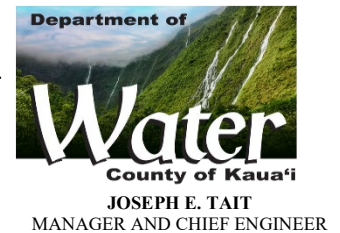


BOARD OF WATER SUPPLY

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

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



REGULAR MONTHLY MEETING NOTICE AND AGENDA

Thursday, September 18, 2025

9:30 a.m. or shortly thereafter

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

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

<https://us06web.zoom.us/j/89258987568>

Passcode: 581915

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: 892 5898 7568

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

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

CALL TO ORDER

ROLL CALL

ANNOUNCEMENTS

1. Next Scheduled Board Meeting: Thursday, **October 23, 2025** – 9:30 a.m. *

Schedule change due to conflict with Hawaii Water Works Association Conference

APPROVAL OF AGENDA

MEETING MINUTES

1. Board Workshop Minutes – August 11, 2025
2. Regular Board Meeting – August 21, 2025
3. Executive Session Minutes – August 21, 2025

PUBLIC TESTIMONY

CORRESPONDENCE

1. Letter from Kurt R. Bosshard dated September 8, 2025 re: Request for Agenda Items

NEW BUSINESS

1. Manager's Report No. 26-04 Discussion and Possible Action to Request Board Approval of the Indemnification Provision in the Agreement for Kōloa Neighborhood Center between the Board of Water Supply, County of Kaua'i and the County of Kaua'i, Department of Parks and Recreation
2. Manager's Report No. 26-05 Discussion and Possible Action to Request Board Approval of the Indemnification Provision and Unspecified Future Obligations in the Agreement for Ka Waiwai ma Kapa'a at Kalukalu between the Board of Water Supply, County of Kaua'i and the Waiwai Collective, LLC
3. Manager's Report No. 26-06 Discussion and Possible Action to Request Board Approval of the Indemnification Provision in the Agreement for Kīlauea Elementary School between the Board of Water Supply, County of Kaua'i and the State of Hawai'i, Department of Education
4. Manager's Report No. 26-07 Discussion and Possible Action to Request Board Approval of the Indemnification Provision in the Agreement for Waimea Neighborhood Center between the Board of Water Supply, County of Kaua'i and the County of Kaua'i, Department of Parks and Recreation
5. Manager's Report No. 26-08 Discussion and Possible Action to Request Board Approval of the Indemnification Provision in the Agreement for Līhu'e Neighborhood Center between the Board of Water Supply, County of Kaua'i and the County of Kaua'i, Department of Parks and Recreation
6. Manager's Report No. 26-09 Discussion and Possible Action to Request Board Approval of the Indemnification Provision in the Agreement for Kekaha Neighborhood Center between the Board of Water Supply, County of Kaua'i and the County of Kaua'i, Department of Parks and Recreation
7. Manager's Report No. 26-10 Discussion and Possible Action to Request Board Approval of the Indemnification Provision in the Agreement for Anahola Neighborhood Center between the Board of Water Supply, County of Kaua'i and the County of Kaua'i, Department of Parks and Recreation
8. Manager's Report No. 26-11 Discussion and Possible Action to Request Board Approval for Indemnification and Unspecified Future Obligations for Windows 11 between the Board of Water Supply, County of Kaua'i and Microsoft Corporation.
9. Discussion and Possible Action to Initiate the Performance Appraisal Process for the Manager & Chief Engineer
 - a. Board Policy No. 34

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 August 2025

2. Operations

- a. Monthly dashboard – Annual Financial Impact Overview, Staff Overtime Hours, Budgeted and Vacant Positions, Services Received/Completed, Highlights: New Hires, Interviews scheduled, Training: AWWA Workshop; Respiratory Protection

3. Engineering

- a. Monthly dashboard – Budgeted and Vacant Positions, Staff Overtime Hours, Projects In Design, In Construction, Completed; Water Resources and Planning Statistics – Customer Requests, Applications and Permits, Service and Records Requests, Number of Backflow Devices tested
 - i. Capital Improvement Plan (CIP) Project Highlights/Status Updates:
 - Kapa’a Homesteads 325’ Tanks
 - Pu’u Pane 1.0 Million Gallon Tank
 - Kalāheo Water System Improvements
 - University of Hawai’i Experimental Station 605’ Tank
 - Hā’ena 0.2 MG Tank
 - Kīlauea Wells 1 & 2 MCC, Chlorination Facilities
 - Paua Valley Tank No. 1 Rehab
 - Kūhiō Hwy (Hardy-Oxford) 18” Main Replacement
 - ii. DOW Project Highlights/Status Updates:
 - Water Systems Investment Plan (WSIP)
 - Kaua’i Water Use and Development Plan (KWUDP)
 - As-Needed Grant Writing and Preparation Services: WaterSMART Grant for Advanced Metering Infrastructure (AMI) Meters
 - America’s Water Infrastructure Act (AWIA) Risk and Resilience Assessment/Emergency Response Plan

4. Administration

- a. Human Resources – updates on Personnel Vacancies

5. Manager and Chief Engineer

- a. Reports to Manager:
 - 1. 4th 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. Year 2 Services for Contract 733 with DOXIM dba Utilitec, Job. No. SS-2024-02, Customer Care & Billing (CC&B)

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

TOPICS FOR FUTURE BOARD OF WATER SUPPLY MEETING:

EXECUTIVE SESSION:

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

ADJOURNMENT

WRITTEN TESTIMONY

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

Please include:

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

Send written testimony to:

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

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

Public Testimony

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

SPECIAL ASSISTANCE

If you need an auxiliary aid/service or other accommodation due to a disability, or an interpreter for non-English speaking persons, please call (808) 245-5406 or email board@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, positioned behind the text.

DRAFT MINUTES

MINUTES
BOARD OF WATER SUPPLY
WORKSHOP
Monday, August 11, 2025

The Board of Water Supply, County of Kauaʻi, held a Board Workshop in Līhu'e on Monday, August 11, 2205. Chair Julie Simonton called the meeting to order at 2:31 p.m. The following Board members were present:

BOARD:

Ms. Julie Simonton, *Chair*
Mr. Tom Shigemoto, *Vice Chair*
Ms. Micah Finnila
Mr. Clyde Kodani
Mr. Eric Fujikawa
Mr. Kaʻaina Hull
Mr. Troy Tanigawa (*entered at 3:01 p.m.*)

EXCUSED:

Quorum was achieved with 6 members present at Roll Call.

APPROVAL OF AGENDA

The agenda was approved with no objections.

PUBLIC TESTIMONY

Commission Support Clerk Cherisse Zaima noted that there was one (1) member of the public joining the workshop in-person who wished to provide testimony after the presentation.

The Board received testimony from Mr. Greg Kamm, former member of the Kauai Board of Water Supply and former member of the Kauai Planning Department. Mr. Kamm complimented the Board, the consultants and the Department on tackling this enormous task. He noted that in his experience with customers, homeowner's associations and clients, it is much more effective to do many small increments of change. When you come out with something after 10 years, it will be met with huge resistance because there is so much to make up. He stated that it is easy to pick on non-voters like hotels, condos and so forth, and he questions the fairness of that. He stated we need to remember that hotels drive our economy. He stated that there was some discussion about high-end homes, but he is unsure what that means, but if it is simply value, he thinks the Board needs to keep in mind that some extremely expensive properties were inherited and the people that occupy them aren't necessarily wealthy mainlanders.

NEW BUSINESS

1. Water Systems Investment Plan (WSIP) Water Rate Study Process/Financial Policy Development

- Manager's Introduction and Perspective
- Follow up from April 22, 2025 Board Workshop
- Rate Making Overview
- Financial Assurance Basics and How to Set Targets
- Rate Making Process and Key Decisions from the Board
- Review of Current Financial Position
- Current Department of Water Rates and Other State of Hawaiʻi County Water Rates

- Overall Schedule and Stakeholder Outreach Process for the Rate Study
- Input from the Board on Rate Study
- Next Steps

Manager Joe Tait thanked Brown and Caldwell and Harris and Associates for doing the heavy lifting in preparing this presentation, noting that DOW's growth since 2001, combined with gaps between DOW's nine water systems, the advent of the surface water treatment plant in 2004, and considerable development over those 24 years drove the need for an all-inclusive assessment of Kauai's water system capabilities. The uncertain status of former plantation-managed open air reservoirs and impoundments, and the impact of continuing drought conditions drives the need for discussion to identify and develop an economic restoration strategy. He stated the discussion with our consultants today will focus on how to restore our financial standing and the future of the water department through the Water System Investment Plan (WSIP)

Ann Hajnosz of Harris & Associates and Michelle Sorensen of Brown and Caldwell provided an overview of the Water System Investment Plan (WSIP) Water Rate Study/Financial Policy Development presentation. The goal of today's presentation is to provide the Board with an idea of the process that will be undertaken to make their rate recommendations, to obtain Board feedback, and give them an idea of when these decisions need to be made.

Referencing Slide 5, Ms. Hajnosz noted that today's workshop will kick off the Rate Study discussion portion of the plan. After this meeting, Capital Improvement Project (CIP) Outreach will take place in September and October led by Brown and Caldwell. The Harris team will be working alongside Brown and Caldwell on the rates and finishing up the Facilities Reserve Charge (FRC) analysis, which they will be looking at in parallel as they finalize the rate recommendations. There will be a series of public meetings on the FRC and rate analysis starting in 2026. Those public meetings, along with other analyses and Public Hearing process requirements will take us through the 2nd or 3rd quarter of 2026. It is a long timeline, roughly about a year.

Ms. Hajnosz went over the follow up questions and answers from the April 22, 2025, board workshop on Slides 7 through 16.

Referencing Slide 16, Board member Hull stated that since the last workshop, the Planning Department have met with the DLNR Chair and CWRM members who shared that there seems to be a movement in that direction on their side as well.

Ms. Sorensen provided a summary of the WSIP Overview and CIP Development on Slides 17 through 24. She noted that this long-range plan is a roadmap for the department, evaluating the water system using hydraulic modeling and human brains. It aims to maintain and expand the utility as needed, support the financial structure Harris and Associates is working on, and provide a framework for staff, administration, and the board for future decisions that need to be made. This project has been a massive three-year effort, focusing on developing GIS, hydraulic model, staff training, and developing a 20-year CIP to update Water Plan 2020. The goal is to support the Water Department and Board of Water Supply Goals and Objectives, establish justifiable rates and facility reserve charges, identify alternative funding opportunities beyond rates and FRCs, and coordinate with stakeholders to communicate the need to a broader audience. The team is working on outreach and coordination, engaging stakeholders, and conducting FRC and Water Rate studies. They are also considering funding support and the impact of the last election

on funding programs. The report will be released in two big packets, including an executive summary and a Water Use and Development Plan. As part of public outreach, the team is engaging stakeholders and educating and informing the public about the program. Some things to note are what has already been completed such as GIS development, level of service and planning criteria, future system operation, climate change, water demand, and hydrological development.

Ms. Sorensen elaborated on three CIP definitions:

Planned Buildout CIP - The planned build-out is that overall CIP list that was developed using the hydraulic model and input from staff and administration looking at existing deficiencies, looking at future needs for both growth and replacement, and working with operations and engineering to include other needed improvements. This is the big one, this is the 1.3 billion, 155 project, long-range, long-reaching CIP

20-Year Prioritized CIP - The build-out CIP was analyzed using a multiple criteria decision analysis tool to prioritize projects that provided the most benefits to the community and looking at multiple benefits as well as layering in costs and finding those sweet spots for the projects that made the most sense to prioritize. The list of 127 critical projects, half the value of the planned build-out CIP, is more achievable over the next 20 years, with a dollar per year number for budgeting and rate comparison. This equates to approximately \$30 million per year over 20 years. This number would be tweaked further into this achievable prioritized CIP as we look ahead at what's really reasonable and implementable. The MCDA tool, the multiple criteria decision analysis tool, was helpful, but in the end, it is a tool, and there's a lot of compromises and gut checks to get to this prioritized list. There is still lots of challenges to successfully implement this 20-year plan, staffing and resources, and where the money would come from.

Achievable Prioritized CIP – This was started with a dollar value to look at what the staff and the Department could actually implement annually, which is about half of the 20-year prioritized CIP – 98 projects at a total value of about \$330 million; \$16.5 million a year. Looking at the CIP in this way shows there is a big need for projects that are not nice to have, but projects that need to be done, but are not necessarily achievable within the same timeframe of this plan as a living document.

Ms. Sorenson provided an overview of the CIP process on Slide 22, and the CIP pie charts on Slides 23 and 24.

Ms. Hajnosz provided a summary of the Rate Making Overview on Slides 25 through 29. She noted that when talking about rate adjustments or revenue adjustments, decision-makers must look at what is going to be a reasonable adjustment that makes sense to your community for what you want to accomplish, what you value, and all the things you have to balance. Because there will be a lot of public outreach, the consultants would like the Board's feedback on what types of questions they anticipate will come from the community.

Referencing Sile 26, Ms. Hajnosz reminded the Board that DOW's FY26 budget shows that revenues are not adequately covering Operation and Maintenance costs and is falling short by about \$6 million. Adding to that the CIP and the Department is short an additional \$7 million. That \$13 million deficit is being picked up by our reserves. These rate making efforts are to figure out how to make the Department closer to whole. Ms. Hajnosz explained they are

assuming across the board adjustments, which involves keeping the current rate structure and apply whatever rate adjustment that is decided upon. She noted that this will be applied to the current rate structure for FY27 and is a relatively simple approach that she feels is the easiest for the community to digest considering there have been no rate adjustments for over 10 years. After the initial adjustment, there are 4 more years of rate adjustments that they want to look at, which would involve looking at customer data to determine if it will make sense to set customer classes. This is a complicated analysis, so they do not want to put that together with a rate adjustment since the immediate need is to close the spending gap. Doing both of those things at the same time will be very complex. This is not something that will absolutely be done after the first year, but the Board will be asked to consider it. After that, they will figure out what will be adopted for the Fiscal Year 28 to 31 rate schedules.

Board member Hull asked what the complications are with creating customer classes. Ms. Hajnosz explained the simple way would be, in the initial efforts, to have a rate adjustment of X percent to raise the revenue and close the gap for O&M, debt service, and capital. That one number will impact everybody's bill across the board. Going into cost of service and rate design efforts will change the way the rates look as they will have multiple, different customer classes, all of which will have different rates. Those rates will be driven by a cost service analysis, the driver of which are things like how much each class contributes to peak demand, to customer billing and meter maintenance, etc. Additionally, each class will have a different type and level of cost impact. So, when all of these variables are introduced on top of an X percent rate adjustment, it becomes very, very complicated.

Mr. Hull asked if there is a legal requirement to have specified classes when you break them apart to which Ms. Hajnosz replied no, explaining that currently DOW has General Use and Agriculture and it can be left exactly that way. A reason to move to customer class would be a more equitable and fairly aligned cost contribution to the rates; the biggest class is the single-family class which encompasses most of DOW's customers. Rates can be designed with single-family residential class that more closely accounts for cost contributions such as dual peaks in the morning and evening versus non-residential customers that may not have much peaking at all.

Manager Joe Tait stated for clarification that the first structure described is our existing rates, with the second structure described is a change to the rate structure. Regardless of what is discussed and decided upon during this workshop, the public and ratepayers will have an opinion based on personal situations. Ms. Hajnosz stated while she can provide industry experience and industry best practices, ultimately, the rates and rate structure should reflect the values of the community.

Chair Julie Simonton commented that she feels the Department is owed an increase in the rates to close that \$6 million gap, and if a rate structure is added into that discussion, there is a possibility that the Board may not be comfortable pushing forward when all those variables of what is fair come into play. She thinks addressing the immediate need of everyone's rates going up by X percent at least gets us out of the red. The more complex discussion can happen later when we are operating in the black and keeping the doors open. Mr. Hull stated he agrees to a certain extent, but the perception of the public is that our development rights are tailor-made for high end, speculative development, and they are being treated equally as those who are not in it for that reason. Ms. Simonton stated that the FRC will be going hand in hand with the rate increases and the FRC will have that distinction. Mr. Hull replied that the FRC is barely going to

make up anything that is necessary for the actual CIP program; the amount the FRC will bring in is peanuts compared to what actually necessary. Ms. Simonton added that public perception will be that the Department recognizes that, and its being addressed now through the FRC. Mr. Hull questioned why we couldn't look at the possibility of what might be out there to see if there is an opportunity to do something not too complex such as residential versus non-residential. He noted that the Department reported that there are 1,300 vacation rentals versus 23,000 dwelling units; however, there are actually 6,000 vacation rentals, which make up more than a quarter of our inventory and are used very differently from our residential development. There are laws that differentiate between vacation rental and residential use, so he does not want to foreclose the idea of putting more cost on high-end, speculative vacation-rental development just because it may be too complicated. He has a hard time swallowing doing an across the board rate increase just because its easier. Ms. Hajnosz expressed her understanding and explained that the phased approach they are suggesting is to first close the gap and make the department whole from revenues covering expenses, and then the Board can decide if it wants to investigate different customer classes such as hotel classes. Because the rates have not been raised in over 10 years, it's likely not going to be a single digit recommendation. Mr. Hull stated that if we look at doing an across the board rate increase with customer class tiers attached to it, a single-family residential unit will have a nominal increase, whereas a hotel or vacation rental will have a more substantial increase, lessening the burden on the single-family residential home.

Board member Kodani stated that in looking at the rate structure, the Department should work closely with the Planning Department to look at the classifications they have; if we use the same classifications, the public cannot argue that. Ms. Finnilla added that if we were going to go down that road, it would be beneficial to see what other counties and communities are doing. Ms. Hajnosz stated they will be discussing this is the second half of the workshop where she will go through the rate structures of the other counties and looking at both the customer classes to consider as well as fixed versus variable costs and how to recover those. All the counties are very different, and it all comes down to how each department has decided to recover their fixed versus variable costs.

Referencing Slide 27, Ms. Hajnosz discussed Financial Assurance Basics and How to Set Targets. They are the foundation for rate-making and go hand-in-hand with covering costs, and sustaining the Department for the long by looking at debt, looking at reserves, how capital investment is planned for every year, etc. Financial assurance is looked at in several ways to establish a foundation for good financial budgeting and performance so the Department will have the ability to weather the ups and downs to have a good long-term outlook and not be budgeting from year-to-year and will promote stable rates over time. Financial assurance will also specify cash reserves that are to be used for things like the FRC, which we already have set up for specific growth-related projects.

Referencing Slide 28, Ms. Hajnosz went over five Financial Assurance targets. She stated that not all of these have to be adopted, but there are a few they recommend, noting that you may not be able to hit them in the first few years.

Operating Reserve - The industry practice of having an operating reserve is a standard practice for operations and maintenance (O&M) to weather fluctuations in revenues or expenses. This reserve is typically set at 45 to 120 days, and is used when needed. If there is a surplus, it is used, and if not, it is left as a rainy day fund. This ensures that the company can weather potential expenses and maintain a cushion for potential downturns.

Rate-Funded Capital Contribution – This is not a reserve, it is a budget assumption made each year for what we are going to fund: rate fund or cash fund, and certain amount for capital. This is typically referred to as a surrogate for depreciation. Depreciation is a non-cash item that represents a degradation of our assets, which have to be recovered. This is the part that many utilities have not accounted for in their rates.

Capital Reserve – This is money set aside for capital, not for operations and maintenance, and is for when something goes out such as pumps, motors, or other emergency purchases that are needed from a capital standpoint.

Ms. Hajnosz noted that these are the three targets they would like to see.

Debt Service Coverage – This is necessary to cover our principal and interest at a 1.0. For example, general obligation bonds require a 1.0 coverage which means you have to generate enough revenue in that year to cover your principal and interest for that year; if you don't, you are in default. If 1.0 is the covenant, in utility planning, they would plan for 1.2 coverage which give a bit of a cushion if revenues do not materialize as anticipated, or if operating expenses are higher than anticipated. The extra .2 of that money can go into one of the reserves such as the capital reserve or O&M reserve.

Debt as % of Net Plant Assets – This is the debt ratio. Water utilities are highly leveraged utility agencies because of the amount of capital needed to deliver water. There are utilities that are over 50% debt, meaning they use a lot of debt to pay for capital improvements. When you issue debt for 30 plus years, you are basically matching the use of the asset with your debt obligation. This can ultimately reduce your rates from the standpoint of not using cash to fund that asset but are spreading that cost over 30 years.

