

MINUTES
BOARD OF WATER SUPPLY
Thursday, August 20, 2026

The Board of Water Supply, County of Kaua‘i, met in a regular meeting in Līhu‘e on Thursday, August 20, 2026. Chair Tom Shigemoto called the meeting to order at 9:37 a.m. The following Board members were present:

BOARD:

Mr. Tom Shigemoto, *Chair*
Ms. Micah Finnila, *Vice-Chair*
Mr. Clyde Kodani
Mr. Ka‘aina Hull
Mr. Troy Tanigawa (*entered at 10:02 a.m.*)

EXCUSED:

Mr. Eric Fujikawa

With 4 members present at Roll Call, quorum was achieved.

ANNOUNCEMENTS

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

APPROVAL OF AGENDA

The agenda was approved with no objections

MEETING MINUTES

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

PUBLIC TESTIMONY

Staff noted for the record that the Board received written testimony from Christian T. Jensen in support of the proposed easement contemplated with New Business Item 2, and with additional questions to the department related to the Kapaa Homesteads Tanks and Well project.

Board member Kodani moved to direct the department to provide written responses to the questions raised in the submitted testimony to Mr. Jensen directly, seconded by Ms. Finnila; with no objections, motion carried with 4 Ayes.

NEW BUSINESS

1. Manager’s Report No. 27-01 Discussion and Possible Action to Request Board Approval for acceptance and expenditure of grant monies from the Office of Local Defense Community Cooperation (OLDCC) for West Kauai Water Infrastructure Planning.

Executive Engineer Advisor to the Manager Michael Hinazumi provided a brief overview of the Manager’s Report submitted. He stated that this grant would support further expansion of the PMRF facilities to include repairs, upgrades and modernization to a well that currently provides a 100,000-gallon allotment of water from DOW, an alternate source of water while that work is taking place, and additional source and storage to support substantial community expansion in addition to the PMRFs needs. Currently PMRF employs 1,000 people, but can only house 100 on-base which means approximately 900 employees live off-base all across the island. This grant can help support both PMRF and the County with affordable housing efforts. He noted

that this is the first phase of this project and as the planning portion comes to an end they are hoping to obtain another grant for design and construction. Mr. Hinazumi added that these federal grants are a lot more competitive so getting a foot in the door at this planning phase will improve DOW's standing to secure funds for implementation.

Board member Hull moved to approve Manager's Report No. 27-01, seconded by Mr. Kodani; with no objections, motion carried with 4 Ayes.

2. Manager's Report No. 27-02 Discussion and Possible Action to Approve a Grant of Easement (GOE) Agreement from Godwin M. Esaki, Janet M. Esaki, Godwin M. Esaki and Janet M. Esaki, Trustees of the Godwin M. Esaki Revocable Living Trust, and Janet M. Esaki and Godwin M. Esaki, Trustees of the Janet M. Esaki Revocable Living Trust, at TMK: (4) 4-6-011:125, Kapa'a, Kaua'i, Hawai'i

Manager Joe Tait expressed his appreciation that Godwin and Janet Esaki were present at this meeting, noting this agreement has been a long time coming and we are glad to be a part of the positive closure for this long-standing project.

Engineering Division Head Jason Kagimoto provided some background on the need for this Grant of Easement. He stated that around 2002 the Board implemented a storage restriction for the Kapaa Homesteads area at a limit of 5 meters that was later amended in 2014 to change it to a storage restriction which has remained for the better half of a decade. DOW began working on the Kapaa Homestead tanks in 2002, and the project is currently under construction. In Fiscal Year 2024 a design-build project for a permanent well began and a drilling test was done with the hope that the Department can move forward to ultimately have a permanent well. Mr. Kagimoto noted that since his time with the Department there have been several community meetings in the Kapaa area where there has been a lot of community interest for status updates and follow-up on this project. Currently, the Department would like to perform the well pumping test to determine potential capacity, and to move forward with the completion of a drain line which is necessary for completion of the tanks. This Grant of Easement is necessary for these projects to be completed. Mr. Kagimoto added that in addition to supporting the greater Kapaa community, this project will support the Master Plan for the Samuel Mahelona Memorial Hospital, which is moving forward.

