



# STAKEHOLDER ADVISORY GROUP

Board of Water Supply, City & County of Honolulu  
July 20, 2023  
Meeting 47

# WELCOME & INTRODUCTIONS

DAVE EBERSOLD, FACILITATOR

STAKEHOLDER ADVISORY GROUP MEETING 47

JULY 20, 2023



# MEETING OBJECTIVES

- Continue to Seek input on Water Rates
- Accept notes from meeting #46
- Provide BWS updates



# PUBLIC COMMENT ON AGENDA ITEMS





# WATER RATES UPDATE

Joe Cooper  
Waterworks Controller

David Ebersold  
Vice President, CDM Smith

July 20, 2023  
[www.boardofwatersupply.com](http://www.boardofwatersupply.com)

# RECAP FROM PREVIOUS MEETING

- Explored efficient indoor water usage
- Results suggested that a residence with 10 people could reasonably use not more than about 15,000 gallons per month indoors.
- Noted that Tier 4 for single-family residential is >30,000 gallons per month
- Discussed Days Working Capital and the potential to drop below 60-day minimum to maintain affordability
- Discussed potential for non-uniform rate increase across the residential rate tiers, e.g. lower increases for Essential Needs Tier 1



# ACTIVITIES SINCE OUR LAST MEETING

- Continued to evaluate rate alternatives along with revenue and customer impacts
- Provided water rates update to BWS Board in June
- BWS Board formed a Water Rates Permitted Interaction Group
- Expect to begin seeking public input this month
- Scheduled community meetings for August
- Exact proposal still being refined

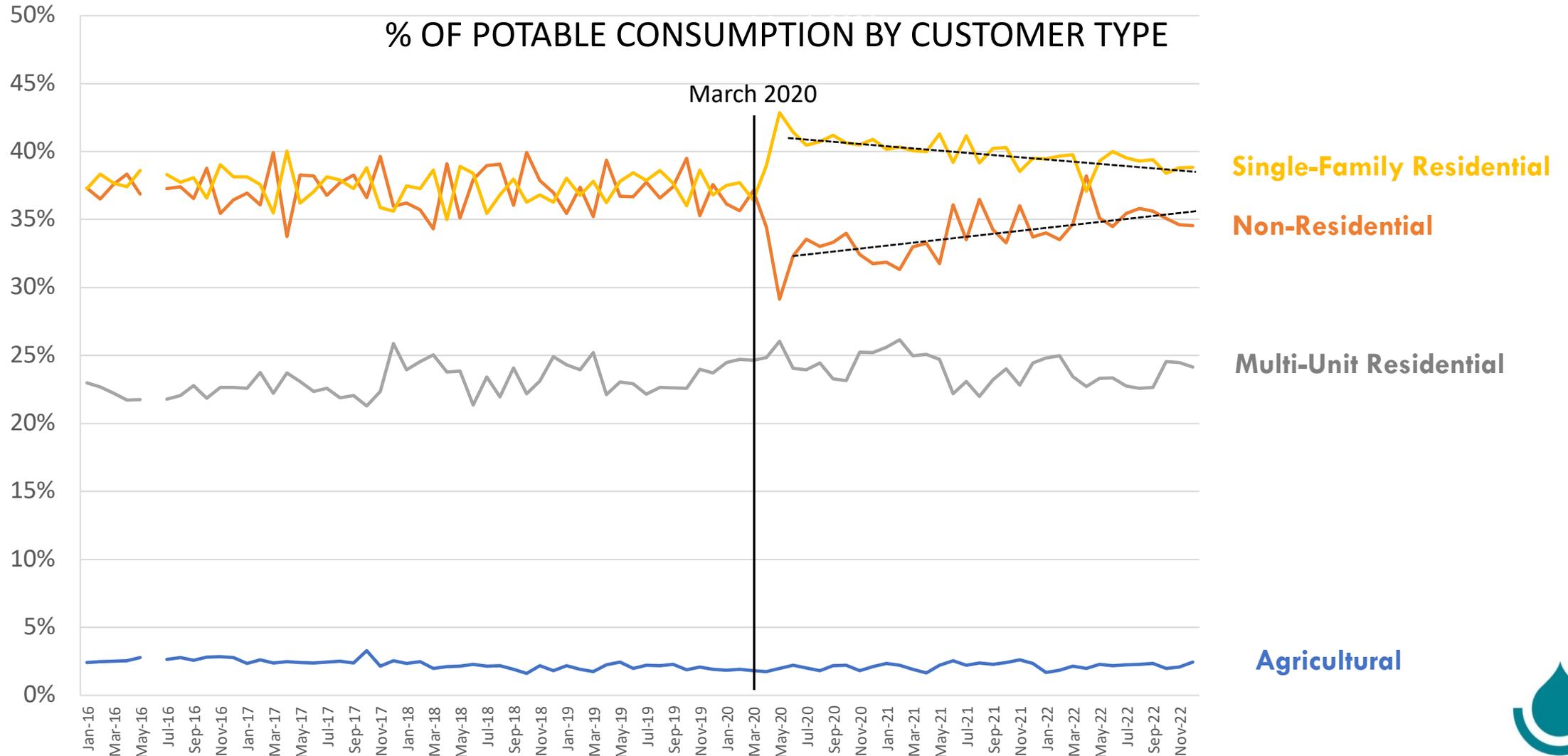


# OBJECTIVES FOR TODAY

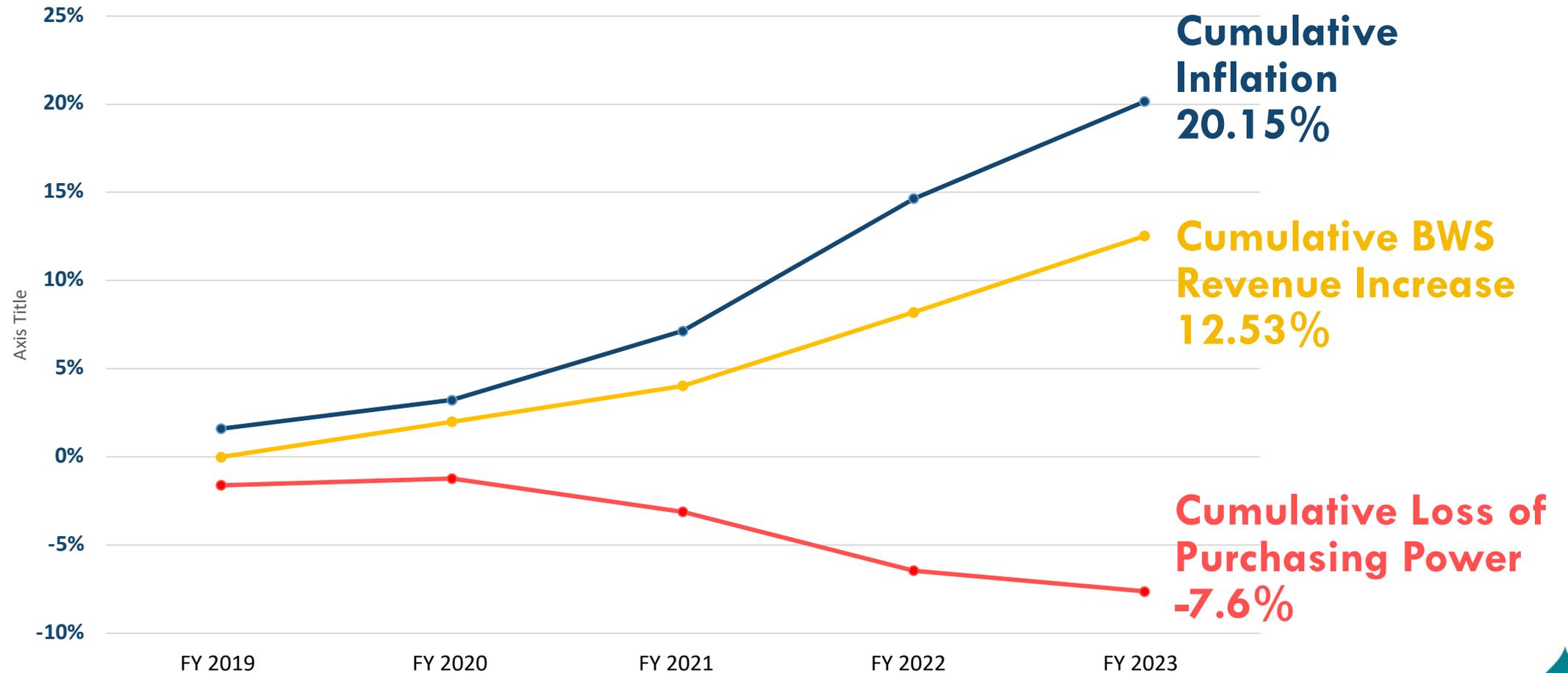
- Review factors resulting in current financial conditions
- Discuss rate design guideposts:
  - Maximum rate increase in any given year
  - Minimum days working capital
  - Lower increases for Essential Needs Tier
- Evaluate specific proposal



