

Non-Residential

These types of customers include: hotels, restaurants, government, shopping centers, hospitals, and retail businesses. Proposed non-residential customer rates, shown here, have lesser incremental

increases over the 5-year period. Non-residential customers pay a flat rate, regardless of their business type and water usage. A business might practice good conservation measures, even though their water usage indicates otherwise.

Non-Residential Water Rates – 2018-2022

Current	Proposed Rates, Effective Dates				
	July 2018	July 2019	July 2020	July 2021	July 2022
\$4.96	\$4.96	\$5.01	\$5.06	\$5.16	\$5.27

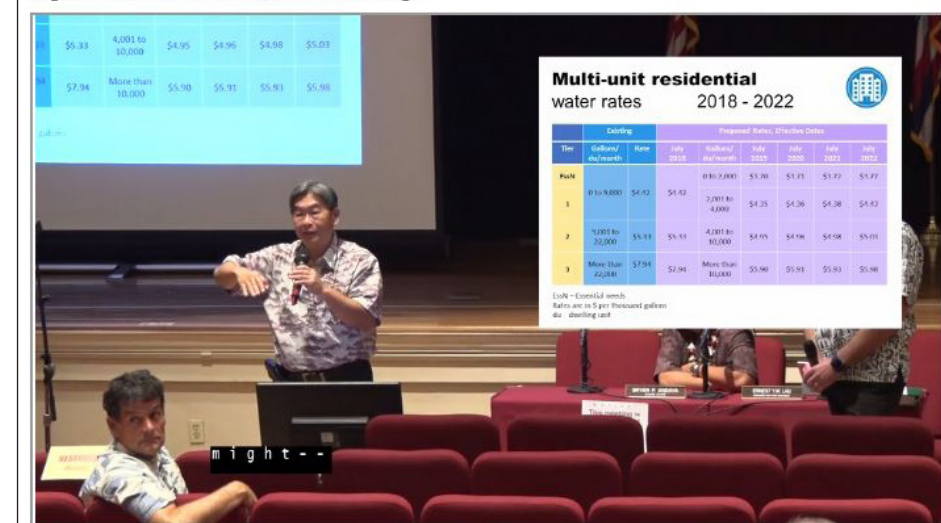
Examples of non-residential customers: Hotels, restaurants, government, shopping centers, hospitals, retail
Rates are in \$ per thousand gallons

Agricultural Water Rates – 2018-2022

Tier	Existing		Proposed Rates, Effective Dates					
	Gallons/du/month	Rate	July 2018	Gallons/du/month	July 2019	July 2020	July 2021	July 2022
EssN	0 to 13,000	\$4.42	\$4.42	0 to 2,000	\$3.79	\$3.91	\$4.17	\$4.46
				2,001 to 6,000	\$4.46	\$4.60	\$4.90	\$5.25
2	More than 13,000	\$1.89	\$1.89	More than 6,000	\$1.95	\$1.98	\$2.05	\$2.12

EssN: Essential needs – du: dwelling unit – Rates are in \$ per thousand gallons

April 26, 2018 Public Hearing

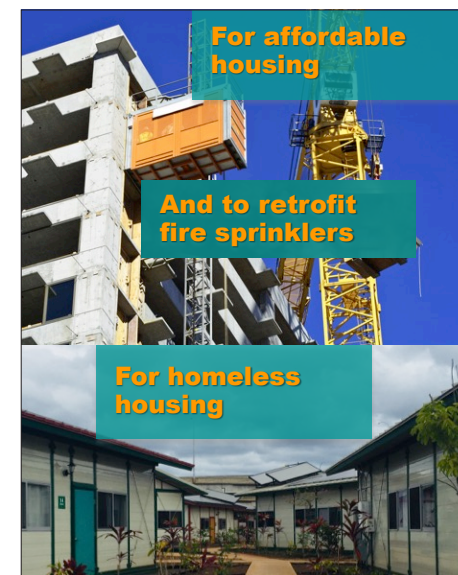


Watch the entire presentation from our April 26, 2018 public hearing on your computer at: <https://vimeo.com/269735233>

Agricultural

Some water rates are subsidized. The BWS offers lower rates to local agriculture and to our customers who buy recycled water. Based on recent customer surveys, we found that our customers support this. The costs that aren't recovered by the lower rates are spread across all of our other customer classes. Supporting Oahu's farming industry promotes "buying local" and moves our community closer to sustainability, especially since we live on an island and want to encourage the availability of more locally grown produce.

New Fee Waivers



Comments, Questions

We welcome your questions or comments:

By mail to 630 S. Beretania St., Honolulu, HI 96843; call us at 748-5041; or email contactus@hbws.org. Visit our website: boardofwatersupply.com/waterrates, message us on Twitter, or Facebook (BWSHonolulu).