These are the Financial Assurance Targets that they will be coming back to when discussing the rate adjustments.

Ms. Hajnosz went over the Rater Making Process and Key Decision Points on Slide 29. She noted that all phases can be done at once, or they can mix and match; every entity does it differently. Ultimately, the first step is to come up with the revenue percentage and adjustment percentage needed to hit the financial assurance targets to fulfill the mission of the Department. What will happen between now and the November meeting when they will be discussing revenue requirements, is an analysis of DOW's utility data such as customers, water usage, revenues, operating expenses, and capital projections and putting together a baseline of what DOW's financial assurance targets look like. From there, adjustments will be made based on assumptions such as different levels of customer growth, water usage growth, inflation, etc. consistent with what the County is doing. Different scenarios will then be provided for the Board to consider and look at what it would do for the community, and how palatable those adjustments would be, and what the rate adjustments could mean from the standpoint of monthly bills at various usages.

Chair Simonton asked, to address Mr. Hull's concerns about vacations rentals, would the Fiscal division be able to pull water usage data from accounts listed as vacation rentals and compare them to residential accounts. Is there a way to identify which accounts are vacation rentals and which are not so the Board can look at the magnitude of the impact. Waterworks Controller

Renee Yadao explained that DOW does not have that information in our system and would need to use information from the Planning Department. She noted a preliminary review was done, which resulted in 1,500 accounts identified as vacation rentals, though Mr. Hull stated there are substantially more. Ms. Yadao stated a deeper dive could be done with the help of the billing software consultants to see if additional data can be extracted. Ms. Simonton stated she doesn't know if it's worth the time and effort unless there is a way to identify high-end homes. Ms. Hajnosz stated you could have contracted rates for large customers that use water in such different ways because the cost of that customer on the system can be quantified. However, to design rates for separate classes would require causation to be defensible.

Mr. Hull stated he understands that there needs to be a usage nexus whether its volume or time of usage. However, he would be hard pressed as a Board member to take action to increase rates in any manner if an analysis has not been done to see whether or not hotel and resort uses can be tiered out separately to have a category. If that study and analysis was done and the results show the usage is exactly the same which means the Board cannot do that, fine, but at least they would have that analysis in front of them when it came time to vote. Ms. Simonton acknowledged Mr. Hull's concern and asked if that type of analysis is achievable in this timeframe. Her understanding of the plan that is being presented is that analysis could eventually be done, but we have not had a rate increase in over 10 years and are operating in the red. Do we have time to fix that now and still do the analysis and studies to raise the rates for FY26? Ms. Hajnosz stated no, we don't have to do that if we are trying to hit July 2026. There is a lot of public outreach that needs to happen. Ms. Simonton stated she completely agrees that an analysis like that needs to be done, but we are in a hole. Mr. Tait stated that if were in the same situation as the other islands, Mr. Hull's model could start from today. However, we have to get out of the red to be able to pinpoint what is costing us what.

Ms. Hajnosz provided an example of what was done on Maui where they had a similar rate structure of General Use and Agriculture. They wanted to pull out single-family so they could give a stronger conservation message. An analysis was done, which was fairly straightforward, and resulted in a lot of good data points to make a case. It took their board a couple of years to get comfortable with just pulling single-family, which was the easy one. Since then, they have gone on to do a hotel rate and were trying to do multi-family but they did not have sufficient data. The data has to be there to do it, and though she would like to see more stratification in customer classes; if you are a customer that generates costs because of the way you use water, you should pay for it. In the meantime, they have given them a 5-year rate adjustment plan to build up their reserves, operating and capital reserves, etc., but getting data to substantiate customer classes is not easy.

Mr. Hull stated if they were just looking to do a study of just vacation rental and resorts, he would like to know what the timeline would be for something like that. Ms. Hajnosz stated that if you look at a cost-of-service study, which is a second phase, they are looking at zero-sum game. We have a revenue requirement that we need to recover from all these different classes which is going to introduce some uncertainty if we don't do a cost-of-service study for the rest of the classes. Mr. Hull acknowledged that but added that he does not want this to be a promise to do an analysis in the future that never gets done. His concern is that the Board will approve these across the board rates and never review any bifurcated rates. It is understandable that there is a need to cover something quicker than the data can be provided, but his concern is that analysis will not be done. Ms. Hajnosz stated that they are already under contract to do the cost-of-service piece after this fiscal year's rate adjustments are implemented, though it is not

specifically for the Vacation Rental class. Mr. Hull stated that is his concern that even if an analysis is part of their contract, it is not specified for vacation rentals. Ms. Hajnosz stated though it wasn't specifically for vacations rentals, but it will include hotels. If there is a different definition for vacations rentals, they have to come up with that definition. Though it had not been considered while doing this scope, she can see it falling into their cost of service considerations. Mr. Kodani asked what kind of data Mr. Hull is looking for to which Mr. Hull replied if a rate increase is going to be placed on the agenda, he wants to see specifics.

Ms. Hajnosz continued by discussing the idea of subsidies and DOW currently has subsidies with Agriculture customers. All counties have this, and Agriculture customers are not paying the full cost of service. These subsidies have always been there as a reflection of the values of the communities throughout the State where we want to support as much Ag as possible. Another consideration would be whether or not they want to continue to have the agriculture subsidy, noting that if they are not paying, someone else's bills are higher.

The final phase of rate design is where they begin looking at the different rate structures and how much is recovered from the fixed piece versus the variable piece – the quantity-based. This is where the fiscal staff may want high fixed rates and the highest service charge possible because it gives revenue stability. However, it dilutes the conservation message when the volume charge is less.

Ms. Hajnosz provided a quick review of the Current (2025) DOW Financial Overview on Slides 30 through 32, which was previously presented at the April 21, 2025 workshop.

Ms. Hajnosz went over the Other County Rate Comparison to Kauai DOW's Rates and Discussion on Slides 33 through 47. This included the rate structures, monthly service charges and usage charges for Kauai DOW, Honolulu Board of Water Supply, County of Maui Department of Water, and County of Hawaii Department of Water as well as Rate and Bill Comparison charts.

Referencing Slides 34 and 35 – DOW Water Rates, Ms. Hajnosz stated that last rate increase for Kauai DOW was effective July 1, 2014. She explained that service charges are assessed no matter what the usage and is based on meter size, so the bigger meter you have, the more you pay at a fixed monthly charge. As you use more water, your rates go up on a per-unit basis. Because Kauai has no customer classes, the surrogate is the meter size; higher meter sizes give you higher blocks for usage. Mr. Tait asked what the per-year increases based on back in the day? Was it usage, financial performance of the Department or inflation? Ms. Hajnosz stated all of the above. Looking at the chart on Slide 34, Ms. Hajnosz pointed out that the percentage of rate increase remained the same every year, which from a planning perspective gave the customers an idea of how much the rates would increase each year. Historically, many water managers were trying to keep rates down to help their communities, but our systems have been really failing and we cannot rely on the Federal funding we had back in the 60's and 70's, which at that time were being funded at 60% - 70%; now it's below 10%.

Referencing Slides 36 & 37 – Honolulu Board of Water Supply Rates, Ms. Hajnosz pointed out the differences with their rate plan, which goes to 2028. This is an ideal multi-year plan that helps customers prepare for what the rate increases are going to be. BWS customer charge is not as high as Kauai's service charge because they have typically not included the same types of costs in their fixed charges as other utilities have. They've typically only included billing costs

so they have lower fixed costs, but they collect those costs through their rates. BWS does have various residential classes broken up into tiers with different usage rates for apartments, which have no irrigation. Non-residential has a uniform rate that is all the same per gallon.

Referencing Slides 38 through 40 – County of Maui Department of Water Supply Rates, Ms. Hajnosz stated Maui's service charges are similar to Kauai's and have 4 tiers for their single-family dwellings. They also have a hotel rate which they set themselves and is set at the same rate as a Tier 4 single-family dwelling.

Referencing Slides 41 through 43 – County of Hawaii Department of Water Supply Rates, Ms. Hajnosz stated that Big Island has monthly standby charges similar to Maui's that include some capacity costs, which provide really good revenue stability. They do not have customer classes, but they do have power cost and energy CIP charges for the power used for the wells and wind turbines used to power some of the wells. That cost is based on HELCO's rates which are passed on to BIDWS. These power costs are added to the usage rates. They have similar tiers by blocks for meter sizes.

Ms. Hajnosz went over the Monthly Bill Comparisons and Comparison of Rates and Typical Bills on Slides 44 and 45.

Board member Tom Shigemoto asked how we know if those who are in the Agriculture category are really growing anything, and asked Mr. Hull if DOW checks with the Planning Department to see if they are legitimately farming. Mr. Hull stated with Planning, per State law and County law someone can grow 1 papaya tree and be considered farming. Mr. Shigemoto further asked if you have a farmer with 200 acres, and he ranches, does he get that subsidy. Ms. Yadao stated there are certain requirements that come along with the Agriculture designation which require a customer to provide documentation; just because you are on Ag land does not automatically qualify you for Ag rates. Mr. Hull asked if you have a house on Ag land and a bona fide farm, does the house pay residential rates and the farm pays Ag rates? Ms. Hajnosz stated the first couple of tiers are modeled as single-family residence and the next rate in the third tier drops. Mr. Shigemoto asked what percentage subsidy do the Ag users receive to which Ms. Yadao stated they get charged the first tier and then move to a flat rate.

Ms. Hajnosz provided an overview of the Overall Schedule for the Rate Study shown in the timeline on Slide 46 and the Stakeholder Outreach schedule for the Rate Study on Slide 47.

In response to Mr. Kodani, Ms. Sorensen explained how the community meetings will go. In September and October they will have 2 geographically based meetings, two Department of Hawaiian Homelands meetings, and 5 community meetings. The meetings will be an open house format, Joe is scheduled on the Kauai Business Association agenda for September. The initial outreach will be specific to the CIP without digging into rates, and just looking at the CIP needs. The full outreach process will be a holistic process over the next year, and they are looking at other avenues whether it be online meetings, website information, community surveys and other ways to engage the community.

Mr. Hull asked when the Ka Paakai analysis is done, if comments come back from the practitioners that the rate increase will dramatically impact their ability to raise kalo in the Loi Kalo patches, what is the mitigation action the Board will have to do. Ms. Sorensen stated that the Ka Paakai analysis is currently set up that they are going out with the KWUDP and the WSIP

hand-in-hand so they can talk with people on what those issues are. The general feedback is that they want to do this at multiple stages throughout the project development. They don't yet know what the mitigating factors are because we don't yet know what the concerns are. This is the first time they are going out for a rate study for Ka Paakai. Mr. Hull stated in theory, if a bunch of Loi Kalo practitioners come out and say this will dramatically impact them, and the mitigation measure is that we will not increase rates for Loi Kalo farmers meaning we will have to adjust somewhere else. Then theoretically we have to adjust the rates elsewhere that is beyond the proportional usage of that category. Mr. Shigemoto stated the taro farmer don't use domestic water to raise their kalo. Mr. Hull stated that the larger patches we know of don't, but there are smaller practitioners may need to use domestic water.

Ms. Sorensen stated for clarification that public outreach and Ka Paakai analysis is not just for rates, but for the long-term plan in general and will be paired with the Water Use and Development Plan as well, so there is going to be a lot of different feedback.

Ms. Simonton stated her intention was not to debate Mr. Hull, and clarified that she feels it is very important for the Board and the community to get these projects done. We need to raise rates so we are not operating in the red. While we all have different ideas on how to get there, and to provide a unified support from the Board is important. She respects that he is sharing what he would like to see, and her goal is to get him to a place of what do we need to do for you to feel comfortable in voting for these rate adjustments.

Mr. Kodani asked if there are any other traditional cultural practices that may be impacted. Mr. Hull stated from a rate study standpoint, it would be hard to go beyond the Loi Kalo. Deputy County Attorney Essenberg stated that the Ka Paakai analysis will be a 3-part analysis that will ultimately be a balancing question as to the protection of Hawaiian rights and the State's regulatory rights; it will be multiple steps.

Ms. Sorenson stated she has seen people express curiosity on the source side as far as what impact taking water from one place to another has on the broader picture than just the rates. Mr. Shigemoto asked if this rate study will address that, adding that is a big concern for the Hawaiian community. Ms. Sorensen that it is not a direct outcome of the Water Systems Investment Plan, but in terms of the water use on the island there has been some discussion around that. Coming out to the community with that information allows for those questions to be asked to ensure they have been addressed.

Ms. Hajnosz went over the Next Steps listed on Slide 49.

ADJOURNMENT

The workshop was adjourned at p.m.

Respectfully submitted,

Cherisse Zaima
Commission Support Clerk

MINUTES
BOARD OF WATER SUPPLY
Thursday, August 21, 2025

The Board of Water Supply, County of Kaua'i, met in a regular meeting in Līhu'e on Thursday, August 21, 2025. Vice Chair Shigemoto called the meeting to order at 9:30 a.m. The following Board members were present:

BOARD:

Ms. Julie Simonton, *Chair*
Ms. Micah Finnila (*remote*)
Mr. Clyde Kodani
Mr. Ka'aina Hull
Mr. Troy Tanigawa

EXCUSED:

Mr. Tom Shigemoto, *Vice-Chair*
Mr. Eric Fujikawa

Quorum was achieved with 5 members present at Roll Call.

ANNOUNCEMENTS

Next Scheduled Board Meeting: Thursday, September 18, 2025 – 9:30 a.m.

APPROVAL OF AGENDA

The agenda was approved with no objections

MEETING MINUTES

1. Regular Board Meeting – July 17, 2025

The minutes of the July 17, 2025 Regular Board Meeting were received for the record.

PUBLIC TESTIMONY

Commission Support Clerk Cherisse Zaima stated for the record that the Board received 16 letters of support from the public, and 96 letters of support from students at Namahana School for New Business Item 2.

The Board received in-person testimony from the following members of the public:

Lyla Ornellas, 7th grader at Namahana School and Liv Nelson, 8th grader at Namahana School were part of creating the school along with their community. They expressed their support for approval of a water meter, noting that without this school in their community, they would have to ride the bus for an hour and a half to school and back every day. They shared the effort that has been put into this school, and the importance of having this school in their community. Without approval of the water meter, the school will not be able to start building, and they will not be able to have the school of their dreams. They stated that a much needed middle and high school will potentially serve 500 students on the North Shore and will continue to expand. They asked that the water meter be approved to help current and future students on the North shore.

Gary Pacheco, resident of Kīlauea noted that he became involved with Namahana School as part of Bill Porter's non-profit organization and saw the vision on having a middle school in Kīlauea.

Having been a bus driver for a time, he saw the inconvenience of the North shore students to wake up very early to travel to Kapa‘a High School. It has been a long journey, which is now up against a roadblock. He asked how difficult it is for the County to obtain water from Mark Zuckerberg’s tank so that they have enough water to develop Kīlauea. Kīlauea is thriving, the community has expanded, and there are a lot of children in the community that will benefit from having a middle school there. He urged the Board to approve the water meter being requested.

Dr. Kapua Chandler, Namahana School leader, expressed her gratitude to the Board and Department of Water Manager Joe Tait. She noted that Namahana School, an Aina-based school with core values of Aloha Aina, has been a long-standing project since 2018. Today, 120 students are enrolled at the temporary site, and the school is requesting water for Phase 1, which will serve two grade levels. The school is committed to sustainable growth and is working towards a 100% zero-waste environment. Over 100 letters of support have been received, with 94 from the youth of Namahana School. The community has rallied, raised millions of dollars, and the Hawai‘i State Public Charter School Commission approved the 5-year charter contract. Without water, the school could lose its charter contract and face years of application process. The community has been asking for the school, water, and preparation for decades. The school is now ready to be responsible stewards of this vital resource. The community is counting on the school and its future.

Felicia Cowden, County Council member, stated that she formerly taught at Hanalei School and there has been a need for a school for as long as she has been there. She believes that the Namahana School will be able to provide a profound change for the health of the youth and community. She is thankful for the students and the parents who are involved in their education. The distance between the school and Namahane has been an enormous challenge, but she celebrates the quality of the school and the real-life-based education. Kīlauea needs water, and she expressed how stressful it was when they lost funding for their water system. She thanked the Board in advance for finding a way to ensure Namahana School opens on time in their new location, noting that the school is central to the work being done for housing and other needs. She is grateful for the support and assistance from the community in achieving their goals.

Jessica Fu, resident of Kīlauea and Namahana School parent, noted that she is a proud graduate of Kapa‘a High School and understands how vital it is to strengthen these educational resources in their community. She sees this as a multi-generational accomplishment to get to this point, but they are far from completion. She is in awe of the support shown for Namahana school from the Charter Commission, local government officials, other schools and teachers, keiki and the community at large. She noted her daughter, Lyla Ornellas, provided testimony earlier expressing how much she loves going to school. She stated that the students are currently in a temporary facility and need to move toward permanent facilities; it would be devastating if they cannot move forward. This will put the community and families in a state of uncertainty and stated that this water meter is badly needed to allow their families to live and work in the same geographic community that they live in.

Jonathan McRoberts, Namahana School Board member, North Shore Lions member, Hanalei Bay Rotary Club member, stated that he has been involved in education for a long time, having taught school, and holding a master’s degree in education from Stanford University. He expressed the importance of keeping parents involved, which has always been a challenge when North shore parents have to travel all the way to Kapa‘a to participate in their children's

education. He feels that having a school in Kīlauea will ensure parents will continue to be involved and maintain a good connection with the school.

William “Billy” Kinney, resident of Hanalei and Assistant Director of Hui Maka‘ainana o Makana, stated that through the partnerships, collaborations and co-management they operate in one of the most successful regenerative models in tourism. He noted that he has his master’s degree in Urban Planning and Regional Planning from University of Hawa‘i at Manoa, with an undergraduate degree in English and Hawaiian Studies and Hawaiian language. He added that he barely made it through high school and didn’t like going to school because of the early and long bus commute to Kapa‘a High school, which was a total of 3 hours each day. He understands the value of having access to a high school in the area because he did not have that privilege growing up. He expressed the importance of ensuring they provide the children with the best facilities, the best infrastructure, and support and resources.

NEW BUSINESS

1. *Manager’s Report No. 26-03* Discussion and Possible Action to Request Board Approval for Indemnification and Unspecified Future Obligations for Adobe, Inc. between the Board of Water Supply, County of Kaua‘i and Adobe Inc.

Information Technology Manager Robert Newton provided a summary of the Manager’s Report submitted.

Board member Hull moved to approve Manager’s Report No. 26-03, seconded by Mr. Tanigawa; with no objections, motion carried with 5 Ayes.

1. Letter from Namahana Education Foundation, dated August 10, 2025, requesting an appeal of the Department of Water’s denial of a request for a 1 ½-inch water meter for construction of Phase I of the Namahana School Campus

Commission Support Clerk Cherrisse Zaima noted that Deputy County Attorney Laura Essenberg requested to enter into executive session to discuss the Board’s powers, duties, privileges, immunities and liabilities.

Board member Ka‘aina Hull stated that until he saw this agenda item, he was unaware that Namahana School was facing an issue with water and asked if this is stemming from a building permit.

Attorney for Namahana, Ian Jung, asked if he or the Department could provide some background prior to the Board entering into executive session. Manager Joe Tait requested that Deputy Manager Michael Hinazumi and Engineering Division Head Jason Kagimoto provide the Board with some background leading up to this request from Namahana to appeal the denial of the 1 ½ water meter.

Mr. Kagimoto explained that back in 1991, the Water Department placed a 5-meter restriction on the Kīlauea water system. The parcel for this school was created in a subdivision application submitted in 2018, at which time there were 7 lots created for this subdivision. All of the five water meters were allocated to these 7 lots, this parcel not being one of them. During the 2018 subdivision approval, it was identified and determined that domestic water service was not available from the Department of Water, and it was recommended by DOW that the applicant

either complete a Waiver and Release Agreement with DOW or submit a copy of the deeds of the lot to DOW that states domestic water is not available from DOW. In 2023, a deed which identified no County water service was provided, as well as a Waiver and Release was submitted and recorded with the Bureau of Conveyances.

Mr. Kagimoto further explained that in 2024, a zoning class use permit and special permit for the school were issued, at which point it was also identified that there was no existing County water service based on the initial subdivision application that included the initial allocation of five meters for a different parcel.