# COVID-19 CAUSED CHANGES IN CUSTOMER WATER USE PATTERNS



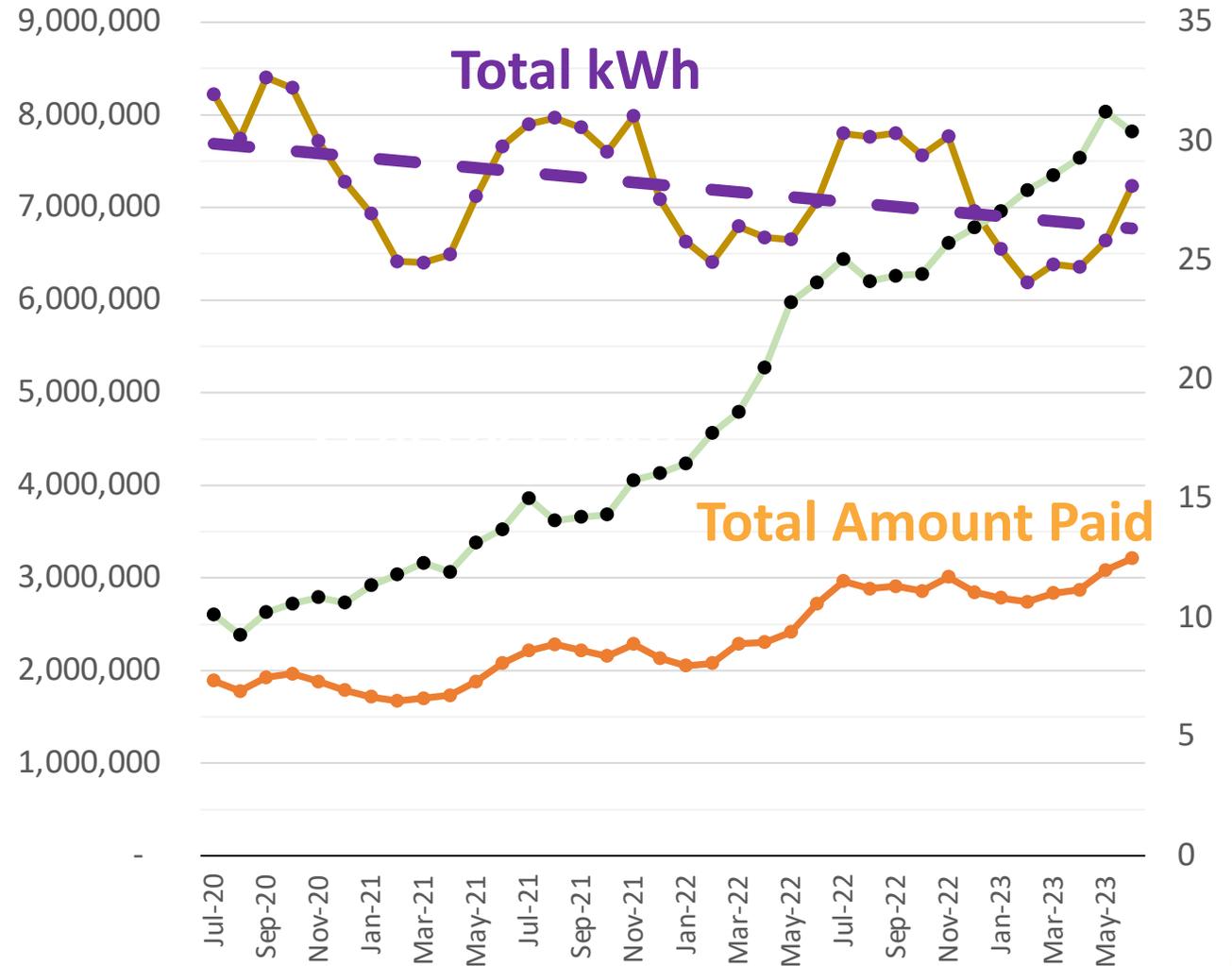
# INFLATION HAS DECREASED OUR PURCHASING POWER



# POWER COSTS TRENDING SHARPLY UPWARD

FY 2023 electricity costs \$33 million

\$5.5 million (20%) over budget



# RED HILL RESPONSE REQUIRES LARGE INVESTMENTS IN NEW BWS FACILITIES

- **Monitoring wells** for information on how the contamination is moving and **exploratory wells** to find new sources outside of its path
- Replace **17.5 million gallons per day** of potable water well pumping capacity
- **Undetermined:** Full impact to water quality and supply, impact to Operations & Maintenance costs, and cost recovery from Navy
- **BWS has requested assistance** from Hawaii Congressional Delegation



# PFAS IMPACTS TO BWS SYSTEM UNKNOWN

- In common products since the 1940s
- EPA proposed draft Maximum Contaminant Level (MCL)
  - 4 parts per trillion (ppt)
- BWS currently has 8 sources with detections of PFAS, all below 4 ppt



<https://a2independent.com/wp-content/uploads/Products-Containing-PFAS.jpeg>



# BWS HAS TIGHTENED ITS BELT

- Held to already-approved rate increases 2018-2023
- 0.2% increase to 2024  
Operations & Maintenance budget despite high inflation
- Chose to not pass on energy cost increases to customers
- Deferred purchases of replacement vehicles and other equipment
- Deferred less-critical capital projects



# WE HAVE ACCOMPLISHED MUCH WITH THE LAST RATE INCREASES

494 projects underway or completed 2018 – 2023

- Pipeline Replacements
- Pump and Valve Repairs  
Planning and Replacements
- Facility Repairs and  
Renovations
- Kalaeloa Desalination Plant  
Planning



# TOTAL CAPITAL IMPROVEMENT PROJECTS

## \$769,541,785

Planning/Design Phase

**196 PROJECTS**

**\$134,472,236**

Construction Phase

**298 PROJECTS**

**\$635,069,548**



# OBJECTIVES FOR TODAY

- Review factors resulting in current financial conditions
- Discuss rate design guideposts:
  - Maximum rate increase in any given year
  - Minimum days working capital
  - Lower increases for Essential Needs Tier
- Evaluate specific proposal



# WORKING CAPITAL TARGET FINANCIAL POLICY

- Objective to maintain 180 days cash on hand
- Purpose is to provide funds for unplanned events such as disaster recovery and rate stabilization
- Target is to be achieved gradually over an approximately 10-year period in order to minimize rate impacts
- Maintain a minimum of 60 days cash on hand



# CONCEPT ILLUSTRATION ONLY

## ALWAYS MEET/EXCEED 60-DAY MINIMUM

	Jan 1 FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Annual Revenue Increase	14.4%	8.6%	5.2%	5.2%	5.2%	5.2%
						Cum: 52.3%
<b>Operating Fund Balance</b>						
Beginning of Year Balance	\$29,900,000	\$33,445,900	\$34,950,800	\$48,548,200	\$51,533,400	\$46,273,500
<u>Annual Increase (Decrease)</u>	<u>\$3,545,900</u>	<u>\$1,504,900</u>	<u>\$13,597,400</u>	<u>\$2,985,200</u>	<u>(\$5,259,900)</u>	<u>(\$4,817,000)</u>
End of Year Balance	\$33,445,900	\$34,950,800	\$48,548,200	\$51,533,400	\$46,273,500	\$41,456,500
Estimated Working Capital Days	60	60	80	80	69	60



# CONCEPT ILLUSTRATION ONLY

## NEVER MORE THAN 10%

	Jan 1 FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Cumulative
Always Meet/Exceed 60-Day Minimum	14.4%	8.6%	5.2%	5.2%	5.2%	5.2%	52.3%
Always <10%	9.9%	9.9%	7.1%	6.2%	7.4%	5.0%	54.9%
<b>Operating Fund Balance</b>							
Beginning of Year Balance	\$29,900,000	\$27,938,300	\$26,318,600	\$36,348,900	\$38,699,900	\$40,054,200	
<u>Annual Increase (Decrease)</u>	(\$1,961,700)	(\$1,619,700)	\$10,030,300	\$2,351,000	\$1,354,300	\$1,402,000	
End of Year Balance	\$27,938,300	\$26,318,600	\$36,348,900	\$38,699,900	\$40,054,200	\$41,456,200	
Estimated Working Capital Days	50	45	60	60	60	60	



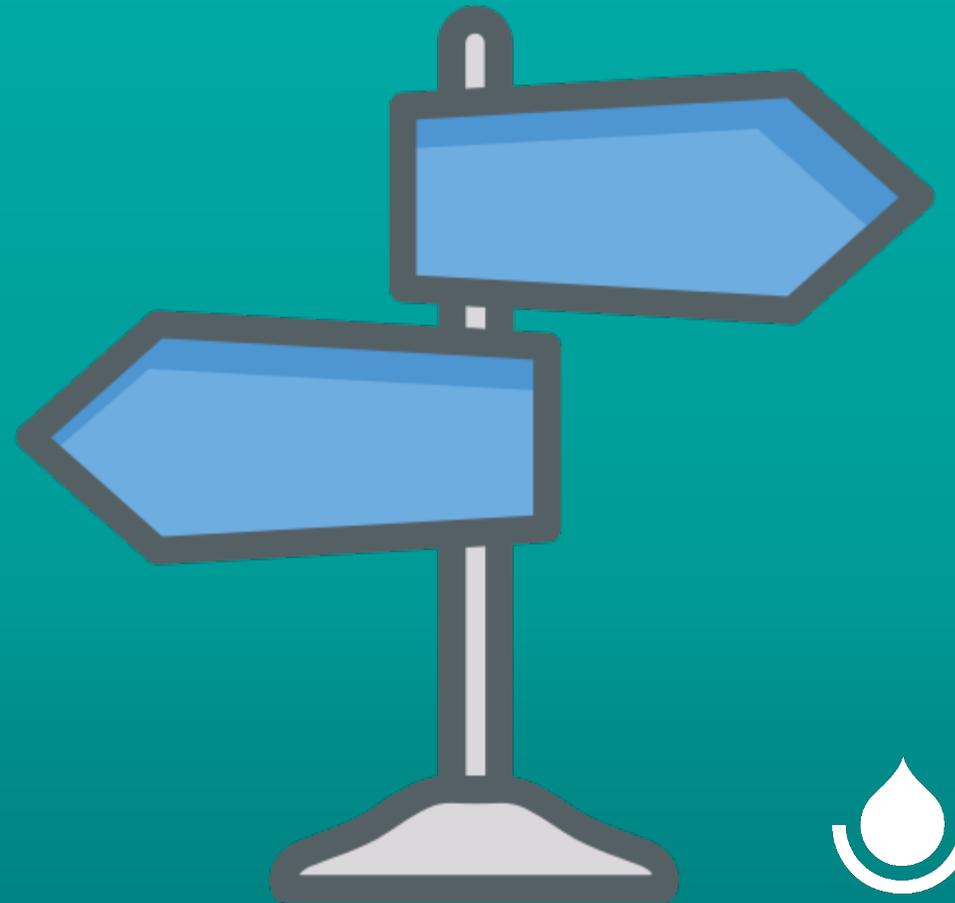
# CONCEPT ILLUSTRATION - CHANGES TO MONTHLY BILL AVERAGE SINGLE-FAMILY RESIDENTIAL CUSTOMER 9,000 GAL/MONTH

