

BOARD OF WATER SUPPLY

TOM SHIGEMOTO, CHAIR
MICAH FINNILA, VICE-CHAIR
CLYDE KODANI, SECRETARY
VACANT, MEMBER

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



JOSEPH E. TAIT
MANAGER AND CHIEF ENGINEER

REGULAR MONTHLY MEETING NOTICE AND AGENDA

Thursday, August 20, 2026
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/85189644167>

Passcode: 639599

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: 851 8964 4167

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. Scheduled Public Hearing: Tuesday, September 1, 2026
2. Next Scheduled Board Meeting: September 24, 2026

APPROVAL OF AGENDA

MEETING MINUTES

1. Regular Board Meeting – June 18, 2026
2. Regular Board Meeting – July 30, 2026

PUBLIC TESTIMONY

NEW BUSINESS

1. Manager's Report No. 27-01 Discussion and Possible Action to Request Board Approval for acceptance and expenditure of grant monies from the Office of Local Defense Community Cooperation (OLDCC) for West Kauai Water Infrastructure Planning.
2. Manager's Report No. 27-02 Discussion and Possible Action to Approve a Grant of Easement (GOE) Agreement from Godwin M. Esaki, Janet M. Esaki, Godwin M. Esaki and Janet M. Esaki, Trustees of the Godwin M. Esaki Revocable Living Trust, and Janet M. Esaki and Godwin M. Esaki, Trustees of the Janet M. Esaki Revocable Living Trust, at TMK: (4) 4-6-011:125, Kapa'a, Kaua'i, Hawai'i
3. Manager's Report No. 27-03 Discussion and Possible Action to Approve a Grant of Easement (GOE) Agreement from BBCP Kukui'ula at TMK (4) 2-6-018:063, Kōloa, Kaua'i, Hawai'i
4. Manager's Report No. 27-04 Discussion and Possible Action on the Approval of the Department of Water (DOW)'s Supplemental Operating and Capital Budget appropriations for Fiscal Year 2027
5. Manager's Report No. 27-05 Discussion and Possible Action on the Approval of the Department of Water's (DOW) Supplemental Operating Budget Appropriation from Available Fund Balance for the Purpose of Encumbering the Total Amount of Contract C793 for Job No. 26-01, Slip Line Hanapēpē 16-Inch HDPE Pipeline with Mocon Corporation
6. Discussion and possible action on a proposed amendment to Board Policy No. 25, re: Authorizing the County Attorney to investigate, settle, and pay small claims against the Board of Water Supply, County of Kaua'i. The proposed amendment increases the maximum settlement amount the County Attorney is authorized to approve from \$10,000 to \$15,000
7. Discussion and Possible action to amend the motion adopted at the June 18, 2026 meeting on the salary increase for the Department of Water's Manager & Chief Engineer pursuant to Salary Resolution No. 2025-1, A Resolution Relating to the Salaries of Certain Officers and Employees of the County of Kaua'i, by correcting the maximum salary amount stated
8. Discussion and Possible Action to Initiate the Performance Appraisal Process for the Manager & Chief Engineer for the period of July 1, 2025 to June 30, 2026
 - a. Board Policy No. 34

COMMUNICATION

Memorandum from Department of Water dated July 22, 2026 re: Update to the Board on the outcome of the Small Business Regulatory Review Board (SBRRB) Meeting held on July 16, 2026

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 July 2026
 - c. Monthly Department Overtime/Comp Time dashboard

2. Operations

- a. Monthly dashboard – Annual Financial Impact Overview, Staff Overtime Hours, Budgeted and Vacant Positions, Services Received/Completed, Highlights: New Hires and Promotions, Procurement updates, Training: Confined Space, Multi versus Single Strand Fiber, and Leadership Kauaʻi

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:
 - Kapaʻa Homesteads 325' Tanks – Two 0.5 MG Tanks
 - Puʻu Pane 1.0 Million Gallon Tank
 - Kalāheo Water System Improvements
 - Weke, Anae, Mahimahi and Heʻe Roads 6" and 8" Main Replacement
 - Lāwaʻi 6" and 8" Main Replacement
 - Kapaʻa Homesteads Well No. 4 Pump and Controls
 - ii. DOW Project Highlights/Status Updates:
 - Water Systems Investment Plan (WSIP)
 - Kauaʻi Water Use and Development Plan (KWUDP)

4. Administration

- a. Human Resources – updates on Personnel Vacancies
- b. Information Technology – Information Infrastructure and Cybersecurity Update
 - 1. Telecommunications Infrastructure Update
 - 2. Enterprise Resource Planning (ERP) Initiative
 - 3. Information Technology Service Management (ITSM) Platform – KACE
 - 4. Cybersecurity Monitoring and Vulnerability Management – Rapid7
 - 5. Data Protection and Disaster Recovery – Veeam
 - 6. Email Security and Backup – Barracuda
 - 7. Network Infrastructure Modernization
 - 8. Telecommunications System Upgrade
 - 9. Firewall and Network Security Enhancement
 - 10. Physical Security Systems Upgrade
 - 11. Identity and Access Management Strategy
 - 12. Active Directory and Server Infrastructure Refresh

5. Manager and Chief Engineer

- b. Reports to Manager:
 - June to July 2026**
 - 1. Change Order No. 6 for Contract No. 753 with Hawaii Drilling & Pump Services, LLC, Job No. 24-10 Piwai Well No. 3 Repair
 - 2. Changer Order No. 3 (revised) to Contract No. 782 with Alpha, Inc. Job No. 18-03, WP2020 #PLH-27 Kūhiō Highway (Hardy-Oxford) 18" Main Replacement
 - 3. NASPO VL Contract No. 17-18 CPA2024-01 Contract Change Order No. 4 with Carahsoft Technology Corporation Subscription Renewal and Addition of S11 and Fuelmaster integrations to OpenGov Enterprise Asset Management Solution

July to August 2026

1. 5th and Final Year Audit for Contract No. 724 with N&K CPAs, Inc. Annual Audit for Fiscal Years Ending June 30, 2022, June 30, 2023, June 30, 2024, June 30, 2025, and June 30, 2026
2. Second Amendment to Contract No. 732, Bowers+Kubota Consulting, Inc., Job No. WKK-03 Construction Management Services for Kilauea Wells No. 1 and 2 MCC, Chlorination Facilities
3. Year 3 Services for Contract 733 with Doxim dba Utilitec, Job No. SS-2024-02, Customer Care & Billing (CC&B)
4. Second Amendment to Contract No. 763, Brown and Caldwell As-Needed GIS and Hydraulic Modeling Services 2024-2026

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

1. Discussion and Decision Making on the Proposed Amendments to the Rules and Regulations of the Board of Water Supply, County of Kaua'i, State of Hawai'i, Part 4 for Fixing Rates for the Furnishing of Water Service in the County of Kaua'i

TOPICS FOR FUTURE BOARD OF WATER SUPPLY MEETING:**EXECUTIVE SESSION:**

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

1. Pursuant to Hawai'i Revised Statutes (HRS) Sections 92-4 and 92-5(a)(4), the Office of the County Attorney requests an Executive Session with the Board to provide a briefing and discuss the Quarterly Report of claims made against the Board, and to have the Board consult with its attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as it relates to claims made against the Board.

ADJOURNMENT

WRITTEN TESTIMONY

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

Please include:

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

Send written testimony to:

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

E-Mail: board@kauaiwater.org

Phone: (808) 245-5406

Public Testimony

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

SPECIAL ASSISTANCE

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

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

DRAFT

MINUTES

MINUTES
BOARD OF WATER SUPPLY
Thursday, June 18, 2026

The Board of Water Supply, County of Kaua'i, met in a regular meeting in Līhu'e on Thursday, June 18, 2026. Chair Tom Shigemoto called the meeting to order at 9:30 a.m. The following Board members were present:

BOARD:

Mr. Tom Shigemoto, *Chair*
Ms. Micah Finnilla, *Vice-Chair*
Mr. Clyde Kodani
Mr. Ka'aina Hull
Mr. Eric Fujikawa

EXCUSED:

Mr. Troy Tanigawa

Quorum was achieved with 5 members present at Roll Call

ANNOUNCEMENTS

1. Next Scheduled Board Meeting: Thursday, July 23, 2026

APPROVAL OF AGENDA

The agenda was approved with no objections

MEETING MINUTES

1. Regular Board Meeting – May 21, 2026
2. Executive Session – May 21, 2026

The minutes of the May 21, 2026 Regular Board meeting, and the May 21, 2026 Executive Session were received for the record.

PUBLIC TESTIMONY

No public testimony was given.

NEW BUSINESS

1. Discussion and Adoption of Resolution No. 26-08, Farewell to Joseph Perreira Jr. (Retiree), Supervising Waterworks Inspector, Engineering Division

Board member Clyde Kodani moved to adopt Resolution No. 26-08, seconded by Mr. Fujikawa; with no objections, motion carried with 5 Ayes.

The meeting recessed at 9:56 a.m.

The meeting resumed at 9:58 a.m.

2. Manager's Report No. 26-43 Discussion and Possible Adoption of Budget Resolution No. 26-09 for Department of Water's (DOW)'s Annual Operating and Capital Budgets for Fiscal Year 2026-2027

Board member Kodani moved to adopt Resolution No. 26-09, seconded by Ms. Finnilla; with no objections, motion carried with 5 Ayes.

3. Discussion and Possible Action on the salary increase for the Department of Water's Manager & Chief Engineer pursuant to Salary Resolution No. 2025-1, A Resolution Relating to the Salaries of Certain Officers and Employees of the County of Kaua'i

Board member Hull acknowledged that the Manager's Evaluation is tied to the salary assigned to the Manager but stated that the amount approved by the Salary Commission as a maximum is so woefully below market rate for an engineer in the administrative capacity a water manager is expected to be. He expressed appreciation that Manager Tait has stuck around, but is concerned with the limitations of the Board given the current market demand for engineers.

The Board received public testimony from Felicia Cowden, Kaua'i County Council member, who stated that the County recently met with a consultant that will be doing a study for the first time since 2007 to look at our current salary bases and comparing them to employee skill sets and market rates. She noted that they should be receiving some information within the next 2 months that reflect a potential substantial change to those baselines. She agreed with Board member Hull and the Board that the salaries are grossly below par, noting that we are lucky to have retained the people we have. She expressed that she cannot imagine we could easily replace someone with the level of skill required at the current salary, and reminded the Board that the Water Department has had a high turnover of managers in a short period of time. She expressed her gratitude for the Department of Water's strength and would like to see it continue.

Board member Clyde Kodani moved to approve the Manager & Chief Engineer's salary to the maximum cap of \$169,955.28 for the period of July 1, 2026 to June 30, 2027, seconded by Ms. Finnila; 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 2026

2. Operations

Monthly dashboard – Annual Financial Impact Overview, Staff Overtime Hours, Budgeted and Vacant Positions, Services Received/Completed, Highlights: New Hires and Promotions, Procurement updates, Training: Cyber Security, 10MG Kona Tank Visit, and Leadership Kauai

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:
 - Kapaa Homesteads 325' Tanks – Two 0.5 MG Tanks
 - Pu'u Pane 1.0 Million Gallon Tank
 - Kalāheo Water System Improvements
 - Kīlauea Wells 1 & 2 MCC, Chlorination Facilities
 - Kūhiō Hwy (Hardy-Oxford) 18" Main Replacement

- Weke, Anae, Mahimahi and Hee Roads 6” and 8” Main Replacement
- Hanapepe Town Well MCC, Chlorination Facilities
- 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: WaterSMART Grant for Advanced Metering Infrastructure (AMI) Meters

4. Administration

- a. Human Resources – updates on Personnel Vacancies
- b. Summer Intern Program – Informational briefing and program updates
- c. Information Technology – Information Infrastructure and Cybersecurity updates
 - 1. Telecommunications Infrastructure Update
 - 2. Enterprise Resource Planning (ERP) Initiative
 - 3. Information Technology Service Management (ITSM) Platform – KACE Lack of Current Capabilities and Benefits of implementing
 - 4. Cybersecurity Monitoring and Vulnerability Management – Rapid7
 - 5. Data Protection and Disaster Recovery – Veeam
 - 6. Email Security and Backup – Barracuda
 - 7. Network Infrastructure Modernization
 - 8. Telecommunications System Upgrade
 - 9. Firewall and Network Security Enhancement
 - 10. Physical Security Systems Upgrade
 - 11. Identity and Access Management Strategy
 - 12. Active Directory and Server Infrastructure Refresh
 - 13. DOW 27 items assessment

5. Manager and Chief Engineer

- a. Reports to Manager:
 - 1. First Amendment to Contract 739 with Esaki Surveying and Mapping, Inc. Job No. 23-05, Weke, ‘Anae, Mahimahi and He’e Roads 6” and 8” Main Replacement, Hanalei, Kaua’i, Hawai’i
 - 2. Second 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, Hawai’i
 - 3. First Amendment to Contract No. 764 with R.M. Towill Corporation, Job No. 24-01, PLH-35B, Kapaia Cane Haul Road 18” Water Line Environmental Permitting
 - 4. Construction Contract Award to Unlimited Construction Services, Inc. Job No. 02-06, WP2020 WKK-15, Pu’u Pane 1.0 MG Tank (Kilauea 466’ Tank, 1.0 MG), Kilauea, Kaua’i Hawai’i
 - 5. FY2026 Budget Adjustment – Operations Division for Additional Budget to Award the Contract for Job No. 26-01 Slip Line Hanapepe 16-Inch HDPE Pipeline
 - 6. FY2026 Budget Adjustment – Engineering Division for Water Sampling Supplies and Emergency Repairs to the Autoclave Equipment
 - 7. Award Contract No.792 to Pacific Pump & Power, Inc. GS-2026-03 One (1) Diesel Engine Driven Emergency Booster Pump Trailer-Mount with Auto Control
 - 8. Contract Award to Mocon Corporation Job No. 26-01 Slip Line Hanapepe 16-Inch Pipeline

9. NASPO VL Contract No. 17-18, CPA2024-01, Contract Change Order No. 4 with Carahsoft Technology Corporation. Subscription Renewal and Addition of 311 and Fuelmaster Integrations to Opengov Enterprise Asset Management Solution

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

TOPICS FOR FUTURE BOARD OF WATER SUPPLY MEETING:

EXECUTIVE SESSION:

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ADJOURNMENT

The meeting was adjourned at 11:15 a.m.

Respectfully submitted,

Cherisse Zaima
Commission Support Clerk

MINUTES
BOARD OF WATER SUPPLY
Thursday, July 30, 2026

The Board of Water Supply, County of Kaua'i, met in a regular meeting in Līhu'e on Thursday, July 30, 2026. Vice Chair Micah Finnila called the meeting to order at 9:46 a.m. The following Board members were present:

BOARD:

Ms. Micah Finnila, *Vice-Chair*
Mr. Ka'aina Hull
Mr. Troy Tanigawa

EXCUSED:

Mr. Tom Shigemoto, *Chair*
Mr. Clyde Kodani
Mr. Eric Fujikawa

With 3 members present at Roll Call, quorum was **not** achieved.

Due to technical issues the meeting recessed at 9:52 a.m.

The meeting resumed at 10:08 a.m.

Due to lack of quorum, Chair ruled that all Items will be taken up at the August 20, 2026 Board meeting.

ANNOUNCEMENTS

1. Next Scheduled Board Meeting: Thursday, August 20, 2026
2. Scheduled Public Hearing: Tuesday, September 1, 2026

APPROVAL OF AGENDA

The agenda was approved with no objections

MEETING MINUTES

1. Regular Board Meeting – June 18, 2026

PUBLIC TESTIMONY

No public testimony was given.

COMMUNICATION

1. Memorandum from Department of Water dated July 22, 2026 re: Update to the Board on the outcome of the Small Business Regulatory Review Board (SBRRB) Meeting held on July 16, 2026

NEW BUSINESS

1. Manager's Report No. 27-01 Discussion and Possible Action to Approve a Grant of Easement (GOE) Agreement from BBCP Kukui'ula at TMK (4) 2-6-018:063, Kōloa, Kaua'i, Hawai'i
2. Manager's Report No. 27-02 Discussion and Possible Action on the Approval of the Department of Water (DOW)'s Supplemental Operating and Capital Budget appropriations for Fiscal Year 2027
3. Manager's Report No. 27-03 Discussion and Possible Action on the Approval of the Department of Water's (DOW) Supplemental Operating Budget Appropriation from Available

Fund Balance for the Purpose of Encumbering the Total Amount of Contract C793 for Job No. 26-01, Slip Line Hanapēpē 16-Inch HDPE Pipeline with Mocon Corporation

4. Discussion and Possible action to amend the motion adopted at the June 18, 2026 meeting on the salary increase for the Department of Water's Manager & Chief Engineer pursuant to Salary Resolution No. 2025-1, A Resolution Relating to the Salaries of Certain Officers and Employees of the County of Kaua'i, by correcting the maximum salary amount stated
5. Discussion and Possible Action to Initiate the Performance Appraisal Process for the Manager & Chief Engineer for the period of July 1, 2025 to June 30, 2026
 - a. Board Policy No. 34
6. Discussion and possible action on a proposed amendment to Board Policy No. 25, re: Authorizing the County Attorney to investigate, settle, and pay small claims against the Board of Water Supply, County of Kaua'i. The proposed amendment increases the maximum settlement amount the County Attorney is authorized to approve from \$10,000 to \$15,000

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- b. Budget Report for June 2026

2. Operations

Monthly dashboard – Annual Financial Impact Overview, Staff Overtime Hours, Budgeted and Vacant Positions, Services Received/Completed, Highlights: New Hires and Promotions, Procurement updates, Training: Confined Space, Multi versus Single Strand Fiber, and Leadership Kaua'i

3. Engineering

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 - Pu'u Pane 1.0 Million Gallon Tank
 - Kalāheo Water System Improvements
 - Weke, Anae, Mahimahi and He'e Roads 6" and 8" Main Replacement
 - Lāwa'i 6" and 8" Main Replacement
 - Kapa'a Homesteads Well No. 4 Pump and Controls
 - ii. DOW Project Highlights/Status Updates:
 - Water Systems Investment Plan (WSIP)
 - Kaua'i Water Use and Development Plan (KWUDP)
- b. Quarterly Update:
 - i. Overview
 - Water Resources and Planning Section – Overview of the status of various applications; water service requests, Backflow devices, KWUDP Plan Update

- Project Management Section - Overview of design and construction projects;
Private Projects: 20 Approved, 8 completed; **CIP Projects:** 6 Active DOW CIP design projects – UH Experimental Station 605’ tank, Hā’ena 0.2 MG Storage Tank 144’, Kīlauea Well No. 4 drill and test, Kuamo’o Road Water Main Replacement, Kūhiō Highway (N. Papaloa – Kawaihau) 16” and 12” Main replacement, Lāwa’i 6” and 8” Main Replacement; 10 active DOW CIP Construction Projects (\$8.5M total)
 - Kapa’a Homesteads 325’ tanks Package A, Kapa’a Homesteads 325’ tanks Package B, Pu’u Pane 1.0 MG Tank, Kalāheo Water System Improvements, Kīlauea Wells 1&2 MCC, Chlorination Facilities, Kapaia Cane Haul Road 18” Water Line, Kūhiō Highway (Hardy-Oxford) 18” Main Replacement, Kapa’a Homesteads Well No. 4 Pump and Controls, Līhu’e Baseyard Electrical Relocation
- ii. Water Restriction Areas: Upper Lāwa’i, Po’ipū, Upper Wailua Homesteads, Moloa’a, Kīlauea-Kalihiwai, ‘Aliomanu – Kukuna Road, ‘Anini, Upper Wainiha Valley, Wainiha - Hā’ena
- iii. Water Plan 2020 Construction Project Status: Pu’u Pane 1.0MG Tank, Kapa’a 325’ Tanks, Kapa’a Homesteads Well No. 4, Kalāheo Water System Improvements, Kapaia Haul Cane Road, Kīlauea Wells Nos. 1 and 2, Kūhiō Hwy. (Hardy-Oxford), Weke, Anae, Mahimahi and He’e, Hanapēpē Town Well
- c. Supplemental Support Services: RM Towill, Inc., Kennedy/Jenks, Brown and Caldwell, Maddaus Water Management

4. Administration

- a. Human Resources – updates on Personnel Vacancies
- b. Information Technology – Information Infrastructure and Cybersecurity updates
 - 1. Telecommunications Infrastructure Update
 - 2. Enterprise Resource Planning (ERP) Initiative
 - 3. Information Technology Service Management (ITSM) Platform – KACE
 - 4. Cybersecurity Monitoring and Vulnerability Management – Rapid7
 - 5. Data Protection and Disaster Recovery – Veeam
 - 6. Email Security and Backup – Barracuda
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 - 8. Telecommunications System Upgrade
 - 9. Firewall and Network Security Enhancement
 - 10. Physical Security Systems Upgrade
 - 11. Identity and Access Management Strategy
 - 12. Active Directory and Server Infrastructure Refresh

5. Manager and Chief Engineer

- a. Reports to Manager:
 - 1. Change Order No. 6 for Contract No. 753 with Hawaii Drilling & Pump Services, LLC, Job No. 24-10 Piwai Well No. 3 Repair
 - 2. Changer Order No. 3 (revised) to Contract No. 782 with Alpha, Inc. Job No. 18-03, WP2020 #PLH-27 Kūhiō Highway (Hardy-Oxford) 18” Main Replacement
 - 3. NASPO VL Contract No. 17-18 CPA2024-01 Contract Change Order No. 4 with Carahsoft Technology Corporation Subscription Renewal and Addition of S11 and Fuelmaster integrations to OpenGov Enterprise Asset Management Solution

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

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

Respectfully submitted,

Cherisse Zaima
Administrative Assistant

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 Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER'S REPORT No. 27-01

August 20, 2026

Re: Discussion and Possible Action to Request Board Approval for acceptance and expenditure of grant monies from the Office of Local Defense Community Cooperation (OLDCC) for West Kauai Water Infrastructure Planning.

RECOMMENDATION:

The Department recommends that the Board approve Option 1, which will allow the Department to move forward with the acceptance and expenditure of the OLDCC grant of \$1,301,308.00 for West Kauai Water Infrastructure Planning.

FUNDING:

The grant monies require a 10% match, which OLDCC has agreed to be made up of staff labor and fringe expenditures tied to the project. The Department of Water's has salaries budgeted to be allocated as match as follows:

<u>Account No:</u>	<u>Account Description</u>	<u>Amount</u>
10-01-10-510-010	WU-Adm-Salaries and Wages	\$ 36,600.00
10-01-10-530-XXX	WU-Adm-Fringe (FICA, ERS, EUTF, OPEB)	30,110.00
10-10-70-510-010	WU-Reg Comp-Salaries and Wages	26,400.00
10-10-70-530-XXX	WU-Reg Comp-Fringe (FICA, ERS, EUTF, OPEB)	21,719.00
10-22-10-510-010	WU-WRP-Salaries and Wages	16,500.00
10-22-10-530-XXX	WU-WRP-Fringe (FICA, ERS, EUTF, OPEB)	13,574.00
Total		\$ 144,903.00

West Kauai Water Infrastructure Planning – Estimate: \$1,446,211

OLDCC Grant \$1,301,308

DOW Match \$ 144,903

BACKGROUND:

The County of Kauai hosts the U.S. Navy's Pacific Missile Range Facility (PMRF) which is located along the west coast of Kauai Island in the State of Hawaii. PMRF provides premier training and testing capabilities within an 1,100-square nautical mile instrumented underwater range; 42,000 square nautical miles of airspace; and, when needed, up to 2.1 million square nautical miles of operating space. PMRF is capable of simultaneously supporting surface, subsurface, air, and space operations. Portions of the 7-mile terrestrial footprint also provide premier training and testing opportunities.

The County of Kauai approached OLDCC with interest in receiving support to increase the resiliency of the communities that surround and support PMRF. With approximately 1,000

employees working to achieve PMRF missions, all but 100 live off base. Kauai is a rural island that is vulnerable to flooding and wildfire and infrastructure in need of replacement or upgrading.

OLDCC staff engaged with the PMRF commanding officer and his staff who verified the numerous vulnerabilities present on and off installation. County and installation are interested in accessing OLDCC support as a mechanism and resource for mutual problem solving.

The west Kauai (Waimea-Kekaha) water system and community help to support the PMRF. Potable water service to the PMRF facility is provided by the County of Kauai, Department of Water (KDOW). However, due to limitations of the KDOW system source, storage and distribution system, a limited supply of water, up to 100,000 gallons per day, is supplied to the PMRF facility.

The need for an additional water source, storage, and transmission facilities are required to help support the growing needs of the PMRF facility, to be able to provide a more robust backup water supply. Additionally, water limitations in the area are not conducive to the development of residential units to support the staff and families of PMRF.

Water availability both for standard use and to suppress wildfires is limited by the current infrastructure both on PMRF and south of the installation in West Kauai. PMRF is serviced by a single well that is 150 years old. In desperate need of repair, without an alternative source, the well cannot be taken off-line for upgrading and modernization. PMRF leadership and staff consider increased water access to be an urgent, critical need.