Mr. Ian Jung, attorney for Namahana Education Foundation, joined by Dr. Kapua Chandler and Melanie Parker stated that the letter uses the word “appeal”; however, the true ask is a plea. He noted that while Mr. Kagimoto provided the history of the subdivision, what was missing was the context of the subdivision. It was the vision of former Mayor Bernard Carvalho to create a new Kīlauea bypass road, so when this subdivision was created, there was thought of the future for these parcels such as providing additional commercial uses and housing potential for some of these large lots. In going through the subdivision, the question arose of whether or not this new Kīlauea Town Core corridor would be for new use or future use, and one of the things set aside was the dedication of the road.

In order to create these other lots, DOW needed to ensure that nothing could be done with these lots until such time that water infrastructure was created for these lots, which Namahana fully recognizes. However, since then, the vision for Kīlauea Town has passed, and the County Housing Department has utilized this vision to create housing on the eastern side of this plateau where the Kīlauea Town Corps saw future housing capabilities. Gather bank has seen the commercial aspect, and while they don’t have water, they were able to utilize an existing private water system on that lot. Also visualized was the PAL and Habitat for Humanity projects to build 12 units.

Mr. Jung stated the issue before the Board is what is quasi-public, and DOW issuing 2 meters to PAL and Habitat for Humanity is a good reason to use the deviation that the Board is allowed to create water capability and availability for those users.

Chair Simonton asked for clarification if there is something specifically regarding affordable housing in our rules relating to water meter allocation. Deputy Manager Michael Hinazumi stated that our rules do not explicitly specify affordable housing for subdivision and development approval. However, there is specific affordable housing criteria for Facility Reserve Charges, and part of the allowance for the exception does consider affordable housing.

Mr. Jung interjected, stating the point being is the school is a quasi-public benefit, a quasi-public asset that he thinks can benefit from this deviation, similarly to what a non-profit housing developer could utilize. He believes the issue for water is not transmission, but rather source and storage for water availability which seems to stem from the future upgrade from a 250,000 gallon tank to a future 1 million gallon tank. What Namahana is pitching to the board is that by the time they get through permits and construction, they anticipate the water infrastructure may potentially be upgraded for available water usage. If it isn’t, he asked that they still consider the quasi-public use of this public school in the heart of Kīlauea town which serves a whole host of benefits for the community. He added that the County Housing Department will be going through the same process in hopes of getting future water allocations, and future development is

something the Board should consider to ensure water improvements are escalated to Kīlauea Town to meet all these requirements. Mr. Jung noted that transmission lines were put in the new Road Lot B as part of the subdivision for the PAL and Habitat for Humanity projects, so it is not an issue of transmission, but source and storage. What Namahana is asking is that while they wait for the 250,000 million gallon tank to be upgraded, the Board comes up with a procedure that would allow them to get their building permits and begin construction with the anticipation that water may become available in this area. He added that these are not speculative developers, but a non-profit looking to create a public asset.

Melanie Parker, Executive Director of the Namahana Education Foundation stated that this is one of the most significant projects on the North shore that is of urgent need and will have an impact for generations to come. The school is currently open in temporary facilities while permits are in process. They are currently engaging a contractor and are shovel-ready but need to receive approval for this water meter to be able to move forward and remain operational. Ms. Parker explained they are phasing in enrollment with Phase I only serving two grades which will be phased in over two years starting in 2026 with one grade and rolling in another grade after that which she feels will have a significantly low impact on the current water supply. She noted they are truly a public asset, and with the affordable housing coming up right across the street there will be even more of a demand for a public school on the North Shore.

Board member Hull asked for clarification that they are here asking for a water meter to allow them to proceed with their building permit first with the anticipation that the tank upgrades will be done, and then get the meter afterward? Mr. Jung stated that the process as he understands it is that you can provide a Waiver and Release Agreement that will allow you to get your building permit and begin construction absent the meter. However, the strategy here is if there is the potential for water to become available to service this project as far as source and storage, apply for it now rather than executing the Waiver and Release, because subsequently coming back to remove the Waiver and Release would take a good deal of time to do. So Namahana is asking the Board for a deviation to allow the water usage and approval of a 1 ½" meter rather than proceeding under the Waiver and Release process.

Board member Clyde Kodani asked how long the Waiver and Release process take. Mr. Jung explained that when they created the 7 lots and 2 roadway lots on this subdivision, there was a water restriction imposed and a deed restriction. What PAL and Habitat for Humanity would have to file necessary documentation to remove those Waiver and Release agreements since they have been allocated meters, which is the same process Namahana is proposing if the Board approves this request to appeal the denial. Mr. Jung further explained that if they entered into a Waiver and Release now, they could likely get it done now to allow the building permits to be released; however, they would have no water resources available because no private water system established for this lot. They would be unable to utilize any built environment until they had a private water system, which could take 2 years to get, or unless the Board provides water. To answer the question directly, the Waiver and Release could take about a month to execute to get the building permits, but once it was constructed and ready in 2026, they would have no water to utilize.

Chair Simonton requested a motion to enter into executive session.

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) §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 to consult with the Board's attorney on its powers, duties, privileges, immunities, and liabilities as they relate to the Namahana Education Foundation's appeal of the Department of Water's denial of a request for a 1 ½-inch water meter for construction of Phase I of Namahana School's campus.

Board member Hull moved to enter into executive session, seconded by Troy Tanigawa; with no objections, motion carried with 5 Ayes.

The Board entered into executive session at 10:14 a.m.

The Board resumed in open session at 11:41 a.m.

The Board concluded its executive session for Item 1. Item 1 involved discussion for the purpose stated on the agenda for that particular item. Pursuant to HRS 92-4(b), the disclosure of the discussion would defeat the purpose of convening the executive meeting which was held pursuant to HRS 92-5(a)(4).

Board member Hull stated that based on testimony received today, it has been demonstrated that there is a clear and present need and a gap for educational needs of this region of Kaua'i. Moreover, the Kaua'i General Plan envisions Namahana Charter School and its benefits to the Kīlauea community. The public interest here warrants action.

Board member Hull proposed the following

Board Chair stated that the Board's position is that the importance of this school is understood, and they also know the restrictions on the availability of water. The Board encourages Namahana School to look at water minimization efforts such as wastewater reuse, an on-site well for non-potable uses including irrigation, toilet flushing, catchment; whatever can be done to minimize water use.

Board member Hull moved that there is legitimate public interest in granting water service to Namahana Charter School, seconded by Mr. Tanigawa; with no objections, motion carried with 5 Ayes.

Board member Hull moved that the Board hereby directs the Department of Water to address the deed restriction, the Waiver and Release form, and any other documents preventing the site from obtaining water service, seconded by Mr. Tanigawa; with no objections, motion carried with 5 Ayes.

Ian Jung stated that they can definitely draft up the necessary paperwork to address the deed restriction for the Department to review for this particular lot only.

Board member Hull moved that the Board also requires that prior to building permit approvals, the applicant provide the Board of Water with a water minimization plan that will be subject to Board's review, amendment, and approval, seconded by Mr. Tanigawa; with no objections, motion carried with 5 Ayes.

Ian Jung stated that there was already a plan in place to come up with ideas for water minimization, and he is confident they can work with the Department to come up with a plan that will be mutually satisfactory for both parties. Dr. Kapua Chandler added that what the Chair suggested is what they had already been thinking about. For clarification, Mr. Hull stated that Namahana would be working directly with the Department to come up with the water minimization plan which would then be brought back to the Board for review and final approval.

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 2025
2. Operations
 - a. Monthly dashboard – Annual Financial Impact Overview, Staff Overtime Hours, Budgeted and Vacant Positions, Services Received/Completed, Highlights: New Hires, Transponders replaced, Training for HazMat Certifications
3. Engineering
 - a. Monthly dashboard – Budgeted and Vacant Positions, Staff Overtime Hours, Projects In Design, In Construction, Completed; Water Resources and Planning Statistics – Customer Requests, Applications and Permits, Service and Records Requests, Number of Backflow Devices tested
 - i. Capital Improvement Plan (CIP) Project Highlights/Status Updates:
 - Kapa'a Homesteads 325' Tanks
 - Pu'u Pane 1.0 Million Gallon Tank
 - Kalāheo Water System Improvements
 - University of Hawai'i Experimental Station 605' Tank
 - Hā'ena 0.2 MG Tank
 - Paua Valley Tank No. 1 Rehab
 - Kūhiō Hwy (Hardy-Oxford) 18" Main Replacement
 - ii. DOW Project Highlights/Status Updates:
 - Water Systems Investment Plan (WSIP)
 - Kaua'i Water Use and Development Plan (KWUDP)
 - As-Needed Grant Writing and Preparation Services: WaterSMART Grant for Advanced Metering Infrastructure (AMI) Meters
 - America's Water Infrastructure Act (AWIA) Risk and Resilience Assessment/Emergency Response Plan
4. Administration
 - a. Human Resources – updates on Personnel Vacancies
5. Manager and Chief Engineer
 - a. Reports to Manager:
 1. 4th Year Audit for Contract No. 724 with N&K CPAs, Inc., Annual Audit for Fiscal Years Ending June 30, 2022 through June 30, 2026

2. Year 2 Services for Contract 733 with DOXIM dba Utilitec, Job. No. SS-2024-02, Customer Care & Billing (CC&B)
3. Change Order No. 1 to Contract No 781 (Paul's Electrical Contracting, LLC), Job No. 24-14, Lihue Baseyard Electrical Relocation
4. NASPO VL Contract No. 17-18, CPA2014-01, Year 3 of 3 Services and Contract Change Order No. 3 with Carahsoft Technology Corporation, Asset Managed Services

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

TOPICS FOR FUTURE BOARD OF WATER SUPPLY MEETING:

ADJOURNMENT

The meeting was adjourned at 11:52 a.m.

Respectfully submitted,

Cherisse Zaima
Commission Support Clerk

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

CORRESPONDENCE

KURT R. BOSSHARD

ATTORNEY AT LAW
3144 ELUA STREET
LIHUE, HAWAII 96766
TELEPHONE: 808-245-5302
FAX: 808-245-8929
EMAIL: kurt@kbosshard.com

September 8, 2025

Board of Water Supply
c/o Department of Water
4398 Pua Loke Street
Lihue, HI 96766

via EMAIL ONLY
(board@kauaiwater.org)

RE: Request for Agenda Items

Dear Water Board:

Thank you for dealing with the difficult issues that confront the Department. Speaking of which, I'm requesting that you place on your Board Agenda the following matters.

1. Why the Upper Wailua Homesteads (Kuamo'o Road) water Moratorium has not been resolved since it was declared thirty four years ago (despite representations at that time that it was a priority and funded)? Attached is one of the initial documents (7/31/1991) and a follow up (5/8/1995). There are countless others.
2. What presently is the condition of the existing Upper Wailua Homesteads Water Tank? Due to its age and lack of maintenance, what concerns does the Department have as to water quality and/or longevity? Is there a back up plan should this tank be removed from operations?
3. Whether upon the lifting of such a Moratorium there is a Department policy as to the distribution of water service amongst competing interests. Who should be served first and to what extent? A wait list with priority? Properties that have had existing zoning served first?
4. Why, in order to help alleviate a severe Housing shortage, residential units of 800 sq. ft. or less (primarily Guest Houses) should not be allowed water service regardless of other existing or proposed residential density of the property?
5. Has there been discussion at the Agency as to utilizing a different analysis of water usage/need/availability that


Board of Water Supply
September 8, 2025
Page 2

would more accurately identify those parts of the Island that shall be subject to a Moratorium on water availability (and to what extent)? For example, should actual consumption of individual properties be considered, size of structures and property water features like pools, anticipated build out over extended time frames of larger vacant land subdivisions? Should some level of discretion be allowed to satisfy the needs of longstanding, tax paying local residents?

6. Should greater usage of wells or catchment be encouraged rather than discouraged? What data can the Department provide that justifies such discouragement (or lack of support)?

Thank you for your attention to this request. Should such be the case, please get back to me with the date upon which such shall be heard by the Board.

Sincerely,



Kurt Bosshard

KB:rsnh

Attachments

DEPARTMENT OF WATER

COUNTY OF KAUAI
P.O. BOX 1706
LIHUE, HAWAII 96766-5706
FAX NO. 245-5813

July 31, 1991

Mr. Abe Lee
Abe Lee Development, Inc.
2907 Loomis Street
Honolulu, HI 96822

Re: Water Tank Improvements for Wailua Knolls Private County Estates, TMK: 4-2-02:13,
Wailua Homesteads, Kauai, Hawaii (Z-III-92-2) (Your July 11, 1991 Letter)

At the present time, we do not have a definite timetable for the construction of the subject tank and connecting pipeline project.

The Department of Water has selected the new tank site to be located at the University of Hawaii's Experimental Station parcel (TMK: 4-2-01:5). The new tank will have a spillway elevation of 605 feet msl and will be situated approximately 2,400 feet mauka of the Kuamoo Road/Aina Pono Street intersection at the nearby Wailua Rise Subdivision.

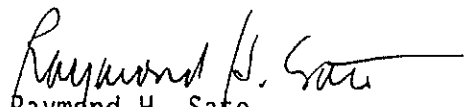
We sent a request to the State to provide us with a right-of-entry to conduct field surveys in order to design the project and later to construct the storage tank and connecting pipeline facility within the parcel. Once the design is completed, the Department of Water intends to acquire the tank site and all necessary easements.

The Department expects to begin design of the project after we receive approval from the Board of Regents for a right-of-entry. Once right-of-entry is received, we estimate that the design and bidding procedures should take five to eight months and that construction of the tank should not exceed eight months. Therefore, we hope to complete the tank improvements within a 16-month period.

Your request to bond the project will be based upon the Department's construction cost estimate based upon the approved construction plans for the project. We will be able to approve the building permit for your development after a construction and bond agreement and a Waiver/Release & Indemnity Agreement covering the off-site improvements, which includes the Puupilo Booster pump upgrade and the new storage tank and the on-site water improvements, are completed and the applicable Water Department charges are paid.

Please note, however, that the domestic water meter service will not be available until the required construction improvements are completed and accepted by the Department of Water.

If you have further questions, please call me or Gregg Fujikawa at 245-6986.


Raymond H. Sato
Manager and Chief Engineer

GF:at

DEPARTMENT OF WATER

County of Kauai

P. O. Box 1706

Lihue, HI 96766-5706

Phone No. (808) 245-5400 — FAX No. (808) 245-5813

COUNTY OF KAUAI
REAL PROPERTY
ASSESSMENT DIV.

95 MAY -9 AIO :44

COPY

May 8, 1995

Mr. Nelson Salvador
Real Property Division
DEPARTMENT OF FINANCE
County of Kauai
Lihue, HI 96766

Re: Water Service Inquiry for a Multifamily Development at TMK:
4-2-2:13, Status of Water Storage Facility Improvement for
Upper Wailua Homesteads, Kauai, Hawaii

As requested, the Department of Water is currently designing and planning to construct a new water storage tank facility to service the Upper Wailua Homesteads Service area.

The Department of Water is currently designing the tank and connecting pipeline at the State's University of Hawaii's Experiment Station site mauka of Kuamoo Road and is requesting a right-of-entry for construction purposes. Upon its completion, the new tank will be able to handle the proposed development's water demands. Depending on the availability of construction funds, the project is expected to be constructed within a 18-month period.



Muri T. Nielsen
Manager and Chief Engineer

GF:rm

A dynamic splash of blue water with bubbles and ripples, creating a sense of movement and freshness. The water is light blue and translucent, with darker blue highlights and white foam at the peaks of the splash.

NEW BUSINESS

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER'S REPORT No. 26-04

September 18, 2025

Re: Discussion and Possible Action to Request Board Approval of the indemnification provision in the agreement for Kōloa Neighborhood Center between the Board of Water Supply, County of Kaua'i and the County of Kaua'i, Department of Parks and Recreation

RECOMMENDATION:

It is recommended that the Board of Water Supply, County of Kaua'i (Board), approve the indemnification provision in the agreement to use the County of Kaua'i, Department of Parks and Recreation's Kōloa Neighborhood Center to hold a public meeting to present the draft capital improvement program (CIP) for the Water Systems Investment Plan (WSIP) to the community.

FUNDING: N/A

BACKGROUND:

The Department, as part of the WSIP, which is an update to Water Plan 2020 (WP2020), has created a draft CIP. The Department will be hosting a series of public meetings throughout the island to present the CIP to the community.

OPTIONS:

Option 1: Approve Manager's Report as recommended.

Pro: DOW will move forward with the public meeting scheduled for 9/23/25.

Con: None.

Option 2: Do not approve the Manager's Report as recommended.

Pro: None.

Con: DOW will not move forward with the public meeting scheduled for 9/23/25.

JK/crz

Attachment(s): Koloa Neighborhood Center Facility Agreement



FACILITY SALES RECEIPT

Receipt # 362882
Payment Date: 08/13/25
Household: 106806

Anne Knudsen Park
Maluhia Rd.
Koloa HI 96756
Phone: (808)241-4463

Ani Turner
4398 Pua Loke St.
Lihue HI 96766
aturner@kauaiwater.org

Reservation Details: Koloa Neighborhood Center, Koloa NC

Address: 3461B Weliweli Rd., Koloa, HI, 96756
Reserv. Contact: **Ani Turner**
Phone Number: **(808)245-5461**
Reserv. Number: 95095
Status: Firm
Purpose: Public meeting
Anticipated Count: 30

<u>New Fees</u>	<u>Total Fees</u>	<u>New Paid</u>	<u>Total Paid</u>	<u>Amount Due</u>
0.00	0.00	0.00	0.00	0.00

Date(s): **Tue @ 3:30pm - 8:00pm: 9/23**
Special Questions: Event Type: Type I
Maintenance Comment Code:
Reservation Comment Code:

Reservee: Ani Turner Reservation No: 95095
4398 Pua Loke St.
Lihue, HI 96766
No Phone # Listed

Waiver of Claim and Indemnity Agreement

For and in consideration of the County's providing the use of the above-mentioned building, facility, or grounds, I, the undersigned, individually, jointly and in any representative or legal capacity, on behalf of my respective self, heirs, executors and/or administrators, do hereby waive, release, discharge and agree to hold harmless and indemnify the COUNTY OF KAUAI, its officers, employees and agents, individually and in their official capacity, from all liability or loss of any claim for death, injury, or damage to property resulting directly or indirectly from the undersigned Applicant's use of the County building, facility or grounds. I further avow that my aforesaid waiver, release, discharge and agreement shall be applicable to any guest or participant in any program or event conducted or held by the Applicant at the above-described building, facility, or grounds.

Print Name of Applicant

Signature of Applicant

Processed on 08/13/25 @ 10:38am by SM

Total New Fees	0.00
Discount Applied	0.00
Total Due	0.00
Total Fees Paid	0.00
Total Paid	0.00

FACILITY SALES RECEIPT

Mango's Report No. 2684 Attachment:
Koloa Neighborhood Center Agreement
Page 2 of 2

Receipt # 362882
Payment Date: 08/13/2025
Household: 106806

Household Balance Information

Overall Household Balance Due 0.00

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER'S REPORT No. 26-05

September 18, 2025

Re: Discussion and Possible Action to Request Board Approval of the indemnification provision and unspecified future obligations in the agreement for Ka Waiwai ma Kapa'a at Kalukalu between the Board of Water Supply, County of Kaua'i and the Waiwai Collective, LLC

RECOMMENDATION:

It is recommended that the Board of Water Supply, County of Kaua'i (Board), approve the indemnification provision in the agreement to use the Waiwai Collective LLC's Ka Waiwai ma Kapa'a at Kalukalu to hold a public meeting to present the draft capital improvement program (CIP) for the Water Systems Investment Plan (WSIP) to the community.

FUNDING: N/A

BACKGROUND:

The Department, as part of the WSIP, which is an update to Water Plan 2020 (WP2020), has created a draft CIP. The Department will be hosting a series of public meetings throughout the island to present the CIP to the community.

OPTIONS:

Option 1: **Approve Manager's Report as recommended.**

Pro: DOW will move forward with the public meeting scheduled for 9/24/25.

Con: None.

Option 2: **Do not approve the Manager's Report as recommended.**

Pro: None.

Con: DOW will not move forward with the public meeting scheduled for 9/24/25.