Alternative	Current	Jan 1 FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Cumulative
Always Meet/Exceed 60-Day Minimum	\$59.56	\$68.11 ↓	\$73.98 ↓	\$77.86	\$81.93	\$86.22	\$90.73	52.3%
Never More than 10%	\$59.56	\$65.46	\$71.94	\$77.04	\$81.82	\$87.88	\$92.27	54.9%

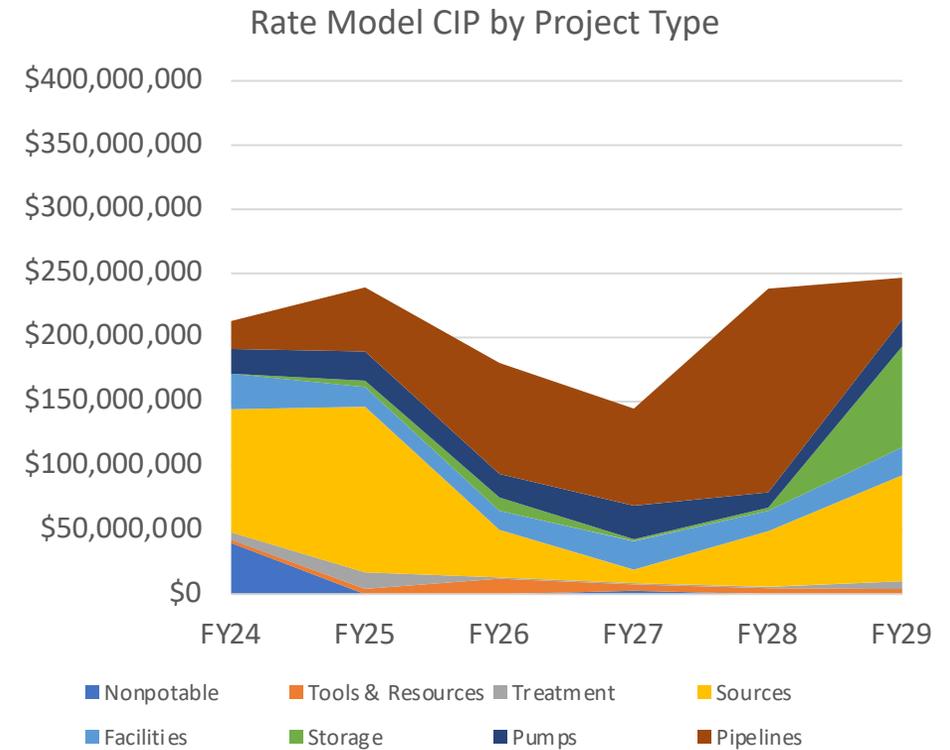
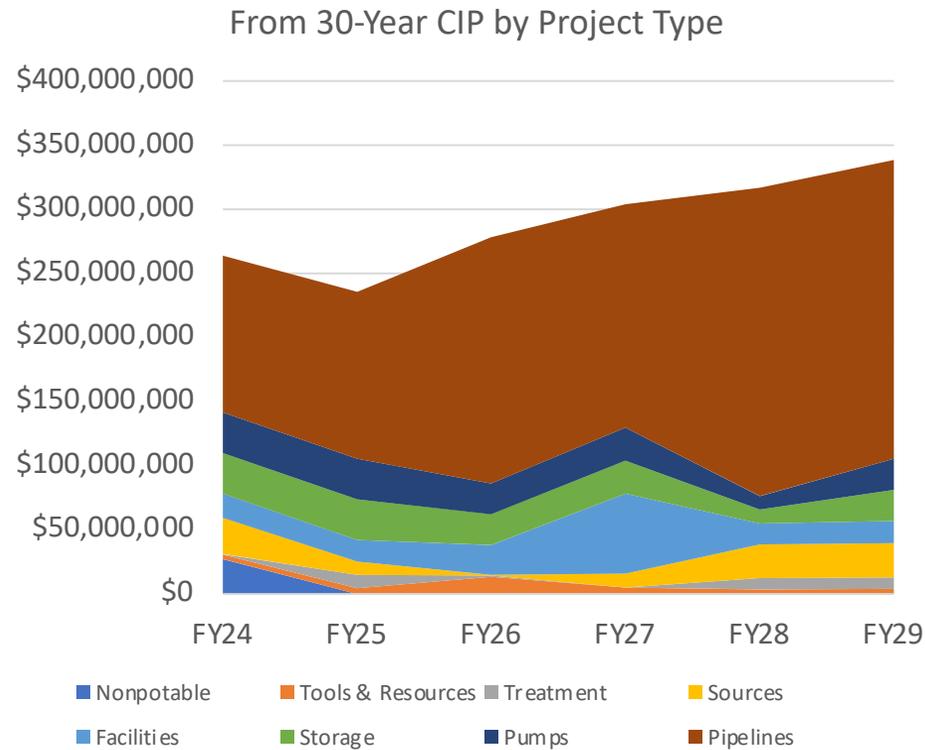


# RATE DESIGN GUIDEPOSTS SUGGESTED BY PERMITTED INTERACTION GROUP

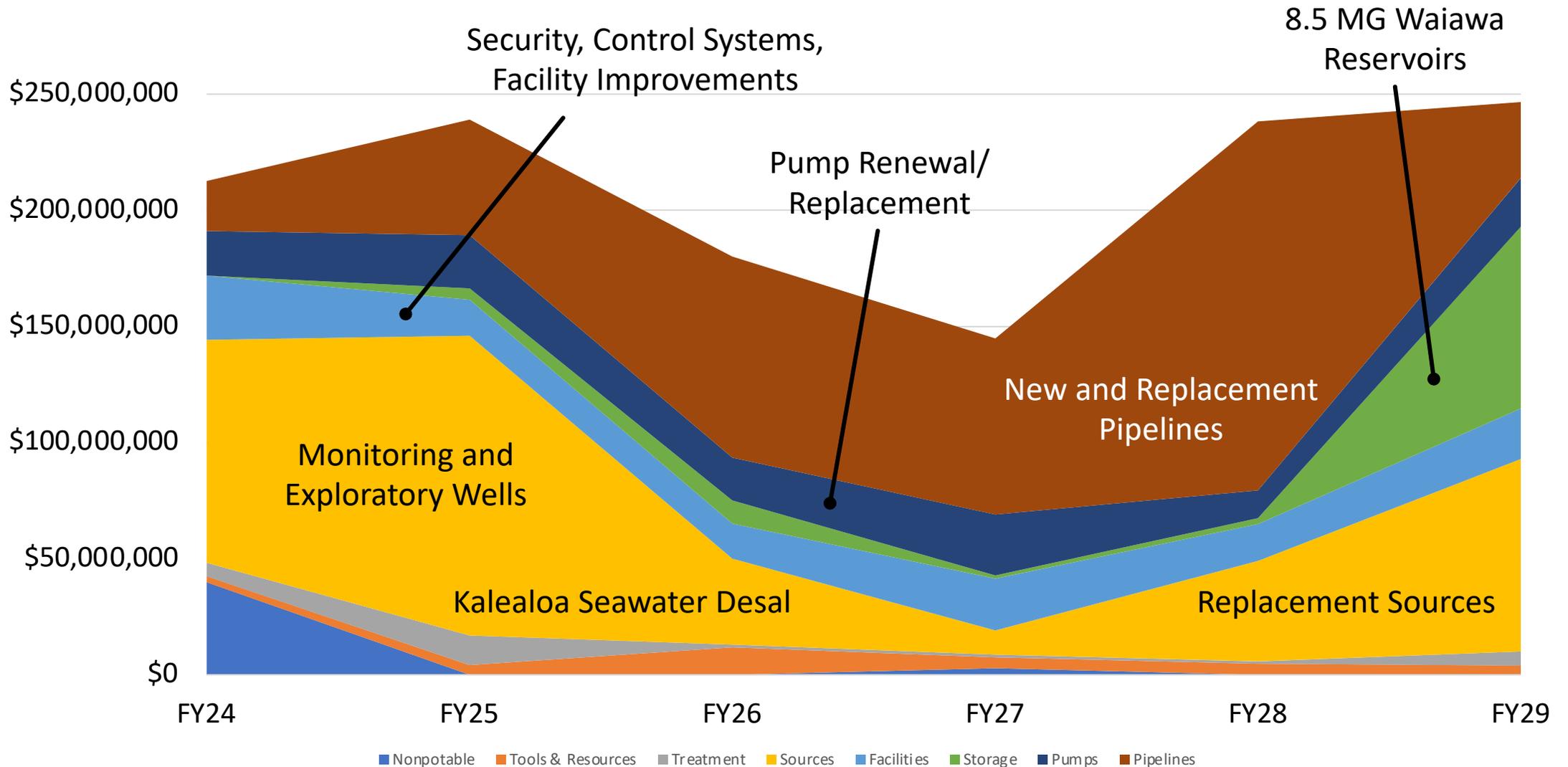
- Overall revenue increases not to exceed 10% in any given year
- Never less than 45 days working capital