While West Kauai's current water system may be adequate to meet current Waimea-Kekaha community needs, it is unable to support substantial community expansion, as well as, to fully supply PMRF's water demands, which would be needed for PMRF to take their well off-line for repairs. The University of Hawaii published the West Kauai Community Vulnerability Assessment (Assessment) in June 2020. The Assessment calls out "water supply assets such as water meters, valves, and pipes" as being vulnerable in the near and mid-terms. The Assessment warns that "The risk of future droughts may also put strain on the future supply of potable water."

The Kauai Department of Water Plan 2020 (Plan) characterizes the transmission and distribution system as being in poor condition with approximately 23% of the pipelines having been installed prior to 1960. The Plan summarizes the state of the Waimea-Kekaha area which is adjacent to PMRF as lacking "adequate fire flow capacity for commercial and certain residential areas in Kekaha and Waimea that are serviced by smaller pipes."

KDOW has just completed its island-wide long range planning document, the Water System Investment Plan (WSIP), a high-level plan to address Kauai's water needs. While water system deficiencies and proposed capital improvement projects needs have been identified in the plan, a more robust and area focused plan is required to help understand and identify the area specific engineering feasibility and siting of capital infrastructure in the west Kauai region to address the growing needs of PMRF and surrounding community.

The grant enables the County of Kauai Department of Water to conduct feasibility and predevelopment work to support water systems improvements in West Kauai that hosts the Pacific Missile Range Facility.

The anticipated outcomes are the regional area needs assessment based upon the community and PMRF proposed future needs along with projected timelines for required critical infrastructure, water source, storage, transmission and distribution, implementation.

Assessment and reports to quantify funding needs and prepare for planning capital infrastructure improvements to support additional housing and support services needs for PMRF support staff and community.

The OLDCC has issued a Notice of Award to receive the grant funds. Prior to entering into this agreement, it is required that the Board of Water Supply provide its approval to accept and expend the grant funds.

OPTIONS

Option 1:

Pro:

Approve the Department's request.

Federal grant funds will supplement the Department of Water's funds to permit the project to move forward minimizing the impact to the Department's customers.

Cons:

Federal grant funds require additional administrative and project oversight to adhere to federal regulations and audits.

Option 2:

Pro:

Deny the Department's request.

Additional staff resource efforts for administrative and project oversight to adhere to federal regulations and audits would not be required.

Cons:

The project would not be able to move forward at this time and funding for this project would require full utilization of Department of Water funds placing a larger burden on the Department's water customers.

MH/crz

Attachment: Office of Local Defense Community Cooperation Notice of Award

Office of Local Defense Community Cooperation

Notice Of Award

1.FEDERAL AWARDING AGENCY	2.INSTRUMENT TYPE:
OFFICE OF LOCAL DEFENSE COMMUNITY COOPERATION 2231 CRYSTAL DRIVE, SUITE 520 ARLINGTON, VA 22202	Grant Agreement
	3.AWARD TYPE
	Non-Construction

4.TYPE OF ACTION:	5.FEDERAL AWARD DATE:
New Award	2026-07-17
6.AWARDED TO:	7.PRINCIPAL INVESTIGATOR
Kauai, County of 4398 Pua Loke ST Lihue HI 96766-1600	Michael Hinazumi Executive Engineer 4444 Rice St suite 280 Lihue HI 96766-1600
8.UNIQUE ENTITY IDENTIFIER:	9.OLDCC AWARD NUMBER:
J4DED6YLSDV6	IR2279-26-01
10.FEDERAL AWARD IDENTIFICATION NUMBER:	11.PROGRAM TYPE:
HQ00052610016	Community Adjustment
12.AMENDMENT NUMBER:	13.REGULATORY AUTHORITY:
	2 CFR 200
14.PERIOD OF PERFORMANCE:	15.STATUTORY AUTHORITY:
07/01/2026 - 12/31/2027	10. U.S. Code § 2391
	16.ASSISTANCE LISTING NUMBER AND TITLE:
	12.003 Community Economic Adjustment Assistance for Responding to Threats to the Resilience of a Military Installation
17.TITLE AND DESCRIPTION:	
West Kauai Water Infrastructure Planning	

18.BUDGET SUMMARY

	FEDERAL	NON-FEDERAL	TOTAL APPROVED BUDGET
PREVIOUSLY OBLIGATED	\$0	\$0	\$0
OBLIGATED BY THIS ACTION	\$1,301,308	\$144,903	\$1,446,211
INDIRECT COST RATE IS: 0.00%	\$0	\$0	\$0
TOTAL OBLIGATED ON AWARD	\$1,301,308	\$144,903	\$1,446,211
GRANT TOTAL	\$1,301,308	\$144,903	\$1,446,211

19.FEDERAL AGENCY POINTS-OF-CONTACT

GRANTS MANAGEMENT SPECIALIST:	PROJECT MANAGER:
Stephanie Roach stephanie.m.roach2.civ@mail.mil (703) 697-2119	Susan Veazey susan.s.veazey.civ@mail.mil (571) 545-3963

20.TERMS AND CONDITIONS

The following terms and conditions are incorporated herein by reference with the same force and effect as if they were given in full text. Upon request the Federal awarding agency will make the full text available, or they can be found as described below.

The following documents may be found at:
OLDCC Grants Management Manual: ><https://oldcc.gov/grant-management-administration>.

Special Conditions

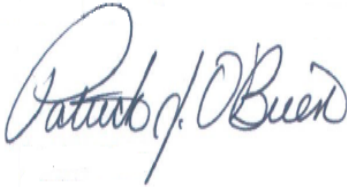
1. This grant period is from July 1, 2026, through December 31, 2027. Eligible costs incurred between July 1, 2026, and the date of this agreement are allowable and reimbursable.

21.AWARD PERFORMANCE GOALS

REPORTING TYPE	FREQUENCY	DUE DATE
Performance Report	Quarterly	2026-10-31
Performance Report	Quarterly	2027-01-31
Performance Report	Quarterly	2027-04-30
Performance Report	Quarterly	2027-07-31
Federal Financial Report		2027-07-31
Performance Report	Quarterly	2027-10-31
Federal Financial Report		2028-04-30
Final Performance Report		2028-04-30

22.AFFIRMATION OF AWARD

By signing this agreement, the Authorized Representative assures that the recipient will carry out the project/program described in its application and will comply with the terms and conditions and other requirements of this award.

FOR THE RECIPIENT		FOR THE UNITED STATES OF AMERICA	
			
Name: Joseph Tait Title: Manager and Chief Engineer	Date AO Signed	Patrick O'Brien Award Official	Date Signed 2026-07-17

DEPARTMENT OF WATER

County of Kauaʻi

“Water has no Substitute – Conserve It!”

MANAGER’S REPORT No. 27-02

August 20, 2026

Re: Discussion and Possible Action to Approve a Grant of Easement (GOE) Agreement from Godwin M. Esaki, Janet M. Esaki, Godwin M. Esaki and Janet M. Esaki, Trustees of the Godwin M. Esaki Revocable Living Trust, and Janet M. Esaki and Godwin M. Esaki, Trustees of the Janet M. Esaki Revocable Living Trust, at TMK: (4) 4-6-011:125, Kapaʻa, Kauaʻi, Hawaiʻi

RECOMMENDATION:

It is recommended that the Board approve the Grant of Easement (GOE) document; whereby, the above landowners, Godwin M. Esaki and Janet M. Esaki, and each in their respective, aforementioned Trustee capacities, grants to the Board of Water Supply, County of Kauaʻi, Easement “D-1” in perpetuity, on, over, under, and across that certain parcel of land located TMK: (4) 4-1-011:125 as specified above in Kapaʻa, Kauaʻi, Hawaiʻi, for the following work:

1. Underground drainage and the reading of water meters and for the construction, installation, re-installation, maintenance, repair, and removal of potable water pipelines and related meters, valves, and other associated waterworks facility improvements and appurtenances that are required by this Grant of Easement and by other plans and specifications approved in writing in advance by the GRANTOR.

Approval of this GOE would be inclusive of the following indemnification language:

10. That the GRANTEE shall defend, indemnify and save the GRANTOR harmless from and against all loss or damage to the GRANTOR’S property and all loss, damage, costs, expenses (including attorneys’ fees) and liabilities for injury to or the death of any persons when such loss, damage, costs, expenses (including attorneys’ fees), injury, or death is caused by the GRANTEE, its officers, agents, consultants, contractors, employees or any other persons while using the Easement Area or otherwise while conducting the GRANTEE’s operations within the Easement Area. This section shall survive the termination of the Grant of Easement.

In addition to any other indemnity contained herein running in favor of GRANTOR, GRANTEE shall defend, indemnify, and save the GRANTOR harmless from and against all loss, damage, costs, expenses (including attorneys’ fees) and liabilities arising from any acts or omissions of GRANTEE or its officers, agents, consultants, contractors, employees or other persons in connection with the exercise of the rights or privileges granted herein. The obligations in this section shall survive the termination of the Grant of Easement but shall not be construed to expand the GRANTEE’s liability beyond what is expressly provided herein.

FUNDING: \$25,000.00.

BACKGROUND:

As part of the Kapaʻa Homesteads Tanks – Two 0.5 Million Gallon (MG) Tanks project and the Kapaʻa Homesteads Well No. 4 Pump and Controls project, a drain line is needed for the proper operation of these projects. The property owner has agreed to provide a GOE to the Board. The GOE requires the Department to provide two new 5/8-inch water meters and two associated backflow preventers. The drain line is needed in order to complete the tanks and well projects, which are necessary to support the Kapaʻa community and the Samuel Mahelona Memorial Hospital master plan.

OPTIONS

Option 1: Approve the Grant of Easement.

Pro: Drain line, tanks and well projects can be completed as designed, servicing the Kapa‘a area and forthcoming community projects as anticipated by the Samuel Mahelona Memorial Hospital Master Plan.

Con: The Department will be responsible for payment of the value of the Easement Area, as well as other duties, obligations, and liabilities outlined in the Grant of Easement.

Option 2: Do not approve the Grant of Easement.

Pro: The Department will not be bound by the terms of the Grant of Easement.

Con: Drain line, tanks and well projects cannot be completed as designed, and the Samuel Mahelona Memorial Hospital master plan construction will be delayed.

JK/crz

Attachment: Grant of Easement – Godwin M. Esaki, Janet M. Esaki, Godwin M. Esaki and Janet M. Esaki, Trustees of the Godwin M. Esaki Revocable Living Trust, and Janet M. Esaki and Godwin M. Esaki, Trustees of the Janet M. Esaki Revocable Living Trust, TMK: (4) 4-6-011:125, Kapa‘a, Kaua‘i, Hawai‘i

LAND COURT SYSTEM

REGULAR SYSTEM

Return by Mail Pickup To:

GRANT OF EASEMENT

for

TMK: (4) 4-6-0-11:125

THIS GRANT OF EASEMENT, is dated as of the last day of signatures by all parties, including but not limited to the Chairperson of the Board of Water Supply, County of Kauai, and is entered into by and between:

GODWIN M. ESAKI; JANET M. ESAKI; GODWIN M. ESAKI AND JANET M. ESAKI, TRUSTEES OF THE GODWIN M. ESAKI REVOCABLE LIVING TRUST governed by that certain unrecorded instrument dated November 20, 2015; and JANET M. ESAKI AND GODWIN M. ESAKI, TRUSTEES OF THE JANET M. ESAKI REVOCABLE LIVING TRUST governed by that certain unrecorded instrument dated November 20, 2015, whose principal place of business is: 5571C Ka'apuni Road, Kāpa'a, HI 96746 and whose mailing address is 5571C Ka'apuni Road, Kāpa'a, HI 96746 (hereafter "GRANTOR"), and the **BOARD OF WATER SUPPLY, COUNTY OF KAUA'I**, whose mailing address is 4398 Pua Loke Street, Līhu'e, Kaua'i, Hawai'i 96766 (hereafter "GRANTEE").

WITNESETH:

THAT IN CONSIDERATION of the sum of Twenty-Five Thousand dollars (\$25,000.00) to be paid by the GRANTEE to the GRANTOR within 30 calendar days of this Grant of Easement, and the covenants contained in this Grant of Easement to be performed by the GRANTEE, the GRANTOR does hereby grant, bargain, sell and convey to the GRANTEE an easement in perpetuity on and under portions of that certain parcel of land located generally at 5728 Ka'apuni Road, Kāpa'a, HI 96746; Kawaihau District, Kaua'i, Hawai'i, **Tax Map Key No. (4) 4-6-011:125** ("Subject Property"). The purpose of the easement shall be to allow the

construction and operation of portions of those certain projects known as the Kapa'a Homesteads 325' Tanks – Two 0.5 Million Gallon Tanks Project and the Drill and Test Kapa'a Homesteads Well #4 Project (hereinafter, collectively, "Projects"). The area demised by this Grant of Easement is more particularly described in **Exhibit "A"**, consisting of a metes and bounds description and a map, both of which are attached and incorporated by reference into this Grant of Easement (hereafter "**Easement Area**").

This easement is granted for the sole and limited purpose of underground drainage and the reading of water meters and for the construction, installation, re-installation, maintenance, repair, and removal of potable water pipelines and related meters, valves, and other associated waterworks facility improvements and appurtenances that are required by this Grant of Easement and by other plans and specifications approved in writing in advance by the GRANTOR. The GRANTEE is further allowed a non-exclusive right of reasonable ingress and egress solely for emergency purposes at any time to, from, and through the Easement Area, with or without vehicles or equipment, as the GRANTEE deems necessary for the proper operation of the Projects. For all other purposes, the GRANTEE is allowed, upon a minimum of 48 hours prior written notice, a non-exclusive right of reasonable ingress and egress during normal business hours (non-holiday weekdays between the hours of 8:00 am and 5:00 pm), to, from, and through the Easement Area, with or without vehicles or equipment, as the GRANTEE deems necessary for the proper operation of Projects. GRANTOR reserves the right without the prior consent of the GRANTEE to grant nonexclusive rights to other persons, entities, or governmental agencies to use the Easement Area. Such additional use shall not unreasonably interfere with the GRANTEE's use of the Easement Area. GRANTOR agrees to provide the GRANTEE with 30 days prior notice of any additional grants. GRANTEE agrees to cooperate with the GRANTOR and any other persons, entities and governmental agencies which have GRANTOR's permission to jointly use the Easement Area.

TO HAVE AND TO HOLD the same unto the GRANTEE forever; provided that should the GRANTEE cease to use the Easement Area for the purposes described for a continuous period of two (2) calendar years, this easement shall terminate and the interest granted shall immediately and without the GRANTOR's re-entry revert to the GRANTOR. In such an event, this Grant of Easement shall cease to exist by operation of the GRANTEE's non-use, without any necessary action on the GRANTOR's part. Among other things, evidence of the GRANTEE's non-use of the Easement Area shall include the abandonment or non-use of other portions of the Projects, whether or not located in the Easement Area. The Grant of Easement may also be terminated, if either Party is in violation of any of its obligations or promises herein, and fails to remedy such violation within a 30 day period of time after receiving written notice from the aggrieved Party describing the nature of the violation. Nothing in this section shall be deemed a waiver of any rights or remedies available to either Party at law or in equity, all of which are expressly reserved.

AND IN FURTHER CONSIDERATION of the rights granted to the GRANTEE and the benefits accruing to the GRANTOR under this Grant of Easement, the GRANTOR and GRANTEE further covenant, agree, and promise as follows:

1. That the GRANTEE shall at its own expense, to the extent not contrary to the work described in Paragraph No. 2, fill in, remove, dispose and restore to their

original condition the prior improvements constructed, including the drainage ditch, drainage pond and related valves, associated waterworks facilities, and related appurtenances and equipment within the Subject Property (including within the Easement Area) that were constructed pursuant to that "Memorandum of Agreement (Drainage)" dated August 21, 2017. The foregoing work shall include the removal and disposal by the GRANTEE at its own expense, of three (3) pieces of equipment in the Subject Property that are in the way of the pond removal and restoration;

2. That the GRANTEE shall construct within the Easement Area, at its own expense, underground drain pipelines, and related valves and other associated waterworks facilities and shall remove the existing fencing and gate as well as replace the same with similar new fencing and gate along the portion of the frontage between Lot 13C and 13D (Subject Property). The foregoing shall include all necessary appurtenances as more particularly described in this Grant of Easement and in **Exhibit "B"** which is attached and incorporated by reference into this Grant of Easement (hereafter "New Improvements"). GRANTEE shall not expand, enlarge or otherwise make material changes to the Projects or the work described in Exhibit "B" without the prior written consent of the GRANTOR, which consent may be withheld by the GRANTOR in their sole discretion.
3. GRANTOR, at its own expense, shall be responsible for the repair and maintenance of the fencing and gate along the frontage between Lot 13C and Lot 13D following initial construction. Any warranties or guaranties by the manufacturer or installer of the fencing and gate shall be assigned and transferred by the GRANTEE to the GRANTOR.
4. GRANTEE, at its own expense, shall be responsible for the repair and maintenance of the New Improvements following initial construction, with the exception of the fencing and gate along the frontage between Lot 13C and Lot 13D.
5. Any future repairs or maintenance of the New Improvements following initial construction shall be undertaken by the least intrusive means possible. GRANTEE shall not permit any attachment against the Easement Area or the Subject Property, or any part thereof, of any mechanic's or materialmen's liens (by any contractor or subcontractor). GRANTEE shall defend, indemnify and save the GRANTOR harmless from and against all loss, damage, costs, expenses (including attorneys' fees) and liabilities arising from any such liens. This section shall survive the termination of the Grant of Easement.
6. That the GRANTOR makes no representations or warranties as to the condition of the Easement Area and does not represent or warrant the same (a) to be in a safe or proper condition for GRANTEE's use or intended purposes, (b) to be free from subsurface conditions that ordinarily or might be known to exist in or near to the

Easement Area or (c) to be free from human remains or burial, archaeological, or environmentally sensitive sites. GRANTEE shall be responsible at its expense for the proper treatment of any artifact or human remains discovered. GRANTEE accepts the Easement Area "as-is, where-is." Moreover, entry onto the Easement Area by GRANTEE shall be at the GRANTEE's own risk and GRANTOR shall not be responsible or liable for injuries or deaths of persons or damage or loss of property by GRANTEE, including but not limited to materials and equipment of the GRANTEE or its contractor(s).

7. That GRANTEE shall not cause or permit, knowingly or unknowingly, any Hazardous Material (hereafter defined) to be brought or remain upon, kept, used, discharged, leaked, or emitted in or about, or treated at the Premises. "Hazardous Material" shall mean any hazardous, toxic or radioactive substance, material, matter or waste that is or becomes regulated by any federal, state or local law, ordinance, order, rule, regulation code or any other governmental restriction or requirement. GRANTEE shall defend, indemnify and hold harmless GRANTOR from and against any loss, damage, costs, fines, penalties, expenses (including attorneys' fees) and liabilities arising out of GRANTEE's use, handling, release, discharge or disposal of Hazardous Materials in the Subject Property. This paragraph shall survive the termination of the Grant of Easement.

GRANTEE shall at all times comply with all applicable laws, rules, regulations, ordinances and codes, whether state, county, federal or otherwise which are applicable to GRANTEE's use and activities in or on the Easement Area.

GRANTEE shall secure and pay for all permits, licenses, reports, studies, notices and inspections by any government agency (hereafter "Permits") necessary for the work in the Easement Area. GRANTEE shall bear the costs of correction, fines, penalties, expenses (including attorneys' fees) and liabilities attributable to any work that may be in violation of any applicable laws, rules, regulations, ordinances and codes or of any Permits. This paragraph shall survive the termination of the Grant of Easement.

8. That should the GRANTEE disturb in any way the ground, roads, landscaping or improvements which are within the Easement Area or Subject Property, the GRANTEE shall at its own expense, repair and restore the ground, roads, landscaping and improvements to their original condition.
9. That the GRANTEE shall at its own expense furnish and install two (2) additional 5/8-inch water meters, associated back-flow preventers, water meter laterals and other necessary waterworks facilities and appurtenances related thereto at the Subject Property in the general area of the current meter box or Easement Area. The existing 3/4-inch water meter and associated back-flow preventer at the Subject Property, shall not be removed or replaced and shall continue to be available for use by the Grantor.

10. That the GRANTEE shall defend, indemnify and save the GRANTOR harmless from and against all loss or damage to the GRANTOR's property and all loss, damage, costs, expenses (including attorneys' fees) and liabilities for injury to or the death of any persons when such loss, damage, costs, expenses (including attorneys' fees), injury, or death is caused by the GRANTEE, its officers, agents, consultants, contractors, employees or any other persons while using the Easement Area or otherwise while conducting the GRANTEE's operations within the Easement Area. This section shall survive the termination of the Grant of Easement.

In addition to any other indemnity contained herein running in favor of GRANTOR, GRANTEE shall defend, indemnify and save the GRANTOR harmless from and against all loss, damage, costs, expenses (including attorneys' fees) and liabilities arising from any acts or omissions of GRANTEE or its officers, agents, consultants, contractors, employees or other persons in connection with the exercise of the rights or privileges granted herein. The obligations in this section shall survive the termination of the Grant of Easement but shall not be construed to expand the GRANTEE's liability beyond what is expressly provided herein.

11. That the GRANTEE shall not assign its rights under this easement without the prior written consent of the GRANTOR, which consent may be withheld by GRANTOR in their sole discretion;
12. That should the GRANTOR's development plans require that the Easement Area and/or waterworks facility improvements within, on, or under the Easement Area be re-located, the GRANTOR will, at the GRANTOR's own expense and pursuant to the GRANTEE's reasonable instructions and specifications, re-locate the affected Easement Area and waterworks facility improvements and appurtenances without interruption of the GRANTEE's services. By way of example, it shall not be reasonable for the GRANTEE to require GRANTOR to pay either for relocated drainage pipes that are materially larger in size or longer in length than the drainage pipes to be installed in the Easement Area or otherwise for any upgrades to the facilities and improvements to be installed in the Easement Area.
13. That the GRANTOR shall at no time erect any building foundation of any kind below the surface of the land which is the subject of the Easement Area or any building or structure of any kind (other than roads, sidewalks, curbs or similar appurtenances) on the surface of the land over which are the subject of the Easement Area unless the GRANTOR receives the prior written consent of the GRANTEE, which consent shall not be unreasonably withheld or delayed.

Only lawn grass shall be planted within three (3) feet of all meter boxes, fire hydrants, and other waterworks facility improvements and appurtenances. No

trees with aggressive root systems shall be planted in the Subject Property within twenty (20) feet of all meter boxes, fire hydrants, and other waterworks facility improvements and appurtenances.

This Paragraph No. 13, though, shall not prevent the GRANTOR without the consent of the GRANTEE from crossing over, constructing, and maintaining roadways within the Easement Area or laying, operating, maintaining, repairing, or removing conduits and drains which do not interfere with the exercise of the GRANTEE's rights under this easement;

14. That the GRANTOR covenants with the GRANTEE that the GRANTOR is the lawful owner of the land which is the subject of this Easement Area, that the GRANTOR has good right and title to grant this easement, and that the GRANTOR will warrant and defend the same unto the GRANTEE against the lawful claims and demands of all persons.

When used within this document the term "GRANTOR" shall mean the singular and plural, masculine and feminine, and natural persons, trustees, corporations, partnerships, limited partnerships, sole proprietorships and other forms of business entities. The term shall also mean the GRANTOR's or GRANTOR's estates, heirs, personal representatives, successors, successors-in-trust and assigns; and

15. That this Grant of Easement, shall be recorded and the GRANTEE will bear the burden of any costs associated with the recordation of this Grant of Easement or any future modifications thereof. Without limitation, such costs shall include recording fees, conveyance taxes and real estate taxes that may result from the Grant of Easement. The Memorandum of Agreement (Drainage) dated August 21, 2017, the associated drainage easement therein and that certain Right-of-Entry dated _____, 2017, each of which relating to the Subject Property, shall be superseded and voided by this Grant of Easement.
16. This Grant of Easement shall be effective (a) upon the payment by GRANTEE to GRANTOR of the sum of Twenty-Five Thousand and 00/100 Dollars (\$25,000.00) as required hereinabove and (b) upon the installation of the two (2) additional 5/8-inch water meters as required by paragraph 9 herein.

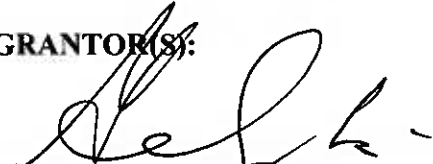
IT IS FURTHER MUTUALLY AGREED that the terms of this easement shall be binding upon and inure to the benefit of all the parties to this document and that all covenants and obligations undertaken by two or more persons shall be deemed to be joint and several unless a contrary intention is clearly expressed in this document.

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

[Signature Page(s) Follow]

IN WITNESS WHEREOF, the parties hereto do hereby make and duly execute this Grant of Easement.