Mr. Kagimoto expressed his appreciation to the Esaki's for their patience in working with the Department for the better part of a decade and for sticking with us to get to where we are today. Manager Tait added that this goes back a long way through several managers, several chief engineers who were the initial drivers of this initiative. He thanked the many people that have come and gone since this was started as well as the current group who moved it forward to finalization.

Chair Shigemoto commented that he has known Mr. Esaki for a long time and did not realize how long-standing this issue has been. He expressed his appreciation for the Esaki's patience and cooperation, noting that they are doing the community a great, great service.

Board member Hull moved to approve Manager's Report No. 27-02, seconded by Ms. Finnilla; with no objections, motion carried with 4 Ayes.

3. Manager's Report No. 27-03 Discussion and Possible Action to Approve a Grant of Easement (GOE) Agreement from BBCP Kukui'ula at TMK (4) 2-6-018:063, Kōloa, Kaua'i, Hawai'i

Engineering Division Head Jason Kagimoto stated this Grant of Easement is similar to many of the others that come before the Board. There is a Reduced Pressure Detector Assembly (RDPA) on private property and this GOE allows the Department access for maintenance.

Board member Hull moved to approve Manager's Report No. 27-03, seconded by Mr. Kodani; with no objections, motion carried with 4 Ayes.

4. Manager's Report No. 27-04 Discussion and Possible Action on the Approval of the Department of Water (DOW)'s Supplemental Operating and Capital Budget appropriations for Fiscal Year 2027

Waterworks Controller Renee Yadao stated that this represents the Department's contractual liabilities entered into prior to July 1, 2026 and hold large balances that will become a new supplemental appropriation to carry it over to the new fiscal year. This is the standard annual process they go through each year to roll these balances forward.

Board member Kodani moved to approve Manager's Report No. 27-04, seconded by Mr. Hull; with no objections, motion carried with 4 Ayes.

5. Manager's Report No. 27-05 Discussion and Possible Action on the Approval of the Department of Water's (DOW) Supplemental Operating Budget Appropriation from Available Fund Balance for the Purpose of Encumbering the Total Amount of Contract C793 for Job No. 26-01, Slip Line Hanapēpē 16-Inch HDPE Pipeline with Mocon Corporation

Waterworks Controller Renee Yadao stated that this request is to specifically appropriate the funds for this contract that was budgeted for in 2026 but was not executed prior to June 30, 2026. This appropriation is required to ensure the funds are available for this contract in FY27.

Board member Kodani moved to approve Manager's Report No. 27-05, seconded by Ms. Finnila; with no objections, motion carried with 4 Ayes.

6. Discussion and possible action on a proposed amendment to Board Policy No. 25, re: Authorizing the County Attorney to investigate, settle, and pay small claims against the Board of Water Supply, County of Kaua'i. The proposed amendment increases the maximum settlement amount the County Attorney is authorized to approve from \$10,000 to \$15,000

Deputy County Attorney Laura Essenberg explained that the policy currently authorizes the County Attorney's office to investigate, settle, and pay claims made against the Board up to \$10,000. The proposed amendment raises that amount to \$15,000 to reflect cost inflation.

Board member Troy Tanigawa entered the meeting at 10:02 a.m.

This also aligns with the policy adopted by the County Council last fall. OCA has a claims committee that reviews all claims, so having two different numbers for them to work with can be confusing, and this proposed amendment will help with efficiency and consistency across the board.

Board member Tanigawa moved to approve amendment to Board Policy 25, seconded by Mr. Kodani; with no objections, motion carried with 5 Ayes.

7. Discussion and Possible action to amend the motion adopted at the June 18, 2026 meeting on the salary increase for the Department of Water's Manager & Chief Engineer pursuant to Salary Resolution No. 2025-1, A Resolution Relating to the Salaries of Certain Officers and Employees of the County of Kaua'i, by correcting the maximum salary amount stated Administrative Assistant Cherisse Zaima explained that the amendment to the previous motion is a requirement of the County Human Resources Department to clarify the salary amount on the record before they can implement the Manager's salary increase.