# COMPARISON OF CURRENT PROPOSAL TO LONG RANGE FINANCIAL PLAN



# WHAT THE RATE INCREASES WILL PAY FOR \$1.26 BILLION IN 132 CAPITAL PROJECTS



# ALTERNATIVE 1 NO BUFFER

	Jan 1, FY 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
Annual Revenue Increase	10.0%	10.0%	6.7%	6.4%	7.4%	5.0%
						Cum: 55.0%
<b>Operating Fund Balance</b>						
Beginning of Year Balance	\$29,900,000	\$28,061,900	\$26,985,700	\$36,348,800	\$38,700,000	\$40,054,600
<u>Annual Increase (Decrease)</u>	<u>(\$1,838,100)</u>	<u>(\$1,076,200)</u>	<u>\$9,363,100</u>	<u>\$2,351,200</u>	<u>\$1,354,600</u>	<u>\$1,401,800</u>
End of Year Balance	\$28,061,900	\$26,985,700	\$36,348,800	\$38,700,000	\$40,054,600	\$41,456,400
Estimated Working Capital Days	50	46	60	60	60	60



# ALTERNATIVE 2 GETTING BACK ON TRACK

	Jan 1, FY 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
Annual Revenue Increase	10.0%	10.0%	9.0%	8.5%	8.0%	8.0%
						Cum: 66.9%
<b>Operating Fund Balance</b>						
Beginning of Year Balance	\$29,900,000	\$28,061,900	\$26,985,700	\$43,188,100	\$59,575,100	\$78,215,400
<u>Annual Increase (Decrease)</u>	<u>(\$1,838,100)</u>	<u>(\$1,076,200)</u>	<u>\$16,202,400</u>	<u>\$16,387,000</u>	<u>\$18,640,300</u>	<u>\$30,913,700</u>
End of Year Balance	\$28,061,900	\$26,985,700	\$43,188,100	\$59,575,100	\$78,215,400	\$109,129,100
Estimated Working Capital Days	50	46	71	92	117	158



# ALTERNATIVE 3 FLAT SMILE

	Jan 1, FY 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
Annual Revenue Increase	10.0%	10.0%	6.7%	7.5%	8.0%	9.0%
						Cum: 63.4%
<b>Operating Fund Balance</b>						
Beginning of Year Balance	\$29,900,000	\$28,061,900	\$26,985,700	\$36,348,800	\$42,124,200	\$49,304,000
<u>Annual Increase (Decrease)</u>	<u>(\$1,838,100)</u>	<u>(\$1,076,200)</u>	<u>\$9,363,100</u>	<u>\$5,775,400</u>	<u>\$7,179,800</u>	<u>\$22,241,000</u>
End of Year Balance	\$28,061,900	\$26,985,700	\$36,348,800	\$42,124,200	\$49,304,000	\$71,545,000
Estimated Working Capital Days	50	46	60	65	74	104



# ALTERNATIVE 4 RETURN TO 180

	Jan 1, FY 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
Annual Revenue Increase	10.0%	10.0%	9.5%	8.0%	9.0%	9.5%
						Cum: 70.8%
<b>Operating Fund Balance</b>						
Beginning of Year Balance	\$29,900,000	\$28,061,900	\$26,985,700	\$44,683,200	\$61,055,200	\$83,215,700
<u>Annual Increase (Decrease)</u>	<u>(\$1,838,100)</u>	<u>(\$1,076,200)</u>	<u>\$17,697,500</u>	<u>\$16,372,000</u>	<u>\$22,160,500</u>	<u>\$40,497,200</u>
End of Year Balance	\$28,061,900	\$26,985,700	\$44,683,200	\$61,055,200	\$83,215,700	\$123,712,900
Estimated Working Capital Days	50	46	74	95	125	179



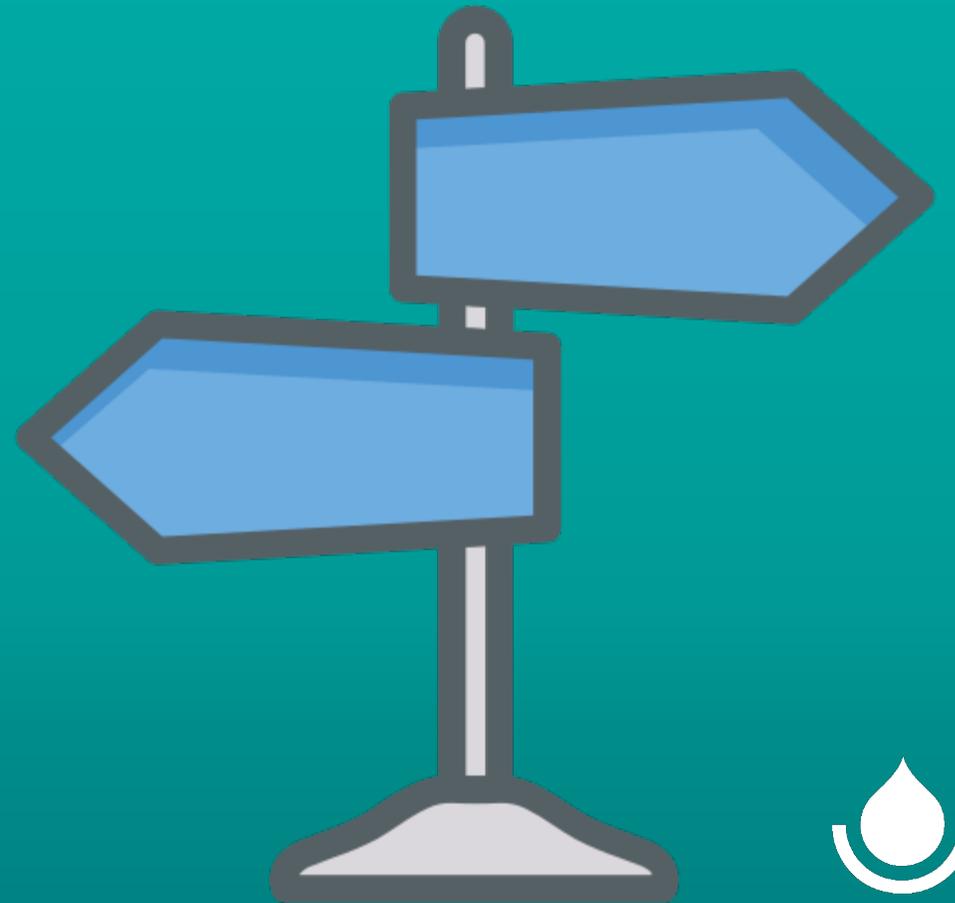
# CHANGES TO MONTHLY BILL AVERAGE SINGLE-FAMILY RESIDENTIAL CUSTOMER 9,000 GAL/MONTH

Alternative	Current	Jan 1 FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Cumulative
Alt 1 No Buffer	\$59.56	\$65.52	\$72.07	\$76.91	\$81.85	\$87.88	\$92.30	55.0%
Alt 2 Getting Back on Track	\$59.56	\$65.52	\$72.07	\$78.55	\$85.23	\$92.05	\$99.41	66.9%
Alt 3 Flat Smile	\$59.56	\$65.52	\$72.07	\$76.91	\$82.67	\$89.29	\$97.32	63.4%
Alt 4 Return to 180	\$59.56	\$65.52	\$72.07	\$78.91	\$85.23	\$92.90	\$101.72	70.8%



# RATE DESIGN GUIDEPOSTS SUGGESTED BY PERMITTED INTERACTION GROUP

- Overall revenue increases not to exceed 10% in any given year
- Never less than 45 days working capital
- Alternative 2 – Getting Back on Track



# OBJECTIVES FOR TODAY

- Review factors resulting in current financial conditions
- Discuss rate design guideposts:
  - Maximum rate increase in any given year
  - Minimum days working capital
  - Lower increases for Essential Needs Tier
- Evaluate specific proposal



# STAKEHOLDER ADVISORY GROUP FINDING: A HOUSEHOLD WITH 10 PEOPLE CAN REASONABLY USE 15,000 GALLONS PER MONTH (OR LESS!) FOR INDOOR WATER USE