Mahalo for your input, patience, and understanding. We strive to provide our customers with clean, dependable, and affordable water.



Vol. 5 – Issue 2

Special Water Rates Issue

Spring 2018

BWS Seeks Comment On Proposed Water Rate Hikes

The Honolulu Board of Water Supply (BWS) is proposing rate adjustments so we can continue to provide safe, dependable, and affordable water to the one million people we serve on Oahu, now and into the future.

Over the next 30 years, the BWS will invest in 800-plus infrastructure projects with total costs of more than \$5.3 billion to: boost pipeline replacement from 6 miles to 21 miles a year to reduce main breaks; renew or replace high risk pumps and reservoirs; and sustain our water supply by expanding water recycling facilities, establishing new wells, building a seawater desalination

plant, and increasing conservation and watershed protection.

As a semi-autonomous City agency, the BWS is financially self-sufficient; no tax revenues are used to finance BWS operations. Infrastructure improvements and operations are funded mostly by rate revenues. Over the next five years, BWS's revenues will need to increase by a total of 12.5 percent to meet anticipated operating and infrastructure improvement expenses.

These proposed draft rate adjustments are needed to accomplish the following objectives:

- Increase investments in Oahu's water infrastructure
- Reduce main breaks
- Encourage conservation
- Provide funding for disaster recovery and
- Ensure that everyone pays more of their fair share of water service costs

These proposed draft rate adjustments would be implemented starting July 2018; however, actual impacts to the water bills are not anticipated until July 2019. Please note: these are proposed WATER rates, NOT sewer rates.

BOARD OF WATER SUPPLY
City and County of Honolulu
630 S. Beretania Street
Honolulu, HI 96843-0001
boardofwatersupply.com

Water for Life
Ka Wai Ola

TOTAL WATER CHARGES **\$35.78**

Customer Inquiries? Call 808-748-5000
Water Trouble? Call 808-748-5000 (24 hours)
Office Hours: Monday thru Friday 7:45 am to 4:30 pm

TOTAL SEWER

Sewer Questions? Call 808-768-3330
Sewer Trouble? Call 808-768-3330
Office Hours: Monday thru Friday 7:45 am to 4:30 pm



www.boardofwatersupply.com
 630 S. Beretania St., Honolulu, HI 96843

GET THE HNL.INFO APP
 Alerts on your phone: <https://hnl.info>
TROUBLE CALL: (808) 748-5000
 Customer Service: (808) 748-5030
 Billing & Payments: (808) 748-5020




Even though most Oahu customers have their water and sewer bills on the same statement, the BWS and City & County of Honolulu Dept. of Environmental Services (ENV) operate and bill as separate entities. For questions about your sewer bill, please contact ENV at (808)768-3330.

Monthly Customer Meter Charge

The proposed draft rates can be viewed at www.boardofwatersupply.com/waterrates and include the following changes:

The monthly customer charge will be based on meter size, instead of a flat rate (currently the "billing charge"). Customers with larger meters will pay more. Most single-family homes have meters that are 5/8" or 3/4" and will have the lowest monthly customer charge.

Meter Size		Proposed Monthly Customer Charge in \$ / Month – Effective Dates					
		Current	July 2018	July 2019	July 2020	July 2021	July 2022
	5/8-inch or 3/4-inch*	\$9.26	\$9.26	\$10.42	\$10.80	\$11.38	\$12.09
	1-inch	\$9.26	\$9.26	\$13.31	\$13.79	\$14.45	\$15.28
	1-1/2-inch	\$9.26	\$9.26	\$15.23	\$15.78	\$16.50	\$17.41
	2-inch	\$9.26	\$9.26	\$38.81	\$40.18	\$41.61	\$43.45
	3-inch	\$9.26	\$9.26	\$47.95	\$49.64	\$51.35	\$53.55
	4-inch	\$9.26	\$9.26	\$91.74	\$94.95	\$97.98	\$101.92
	6-inch	\$9.26	\$9.26	\$163.91	\$169.63	\$174.84	\$181.64
	8-inch	\$9.26	\$9.26	\$250.03	\$258.76	\$266.57	\$276.78
	12-inch	\$9.26	\$9.26	\$541.31	\$560.18	\$576.78	\$598.53

* Typical for Single Family Residential

New: Essential Needs Tier



- Below-cost rate for the first 2,000 gallons per month
- All residential customers get this rate
- 10% of all BWS residential customers use 2,000 gallons or less per month

A new Essential Needs tier for basic indoor water needs – such as drinking, cooking, and personal hygiene – will be available for all residential customers.

Single-Family Rates

We analyzed monthly water usage data for our single-family residential customers and learned that about 10 percent of these customers use 2,000 gallons or less; half of our customers use 6,000 gallons or less; the average BWS customer uses about 9,000 gallons; and only three percent use more than 30,000 gallons per month. We used

Single-Family Residential Water Rates, 2018–2022

Tier	Existing		Proposed Rates, Effective Dates					
	Gallons/du/month	Rate	July 2018	Gallons/du/month	July 2019	July 2020	July 2021	July 2022
EssN				0 to 2,000	\$3.79	\$3.91	\$4.17	\$4.46
1	0 to 13,000	\$4.42	\$4.42	2,001 to 6,000	\$4.46	\$4.60	\$4.90	\$5.25
				6,001 to 30,000	\$5.06	\$5.20	\$5.50	\$5.85
2	13,001 to 30,000	\$5.33	\$5.33	More than 30,000	\$8.46	\$8.60	\$8.90	\$9.25

EssN: Essential needs – du: dwelling unit – Rates are in \$ per thousand gallons

Multi-Unit Residential Water Rates, 2018–2022

Tier	Existing		Proposed Rates, Effective Dates					
	Gallons/du/month	Rate	July 2018	Gallons/du/month	July 2019	July 2020	July 2021	July 2022
EssN				0 to 2,000	\$3.70	\$3.71	\$3.72	\$3.77
1	0 to 9,000	\$4.42	\$4.42	2,001 to 4,000	\$4.35	\$4.36	\$4.38	\$4.43
				4,001 to 10,000	\$4.95	\$4.96	\$4.98	\$5.03
2	9,001 to 22,000	\$5.33	\$5.33	More than 10,000	\$5.90	\$5.91	\$5.93	\$5.98

EssN: Essential needs – du: dwelling unit – Rates are in \$ per thousand gallons

this data to revise our monthly rate tiers: a new essential needs tier to help those on fixed incomes and a readjustment of the rest of the tiers to encourage conservation.

- Single-family residential customers (including duplexes) will see more of an increase in their monthly bills to bring them closer to the

cost to serve them. Currently, about 12 percent of the costs to provide water to single-family residential customers is subsidized by other customer groups.

Those who use the most water will see the largest increases in their bills to encourage conservation.

Comparing Bills: Single-Family Residential The Low Water User (2,000 gallons per month)

Current Bill	Future Bill at Proposed Rates				
	July 2018	July 2019	July 2020	July 2021	July 2022
\$18.10	\$18.10	\$18.00	\$18.62	\$19.72	\$21.01

10% of Single Family Residential Users

Comparing Bills: Single-Family Residential The Median Water User (6,000 gallons per month)

Current Bill	Future Bill at Proposed Rates				
	July 2018	July 2019	July 2020	July 2021	July 2022
\$35.78	\$35.78	\$35.84	\$37.02	\$39.32	\$42.01

50% of Single Family Residential Users

Comparing Bills: Single-Family Residential The Average Water User (9,000 gallons per month)

Current Bill	Future Bill at Proposed Rates				
	July 2018	July 2019	July 2020	July 2021	July 2022
\$49.04	\$49.04	\$51.02	\$52.62	\$55.82	\$59.56

Comparing Bills: Single-Family Residential The High Water User (35,000 gallons per month)

Current Bill	Future Bill at Proposed Rates				
	July 2018	July 2019	July 2020	July 2021	July 2022
\$197.03	\$197.03	\$199.58	\$204.82	\$215.82	\$228.66

Top 3% of Single Family Residential Users

Fire Meter Standby Charge

Fire Service Size	July 2018	July 2019	July 2020	July 2021	July 2022
2" and smaller	BWS customers with a fire meter pay \$4.96 per thousand gallons for non-fire use.	\$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

Multi-Unit Water Rates

Multi-unit residential customers (triplexes to high-rises) will see lower increases as they have been paying slightly above the cost to serve them. This change brings them down to 100 percent.

Fire Meter Standby Charge

A nominal monthly fire meter standby charge replaces the charge for incidental water use for customers with private fire protection systems. BWS will no longer charge for the water used and the money collected covers the BWS's costs to service these meters on an annual basis.

Public Hearings

Here are some photos from our first public hearing, held on April 26 at the Mission Memorial Auditorium, downtown. There are several more opportunities for public involvement. See the schedule of upcoming hearings on the back page.



Manager Lau shows off a section of failed water main from the "pipe graveyard."



Chair Andaya addresses the Mission Memorial attendees.



Hearing attendees review material to learn about the planned rate increases.



BWS managers Robert Morita and Mike Fuke show guests the "Pipe Graveyard."