Board member Hull moved to amend the motion as noted above, seconded by Ms. Finnila; with no objections, motion carried with 5 Ayes.

8. Discussion and Possible Action to Initiate the Performance Appraisal Process for the Manager & Chief Engineer for the period of July 1, 2025 to June 30, 2026
a. Board Policy No. 34

Board member Hull moved to initiate the Performance Appraisal process for the Manager, seconded by Ms. Finnila; with no objections, motion carried with 5 Ayes.

COMMUNICATION

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

Engineering Division Head Jason Kagimoto stated that he along with the Manager and Waterworks Controller attended the Small Business Regulatory Review Board meeting on Oahu for review and recommendation of the DOW's proposed rule amendments. He noted that the SBRRB unanimously agreed to pass the proposal for public hearing with the recommendation that the Board considers spreading out the first two 25% increases across a 5-year period to reduce impact on small businesses. The Department is evaluating that at this time. The next step would be the Public Hearing on September 1, after which the Department will return to SBRRB to provide a post-public hearing update. Assuming that goes well, the proposed rule amendment would then go before the Board for discussion and decision-making at the September 24 Board meeting. Mr. Kagimoto stated that the Department met with the Lihue Business Association as well as held around 20 public outreach meetings across the island to discuss the proposed rate increases. The overall sentiment was supportive especially considering how long it has been since the last rate increase and the understanding that many of the projects that benefit the community are moving forward and need to continue. Mr. Kagimoto stated that he feels the public seems to have confidence that ratepayers' money is being put to good use and is eager to get this implemented.

Mr. Kagimoto summarized for the Board that Scenario 1, which was the lowest percentage increase, is what the Board agreed upon. Some of the feedback received from the public was that we should have pushed for a higher percentage scenario to catch-up quicker because of inflation, so he feels the support is there.

Chair Tom Shigemoto commented that some time ago Kauai had a local Small Business Review Board, which he sat on. He asked whether Kauai still has representation now that there is only a Statewide board. Mr. Kagimoto stated that there is a Kauai representative, Nicole Ige, that sits on the State board.

Board member Micah Finnila expressed big thanks to the DOW team for getting out there in the community. She feels that things have gone so well because of the amount of communication that was had with the public. She stated she is unsure how things will go at the public hearing, but is hoping no one will be surprised by what is being proposed.

STAFF REPORTS

1. Fiscal

- a. Monthly dashboard – Number of Service Calls, Number of Walk-in Customers, Number of Customer Emails and Correspondence, Number of Customer Rebills, Accounting Highlights, Transponder Replacement highlights and progress, Staff Overtime hours
- b. Budget Report for July 2026
- c. Monthly Department Overtime/Comp Time dashboard

2. Operations

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

3. Engineering

- 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 – Two 0.5 MG Tanks
 - Pu'u Pane 1.0 Million Gallon Tank
 - Kalāheo Water System Improvements
 - Weke, Anae, Mahimahi and He'e Roads 6" and 8" Main Replacement
 - Lāwa'i 6" and 8" Main Replacement
 - Kapa'a Homesteads Well No. 4 Pump and Controls
 - ii. DOW Project Highlights/Status Updates:
 - Water Systems Investment Plan (WSIP)
 - Kaua'i Water Use and Development Plan (KWUDP)

4. Administration

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

11. Identity and Access Management Strategy
12. Active Directory and Server Infrastructure Refresh

5. Manager and Chief Engineer

a. Reports to Manager:

June to July 2026

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

July to August 2026

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

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

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

TOPICS FOR FUTURE BOARD OF WATER SUPPLY MEETING:

EXECUTIVE SESSION:

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

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

Board member Hull moved to enter into Executive Session, seconded by Mr. Tanigawa; with no objections, motion carried with 5 Ayes.

The Board entered into Executive Session at 10:56 a.m.

The Board resumed in Open Session at 11:05 a.m.

Chair Shigemoto reported the following:

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

ADJOURNMENT

The meeting was adjourned at 11:06 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Cherisse Zaima".

Cherisse Zaima
Administrative Assistant