

# NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the BOARD OF WATER SUPPLY, CITY AND COUNTY OF HONOLULU, will hold a PUBLIC HEARING in the Board Room, Public Service Building, 630 South Beretania Street, on MONDAY, AUGUST 27, 2018, at 2:00 p.m., or soon thereafter, where all interested persons shall be afforded the opportunity of being heard on the adoption of the Proposed Schedule of Rates and Charges of the Board of Water Supply for the Fiscal Years (FY) 2019 through 2023.

Information to be discussed at this public hearing is available at Room 306 of the Public Service Building, Board of Water Supply, 630 South Beretania Street. All comments on or suggested changes to the proposed FY 2019–2023 Schedule of Rates and Charges should be filed in writing before the date of the public hearing or presented in person at the time of the hearing. Persons wishing to speak are requested to register by 1:00 p.m. with Lesley Coon by providing your name, phone number, and subject matter of testimony. Testimony is limited to three minutes and shall be presented by the registered speaker only. Any questions, please call 748-5172. If you require special assistance, auxiliary aid and/or service to participate in this meeting (i.e. sign language interpreter; interpreter for language other than English, or wheelchair accessibility), please call 748-5172 or email your request to board@hbws.org at least three business days prior to the meeting date.

## BOARD OF WATER SUPPLY, CITY AND COUNTY OF HONOLULU REVISION TO THE SCHEDULE OF RATES AND CHARGES FOR THE FURNISHING OF WATER AND WATER SERVICE

### Schedule for September 10, 2018 – June 30, 2019

#### Billing Charge

There is a billing charge of \$9.26 each time a bill is issued, effective September 10, 2018.

#### Quantity Charge

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

Single-Family Residential (Monthly per dwelling unit)	9/10/2018
Tier 1: First 13,000 gallons	\$4.42
Tier 2: 13,001–30,000 gallons	\$5.33
Tier 3: Over 30,000 gallons	\$7.94
Multi-Unit Residential (Monthly per dwelling unit)	9/10/2018
Tier 1: First 13,000 gallons	\$4.42
Tier 2: 13,001–30,000 gallons	\$5.33
Tier 3: Over 30,000 gallons	\$7.94
Non-Residential	9/10/2018
All Usage	\$4.96
Agricultural (Monthly per account)	9/10/2018
Tier 1: First 13,000 gallons	\$4.42
Tier 2: Over 13,000 gallons	\$1.89
Non-Potable/Brackish	9/10/2018
All Usage	\$2.47

#### Customer Class Definitions

**Potable Water** means all water that meets State Department of Health Drinking Water Standards. For all customers, all potable water used for irrigation will be billed in accordance with the primary usage of the property. Potable water customers are divided into the following classes:

**Residential:** Single-family residential refers to single-family and duplex residences. Multi-Unit refers to multi-unit residences including apartments, condominiums and townhouses. Low-rise constitutes up to three stories in height. High-rise refers to higher than three living stories.

**Agricultural** refers to a parcel devoted to agricultural activities. To qualify for Agricultural Quantity Charges, a customer must submit a written application to the Board of Water Supply and furnish satisfactory proof that they are engaged in agriculture on a commercial basis. Only one dwelling unit will be allowed on a meter qualifying for the agricultural quantity charges. To continue to qualify, the application must be renewed each fiscal year.

**Non-Residential** refers to any property not used for residential or agricultural purposes. To determine appropriate quantity charges, combinations of residential and non-residential may require separate meters for each use; e.g. separate residential and non-residential meters.

**Non-Potable/Brackish** refers to customers that receive non-potable/ brackish water. This water does not meet State Department of Health Drinking Water Standards. The Non-Potable Quantity Charges shall not supersede existing or individually negotiated non-potable quantity charge agreements.

**Standby Charge:** A Standby Charge will be negotiated by the Manager and Chief Engineer with each private water system contracting for interconnection service. Such service shall be provided only during emergency or temporary service outages with the intent to protect against interrupted water service supporting normal private system requirements. Water used shall be charged at the applicable quantity rate for each thousand gallons. Approval of activation and duration is contingent upon impacts to BWS customers' level of service and BWS's ability to meet Water System Standards requirements. Activation of service will require a written request submitted to the Manager and Chief Engineer at least 48 hours before service is required, unless waived by the Manager and Chief Engineer.

Water service shall be provided in accordance with Board of Water Supply Rules and Regulations Section 1-101 Availability of Water which requires that "the Department have sufficient pressure and water supply available for domestic use and fire protection and can assume new or additional service without detriment to those presently being served."

**Power Cost Adjustment:** When total power, or electricity, costs to the Board of Water Supply exceed the amount used in calculating the annual Schedule of Rates and Charges, then the Quantity Charge may be increased \$0.01 per 1,000 gallons for every \$500,000 incremental power cost overage in the following fiscal year.

**Environmental Regulations Compliance Fee Cost Adjustment:** The Quantity Charge may be increased \$0.01 per 1,000 gallons for each \$500,000 of additional costs that the Board of Water Supply is required to incur in order to comply with any Federal or State environmental law or regulation.