GRANTOR(S):



GODWIN M. ESAKI



JANET M. ESAKI



GODWIN M. ESAKI
TRUSTEE OF THE GODWIN M. ESAKI
REVOCABLE LIVING TRUST



JANET M. ESAKI
TRUSTEE OF THE GODWIN M. ESAKI
REVOCABLE TRUST



GODWIN M. ESAKI
TRUSTEE OF THE JANET M. ESAKI
REVOCABLE LIVING TRUST



JANET M. ESAKI
TRUSTEE OF THE JANET M. ESAKI
REVOCABLE LIVING TRUST

GRANTEE:

APPROVED:

BOARD OF WATER SUPPLY,
COUNTY OF KAUAI

Joseph E. Tait
Manager & Chief Engineer
Department of Water, County of Kauai

By: Tom Shigemoto
Its: Chair
Dated: _____

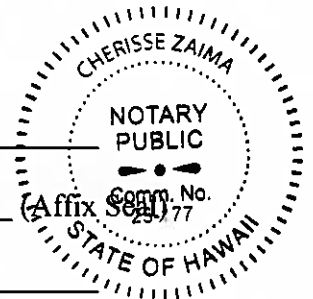
APPROVED AS TO FORM AND
LEGALITY:

Laura M. Essenberg
Deputy County Attorney

STATE OF HAWAII)
) ss.
COUNTY OF KAUAI)

On this 7th day of August, 2026 in the Fifth Circuit, State of Hawaii'i, before me personally appeared **GODWIN M. ESAKI in his individual capacity, and as TRUSTEE OF THE GODWIN M. ESAKI REVOCABLE LIVING TRUST, and as TRUSTEE OF THE JANET M. ESAKI REVOCABLE LIVING TRUST** who is personally known to me or whose identity I proved on the basis of satisfactory evidence, who being by me duly sworn or affirmed, did say that such person executed the **Grant of Easement for TMK (4) 4-6-011:125**, dated August 7, 2026 and consisting of 10 pages at the time of notarization, as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

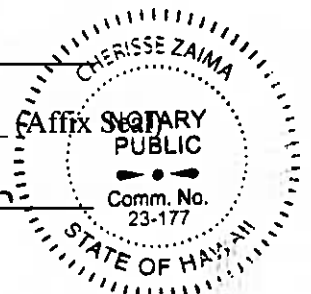
Cherisse Zaima
Notary Public, State of Hawaii
Name of Notary: Cherisse Zaima
My Commission expires: July 2, 2027



STATE OF HAWAII)
) ss.
COUNTY OF KAUAI)

On this 7th day of August, 2026 in the Fifth Circuit, State of Hawaii'i, before me personally appeared **JANET M. ESAKI in her individual capacity, and as TRUSTEE OF THE GODWIN M. ESAKI REVOCABLE LIVING TRUST, and as TRUSTEE OF THE JANET M. ESAKI REVOCABLE LIVING TRUST** who is personally known to me or whose identity I proved on the basis of satisfactory evidence, who being by me duly sworn or affirmed, did say that such person executed the **Grant of Easement for TMK (4) 4-6-011:125**, dated August 7, 2026 and consisting of pages at the time of notarization, as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Cherisse Zaima
Notary Public, State of Hawaii
Name of Notary: Cherisse Zaima
My Commission expires: July 2, 2027



STATE OF HAWAII)
) SS.
COUNTY OF KAUAI)

On this _____ day of _____, 20____, before me appeared Tom Shigemoto to me personally known, who being by me duly sworn or affirmed, did say that such person is the Board Chair for the Department of Water Supply, County of Kauai, and that said Department has no corporate seal, and said officer acknowledged the foregoing instrument dated _____ and consisting of _____ pages at the time of notarization, to be the free act and deed of the Department, and if applicable in the capacity shown, have been duly authorized to execute such instrument in such capacity.

Notary Public, State of Hawaii

Name of Notary: _____

My Commission Expires: _____

Doc. Date: _____

#Pages: _____

Notary Name: _____

_____ Circuit

Doc. Description: _____

Notary Signature

Date

EXHIBIT "A"

EASEMENT D-1 (For Drainage Purposes)

LAND SITUATED AT KAPAA, KAWAIHAU, KAUAI, HAWAII

Being portion of Lot 13-D
Being also portion of Grant S-13745

Beginning at the south corner of this parcel of land, on the Northeast side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 11,587.06 feet North and 4,352.70 feet East, thence running by azimuths measured clockwise from true South:

- | | | | |
|----|--------------|--------|--|
| | | | along Kaapuni Road on a curve to the right with a radius of 2,430.00 feet, the chord azimuth and distance being: |
| 1. | 149° 09' 30" | 12.02 | feet; |
| 2. | 237° 10' | 577.90 | feet along the remainder of Lot 13-D; |
| 3. | 347° 03' 50" | 12.77 | feet along Lot 13-E; |
| 4. | 57° 10' | 573.97 | feet along the remainder of Lot 13-D to the point of beginning and containing an area of 6,917 Square Feet. |



Lihue, Hawaii
May 2025

DESCRIPTION PREPARED BY:
ESAKI SURVEYING AND MAPPING, INC.

Wayne T. Wada

Wayne T. Wada
Licensed Professional Land Surveyor
Certificate Number 4596

THE WORK WAS PREPARED BY ME
OR UNDER MY SUPERVISION

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
OFFICE OF THE SURVEYOR
NO. 4996

THIS MAP WAS PREPARED BY ME
OR UNDER MY SUPERVISION

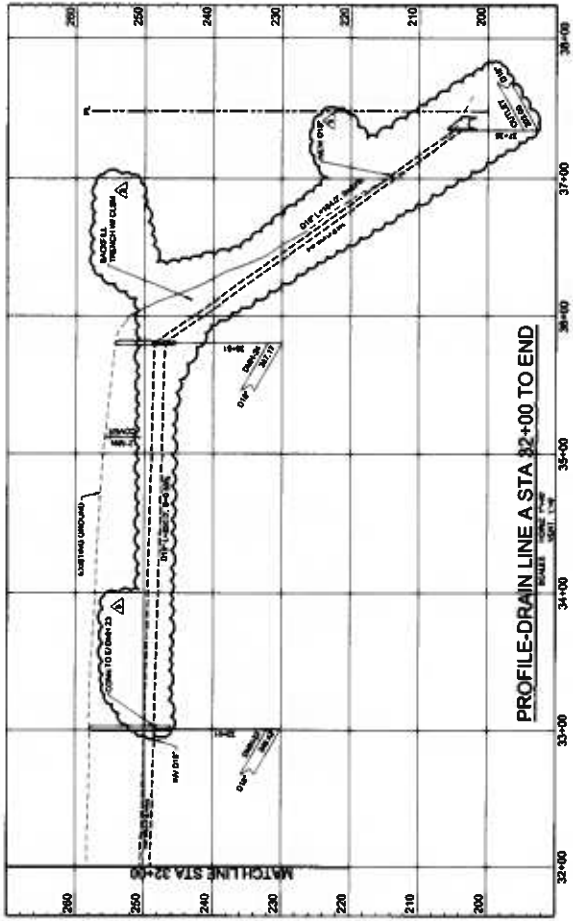
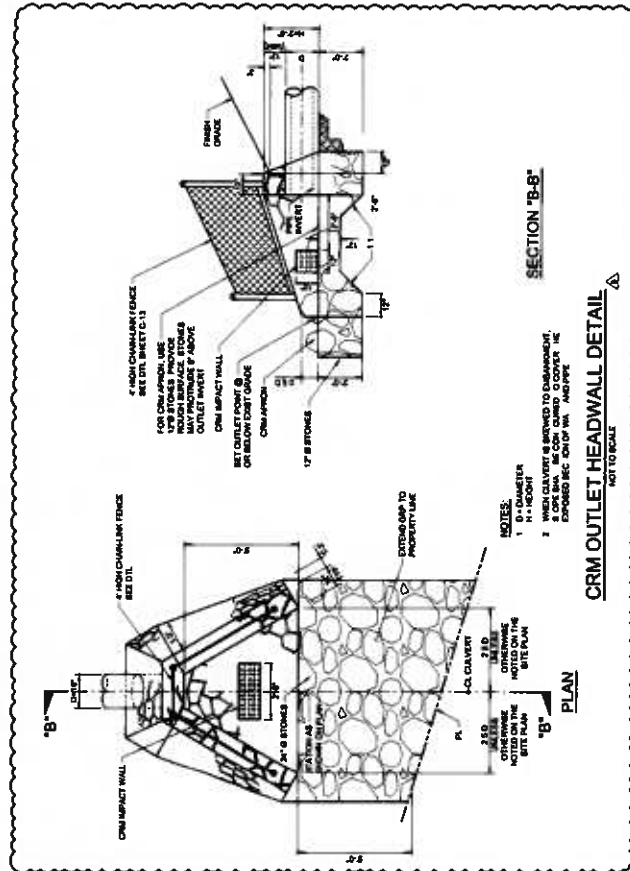
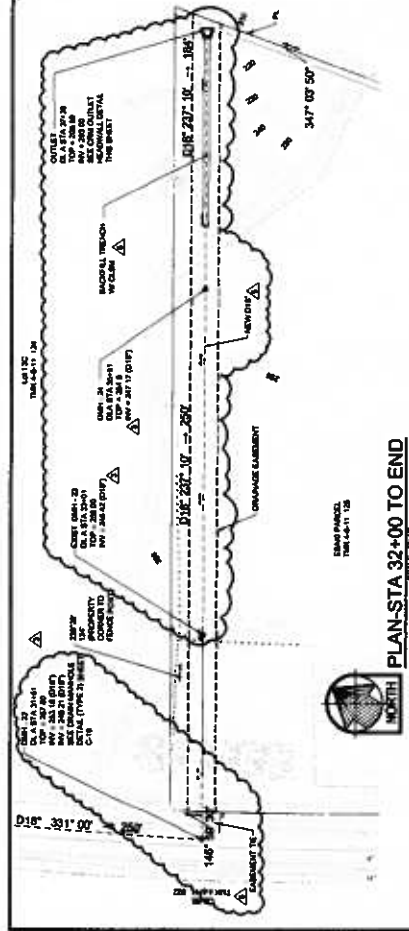
STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
OFFICE OF THE SURVEYOR
NO. 4996

MAP SHOWING
EASEMENT D-1
BEING PORTION OF LOT 13-D
BEING ALSO PORTION OF GRANT S-13745
KAPAA, KAWAII, HAWAII
Tax Map Key: (4) 4-6-11: 125
Owners: Godwin & Janet Esaki
Date: May 12, 2025

ES&I SURVEYING & MAPPING, INC.
Civil Engineers - Land Surveyors - Planners

1610 Hohenkona Street
Lithue, Hawai 96766

EXHIBIT "B"



- NOTES**
1. ALL DRAIN LINES SHALL BE 24\"/>
 - 2. MINIMUM HORIZONTAL SEPARATION BETWEEN DRAIN LINES SHALL BE 10'.
 - 3. ALL DRAIN LINES SHALL BE 15' DEEP AND 18\"/>
 - 4. ALL DRAIN LINES SHALL BE 15' DEEP AND 18\"/>
 - 5. ALL DRAIN LINES SHALL BE 15' DEEP AND 18\"/>
 - 6. ALL DRAIN LINES SHALL BE 15' DEEP AND 18\"/>
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 - 9. ALL DRAIN LINES SHALL BE 15' DEEP AND 18\"/>
 - 10. ALL DRAIN LINES SHALL BE 15' DEEP AND 18\"/>

- NOTES**
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 - 9. ALL DRAIN LINES SHALL BE 15' DEEP AND 18\"/>
 - 10. ALL DRAIN LINES SHALL BE 15' DEEP AND 18\"/>

SUMMARY OF EARTHWORK

ITEM	AMOUNT
1. 24\"/> <td>1.00 CY</td>	1.00 CY
2. 15' DEEP AND 18\"/> <td>1.00 CY</td>	1.00 CY
3. 15' DEEP AND 18\"/> <td>1.00 CY</td>	1.00 CY
4. 15' DEEP AND 18\"/> <td>1.00 CY</td>	1.00 CY
5. 15' DEEP AND 18\"/> <td>1.00 CY</td>	1.00 CY
6. 15' DEEP AND 18\"/> <td>1.00 CY</td>	1.00 CY
7. 15' DEEP AND 18\"/> <td>1.00 CY</td>	1.00 CY
8. 15' DEEP AND 18\"/> <td>1.00 CY</td>	1.00 CY
9. 15' DEEP AND 18\"/> <td>1.00 CY</td>	1.00 CY
10. 15' DEEP AND 18\"/> <td>1.00 CY</td>	1.00 CY

SECTION 'B-B'

CRM OUTLET HEADWALL DETAIL

PLAN

NOTES

1. ALL DRAIN LINES SHALL BE 24\"/>
- 2. MINIMUM HORIZONTAL SEPARATION BETWEEN DRAIN LINES SHALL BE 10'.
- 3. ALL DRAIN LINES SHALL BE 15' DEEP AND 18\"/>
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- 8. ALL DRAIN LINES SHALL BE 15' DEEP AND 18\"/>
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- 8. ALL DRAIN LINES SHALL BE 15' DEEP AND 18\"/>
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NOTES

1. ALL DRAIN LINES SHALL BE 24\"/>
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- 9. ALL DRAIN LINES SHALL BE 15' DEEP AND 18\"/>
- 10. ALL DRAIN LINES SHALL BE 15' DEEP AND 18\"/>

DEPARTMENT OF WATER

County of Kauaʻi

“Water has no Substitute – Conserve It!”

MANAGER’S REPORT No. 27-03

July 30, 2026

Re: Discussion and Possible Action to Approve a Grant of Easement (GOE) Agreement from BBCP Kukuiʻula at TMK: (4) 2-6-018:063, Kōloa, Kauaʻi, Hawaiʻi

RECOMMENDATION:

It is recommended that the Board approve the Grant of Easement (GOE) document; whereby, the above landowners, BBCP Kukuiʻula, grants to the Board of Water Supply, County of Kauaʻi, Easement “W-2” in perpetuity, on, over, under, and across that certain parcel of land located TMK: (4) 2-6-018:063 as specified above in Kōloa, Kauaʻi, Hawaiʻi, for the following work:

1. Reading of water meters and for the construction, installation, re-installation, maintenance, repair, and removal of potable water pipelines and related meters, valves, and other associated waterworks facility improvements and appurtenances.

Further, the GRANTEE shall indemnify and save the GRANTOR harmless from and against all damage to the GRANTOR’S property and all liability for injury to or the death of persons when such damage, injury, or death is caused by the negligence of the GRANTEE, its officers, agents and employees while using the easement area.

FUNDING: N/A.

BACKGROUND:

As part of the construction plans for the subject project, the above owner installed an RPDA on the fire line for the subject project. These water facilities are on private property and we need access via the easement area.

OPTIONS

Option 1: Approve the Grant of Easement.

Pro: Project can be completed as designed. Project will receive a Certificate of Completion.

Con: None.

Option 2: Do not approve the Grant of Easement.

Pro: None.

Con: Project won’t be completed as designed. The project will not receive a Certificate of Completion.

JK/crz

Attachment: Grant of Easement – BBCP Kukuiʻula, TMK: (4) 2-6-018:063, Kōloa, Kauaʻi, Hawaiʻi

LAND COURT SYSTEM

REGULAR SYSTEM

After Recordation Return By: **MAIL [XX]** Pickup []

TO:

DEPARTMENT OF WATER

4398 PUA LOKE STREET

LĪHU‘E, KAUA‘I, HAWAI‘I 96766

GRANT OF EASEMENT

for

TMK: (4) 2-6-018:063:0000

THIS INDENTURE made this day of , 202 by and between **BBCP KUKUI‘ULA PARCEL N, LLC**, a Colorado limited liability company, whose mailing address is 2700 Ke Alaula Street, Suite B, Kōloa, Hawai‘i, 96756, (hereinafter, the “GRANTOR”), and the **BOARD OF WATER SUPPLY** of the County of Kaua‘i, whose mailing address is 4398 Pua Loke Street, Līhu'e, Hawai‘i 96766 (hereinafter, the “GRANTEE”).

W I T N E S S E T H:

THAT IN CONSIDERATION of the sum of one dollar (\$1.00) paid by the GRANTEE to the GRANTOR, the receipt of which is acknowledged, and the covenants contained in this grant of easement to be performed by the GRANTEE, the GRANTOR does hereby grant, bargain, sell and convey to the GRANTEE an easement in perpetuity on, over, and under that certain parcel of land located generally at Kōloa, Kaua‘i, Hawai‘i, **Tax Map Key No. (TMK) (4) 2-6-018:063:0000, Project Name:** RPDA for Kukui‘ula Temporary Firewater System Project, and more particularly described in Exhibit "A" and Exhibit "B", which is attached and incorporated by reference into this grant of easement (hereafter "Easement Area").

This easement is granted for the reading of water meters and for the construction, installation, re-installation, maintenance, repair, and removal of potable water pipelines and related meters, valves, and other associated waterworks facility improvements and appurtenances. The GRANTEE is further allowed the right of ingress and egress at any time to, from, and through the Easement Area, with or without vehicles or equipment, as the GRANTEE deems necessary for the proper operation of its water system.

TO HAVE AND TO HOLD the same unto the GRANTEE forever; provided that should the GRANTEE cease to use the Easement Area for the purposes described for a continuous period of two (2) calendar years, this easement shall terminate and the interest granted shall immediately and without the GRANTOR's re-entry revert to the GRANTOR. In such an event, this easement shall cease to exist by operation of the GRANTEE's non-use, without any necessary action on the GRANTOR's part.

AND IN FURTHER CONSIDERATION of the rights granted to the GRANTEE the benefits accruing to the GRANTOR under this easement, the GRANTOR and GRANTEE further covenant, agree, and promise as follows:

1. That should the GRANTEE disturb in any way the ground which is the subject of the Easement Area, the GRANTEE shall at its own expense restore the ground to its original condition to the extent that such restoration is reasonable;
2. That the GRANTEE shall indemnify and save the GRANTOR harmless from and against all damage to the GRANTOR's property and all liability for injury to or the death of persons when such damage, injury, or death is caused by the negligence of the GRANTEE, its officers, agents and employees while using the Easement Area;

3. That the GRANTEE shall not assign its rights under this easement without the prior written consent of the GRANTOR; provided that the GRANTEE may assign its rights to a successor of the GRANTEE duly created by law;
4. That should the GRANTOR's development plans require that the Easement Area and/or waterworks facility improvements within, on, or under the Easement Area be re-located, the GRANTOR will, at the GRANTOR's own expense and pursuant to the GRANTEE's instructions and specifications, re-locate the affected Easement Area and waterworks facility improvements and appurtenances without interruption of the GRANTEE's services;
5. That the GRANTOR shall at no time erect any building foundation of any kind below the surface of the land which is the subject of the Easement Area or any building or structure of any kind (other than roads, sidewalks, curbs or similar appurtenances) on the surface of the land which is the subject of the Easement Area unless the GRANTOR receives the prior written consent of the GRANTEE. Only lawn grass shall be planted within three (3) feet of all meter boxes, fire hydrants, and other waterworks facility improvements and appurtenances. No trees with aggressive root systems shall be planted within twenty (20) feet of all meter boxes, fire hydrants, and other waterworks facility improvements and appurtenances.

This Paragraph No. 5, though, shall not prevent the GRANTOR from crossing over, constructing, and maintaining roadways within the Easement Area or laying, operating, maintaining, repairing, or removing conduits and drains which do not interfere with the exercise of the GRANTEE's rights under this easement; and
6. That the GRANTOR covenants with the GRANTEE that the GRANTOR is the lawful owner of the land which is the subject of this Easement Area, that the GRANTOR has good right and title to grant this easement, and that the GRANTOR will warrant and defend the same unto the GRANTEE against the claims and demands of all persons.

When used within this document the term "GRANTOR" shall mean the singular and plural, masculine and feminine, and natural persons, trustees, corporations, partnerships, limited partnerships, sole proprietorships and other forms of business entities. The term shall also mean the GRANTOR's or GRANTOR's estates, heirs, personal representatives, successors, successors-in-trust and assigns.

IT IS FURTHER MUTUALLY AGREED that the terms of this easement shall be binding upon and inure to the benefit of all the parties to this document and that all covenants and obligations undertaken by two or more persons shall be deemed to be joint and several unless a contrary intention is clearly expressed in this document.

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

Form and Legality. This Grant of Easement has been approved as to form and legality by the County Attorney as required by the Charter of the County of Kaua'i. No modification of any term herein, other than the completion of the fillable fields, is permitted without the express written approval of the County Attorney or a Deputy County Attorney. Any such modification made without the express written approval of the County Attorney or Deputy County Attorney will result in the revocation of the approval as to form and legality.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto do hereby make and duly execute this Indenture to be effective upon the date of execution by the Chairperson of the Board of Water Supply, County of Kaua'i, below.

GRANTOR(S):

BBCP KUKUI'ULA PARCEL N, LLC, a Colorado limited liability company

A handwritten signature in cursive script, reading "Christopher Rivera", written in black ink.

By: Christopher Rivera
Its: Authorized Signatory

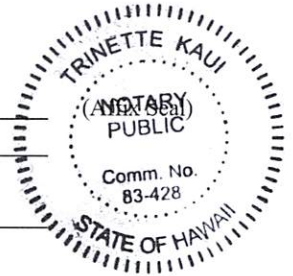
ACKNOWLEDGEMENT OF INDIVIDUAL

STATE OF Hawaii)
)
COUNTY OF Kauai) ss:

On this 29th day of May, 2024, before me personally appeared **CHRISTOPHER RIVERA**, who is personally known to me or whose identity I proved on the basis of satisfactory evidence, who being by me duly sworn or affirmed, did say that such person is the **AUTHORIZED SIGNATORY** of **BBCP KUKUI'ULA PARCEL N, LLC, a Colorado limited liability company** executed the Grant of Easement, TMK: (4) 2-6-018:063:0000, dated Undated and consisting of 10 pages at the time of notarization, as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.



Notary Public, State of Hawaii
Name of Notary: Trinette Kau'i
My commission expires: 11/14/2027



GRANTEE:

APPROVED:

BOARD OF WATER SUPPLY, COUNTY OF
KAUA'I

Joseph E. Tait
Manager and Chief Engineer
Department of Water

By: Tom H. Shigemoto
Chairperson

DOW “Notary” placeholder page.

EXHIBIT A

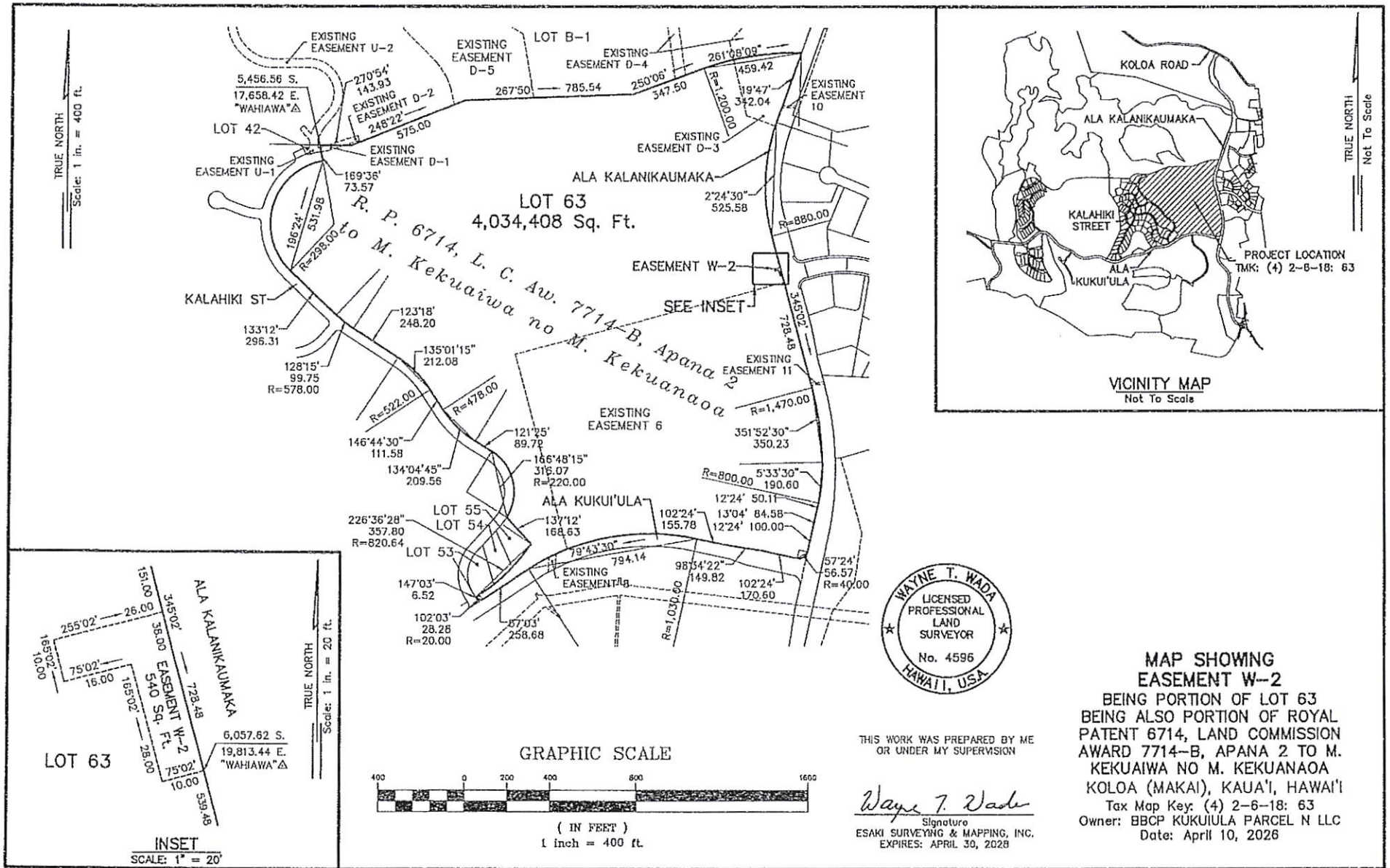


Exhibit B
EASEMENT W-2
(For Water Purposes)

LAND SITUATED AT KOLOA (MAKAI), KAUAI, HAWAII

Being Portion of Lot 63
Being also Portion of Royal Patent 6714, Land Commission Award 7714-B,
Apana 2 to M. Kekuaiwa no M. Kekuanaoa

Beginning at the southeast corner of this parcel of land, on the west side of Ala Kalanikaumaka, the coordinates of said point of beginning referred to Government Survey Triangulation Station "WAHIAWA" being 6,057.62 feet South and 19,813.44 feet East, thence running by azimuths measured clockwise from true South:

- | | | | |
|----|----------|-------|---|
| 1. | 75° 02' | 10.00 | feet along the remainder of Lot 63; |
| 2. | 165° 02' | 28.00 | feet along the remainder of Lot 63; |
| 3. | 75° 02' | 16.00 | feet along the remainder of Lot 63; |
| 4. | 165° 02' | 10.00 | feet along the remainder of Lot 63; |
| 5. | 255° 02' | 26.00 | feet along the remainder of Lot 63; |
| 6. | 345° 02' | 38.00 | feet along west side of Ala Kalanikaumaka to the point of beginning and containing an area of 540 Sq. Ft. |



Lihue, Hawaii
April 2026

DESCRIPTION PREPARED BY:
ESAKI SURVEYING AND MAPPING, INC.