JK/crz

Attachment(s): Wai Wai Collective Agreement

*WAIWAI COLLECTIVE LLC
VENUE RENTAL AGREEMENT
Ka Waiwai ma Kapaa @Kalukalu*

This Venue Rental Agreement (“Agreement”), effective from the date of execution by the Chairperson of the Board of Water Supply, County of Kaua'i, is made and entered into by and between Waiwai Collective, LLC, of Kalukalu 1624 Kuhio Hwy (“Lessor”) and Board of Water Supply, Līhu'e, Hawai'i 96766 (“Lessee”). The parties hereto, intending to be legally bound, and in consideration of the mutual covenants hereinafter contained, agree as follows:

GRANT

Lessor, on the dates and times set forth herein, and subject to the terms and conditions of this Agreement, hereby grants to Lessee a license to use Ka Waiwai ma Kapaa @ Kalukalu for Kauai Department of Water Meeting to be held on Wednesday, September 24, 2025 between the hours of 5:00 pm and 7:00 pm.

DATE/TIMES OF PERMITTED USE

Access to the Venue for the Event will commence at 4:00 pm on the date of the Event and will end at 8:00 pm.

RENTAL FEES

Lessee shall pay to Lessor a base rental fee of \$209.42 (\$200 + \$9.42), (“Rental Fee” including tax) for the use of the Venue plus all other additional charges agreed upon by the parties and listed below in ADDITIONAL FEES/SERVICES. Lessee shall deposit 50% of the Rental Fee to Lessor upon the execution of this Agreement, which shall be applied by Lessor to the total Rental Fee. The remaining balance of the Rental Fee shall be paid in full by Lessee to Lessor on the day of the Event prior to the completion of the Event.

ADDITIONAL FEES/SERVICES

Lessee may contract Lessor for additional services, all charged separately from and in addition to the base rental fee agreed upon above. These additional services available to Lessee offered by Lessor include:

- Catering
- Table and chair rental
- Sound system rental and sound operator fee
- Additional or after hours A/C
- Other additional miscellaneous expenses

Should Lessee desire to contract Lessor to provide any or all of the above listed services, the details and fees pertaining to these additional services shall be detailed in a signed writing by both parties and attached as an addendum to this Agreement.

In addition to the 50% base rental fee deposit due upon execution of this Agreement, Lessee shall also pay Lessor a 50% deposit for all agreed upon Additional Fees at this time.

INDEMNIFICATION

Lessee shall indemnify, defend, and hold harmless Lessor, its officers, agents, employees, and assigns from and against any and all loss, cost (including attorneys' fees), damage, expense, and/or liability (including statutory liability and liability under workers' compensation laws) in connection with any and all claims, judgments, damages, penalties, fines, liabilities, losses, suits, and/or administrative proceedings caused by the negligence of the Lessee, its agents, employees, contractors, lessees, invitees, representatives, in, on, or about the Venue. This indemnity shall survive the termination of this Agreement. Lessee hereby releases Lessor from any and all liability or responsibility to Lessee or anyone claiming through or under Lessee by way of subrogation or otherwise for any loss or damage to equipment or property of Lessee.

"AS-IS" CONDITION

Lessee agrees to accept the Venue in its "as-is" condition.

ASSIGNMENT AND SUBLICENSING

Lessee shall not assign any interest in this Agreement or otherwise transfer or sublicense the Venue, in whole or in part, or permit the use of the Venue to any party other than Lessee.

TERMINATION

Lessor may terminate this Agreement based upon any one or more of the following events:

- Failure of Lessee to pay the Rental Fee, Additional Fees, or any other agreed upon charges when due; or
- Failure of Lessee to perform any of its covenants hereunder.

In any or all of the aforesaid events, and in addition to any and all rights and remedies available to Lessor by law or in equity, Lessor may, with or without notice, immediately terminate this Agreement and expel and/or remove Lessee, and/or any other person or persons from the Venue together with their goods and chattels, using such force as may be necessary in the judgment of Lessor or its agents in so doing. Lessor may recover from Lessee all damages it may incur by reason of such breach by Lessee or resort to legal process to recover any loss or damage incurred by reason of such breach, in

addition to any other remedy Lessor may have.

INTERFERENCE

Lessee shall use the Venue in a manner which shall not cause interference with the use or occupancy of the other portions of the Building by Lessor or others in any way. Lessee's use hereunder will be done in such a manner so as not to interfere with or impose any additional expense upon Lessor in maintaining the Building.

RESTORATION

Prior to the execution of this Agreement, Lessor and Lessee will do a walk-through of the Venue to determine the initial state of the Venue and all included facilities. If any damage occurs to the Venue, or if any repairs or replacements need to be made to the Venue as a result of Lessee's exercise of its rights under this Agreement, Lessee shall pay Lessor for any such damage, repairs, or replacements upon demand by Lessor.

CANCELLATION

Lessee may elect to cancel this Agreement at any time up to 90 days prior to the Event, or within 48 hours after execution of this Agreement, by providing written notice of such election to Lessor, at no cost to Lessee. If Lessee elects to cancel this agreement between 89 and 31 days prior to the Event, Lessor is entitled to keep the 50% Rental Fee deposit and recover from Lessee any expenses incurred in good faith by Lessor in preparation for Lessee's use of the Venue.

For cancellations 30 or fewer days prior to the Event, Lessee will be charged 100% of the Rental Fee and any expenses incurred by Lessor in preparation for Lessee's use of the Venue in accordance with this Agreement. Lessee recognizes that the foregoing cancellation policy is not intended to be punitive but meant to reflect Lessor's foregoing actual or potential business opportunities in reserving the Venue for Lessee and Lessor's diminished ability to rent the Venue to another party within 30 days or less.

GOVERNING LAW

This Agreement shall be governed by and constructed in accordance with the laws of the State of Hawai'i. Any legal actions, claims or demands shall be handled in a court of competent jurisdiction within the State of Hawai'i.

SEVERABILITY

To the maximum extent possible, each provision of this Agreement shall be interpreted in such manner as to be valid and enforceable under applicable law. If any provision of this

Agreement is held to be invalid or unenforceable under applicable law, such provision shall be modified so as to be rendered valid and enforceable while implementing, to the maximum extent possible, the original intent of such provision. If such modification is not possible or allowed, then such provision shall be ineffective only to the extent of such unenforceability or invalidity without affecting the remainder of such provision or any other provisions in the Agreement.

SIGNATORIES

This Agreement shall be signed by an authorized representative of Waiwai Collective, LLC and by an authorized representative of the Board of Water Supply, County of Kaua'i

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

LESSOR

Waiwai Collective, LLC

_____Keoni Willing_____08/29/25

Signature WC Representative /Date

_____General Manager_____

Title

LESSEE

Department of Water, County of Kaua'i

Board of Water Supply, County of Kaua'i

By: Joseph E Tait
Its: Manager and Chief Engineer

By: Julie Simonton
Its: Chair
Dated: _____

**APPROVED AS TO FORM AND
LEGALITY:**

Deputy County Attorney

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER'S REPORT No. 26-06

September 18, 2025

Re: Discussion and Possible Action to Request Board Approval of the indemnification provision in the agreement for Kīlauea Elementary School between the Board of Water Supply, County of Kaua'i and the State of Hawai'i, Department of Education

RECOMMENDATION:

It is recommended that the Board of Water Supply, County of Kaua'i (Board), approve the indemnification provision in the agreement to use the State of Hawai'i's, Department of Education's Kīlauea Elementary School to hold a public meeting to present the draft capital improvement program (CIP) for the Water Systems Investment Plan (WSIP) to the community.

FUNDING: N/A

BACKGROUND:

The Department, as part of the WSIP, which is an update to Water Plan 2020 (WP2020), has created a draft CIP. The Department will be hosting a series of public meetings throughout the island to present the CIP to the community.

OPTIONS:

Option 1: Approve Manager's Report as recommended.

Pro: DOW will move forward with the public meeting scheduled for 9/25/25.

Con: None.

Option 2: Do not approve the Manager's Report as recommended.

Pro: None.

Con: DOW will not move forward with the public meeting scheduled for 9/25/25.

JK/crz

Attachment(s): Kilauea Elementary School Use Agreement

DEPARTMENT OF EDUCATION - STATE OF HAWAII

Request & Agreement for Use of School Buildings, Facilities, or Grounds

Hawaii Revised Statutes §302A-1148 & 302A-1148.5 • Hawaii Administrative Rules Title 8, Chapter 39

(Application must be received by the School at least 10 working days prior to requested date of use)

EVENT & CONTACT INFORMATION

Name of School Kilauea Elem Date 08/11/2025
Facility List Cafeteria Dining Room (3601 sf to 6600 sf) - No air conditioning

Event Start Date 09/25/2025 Event End Date 09/25/2025
(Cannot exceed 12 consecutive months)

Dates/Days of Use _____
(e.g., specific dates; every Saturday; after school hours every school day)

Total Days of Use (Not to exceed 50 days, except for State, including DOE, and County Park activities) 1 Expected Number of Attendees 30

Time of Use: From 03:30 PM to 08:00 PM (Min 2 hrs; include time required for set up, activity, and clean up) Total Hours Per Day 4.5

Name of Event or Description Dept. of Water Public Meeting

Organization/Individual Dept of Water, County of Kauai Contact Person Ani Turner

Address 4398 Pua Loke Street

Phone Number 8082455461 Email Address aturner@kauaiwater.org

Please answer all questions

	Yes	No
1. Is this a DOE-sponsored activity? (School Administration: _____)	<input type="checkbox"/>	<input type="checkbox"/>
a. Is your organization a separate school entity (e.g., Parent-Teacher Organization, Board of Education)?	<input type="checkbox"/>	<input type="checkbox"/>
b. Will other vendors participate in the event?	<input type="checkbox"/>	<input type="checkbox"/>
2. Is this educational programming for A+, 21CCLC, REACH, or UPLINK?	<input type="checkbox"/>	<input type="checkbox"/>
a. Is the programming administered by a DOE contracted vendor?	<input type="checkbox"/>	<input type="checkbox"/>
3. Is this a government-sponsored activity?(Sponsoring Agency: <u>Dept. of Water</u>)	<input type="checkbox"/>	<input type="checkbox"/>
a. Is this a State-sponsored activity?	<input type="checkbox"/>	<input type="checkbox"/>
b. Is this a County-sponsored activity?	<input type="checkbox"/>	<input type="checkbox"/>
c. Is this a County Department of Parks and Recreation educational or recreational activity?	<input type="checkbox"/>	<input type="checkbox"/>
4. Is your organization tax-exempt non-profit? (Taxl.D. No.: <u>47-2810526</u>)	<input type="checkbox"/>	<input type="checkbox"/>
a. Does the activity involve student child-care services?	<input type="checkbox"/>	<input type="checkbox"/>
5. Is there an admission, fee/charge, tuition, donation, or contribution collected for the event/activity?	<input type="checkbox"/>	<input type="checkbox"/>
6. Is this a personal or private for-profit business activity?	<input type="checkbox"/>	<input type="checkbox"/>
7. Does the activity involve fundraising?	<input type="checkbox"/>	<input type="checkbox"/>
8. Does the activity involve meetings, or services to promote a business, product, or religion?	<input type="checkbox"/>	<input type="checkbox"/>
9. Does the activity involve political campaigning?	<input type="checkbox"/>	<input type="checkbox"/>
10. If the request is for auditorium use, do you employ union stage workers?	<input type="checkbox"/>	<input type="checkbox"/>
11. Is this a non-DOE athletic event?	<input type="checkbox"/>	<input type="checkbox"/>
a. Will other vendors be participating in this event?	<input type="checkbox"/>	<input type="checkbox"/>
12. Do you plan to operate a carnival?	<input type="checkbox"/>	<input type="checkbox"/>
a. Do you plan to sublease the facility?	<input type="checkbox"/>	<input type="checkbox"/>
13. Do you plan to operate a fair (e.g., craft fair, farmers' market)?	<input type="checkbox"/>	<input type="checkbox"/>
a. Do you plan to sublease the facility?	<input type="checkbox"/>	<input type="checkbox"/>
14. Will you and/or your vendors/sub lessees commercially prepare food items (off-site or on-site) for sale?	<input type="checkbox"/>	<input type="checkbox"/>
15. Do you plan to use motor vehicle(s) on school property (food trucks, car shows, exhibits, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>

I, the undersigned, on behalf of the organization I represent, have provided truthful and accurate information. If the school facilities, equipment or grounds are not properly maintained by the user, the State of Hawaii Department of Education will deny further use of the school facilities, equipment or grounds to the individual or organization and seek appropriate restitution for damages incurred. The applicant further understands that the school facilities and grounds are to be alcohol and tobacco free, meaning that the use of any alcohol or tobacco substances are prohibited at all times on school grounds or at any school activities. Furthermore, I understand that as a user of school facilities, the activity being conducted shall be lawful. Should disabled persons wish to participate in the requested use, applicants must make reasonable modifications and/or programmatic accommodations to permit such participation.

First and Last Name _____

☒ By checking this box, I hereby certify my typed electronic signature and acknowledge the above requirements.

DISTRIBUTION: ORIGINAL - School; COPY - Requestor

DEPARTMENT OF EDUCATION - STATE OF HAWAII

Agreement for Use of School Buildings, Facilities, or Grounds

Hawaii Revised Statutes §302A-1148 & 302A-1148.5 • Hawaii Administrative Rules Title 8, Chapter 39

(Application must be received by the School at least 10 working days prior to requested date of use)

PREEMPTION NOTICE • CIVIL DEFENSE NOTICE

NATIONAL POLLUTANT DISCHARGE ELIMINATION NOTICE • DEPARTMENT OF HEALTH REGULATIONS

Preemption Notice

To assure school uses are given priority over non-school uses, all approved requests are subject to preemption by the school for unanticipated school needs. Should an unanticipated school need arise, schools may preempt all or a portion of the requested use period for the school's needs.

Civil Defense Notice

In the event of a Civil Defense declared emergency during non-school hours, the undersigned is responsible for the safety of their program participants. The Department of Education is not obligated to provide for Civil Defense emergencies during non-school hours except when the applicable school is designated for use as a shelter by the American Red Cross.

National Pollutant Discharge Elimination System (NPDES) Notice

The National Pollutant Discharge Elimination System (NPDES) is a regulatory program administered by the United States Environmental Protection Agency that calls for the control and management of storm water pollution. In Hawaii, our storm water drainage systems were designed to prevent flooding by channeling storm water into drains that discharge through outlets along the coastline.

However, the storm water drainage systems were not designed for the disposal of waste or pollutants. In order to protect the environment and fulfill our pollution prevention (P2) responsibilities, the Department of Education must implement best management practices (BMPs) as part of a storm water management plan (SWMP).

The undersigned understands that every effort should be made to prevent pollution as a consequence of using school facilities. Waste and pollution if not curtailed will enter storm drains and eventually make its way to the ocean. Organizers and participants can help by preventing litter and minimizing the use of autos on campus by carpooling, riding bikes, and using public transportation. Report any illegal dumping and observed violations by calling the City Illegal Dumping Hotline at (808) 768-3300 (Honolulu) or the respective county offices (neighbor islands).

Department of Health Safety Code Requirements (Hawaii Administrative Rules Title 11, Chapter 50)

Applicant responsible for complying with all Department of Health regulations for all food related events.

First and Last Name _____

Acceptance and Acknowledgment



By checking this box, I hereby certify my typed electronic signature and acknowledge the above requirements.

DEPARTMENT OF EDUCATION - STATE OF HAWAII

Agreement for Use of School Buildings, Facilities, or Grounds

Hawaii Revised Statutes §302A-1148 & 302A-1148.5 • Hawaii Administrative Rules Title 8, Chapter 39

(Application must be received by the School at least 10 working days prior to requested date of use)

LIABILITY REQUIREMENTS • INDEMNIFICATION STATEMENT

Liability Insurance Requirements (Per Department of Accounting and General Services Risk Management Office)

1. Promoters and/or organizers of fairs and carnivals, and non-DOE sponsored athletic event users must have general liability insurance of no less than \$1 million per occurrence for personal injury and \$3 million in the aggregate. Non-DOE sponsored athletic event users with less than 100 attendees may obtain a general liability insurance policy for the lesser amount listed under requirement #2.
2. All users, including carnival and fair sub lessees and vendors at DOE/school sponsored events, and except those identified above, must have general liability insurance of no less than \$500,000 per occurrence and \$1 million in the aggregate.
3. Users selling food items, including carnival and fair sub lessees and vendors at DOE/school sponsored events, must also have products and completed operations coverage of no less than \$500,000 per occurrence and \$1 million in the aggregate.
4. Organizations operating motor vehicles, including carnival and fair sub lessees and vendors at DOE/school sponsored events, must have automobile liability of no less than \$500,000 per occurrence and \$1 million in the aggregate.
5. State of Hawaii and Department of Education are to be named as additional insured.
6. Certificates of Insurance must be provided to the school.
7. Liability waivers and indemnification agreements are required from all users.

Indemnification Statement*

The undersigned individual(s), group and/or organization, his or their heirs, personal representative and assigns, or its officers, directors, members, agents, employees, successors and assigns, for and in consideration of the State of Hawaii Department of Education permitting and allowing the use of the designated school rooms, buildings, and/or facilities jointly and severally agree(s) to indemnify and save harmless the State of Hawaii Department of Education against any and all loss, liability, demands, claims, suits, action or proceedings of every name, character and description which may be suffered or incurred by or brought against the State of Hawaii Department of Education for or an account of any injuries or damages to any person or property received or sustained by any person, directly or indirectly, by or in consequence of the use of the facilities by the undersigned individual(s), groups and/or organization.

First and Last Name _____

Acceptance and Acknowledgment



By checking this box, I hereby certify my typed electronic signature and acknowledge the above requirements.

**(1) State agencies are not required to sign this indemnification statement and are not required to obtain a general liability insurance policy.
(2) Each vendor/sub lessee is required to sign this indemnification statement and is required to obtain a general liability insurance policy in the amounts stated above.*

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER'S REPORT No. 26-07

September 18, 2025

Re: Discussion and Possible Action to Request Board Approval of the indemnification provision in the agreement for Waimea Neighborhood Center between the Board of Water Supply, County of Kaua'i and the County of Kaua'i, Department of Parks and Recreation

RECOMMENDATION:

It is recommended that the Board of Water Supply, County of Kaua'i (Board), approve the indemnification provision in the agreement to use the County of Kaua'i, Department of Parks and Recreation's Waimea Neighborhood Center to hold a public meeting to present the draft capital improvement program (CIP) for the Water Systems Investment Plan (WSIP) to the community.

FUNDING: N/A

BACKGROUND:

The Department, as part of the WSIP, which is an update to Water Plan 2020 (WP2020), has created a draft CIP. The Department will be hosting a series of public meetings throughout the island to present the CIP to the community.

OPTIONS:

Option 1: **Approve Manager's Report as recommended.**

Pro: DOW will move forward with the public meeting scheduled for 9/29/25.

Con: None.

Option 2: **Do not approve the Manager's Report as recommended.**

Pro: None.

Con: DOW will not move forward with the public meeting scheduled for 9/29/25.

JK/crz

Attachment(s): Waimea Neighborhood Center Facility Agreement

FACILITY SALES RECEIPT



Receipt # 362906
Payment Date: 08/13/25
Household: 85798

Waimea Neighborhood Center
4556 Makeke Rd.
Waimea HI 96796
Phone: (808)338-1122
www.kauai.gov

Water Department County Of Kauai Hm Ph: (808)245-5461
4398 Pua Loke St
Lihue HI 96766
aturner@kauaiwater.org

Reservation Details: Waimea Neighborhood Center, Waimea NC Hall/Kitch

Address: 4556 Makeke Rd., Waimea, HI, 96796
Reserv. Contact: **Water Department County Of Kauai**
Phone Number: **(808)245-5461**
Reserv. Number: 95101
Status: Firm
Purpose: Public Meeting
Anticipated Count: 50

<u>Date(s) And Times</u>	<u>New Fees</u>	<u>Total Fees</u>	<u>New Paid</u>	<u>Total Paid</u>	<u>Amount Due</u>
Mon 09/29/2025 3:30P to 10:00P	0.00	0.00	0.00	0.00	0.00

Resv Comment Code For and in consideration of the County's providing the use of the above facility, we the undersigned, jointly, individually and in any representative or legal capacity, on behalf of our respective selves, heirs, executors and /or administrators, do hereby waive, release, discharge and agree to hold harmless and indemnify the COUNTY OF KAUAI, its officers, employees and agents, individually and in their official capacity, from all liability or loss of any claim for death, injury, or damage to property resulting directly or indirectly from the undersigned participant's participation in the program. We further avow that our aforesaid waiver, release, discharge and agreement shall be applicable to any owner of a facility and/or property at or upon which the program is held.

