

PUBLIC HEARING MINUTES
BOARD OF WATER SUPPLY
Tuesday, September 1, 2026

The Board of Water Supply, County of Kaua'i, held a Public Hearing on Tuesday, September 1, 2026. Chair Tom Shigemoto called the meeting to order at 5:04 p.m. The following Board members were present:

BOARD:

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

EXCUSED:

Quorum was achieved with 6 members present at Roll Call.

Copies of the proposed rule amendments were posted and published pursuant to Part 1, Section IX (nine), subsection II(B.)

Administrative Assistant Cherisse Zaima explained the public hearing procedures and public testimony instructions.

With no objections, Chair Shigemoto opened the public hearing. Ms. Zaima called roll and read the public hearing notice into the record.

Engineering Division Head Jason Kagimoto provided the Board with a brief presentation of the proposed rule amendments:

Part 4's Section I, General Use Rates, and Section III, Agricultural Rates, are amended in parallel. Both sections repeal the rate schedules that were last adjusted in 2014 and replace them with a schedule of annual increases over the next five years, taking effect November 1, 2026, and then each July 1 from 2027 through 2030. For the monthly service charge, rates will increase at a rate of 25% beginning November 1, 2026, and then 25% again on July 1, 2027, with increases of 6.5% to follow on July 1 of 2028, 2029, and 2030.

Regarding the consumption or "use" charges: both Sections I and III restructure the existing Rate Blocks into Rate Tiers and follow the same schedule of increases as the service charges being a rate of 25% beginning November 1, 2026, and then 25% again on July 1, 2027, with increases of 6.5% to follow on July 1 of 2028, 2029, and 2030.

Following the five years of scheduled rate increases, both the service charges and use charges Sections I and III add an automatic annual adjustment beginning July 1, 2031, based on the U.S. Bureau of Labor Statistics Urban Hawai'i CPI all-items index, using the 12-month percent change for November of the previous year, with the adjustment percentage and resulting rates published on the Department's website by June 1 of each year.

Finally, Section V, Private Fire Service Charges, is amended only to replace references to the "block" rate with the "tier" rate so that it corresponds with the language amended in prior sections. No fire service charges are changed.

These amendments are critical because water rates were last adjusted in 2014. Over the past twelve years, the cost of operating, maintaining, and replacing the Department's water system has risen substantially, all while the rates have not kept up. This proposed schedule of increases brings the Department in line with other water utilities and we are counting on, together with the annual Consumer Price Index adjustment, that this will help maintain rates that keep pace with the cost of service, rather than allowing rates to lag for a decade or more and then requiring a large correction. In developing these amendments, the Department held [##] public meetings over [##] months, in addition to discussion at regular Board meetings, to present the proposal and hear directly from our customers. With that outreach complete, the proposed rule amendments are now here before you for this public hearing.

Ms. Zaima noted for the record that no testimony had been received prior to the public hearing

There were no members of the public participating in person. There was one (1) member of the public participating remotely

PUBLIC TESTIMONY

The Board received remote testimony from Wendy T. who stated that she resides in the Rolling Meadows area near Kapaa, and represents the Rolling Meadows Condominium Association. She noted that they did attend one public meeting and greatly appreciated the information that was shared. Based on the information and sincerity with which it was delivered, they respect the challenging situation the Department is in as well as the extraordinary efforts that have gone into developing a plan and strategy for recovery. From a customer perspective, the steep increases identified for November 1st of this year and July 1st of next year. Customers who have a \$100 bill today will be paying \$156 by next July. She asked the Board to consider making that slope a little less steep over the next 3 years to even out those percentages to make it more palatable for retirees and those living paycheck to paycheck. She would greatly appreciate that be taken into account.

CONCLUSION OF TESTIMONY

With no further testimony, Chair Shigemoto closed the public testimony portion of the hearing. He noted that discussion, deliberation, and possible decision-making regarding the adoption of the proposed rule amendment is intended for the September 24, 2026 Board Meeting.

The public hearing was closed at 5:14 p.m.

Respectfully submitted,



Cherisse Zaima
Administrative Assistant