Wayne T. Wada

Wayne T. Wada
Licensed Professional Land Surveyor
Certificate Number 4596

DEPARTMENT OF WATER

County of Kauaʻi

“Water has no Substitute – Conserve It!”

MANAGER’S REPORT No. 27-04

July 30, 2026

Re: Discussion and Possible Action on the Approval of the Department of Water (DOW)’s Supplemental Operating and Capital Budget appropriations for Fiscal Year 2027.

RECOMMENDATION:

It is recommended that the Board grant approval to the Waterworks Controller to perform the annual encumbrance rollover from Fiscal Year 2026 (July 2025 – June 2026) to Fiscal Year 2027 (July 2026 – June 2027).

BACKGROUND:

The Board approved the Department’s Operating and Capital Budget for Fiscal Year 2027 on June 18, 2026.

In addition to the approved Operating and Capital budget, the Department requests Board approval to rollover outstanding purchase order (PO) balances from FY 2026 to the FY 2027 Operating and Capital budgets. The PO balances are existing encumbrances for contracts and other goods and services as of June 30, 2026. The outstanding PO list is attached.

If approved, the FY 2027 budget will be increased as follows:

Operating Expenses – Water Utility	\$ 6,442,819.19
Capital Outlay:	<u>\$ 38,603,095.29</u>
Water Utility	\$20,603,678.17
Facility Reserve Charge (FRC)	\$, 3,499,060.12
Build America Bonds (BAB)	\$ 9,300,357.00
State Revolving Fund (SRF)	\$ 5,200,000.00
Total PO encumbrance rollover	<u>\$ 45,045,914.48</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 2027 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 2027.

Pro: None known.

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

RY/crz

Attachment: Supplemental Budget FY2026-FY2027 PO Rollovers

Supplemental Budget - FY2027 (July 2026 - June 2027)							
Year End Encumbrance Increase Report							
FY2026 Purchase Order (PO) Rollovers							
FY2027 Budget Increase for PO Rollovers from FY2026 totaling \$45,045,914.48			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 6/30/2026	Account Description					
10-01-10-542-010	1,113.01		1,113.01				
PO00006092	416.67	WU-Adm-Adm-Professional Services-General					
PO00006093	696.34	WU-Adm-Adm-Professional Services-General					
10-01-10-551-000	3,550.12		3,550.12				
PO0006102	1,095.10	WU-Adm-Adm-Utility Services					
PO0006121	2,455.02	WU-Adm-Adm-Utility Services					
10-02-00-604-999	23,594.85			23,594.85			
PO0006273	23,594.85	WU-IT-RandR Capital Purchases					
10-02-10-540-010	111,407.40		111,407.40				
PO0006128	111,407.40	WU-IT-Adm-Professional Services-General					
10-02-10-543-000	6,681.58		6,681.58				
PO0006128	1,494.79	WU-IT-Adm-Communication Services					
PO0006129	2,662.54	WU-IT-Adm-Communication Services					
PO0006130	2,524.25	WU-IT-Adm-Communication Services					
10-02-10-545-000	4,635.41		4,635.41				
PO0006077	3,269.28	WU-IT-Adm-Rentals and Leases					
PO0006126	1,366.13	WU-IT-Adm-Rentals and Leases					
10-02-10-550-000	998,807.16		998,807.16				
PO0006122	47.71	WU-IT-Adm-Subscription Based IT Arrangement/SBITA					
PO0006224	17,827.80	WU-IT-Adm-Subscription Based IT Arrangement/SBITA					
PO0006303	78,042.66	WU-IT-Adm-Subscription Based IT Arrangement/SBITA					
PO0006304	17,057.58	WU-IT-Adm-Subscription Based IT Arrangement/SBITA					
PO0006305	11,852.87	WU-IT-Adm-Subscription Based IT Arrangement/SBITA					
PO0006306	81,532.62	WU-IT-Adm-Subscription Based IT Arrangement/SBITA					
PO0006307	370,000.00	WU-IT-Adm-Subscription Based IT Arrangement/SBITA					
PO0006308	13,597.87	WU-IT-Adm-Subscription Based IT Arrangement/SBITA					
PO0006309	122,456.76	WU-IT-Adm-Subscription Based IT Arrangement/SBITA					
PO0006310	206,483.68	WU-IT-Adm-Subscription Based IT Arrangement/SBITA					
PO0006324	79,907.61	WU-IT-Adm-Subscription Based IT Arrangement/SBITA					
10-02-10-561-000	371,574.16		371,574.16				
PO0006178	9,309.44	WU-IT-Adm-Repairs and Maint-Non Water System					
PO0006253	142,852.14	WU-IT-Adm-Repairs and Maint-Non Water System					
PO0006286	202,355.00	WU-IT-Adm-Repairs and Maint-Non Water System					
PO0006304	17,057.58						
10-02-10-563-000	26,148.41		26,148.41				
PO0006122	47.71	WU-IT-Adm-Operating Supplies					
PO0006287	1,233.64	WU-IT-Adm-Operating Supplies					
PO0006289	13,646.22	WU-IT-Adm-Operating Supplies					
PO0006323	11,220.84	WU-IT-Adm-Operating Supplies					

FY2027 Budget Increase for PO Rollovers from FY2026 totaling \$45,045,914.48			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 6/30/2026	Account Description					
10-20-00-604-110	85.76			85.76			
PO0005807	85.76	WU-Eng 11-04 LO-10 Lawai 6n8inch Main Replacement					
10-20-00-604-116	2,426,806.16			2,426,806.16			
PO0005830	2,297,000.00	WU-Eng WK-08, Kapaa Homesteads 2-0.5 MG Tanks					
PO0006311	58,806.16	WU-Eng WK-08, Kapaa Homesteads 2-0.5 MG Tanks					
PO0006312	71,000.00	WU-Eng WK-08, Kapaa Homesteads 2-0.5 MG Tanks					
10-20-00-604-136	2,063,311.70			2,063,311.70			
PO0005522	4,371.00	WU-Eng 23-055 Weke Anae, Mahimahi Hee 6-8IN Mains					
PO0005813	1,963,940.70	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	212,746.08			212,746.08			
PO0005555	26,846.00	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	4,351,560.72			4,351,560.72			
PO0005560	45,147.00	WU-Eng-Job 18-3 Kuhio Hwy Hardy-Oxford 16IN Main					
PO0006056	2,398,052.72	WU-Eng-Job 18-3 Kuhio Hwy Hardy-Oxford 16IN Main					
PO0006223	1,864,740.00	WU-Eng-Job 18-3 Kuhio Hwy Hardy-Oxford 16IN Main					
PO0006293	2,040.00	WU-Eng-Job 18-3 Kuhio Hwy Hardy-Oxford 16IN Main					
PO0006315	41,581.00						
10-20-00-604-149	45,147.00			45,147.00			
PO0005560	45,147.00	WU-Eng-56%R-Job 23-03 Kuhio Hwy Papaloa to Waikaea					
10-20-00-604-157	439,603.29			439,603.29			
PO0006228	439,603.29	WU-Eng-16-4-WKK-03-Kilauea Wells MCC Rehab					
10-20-00-604-175	163,730.80			163,730.80			
PO0006035	163,730.80	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')					
10-20-00-605-118	2,483,000.00			2,483,000.00			
PO0006211	2,483,000.00	WU-Eng-WK-39 Kapaa Homesteads Well #4 Pump & Control					
10-20-00-605-141	1,891,375.70			1,891,375.70			
PO0005827	1,124,375.70	WU-Eng PLH-35b, Kapaia Cane Haul Road 18" Main Env					
PO0006322	767,000.00	WU-Eng PLH-35b, Kapaia Cane Haul Road 18" Main Env					
10-20-00-605-178	92,248.11			92,248.11			
PO0005973	71,827.72	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					
10-20-10-540-010	2,646,197.54		2,646,197.54				
PO0005388	16,250.00	WU-Eng-Adm-Professional Services-General					
PO0005562	345,119.48	WU-Eng-Adm-Professional Services-General					
PO0005629	22,253.40	WU-Eng-Adm-Professional Services-General					

FY2027 Budget Increase for PO Rollovers from FY2026 totaling \$45,045,914.48			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 6/30/2026	Account Description					
PO0005656	8,900.52	WU-Eng-Adm-Professional Services-General					
PO0005699	52,613.55	WU-Eng-Adm-Professional Services-General					
PO0005752	369,603.39	WU-Eng-Adm-Professional Services-General					
PO0005871	117,883.50	WU-Eng-Adm-Professional Services-General					
PO0005925	19,322.00	WU-Eng-Adm-Professional Services-General					
PO0005926	264,100.00	WU-Eng-Adm-Professional Services-General					
PO0005935	59,906.34	WU-Eng-Adm-Professional Services-General					
PO0005937	146,702.30	WU-Eng-Adm-Professional Services-General					
PO0005952	7,115.23	WU-Eng-Adm-Professional Services-General					
PO0005999	22,476.00	WU-Eng-Adm-Professional Services-General					
PO0006000	930.00	WU-Eng-Adm-Professional Services-General					
PO0006022	150,621.85	WU-Eng-Adm-Professional Services-General					
PO0006029	36,460.00	WU-Eng-Adm-Professional Services-General					
PO0006066	39,539.00	WU-Eng-Adm-Professional Services-General					
PO0006193	100,000.00	WU-Eng-Adm-Professional Services-General					
PO0006194	177,800.00	WU-Eng-Adm-Professional Services-General					
PO0006215	436,050.15	WU-Eng-Adm-Professional Services-General					
PO0006217	49,973.33	WU-Eng-Adm-Professional Services-General					
PO0006220	25,000.00	WU-Eng-Adm-Professional Services-General					
PO0006242	1,800.00	WU-Eng-Adm-Professional Services-General					
PO0006249	71,468.50	WU-Eng-Adm-Professional Services-General					
PO0006267	4,309.00	WU-Eng-Adm-Professional Services-General					
PO0006318	100,000.00	WU-Eng-Adm-Professional Services-General					
10-20-10-544-000	940.07		940.07				
PO0006120	940.07	WU-Eng-Adm-Freight and Postage					
10-20-10-560-000	187,400.20		187,400.20				
PO0006007	187,400.20	WU-Eng-Adm-Repairs and Maintenance-Water System					
10-20-10-561-000	58.97		58.97				
PO0006044	58.97	WU-Eng-Admin-Repairs & Maint - other than WS					
10-21-00-604-029	1,066,518.37			1,066,518.37			
PO0005257	50,000.00	WU-Cns-44%R-09-01 Yamada Tank Clearwell, Conn Pipe					
PO0005258	1,016,518.37	WU-Cns-44%R-09-01 Yamada Tank Clearwell, Conn Pipe					
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	163,241.24			163,241.24			
PO0005397	163,241.24	Job 02-14 WK39 WK08 Kapaa Hmstd Well 4; Pkg A Well					
10-21-10-540-010	463,433.92		463,433.92				
PO0005260	463,433.92	WU-CM-Adm-Professional Services-General					
10-30-20-541-010	9,299.78		9,299.78				
PO0005993	1,151.84	WU-Bill-Collection-Professional Services-General					
PO0006091	1,236.90	WU-Bill-Collection-Professional Services-General					
PO0006245	6,911.04	WU-Bill-Collection-Professional Services-General					
10-30-20-541-020	13,381.60		13,381.60				

FY2027 Budget Increase for PO Rollovers from FY2026 totaling \$45,045,914.48			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 6/30/2026	Account Description					
PO0006123	9,899.95	WU-Bill-Collection-Billing Costs					
PO0006138	3,481.65	WU-Bill-Collection-Billing Costs					
10-31-10-540-010	4,600.00		4,600.00				
PO0006137	4,600.00	WU-Acc-Adm-Professional Services-General					
10-40-00-604-999	2,087,558.38			2,087,558.38			
PO0005054	3,411.00	WU-Ops-RandR Capital Purchases					
PO0005539	403.00	WU-Ops-RandR Capital Purchases					
PO0005771	859,635.00	WU-Ops-RandR Capital Purchases					
PO0006064	257,807.68	WU-Ops-RandR Capital Purchases					
PO0006314	736,965.00	WU-Ops-RandR Capital Purchases					
PO0006321	149,986.70	WU-Ops-RandR Capital Purchases					
PO0006325	79,350.00	WU-Ops-RandR Capital Purchases					
10-40-30-565-000	174,373.59		174,373.59				
PO0006111	2,085.00	WU-Ops-Source-Bulk Water Purchase					
PO0006112	161,644.75	WU-Ops-Source-Bulk Water Purchase					
PO0006119	10,643.84						
10-40-50-551-000	690,941.33		690,941.33				
PO0006108	690,941.33	WU-Ops-PowerAndPump-Utility Services					
10-40-50-560-000	5,968.58		5,968.58				
PO0006238	5,968.58	WU-Ops-PowerAndPump-R&M Water System					
10-40-50-563-000	2,152.27		2,152.27				
PO0005962	2,152.27	WU-Ops-PowerAndPump-Operating Supplies					
10-40-60-541-010	985.93		985.93				
PO0006105	985.93	WU-Ops-T andD-Other Services					
10-40-60-545-000	4,439.19		4,439.19				
PO0006313	4,439.19	WU-Ops-T andD-Rentals and Leases					
10-40-60-560-000	63,179.80		63,179.80				
PO0006104	116.80	WU-Ops-T andD-Repairs and Maintenance-Water System					
PO0006166	19,476.50	WU-Ops-T andD-Repairs and Maintenance-Water System					
PO0006198	4,937.17	WU-Ops-T andD-Repairs and Maintenance-Water System					
PO0006263	6,690.63	WU-Ops-T andD-Repairs and Maintenance-Water System					
PO0006296	1,616.70	WU-Ops-T andD-Repairs and Maintenance-Water System					
PO0006316	30,342.00	WU-Ops-T andD-Repairs and Maintenance-Water System					
10-40-60-561-000	88,201.95		88,201.95				
PO0005730	12,250.00	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006058	432.00	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006095	2,001.02	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006097	2,550.00	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006101	161.34	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006147	30.49	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006148	1,017.76	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006160	3,351.18	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006227	53,217.40	WU-Ops-T andD-Repairs and Maint-Non Water System					

FY2027 Budget Increase for PO Rollovers from FY2026 totaling \$45,045,914.48			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 6/30/2026	Account Description					
PO0006282	3,228.10	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006297	5,699.66	WU-Ops-T andD-Repairs and Maint-Non Water System					
PO0006319	4,263.00	WU-Ops-T andD-Repairs and Maint-Non Water System					
10-40-60-563-000	41,412.55		41,412.55				
PO0006089	806.81	WU-Ops-TandD-Operating Supplies					
PO0006161	7,329.84	WU-Ops-TandD-Operating Supplies					
PO0006176	11,098.47	WU-Ops-TandD-Operating Supplies					
PO0006222	1,544.84	WU-Ops-TandD-Operating Supplies					
PO0006233	4,017.80	WU-Ops-TandD-Operating Supplies					
PO0006236	382.51	WU-Ops-TandD-Operating Supplies					
PO0006270	3,082.51	WU-Ops-TandD-Operating Supplies					
PO0006285	1,819.32	WU-Ops-TandD-Operating Supplies					
PO0006295	3,817.74	WU-Ops-TandD-Operating Supplies					
PO0006317	1,410.00	WU-Ops-TandD-Operating Supplies					
PO0006320	6,102.71	WU-Ops-TandD-Operating Supplies					
10-40-60-563-010	505,387.52		505,387.52				
PO0006159	1,735.69	WU-Ops-T andD-Operating Supplies					
PO0006237	4,554.97	WU-Ops-T andD-Operating Supplies					
PO0006259	5,467.01	WU-Ops-T andD-Operating Supplies					
PO0006276	493,629.85	WU-Ops-T andD-Operating Supplies					
10-40-60-564-000	16,547.15		16,547.15				
PO0006107	1,728.54	WU-Ops-T andD-Fuel					
PO0006109	14,818.61	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	119,765.00				119,765.00		
PO0005534	119,765.00	FRC-Eng-ALLE-12-02 WK-23 UH Expmntal Storage Tank					
20-20-00-605-118	42,082.88				42,082.88		
PO0004545	42,082.88	FRC-Eng 04-08 WK-39 Drill Kapaa Homestead Well 4					
20-20-00-605-120	7,212.24				7,212.24		
PO0002611	7,212.24	FRC-Eng-90%E-Kilauea 1.0MG Tank Job 02-06					
20-20-00-605-155	200,000.00				200,000.00		
PO0005523	200,000.00	FRC-Eng-ALLE-Wainiha Well #4					
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	3,193.00					3,193.00	
PO0002611	3,193.00	BAB-Cns-ALLE-02-06WKK15-Kilauea 466 Tank Puu Pane					
30-20-00-605-125	51,189.00					51,189.00	
PO0002608	51,189.00	BAB-Eng-98%E-02-01 Land for Kukuioolono Tank Site					

FY2027 Budget Increase for PO Rollovers from FY2026 totaling \$45,045,914.48			Sources of Funds				
Account Number	Encumbrance 6/30/2026	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)
30-21-00-604-017	1,045,975.00					1,045,975.00	
PO0003577	1,045,975.00	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					
Grand Total	45,045,914.48		6,442,819.19	20,603,678.17	3,499,060.12	9,300,357.00	5,200,000.00
Note: State Allotments Appropriation Encumbrances shall be paid directly from the State of Hawaii.							

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER'S REPORT No. 27-05

July 30, 2026

Re: Discussion and Possible Action on the Approval of the Department of Water's (DOW) Supplemental Operating Budget Appropriation from Available Fund Balance for the Purpose of Encumbering the Total Amount of Contract C793 for Job No. 26-01, Slip Line Hanapepe 16-Inch HDPE Pipeline with Mocon Corporation.

RECOMMENDATION:

It is recommended that the Board approve the supplemental budget appropriation of \$523,950.00 from available fund balance in fiscal year 2027. The budget will be used to encumber funds for contract C793 awarded in June 2026.

FUNDING:

Fund Balance:	Verified by WWC			\$	1,277,708.00
Funds Needed:	Verified by WWC			\$	<523,950.00>
Contract No.	C793				
Vendor	Mocon Corporation				
	Contract Amount	\$	499,000.00		
	5% Contingency	\$	24,950.00		
	Total	\$	523,950.00		
	Fund Balance Remaining:			\$	753,758.00

BACKGROUND:

Contract C793 was awarded to Mocon Corporation for Job No 26-01 Slip Line Hanapepe 16-inch HDPE pipeline replacement in June 2026. Although the contract was awarded to the selected vendor, the contract was not executed prior to June 30, 2026 or the fiscal year cut-off. The budget that was made available for this contract lapsed to fund balance on June 30, 2026.

OPTIONS:

Option 1: Approve Manager's Report as recommended.

Pro: DOW will be able to encumber funds for the contract amount.

Con: DOW will need to use available fund balance.

Option 2: Do Not Approve Manager's Report as recommended.

Pro: DOW will not need to use available fund balance.

Con: DOW will need to use available budget and forgo other planned purchases for the contract amount.

RY/crz

COUNTY COUNCIL

COUNTY OF KAUAI

Resolution No. 2025-37

RESOLUTION REPEALING RESOLUTION NO. 18 (1991) AND AUTHORIZING THE COUNTY ATTORNEY TO INVESTIGATE, SETTLE, AND PAY CLAIMS AGAINST THE COUNTY OF KAUAI

BE IT RESOLVED BY THE COUNCIL OF THE COUNTY OF KAUAI, STATE OF HAWAII:

SECTION 1. With approval from the County Attorney, the authorized administrator of the County of Kauai's workers' compensation claims may investigate, settle, and pay workers' compensation claims against the County up to fifteen thousand dollars (\$15,000.00), provided that sufficient appropriations are available for such settlements.

SECTION 2. The County Attorney is authorized to investigate, settle, and pay all claims filed against the County of Kauai where such claims amount to fifteen thousand dollars (\$15,000.00) or less, provided that sufficient appropriations are available for such settlements.

SECTION 3. The County Attorney shall submit to the Council of the County of Kauai a quarterly report of all claims settled pursuant to this Resolution. The report shall include the claimant's name, nature of the claim, amount requested, settlement amount, and any remedial actions or recommendations to minimize the recurrence of similar claims.

SECTION 4. That Resolution No. 18 (1991) is repealed in its entirety.

SECTION 5. This resolution shall take effect upon its approval.

Introduced by:



MEL RAPOZO
(By Request)

V:\RESOLUTIONS\2024-2026 TERM\Resolution to increase settlement authority for the OCA _dmc.docx

	Aye	Not	Excused	Recused
Bulosan	X			
Carvalho	X			
Cowden	X			
Holland	X			
Kaneshiro			X	
Kuali'i	X			
Rapozo	X			
Total	6	0	1	0

Certificate Of Adoption

We hereby certify that Resolution No. 2025-37
was adopted by the Council of the County of Kauai, State of
Hawaii, Lihu'e, Kauai, Hawaii, on October 15, 2025.


County Clerk

Dated October 15, 2025


Chairman & Presiding Officer

BOARD OF WATER SUPPLY POLICY NO. 25

RE: AUTHORIZING THE COUNTY ATTORNEY TO INVESTIGATE,
SETTLE AND PAY SMALL CLAIMS AGAINST THE BOARD OF
WATER SUPPLY, COUNTY OF KAUAI

The County Attorney is authorized to investigate, settle and pay all claims filed against the Board of Water Supply, County of Kauai, where such claims amount to TEN THOUSAND DOLLARS (\$10,000) or less and provided there are sufficient appropriations for such settlements.

That the County Attorney shall submit to the Board of Water Supply, County of Kauai a quarterly report of all claims settled pursuant to this Policy. This report shall include the claimant's name, nature of the claim, amount requested, settlement amount and any remedial action or recommendation to minimize the recurrence of similar claims.

Gregory Kamm

Gregory Kamm (Aug 2, 2021 23:37 HST)

Chair

Board of Water Supply

July 22, 2021

Date

RE: AUTHORIZING THE COUNTY ATTORNEY TO INVESTIGATE, SETTLE AND
PAY SMALL CLAIMS AGAINST THE BOARD OF WATER SUPPLY, COUNTY OF
KAUAI

Effective Date: July 22, 2021

Supersedes: April 28, 2011

Board Policy #23-Delegating Routine Personnel Actions from the Water Board to the DOW's Manager and Chief Engineer (2021, 2009)

Final Audit Report

2021-08-03

Created:	2021-08-02
By:	Cherisse Zaima (czaima@kauaiwater.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAAIllosp6AqFbW2nP1wYp4bGn-3wV1acJ

"Board Policy #23-Delegating Routine Personnel Actions from the Water Board to the DOW's Manager and Chief Engineer (2021, 2009)" History



Document created by Cherisse Zaima (czaima@kauaiwater.org)

2021-08-02 - 7:02:06 PM GMT



Document emailed to Gregory Kamm (gkamm@kauaiwater.org) for signature

2021-08-02 - 7:02:27 PM GMT



Email viewed by Gregory Kamm (gkamm@kauaiwater.org)

2021-08-03 - 9:36:23 AM GMT



Document e-signed by Gregory Kamm (gkamm@kauaiwater.org)

Signature Date: 2021-08-03 - 9:37:55 AM GMT - Time Source: server



Agreement completed.