PRINT NAME OF PARTICIPANT, PARENT OR GUARDIAN

SIGNATURE OF PARTICIPANT, PARENT OR GUARDIAN

Special Questions: Event Type: Type I
Maintenance Comment Code:

Processed on 08/13/25 @ 2:31pm by MKC

Total New Fees	0.00
Total New Taxes	0.00
Total Due	0.00
Total Fees Paid	0.00
Total Taxes Paid	0.00
Total Paid	0.00

Household Balance Information

Overall Household Credit Balance Available	0.00
Overall Household Balance Due	0.00

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER'S REPORT No. 26-08

September 18, 2025

Re: Discussion and Possible Action to Request Board Approval of the indemnification provision in the agreement for Līhu'e Neighborhood Center between the Board of Water Supply, County of Kaua'i and the County of Kaua'i, Department of Parks and Recreation

RECOMMENDATION:

It is recommended that the Board of Water Supply, County of Kaua'i (Board), approve the indemnification provision in the agreement to use the County of Kaua'i, Department of Parks and Recreation's Līhu'e Neighborhood Center to hold a public meeting to present the draft capital improvement program (CIP) for the Water Systems Investment Plan (WSIP) to the community.

FUNDING: N/A

BACKGROUND:

The Department, as part of the WSIP, which is an update to Water Plan 2020 (WP2020), has created a draft CIP. The Department will be hosting a series of public meetings throughout the island to present the CIP to the community.

OPTIONS:

Option 1: Approve Manager's Report as recommended.

Pro: DOW will move forward with the public meeting scheduled for 9/30/25.

Con: None.

Option 2: Do not approve the Manager's Report as recommended.

Pro: None.

Con: DOW will not move forward with the public meeting scheduled for 9/30/25.

JK/crz

Attachment(s): Lihue Neighborhood Center Facility Agreement



FACILITY SALES RECEIPT
Receipt # 362953
Payment Date: 08/14/25
Household: 85798

Lihue County Park
Hardy St.
Lihue HI 96766
Phone: (808)241-4463

Water Department County Of Kauai
4398 Pua Loke St
Lihue HI 96766
aturner@kauaiwater.org

Reservation Details: Lihue Neighborhood Center, Lihue NC Old

Address:	3353 Eono St., Lihue, HI, 96766	<u>New Fees</u>	<u>Total Fees</u>	<u>New Paid</u>	<u>Total Paid</u>	<u>Amount Due</u>
Reserv. Contact:	Water Department County Of Kauai	0.00	0.00	0.00	0.00	0.00
Phone Number:	(808)245-5461					
Reserv. Number:	95125					
Status:	Firm					
Purpose:	Public Meeting, Ani 245-5461					
Anticipated Count:	40					
Date(s):	Tue @ 3:30pm - 8:30pm: 9/30					
Resv Comment Code	For and in consideration of the County's providing the use of the above-mentioned building, facility, or ground, I, the undersigned, individually, jointly and in any representative or legal capacity, on behalf of my respective self, heirs, executors and/or administrators, do hereby waive, release, discharge and agree to hold harmless and indemnify the COUNTY OF KAUAI, its officers, employees and agents, individually and in their official capacity, from all liability of loss of the above-described County building, facility, or grounds. I further avow that my aforesaid waiver, release, discharge and greement shall be applicable to any guest or participant in any program or event conducted or held by the Applicant at the above-described building, facility, or grounds.					
Facility Comments	This permit is valid only for the hours specified and will be forfeited if permittee is not present at the start time. Permittee is required to restore the facility to its original condition or better, which includes the removal of all trash. Failure to comply may result in forfeiture of the deposit. ____ Initials					
Special Questions:	Event Type: Type I					
	Maintenance Comment Code:					

Reservee: Water Department County Of Kauai Reservation No: 95125
4398 Pua Loke St
Lihue, HI 96766
(808)245-5461

Waiver of Claim and Indemnity Agreement

For and in consideration of the County's providing the use of the above-mentioned building, facility, or grounds, I, the undersigned, individually, jointly and in any representative or legal capacity, on behalf of my respective self, heirs, executors and/or administrators, do hereby waive, release, discharge and agree to hold harmless and indemnify the COUNTY OF KAUAI, its officers, employees and agents, individually and in their official capacity, from all liability or loss of any claim for death, injury, or damage to property resulting directly or indirectly from the undersigned Applicant's use of the County building, facility or grounds. I further avow that my aforesaid waiver, release, discharge and agreement shall be applicable to any guest or participant in any program or event conducted or held by the Applicant at the above-described building, facility, or grounds.

Print Name of Applicant

Signature of Applicant

Receipt #

362953

Payment Date:

08/14/2025

Household:

85798

Processed on 08/14/25 @ 2:02pm by AO			
Total New Fees			0.00
Discount Applied			0.00
		Total Due	0.00
Total Fees Paid			0.00
		Total Paid	0.00

Household Balance Information

Overall Household Balance Due0.00

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER'S REPORT No. 26-09

September 18, 2025

Re: Discussion and Possible Action to Request Board Approval of the indemnification provision in the agreement for Kekaha Neighborhood Center between the Board of Water Supply, County of Kaua'i and the County of Kaua'i, Department of Parks and Recreation

RECOMMENDATION:

It is recommended that the Board of Water Supply, County of Kaua'i (Board), approve the indemnification provision in the agreement to use the County of Kaua'i, Department of Parks and Recreation's Kekaha Neighborhood Center to hold a meeting for the State of Hawai'i, Department of Hawaiian Home Lands (DHHL) beneficiaries to present the draft capital improvement program (CIP) for the Water Systems Investment Plan (WSIP).

FUNDING: N/A

BACKGROUND:

The Department, as part of the WSIP, which is an update to Water Plan 2020 (WP2020), has created a draft CIP. The Department will be hosting a series of public meetings throughout the island to present the CIP to the community.

OPTIONS:

Option 1: Approve Manager's Report as recommended.

Pro: DOW will move forward with the public meeting scheduled for 10/1/25.

Con: None.

Option 2: Do not approve the Manager's Report as recommended.

Pro: None.

Con: DOW will not move forward with the public meeting scheduled for 10/1/25.

JK/crz

Attachment(s): Kekaha Neighborhood Center Facility Agreement



FACILITY SALES RECEIPT

Receipt # 362833
Payment Date: 08/12/25
Household: 85798

Kekaha Neighborhood Center
8130 Elepaio Rd.
Kekaha HI 96752
Phone: (808)337-1671

Water Department County Of Kauai
4398 Pua Loke St
Lihue HI 96766
~~jkacholaulii@kauaiwater.org~~
aturner@kauaiwater.org

Reservation Details: Kekaha Neighborhood Center, Kekaha NC

Address: 8130 Elepaio Rd., Kekaha, HI, 96752
Reserv. Contact: Water Department County Of Kauai
Phone Number: (808)245-5461
Reserv. Number: 95085
Status: Firm
Purpose: PUBLIC MEETING
Anticipated Count: 30

New Fees	Total Fees	New Paid	Total Paid	Amount Due
0.00	0.00	0.00	0.00	0.00

Date(s): Wed @ 3:15pm - 8:00pm: 10/1

Resv Comment Code - Permittee is responsible for any damages to County property, including the repair or replacement of the structures and surrounding areas.
- Permittee is responsible for all trash generated during this event. Trash must be removed from premises immediately after the conclusion of the event.
- Vehicles are not permitted to park inside the park area without the approval of the Director. Failure to comply with this condition may result in a fine up to five hundred dollars (\$500.00) per vehicle.
- Food concessions that will operate during this event must have an applicable Department of Health (DOH) Permit and GET License. A copy of the DOH Permit and GET License must be submitted to the Department prior to the completion of the Park Permit.
- Overnight camping is not permitted.
- Permittee is required to ensure that emergency vehicles have easy access to all areas of the event.
- Permittee will be responsible for ensuring that this event complies with all Americans with Disabilities Act (ADA) requirements.
- No animals are allowed at County facilities, except for service animals specifically trained to aid a person with a disability.
- Failure to comply with any of the above conditions could result in the denial of future requests to use County park facilities, fines, and/or the forfeiture of the deposit.

Special Questions: Event Type: Type II
Maintenance Comment Code:

Reservee: Water Department County Of Kauai Reservation No: 95085
4398 Pua Loke St
Lihue, HI 96766
(808)245-5461

Waiver of Claim and Indemnity Agreement

For and in consideration of the County's providing the use of the above-mentioned building, facility, or grounds, I, the undersigned, individually, jointly and in any representative or legal capacity, on behalf of my respective self, heirs, executors and/or administrators, do hereby waive, release, discharge and agree to hold harmless and indemnify the COUNTY OF KAUAI, its officers, employees and agents, individually and in their official capacity, from all liability or loss of any claim for death, injury, or damage to property resulting directly or indirectly from the undersigned Applicant's use of the County building, facility or grounds. I further avow that my aforesaid waiver, release, discharge and agreement shall be applicable to any guest or participant in any program or event conducted or held by the Applicant at the above-described building, facility, or grounds.

Print Name of Applicant

Receipt #

Payment Date:

Household:

362833

08/12/2025

85798

Signature of Applicant

Processed on 08/12/25 @ 1:46pm by BT

Total New Fees	0.00
Discount Applied	0.00
Total Due	0.00
Total Fees Paid	0.00
Total Paid	0.00

Household Balance Information

Overall Household Balance Due0.00

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER'S REPORT No. 26-10

September 18, 2025

Re: Discussion and Possible Action to Request Board Approval of the indemnification provision in the agreement for Anahola Neighborhood Center between the Board of Water Supply, County of Kaua'i and the County of Kaua'i, Department of Parks and Recreation

RECOMMENDATION:

It is recommended that the Board of Water Supply, County of Kaua'i (Board), approve the indemnification provision in the agreement to use the County of Kaua'i, Department of Parks and Recreation's Anahola Neighborhood Center to hold a meeting for the State of Hawai'i, Department of Hawaiian Home Lands (DHHL) beneficiaries to present the draft capital improvement program (CIP) for the Water Systems Investment Plan (WSIP).

FUNDING: N/A

BACKGROUND:

The Department, as part of the WSIP, which is an update to Water Plan 2020 (WP2020), has created a draft CIP. The Department will be hosting a series of public meetings throughout the island to present the CIP to the community.

OPTIONS:

Option 1: **Approve Manager's Report as recommended.**

Pro: DOW will move forward with the public meeting scheduled for 10/2/25.

Con: None.

Option 2: **Do not approve the Manager's Report as recommended.**

Pro: None.

Con: DOW will not move forward with the public meeting scheduled for 10/2/25.

JK/crz

Attachment(s): Anahola Neighborhood Center Facility Agreement

FACILITY SALES RECEIPT



Receipt # **362826**
Payment Date: 08/12/25
Household: 106806

Kapaa Neighborhood Center
4491 Kou St.
Kapaa HI 96746
Phone: (808)822-1931
www.kauai.gov

Ani Turner
4398 Pua Loke St.
Lihue HI 96766
aturner@kauaiwater.org

Wk Ph: (808)245-5461

Reservation Details: **Anahola Club House, Anahola Club House**

Address: 3900 Kawello Rd., Anahola, HI, 96703
Reserv. Contact: **Ani Turner**
Phone Number: **(808)245-5461**
Reserv. Number: 95083
Status: Firm
Purpose: Public Meeting
Anticipated Count: 30

	<u>Date(s) And Times</u>	<u>New Fees</u>	<u>Total Fees</u>	<u>New Paid</u>	<u>Total Paid</u>	<u>Amount Due</u>
	Thu 10/02/2025 3:30P to 8:00P	0.00	0.00	0.00	0.00	0.00
Facility Comments	This permit is valid only for the hours specified and will be forfeited if permittee is not present at the start time. Permittee is required to restore the facility to its original condition or better, which includes the removal of all trash. Failure to comply may result in forfeiture of the deposit. ____ Initials					
Special Questions:	Event Type: Type I Maintenance Comment Code: Reservation Comment Code:					

Reservee: Ani Turner Reservation No: 95083
4398 Pua Loke St.
Lihue, HI 96766
No Phone # Listed

Waiver of Claim and Indemnity Agreement

For and in consideration of the County's providing the use of the above-mentioned building, facility, or grounds, I, the undersigned, individually, jointly and in any representative or legal capacity, on behalf of my respective self, heirs, executors and/or administrators, do hereby waive, release, discharge and agree to hold harmless and indemnify the COUNTY OF KAUAI, its officers, employees and agents, individually and in their official capacity, from all liability or loss of any claim for death, injury, or damage to property resulting directly or indirectly from the undersigned Applicant's use of the County building, facility or grounds. I further avow that my aforesaid waiver, release, discharge and agreement shall be applicable to any guest or participant in any program or event conducted or held by the Applicant at the above-described building, facility, or grounds.

Print Name of Applicant

Signature of Applicant

Processed on 08/12/25 @ 12:43pm by MH

Total New Fees	0.00
Total New Taxes	0.00
Total Due	0.00
 Total Fees Paid	 0.00
Total Taxes Paid	0.00
Total Paid	0.00

FACILITY SALES RECEIPT

Receipt # 362826
Payment Date: 08/12/2025
Household: 106806

Household Balance Information

Overall Household Credit Balance Available	0.00
Overall Household Balance Due	0.00

DEPARTMENT OF WATER

County of Kaua'i

"Water has no Substitute – Conserve It!"

MANAGER'S REPORT No. 26-11

September 18, 2025

Re: Discussion and Possible Action to Request Board Approval for Indemnification and Unspecified Future Obligations for Windows 11 between the Board of Water Supply, County of Kaua'i and Microsoft Corporation.

RECOMMENDATION:

The Department recommends that the Board approve Option 1, which will allow the Department to move forward with the installation of Microsoft Corporation's Operating System software Windows 11.

FUNDING: N/A

BACKGROUND:

The Department's Information Technology Section continues to use Microsoft's Windows 10 Operating system on all desktop and laptops however the security updates are scheduled to end in October of 2025. Microsoft advises adopting Windows 11 to reinstate security support after this deadline.

Agreement to the Terms of service is required prior to installation. The agreement contains language of unspecified future obligation provisions that require board approval. The County Attorney's Office has reviewed and approved the Terms and Conditions for Windows 11.

The sections below within the agreement that contain unspecified future obligations are highlighted below:

Microsoft License Terms

e. Arbitration fees and payments.

- (i) Disputes involving less than \$75,000 USD. The device manufacturer or installer (or Microsoft if your dispute is with Microsoft) will promptly reimburse your filing fees and pay the AAA's and arbitrator's fees and expenses. if: (i) the dispute involves less than \$75,000; and before initiating arbitration (ii) you complied with all pre-arbitration requirements in this Section 11, including, if applicable, the Related Cases paragraph. Otherwise, the American Arbitration Association ("AAA") rules will govern payment of filing fees and the AAA's and arbitrator's fees and expenses. If, at the conclusion of the arbitration, the arbitrator awards you more than our last written offer made before the arbitrator was appointed, the device manufacturer or installer (or Microsoft if your dispute is with Microsoft) will pay you (i) the amount of the award or \$1,000USD (whichever is more); (ii) any reasonable

attorney's fees you incurred; and any reasonable expenses (including expert witness fees and costs) that your attorney accrued in connection with your individual arbitration.

- (ii) **Disputes involving \$75,000 USD or more.** The AAA rules will govern payment of filing fees and the AAA's and arbitrator's fees and expenses.

OPTIONS

Option 1:

Approve the Department's request.

Pro:

The Department will be able to move forward with the replacement of Windows 10 with Windows 11 and continued use of Microsoft Corporations Windows software.

Cons:

The Department would have potential risk associated with indemnification and unspecified future obligation provisions of the Microsoft software agreement.

Option 2:

Deny the Department's request.

Pro:

No potential legal risk associated with indemnification and unspecified future obligation provisions of the Adobe software agreement.

Cons:

The Department's ability secure the desktop and laptops will be limited leaving any future vulnerabilities found exposed leaving our pc's open for exploitation depending on the ease and severity of the vulnerabilities that are found.

Microsoft License Terms

Last updated April 2024

MICROSOFT SOFTWARE LICENSE TERMS

WINDOWS OPERATING SYSTEM

IF YOU LIVE IN (OR IF YOUR PRINCIPAL PLACE OF BUSINESS IS IN) THE UNITED STATES, PLEASE READ THE BINDING ARBITRATION CLAUSE AND CLASS ACTION WAIVER IN SECTION 11. IT AFFECTS HOW DISPUTES ARE RESOLVED.

Thank you for choosing Microsoft!

Depending on how you obtained the Windows software, this is a license agreement between (i) you and the device manufacturer or software installer that distributes the software with your device; or (ii) you and Microsoft Corporation (or, based on where you live or, if a business, where your principal place of business is located, one of its affiliates) if you acquired the software from a retailer. Microsoft is the device manufacturer for devices produced by Microsoft or one of its affiliates, and Microsoft is the retailer if you acquired the software directly from Microsoft. If you are a volume license customer, use of this software is subject to your volume license agreement rather than this agreement.

This agreement describes your rights, obligations, and the conditions upon which you may use the Windows software. You should review the entire agreement, including any supplemental license terms that accompany the software and any linked terms, because all of the terms are important and together create this agreement that applies to you. You can review linked terms by pasting the ([aka.ms/](#)) link into a browser window.

By accepting this agreement or using the software, you agree to all of these terms, and consent to the transmission of certain information during activation and during your use of the software as per the privacy statement described in Section 3. If you do not accept and comply with these terms, you may not use the software or its features. You may contact the device manufacturer or installer, or your retailer if you purchased the software directly, to determine its return policy and return the software or device for a refund or credit under that policy. You must comply with that policy, which might require you to return the software with the entire device on which the software is installed for a refund or credit, if any.

1. Overview.

- a. Applicability.** This agreement applies to the Windows software that is preinstalled on your device, or acquired from a retailer and installed by you, the media on which you received the software (if any), any fonts, icons, images or sound files included with the software, and also any Microsoft updates, upgrades, supplements or services for the software, unless other terms come with them. It also applies to Windows apps developed by Microsoft that provide functionality such as mail, contacts, music, and photos that are included with Windows, unless other terms apply. If this agreement

contains terms regarding a feature or service not available on your device, those terms do not apply.

- b. Additional terms.** Additional Microsoft and third-party terms may apply to your use of certain features, services and apps, depending on your device's capabilities, how it is configured, and how you use it. Please read them.
- (i) Some Windows apps provide an access point to, or rely on, online services, and the use of those services is sometimes governed by separate terms and privacy policies, such as the Microsoft Services Agreement at <https://aka.ms/msa>. You can view these terms and policies by looking at the service terms of use or the app's settings, as applicable. The services may not be available in all regions.
 - (ii) Microsoft, or the device manufacturer or installer may include additional apps, which will be subject to separate license terms and privacy policies.
 - (iii) The software may include third-party programs that are licensed to you under this agreement, or under their own terms. License terms, notices and acknowledgements, if any, for the third-party programs can be viewed at <https://aka.ms/thirdpartynotices>.
 - (iv) To the extent included with Windows, Word, Excel, PowerPoint and OneNote are licensed for your personal, non-commercial use, unless you have commercial use rights under a separate agreement.