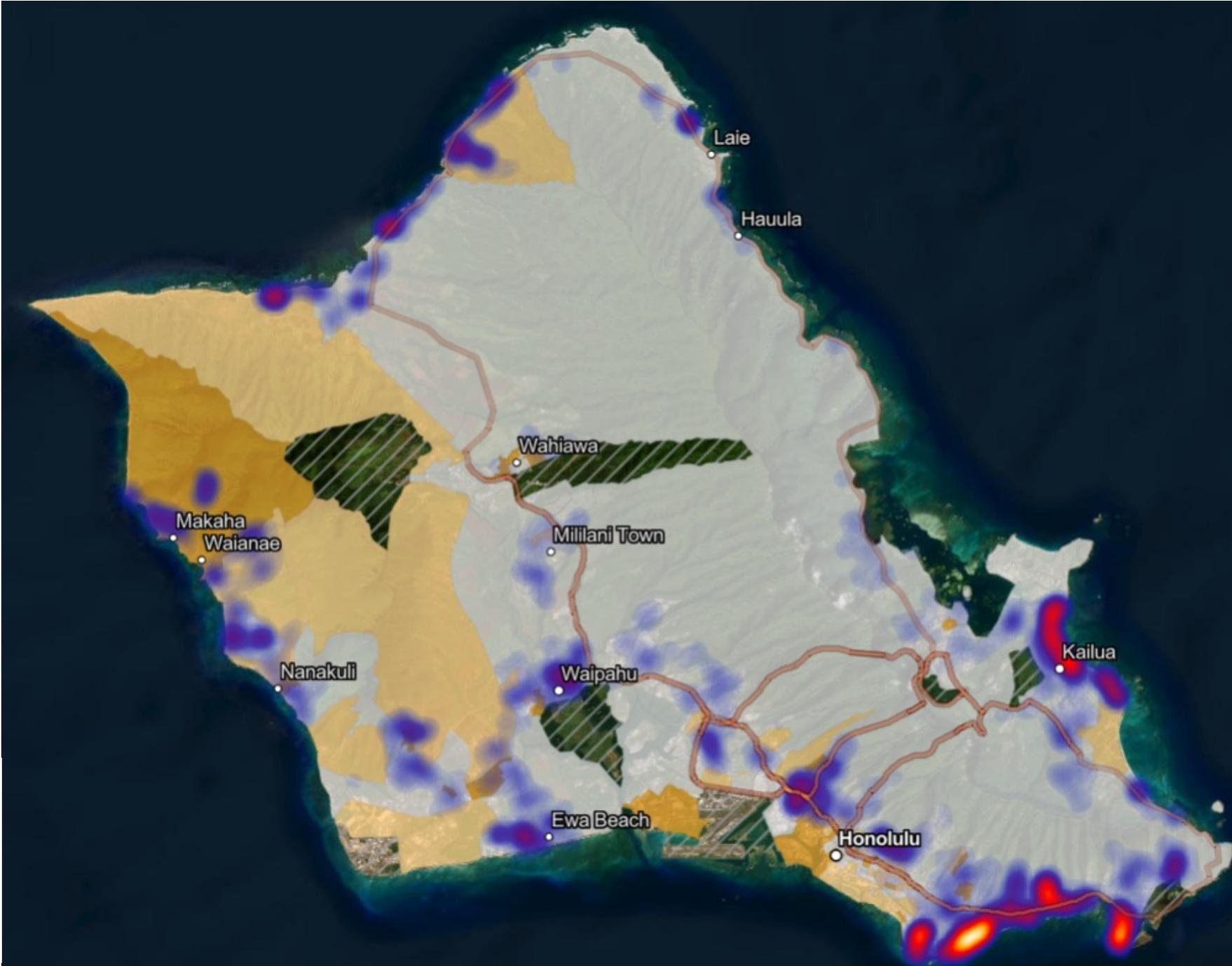
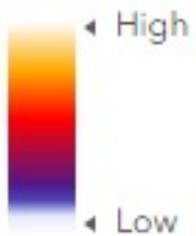
Use	Gallons	Unit	Daily Gallons	Assumptions
Shower	2.5	per minute	12.5	5-minute shower
Toilet	1.6	per flush	8	5 per person per day
Hand washing	0.5	per wash	3	6 per person per day
Drinking	1	per day	2	2 gal per person per day
Cooking	1	per day		
Dishwasher*	4	per load	2	1 load every other day 3 people or less ADD ONE CHIP 1 per day 4-9 people ADD TWO CHIPS 2 per day 10 or greater ADD FOUR CHIPS
Clothes washer*	14	per load	7	1 load every other day 3 people or less: ADD ONE CHIP 1 loads per day 4-9 people: ADD TWO CHIPS 2 loads per day 10 or greater: ADD FOUR CHIPS

\*



# SINGLE-FAMILY RESIDENTIAL HOT SPOTS

35,000 + gallons per month



# UNIFORM INCREASES FOR ALL TIERS

Typical Single-Family Residential Customer Type	Current	Jan 1 FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Cumulative
Not More Than 10%		10.0%	10.0%	9.0%	8.5%	8.0%	8.0%	66.9%
Low – 2,000 gal/mo	\$21.01	\$23.11	\$25.42	\$27.71	\$30.07	\$32.47	\$35.07	66.9%
Median – 6,000 gal/mo	\$42.01	\$46.21	\$50.83	\$55.41	\$60.12	\$64.93	\$70.12	66.9%
Average 9,000 gal/mo	\$59.56	\$65.52	\$72.07	\$78.55	\$85.23	\$92.05	\$99.41	66.9%
High 35,000 gal/mo	\$228.66	\$251.53	\$276.68	\$301.58	\$327.21	\$353.39	\$381.66	66.9%
		<b>Percentage Changes by Tier</b>						
Quantity Charge Increases	EssN: Tier 1	10.0%	10.0%	9.0%	8.5%	8.0%	8.0%	66.9%
	Tier 2	10.0%	10.0%	9.0%	8.5%	8.0%	8.0%	66.9%
	Tier 3	10.0%	10.0%	9.0%	8.5%	8.0%	8.0%	66.9%
	Tier 4	10.0%	10.0%	9.0%	8.5%	8.0%	8.0%	66.9%
Customer Charge Increase		10.0%	10.0%	9.0%	8.5%	8.0%	8.0%	66.9%



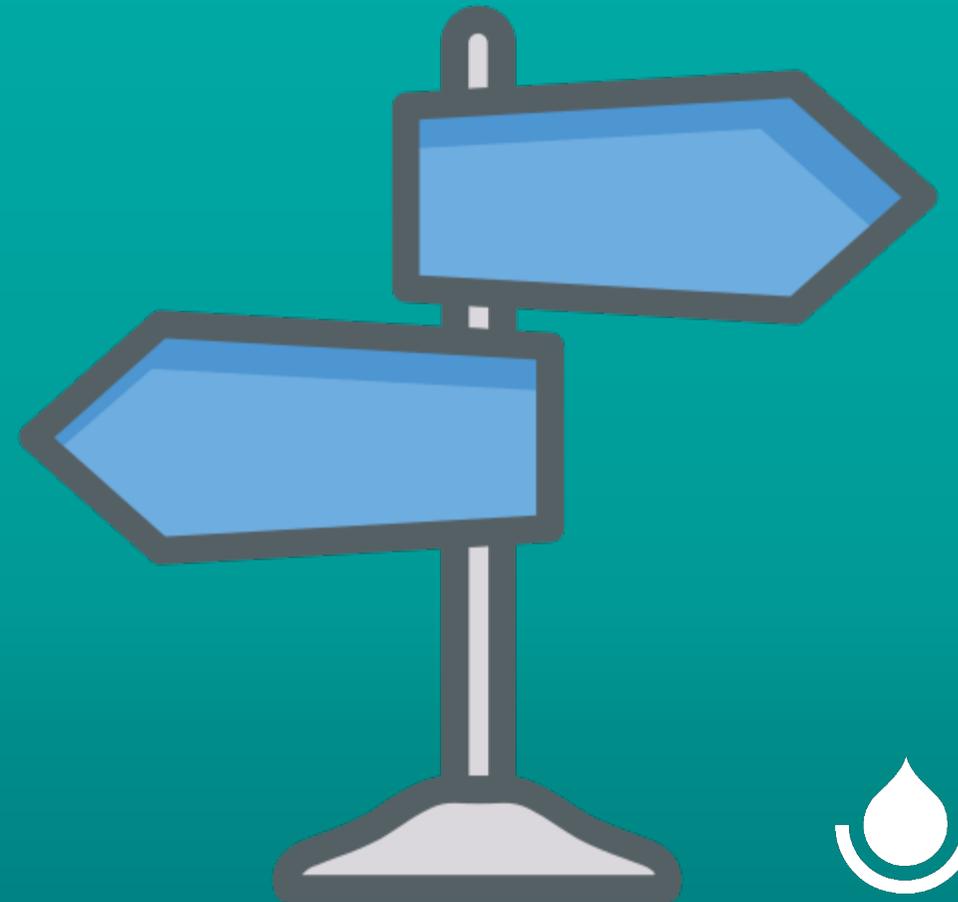
# LIMIT INCREASE IN ESSENTIAL NEEDS TIER TO 2.5%