2021-08-03 - 9:37:55 AM GMT

Board Policy No. 25

Re: AUTHORIZING THE COUNTY ATTORNEY TO INVESTIGATE, SETTLE AND PAY SMALL CLAIMS AGAINST THE BOARD OF WATER SUPPLY, COUNTY OF KAUAI

Section 1. That the County Attorney be authorized to investigate, settle and pay all claims filed against the Board of Water Supply, County of Kauai, where such claims amount to TEN THOUSAND DOLLARS (\$10,000) or less and provided there are sufficient appropriations for such settlements.

Section 2. That the County Attorney shall submit to the Board of Water Supply, County of Kauai a quarterly report of all claims settled pursuant to this Resolution. This report shall include the claimant's name, nature of the claim, amount requested, settlement amount and any remedial action or recommendation to minimize the recurrence of similar claims.

A copy of this POLICY shall be kept on record and a copy shall be presented to the Manager and Chief Engineer.

APPROVED BY:


Chairperson, Board of Water Supply

Dated: April 28, 2011

Effective date: April 28, 2011

BOARD OF WATER SUPPLY POLICY NO. 25

RE: AUTHORIZING THE COUNTY ATTORNEY TO INVESTIGATE, SETTLE AND
PAY SMALL CLAIMS AGAINST THE BOARD OF WATER SUPPLY,
COUNTY OF KAUA'I

The County Attorney is authorized to investigate, settle, and pay all claims filed against the Board of Water Supply, County of Kaua'i ("Board"), where such claims amount to FIFTEEN THOUSAND DOLLARS (\$15,000) or less, provided that sufficient appropriations are available for such settlements.

The County Attorney shall submit to the Board a quarterly report of all claims settled pursuant to this Policy. The report shall include the claimant's name, nature of the claim, amount requested, settlement amount, and any remedial actions or recommendations to minimize the recurrence of similar claims.

APPROVED:

CHAIR
BOARD OF WATER SUPPLY

Date

RE: AUTHORIZING THE COUNTY ATTORNEY TO INVESTIGATE, SETTLE AND PAY SMALL
CLAIMS AGAINST THE BOARD OF WATER SUPPLY,
COUNTY OF KAUA'I

Effective Date: Date of the Chair's signature above.
Supersedes: July 22, 2021

SALARY COMMISSION

COUNTY OF KAUA'I

Resolution

No. 2025-1

RESOLUTION RELATING TO THE SALARIES OF CERTAIN OFFICERS AND EMPLOYEES OF THE COUNTY OF KAUA'I

WHEREAS, pursuant to Section 29.01 of the Kaua'i County Charter, the Salary Commission of the County of Kaua'i establishes the maximum salaries for the positions of all elected and appointed officers and employees as defined in Section 23.01D of the Charter,

NOW, THEREFORE, BE IT RESOLVED by the Salary Commission of the County of Kaua'i, State of Hawai'i, that the maximum salaries for the positions of certain officers and employees of the County of Kaua'i are established as follows:

Article I. Salaries for the positions of Certain Officers and Employees

Section 1. Salaries for Fiscal Year 2025-2026.

Part 1. For the period of July 1, 2025 to June 30, 2026, the maximum salaries shall increase by three and a half percent (3.5%) for the positions of those officers and employees referenced in Article I Section 3 of County of Kaua'i Salary Commission Resolution No. 2022-1, subject to further increase pursuant to Parts 2 and 3 below as applicable.

Part 2. If, after calculating the 3.5% increase in Part 1 supra, the maximum salary of a County department head position is such that the maximum salary of said department's first deputy or first assistant position (not including the alternative salary referenced in Article III of County of Kaua'i Salary Commission Resolution No. 2020-2) exceeds ninety-five percent of the maximum salary of said department head position, then the maximum salary of said department head position shall be further increased until the maximum salary of said first deputy or first assistant position does not exceed ninety-five percent of the maximum salary of said department head position.

Part 3. Alternative Salary for the Chief of Police Position. If, after calculating the 3.5% increase in Part 1 supra, the maximum salary of the Chief of Police position is such that the base salary associated with the chosen alternative compensation, referenced in Article III of County of Kaua'i Salary Commission Resolution No. 2020-2, of the Deputy Chief of Police position exceeds ninety-five percent of the maximum salary of the Chief of Police position, then the Police Commission in its discretion may and should choose to further increase the salary of the Chief of Police

position until the base salary of the Deputy Chief of Police position does not exceed ninety-five percent of the salary of the Chief of Police position.

Section 2. For the period of July 1, 2026 to June 30, 2027, the maximum salaries shall increase by three and a half percent (3.5%) for the positions of those officers and employees referenced in Section 1 hereof.

Section 3. On July 1, 2027, the maximum salaries shall increase by three and a half percent (3.5%) for the positions of those officers and employees referenced in Section 2 hereof.

Section 4. For payroll purposes, the maximum salaries in Sections 1, 2, and 3 hereof shall be rounded up to the nearest whole dollar amount that when divided by 24 results in a whole dollar amount; the three and a half percent (3.5 %) increase in Section 2 shall be calculated based on the unrounded amounts of the maximum salaries in Section 1 hereof, and the three and a half percent (3.5%) increase in Section 3 shall be calculated based on the unrounded amounts of the maximum salaries in Section 2 hereof.

Article II. Maximum Salaries. The respective appointing authority may set the salary of any new or existing non-elected appointee officer or employee at a figure lower than the maximum salary established for the position in this Resolution. Elected officers and employees may voluntarily accept a salary lower than the maximum salary established by this Resolution for their position or may voluntarily forego accepting a salary. Notwithstanding the aforesaid, actual salaries should comply with Hawai'i Revised Statutes Sec. 46-24.

Article III. Eligibility for Monetary Monthly Medical Benefit in Lieu of Enrollment in a County Medical Coverage Plan. All officers and employees referenced in Article I Sections 1, 2, and 3 supra shall be eligible for any monetary monthly medical benefit offered, via any unexpired and then effective Executive Order, by the County to any of its employees in lieu of enrollment in a County medical coverage plan; such monetary monthly medical benefit shall be in addition to, rather than a portion of, the respective officers' and employees' maximum salaries. All sections of any such unexpired and then effective Executive Order shall be fully applicable to all officers and employees referenced in Article I Sections 1, 2, and 3 supra.

Article IV. Severability. If the application of this Resolution or any of its provisions to any persons or circumstance is held invalid by a court of law, the application of this Resolution and its provisions to other persons or circumstances shall not be affected thereby.

Article V. Transmittal of Salary Resolution. The Clerk of the Salary Commission shall transmit to the County Council and Mayor a final approved copy of this Resolution on or before March 15, 2025.

Article VI. This Resolution shall take effect on July 1, 2025.

Adopted by the Salary Commission at its meeting on March 13, 2025.



Joshua Uyehara, Chair



Wayne K. Katayama (Mar 1, 2025 13:48 HST)

Wayne Katayama, Vice Chair



Bernadette Akiona-Arruda (Mar 1, 2025 13:06 HST)

Bernadette Akiona-Arruda



Nancy Kanna (Mar 2, 2025 19:02 HST)

Nancy Kanna



Stacie Chiba-Miguel (Mar 4, 2025 15:56 HST)

Stacie Chiba-Miguel



Patrick H. Ono (Mar 4, 2025 16:08 HST)

Patrick Ono



Paul Toner (Mar 4, 2025 16:00 HST)

Paul Toner

Table of Projected Increases

Position	Current Max	3.5% increase 7/1/25- 6/30/26	Divisible by 24	3.5% increase 7/1/26- 6/30/27	Divisible by 24	3.5% increase 7/1/27- 6/30/28	Divisible by 24
Mayor	\$164,472.00	\$172,835.00	\$172,851.00	\$178,900.79	\$178,920.00	\$185,182.20	\$185,184.00
Director of Finance	\$148,728.00	\$155,551.00	\$155,571.00	\$161,015.99	\$161,028.00	\$166,663.98	\$166,687.00
Deputy Director of Finance	\$142,776.00	\$147,773.16	\$147,792.00	\$152,964.72	\$152,976.00	\$158,330.16	\$158,352.00
Director of Human Resources	\$142,776.00	\$147,773.16	\$147,792.00	\$152,964.72	\$152,976.00	\$158,330.16	\$158,352.00
Planning Director	\$148,728.00	\$153,933.48	\$153,936.00	\$159,323.76	\$159,336.00	\$164,912.76	\$164,928.00
Deputy Planning Director	\$136,512.00	\$141,289.92	\$141,312.00	\$146,257.92	\$146,280.00	\$151,399.80	\$151,416.00
Director of Economic Development	\$136,512.00	\$141,289.92	\$141,312.00	\$146,257.92	\$146,280.00	\$151,399.80	\$151,416.00
Director of Liquor Control	\$136,512.00	\$141,289.92	\$141,312.00	\$146,257.92	\$146,280.00	\$151,399.80	\$151,416.00
Director of Parks & Recreation	\$148,728.00	\$155,551.00	\$155,571.00	\$161,015.99	\$161,028.00	\$166,663.98	\$166,687.00
Deputy Director of Parks & Recreation	\$142,776.00	\$147,773.16	\$147,792.00	\$152,964.72	\$152,976.00	\$158,330.16	\$158,352.00
Director of Housing/Human Concerns	\$142,776.00	\$147,773.16	\$147,792.00	\$152,964.72	\$152,976.00	\$158,330.16	\$158,352.00
Boards & Commissions Administrator	\$136,512.00	\$141,289.92	\$141,312.00	\$146,257.92	\$146,280.00	\$151,399.80	\$151,416.00
County Clerk	\$148,728.00	\$155,551.00	\$155,571.00	\$161,015.99	\$161,028.00	\$166,663.98	\$166,687.00
Deputy County Clerk	\$142,776.00	\$147,773.16	\$147,792.00	\$152,964.72	\$152,976.00	\$158,330.16	\$158,352.00
County Auditor	\$148,728.00	\$153,933.48	\$153,936.00	\$159,323.76	\$159,336.00	\$164,912.76	\$164,928.00
Managing Director	\$158,640.00	\$164,192.40	\$164,208.00	\$169,955.28	\$169,968.00	\$175,916.88	\$175,920.00
County Engineer	\$158,640.00	\$164,192.40	\$164,208.00	\$169,955.28	\$169,968.00	\$175,916.88	\$175,920.00
Deputy County Engineer	\$142,776.00	\$147,773.16	\$147,792.00	\$152,964.72	\$152,976.00	\$158,330.16	\$158,352.00
County Attorney	\$158,640.00	\$164,192.40	\$164,208.00	\$169,955.28	\$169,968.00	\$175,916.88	\$175,920.00
First Deputy County Attorney	\$142,776.00	\$147,773.16	\$147,792.00	\$152,964.72	\$152,976.00	\$158,330.16	\$158,352.00
Deputy County Attorney	\$136,512.00	\$141,289.92	\$141,312.00	\$146,257.92	\$146,280.00	\$151,399.80	\$151,416.00
Prosecuting Attorney	\$158,640.00	\$164,192.40	\$164,208.00	\$169,955.28	\$169,968.00	\$175,916.88	\$175,920.00
First Deputy Prosecuting Attorney	\$142,776.00	\$147,773.16	\$147,792.00	\$152,964.72	\$152,976.00	\$158,330.16	\$158,352.00
Deputy Prosecuting Attorney	\$136,512.00	\$141,289.92	\$141,312.00	\$146,257.92	\$146,280.00	\$151,399.80	\$151,416.00
Manager and Chief Engineer, Department of Water	\$158,640.00	\$164,192.40	\$164,208.00	\$169,955.28	\$169,968.00	\$175,916.88	\$175,920.00
Deputy Manager - Chief Engineer, Department of Water	\$142,776.00	\$147,773.16	\$147,792.00	\$152,964.72	\$152,976.00	\$158,330.16	\$158,352.00

Position	Current Max	3.5% increase 7/1/25- 6/30/26	Divisible by 24	3.5% increase 7/1/26- 6/30/27	Divisible by 24	3.5% increase 7/1/27- 6/30/28	Divisible by 24
Fire Chief	\$158,640.00	\$164,192.40	\$164,208.00	\$169,955.28	\$169,968.00	\$175,916.88	\$175,920.00
Deputy Fire Chief	\$142,776.00	\$147,773.16	\$147,792.00	\$152,964.72	\$152,976.00	\$158,330.16	\$158,352.00
Chief of Police	\$158,640.00	\$181,794.00	\$181,800.00	\$188,163.00	\$188,184.00	\$194,770.44	\$194,784.00
Deputy Chief of Police	\$142,776.00	\$147,773.16	\$147,792.00	\$152,964.72	\$152,976.00	\$158,330.16	\$158,352.00
Council Chair	\$88,512.00	\$91,609.92	\$91,632.00	\$94,839.12	\$94,848.00	\$98,167.68	\$98,184.00
Councilmembers	\$78,672.00	\$81,425.52	\$81,432.00	\$84,282.12	\$84,288.00	\$87,238.08	\$87,240.00
Total	\$4,575,384.00	\$4,760,583.08	\$4,761,132.00	\$4,927,771.64	\$4,928,220.00	\$5,100,707.70	\$5,101,197.00
\$ Increase			\$185,748.00		\$167,088.00		\$172,977.00
% Increase			4.06%		3.51%		3.51%

Who determines salary increases: - Elected, - Mayor, - Boards or Commissions, - Council, - Department Head, - add'l increases re: HRS §46-24

BOARD OF WATER SUPPLY POLICY NO. 34

RE: THE PERFORMANCE APPRAISAL PROCESS FOR THE MANAGER & CHIEF ENGINEER AND DELEGATION OF AUTHORITY TO THE BOARD CHAIR

Purpose

Pursuant to the Kaua'i County Charter, the Board of Water Supply ("Board") has the authority to manage, control and operate the waterworks of the County of Kaua'i, which includes appointing and removing the Manager & Chief Engineer ("Manager"). Accordingly, the Board has inherent authority to conduct annual job performance appraisals of the Manager. The purpose of this policy is to establish the Board's job performance appraisal process for the Manager and the form to be used and completed by the Board as a result of the Manager's annual job performance appraisal process.

Elements of the Performance Appraisal Process

The Performance Appraisal Process will be documented using the attached form, titled Performance Appraisal Form ("Form"). The Form will aid the Board in conducting a careful review of the following:

- Accomplishment of goals for the review period (Section 1 of the Form)
- Performance on key responsibilities of the job description (Section 2 of the Form)
- Goals for upcoming review period with ample input from Board Chair and incumbent (Section 3 of the Form)
- Performance improvement plan (Section 4 of the Form)
 - Set jointly with Board and Manager, with monitored target dates as needed.
- Development Plan (Section 5 of the Form)
 - Set jointly with Board and Manager and includes monitored target dates.
- Potential for advancement to greater responsibilities.

Delegation of Authority

The Board delegates to the Board Chair the authority to commence and manage the Performance Appraisal Process in accordance with this policy. The Board retains final approval authority.

Board Chair Responsibilities

1. Initiate the formal Performance Appraisal Process, typically 2-3 months prior to the start of the new fiscal year. This time period allows completion of the Performance Appraisal Process, format review and action by the Board, meeting with the Manager, and then any necessary budget action.
2. The Chair sends the Manager the Form to complete as a self-appraisal. Once the Manager completes the Form, the Manager sends it to the Chair.
3. The Chair completes Sections 1-4 of the Form. The Chair then compares results to Manager's self-appraisal.
4. The Chair prepares the final Form, completing Sections 1-4 of the Form and the "Overall performance rating" of the Form. The Chair may also make merit-based recommendations on salary and benefit adjustments for possible Board action, provided

any such recommendations are not contrary to the maximum salary determined for the Manager position as established by the Salary Commission and/or any employee benefits regulated by the Department of Human Resources.

5. At a duly noticed meeting, the Board convenes in executive session, unless the Manager requests that the Performance Appraisal Process occur in open session, to discuss the results of the performance appraisal with the Manager. The Manager may comment on the Performance Appraisal Process and/or the results documented on the Form. The Board and the Manager jointly outline the Performance Improvement Plan (Section 4 of the Form) and Development Plan (Section 5 of the Form). The Chair incorporates and updates the Form.
6. The Board shall take action on the results of the Performance Appraisal Process.
7. If approved, the Chair prepares and signs the final Performance Appraisal Form and presents the Form to the Manager for signature.
8. The fully executed Form and the Manager's self-appraisal Form is forwarded to the Department of Human Resources.

Performance appraisal ratings

The Performance Appraisal Process shall use the following criteria in rating the Manager's performance:

- **Exceeds expectations** – The individual is making an exceptional, significant contribution to DOW. This person constantly accepts responsibilities beyond those of the job held and continuously exceeds expectations regarding completion of work assignments. There are few areas regarding performance of job responsibilities in which she could improve.
- **Meets expectations** – The individual is a steady, consistent, dependable performer and carries out duties in a fully responsible and effective manner. Meets and occasionally exceeds expectations regarding job responsibilities and completion of work assignments. Even though present performance is acceptable, there may be areas regarding performance of job responsibilities in which the person should improve.
- **Needs improvement** – The individual falls below standards or expectations. It is expected that with the appropriate improvement plan, performance will reach a fully satisfactory level within a specified time period.

APPROVED:

Julie Simonton
Julie Simonton (Jan 30, 2025 12:35 HST)
CHAIR
BOARD OF WATER SUPPLY

01/30/25

Date

Performance Appraisal Form

DOW Manager & Chief Engineer

First & Last Name: _____

Current evaluation period _____

Date evaluation completed _____ Date of Board action _____

Section 1: Achievement of goals from last review period (*type in the agreed-upon goals decided during the last review period*):

Section 2: Performance on key responsibilities of the job description: *Use ratings: EE (Exceeds Expectations), ME (Meets Expectations), NI (Needs Improvement). When using NI, please give specific example(s) below the goal statement.*

Performance appraisal ratings

- **Exceeds expectations** – The individual is making an exceptional, significant contribution to DOW. This person constantly accepts responsibilities beyond those of the job held and continuously exceeds expectations regarding completion of work assignments. There are few areas regarding performance of job responsibilities in which she could improve.
- **Meets expectations** – The individual is a steady, consistent, dependable performer and carries out duties in a fully responsible and effective manner. Meets and occasionally exceeds expectations regarding job responsibilities and completion of work assignments. Even though present performance is acceptable, there may be areas regarding performance of job responsibilities in which the person should improve.
- **Needs improvement** – The individual falls below standards or expectations. It is expected that with the appropriate improvement plan, performance will reach a fully satisfactory level within a specified time period.

<u>Responsibility</u>	<u>Rating</u>
<u>Mission, policy, planning</u>	
1. Helps Board monitor and evaluate organization's relevancy, effectiveness, and results. Example(s):	
2. Keeps Board fully informed re: organization's condition and all important factors influencing it. Example(s):	

3. Assures that appropriate policies are in place to guide the organization's work in all areas. Example(s):	
Management, administration	
4. Provides oversight of all DOW activities, manages day-to-day operations, and assures a smoothly functioning, efficient organization. Example(s):	
5. Assures DOW quality and organizational stability through development and implementation of standards and controls, systems and procedures, and regular evaluation. Example(s):	
6. Assures a work environment that recruits, retains, and supports quality staff. Example(s):	
7. Assures process for selecting, development, motivating, and evaluating staff. Example(s):	
Responsibility	
8. Recruits personnel, negotiates professional contracts, and assures development and maintenance of appropriate salary structures. Example(s):	
Governance	
9. Work effectively with Board, its officers and committees to define their roles and responsibilities; helps evaluate their performance regularly. Example(s):	
10. Works with Board Chair to enable Board to fulfill its governance functions and manages Boards's due diligence process to ensure timely attention to core issues. Example(s):	

11. Works with Board Chair to focus Board attention on long-range strategic issues. Example(s):	
12. Works with Board officers and committee chairs to get best thinking and involvement of each Board member & to stimulate each Board member to give his / her best. Example(s):	
13. Frames significant questions and complex issues in ways that facilitate Board dialogue and action. Example(s):	
14. Recommends Board and its committees. Example(s):	
Finance	
15. Oversees the fiscal activities of the organization, assures adequate controls. Example(s):	
16. With Board, ensures financing to support goals, including effective fund development program. Example(s):	
Relationship building	
17. Identifies the key relationships necessary to support an effective organization and assures proper planning, relationship building and communications to develop and maintain these. Example(s):	
18. Facilitates the integration of the organization into the community by assuring the use of effective marketing and communications activities. Example(s):	
19. Acts as an advocate, within the public and private sectors, for issues relevant to DOW, its services, and constituencies. Example(s):	

20. Listens to s stakeholders in order to improve services. Example(s):	
21. Works with legislators and regulatory agencies to promote legislative and regulatory policies that promotes the DOW's policies and priorities. Example(s):	
Leadership	
22. Demonstrates initiative and creativity in identifying and addressing strategic issues facing the organization. Example(s):	
23. Effectively manages continuity, change and transition. Example(s):	
24. Sets and achieves clear and measurable goals and reasonable deadlines. Example(s):	
25. Deals effectively with demanding situations and designs and implements effective interventions. Example(s):	
26. Consistently displays integrity and models the organization's values. Example(s):	

Section 3: Goals for the next review period:

____ Check if none.

Goal 1:	
Goal 2:	
Goal 3:	

Section 4: Performance improvement plan: *Outline any areas where the Manager & Chief Engineer needs improvement to reach higher levels of performance.*

____ Check if none.

Needs Improvement:	
Needs Improvement:	
Needs Improvement:	

Section 5: Development plan: *Outline training / development that will enhance Manager & Chief Engineers contribution to the organization. Also specify areas of support and action that the Board can do to help the Manager & Chief Engineer.*

____ Check if none.

Training/Development:	
Training/Development:	
Training/Development:	

Overall performance rating:

____ Exceeds Expectations ____ Meets Expectations ____ Needs Improvement

Comments for Manager & Chief Engineer for this evaluation period:

Action and approvals

APPROVED:

BOARD OF WATER SUPPLY, COUNTY OF KAUAI

Its: Chair

Dated: _____

Manager & Chief Engineer signature and meeting date: _____

Please write any comments from Manager & Chief Engineer on the other side of these pages.

Board Policy No. 34 Relating to THE PERFORMANCE APPRAISAL PROCESS FOR THE MANAGER & CHIEF ENGINEER AND DELEGATION OF AUTHORITY TO THE BOARD CHAIR

Final Audit Report

2025-01-30

Created:	2025-01-29
By:	Cherisse Zaima (czaima@kauaiwater.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAsHnmNCZCz1UaWlnaN8hrJFX3XdxJileN

"Board Policy No. 34 Relating to THE PERFORMANCE APPRAISAL PROCESS FOR THE MANAGER & CHIEF ENGINEER AND DELEGATION OF AUTHORITY TO THE BOARD CHAIR" History

-  Document created by Cherisse Zaima (czaima@kauaiwater.org)
2025-01-29 - 5:12:43 PM GMT
-  Document emailed to jsimonton@kauaiwater.org for signature
2025-01-29 - 5:13:03 PM GMT
-  Email viewed by jsimonton@kauaiwater.org
2025-01-30 - 10:34:29 PM GMT
-  Signer jsimonton@kauaiwater.org entered name at signing as Julie Simonton
2025-01-30 - 10:35:39 PM GMT
-  Document e-signed by Julie Simonton (jsimonton@kauaiwater.org)
Signature Date: 2025-01-30 - 10:35:41 PM GMT - Time Source: server
-  Agreement completed.
2025-01-30 - 10:35:41 PM GMT

A horizontal splash of blue water with bubbles, centered on a white background. The word "COMMUNICATION" is overlaid on the water splash in a blue, serif font.

COMMUNICATION

DEPARTMENT OF WATER

COUNTY OF KAUAI

4398 PUA LOKE STREET LIHUE, HAWAII 96766

WWW.KAUAIWATER.ORG (808) 245-5400 BUSINESS (808) 245-5813 FAX



JOSEPH E. TAIT
MANAGER AND CHIEF ENGINEER

MEMORANDUM

TO: Chair Tom H. Shigemoto
Board of Water Supply, County of Kauai

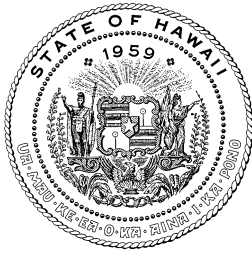
FROM: Joseph E. Tait, Manager and Chief Engineer

DATE: July 30, 2026

SUBJECT: Update to the Board on the outcome of the Small Business Regulatory Review Board (SBRRB) Meeting held on July 16, 2026

Manager Joe Tait, Engineering Chief Jason Kagimoto, and Waterworks Controller Renee Yadao attended the July 16, 2026 meeting of the Small Business Regulatory Review Board (SBRRB) for review and recommendations on proposed rule amendments to the Department of Water, County of Kauai Rules and Regulations, Part 4 Fixing Rates for the Furnishing of Water Service in the County of Kauai.