2. Installation and Use Rights.

- a. License.** The software is licensed, not sold. Under this agreement, we grant you the right to install and run one instance of the software on your device (the licensed device), for use by one person at a time, so long as you comply with the terms and restrictions contained in this agreement. Updating or upgrading from non-genuine software with software from Microsoft or authorized sources does not make your original version or the updated/upgraded version genuine, and in that situation, you do not have a license to use the software.
- b. Device.** In this agreement, "device" means a local hardware system (whether physical or virtual) with an internal storage device capable of running the software. A hardware partition or blade is considered to be a device. For purposes of this agreement, "device" does not include any hardware system (whether physical or virtual) on which the software is installed or accessed solely for remote use over a network.
- c. Restrictions.** The device manufacturer or installer and Microsoft reserve all rights (such as rights under intellectual property laws) not expressly granted in this agreement and no other rights are licensed to you. For the avoidance of doubt, this license does not give you any right to, and you may not (and you may not permit any other person or entity to):
- (i) use or virtualize features of the software separately;

- (ii) publish, copy (other than the permitted backup copy), rent, lease, or lend the software;
- (iii) transfer the software (except as permitted by this agreement);
- (iv) work around any technical restrictions or limitations in the software;
- (v) use the software as server software or to operate the device as a server, except as permitted under Section 2(d)(iii) below; use the software to offer commercial hosting services; make the software available for simultaneous use by more than one user over a network, except as permitted under Section 2(d)(vi) below; install the software on a server for remote access or use over a network; or install the software on a device for use only by remote users;
- (vi) reverse engineer, decompile, or disassemble the software, or attempt to do so, except and only to the extent that the foregoing restriction is (a) permitted by applicable law; (b) permitted by licensing terms governing the use of open-source components that may be included with the software; or (c) required to debug changes to any libraries licensed under the GNU Lesser General Public License that are included with and linked to by the software; and
- (vii) when using Internet-based features you may not use those features in any way that could interfere with anyone else's use of them, or to try to gain access to or use any service, data, account, or network, in an unauthorized manner.

d. Multi-Use scenarios.

- (i) **Multiple versions.** If when acquiring the software you were provided with multiple versions (such as 32-bit and 64-bit versions), you may install and activate only one of those versions at a time.
- (ii) **Multiple or pooled connections.** Hardware or software you use to multiplex or pool connections, or reduce the number of devices or users that access or use the software, does not reduce the number of licenses you need. You may only use such hardware or software if you have a license for each instance of the software you are using.
- (iii) **Device connections.** You may allow up to 20 other devices to access the software installed on the licensed device solely to use the following software features for personal or internal purposes: file services, print services, Internet information services, and Internet connection sharing and telephony services on the licensed device. You may allow any number of devices to access the software on the licensed device to synchronize data between devices. This subsection does not mean, however, that you have the right to install the software, or use the primary function of the software (other than the features listed in this subsection), on any of these other devices.
- (iv) **Use in a virtualized environment.** This license allows you to install only one instance of the software for use on one device, whether that device is physical or

virtual. If you want to use the software on more than one virtual device, you must obtain a separate license for each instance.

- (v) **Remote access.** No more than once every 90 days, you may designate a single user who physically uses the licensed device as the licensed user. The licensed user may access the licensed device from another device using remote access technologies for a period of up to 365 days from the last physical use. Other users, at different times, may access the licensed device from another device using remote access technologies, but only on devices separately licensed to run the same or higher edition of this software.
 - (vi) **Remote assistance.** You may use remote assistance technologies to share an active session without obtaining any additional licenses for the software. Remote assistance allows one user to connect directly to another user's computer, usually to correct problems.
- e. **Backup copy.** You may make a single copy of the software for backup purposes, and may also use that backup copy to transfer the software if it was acquired as stand-alone software, as described in Section 4 below.

3. **Privacy; Consent to Use of Data.** Your privacy is important to us. Some of the software features send or receive information when using those features. Many of these features can be switched off in the user interface, or you can choose not to use them. By accepting this agreement and using the software you agree that Microsoft may collect, use, and disclose the information as described in the Microsoft Privacy Statement at <https://aka.ms/privacy>, and as may be described in the user interface associated with the software features.

4. **Transfer.** The provisions of this section do not apply if you acquired the software in Germany or in any of the countries listed on this site <https://aka.ms/transfer>, in which case any transfer of the software to a third party, and the right to use it, must comply with applicable law.

- a. **Software preinstalled on device.** If you acquired the software preinstalled on a device (and also if you upgraded from software preinstalled on a device), you may transfer the license to use the software directly to another user, only with the licensed device. The transfer must include the software and, if provided with the device, an authentic Windows label including the product key. Before any permitted transfer, the other party must agree that this agreement applies to the transfer and use of the software.
- b. **Stand-alone software.** If you acquired the software as stand-alone software (and also if you upgraded from software you acquired as stand-alone software), you may transfer the software to another device that belongs to you. You may also transfer the software to a device owned by someone else if (i) you are the first licensed user of the software and (ii) the new user agrees to the terms of this agreement. You may use the backup copy we allow you to make or the media that the software came on to transfer the software. Every time you transfer the software to a new device, you must remove the software from the prior device. You may not transfer the software to share licenses between devices.

5. **Authorized Software and Activation.** You are authorized to use this software only if you are properly licensed and the software has been properly activated with a genuine product key or by other authorized method. When you connect to the Internet while using the software, the software will automatically contact Microsoft or its affiliate to conduct activation to associate it with a certain device. You can also activate the software manually by Internet or telephone. In either case, transmission of certain information will occur, and Internet, telephone and SMS service charges may apply. During activation (or reactivation that may be triggered by changes to your device's components), the software may determine that the installed instance of the software is counterfeit, improperly licensed or includes unauthorized changes. If activation fails, the software will attempt to repair itself by replacing any tampered Microsoft software with genuine Microsoft software. You may also receive reminders to obtain a proper license for the software. Successful activation does not confirm that the software is genuine or properly licensed. You may not bypass or circumvent activation. To help determine if your software is genuine and whether you are properly licensed, see <https://aka.ms/genuine>. Certain updates, support, and other services might be offered only to users of genuine Microsoft software.
6. **Updates.** The software periodically checks for system and app updates, and downloads and installs them for you. You may obtain updates only from Microsoft or authorized sources, and Microsoft may need to update your system to provide you with those updates. By accepting this agreement or using the software, you agree to receive these types of automatic updates without any additional notice.
7. **Hardware Specifications; Downgrade Rights.**
 - a. **Hardware Specifications.** Certain versions of the Windows software are only compatible with hardware that meets specified system requirements as indicated by Microsoft from time to time and available at <https://aka.ms/minhw>.
 - b. **Downgrade Rights.** If you acquired a device from a manufacturer or installer with a Professional version of Windows preinstalled on it and it is configured to run in full feature mode, you may downgrade to an equivalent edition on a prior version of Windows Professional, but only for so long as Microsoft provides support for that earlier version as set forth at <https://aka.ms/windowslifecycle>, and supports that earlier version on your hardware as set forth at <https://aka.ms/minhw>. This agreement applies to your use of the earlier versions. If the earlier version includes different components, any terms for those components in the agreement that comes with the earlier version apply to your use of such components. Neither the device manufacturer or installer, nor Microsoft, is obligated to supply earlier versions to you. You must obtain the earlier version separately, for which you may be charged a fee. At any time, you may replace an earlier version with the version you originally acquired.
8. **Export Restrictions.** You must comply with all domestic and international export laws and regulations that apply to the software, which include restrictions on destinations, end users, and end use. For further information on export restrictions, visit <https://aka.ms/exporting>.
9. **Warranty, Disclaimer, Remedy, Damages, and Procedures.**

- a. **Limited Warranty.** Depending on how you obtained the Windows software, Microsoft, or the device manufacturer or installer, warrants that properly licensed software will perform substantially as described in any Microsoft materials that accompany the software. This limited warranty does not cover problems that you cause, that arise when you fail to follow instructions, or that are caused by events beyond the reasonable control of Microsoft, or the device manufacturer or installer. The limited warranty starts when the first user acquires the software, and lasts for one year if acquired from Microsoft, or for 90 days if acquired from a device manufacturer or installer. If you obtain updates or supplements directly from Microsoft during the 90-day term of the device manufacturer's or installer's limited warranty, Microsoft provides the limited warranty for those updates or supplements. Any supplements, updates, or replacement software that you may receive from Microsoft during that year are also covered, but only for the remainder of that one-year period if acquired from Microsoft, or for 90 days if acquired from a device manufacturer or installer, or for 30 days, whichever is longer. Transferring the software will not extend the limited warranty.
- b. **Disclaimer.** Neither Microsoft, nor the device manufacturer or installer, gives any other express warranties, guarantees, or conditions. **Microsoft and the device manufacturer and installer exclude all implied warranties and conditions, including those of merchantability, fitness for a particular purpose, and non-infringement. If your local law does not allow the exclusion of implied warranties, then any implied warranties, guarantees, or conditions last only during the term of the limited warranty and are limited as much as your local law allows. If your local law requires a longer limited warranty term, despite this agreement, then that longer term will apply, but you can recover only the remedies this agreement allows.**
- c. **Limited Remedy.** If Microsoft, or the device manufacturer or installer, breaches its limited warranty, it will, at its election, either: (i) repair or replace the software at no charge, or (ii) accept return of the software (or at its election the device on which the software was preinstalled) for a refund of the amount paid, if any. The device manufacturer or installer (or Microsoft if you acquired them directly from Microsoft) may also repair or replace supplements, updates, and replacement of the software or provide a refund of the amount you paid for them, if any. **These are your only remedies for breach of warranty.** This limited warranty gives you specific legal rights, and you may also have other rights which vary from state to state or country to country.
- d. **Damages.** **Except for any repair, replacement, or refund that Microsoft, or the device manufacturer or installer, may provide, you may not under this limited warranty, under any other part of this agreement, or under any theory, recover any damages or other remedy, including lost profits or direct, consequential, special, indirect, or incidental damages.** The damage exclusions and remedy limitations in this agreement apply even if repair, replacement, or a refund does not fully compensate you for any losses, if Microsoft, or the device manufacturer or installer, knew or should have known about the possibility of the damages, or if the remedy fails of its essential purpose. Some states and countries do not allow the exclusion or limitation of incidental, consequential, or other damages, so those

limitations or exclusions may not apply to you. **If your local law allows you to recover damages from Microsoft, or the device manufacturer or installer, even though this agreement does not, you cannot recover more than you paid for the software (or up to \$50 USD if you acquired the software for no charge).**

- e. **Warranty and Refund Procedures.** For service or refund, you must provide a copy of your proof of purchase and comply with Microsoft's return policies if you acquired the software from Microsoft, or the device manufacturer's or installer's return policies if you acquired the software from a device manufacturer or installer. If you purchased stand-alone software, those return policies might require you to uninstall the software and return it to Microsoft. If you acquired the software pre-installed on a device, those return policies may require return of the software with the entire device on which the software is installed; the certificate of authenticity label including the product key (if provided with your device) must remain affixed. Contact the device manufacturer or installer at the address or toll-free telephone number provided with your device to find out how to obtain warranty service for the software. If Microsoft is your device manufacturer or if you acquired the software from a retailer, contact Microsoft at:

- (i) United States and Canada. Via telephone at (800) MICROSOFT; via mail at Microsoft Customer Service and Support, One Microsoft Way, Redmond, WA 98052-6399; or visit <https://aka.ms/nareturns>.
- (ii) Europe, Middle East, and Africa. Via mail at Microsoft Ireland Operations Limited, Customer Care Centre, One Microsoft Place, South Country Business Park, Leopardstown, Dublin 18, Ireland; or visit <https://aka.ms/mssupport>.
- (iii) Australia. Via telephone at 13 20 58; via mail at Microsoft Pty Ltd, 1 Epping Road, North Ryde NSW 2113 Australia; or visit <https://aka.ms/mssupport>.
- (iv) Other countries. Contact the Microsoft affiliate serving your country at <https://aka.ms/mssupport>.

10. Support.

- a. **For software preinstalled on a device.** For the software generally, contact the device manufacturer or installer for support options. Refer to the support number provided with the software. For updates and supplements obtained directly from Microsoft, Microsoft may provide limited support services for properly licensed software as described at <https://aka.ms/mssupport>.
- b. **For software acquired from a retailer.** Microsoft provides limited support services for properly licensed software as described at <https://aka.ms/mssupport>.

11. Binding Arbitration and Class Action Waiver if You Live in (or, if a Business, Your Principal Place of Business is in) the United States.

We hope we never have a dispute, but if we do, you and we agree to try for 60 days, upon receipt of a Notice of Dispute, to resolve it informally. If we can't, you and we agree to **binding individual arbitration before the American Arbitration Association ("AAA") under the Federal Arbitration Act ("FAA"), and not to sue in court in front of a judge or**

jury. Instead, a neutral arbitrator will decide and the arbitrator's decision will be final except for a limited right of review under the FAA. **Class action lawsuits, class-wide arbitrations, private attorney-general actions, request for public injunctions, and any other proceeding or request for relief where someone acts in a representative capacity aren't allowed. Nor is combining individual proceedings without the consent of all parties.** "We," "our," and "us" includes Microsoft, the device manufacturer, software installer, and our affiliates.

- a. Disputes covered—everything except IP.** The term "dispute" is as broad as it can be. It includes any claim or controversy between you and the device manufacturer or installer, or you and Microsoft, concerning the software (or software to which this agreement applies including Microsoft Edge and other Windows apps), its price, marketing, communications, your purchase transaction, billing, or this agreement, under any legal theory including contract, warranty, tort, statute, or regulation, **except disputes relating to the enforcement or validity of your, your licensors', our, or our licensors' intellectual property rights.**
- b. Send a Notice of Dispute before arbitration.** If you have a dispute that our customer service representatives can't resolve and you wish to pursue arbitration, you must first send an individualized Notice of Dispute by U.S. Mail to the device manufacturer or installer, ATTN: LEGAL DEPARTMENT. If your dispute is with Microsoft, you must first mail it to Microsoft Corporation, ATTN: CELA ARBITRATION, One Microsoft Way, Redmond, WA 98052-6399, or submit the form electronically. The Notice of Dispute form is available at <https://go.microsoft.com/fwlink/?LinkId=245499>. Complete that form in full, with all the information it requires. We'll do the same if we have a dispute with you. This Notice of Dispute is a prerequisite to initiating any arbitration. Any applicable statute of limitations will be tolled from the date of a properly submitted individualized Notice of Dispute through the first date on which an arbitration may properly be filed under this Section 11.
- c. Small claims court option.** Instead of sending a Notice of Dispute, either you or we may sue the other party in small claims court seeking only individualized relief, so long as the action meets the small claims court's requirements and remains an individual action seeking individualized relief. The small claims court must be in your county of residence (or, if a business, your principal place of business).
- d. Arbitration procedure.** The AAA will conduct any arbitration under its Commercial Arbitration Rules (or if you are an individual and use the software for personal or household use, or if the value of the dispute is less than \$75,000 USD whether or not you are an individual or how you use the software, its Consumer Arbitration Rules). For more information, see <https://aka.ms/adr>. **This agreement governs to the extent it conflicts with any applicable AAA rules.** To initiate an arbitration, submit the Demand for Arbitration form available at <https://go.microsoft.com/fwlink/?LinkId=245497> to the AAA and mail a copy to the device manufacturer or installer (or to Microsoft if your dispute is with Microsoft). The form must contain information that is specific to you and your claim. In a dispute involving \$25,000 USD or less, any hearing will be telephonic or by videoconference unless the arbitrator finds good cause to hold an in-person hearing instead. Any in-person hearing will take place in your county of residence (or, if a

business, your principal place of business). The arbitrator may award the same damages to you individually as a court could. **The arbitrator may award declaratory or injunctive relief only to you individually to satisfy your individual claim, but not relief that would affect non-parties.**

The arbitrator rules on all issues except that a court has exclusive authority: (i) to decide arbitrability, as well as formation, existence, scope, validity, and enforceability of this arbitration agreement; (ii) to decide whether the parties have complied with the pre-arbitration requirements (including the individualized Notice of Dispute and Demand for Arbitration forms); (iii) to enforce the prohibition on class, representative, private attorney-general, or combined actions or proceedings, or public injunctive relief; and (iv) to enjoin an arbitration from proceeding if it does not comply with this agreement.

If your Notice of Dispute involves claims similar to those of at least 24 other customers, and if you and those other customers are represented by the same lawyers, or by lawyers who are coordinating with each other, you and we agree that these claims will be "Related Cases." Related Cases may only be filed in batches of up to 50 individual arbitrations at a time, and those individual arbitrations will be resolved in the following manner: (i) for the first batch, each side may select up to 25 of these Related Cases to be filed and resolved in individual arbitrations under this Section 11; (ii) none of the other Related Cases may be filed or prosecuted in arbitration until the first batch of up to 50 individual arbitrations is resolved; and (iii) if, after that first batch, the parties are unable to informally resolve the remaining Related Cases, a second batch of Related Cases may be filed, where each side may select up to 25 of the Related Cases to be resolved in individual arbitrations under this Section 11. This process of batched individual arbitrations will continue until the parties resolve all Related Cases informally or through individual arbitrations. A court has exclusive authority to enforce this paragraph, including whether it applies to a given set of claims, and to enjoin the filing or prosecution of arbitrations that do not comply with this paragraph.

e. Arbitration fees and payments.

- (i) **Disputes involving less than \$75,000 USD.** The device manufacturer or installer (or Microsoft if your dispute is with Microsoft) will promptly reimburse your filing fees and pay the AAA's and arbitrator's fees and expenses. If: (i) the dispute involves less than \$75,000; and before initiating arbitration (ii) you complied with all pre-arbitration requirements in this Section 11, including, if applicable, the Related Cases paragraph. Otherwise, the AAA rules will govern payment of filing fees and the AAA's and arbitrator's fees and expenses. If, at the conclusion of the arbitration, the arbitrator awards you more than our last written offer made before the arbitrator was appointed, the device manufacturer or installer (or Microsoft if your dispute is with Microsoft) will pay you (i) the amount of the award or \$1,000 USD (whichever is more); (ii) any reasonable attorney's fees you incurred; and any reasonable expenses (including expert witness fees and costs) that your attorney accrued in connection with your individual arbitration.
- (ii) **Disputes involving \$75,000 USD or more.** The AAA rules will govern payment of filing fees and the AAA's and arbitrator's fees and expenses.

- f. Severability.** If, after exhaustion of all appeals, a court finds any part of this Section 11 unenforceable as to any claim or request for a remedy, then the parties agree to arbitrate all claims and remedies subject to arbitration before litigating in court any remaining claims or remedies (such as a request for a public injunction remedy, in which case the arbitrator issues an award on liability and individual relief before a court considers that request). Otherwise, if any other part of Section 11 is found to be unenforceable, the remainder will remain in effect (with an arbitration award issued before any court proceeding begins).
- g. Microsoft as party or third-party beneficiary.** If Microsoft is the device manufacturer or if you acquired the software from a retailer, Microsoft is a party to this agreement. Otherwise, Microsoft is not a party but is a third-party beneficiary of your agreement with the device manufacturer or installer to resolve disputes through informal negotiation and arbitration.
- 12. Governing Law.** The laws of the state or country where you live (or, if a business, where your principal place of business is located) govern all claims and disputes concerning the software, its price, or this agreement, including breach of contract claims and claims under consumer protection laws, unfair competition laws, implied warranty laws, for unjust enrichment, and in tort, regardless of conflict of law principles. In the United States, the FAA governs all provisions relating to arbitration.
- 13. Consumer Rights, Regional Variations.** This agreement describes certain legal rights. You may have other rights, including consumer rights, under the laws of your state or country. You may also have rights with respect to the party from which you acquired the software. This agreement does not change those other rights if the laws of your state or country do not permit it to do so. For example, if you acquired the software in one of the below regions, or mandatory country law applies, then the following provisions apply to you:
- a. Australia.** References to "Limited Warranty" are references to the express warranty provided by Microsoft or the device manufacturer or installer. This warranty is given in addition to other rights and remedies you may have under law, including your rights and remedies under the Australian Consumer Law consumer guarantees. Nothing in this agreement limits or changes those rights and remedies. In particular:
- (i) the provisions excluding and limiting warranties, guarantees, damages and remedies, and limiting duration of your rights under local laws in Section 9 headed **Warranty, Disclaimer, Remedy, Damages and Procedures** do not apply to the Australian Consumer Law consumer guarantees and your rights and remedies under them;
 - (ii) support and refund policies referred to in Sections 9.e and 10 are subject to the Australian Consumer Law;
 - (iii) the Australian Consumer Law consumer guarantees apply to the evaluation software described in Section 14.d(ii) and the preview software described in Section 14.d(iv); and

- (iv) our goods come with guarantees that cannot be excluded under the Australian Consumer Law. In this subsection, "goods" refers to the software for which Microsoft, or the device manufacturer or installer provides the express warranty. You are entitled to a replacement or refund for a major failure and compensation for any other reasonably foreseeable loss or damage. You are also entitled to have the goods repaired or replaced if the goods fail to be of acceptable quality and the failure does not amount to a major failure.