**Waiver of Water System Facilities Charge for Qualified Affordable and Homeless Dwelling Units:** The Board of Water Supply may waive the Water Systems Facilities Charges and new meter cost for qualified on-site affordable and homeless dwelling units, up to 500 dwelling units per year. The waivers will be granted when the building permit is submitted for approval. To qualify, the dwelling units must be certified as either affordable or homeless dwelling units by the appropriate agency of the City and County of Honolulu. Waiver of the Water System Facilities Charge will apply only to fixture units associated with the certified dwelling units. The amount of the meter waiver shall be calculated as a percentage of the number of certified dwelling units to the total number of dwelling units in the project. If the annual cap of 500 dwelling units has not been reached and a project is proposed that would qualify for more than the remaining number of dwelling units in that year, the Manager and Chief Engineer has the discretion to increase that year's limit. This waiver provision shall expire on June 30, 2023.

**Waiver of Meter Charges for Residential Fire Sprinkler Retrofits:** The Board of Water Supply may waive the new meter charges for high rise multi-unit residential fire sprinkler retrofits. This waiver provision shall expire on June 30, 2023.

### Schedule for July 1, 2019 – June 30, 2023, Continued:

Multi-Unit Residential (Monthly per dwelling unit)	7/1/2019	7/1/2020	7/1/2021	7/1/2022
Tier 1 Essential Needs: First 2,000 gallons	\$3.70	\$3.71	\$3.72	\$3.77
Tier 2 2,001 – 4,000 gallons	\$4.35	\$4.36	\$4.38	\$4.43
Tier 3 4,001 – 10,000 gallons	\$4.95	\$4.96	\$4.98	\$5.03
Tier 4 Over 10,000 gallons	\$5.90	\$5.91	\$5.93	\$5.98
Non-Residential	7/1/2019	7/1/2020	7/1/2021	7/1/2022
All Usage	\$5.01	\$5.06	\$5.16	\$5.27
Agricultural (Monthly per account)	7/1/2019	7/1/2020	7/1/2021	7/1/2022
Tier 1 Essential Needs: First 2,000 gallons	\$3.79	\$3.91	\$4.17	\$4.46
Tier 2 2,001 – 6,000 gallons	\$4.46	\$4.60	\$4.90	\$5.25
Tier 3 Over 6,000 gallons	\$1.95	\$1.98	\$2.05	\$2.12
Non-Potable/Brackish	7/1/2019	7/1/2020	7/1/2021	7/1/2022
All Usage	\$2.53	\$2.62	\$2.75	\$2.90
Recycled Water R-1 Golf	7/1/2019	7/1/2020	7/1/2021	7/1/2022
All Usage	\$0.57	\$0.59	\$0.62	\$0.65
Recycled Water R-1 Other	7/1/2019	7/1/2020	7/1/2021	7/1/2022
All Usage	\$1.84	\$1.88	\$1.92	\$1.96
Reverse Osmosis (RO)	7/1/2019	7/1/2020	7/1/2021	7/1/2022
All Usage	\$5.76	\$5.88	\$6.12	\$6.36

**Fire Meter Standby Charge:** For those receiving private fire service, there is an additional fire meter standby charge billed monthly based on the size of the fire meter effective as follows:

Fire Meter Size	7/1/2019	7/1/2020	7/1/2021	7/1/2022
2" and smaller	\$6.72	\$6.95	\$7.42	\$7.99
3"	\$8.82	\$9.08	\$9.64	\$10.29
4"	\$12.43	\$12.74	\$13.44	\$14.23
6"	\$25.42	\$25.94	\$27.13	\$28.44
8"	\$47.83	\$48.69	\$50.74	\$52.94

#### Customer Class Definitions

**Potable Water** means all water that meets State Department of Health Drinking Water Standards. For all customers, all potable water used for irrigation will be billed in accordance with the primary usage of the property. Potable water customers are divided into the following classes:

**Residential:** Single-family residential refers to single-family and duplex residences. Multi-Unit refers to multi-unit residences including apartments, condominiums and townhouses. Low-rise constitutes up to three stories in height. High-rise refers to higher than three living stories.

**Agricultural** refers to a parcel devoted to agricultural activities. To qualify for Agricultural Quantity Charges, a customer must submit a written application to the Board of Water Supply and furnish satisfactory proof that they are engaged in agriculture on a commercial basis. Only one dwelling unit will be allowed on a meter qualifying for the agricultural quantity charges. To continue to qualify, the application must be renewed each fiscal year.

**Non-Residential** refers to any property not used for residential or agricultural purposes. To determine appropriate quantity charges, combinations of residential and non-residential may require separate meters for each use; e.g. separate residential and non-residential meters.