Attached are the draft Proposed Rule Amendments and the recommendations from the SBRRB.



SMALL BUSINESS REGULATORY REVIEW BOARD

Department of Business, Economic Development & Tourism (DBEDT)
No. 1 Capitol District Building, 250 S. Hotel Street, Fifth Floor, Honolulu, HI 96813
Mailing Address: P.O. Box 2359, Honolulu, HI 96804
Email: dbedt.sbrrb.info@hawaii.gov
Website: sbrrb.hawaii.gov

Tel: 808 798-0737

Josh Green, M.D.
Governor

Sylvia Luke
Lt. Governor

James Kunane
Tokioka
DBEDT Director

Dane K. Wicker
DBEDT Deputy
Director

Members

Jonathan Shick
Chairperson
O'ahu

Sanford Morioka
Vice Chairperson
O'ahu

Nicolle Ige
2nd Vice Chair
Kaua'i

James (Kimo) Lee
Hawai'i

Leelen Park
Hawai'i

Cynthia Hobson
O'ahu

Dr. Jennifer Salisbury
Maui

Denver Coon
Maui

David Sikkink for
Director, DBEDT
Voting Ex Officio

MEMORANDUM

TO: Honorable Derek S.K. Kawakami
Mayor, County of Kaua'i

FROM: Jonathan Shick, Chair *Jonathan Shick*
Small Business Regulatory Review Board

DATE: July 21, 2026

SUBJECT: Proposed Amendments to the Pre-Public Hearing Small Business Impact Statement for Kauai County Charter, Article XVII – Rules and Regulations, Part 4, Fixing Rates for the Furnishing of Water Service in the County of Kauai, promulgated by County of Kauai, Department of Water – Before Public Hearing

The Small Business Regulatory Review Board (SBRRB) provides recommendations to State and County agencies on proposed rules and proposed rule amendments pursuant to Chapter 201M, Hawaii Revised Statutes.

Please be advised that at the July 16, 2026 SBRRB meeting, the members heard from Mr. Joseph Tait, Manager and Chief Engineer, and Mr. Jason Kagumoto, Chief of Engineering from the County of Kauai, Department of Water (KDOW), regarding the above-captioned HAR proposed changes before the public hearing.

Upon hearing Mr. Tait's and Mr. Kagumoto's comprehensive presentation, the SBRRB members agreed to pass the proposal on to public hearing with the recommendation to consider spreading the first two 25% increases across the 5-year period to reduce impact on small businesses.

As always, the SBRRB members thank you for keeping them apprised of the regulatory activity at the KDOW and for Mr. Tait's review of the proposed changes to the rules.

c: Joseph Tait, Manager and Chief Engineer, KDOW
Jason Kagumoto, Chief of Engineering, KDOW
Jonathan Shick, SBRRB Discussion Leader

**PROPOSED AMENDMENTS TO THE
DEPARTMENT OF WATER, COUNTY OF KAUAI RULES AND
REGULATIONS**

BE IT RESOLVED BY THE BOARD OF WATER SUPPLY OF THE COUNTY OF KAUAI,
STATE OF HAWAII:

SECTION 1. These Amendments are made pursuant to Sec. 17.03(D) of the Kauai County Charter, and Chapter 91 of the Hawaii Revised Statutes.

SECTION 2. Material to be repealed, if any, is bracketed and stricken. New material is underscored. In printing this rule amendment, the brackets and bracketed material need not be included.

PART 4 <u>FIXING RATES FOR THE FURNISHING OF WATER SERVICE IN THE</u> <u>COUNTY OF KAUAI</u>

SECTION I - GENERAL USE RATES

1. **Service Charge.** For each service there shall be a charge per month imposed based on the size of the meter, or its service capacity equivalence in the case of parallel meters, as follows:

Meter Size	[Effective January 1 2012	Effective July 1 2012	Effective July 1 2013	Effective July 1 2014
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]

Meter Size	<u>Effective</u> <u>1-Nov-26</u>	<u>Effective</u> <u>1-Jul-27</u>	<u>Effective</u> <u>1-Jul-28</u>	<u>Effective</u> <u>1-Jul-29</u>	<u>Effective</u> <u>1-Jul-30</u>
5/8"	<u>\$22.19</u>	<u>\$27.73</u>	<u>\$29.54</u>	<u>\$31.46</u>	<u>\$33.50</u>
3/4"	<u>30.94</u>	<u>38.67</u>	<u>41.19</u>	<u>43.86</u>	<u>46.71</u>
1"	<u>45.63</u>	<u>57.03</u>	<u>60.74</u>	<u>64.69</u>	<u>68.89</u>
1-1/2"	<u>81.88</u>	<u>102.34</u>	<u>109.00</u>	<u>116.08</u>	<u>123.63</u>
2"	<u>125.00</u>	<u>156.25</u>	<u>166.41</u>	<u>177.22</u>	<u>188.74</u>
3"	<u>226.25</u>	<u>282.81</u>	<u>301.20</u>	<u>320.77</u>	<u>341.62</u>
4"	<u>371.25</u>	<u>464.06</u>	<u>494.23</u>	<u>526.35</u>	<u>560.56</u>
6"	<u>733.75</u>	<u>917.19</u>	<u>976.80</u>	<u>1040.30</u>	<u>1107.92</u>
8"	<u>1167.50</u>	<u>1459.38</u>	<u>1554.23</u>	<u>1655.26</u>	<u>1762.85</u>

**PROPOSED AMENDMENTS TO THE
DEPARTMENT OF WATER, COUNTY OF KAUAI RULES AND
REGULATIONS**

Following the period of scheduled service charge increases:

An annual Consumer Price Index (CPI) adjustment shall be applied to each meter size starting July 1, 2031. This annual CPI adjustment percentage shall be determined based on the previous year's data and shall be taken from the U.S. Bureau of Labor Statistics (BLS), specifically the Urban Hawaii CPI all items index. The adjustment will utilize the 12-month percent changes for November of the previous year (for example, the July 1, 2031 CPI adjustment shall be based on November of 2030). The determined annual CPI adjustment percentage and the resulting revised rates shall also be published on the Department of Water's official website by June 1 of each year.

2. **Use Charge.** In addition thereto, there shall be a consumption charge imposed per 1,000 gallons as follows:

<u>Use</u>	<u>Effective</u>	<u>Effective</u>	<u>Effective</u>	<u>Effective</u>
<u>Rate</u>	<u>January 1</u>	<u>July 1</u>	<u>July 1</u>	<u>July 1</u>
<u>Block</u>	<u>2012</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
0 th Block	\$3.20	\$3.40	\$3.60	\$3.80
1 st Block	3.50	3.90	4.35	4.85
2 nd Block	4.25	4.50	5.05	5.65
3 rd Block	6.85	7.60	8.50	9.50
4 th Block	7.20	8.05	8.95	10.00]

<u>Use Rate Tier</u>	<u>Effective</u>	<u>Effective</u>	<u>Effective</u>	<u>Effective</u>	<u>Effective</u>
	<u>1-Nov-26</u>	<u>1-Jul-27</u>	<u>1-Jul-28</u>	<u>1-Jul-29</u>	<u>1-Jul-30</u>
<u>Tier 1</u>	<u>\$4.75</u>	<u>\$5.94</u>	<u>\$6.32</u>	<u>\$6.73</u>	<u>\$7.17</u>
<u>Tier 2</u>	<u>6.06</u>	<u>7.58</u>	<u>8.07</u>	<u>8.60</u>	<u>9.15</u>
<u>Tier 3</u>	<u>7.06</u>	<u>8.83</u>	<u>9.40</u>	<u>10.01</u>	<u>10.66</u>
<u>Tier 4</u>	<u>11.88</u>	<u>14.84</u>	<u>15.81</u>	<u>16.84</u>	<u>17.93</u>
<u>Tier 5</u>	<u>12.50</u>	<u>15.63</u>	<u>16.64</u>	<u>17.72</u>	<u>18.87</u>

Following the period of scheduled use charge increases:

An annual Consumer Price Index (CPI) adjustment shall be applied to each use rate tier starting July 1, 2031. This annual CPI adjustment percentage shall be determined based on the previous year's data and shall be taken from the U.S. Bureau of Labor Statistics (BLS), specifically the Urban Hawaii CPI all items index. The adjustment will utilize the 12-month percent changes for November of the previous year (for example, the July 1, 2031 CPI adjustment shall be based on November of 2030). The determined annual CPI adjustment percentage and the resulting revised rates shall also be published on the Department of Water's official website by June 1 of each year.

The [0th,] 1st, 2nd, 3rd, 4th and [4th block] 5th Tier consumption thresholds vary with the size of each meter, and shall be as follows in thousands of gallons per monthly billing:

[0 th	[1 st	[2 nd	[3 rd	[4 th
Rate	Rate	Rate	Rate	Rate

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Meter	Block Tier 1	Block Tier 2	Block Tier 3	Block Tier 4	Block Tier 5
Size	Minimum	From-To	From-To	From-To	Over
5/8"	1	1-7	7-14	14-18	18
3/4"	2	2-29	29-57	57-65	65
1"	3	3-68	68-137	137-175	175
1-1/2"	10	10-169	169-337	337-387	387
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

3. Wharfage Fee. Where applicable, the Department of Transportation's wharfage fee shall be charged in addition to the above use and service charges.

SECTION II - BULK RATES

Bulk rates for specified areas may be established by the Board providing the following conditions are met:

- The area consists of existing dwellings or business establishment with bulk rates built prior to September 11, 1992.
- The system has been offered to the Board but refused because of substandard or obsolete pipeline and fixtures.
- The lots or parcels are under diversified ownership and not under a single or limited number of owners (three (3) and less).
- There is a savings to the Board in maintenance and operating costs in contrast to accepting the system.
- All bulk rates shall be renegotiated biennially and may continue upon concurrence of both parties.

SECTION III - AGRICULTURAL RATES

1. ~~[Service Charge.]~~ **Service Charge**. For each agricultural service there shall be a charge per month imposed based on the size of the meter, or its service capacity equivalence in the case of parallel meters, as follows:

	[Effective	Effective	Effective	Effective
	January 1	July 1	July 1	July 1
<u>Meter Size</u>	<u>2012</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
5/8"	\$15.00	\$15.00	\$16.00	\$17.75

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3/4"	20.00	20.00	22.25	24.75
1"	30.00	30.00	32.75	36.50
1 1/2"	55.00	55.00	59.00	65.50
2"	90.00	90.00	90.00	100.00
3"	160.00	160.00	163.00	181.00
4"	260.00	260.00	267.00	297.00
6"	500.00	500.00	528.00	587.00
8"	800.00	800.00	840.00	934.00]

<u>Meter Size</u>	<u>Effective</u> <u>1-Nov-26</u>	<u>Effective</u> <u>1-Jul-27</u>	<u>Effective</u> <u>1-Jul-28</u>	<u>Effective</u> <u>1-Jul-29</u>	<u>Effective</u> <u>1-Jul-30</u>
5/8"	\$22.19	\$27.73	\$29.54	\$31.46	\$33.50
3/4"	30.94	38.67	41.19	43.86	46.71
1"	45.63	57.03	60.74	64.69	68.89
1-1/2"	81.88	102.34	109.00	116.08	123.63
2"	125.00	156.25	166.41	177.22	188.74
3"	226.25	282.81	301.20	320.77	341.62
4"	371.25	464.06	494.23	526.35	560.56
6"	733.75	917.19	976.80	1040.30	1107.92
8"	1167.50	1459.38	1554.23	1655.26	1762.85

Following the period of scheduled service charge increases:

An annual Consumer Price Index (CPI) adjustment shall be applied to each meter size starting July 1, 2031. This annual CPI adjustment percentage shall be determined based on the previous year's data and shall be taken from the U.S. Bureau of Labor Statistics (BLS), specifically the Urban Hawaii CPI all items index. The adjustment will utilize the 12-month percent changes for November of the previous year (for example, the July 1, 2031 CPI adjustment shall be based on November of 2030). The determined annual CPI adjustment percentage and the resulting revised rates shall also be published on the Department of Water's official website by June 1 of each year.

2. **Use Charge.** In addition to the agricultural service charge described in this Section III, for all water drawn, where such water is used for agriculture, stock raising, or dairy farming on a commercial basis, the following consumption charge shall be imposed for each 1,000 gallons used, as of the following effective dates:

<u>[Use</u>	<u>Effective</u>	<u>Effective</u>	<u>Effective</u>	<u>Effective</u>
<u>Rate</u>	<u>January 1</u>	<u>July 1</u>	<u>July 1</u>	<u>July 1</u>
<u>Block</u>	<u>2012</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>

1 st Block	\$1.75	\$1.90	\$2.05	\$2.20]
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<u>Use Rate Tier</u>	<u>Effective</u> <u>1-Nov-26</u>	<u>Effective</u> <u>1-Jul-27</u>	<u>Effective</u> <u>1-Jul-28</u>	<u>Effective</u> <u>1-Jul-29</u>	<u>Effective</u> <u>1-Jul-30</u>
Tier 1	\$2.75	\$3.44	\$3.66	\$3.90	\$4.15

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Following the period of scheduled use charge increases:

An annual Consumer Price Index (CPI) adjustment shall be applied to each use rate tier starting July 1, 2031. This annual CPI adjustment percentage shall be determined based on the previous year's data and shall be taken from the U.S. Bureau of Labor Statistics (BLS), specifically the Urban Hawaii CPI all items index. The adjustment will utilize the 12-month percent changes for November of the previous year (for example, the July 1, 2031 CPI adjustment shall be based on November of 2030). The determined annual CPI adjustment percentage and the resulting revised rates shall also be published on the Department of Water's official website by June 1 of each year.

3. In order to qualify for the charges and rates described in this Section III, the applicant shall file annually with the Department of Water a written application, shall furnish annually satisfactory proof, including State of Hawaii General Excise Tax License for the engagement of business in agriculture, stock raising or dairy farming on a commercial basis and shall have a DOW approved reduced pressure backflow preventer installed on the customers side of the meter with a current inspection certificate. The applicant for agricultural rates must agree to accepting service from the Department of Water on an interruptible basis; i.e., the Department retains the right to limit or restrict water flow for agricultural uses in the event of water shortage or in the event water service to domestic users is curtailed due to agricultural uses. The agricultural rates shall not apply to processing activities, such as canneries, mills, markets or other establishments engaged in the conversion, treatment or packaging of agricultural products.

SECTION IV - SHIPPING RATES

1. For each ship or vessel served, there shall be both an opening charge and a closing charge imposed as follows:
 - A. Opening and Closing Charges:
 1. Charges applicable during regular Water Department working hours: \$53.00
 2. Charges applicable during Saturdays, Sundays, State of Hawai'i holidays, and hours other than regular Water Department working hours: \$123.00
2. Additionally, for all water drawn by ships and vessels, there shall be a consumption charge imposed for each 1,000 gallons of water drawn, as follows:

Effective January 1, 2009:	\$3.70
Effective January 1, 2010:	\$4.00
3. Additionally, for all water drawn by ships and vessels, there shall be a State of Hawai'i Department of Transportation wharfage fee which is the current approved rate as per the Hawai'i Department of Transportation Approved Rate imposed for each 1,000 gallons of water drawn.

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SECTION V - PRIVATE FIRE SERVICE CHARGES

1. Types of Fire Lines: There are two types of fire lines, not located on road rights of way, that are considered private fire lines:
 - A. "Fire lines with Detector Check Assemblies" - Fire lines with detector check assemblies which are not to be used for anything other than firefighting without written permission from DOW.
 - B. "Fire lines with Full Flow Meters" - Fire lines with full flow meters allowed for dual use in order to provide normal consumption as well as fire flow. These dual use services are oversized, compared to normal service meters, in order to allow for higher than normal consumption. The oversized meter has two meters, a Full Flow Meter and a Small Meter, both of which do not accurately read low flow; the monthly service charge for the low flow offsets the inaccuracy of the meter.
2. Charges for Fire lines with Detector Check Assemblies
 - A. No Charge for Fire Consumption:

Fire lines with Detector Check Assemblies, which are used for the sole purpose of firefighting, will not be charged a consumption charge in the case of an actual fire, provided that the use for firefighting purposes is verified in writing, by the County Fire Chief, stating the time and date the firefighting started and ended.
 - B. Total Charges: Although water is not permitted to be used through Fire lines with Detector Check Assemblies for anything other than firefighting, there remains the possibility of leakage, testing, and other impermissible uses. Therefore, charges for Fire lines with Detector Check Assemblies shall equal the sum of all of the following:
 - i. Private Fire Service Inlet Line Charge, as determined in Part 4, Section V, paragraph 4 below; and
 - ii. Meter Reading Service Charge; and
 1. Meter Reading Service Charge is equal to the service charge correlated with the detector check assembly meter size as described and laid out in Part 4, Section I of DOW Rules and Regulations;
 2. The minimum use service charge imposed in Part 4, Section I of DOW Rules and Regulations shall not apply for the detector check assembly;
 3. Removal of the security tag shall result in a fine of \$2,000.
 - iii. Use Determination Charge.
 1. All consumption, including consumption for annual line testing and line leakage, will be billed for use through the: 1) Detector Check Assembly Meter; and 2) Unmetered Fire line
 - a. Unmetered Fire line:
 - i. Total unmetered fire line consumption shall be determined by taking the area ratio from the area of the detector check assembly meter cross-sectional area divided into the cross-sectional area of the inlet line, as listed in Part 4, Section V, paragraph 5 below, multiplied by the reading obtained from the detector check assembly meter.

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b. Detector Check Assembly Meter:

- i. The portion of the consumption obtained from the reading on the detector check assembly meter will be billed, according to Part 4, Section I, based on the detector check assembly meter reading from the first one thousand gallons used.
- ii. The difference of the consumption found from the Use Determination minus the detector check assembly meter reading will be billed at the ~~Block~~ Tier Rate in Part 4, Section I, for a meter equivalent to the size of the line serving the detector check assembly for all remaining consumption without any minimum use charge.

3. Charges for Fire lines with Full Flow Meters

A. Total Charges: Charges for Fire lines with Full Flow Meters shall equal the sum of all of the following:

- i. Private Fire Service Inlet Line Charge, as determined in Part 4, Section V, paragraph 4 below; and
- ii. Full Flow Meter Charge; and
 1. Full Flow Meter Charge shall equal the service charge imposed in Part 4, Section I and shall be based on the full flow meter size.
 2. Any consumption, including consumption for the annual line testing, line leakage, or fire use, measured on the meter, will be billed at the general use rate for water as listed in Part 4, Section 1 of these rules.
 3. Removal of the security tag shall result in a fine of \$2,000.00.
- iii. Small Meter Charge.
 1. The Small Meter Charge shall equal the ~~block~~ tier rate charge for the respective meter size, as laid out in Part 4, Section 1 of these rules.

4. Private Fire Service Inlet Line Charge: For the two types of private fire service connection allowed for the purpose of automatic fire sprinklers or other private fire protection, there shall be a Private Fire Service Inlet Charge, per month, based on the diameter of the inlet line connection as follows:

PRIVATE FIRE SERVICE INLET CHARGE

Inlet Line Diameter	Effective January 1 2012	Effective July 1 2012	Effective July 1 2013	Effective July 1 2014
2"	\$20.50	\$22.75	\$25.25	\$28.25
3"	35.50	39.50	44.00	49.00
4"	58.00	64.50	71.75	80.00
6"	121.00	134.50	149.50	166.00
8"	206.00	229.00	255.00	283.00

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5. Area Ratio Table

Line Diameter	5/8 meter to line size dia ratio	3/4 meter to line size dia ratio	1" meter to line size dia ratio	1 1/2" meter to line size dia ratio	2" meter to line size dia ratio	3" meter to line size dia ratio	4" meter to line size dia ratio
2.000	10.24	7.1	4.0	1.8			
3.000	23.04	16.0	9.0	4.0	2.3		
4.000	40.96	28.4	16.0	7.1	4.0	1.8	
6.000	92.16	64.0	36.0	16.0	9.0	4.0	2.25
8.000	163.84	113.8	64.0	28.4	16.0	7.1	4

SECTION VI - PUBLIC FIRE SERVICE CHARGES

For each fire hydrant or standpipe connected to operating pipelines of the Department of Water, there shall be a charge imposed against the County of Kauai as follows:

Type and Size	Effective January 1 2012	Effective July 1 2012	Effective July 1 2013	Effective July 1 2014
2-1/2" Standpipe	\$7.75	\$8.75	\$9.75	\$10.75
4" Hydrant	16.50	18.50	20.50	23.00
6" Hydrant	48.50	54.00	60.00	67.00

SECTION VII - OTHER CHARGES

1. **Restoration of Water Service.** If a consumer's water service is turned off for failure to pay a bill, for violation of any of the provisions of these rules and regulations, or for other reasons, all outstanding accounts against said consumer plus the charge for reopening, reinstallation or reconnection must be paid before water service be restored. Said charges shall be as established by the Department.
2. **Fire Hydrant and Other Temporary Meters.** In addition to regular meter service charge and water consumption charge, there shall be installation, removal, testing and user charges for all Fire Hydrant and other temporary meters as established by the Department.
3. **Pass Through of Private Charges.**
 - a) As used in this Paragraph 3:

"Private charge" or "private charges" means charges, fees, assessments, exactions, and all other moneys a private water company may require the Department to pay to permit the Department to purchase water from the company. The terms include

**PROPOSED AMENDMENTS TO THE
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contribution-in-aid-of-construction charges that a company may assess against the Department.

“Private water company” or “company” means any department or agency of the federal government or the State of Hawaii, any private person, trust, association, corporation, partnership, or business, and any water utility regulated by the Hawaii Public Utilities Commission.

(b) Whenever the Department purchases water from a private water company for end use by any of the Department’s consumers or prospective consumers and the company imposes private charges in excess of any similar charge or fee imposed under the Department’s administrative rules, the Department shall require a consumer or prospective consumer to pay, in addition to the Department’s charge or fee, the difference between the charge or fee imposed under the Department’s rules and the similar private charge imposed by the company. If the private charge imposed is less than the similar charge or fee imposed under the Department’s administrative rules, the consumer or prospective consumer shall not be entitled to the difference between the private charge imposed and the similar charge or fee imposed under the Department’s rules.

Whenever the Department purchases water from a private water company for end use by any of the Department’s consumers or prospective consumers and the company imposes private charges that are dissimilar to any charge or fee imposed under the Department’s administrative rules, the Department shall require a consumer or prospective consumer to pay an amount equal to the dissimilar private charge imposed by the company.”

SECTION VIII - TEMPORARY GRANTS OF WATER

1. **Purpose.** The purpose of this section is to establish standards for temporary grants of water to support the initial development of county or state public beautification projects or the initial or further development of county or state public parks and public ways.
2. **Temporary Grants of Water.** The Board of Water Supply may, in its discretion, authorize temporary grants of water to support the initial development of county or state public beautification projects or the initial or further development of county or state public parks and public ways.

Any county or state department, office, or agency wishing to receive such temporary grants of water shall apply to the Board of Water Supply for such temporary grants. The application shall explain or describe in detail the contemplated project, why a temporary grant of water from the Department is necessary, what other efforts the applicant has made to obtain water from other sources, for what specific purposes the water will be used, and how the water provided will yield public benefits. The applicant shall also certify that there were no other available sources which can be used to support the project in question.

For each application, the Board shall determine and establish a maximum time limit that water may be provided to an applicant and a quantity limit on the amount of water that may be drawn.

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The Board and the Manager and Chief Engineer may prescribe conditions under which water may be drawn so that the provision of water to the applicant does not adversely affect the Department's ability to provide water to its other users.

SECTION IX - COST OF POWER ADJUSTMENT CLAUSE

All water consumption (for general use, agriculture use and ships) shall be subject to the imposition of a Cost of Power Adjustment as part of all water consumption charges.

The Department will review the actual unit costs of power for each twelve-month period ending March 31st as part of the Department's annual budget review process. The power cost adjustment for the upcoming fiscal year will be calculated as the sum of the following two components:

- 1) the difference (plus or minus) between budgeted unit power costs for the upcoming fiscal year and the projected unit power costs, and
- 2) the difference (plus or minus) between the actual unit power costs incurred during the twelve-month period ending March 31st as previously described and the projected unit power costs.

The sum of these two components, calculated on a dollar[s] per thousand gallons basis, will be applied to all water consumption.

Any power cost adjustments will be implemented on July 1st of each year.

SECTION X – LATE CHARGES

A late payment charge may be applied to any delinquent balance payable to the Department. The late payment charge shall be assessed at the rate of half a percent (0.5%) for each month or fraction thereof against the delinquent balance, beginning 30 days after the date of the bill.