Typical Single-Family Residential Customer Type	Current	Jan 1 FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Cumulative
Not More Than 10%		10.0%	10.0%	9.0%	8.5%	8.0%	8.0%	66.9%
Low – 2,000 gal/mo	\$21.01	\$22.44	\$24.00	\$25.55	\$27.15	\$28.78	\$30.52	45.3%
Median – 6,000 gal/mo	\$42.01	\$45.54	\$49.41	\$53.25	\$57.20	\$61.23	\$65.58	56.1%
Average 9,000 gal/mo	\$59.56	\$65.12	\$71.44	\$77.69	\$84.13	\$90.70	\$97.80	64.2%
High 35,000 gal/mo	\$228.66	\$256.94	\$287.22	\$317.15	\$347.96	\$379.42	\$413.49	80.8%
		<b>Percentage Changes by Tier</b>						
Quantity Charge Increases	EssN: Tier 1	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	16.0%
	Tier 2	10.00%	10.00%	9.00%	8.50%	8.00%	8.00%	66.9%
	Tier 3	11.57%	12.49%	10.97%	10.18%	9.43%	9.34%	83.6%
	Tier 4	18.38%	12.49%	10.97%	10.18%	9.43%	9.34%	94.8%
Customer Charge Increase		10.0%	10.0%	9.0%	8.5%	8.0%	8.0%	66.9%



# RATE DESIGN GUIDEPOSTS SUGGESTED BY PERMITTED INTERACTION GROUP

- Overall revenue increases not to exceed 10% in any given year
- Never less than 45 days working capital
- Alternative 2 – Getting Back on Track
- Limit Essential Needs tier increase to 2.5%, shift some to tier 3 and most to tier 4

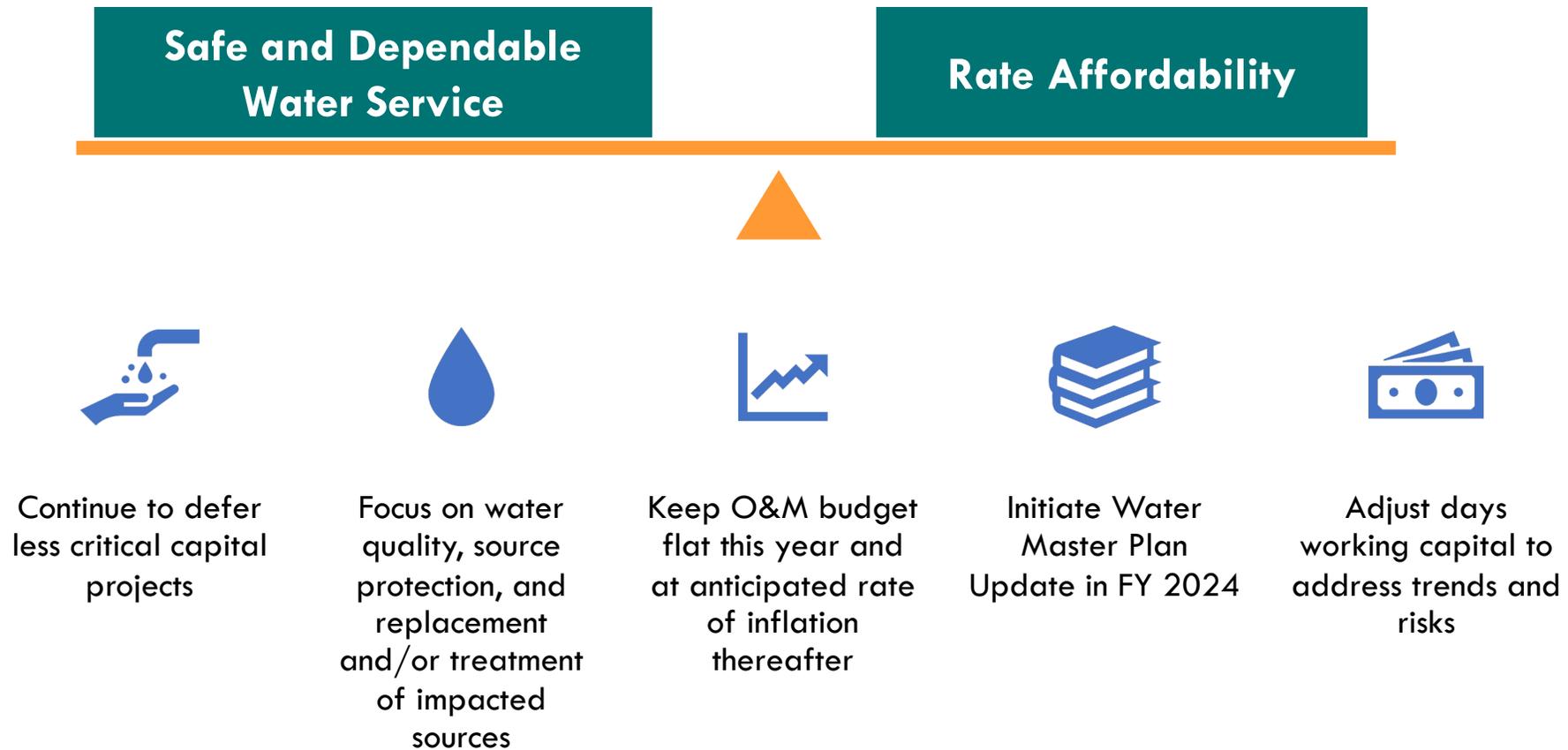


# OBJECTIVES FOR TODAY

- Review factors resulting in current financial conditions
- Discuss rate design guideposts:
  - Maximum rate increase in any given year
  - Minimum days working capital
  - Lower increases for Essential Needs Tier
- Evaluate specific proposal

