10

(1) Additional contract time required to perform environmental assessment, re-design drainage system and obtain land-owner approval for DOW drainage easement.

(2) \$7.25M State appropriation

(3) \$10.2M State appropriation, \$5.2M DWSRF Loan Principal Forgiveness

(4) Project issued stop work order and is on hold while performing environmental permitting.

(5) \$2.6M State appropriation

(6) \$1.2M State appropriation

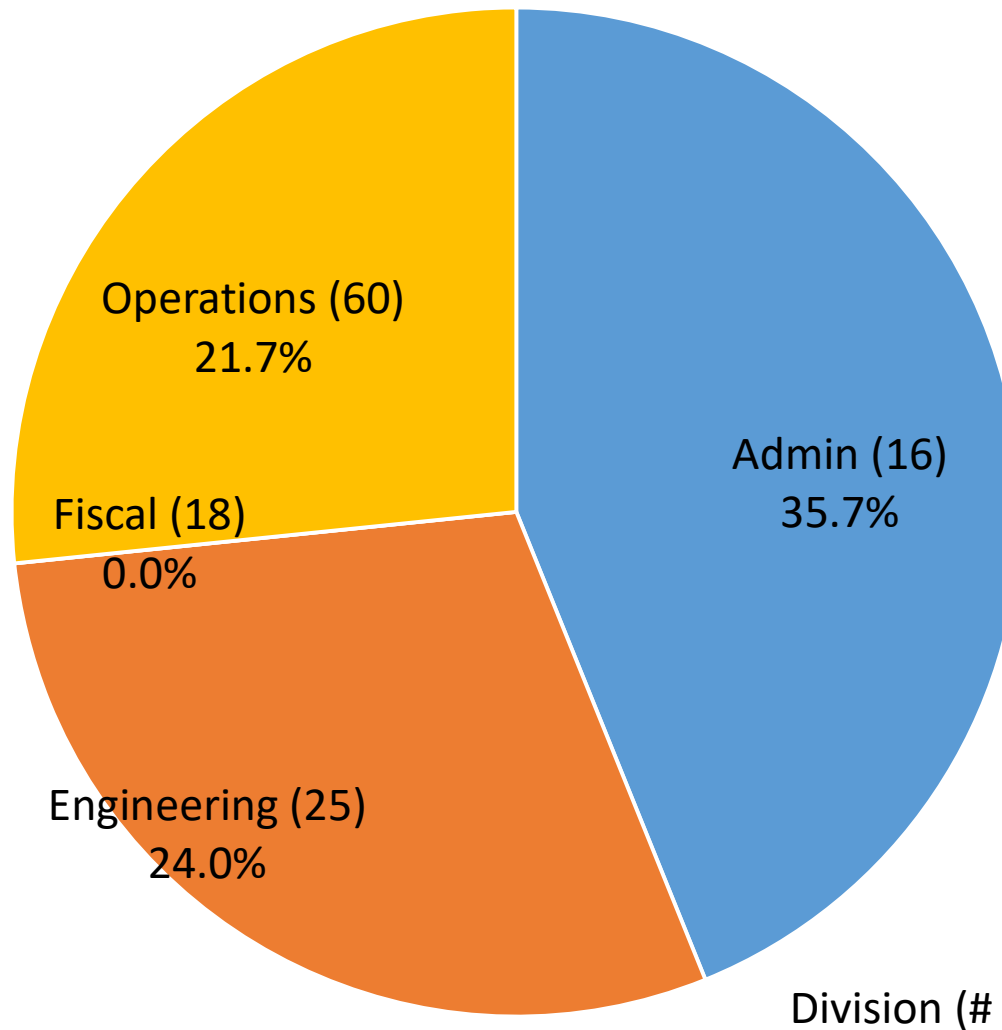
(7) \$2.5M State appropriation

(8) \$2.6M State appropriation

Supplemental Support Services

Contract Number	Company	Professional Service	Contract Amount	Amount Invoiced	Number of PAOs
728	RM Towill, Inc.	As-Needed CM	\$1,000,000	\$38,000	4
747	Kennedy/Jenks	As-Needed PM and Inspectional Services	\$1,000,000	\$309,000	5
763	Brown and Caldwell	As-Needed GIS and Hydraulic Modeling Services	\$99,600	\$67,000	2
767	Maddaus Water Management	As-Needed Grant Writing and Preparation Services	\$100,000	\$86,800	4

% Vacancy Within Each Division Level



COUNTY ATTORNEY QUARTERLY REPORT

Period: April 1, 2025 – June 30, 2025

This report is submitted pursuant to Board Policy No. 25.

CLAIMS SETTLED: None.

CLAIMS PENDING: Please see table below for pending claims.

Claimant(s)	Date of Loss	Filed with OCA	Date Closed	Basis of Claim	Claim Amount	Settled Amount	Corrective Action Recommendation
Christina Warner	3/7/25	3/13/25; Re-Opened 5/29/25	3/27/25 (initially)	Hit pot hole on Kuhio Hwy. near coconut marketplace. Pot hole popped tire. I tried to pull over but there is no shoulder. Rolled into Aloha Roastery. When I pulled in the driveway another couple who were Tourist told me the same pot hole just popped their rental car tire. My car does not have a spare tire due to it being new and a hybrid car was towed to tire warehouse in Lihue. Where new tire was installed and purchased. I called the non emergency phone number 808-241-1711 to report but hole and it just popped 2 tires.	\$330.70	\$0.00	-

DEPARTMENT OF WATER
County of Kaua‘i
“Water has no substitute – Conserve It!”