For the purposes of this section, 'delinquent balance' includes any loan, fee, charge, or other liquidated sum which is 30 days past due to the Department, regardless of whether there is an outstanding judgment for that sum, and whether the sum has accrued through contract, subrogation, tort, operation of law, or administrative order.

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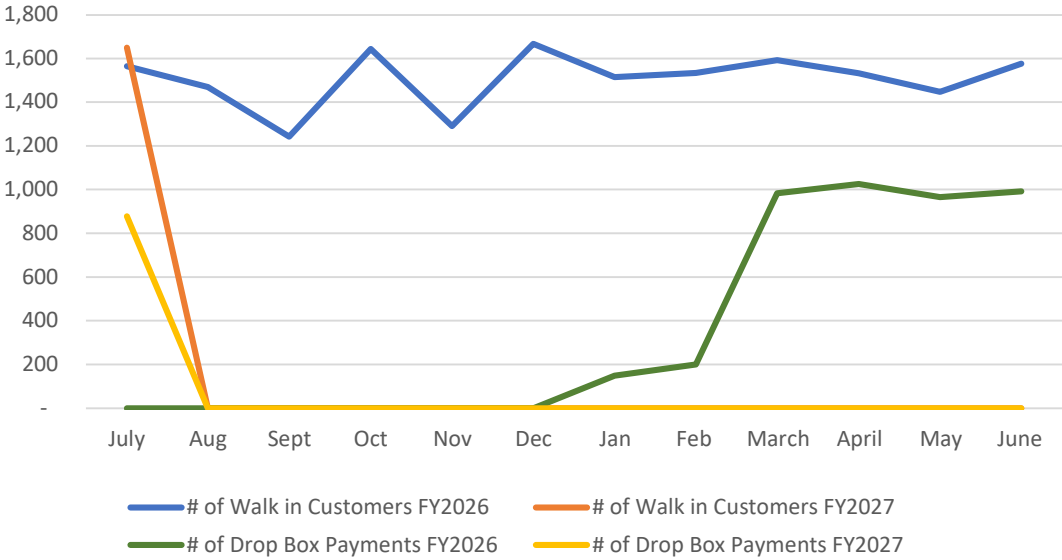
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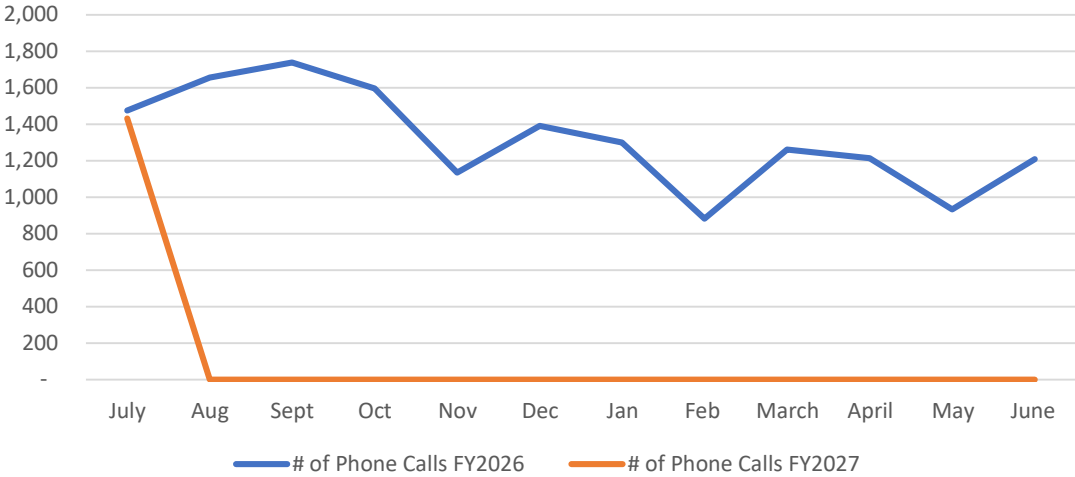


FISCAL DIVISION DASHBOARD

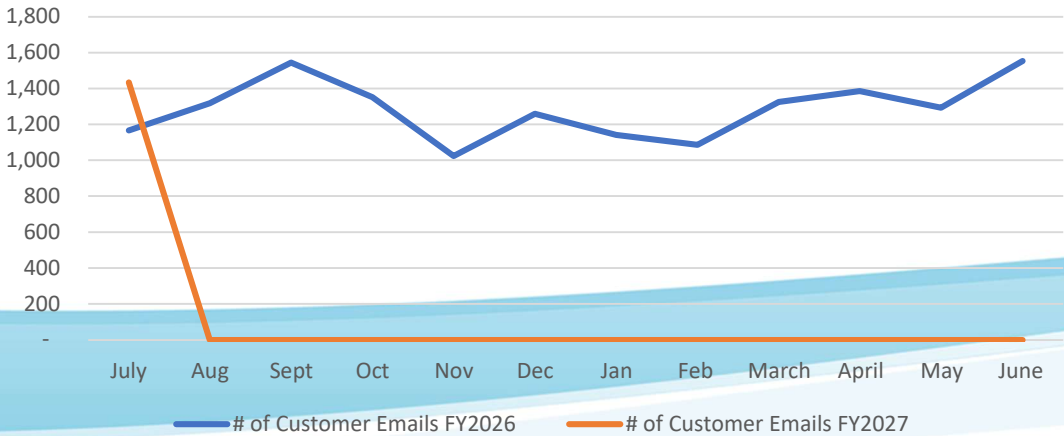
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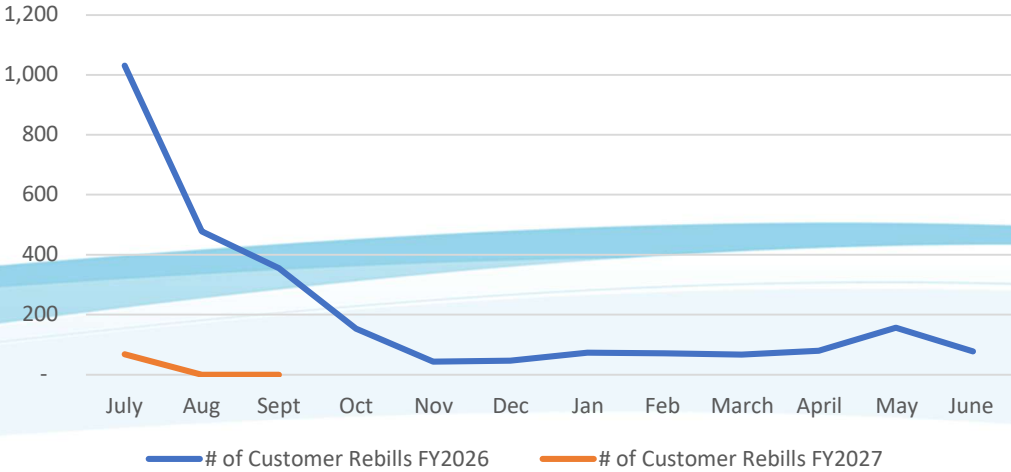
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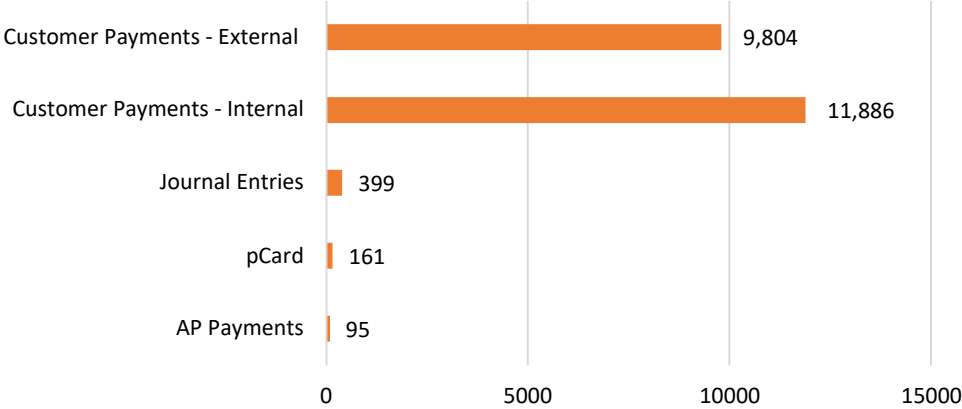
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FISCAL DIVISION DASHBOARD

Accounting Highlights

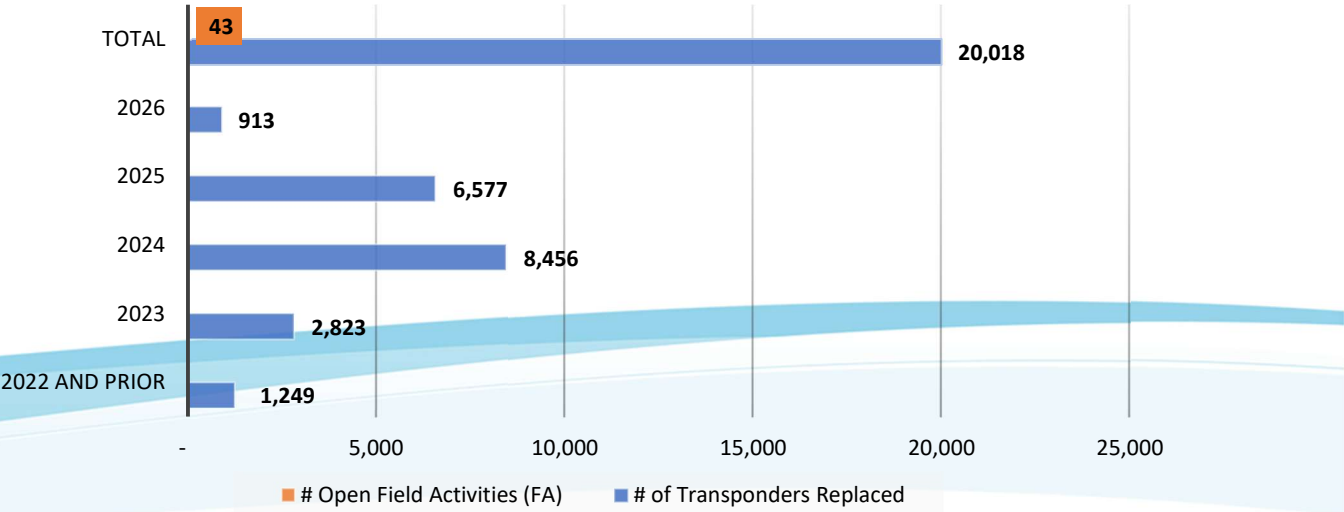


Monthly Transactional Volume processed and reconciled by the Accounting Team.

Transponder Replacement Highlights:

- 47 Transponders Replaced in July 2026.
- 87% Replaced to date.
- <1>% Failed; awaiting replacement.
- 13% Active; expected to fail soon.

Transponder Replacement Progress (Calendar Year)



Department Of Water Budget Report for July, 2026

	July 2026			Fiscal Year 2027			
	Budget	Actual	Variance	Year to Date Budget	Year to Date Actual	Variance	Variance %
Operating Revenue	\$ 3,270,039.00	\$ 2,868,969.24	\$ (401,069.76)	\$ 3,270,039.00	\$ 2,868,969.24	\$ (401,069.76)	(12.3.%)
Expenses							
Labor *	\$ 1,381,526.00	\$ 1,203,146.44	\$ 178,379.56	\$ 1,381,526.00	\$ 1,203,146.44	\$ 178,379.56	12.9.%
Services	1,411,513.00	9,783.93	1,401,729.07	1,411,513.00	9,783.93	1,401,729.07	99.3.%
Utilities & Materials	770,524.00	96,333.35	674,190.65	770,524.00	96,333.35	674,190.65	87.5.%
Total Operating Expenses	\$ 3,563,563.00	\$ 1,309,263.72	\$ 2,254,299.28	\$ 3,563,563.00	\$ 1,309,263.72	\$ 2,254,299.28	63.3.%
Debt Service Principal & Interest	4,261,268.00	\$ 497,727.51	\$ 3,763,540.49	4,261,268.00	497,727.51	3,763,540.49	88.3.%
Operating and Debt Expenses	\$ 7,824,831.00	\$ 1,806,991.23	\$ 6,017,839.77	\$ 7,824,831.00	\$ 1,806,991.23	\$ 6,017,839.77	76.9.%
Net Income (Loss)	\$ (4,554,792.00)	\$ 1,061,978.01	\$ 5,616,770.01	\$ (4,554,792.00)	\$ 1,061,978.01	\$ 5,616,770.01	123.3.%

* Current month's labor is estimated

Capital Projects and Purchases**

	Fiscal Year Budget	July FYD 2027 Actual	Remaining Budget
Water Utility Funded Projects			
WU-IT-RandR Capital Purchases--	\$ 208,594.85	\$ -	\$ 208,594.85
WU-IT-Expansion Capital Purchases--	485,000.00	-	485,000.00
WU-Reg Comp-Admin-RandR Capital Purchases	12,200.00	-	12,200.00
WU-Eng 11-04 LO-10 Lawai 6n8inch Main Replacement	85.76	-	85.76
WU-Eng WK-08, Kapaa Homesteads 2-0.5MG Tanks	2,426,806.16	-	2,426,806.16
WU-Eng-10%R-Kilauea 1.0 MG Tank Job 02-06	1,092,000.00	-	1,092,000.00
WU -23-05 Weke, Anae, Mahimahi Hee 6-8 inch mains	2,363,311.70	-	2,363,311.70
WU-Eng-23-08 Hanapepe Town Well MCC	212,746.08	-	212,746.08
WU-Eng-Job 18-3 -Kuhio Hwy Hardy-Oxford 16IN Main	4,751,560.72	-	4,751,560.72
WU-Eng Phase I-Demo Admin Bldg/MoveConduit/ATS Lab	238,730.80	-	238,730.80
WU-Eng-56%R-Job 23-03 Kuhio Hwy Papaloa to Waikaea	45,147.00	-	45,147.00
WU-Eng-16-4-WKK-03-Kilauea Wells MCC Rehab	439,603.29	-	439,603.29
WU-23-02 WK-34, Kuamoo Rd 8" Main Replace (6,500')	99,063.00	-	99,063.00
WU-Eng-WK-08-Kapaa Homesteads 2-0.5MG Tanks	1,000,000.00	-	1,000,000.00
WU-Eng-WK-39 Kapaa Homesteads Well #4 Pump&Control	2,483,000.00	-	2,483,000.00
WU-Eng-Security Fencing Admin Bldg	92,248.11	-	92,248.11
WU-Eng-Expansion Capital Purchases	3,867.01	-	3,867.01
WU-Cns-44%R-09-01 Yamada Tank Clearwell, Conn Pipe	1,066,518.37	-	1,066,518.37
Job 16-02 PLH-35B Kapaia Cane Haul Rd 18" Main	2,990,220.00	-	2,990,220.00
Job 02-14 WK39 WK08 Kapaa Hmstd Well 4; Pkg A Well	163,241.24	-	163,241.24
WU-Ops-RandR Capital Purchases	2,287,558.38	-	2,287,558.38
WU-Ops-Expansion Capital Purchases	1,903,276.00	-	1,903,276.00
	\$ 24,364,778.47	\$ -	\$ 24,364,778.47

FRC Funded Projects			
FRC-Eng-ALLE--H-08 Hanalei Well 2	\$	130,000.00	\$ - \$ 130,000.00
FRC-Eng WK-08, Kapaa Homesteads 2-0.5MG Tanks		3,000,000.00	- 3,000,000.00
FRC-Eng-ALLE-12-02 WK-23 UH Expmntal Storage Tank		119,765.00	- 119,765.00
FRC Eng 04-08 WK-39 Drill Kapaa Homestead Well 4		42,082.88	- 42,082.88
FRC-Eng-90%E-Kilauea 1.0MG Tank Job 02-06		7,212.24	- 7,212.24
FRC-Eng-ALLE-Wainiha Well #4		200,000.00	- 200,000.00
	\$	3,499,060.12	\$ - \$ 3,499,060.12

Build America Bonds Funded Projects			
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		3,193.00	- 3,193.00
Eng-98%E-02-01 Land for Kukuilono Tank Site		51,189.00	- 51,189.00
Cons-Exp-Kapaia Cane Haul Road		1,045,975.00	- 1,045,975.00
	\$	9,300,357.00	\$ - \$ 9,300,357.00

State Allotment Funded Projects			
WK-08-Kapaa Homesteads 2-0.5MG Tanks	\$	6,426,952.00	\$ - \$ 6,426,952.00
16-04, MCC Chlorination Facilities Kilauea Wells 1 & 2		2,470,311.00	- 2,470,311.00
WK-39, Kapaa Homesteads Well No. 4 Pump and Controls		5,000,000.00	- 5,000,000.00
PLH-27 Kūhiō Highway (Hardy-Oxford) 16' Main Replacement		1,081,867.02	1,081,867.02 -
	\$	14,979,130.02	\$ 1,081,867.02 \$ 13,897,263.00

State Revolving Funded Projects			
SRF-Eng Job 02-06 Kilauea 1.0 MG Tank (Puu Pane)	\$	7,751,854.00	\$ - \$ 7,751,854.00
Yamada Tank Conn Pipe		5,200,000.00	- 5,200,000.00
	\$	12,951,854.00	\$ - \$ 12,951,854.00

Total Capital Projects	\$	65,095,179.61	\$ 1,081,867.02 \$ 64,013,312.59
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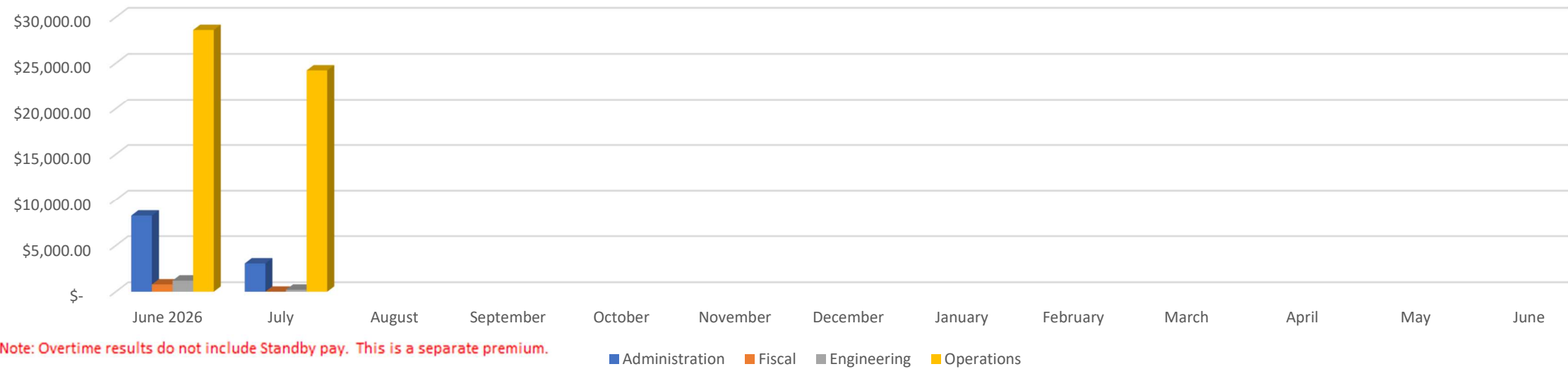
Selected Divisions	July 2026		
	Budget	Actual	Variance
	\$ 470,502.00	\$ 147,384.28	\$ 323,117.72
	207,967.00	183,752.26	24,214.74
	1,355,674.00	701,920.81	653,753.19
	\$ 2,034,143.00	\$ 1,033,057.35	\$ 1,001,085.65

Fiscal Year 2027			
Year to Date Budget	Year to Date Actual	Variance	Variance %
\$ 470,502.00	\$ 147,384.28	\$ 323,117.72	68.7.%
207,967.00	183,752.26	24,214.74	11.6.%
1,355,674.00	701,920.81	653,753.19	48.2.%
\$ 2,034,143.00	\$ 1,033,057.35	\$ 1,001,085.65	49.2.%

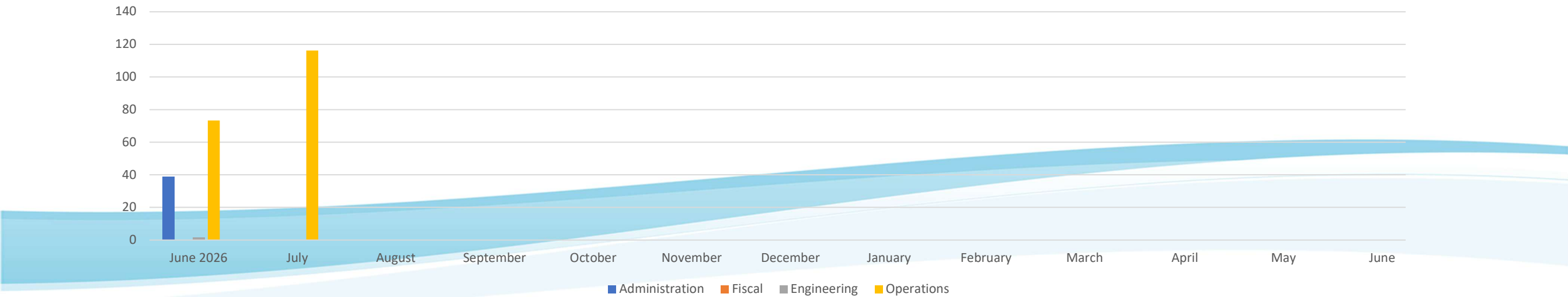


OVERTIME, COMP TIME DASHBOARD

Department-wide Overtime



Department-wide Comp Time (Banked)



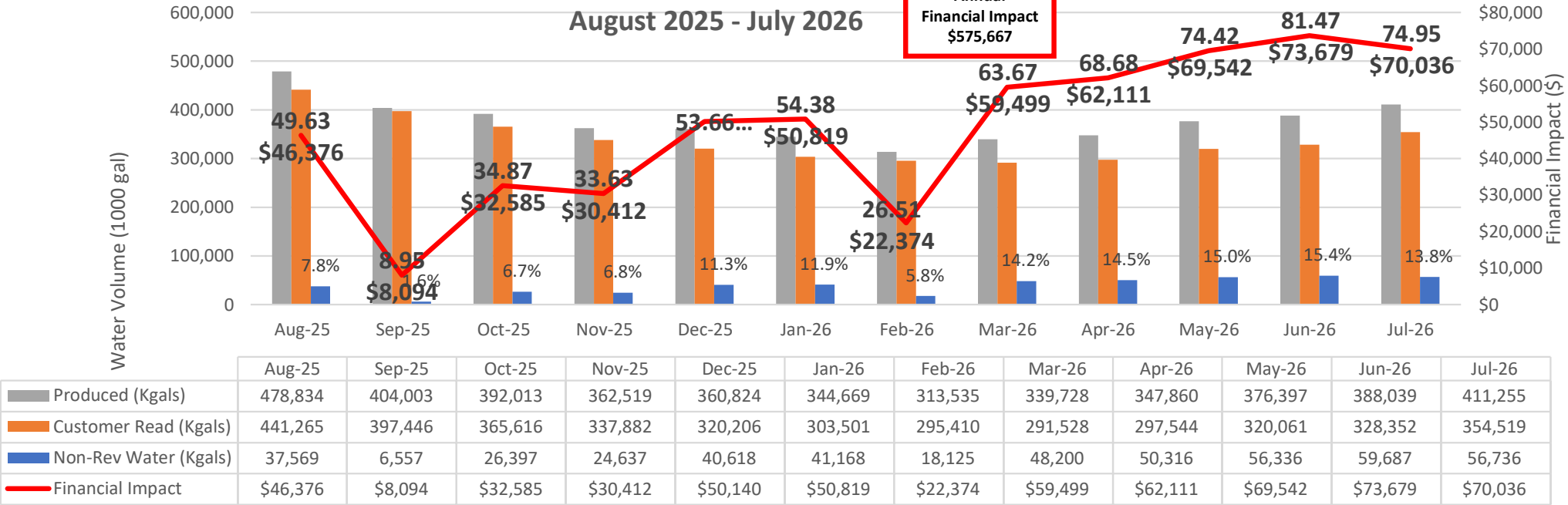


- Ops Highlights:
- 1. Assistant Chief, Pipefitter Helper, Water Meter Mechanic Helper, and Maintenance Worker II hired. Water Plants Supervisor interviews scheduled.
 - 2. Completed the annual inventory count.
 - 3. Training conducted was for Confined Space, multi versus single strand fiber, and Leadership Kauai.

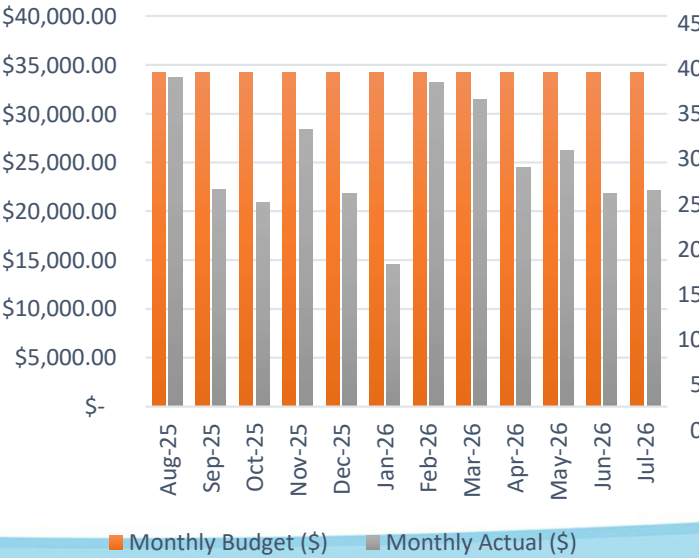
OPERATIONS DASHBOARD

Monthly Water Audit
August 2025 - July 2026

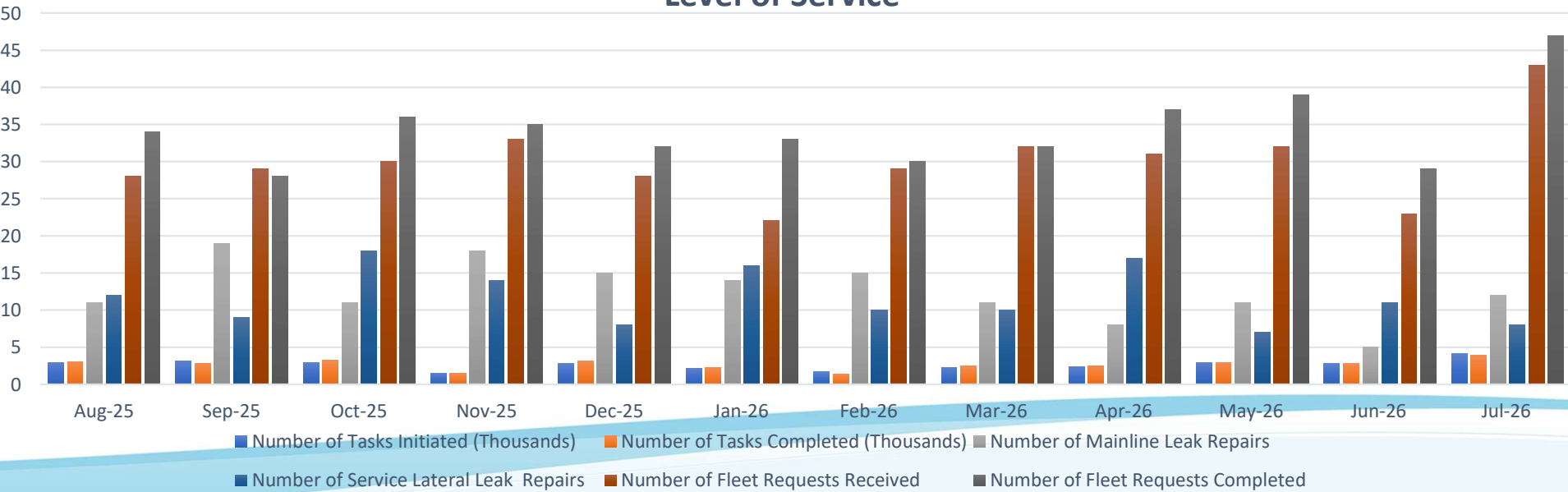
Annual
Financial Impact
\$575,667



Overtime



Level of Service



OPERATIONS

	Last Month		Current Month		Previous FY		Current FY	
					Year to Date		Year to Date	
STAFFING								
Budgeted Staff Vacancies	50	10	53	7	46	13	53	7
OVERTIME								
Budget (\$) Actual (\$)	\$34,166.67	\$21,841.00	\$34,166.67	\$22,134.72	\$34,166.67	\$35,330.54	\$34,166.67	\$22,134.72
FLEET MANAGEMENT								
# of Fleet Requests Received	23		43		28		43	
# of Fleet Requests Completed	29		47		32		47	
METER PROGRAM								
# of Existing Meters Replaced	3		2		1		2	
# of Existing Meters Repaired	62		79		416		79	
# of New Meters Installed	13		8		19		8	
# of New Laterals Installed	0		0		0		0	

OPERATIONS



LEVEL OF SERVICE

	Last	Current	Previous	Current
	Month	Month	FY YTD	FY YTD
# of Tasks Initiated (Thousands)	2.834	4.199	2.596	4.199
# of Tasks Completed (Thousands)	2.809	3.993	2.518	3.993
# of Mainline Leak Repairs	5	12	17	12
# of Service Lateral Leak Repairs	11	8	14	8
# of Calls for Service	182	205	169	205
# of Temporary Hydrant Meters Installed	2	3	1	3
# One Call Request Received Completed	71 65	101 94	81 75	101 94
# of Hydrant Hits	2	3	2	3

WATER AUDIT

	Last	Current Month	Previous	Current
	Month		FY YTD	FY YTD
Water Produced (Million Gallons)	388.039	411.255	432.800	411.255
Customer Meter Reading (Million Gallons)	328.352	354.519	375.469	354.519
Non-Revenue Water (Million Gallons)	59.687	56.736	57.331	56.736
Non-revenue %	15%	14%	13%	14%
Financial Impact	\$73,678.83	\$70,036.05	\$70,770.53	\$70,036.05



ENGINEERING DASHBOARD

	Last Month		Current Month		Previous FY Year to Date	
STAFFING						
Budgeted Staff Vacancies	21	3	21	4	25	5

	Last Month		Current Month	
PROJECT MANAGEMENT				
DOW Projects In Design In Construction	6	10	6	10
Private Projects Design Approved In Construction	7	162	10	163
Private Projects Construction Completed	3		4	

CIP Project Highlights:

- Kapaa Homesteads 325' Tanks – Two 0.5 MG Tanks
 - Constructing water lines
 - Working on trial shaft for foundation
- Pu'u Pane 1.0 MG Tank
 - Issued NTP 7/13/26
 - Funding construction and CM via a DWSRF Loan
 - Starting submittals and RFIs
- Kalāheo Water System Improvements
 - Working on change order proposal to upgrade booster pumps at 908' Tank site and Yamada Tank site
- Weke, Anae, Mahimahi and Hee Roads 6" and 8" Main Replacement
 - Most of water line on Weke Road installed
- Lawai 6" and 8" Main Replacement
 - Amending contract to continue design documents
- Kapaa Homesteads Well No. 4 Pump and Controls
 - Reviewing preliminary design plans

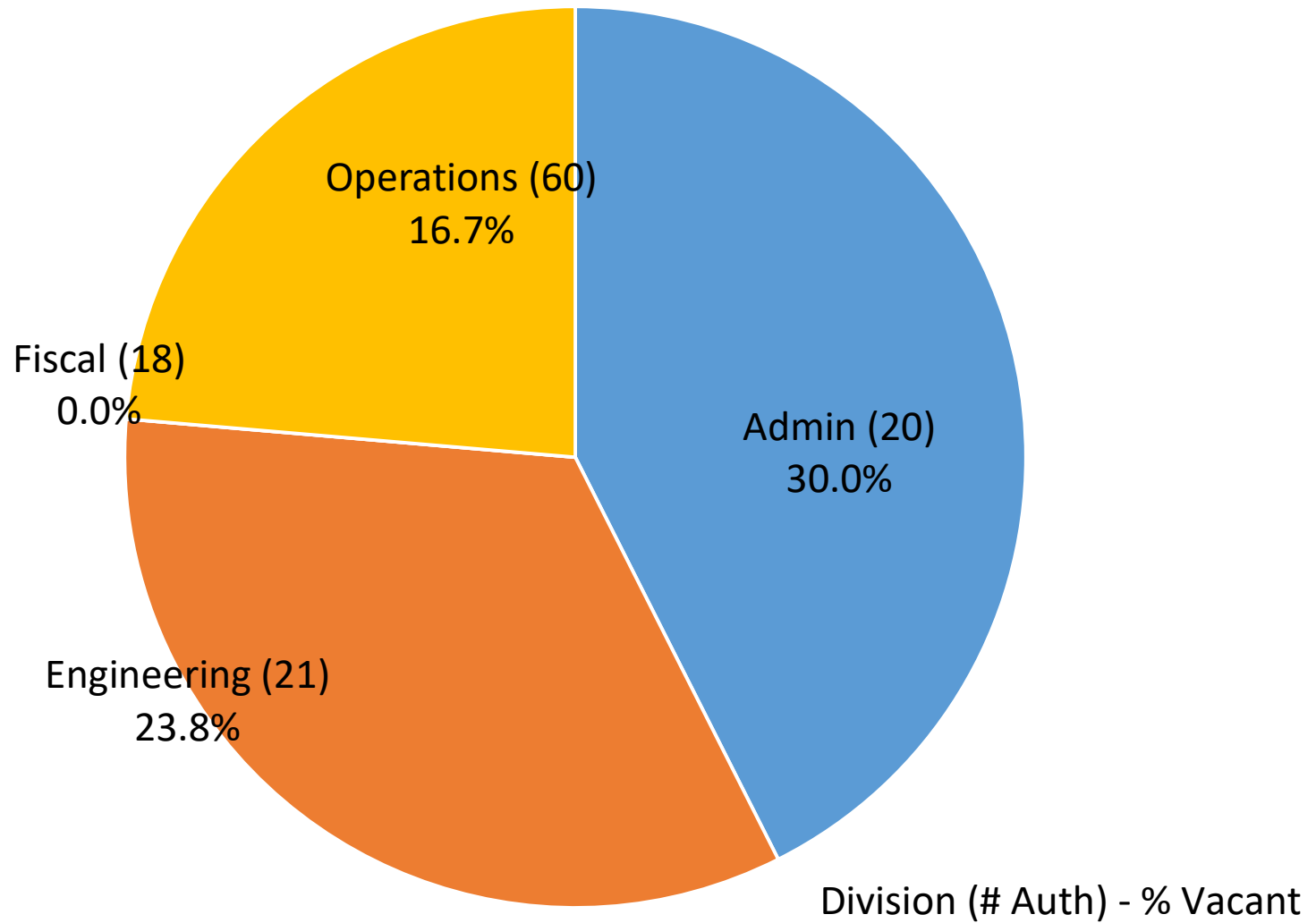
ENGINEERING DASHBOARD

	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	10	15	3	5	12	3	3	5
ADU/ARU Clearance Applications	25	27	9	10	6	7	9	10
Building Permits	86	116	94	109	100	105	94	109
Water Service Requests	17	36	17	30	22	30	17	30
Government Records Request	6	4	4	2	2	5	4	2
Backflow Inspection # of Devices Tested	125		120		98		120	

DOW Project Highlights:

- Water Systems Investment Plan (WSIP)
 - Across the Board Rate Increase
 - Completed public meetings
 - Completed meetings with community and business organizations
 - Completed Pre-Public Hearing Meeting with SBRRB
 - Public hearing, 9/1
 - Tentative Post-Public Hearing Meeting with SBRRB, 9/17
 - Rate Design and Cost of Service
 - Work ongoing
- Kaua'i Water Use and Development Plan (KWUDP)
 - Finalizing developing a general inventory of traditional and customary practices
 - Working on draft implementation plan

% Vacancy Within Each Division Level



Board Meeting Agenda

Information Technology Infrastructure and Cybersecurity Update

Date: 07/21/2026

Presenter: Brit Yates IT Supervisor

1. Telecommunications Infrastructure Update

- Moved to new building – old building cleared for removal

2. Enterprise Resource Planning (ERP) Initiative

- Awarded to Oracle and Contract is Under legal review

3. Information Technology Service Management (ITSM) Platform – KACE

- Deployment underway – first reports next month

4. Cybersecurity Monitoring and Vulnerability Management – Rapid7

- Deployment underway - first reports next month

5. Data Protection and Disaster Recovery – Veeam

- Deployment underway - first reports next month

6. Email Security and Backup – Barracuda

- Deployment underway - first reports next month

7. Network Infrastructure Modernization

- Spectrum

8. Telecommunications System Upgrade

- Spectrum

9. Firewall and Network Security Enhancement

- Spectrum

10. Physical Security Systems Upgrade

- Awaiting Final Bids

11. Identity and Access Management Strategy

- Awaiting Final Bids

12. Active Directory and Server Infrastructure Refresh

- Awaiting Estimates

DEPARTMENT OF WATER

County of Kauaʻi

*“Water has no substitute – Conserve It!”*MANAGER’S UPDATE

July 30, 2026

Pursuant to Board Policy No. 3

1. CHANGE ORDER NO. 6 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. 6 for Contract No. 753 with Hawaii Drilling & Pump Services, LLC, for replacement of the motor, pump, and check valve.

FUNDING:

Account No.	10-40-50-560-000		
Acct Description	WU/Ops/PandP/Repairs and Maintenance – Water System		
Funds Available	<i>Verified by WWC</i>		<\$164,385.00>
Contract No.	753		
Vendor	Hawaii Drilling & Pump Services, LLC		
	Contract Amount	\$245,000.00	
	5% Contingency	\$11,640.00	<\$11,640.00>
	CO1 (06/20/24)	\$610.00	
	CO2 (01/23/25)	\$0.00	
	CO3 (07/17/25)	\$0.00	
	CO4 (09/18/25)	\$0.00	
	CO5 (03/19/26)	\$0.00	
	Funds Certified To Date	\$257,250.00	
Change Order:			
CO6 (new pump, motor, and check valve)		\$176,025.00	
	Total Change Order	\$176,025.00	\$176,025.00
Total Contract Amount:		\$421,635.00	
Total Certified Amount:		\$421,635.00	

BACKGROUND:

Contract NTP Date: February 26, 2024
Original Contract End Date: November 22, 2024
New Contract End Date: February 26, 2027

Following removal and diagnosis of the pump and motor; the motor, pump, check valve, and cable require replacement. The pump has severe corrosion on the housing and frame. The check valve requires replacement for proper operation with new pump and motor.

**2. CHANGE ORDER NO. 3(REVISED) TO CONTRACT NO. 782 WITH ALPHA, INC.
JOB NO. 18-03, WP2020 # PLH-27, KUHIO HIGHWAY (HARDY-OXFORD) 18”
MAIN REPLACEMENT**

RECOMMENDATION:

It is recommended that the Manager approve Change Order No. 3 for Contract No. 782 with Alpha, Inc.

FUNDING:

FROM:		
Account No.	10-20-00-604-136	
Acct Description	WU/Eng/Admin/Capital Outlay – R&R (H-05 Weke, Anae, Mahimahi and He’e Roads 6” and 8” Main Replacement)	
Funds Available	<i>Verified by WWC</i>	<\$72,122.31>
TO:		
Account No.	10-20-00-604-148	
Acct Description	WU/Eng/Admin/Capital Outlay – R&R (PLH-27 Kuhio Highway (Hardy-Oxford) 18” Main Replacement)	+\$72,122.31
Contract No.	782	
Vendor	Alpha, Inc.	
	Original Contract Amount (WU)	\$2,513,270.50
	(SAF)	\$2,500,000.00
		\$5,013,270.50
	CO1 (02/19/26) (WU)	\$1,864,740.00
	CO2 (05/21/26) (SAF)	\$1,500,000.00
	CO2 (05/21/26) (WU)	\$2,040.00
	Total Contract	\$8,380,050.50
Change Order No. 3R:		
FH Relocation, Sewer Conflict, Existing Utility Conflict		\$72,122.31
	Total CO3R	\$72,122.31
Contract Amount To Date		\$8,452,172.81
	Total WU Funds Certified	\$4,452,172.81
	Total SAF	\$4,000,000.00

BACKGROUND:

Contract NTP Date: September 8, 2025
Original Contract End Date: October 12, 2026
New Contract End Date: November 16, 2026

Alpha Inc, determined that the new FH on Poinciana Street needed to be relocated due to an existing utility conflict. The FH was relocated to Sta. 11+43 on Poinciana Street. During the installation of the New 18” Watermain along Poinciana Street, Alpha ran into a sanitary sewer conflict. A redesign of the new 18” watermain was required. During the installation of the relocated new FH on Poinciana Street, Alpha Inc. came across an existing utility jacket which required them to perform hand excavation to install the FH lateral

**3. NASPO VL CONTRACT NO. 17-18, CPA2024-01, CONTRACT CHANGE ORDER NO. 4 WITH CARAHSOFT TECHNOLOGY CORPORATION.
SUBSCRIPTION RENEWAL AND ADDITION OF 811 AND FUELMASTER INTEGRATIONS TO OPENGOV ENTERPRISE ASSET MANAGEMENT SOLUTION**

RECOMMENDATION:

It is recommended that the Manager approve Change Order No. 4 to authorize subscription renewal and 811 and FuelMaster integrations for OpenGov Enterprise Asset Management (EAM) Solution.

FUNDING:

FROM			
Account No.	10-02-10-540-010		
Acct Description	WU/IT/Admin/Professional Services/As Needed Technical Support		<\$80,000.00>
TO			
Account No.	10-02-10-550-000		
Acct Description	WU/IT/Admin/Subscription Based IT Arrangement (SBITA)		
Funds Available	Verified by WWC		+\$80,000.00
Contract No.	CPA2024-01		
Vendor	Carahsoft Technology Corporation		
	Contract Amount (Year 1 of 3)	\$69,751.56	
	Year 2 of 3 (11/21/24)	\$32,119.22	
	Change Order 1 (03/21/24)	\$9,040.00	
	Change Order 2 (11/21/24)	\$4,905.55	
	Year 3 of 3 and CO3-Continued Asset Management Services for 1 year (08/21/25)	\$41,083.53	
	Total Contract	\$156,899.86	
Change Order No. 4			
1-yr Subscription Renewal (Year 4) & 811 and FuelMaster Integrations		\$	
	Total CO4	\$79,907.61	<\$79,907.61>
Contract Amount To Date		\$236,807.47	
Funds Certified To Date		\$236,807.47	

BACKGROUND:

Contract NTP Date: September 7, 2023
Original Contract End Date: August 31, 2024
New Contract End Date: August 31, 2027

The Department requires subscription renewal for the OpenGov EAM services. The successful implementation and utilization enabled users to become more familiar so that the next phase can be implemented. Integration of 811 and FuelMaster services with EAM will allow for streamlined work flow processes and tracking of vehicle mileage, maintenance, and error codes.

CONVEYANCE OF WATER FACILITIES \$55,557.74

<u>APPLICANT</u>	<u>TMK #</u>	<u>LOCATION</u>
5/8" Meter, Water Service Installation For Twin Lakes Unit 4	4-3-003:004 Unit 4	Kapaa

DEPARTMENT OF WATER

County of Kauaʻi

*“Water has no substitute – Conserve It!”*MANAGER’S UPDATE

August 20, 2026

Pursuant to Board Policy No. 3

**1. 5TH AND FINAL YEAR AUDIT FOR CONTRACT NO. 724 WITH N&K CPAs, INC.
ANNUAL AUDIT FOR FISCAL YEARS ENDING JUNE 30, 2022, JUNE 30, 2023, JUNE
30, 2024, JUNE 30, 2025, AND JUNE 30, 2026**

RECOMMENDATION:

It is recommended that the Manager approve the 5th and Final Year Audit for Contract No. 724 with N&K CPAs, Inc. to conduct the financial audits of the Department of Water’s Financial Statements for its 5th Fiscal Year FY ending June 30, 2026.

FUNDING:

Account No.	10-31-10-540-020		
Acct Description	WU/Acctg/Admin/Accounting and Auditing (Auditor)		
Funds Available	<i>Verified by WWC</i>		\$102,200.00
Contract No.	724		
Vendor	N&K CPAs, Inc.		
	Contract Amount (FY 2022)	\$107,800.00	
	5% Contingency	\$N/A	
	2 nd Year Audit	\$95,900.00	
	3 rd Year Audit	\$98,000.00	
	4 th Year Audit	\$100,100.00	
	Total Funds	\$401,800.00	
5 th Year Audit:			
	Annual Audit for the 5 th Fiscal Year (FY) Ending June 30, 2026	\$102,200.00	
	Total for 5 th Year Audit	\$102,200.00	<\$102,200.00>
	Contract Amount To Date	\$504,000.00	
	Funds Certified To Date	\$504,000.00	

BACKGROUND:

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

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

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

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

We have reviewed the breakdown of the estimated hours, rate of pay and out-of-pocket costs shown by N&K CPAs, Inc. We find the fees to be reasonable and are commensurate with the level of experience and effort required to complete the 5th and final year audit engagement.

2. SECOND AMENDMENT TO CONTRACT NO. 732, BOWERS+KUBOTA CONSULTING, INC.

**JOB NO. WKK-03 CONSTRUCTION MANAGEMENT SERVICES FOR KĪLAUEA WELLS No. 1 AND 2 MCC, CHLORINATION FACILITIES
KĪLAUEA, KAUAʻI, HAWAII**

RECOMMENDATION:

It is recommended that the Manager approve the Second Amendment to Contract No. 732 with Bowers+Kubota Consulting, Inc. for the subject project. The amendment includes additional contract time in order to perform construction management services for the subject project.

FUNDING:

Account No.	10-20-10-540-010	
Acct Description	WU/Eng/Admin/Professional Services (Line 4)	
Funds Available	<i>Verified by WWC</i>	\$N/A
Contract No.	732	
Vendor	Bowers+Kubota Consulting, Inc.	
	Contract Amount	\$325,000.00
	5% Contingency	\$16,250.00
	AMD 1 (08/17/23)	\$25,000.00
	Total	\$366,250.00
Second Amendment:		
Contract time extension		\$0.00
	Total Amendment	\$0.00
		<\$N/A>

Contract Amount To Date	\$350,000.00
Total Funds Certified To Date	\$366,250.00

BACKGROUND:

Contract NTP Date: November 14, 2022
Original Contract End Date: August 5, 2024
New Contract End Date: 180 calendar days from the NTP for this amendment

The additional contract time will allow for continued construction management services for the subject project.

**3. YEAR 3 SERVICES FOR CONTRACT 733 WITH DOXIM DBA UTILITEC
JOB NO. SS-2024-02, CUSTOMER CARE & BILLING (CC&B)**

RECOMMENDATION:

It is recommended that the Manager approve the 3rd Year Services with Doxim dba Utilitec for Customer Care & Billing (CC&B) services.

FUNDING:

Account No.	10-30-20-541-020		
Acct Description	WU/Bill/Collection/Billing Costs (Bill Processing Fees)		
Funds Available	<i>Verified by WWC</i>		\$51,000.00
Contract No.	733		
Vendor	Doxim dba Utilitec		
	Contract Amount	\$148,500.00	
	5% Contingency	\$N/A	
	Year 1 (10/19/23)	\$48,000.00	
	Year 2 (08/21/25)	\$49,500.00	
	Total Funds Certified To Date	\$97,500.00	
Year 3 Services:			
Customer Care & Billing		\$51,000.00	
	Total for Year 3 Services	\$51,000.00	<\$51,000.00>
Contract Amount To Date		\$148,500.00	

BACKGROUND:

Contract NTP Date: May 21, 2024
Original Contract End Date: May 20, 2027

New Contract End Date: n/a

The DOW solicited services for processing routine mass mailing and billing statement services for all customer accounts including other customer notifications through sole source procurement. Utilitec has provided excellent service all throughout the term of their previous contract engagement with the DOW. Continuation of their services will also provide significant stability to ensure that the bill processing services will not be disrupted. The 3-year multi-term contract will be renewed annually, subject to the availability of funds as approved in the DOW's annual budget:

Year 1 Services (365 days): \$48,000.00
Year 2 Services (365 days): \$49,500.00
Year 3 Services (365 days): \$51,000.00

Total Contract (1,095 days): \$148,500.00

4. SECOND AMENDMENT TO CONTRACT NO. 763, BROWN AND CALDWELL AS-NEEDED GIS AND HYDRAULIC MODELING SERVICES 2024-2026

RECOMMENDATION:

It is recommended that the Manager approve the Second Amendment to Contract No. 763 with Brown and Caldwell for the subject project. The amendment includes additional contract time in order to perform additional as-needed GIS and hydraulic modeling services.

FUNDING:

Account No.	10-20-10-540-010		
Acct Description	WU/Eng/Admin/Professional Services (Line 6, WSIP)		
Funds Available	<i>Verified by WWC</i>		\$N/A
Contract No.	763		
Vendor	Brown and Caldwell		
	Contract Amount	\$99,623.00	
	5% Contingency	N/A	
	AMD 1 (10/23/25)	\$100,000.00	
	Total Contract	\$199,623.00	
Second Amendment:			
	Contract time extension	\$0.00	
	Total Amendment	\$0.00	<\$N/A>
	Contract Amount To Date	\$199,623.00	
	Total Funds Certified To Date	\$199,623.00	

BACKGROUND:

Contract NTP Date: June 11, 2024

Original Contract End Date: June 10, 2026

New Contract End Date: 180 calendar days from the NTP for this amendment

The Department of Water (DOW) continues to use its GIS system and hydraulic modeling software. This contract provides ongoing GIS and hydraulic modeling services to provide further support for DOW's needs.

CONVEYANCE OF WATER FACILITIES \$