To learn more about your rights under the Australian Consumer Law, please review the information at <https://aka.ms/acl>.

- b. Canada.** You may stop receiving updates on your device by turning off Internet access. If and when you re-connect to the Internet, the software will resume checking for and installing updates.
- c. European Union.** The academic use restriction in Section 14.d(i) below does not apply in the jurisdictions listed at <https://go.microsoft.com/fwlink/?LinkId=534978>.
- d. Germany and Austria.**
 - (i) **Warranty.** The properly licensed software will perform substantially as described in any Microsoft materials that accompany the software. However, the device manufacturer or installer, and Microsoft, give no contractual guarantee in relation to the licensed software.
 - (ii) **Limitation of Liability.** In case of intentional conduct, gross negligence, claims based on the Product Liability Act, as well as, in case of death or personal or physical injury, the device manufacturer or installer, or Microsoft is liable according to the statutory law.

Subject to the preceding sentence, the device manufacturer or installer, or Microsoft will only be liable for slight negligence if the device manufacturer or installer or Microsoft is in breach of such material contractual obligations, the fulfillment of which facilitate the due performance of this agreement, the breach of which would endanger the purpose of this agreement and the compliance with which a party may constantly trust in (so-called "cardinal obligations"). In other cases of slight negligence, the device manufacturer or installer or Microsoft will not be liable for slight negligence.

- e. Other regions.** See <https://go.microsoft.com/fwlink/?LinkId=534978> for a current list of regional variations.

14. Additional Notices.

- a. Networks, data and Internet usage.** Some features of the software and services accessed through the software may require your device to access the Internet. Your access and usage (including charges) may be subject to the terms of your cellular or internet provider agreement. Certain features of the software may help you access the Internet more efficiently, but the software's usage calculations may be different from your service provider's measurements. You are always responsible for (i) understanding

and complying with the terms of your own plans and agreements, and (ii) any issues arising from using or accessing networks, including public/open networks. You may use the software to connect to networks, and to share access information about those networks, only if you have permission to do so.

- b. H.264/AVC and MPEG-4 visual standards and VC-1 video standards.** The software may include H.264/MPEG-4 AVC and/or VC-1 decoding technology. MPEG LA, L.L.C. requires this notice:

THIS PRODUCT IS LICENSED UNDER THE AVC, THE VC-1, AND THE MPEG-4 PART 2 VISUAL PATENT PORTFOLIO LICENSES FOR THE PERSONAL AND NON-COMMERCIAL USE OF A CONSUMER TO (i) ENCODE VIDEO IN COMPLIANCE WITH THE ABOVE STANDARDS ("VIDEO STANDARDS") AND/OR (ii) DECODE AVC, VC-1, AND MPEG-4 PART 2 VIDEO THAT WAS ENCODED BY A CONSUMER ENGAGED IN A PERSONAL AND NON-COMMERCIAL ACTIVITY AND/OR WAS OBTAINED FROM A VIDEO PROVIDER LICENSED TO PROVIDE SUCH VIDEO. NO LICENSE IS GRANTED OR SHALL BE IMPLIED FOR ANY OTHER USE. ADDITIONAL INFORMATION MAY BE OBTAINED FROM MPEG LA, L.L.C. SEE [HTTPS://AKA.MS/MPEGLA](https://aka.ms/mpegla).

- c. Malware protection.** Microsoft cares about protecting your device from malware. The software will turn on malware protection if other protection is not installed or has expired. To do so, other antimalware software will be disabled or may have to be removed.
- d. Limited rights versions.** If the software version you acquired is marked or otherwise intended for a specific or limited use, then you may only use it as specified. You may not use such versions of the software for commercial, non-profit, or revenue-generating activities.
- (i) **Academic.** For academic use, you must be a student, faculty or staff of an educational institution at the time of purchase.
 - (ii) **Evaluation.** For evaluation (or test or demonstration) use, you may not sell the software, use it in a live operating environment, or use it after the evaluation period. Notwithstanding anything to the contrary in this Agreement, **evaluation software is provided "AS IS" and no warranty, implied or express (including the Limited Warranty), applies to these versions.**
 - (iii) **NFR.** You may not sell software marked as "NFR" or "Not for Resale".
 - (iv) **Preview.** You may choose to use preview, insider, beta, or other pre-release versions of the software ("previews") that Microsoft may make available. You may use previews only up to the software's expiration date and so long as you comply with all the terms of this agreement. Previews are experimental and may be substantially different from the commercially released version. Notwithstanding anything to the contrary in this agreement, **previews are provided "AS IS," and no warranty, implied or express (including the Limited Warranty), applies to these versions. By installing previews on your device, you may void or impact your device warranty and may not be entitled to support from your device**

manufacturer or network operator, if applicable. Microsoft is not responsible for any damage thereby caused to you. Microsoft may not provide support services for previews. If you provide Microsoft comments, suggestions or other feedback about the preview ("submission"), you grant Microsoft and its partners rights to use the submission in any way and for any purpose.

15. Entire Agreement. This agreement (together with the printed paper license terms or other terms accompanying any software supplements, updates, and services that are provided by the device manufacturer or installer, or Microsoft, and that you use), and the terms contained in web links listed in this agreement, are the entire agreement for the software and any such supplements, updates, and services (unless the device manufacturer or installer, or Microsoft, provides other terms with such supplements, updates, or services). You can review this agreement after your software is running by going to <https://aka.ms/useterms> or going to Settings - System - About within the software. You can also review the terms at any of the links in this agreement by typing the URLs into a browser address bar, and you agree to do so. You agree that you will read the terms before using the software or services, including any linked terms. You understand that by using the software and services, you ratify this agreement and the linked terms. There are also informational links in this agreement. The links containing notices and binding terms are:

- Microsoft Privacy Statement <https://aka.ms/privacy>
- Microsoft Services Agreement <https://aka.ms/msa>

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):	

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

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



STAFF REPORTS

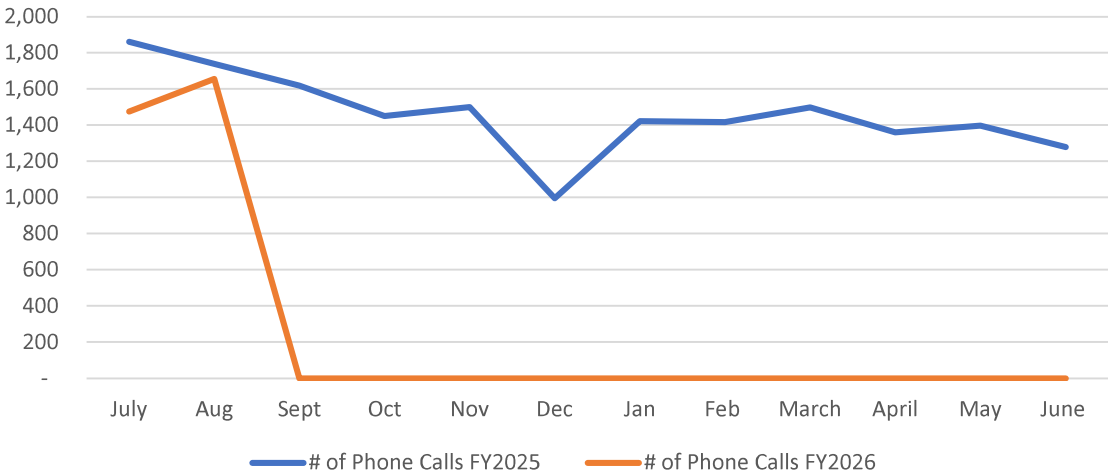


FISCAL DIVISION DASHBOARD

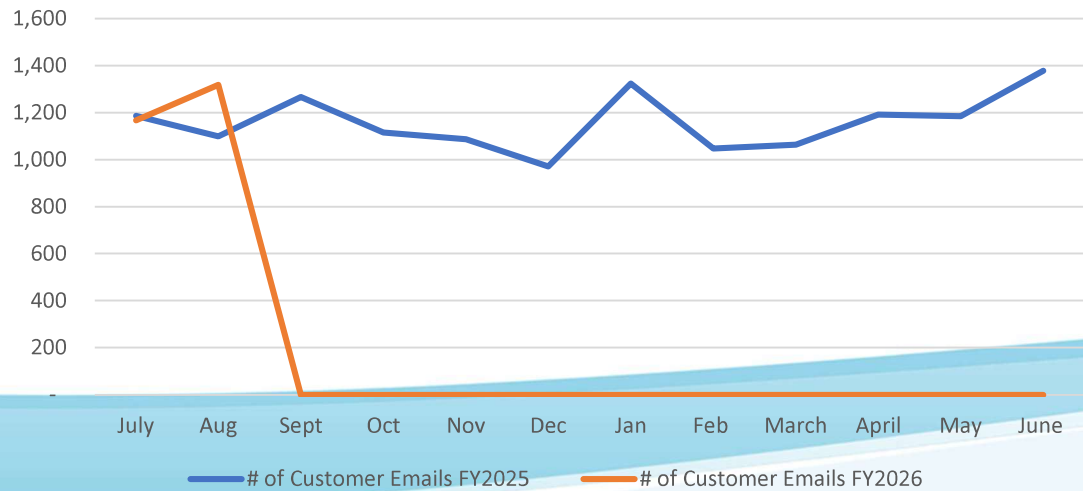
of Walk in Customers



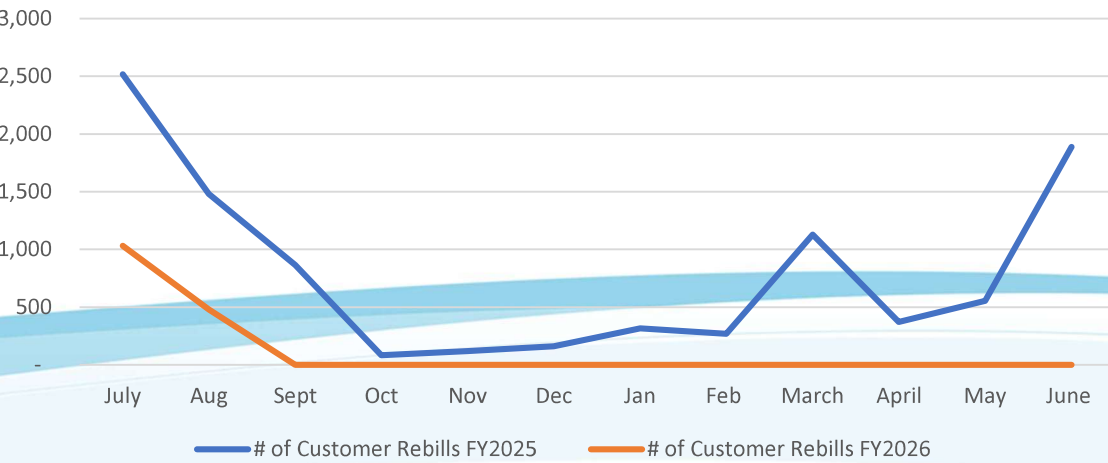
of Customer Service Calls



of Customer Emails and Correspondence



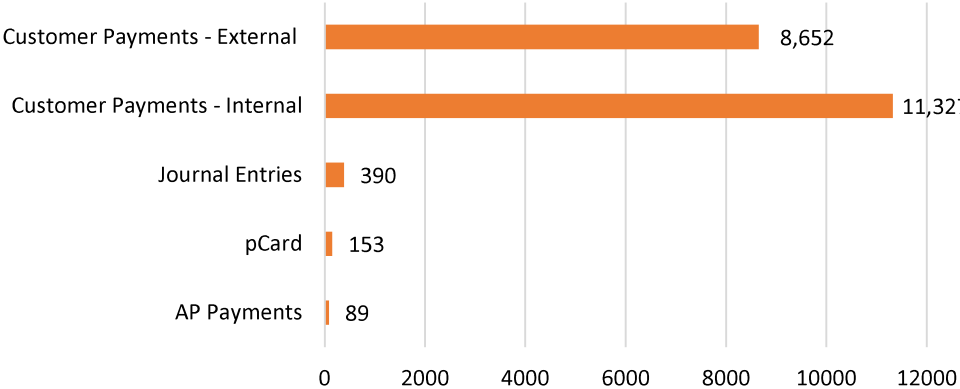
of Customer Rebills





FISCAL DIVISION DASHBOARD

Accounting Highlights

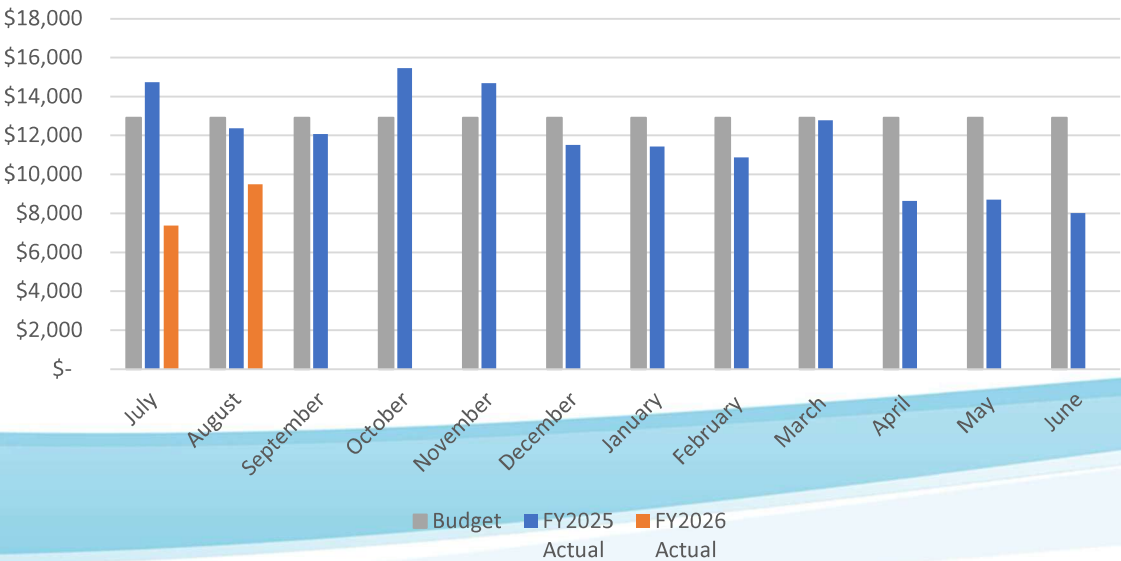


Transponder Replacement Highlights:

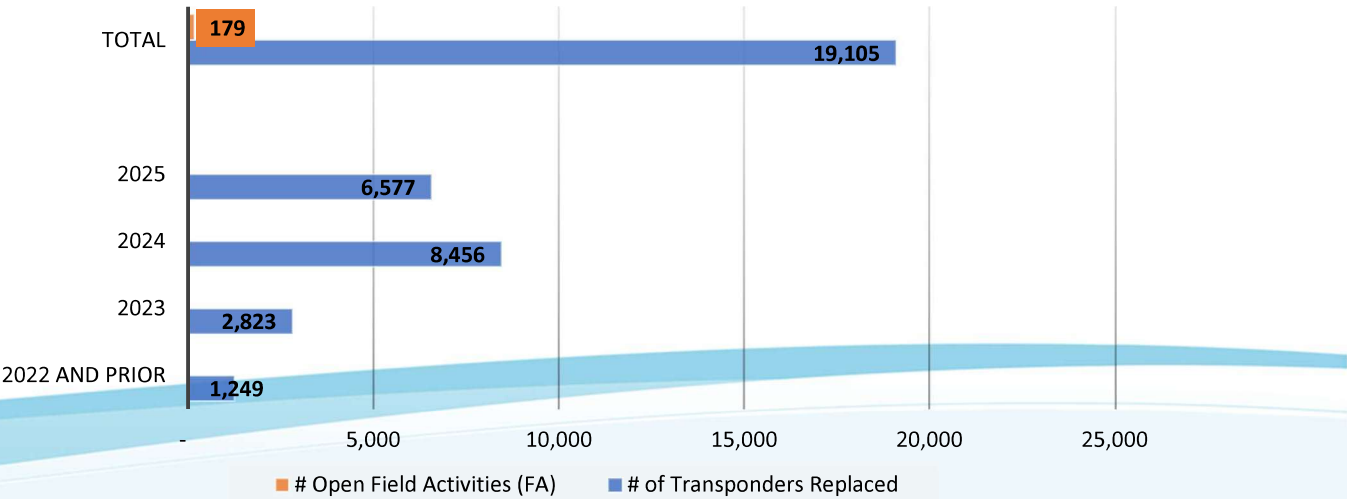
- 348 Transponders Replaced in August 2025.
- 83% Replaced to date.
- 1% Failed; awaiting replacement.
- 16% Active; expected to fail soon.

Monthly Transactional Volume processed and reconciled by the Accounting Team.

Overtime



Transponder Replacement Progress (Calendar Year)



Department Of Water Budget Report for August 2025

	August 2025			Fiscal Year 2026			
	Budget	Actual	Variance	Year to Date Budget	Year to Date Actual	Variance	Variance %
Operating Revenue	\$ 2,995,974.00	\$ 3,266,145.95	\$ 270,171.95	\$ 5,991,948.00	\$ 6,258,757.39	\$ 266,809.39	4.5%
Expenses							
Labor *	\$ 1,278,478.42	\$ 1,160,010.84	\$ 118,467.58	\$ 2,556,956.83	\$ 2,320,021.68	\$ 236,935.15	9.3%
Services	1,361,349.08	396,918.93	964,430.15	2,722,698.17	682,436.40	2,040,261.77	74.9%
Utilities & Materials	797,635.75	488,712.82	308,922.93	1,595,271.50	617,503.76	977,767.74	61.3%
Total Operating Expenses	\$ 3,437,463.25	\$ 2,045,642.59	\$ 1,391,820.66	\$ 6,874,926.50	\$ 3,619,961.84	\$ 3,254,964.66	47.3%
Debt Service Principal & Interest	244,001.00	220,774.08	23,226.92	4,804,401.00	5,025,869.25	(221,468.25)	-4.6%
Operating and Debt Expenses	\$ 3,681,464.25	\$ 2,266,416.67	\$ 1,415,047.58	\$ 11,679,327.50	\$ 8,645,831.09	\$ 3,033,496.41	26.0%
Net Income (Loss)	\$ (685,490.25)	\$ 999,729.28	\$ 1,685,219.53	\$ (5,687,379.50)	\$ (2,387,073.70)	\$ 3,300,305.80	58.0%

* Current month's labor is estimated

Capital Projects and Purchases**

	Fiscal Year Budget	August YTD 2026 Actual	Remaining Budget
Water Utility Funded Projects			
WU-IT-RandR Capital Purchases--	\$ 57,665.38		\$ 57,665.38
WU-IT-Expansion Capital Purchases--	978,197.32	74,921.07	903,276.25
WU-Eng-ALLR-17-10-KW-07 Paua Valley Tank Re	9,407.62		9,407.62
WU-Eng-ALLR-Hanapepe Stream Crossing	54,498.95		54,498.95
WU-Eng 11-04 LO-10 Lawai 6n8inch Main Repla	75,324.96		75,324.96
WU-Eng WK-08, Kapaa Homesteads 2-0.5MG Ta	2,597,000.00		2,597,000.00
WU -23-05 Weke, Anae, Mahimahi Hee 6-8 inch	3,424,663.00		3,424,663.00
WU-Eng-23-08 Hanapepe Town Well MCC	502,319.08		502,319.08
WU-Eng-Job 18-3 -Kuhio Hwy Hardy-Oxford 16ll	3,199,896.96		3,199,896.96
WU-Eng-56%R-Job 23-03 Kuhio Hwy Papaloa to	69,074.57		69,074.57
WU-Eng-16-4-WKK-03-Kilauea Wells MCC Rehal	233,462.60		233,462.60
WU-Eng Phase I-Demo Admin Bldg/MoveCondu	230,700.00		230,700.00
WU-23-02 WK-34, Kuamoo Rd 8" Main Replace	99,063.00		99,063.00
WU-Eng-WK-08-Kapaa Homesteads 2-0.5MG Ta	400,000.00		400,000.00
WU-Eng-WK-39 Kapaa Homesteads Well #4 Pur	2,400,000.00		2,400,000.00
WU-Eng PLH-35b, Kapaia Cane Haul Road 18" M	1,124,375.70		1,124,375.70
WU-Eng-Security Fencing Admin Bldg	368,315.39		368,315.39
WU-Eng-Expansion Capital Purchases	13,867.01		13,867.01
Job 17-10 KW-07 Paua Valley Tank Repair	278,450.95		278,450.95
WU-Cns-44%R-09-01 Yamada Tank Clearwell, C	2,520,810.21		2,520,810.21
WU-Const-R&R-Tank Remediation Repair	32,899.55		32,899.55
Job 16-02 PLH-35B Kapaia Cane Haul Rd 18" Ma	2,990,220.00		2,990,220.00
Job 02-14 WK39 WK08 Kapaa Hmstd Well 4; Pk	194,120.62		194,120.62
WU-Ops-R&R-Upgrade and Replace SCADA RTU	19,498.65		19,498.65