MANAGER’S UPDATE

June 19, 2025

Pursuant to Board Policy No. 3

**1. FIRST AMENDMENT TO CONTRACT NO. 747 WITH KENNEDY/JENKS CONSULTANTS, INC.
JOB NO. 23-12, AS-NEEDED PROJECT MANAGEMENT AND INSPECTIONAL SERVICES, LIHU‘E, KAUA‘I, HAWAII**

RECOMMENDATION:

It is recommended that the Manager approve the First Amendment to Contract No. 747 with Kennedy/Jenks Consultants, Inc. for a contract time extension of 180 calendar days to allow for additional project assignment orders to be identified by the Board.

FUNDING:

Account No.	10-20-10-540-010		
Acct Description	WU/Eng/Admin/Professional Services		
Funds Available	Verified by WWC		\$N/A
Contract No.	747		
Vendor	Kennedy/Jenks Consultants, Inc.		
	Contract Amount	\$1,000,000.00	
	5% Contingency	\$N/A	
	Total Funds Certified To Date	\$1,000,000.00	
First Amendment:			
Additional contract time of 180 calendar days		\$0.00	
	Total Amendment	\$0.00	<\$N/A>
Contract Amount To Date		\$1,000,000.00	

BACKGROUND:

Contract NTP Date: June 26, 2023
Original Contract End Date: June 24, 2025
New Contract End Date: 180 calendar days from NTP of Amendment 1

This contract amendment will allow for additional project assignment orders to be identified by the Board.

**2. CHANGE ORDER NO. 3 FOR CONTRACT NO. 753 WITH HAWAII DRILLING & PUMP SERVICES, LLC
JOB NO. 24-10 PIWAI WELL NO. 3 REPAIR**

RECOMMENDATION:

It is recommended that the Manager approve Change Order No. 3 for Contract No. 753 with Hawaii Drilling & Pump Services, LLC, for a no cost time extension to continue troubleshooting motor issues.

FUNDING:

Account No.	10-40-60-561-000		
Acct Description	WU/Ops/TandD/Repairs and Maintenance – Other than Water System		
Funds Available	Verified by WWC		\$N/A
Contract No.	753		
Vendor	Hawaii Drilling & Pump Services, LLC		
	Contract Amount	\$245,000.00	
	5% Contingency	\$11,640.00	
	CO1 (06/20/24)	\$610.00	
	CO2 (01/23/25)	\$0.00	
	Total Funds Certified To Date	\$257,250.00	
Amendment:			
CO3		\$0.00	
	Total Amendment	\$0.00	\$N/A
Contract Amount To Date		\$245,610.00	

BACKGROUND:

Contract NTP Date: February 26, 2024
Original Contract End Date: November 22, 2024
New Contract End Date: August 29, 2025

The pump and motor require additional troubleshooting, which includes removal of the pump and motor.

3. MEMORANDUM OF UNDERSTANDING BETWEEN THE OFFICE OF THE AUDITOR, STATE OF HAWAI'I AND DEPARTMENT OF WATER, COUNTY OF KAUA'I

RECOMMENDATION:

It is recommended that the Manager approve a Memorandum of Understanding between the Office of the Auditor, State of Hawai'i and the Department of Water, County of Kaua'i, to perform audit services for FY ending June 30, 2025, 2026, and 2027.

FUNDING:

Account No.	10-31-10-540-010		
Acct Description	WU/Acctg/Admin/Professional Services - General		
Funds Available	Verified by WWC		\$4,600.00
Contract No.	MOU		
Vendor	Office of the Auditor, State of Hawai'i		
	Contract Amount	\$14,400.00	
	5% Contingency	N/A	
	Total Funds Certified (Year 1 - FY2025)	\$4,600.00	<\$4,600.00>

BACKGROUND:

The Office of the Auditor coordinates the audit of the of the Employee's Retirement System of the State of Hawai'i ("ERS") to meet the Governmental Accounting Standards Board ("GASB") reporting requirement for GASB 68.

The Department of Water ("DOW") is a participating employer of the ERS pension fund and by participating in this MOU, the DOW will receive a copy of the audited schedule of employer allocations for pension expense, deferred outflows of resources, deferred inflows of resources and net pension liability. This information will be used in the annual preparation of the DOW's financial statements.

The total contract amount of \$14,400.00 is for a period of three years and the annual cost-share will be budgeted for each fiscal year as stated below and in the MOU. (Reference MR#25-____)

Year 1 (FY 2025) = \$4,600.00

Year 2 (FY 2026) = \$4,800.00

Year 3 (FY 2027) = \$5,000.00

**4. FIRST AMENDMENT TO MEMORANDUM OF UNDERSTANDING WITH
COUNTY OF KAUAI, DEPARTMENT OF PUBLIC WORKS – WASTEWATER
DIVISION (DPW)
WATER CONSUMPTION DATA FROM CC&B**

RECOMMENDATION:

It is recommended that the Manager approve the First Amendment for Memorandum of Understanding between DOW and DPW for term extension of 12 months.

FUNDING:

No funds requested.

BACKGROUND:

Contract NTP Date: May 13, 2025
Original Contract End Date: June 10, 2025
New Contract End Date: June 10, 2026

The DPW requested assistance from DOW to provide water consumption data from its CC&B software application, for their commercial accounts that are invoiced based on water consumption and provide bi-monthly billing statements. The Memorandum of Understanding allows for time extension for continued services; therefore, extending the MOU term for an additional 12 months.

CONVEYANCE OF WATER FACILITIES NONE