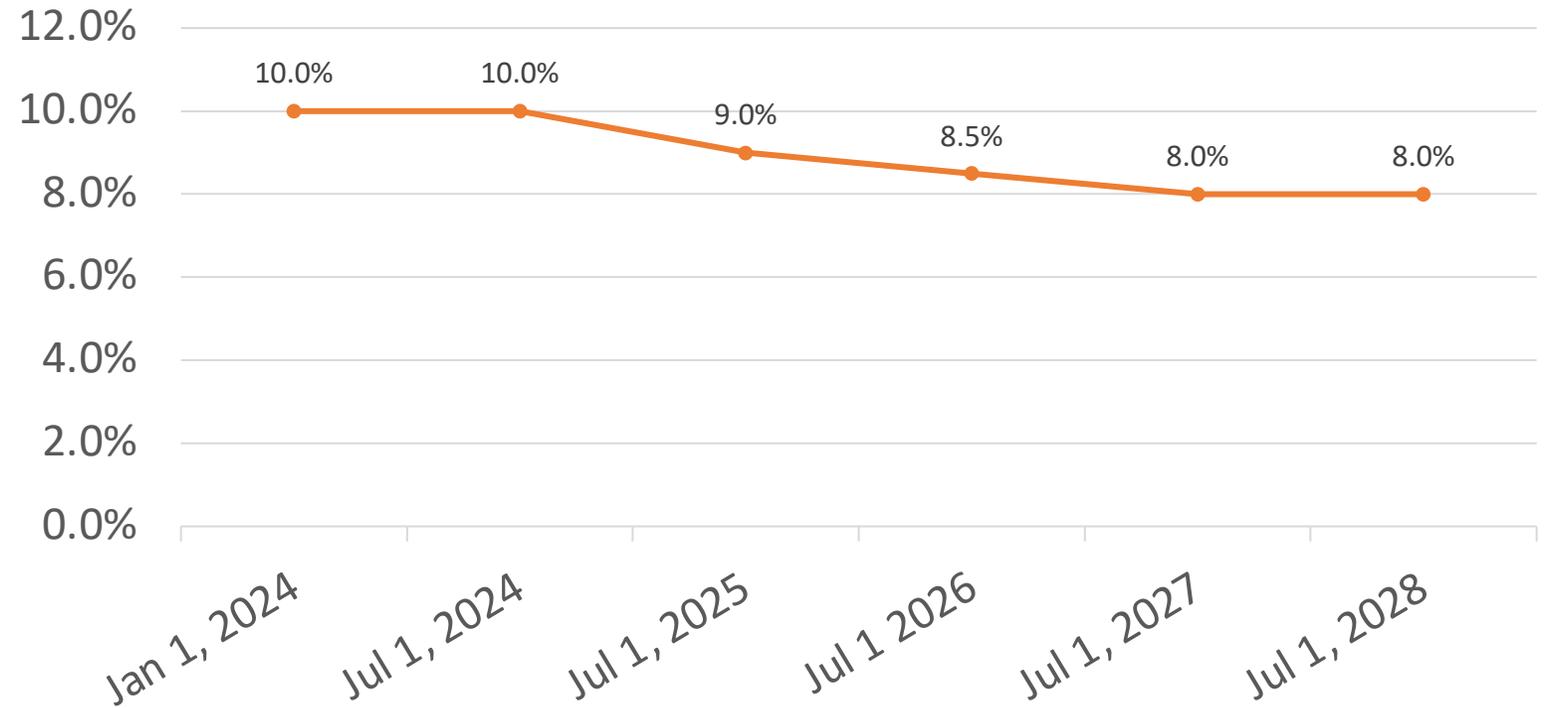


# OUR STRATEGY FOR RATE INCREASES STRIVES TO STRIKE A BALANCE

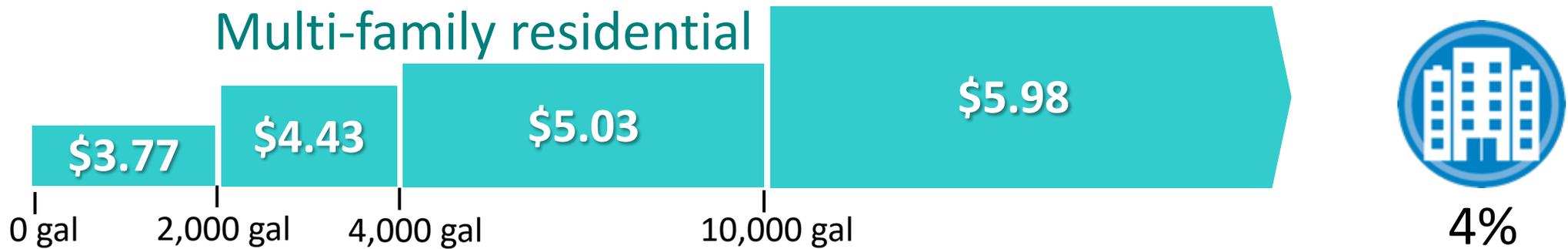
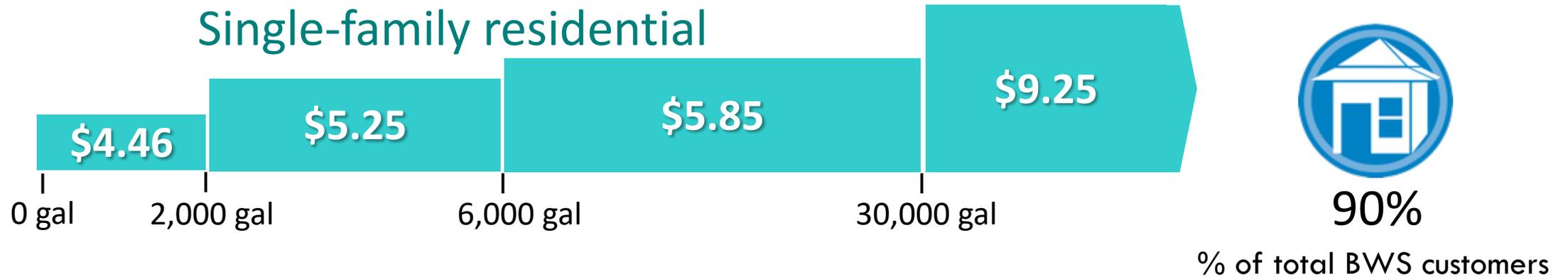


# PROPOSED WATER RATES EXPECTED TO GENERATE APPROXIMATELY \$XX MILLION ADDITIONAL – JANUARY 2024 – JUNE 2029

BWS planned for rate increases every year



# RESIDENTIAL CUSTOMERS PAY MORE AS WATER USE INCREASES – CURRENT RATES



Current Charges per 1,000 gallons



# SINGLE-FAMILY RESIDENTIAL WATER RATES 2024 - 2029



Tier	Gallons/ du/month	Current	Proposed Rates, Effective Dates						Cumulative Change
			Jan 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028	
<b>EssN: 1</b>	0 to 2,000	\$4.46	\$4.57	\$4.69	\$4.80	\$4.92	\$5.05	\$5.17	16.0%
<b>2</b>	2,001 to 6,000	\$5.25	\$5.78	\$6.35	\$6.92	\$7.51	\$8.11	\$8.76	66.9%
<b>3</b>	6,001 to 30,000	\$5.85	\$6.53	\$7.34	\$8.15	\$8.98	\$9.82	\$10.74	83.6%
<b>4</b>	More than 30,000	\$9.25	\$10.95	\$12.32	\$13.67	\$15.06	\$16.48	\$18.02	94.8%

EssN – Essential needs

Rates are in \$ per thousand gallons

du – dwelling unit



**PROPOSED: For Discussion Only**

# MONTHLY CUSTOMER CHARGE BASED ON WATER METER SIZE



Meter Size	Current	Jan 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
5/8"	12.09	13.30	14.63	15.95	17.30	18.68	20.18
3/4"	12.09	13.30	14.63	15.95	17.30	18.68	20.18
1"	15.28	16.81	18.49	20.15	21.87	23.62	25.50
1.5"	17.41	19.15	21.07	22.96	24.91	26.91	29.06
2"	43.45	47.80	52.57	57.31	62.18	67.15	72.52
3"	53.55	58.91	64.80	70.63	76.63	82.76	89.38
4"	101.92	112.11	123.32	134.42	145.85	157.52	170.12
6"	181.64	199.80	219.78	239.56	259.93	280.72	303.18
8"	276.78	304.46	334.90	365.05	396.07	427.76	461.98
12"	598.53	658.38	724.22	789.40	856.50	925.02	999.02



# COMPARING BILLS – ESSENTIAL NEEDS TIER – 10% OF SINGLE-FAMILY RESIDENTIAL

## The Low Water User (2,000 gallons per month)

Current Bill	Future Bill at Proposed Rates						Cumulative Change
	Jan 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028	
\$21.01	\$22.44	\$24.00	\$25.55	\$27.15	\$28.78	\$30.52	\$9.51
% Change	6.8%	6.9%	6.5%	6.2%	6.0%	6.1%	45.3%



# COMPARING BILLS – **MEDIAN WATER USER – 50% OF SINGLE-FAMILY RESIDENTIAL**

**The Median Water User**  
 (6,000 gallons per month)

Current Bill	Future Bill at Proposed Rates						Cumulative Change
	Jan 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028	
\$42.01	\$45.54	\$49.41	\$53.25	\$57.20	\$61.23	\$65.58	\$23.57
% Change	8.4%	8.5%	7.8%	7.4%	7.1%	7.1%	56.1%



# COMPARING BILLS – AVERAGE WATER USER SINGLE-FAMILY RESIDENTIAL

**The Average Water User**  
(9,000 gallons per month)

Current Bill	Future Bill at Proposed Rates						Cumulative Change
	Jan 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028	
\$59.56	\$65.12	\$71.44	\$77.69	\$84.13	\$90.70	\$97.80	\$38.24
% Change	9.3%	9.7%	8.8%	8.3%	7.8%	7.8%	64.2%



# COMPARING BILLS – HIGH WATER USER – TOP 3% OF SINGLE-FAMILY RESIDENTIAL

**The High Water User**  
(35,000 gallons per month)

Current Bill	Future Bill at Proposed Rates						Cumulative Change
	Jan 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028	
\$228.66	\$256.94	\$287.22	\$317.15	\$347.96	\$379.42	\$413.49	\$184.83
% Change	12.4%	11.8%	10.4%	9.7%	9.0%	9.0%	80.8%



# MULTI-UNIT RESIDENTIAL WATER RATES 2024 - 2029



Tier	Gallons/ du/month	Current	Proposed Rates, Effective Dates						Cumulative Change
			Jan 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028	
<b>EssN: 1</b>	0 to 2,000	\$3.77	\$3.86	\$3.96	\$4.06	\$4.16	\$4.27	\$4.37	16.0%
<b>2</b>	2,001 to 4,000	\$4.43	\$4.87	\$5.36	\$5.84	\$6.34	\$6.85	\$7.39	66.9%
<b>3</b>	4,001 to 10,000	\$5.03	\$5.70	\$6.52	\$7.33	\$8.16	\$9.01	\$9.93	97.4%
<b>4</b>	More than 10,000	\$5.98	\$7.21	\$8.25	\$9.27	\$10.33	\$11.40	\$12.57	110.2%

EssN – Essential needs

Rates are in \$ per thousand gallons

du – dwelling unit



**PROPOSED: For Discussion Only**

# NON-RESIDENTIAL CUSTOMERS DRIVE OUR ISLAND'S ECONOMY – CURRENT RATES



5% of BWS's total customers

All non-residential customers pay the same rate

**\$5.27 per 1,000 gallons**



# NON-RESIDENTIAL WATER RATES

## 2024 - 2029



Current	Proposed Rates, Effective Dates						Cumulative Change
	Jan 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028	
\$5.27	\$5.80	\$6.38	\$6.95	\$7.54	\$8.14	\$8.80	\$3.53
% Change	10.0%	10.0%	9.0%	8.5%	8.0%	8.0%	66.9%

Rates are in \$ per thousand gallons

Examples: hotels, restaurants, government, shopping centers, hospitals, retail



# CURRENT SUBSIDIES WILL BE CONTINUED



Lower rates for  
**local agriculture**

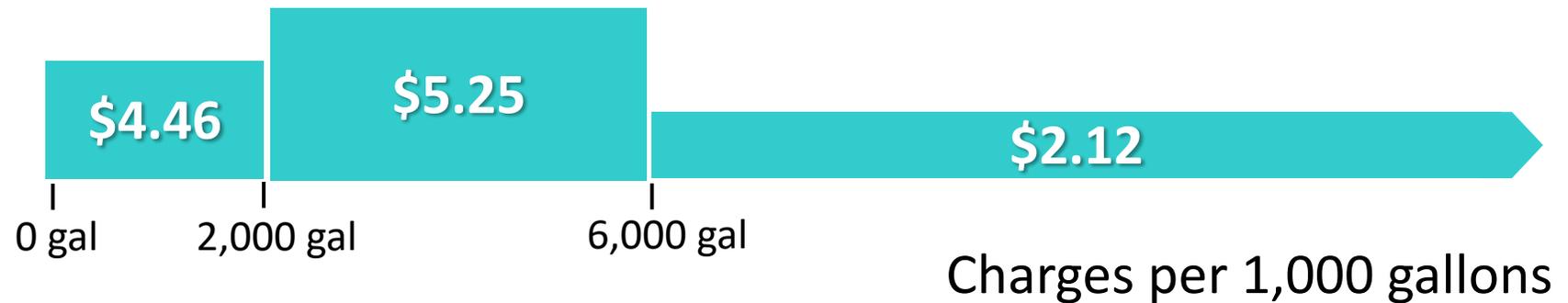
**and recycled  
water**



# AGRICULTURAL CUSTOMERS PAY A LOWER RATE – CURRENT RATES



<1% of BWS's total customers



Reduced rates encourage local farming of fresh, healthy produce.  
Rate participation requires application and approval.



# AGRICULTURAL WATER RATES

## 2024 - 2029



Tier	Gallons/ du/month	Current	Proposed Rates, Effective Dates						Cumulative Change
			Jan 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028	
<b>EssN: 1</b>	0 to 2,000	\$4.46	\$4.57	\$4.69	\$4.80	\$4.92	\$5.05	\$5.17	16.0%
<b>2</b>	2,001 to 6,000	\$5.25	\$5.78	\$6.35	\$6.92	\$7.51	\$8.11	\$8.76	66.9%
<b>3</b>	Over 6,000	\$2.12	\$2.33	\$2.57	\$2.81	\$3.05	\$3.29	\$3.56	67.8%

EssN – Essential needs

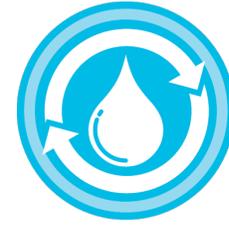
Rates are in \$ per thousand gallons  
du – dwelling unit



**PROPOSED: For Discussion Only**

# NON-POTABLE AND RECYCLED WATER RATES

## 2024 - 2029



Type	Current	Proposed Rates, Effective Dates						Cumulative Change
		Jan 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028	
Non-Potable	\$2.90	\$3.19	\$3.51	\$3.82	\$4.15	\$4.48	\$4.84	66.9%
R-1 Golf	\$0.65	\$0.72	\$0.79	\$0.86	\$0.93	\$1.00	\$1.08	66.9%
R-1 Other	\$1.96	\$2.16	\$2.37	\$2.59	\$2.80	\$3.03	\$3.27	66.9%
RO	\$6.36	\$7.00	\$7.70	\$8.39	\$9.10	\$9.83	\$10.62	66.9%

Rates are in \$ per thousand gallons





**For affordable housing**

**FEE WAIVERS  
TOO!**



**For homeless housing**



**And to retrofit fire sprinklers**



# BWS IS CONSIDERING WAIVERS FOR NEW FARMERS

Waive installation fee and Water System Facilities charge for new  $\frac{3}{4}$ -inch and 1-inch meters connecting to BWS system for the first time

Limited to \$1 million granted by State of Hawaii for new exploratory well in Kunia (Memorandum of Understanding dated March 30, 2021)

Require proof of commercial agricultural operation and water use plan





## AND CONSIDERING NEW WATER CONSERVATION PROGRAMS

### **Top water user outreach**

- Businesses, condos and townhomes

### **Direct install for Kupuna living on their own**

- Referrals from agencies that work with seniors
- Water audits of homes and fixtures replaced as needed
- Ensure Kupuna are getting appropriate rebates



## OTHER BWS CHARGES

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Fire Meter Standby Charge

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Standby Charge For Emergency Interconnections

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Water System Facilities Charge

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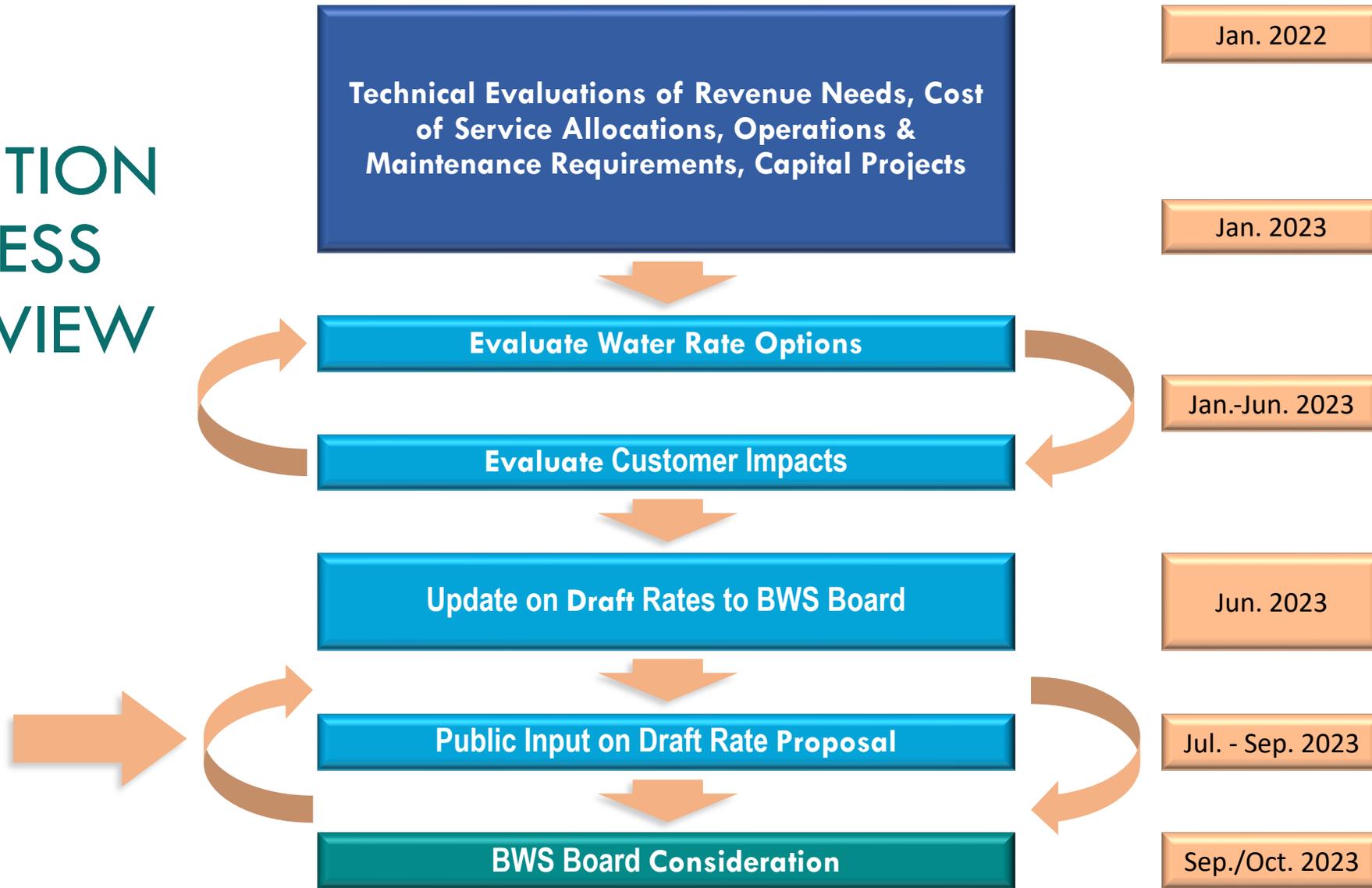
Environmental Regulations Compliance Fee Cost Adjustment

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Power Cost Adjustment



# RATE ADOPTION PROCESS OVERVIEW



# LEARN MORE AT A COMMUNITY INFORMATION MEETING NEAR YOU

<b>All Meetings: 6:00 – 8:30 PM</b>	
<b>Kaneohe</b>	<b>Monday, August 14</b> <b><i>Benjamin Parker Elementary School Cafeteria</i></b> 45-259 Waikalua Road, Kaneohe 96744
<b>Honolulu</b>	<b>Tuesday, August 15</b> <b><i>Japanese Cultural Center of Hawaii</i></b> 2454 S Beretania St., Honolulu 96826
<b>Kapolei</b>	<b>Wednesday, August 16</b> <b><i>Kapolei Hale, Conference Rooms A/B/C</i></b> 1000 Uluohia Street, Kapolei 96707



# GIVE YOUR INPUT ON PROPOSED RATES

**Send a letter or an email to:**

**Board of Water Supply**

Attn: Proposed Water Rates  
630 South Beretania, Honolulu 96843  
Email: [bwsrates@hbws.org](mailto:bwsrates@hbws.org)

**Sept. 30, 2023**

## Questions?

**Call: (808) 748-5041**

BWS Website: [www.boardofwatersupply.com](http://www.boardofwatersupply.com)

Twitter: [@BWSHonolulu](https://twitter.com/BWSHonolulu)

Facebook: <http://www.facebook.com/BWSHonolulu>



KA WAI OLA

ALL LIFE  
DEPENDS  
ON  
WATER

MAHALO!

[boardofwatersupply.com](http://boardofwatersupply.com)





# ACCEPT MEETING NOTES FROM MEETING 46

David Ebersold  
Facilitator

July 20, 2023

[www.boardofwatersupply.com](http://www.boardofwatersupply.com)





# BWS UPDATES

Ernest Lau  
Manager and Chief Engineer  
July 20, 2023  
[boardofwatersupply.com](http://boardofwatersupply.com)



# Mahalo!

Providing safe, dependable, and affordable drinking water, now and into the future.

# UPCOMING STAKEHOLDER ADVISORY GROUP MEETINGS

2023

- Thursday, October 19





# Mahalo!

Providing safe, dependable, and affordable drinking water, now and into the future.