WU-Ops-RandR Capital Purchases	3,274,252.87		205,734.73		3,068,518.14
WU-Ops-Expansion Capital Purchases	1,355,094.26		234,459.88		1,120,634.38
	\$ 26,503,178.65	\$	515,115.68	\$	25,988,062.97
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	198,957.00				198,957.00
FRC Eng 04-08 WK-39 Drill Kapaa Homestead Well	102,328.99				102,328.99
FRC-Eng-90%E-Kilauea 1.0MG Tank Job 02-06	7,212.24				7,212.24
Job 15-08-HW-11-Haena 0.2MG Tank	1,306.63				1,306.63
FRC-Eng-ALLE-Wainiha Well #4	200,000.00				200,000.00
Projects with budget but no activity					-
	\$ 3,639,804.86	\$	-	\$	3,639,804.86
Build America Bonds Funded Projects					
Eng-ALLR-09-01 K-01 Kalaeo 1111FT & 1222FT	\$ 63,998.94		\$		63,998.94
Eng-ALLE-02-14 WK-08 Kapaa Homesteads Tank	5,600,000.00				5,600,000.00
Eng WK-39, Drill/Dev Kapaa Homesteads Well No. 4	2,600,000.00				2,600,000.00
Cns-ALLE-02-06WKK15-Kilauea 466 Tank Puu Pa	9,706.76				9,706.76
Eng-98%E-02-01 Land for Kukuioolono Tank Site	53,508.05				53,508.05
Cons-Exp-Kapaia Cane Haul Road	1,091,650.00				1,091,650.00
	\$ 9,418,863.75	\$	-	\$	9,418,863.75
State Allotment Funded Projects					
WK-08-Kapaa Homesteads 2-0.5MG Tanks	\$ -		\$		-
17-10-KW-07 Paua Valley Tank Repair	-				-
WK-39, Kapaa Homesteads Well No. 4 Pump and	-				-
PLH-27 Kūhiō Highway (Hardy-Oxford) 16' Main	-				-
	\$ -	\$	-	\$	-
State Revolving Funded Projects					
WK-08, Kapaa Homesteads 2.0 5MG Tanks	\$ 5,200,000.00		\$		5,200,000.00
Yamada Tank Conn Pipe	4,128,478.23				4,128,478.23
	\$ 9,328,478.23	\$	-	\$	9,328,478.23
Total Capital Projects	\$ 48,890,325.49	\$	515,115.68	\$	48,375,209.81

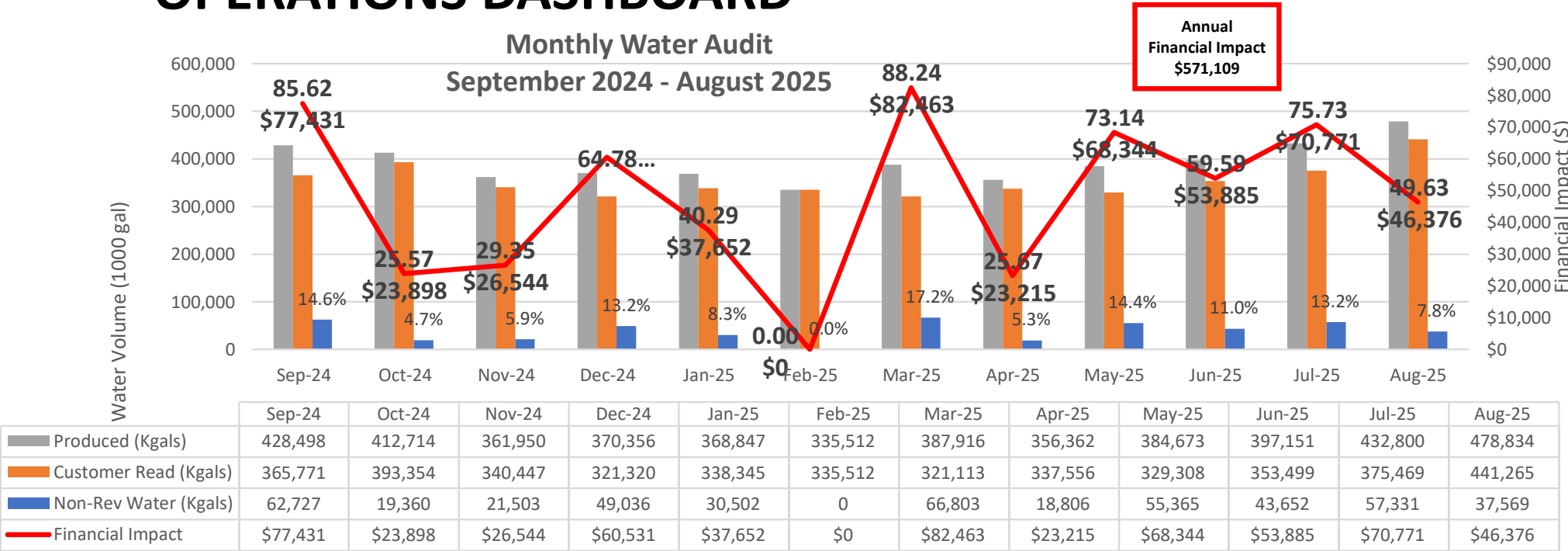
Selected Divisions

	August 2025			Fiscal Year 2026			
	Budget	Actual	Variance	Year to Date Budget	Year to Date Actual	Variance	Variance %
Engineering	\$ 931,395.00	\$ 300,076.21	\$ 631,318.79	\$ 1,862,790.00	\$ 571,000.47	\$ 1,291,789.53	69.3%
Fiscal	234,918.00	203,922.67	30,995.33	469,836.00	393,910.78	75,925.22	16.2%
Operations	1,441,899.00	1,053,261.58	388,637.42	2,883,798.00	1,729,307.69	1,154,490.31	40.0%
	\$ 2,608,212.00	\$ 1,557,260.46	\$ 1,050,951.54	\$ 5,216,424.00	\$ 2,694,218.94	\$ 2,522,205.06	48.4%

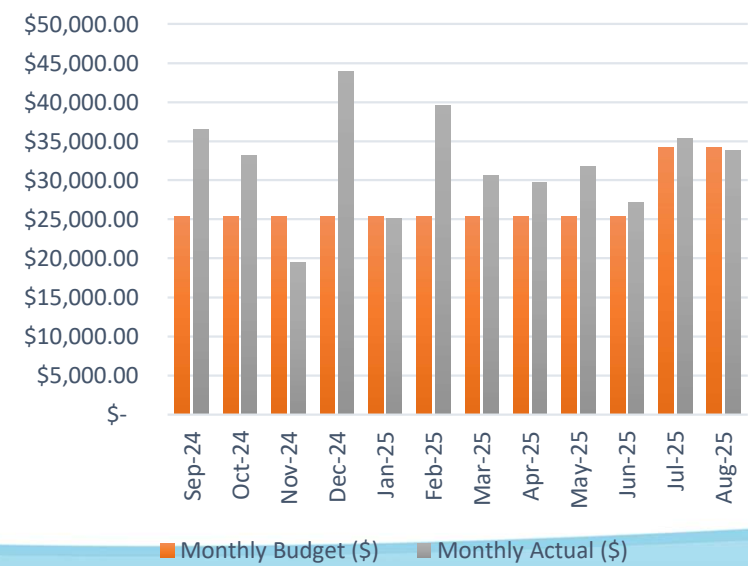


- Ops Highlights:
- 1. Pipefitter Helper on continuous recruitment. Recruited for Equipment Operator II, Program Support Assistant II, Waterworks Programs Assistant, Water Service Investigator II & I, and Maintenance Worker Aide.
 - 2. Interviewing for Building Maintenance Supervisor and Water Meter Repair Supervisor.
 - 3. Training in August for AWWA Workshop and Respiratory Protection.

OPERATIONS DASHBOARD



Overtime



Level of Service



OPERATIONS

	Last Month		Current Month		Previous FY		Current FY	
					Year to Date		Year to Date	
STAFFING								
Budgeted Staff Vacancies	46	13	44	15	49	10	44	15
OVERTIME								
Budget (\$) Actual (\$)	\$34,166.67	\$35,330.54	\$34,166.67	\$33,766.27	\$50,833.33	\$76,381.52	\$68,333.33	\$69,096.81
FLEET MANAGEMENT								
# of Fleet Requests Received	19		18		38		37	
# of Fleet Requests Completed	23		24		37		47	
METER PROGRAM								
# of Existing Meters Replaced	1		1		168		2	
# of Existing Meters Repaired	416		329		913		745	
# of New Meters Installed	19		8		15		27	
# of New Laterals Installed	0		0		2		0	

OPERATIONS



LEVEL OF SERVICE

	Last	Current	Previous	Current
	Month	Month	FY YTD	FY YTD
# of Tasks Initiated	2596	2999	5952	5595
# of Tasks Completed	2518	3095	6564	5613
# of Mainline Leak Repairs	17	11	38	28
# of Service Lateral Leak Repairs	14	12	51	26
# of Calls for Service	169	215	435	384
# of Temporary Hydrant Meters Installed	1	4	5	5
# One Call Request Received Completed	81	75	86	88
			81	77
# of Hydrant Hits	2	2	5	4

WATER AUDIT

	Last	Current Month	Previous	Current
	Month		FY YTD	FY YTD
Water Produced (Million Gallons)	432.800	478.834	894.300	911.634
Customer Meter Reading (Million Gallons)	375.469	441.265	616.247	816.734
Non-Revenue Water (Million Gallons)	57.331	37.569	278.053	94.900
Non-revenue %	13%	8%	31%	10%
Financial Impact	\$70,770.53	\$46,375.92	\$343,234.18	\$117,146.46



ENGINEERING DASHBOARD

	Last Month		Current Month		Previous FY Year to Date		Current FY Year to Date	
STAFFING								
Budgeted Staff Vacancies	25	5	25	4	24	4	-	-
OVERTIME								
Budget (\$) Actual (\$)	\$15,400	\$18,800	\$15,400	\$20,300	\$12,900	\$34,200	\$30,800	\$39,200

	Last Month		Current Month	
PROJECT MANAGEMENT				
DOW Projects In Design In Construction	8	12	8	12
Private Projects Design Approved In Construction	3	156	4	169
Private Projects Construction Completed	1		3	

CIP Project Highlights:

- Kapa‘a Homesteads 325’ Tanks
 - Reviewing submittals
- Pu‘u Pane 1.0 MG Tank
 - Completing permitting and bid docs to bid FY26
 - Coordinating funding with DOH SDWB for DWSRF Loan
- Kalāheo Water System Improvements
 - Working on change order proposal to upgrade booster pumps at 908’ Tank site and Yamada Tank site
- UH Experimental Station 605’ Tank
 - Coordinating location of road
- Hā‘ena 0.2 MG Tank
 - Completing permitting and bid docs to bid FY26
 - Coordinating funding with DOH SDWB for DWSRF Loan
- Kīlauea Wells 1 & 2 MCC, Chlorination Facilities
 - Temporary MCC shipping mid-September
- Paua Valley Tank No. 1 Rehab
 - Only record drawing submittal remaining
- Kūhiō Hwy (Hardy-Oxford) 18” Main Replacement
 - Reviewing submittals

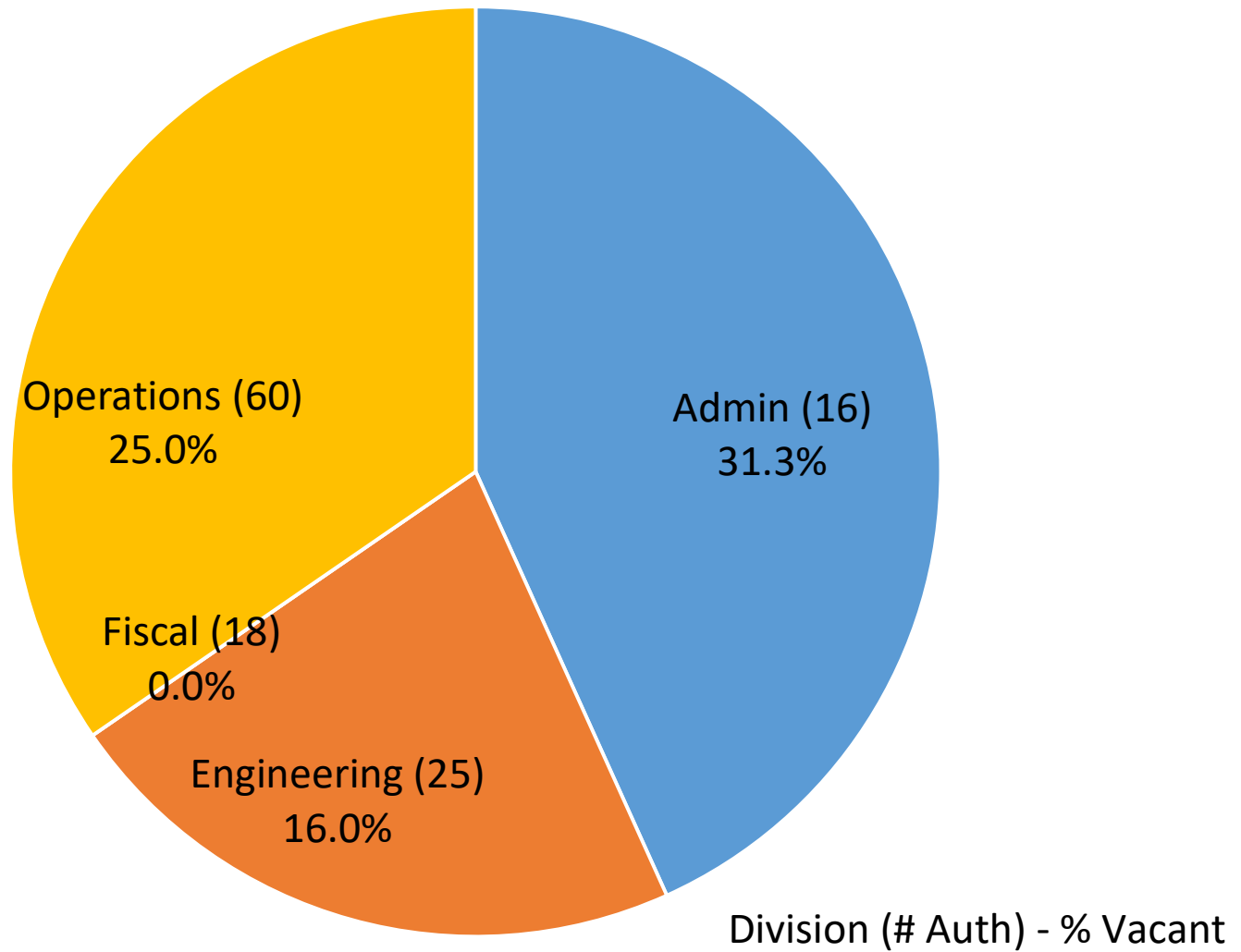
ENGINEERING DASHBOARD

	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	12	3	10	18	12	12	22	21
ADU/ARU Clearance Applications	6	7	18	10	9	9	24	17
Building Permits	100	105	176	136	346	314	276	241
Water Service Requests	22	30	39	30	65	54	61	60
Government Records Request	2	5	4	5	6	3	6	10
Backflow Inspection # of Devices Tested	98		89		382		187	

DOW Project Highlights:

- Water Systems Investment Plan (WSIP)
 - Scheduled public meetings for CIP Projects; end of September
 - Working on Rate Study Update
 - Working on FRC Update
- Kaua'i Water Use and Development Plan (KWUDP)
 - Coordinating amendment to address near-term conditions
- As-Needed Grant Writing and Preparation Services
 - Applied for WaterSMART Grant for AMI Meters 11/13/24
- AWIA RRA/ERP
 - Working on data request

% Vacancy Within Each Division Level



DEPARTMENT OF WATER

County of Kaua'i

"Water has no substitute – Conserve It!"

MANAGER'S UPDATE

September 18, 2025

Pursuant to Board Policy No. 3

**1. CHANGE ORDER NO. 6 FOR CONTRACT NO. 701 WITH GLENMOUNT GLOBAL SOLUTIONS, LLC.
JOB NO. 20-03 SCADA SYSTEM MAINTENANCE AND PROFESSIONAL CONSULTATION SERVICES**

RECOMMENDATION:

It is recommended that the Manager approve Change Order No. 6 for Contract No. 701 with Glenmount Global Solutions, LLC.

FUNDING:

Account No.	10-02-10-561-000		
Acct Description	WU/IT/Admin/Repairs and Maintenance-Other than Water System (Line 7-SCADA System Annual Maintenance Contract)		
Funds Available	<i>Verified by WWC</i>		\$25,864.33
Contract No.	701		
Vendor	Glenmount Global Solutions, LLC		
	Contract Amount	\$158,764.00	
	5% Contingency	\$0.00	
	CO1 (12/23/21)	\$71,236.00	
	2 nd Year Services (12/23/21)	\$158,764.00	
	3 rd Year Services (12/15/22)	\$158,764.00	
	CO2 (09/21/23)	\$29,890.00	
	CO3, 4 th Year Services (12/21/23)	\$161,939.28	
	CO4 (05/16/24)	\$8,688.00	
	CO5, 5 th Year Services (11/21/24)	\$165,178.07	
	Total Funds Certified To Date	\$913,223.35	
Change Order No. 6:			
	SCADA Security Assessment	\$25,864.33	
	Total Change Order	\$25,864.33	<\$25,864.33>
Contract Amount To Date			
		\$939,087.68	

BACKGROUND:

Contract NTP Date: January 2, 2021
Original Contract End Date: January 1, 2024
New Contract End Date: January 1, 2026

The proposal's purpose is to evaluate and enhance the overall security posture of IT/OT network environments. The assessment will seek to identify gaps and vulnerabilities in network architecture, devices, segmentation, and controls. Provide actionable remediation recommendations to improve resilience, visibility, and control. Support implementation of prioritized improvements to reduce operational and cybersecurity risk.

The Etech team will come to KAUAI and visit our SCADA operations data center as well as a sample remote site to document all of the hardware assets, interactivity points and trust boundaries. In approximately a week they will produce a detailed findings report as well as recommended remediations to their findings to be included in the next public request for proposals of the system professional service contract.

**2. CHANGE ORDER NO. 4 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. 4 for Contract No. 753 with Hawaii Drilling & Pump Services, LLC, for a no cost time extension to continue troubleshooting motor issues.

FUNDING:

Account No.	10-40-60-561-000		
Acct Description	WU/Ops/TandD/Repairs and Maintenance – Other than Water System		
Funds Available	Verified by WWC		\$N/A
Contract No.	753		
Vendor	Hawaii Drilling & Pump Services, LLC		
	Contract Amount	\$245,000.00	
	5% Contingency	\$11,640.00	
	CO1 (06/20/24)	\$610.00	
	CO2 (01/23/25)	\$0.00	
	CO3 (07/17/25)	\$0.00	
	Total Funds Certified To Date	\$257,250.00	
Change Order:			
	CO4 (contract time extension)	\$0.00	
	Total Change Order	\$0.00	\$N/A
Contract Amount To Date		\$245,610.00	

BACKGROUND:

Contract NTP Date: February 26, 2024
Original Contract End Date: November 22, 2024
New Contract End Date: November 27, 2025

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

CONVEYANCE OF WATER FACILITIES **NONE**

<u>APPLICANT</u>	<u>TMK #</u>	<u>LOCATION</u>