**Non-Potable Water** means all water that does not meet State Department of Health Drinking Water Standards. It is divided into the following classes:

#### Non-Potable/ Brackish

- R-1 Recycled Water
- R-1 recycled water is recycled wastewater that meets State Department of Health Reuse Guidelines.
- R-1 Golf are those customers that receive R-1 water used primarily for golf course irrigation.
- R-1 Other are those customers that receive R-1 recycled water for uses other than golf course irrigation
- Reverse Osmosis (RO) Demineralized Water is recycled wastewater that has been demineralized through reverse osmosis.

The R-1 Golf, R-1 Other and RO Customer and Quantity Charges shall not supersede existing or individually negotiated charges unless expressly identified in the contract.

**Fire Meter Standby Charge:** For readiness to serve, applies to services used exclusively for private fire protection purposes, including automatic fire sprinkler services connected to the alarm systems, fire hydrants, and wet standpipes. These must be protected against theft and leakage or waste of water. No connections or usage of water for other than fire-fighting and system testing purposes is allowed. In addition, for any misuse or non-fire protection related water use, such usage will be billed at twice the highest quantity charge in effect at that time. For any such misuse or leakage, the Customer shall be subject to penalty pursuant to Chapter 1, Article 3, Section 1-3.1 of the Revised Ordinances of Honolulu. Except for misuse and non-fire protection related use as described above, there are no quantity charges associated with these services.

**Standby Charge:** A Standby Charge will be negotiated by the Manager and Chief Engineer with each private water system contracting for interconnection service. Such service shall be provided only during emergency or temporary service outages with the intent to protect against interrupted water service supporting normal private system requirements. Water used shall be charged at the applicable quantity rate for each thousand gallons. Approval of activation and duration is contingent upon impacts to BWS customers' level of service and BWS's ability to meet Water System Standards requirements. Activation of service will require a written request submitted to the Manager and Chief Engineer at least 48 hours before service is required, unless waived by the Manager and Chief Engineer.

Water service shall be provided in accordance with Board of Water Supply Rules and Regulations Section 1-101 Availability of Water which requires that "the Department have sufficient pressure and water supply available for domestic use and fire protection and can assume new or additional service without detriment to those presently being served."

**Power Cost Adjustment:** When total power, or electricity, costs to the Board of Water Supply exceed the amount used in calculating the annual Schedule of Rates and Charges, then the Quantity Charge may be increased \$0.01 per 1,000 gallons for every \$500,000 incremental power cost overage in the following fiscal year.

**Environmental Regulations Compliance Fee Cost Adjustment:** The Quantity Charge may be increased \$0.01 per 1,000 gallons for each \$500,000 of additional costs that the Board of Water Supply is required to incur in order to comply with any Federal or State environmental law or regulation.

**Waiver of Water System Facilities Charge for Qualified Affordable and Homeless Dwelling Units:** The Board of Water Supply may waive the Water Systems Facilities Charges and new meter cost for qualified on-site affordable and homeless dwelling units, up to 500 dwelling units per year. The waivers will be granted when the building permit is submitted for approval. To qualify, the dwelling units must be certified as either affordable or homeless dwelling units by the appropriate agency of the City and County of Honolulu. Waiver of the Water System Facilities Charge will apply only to fixture units associated with the certified dwelling units. The amount of the meter waiver shall be calculated as a percentage of the number of certified dwelling units to the total number of dwelling units in the project. If the annual cap of 500 dwelling units has not been reached and a project is proposed that would qualify for more than the remaining number of dwelling units in that year, the Manager and Chief Engineer has the discretion to increase that year's limit. This waiver provision shall expire on June 30, 2023.

**Waiver of Meter Charges for Residential Fire Sprinkler Retrofits:** The Board of Water Supply may waive the new meter charges for high rise multi-unit residential fire sprinkler retrofits. This waiver provision shall expire on June 30, 2023.

### Schedule for July 1, 2019 – June 30, 2023

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

Meter Size	7/1/2019	7/1/2020	7/1/2021	7/1/2022
5/8" or 3/4"	\$10.42	\$10.80	\$11.38	\$12.09
1"	\$13.31	\$13.79	\$14.45	\$15.28
1.5"	\$15.23	\$15.78	\$16.50	\$17.41
2"	\$38.81	\$40.18	\$41.61	\$43.45
3"	\$47.95	\$49.64	\$51.35	\$53.55
4"	\$91.74	\$94.95	\$97.98	\$101.92
6"	\$163.91	\$169.63	\$174.84	\$181.64
8"	\$250.03	\$258.76	\$266.57	\$276.78
12"	\$541.31	\$560.18	\$576.78	\$598.53

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

Single-Family Residential (Monthly per dwelling unit)	7/1/2019	7/1/2020	7/1/2021	7/1/2022
Tier 1 Essential Needs: First 2,000 gallons	\$3.79	\$3.91	\$4.17	\$4.46
Tier 2 2,001 – 6,000 gallons	\$4.46	\$4.60	\$4.90	\$5.25
Tier 3 6,001 – 30,000 gallons	\$5.06	\$5.20	\$5.50	\$5.85
Tier 4 Over 30,000 gallons	\$8.46	\$8.60	\$8.90	\$9.25

Continued in the next column:

