

KA WAI OLA

**ALL LIFE
DEPENDS
ON WATER**

Proposed Updates to Water Rates and Charges

Community Information Meetings

boardofwatersupply.com



BOARD OF WATER SUPPLY

- Established in **1929**
 - **Semi-autonomous** agency of the City and County of Honolulu.
 - Solely **funded by ratepayers**
 - Receives **no funding** from property taxes.
- Rates:
 - **Only apply to water**, not sewer.
 - Are approved by our 7-member board.
- Wastewater charges are determined by the Dept of Environmental Services and approved by the City Council.



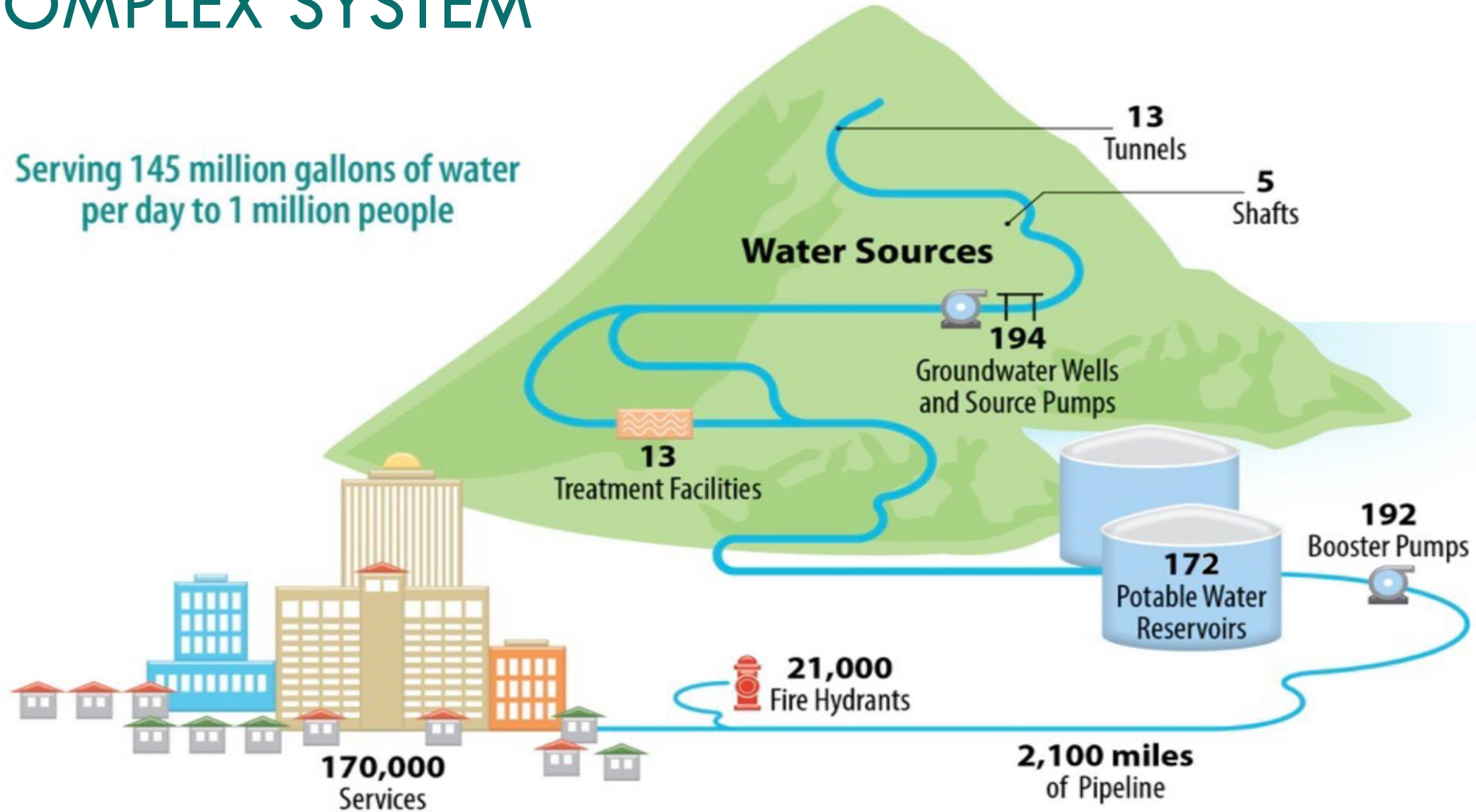
THE BOARD OF WATER SUPPLY DELIVERS SAFE,
DEPENDABLE, AFFORDABLE WATER TO YOUR TAP ...

... every minute
of every hour
of every day



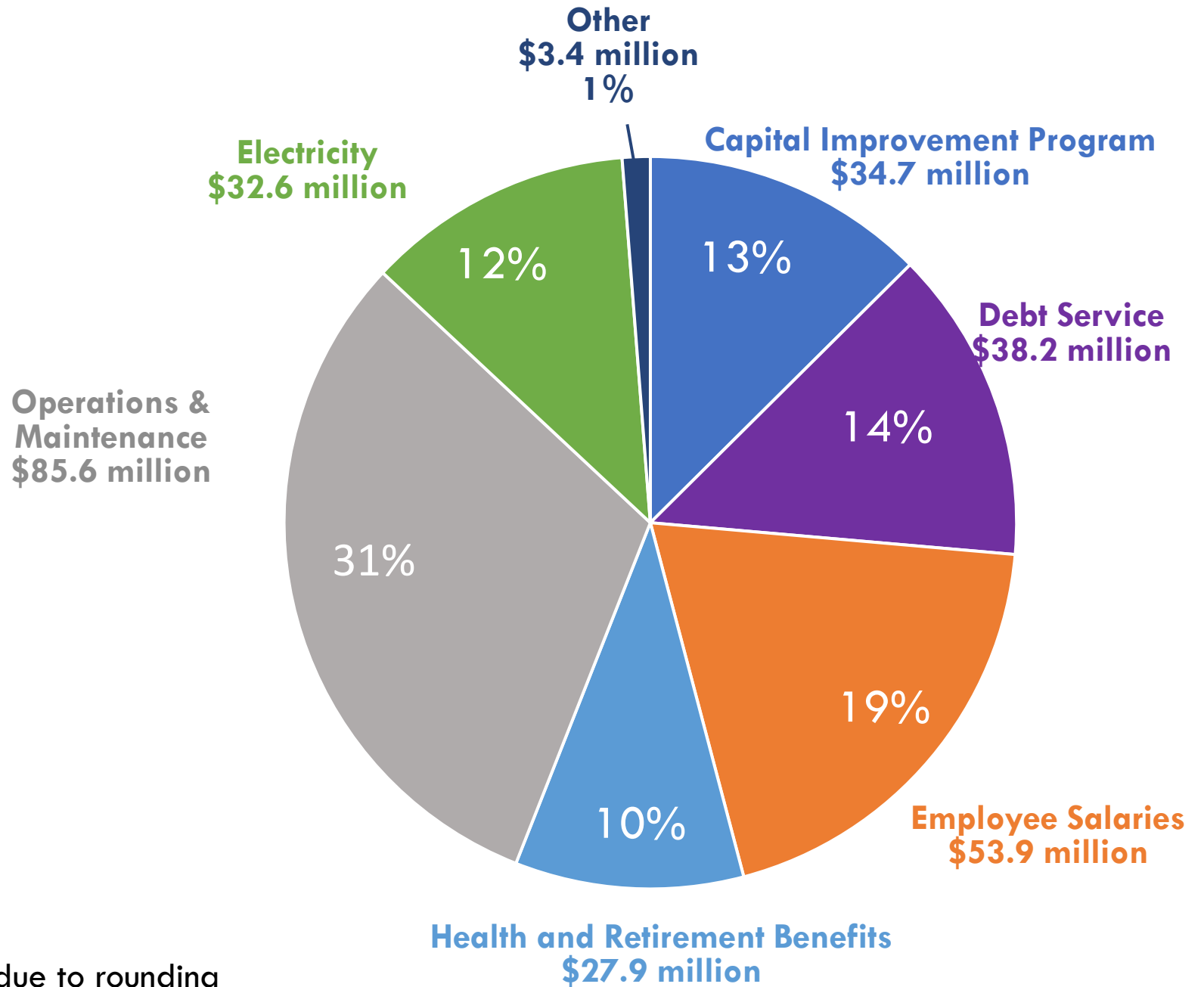
DELIVERING WATER FROM UNDERGROUND WATER SOURCES TO YOUR HOME REQUIRES A LARGE AND COMPLEX SYSTEM

Serving 145 million gallons of water per day to 1 million people



WHERE YOUR MONEY GOES

Operating Fund Expenditures
Fiscal Year 2024
\$276.4 million*



* Individual amounts may not total due to rounding

TOTAL CAPITAL IMPROVEMENT PROJECTS (2018-2023)

Planning/Design Phase	196 PROJECTS	\$134,472,236
Construction Phase	298 PROJECTS	\$635,069,548
Total	494 PROJECTS	\$769,541,784





COVID-19 CAUSED CHANGES IN CUSTOMER WATER USE PATTERNS

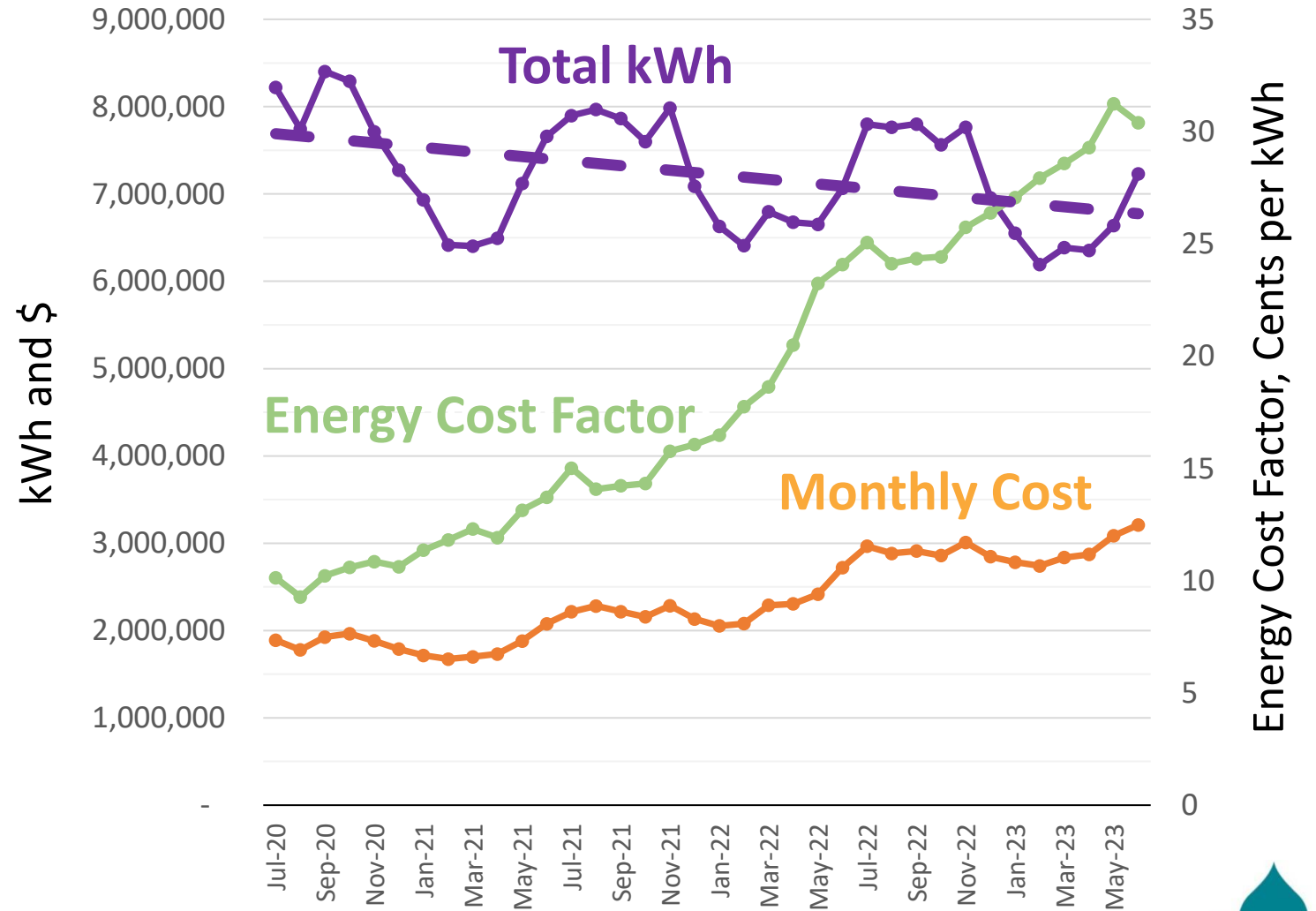
INFLATION HAS DECREASED OUR PURCHASING POWER



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 TIGHTENED ITS BELT

Actions

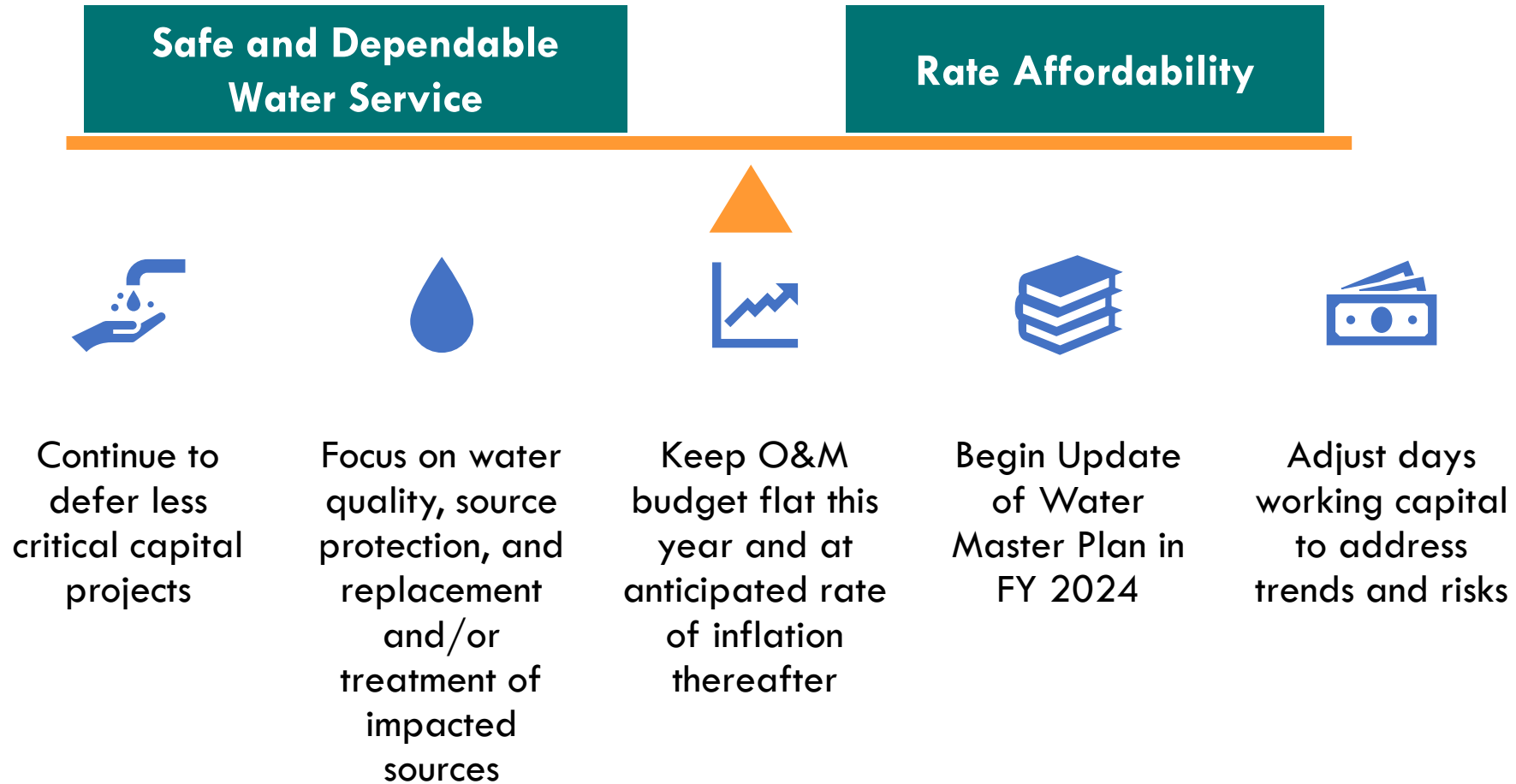
- Chose to not pass on energy cost increases to customers
- Deferred purchases of replacement vehicles and other equipment
 - Deferred less-critical capital projects

Benefits

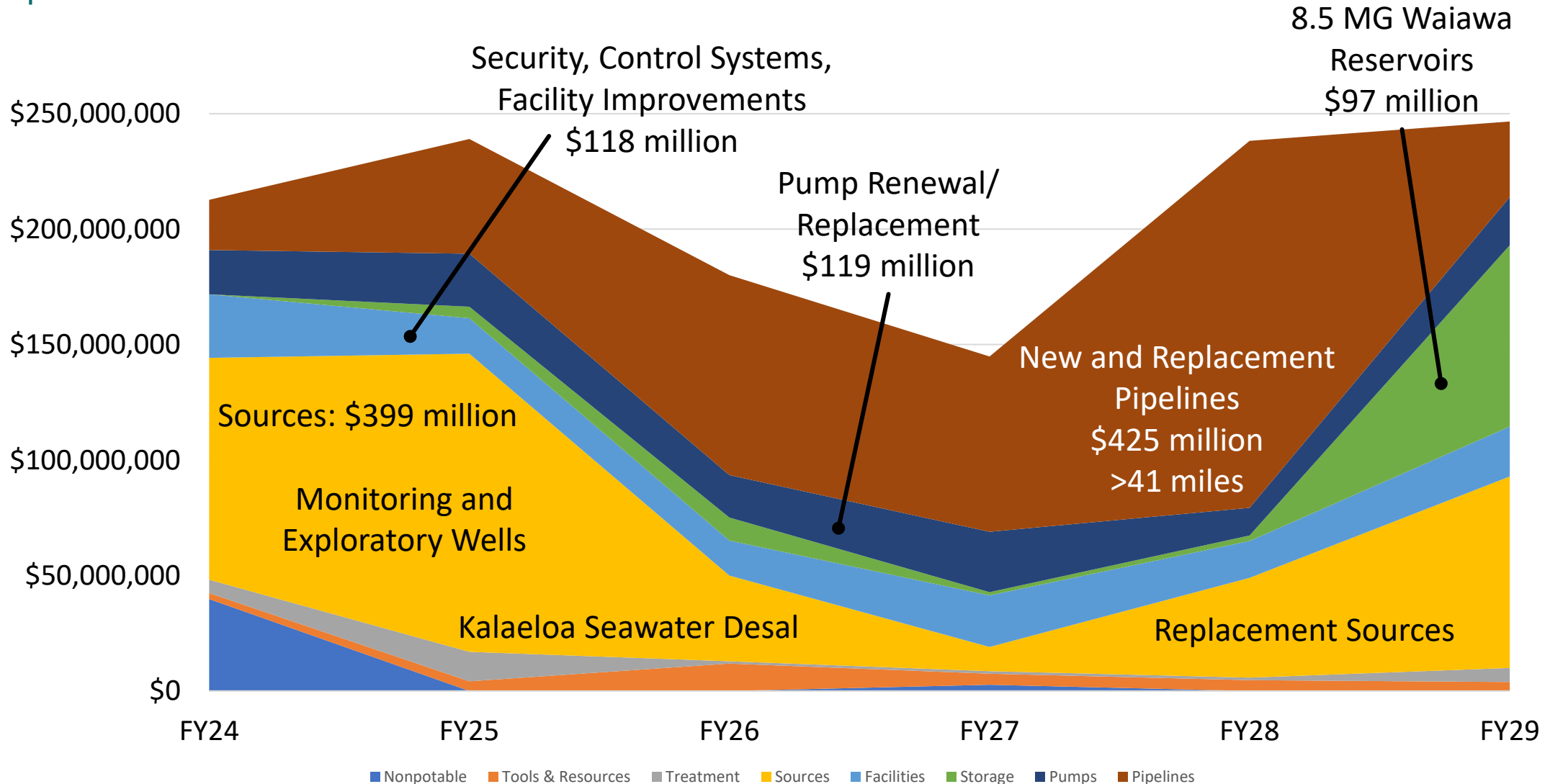
- Held to already-approved rate increases 2018-2023
 - 0.2% increase to 2024 Operations & Maintenance budget despite high inflation



OUR STRATEGY FOR RATE INCREASES STRIVES TO STRIKE A BALANCE



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



BWS CUSTOMER CLASSES



Single-family residential



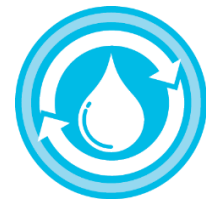
Multi-unit residential



Agricultural



Non-residential



Non-potable and recycled

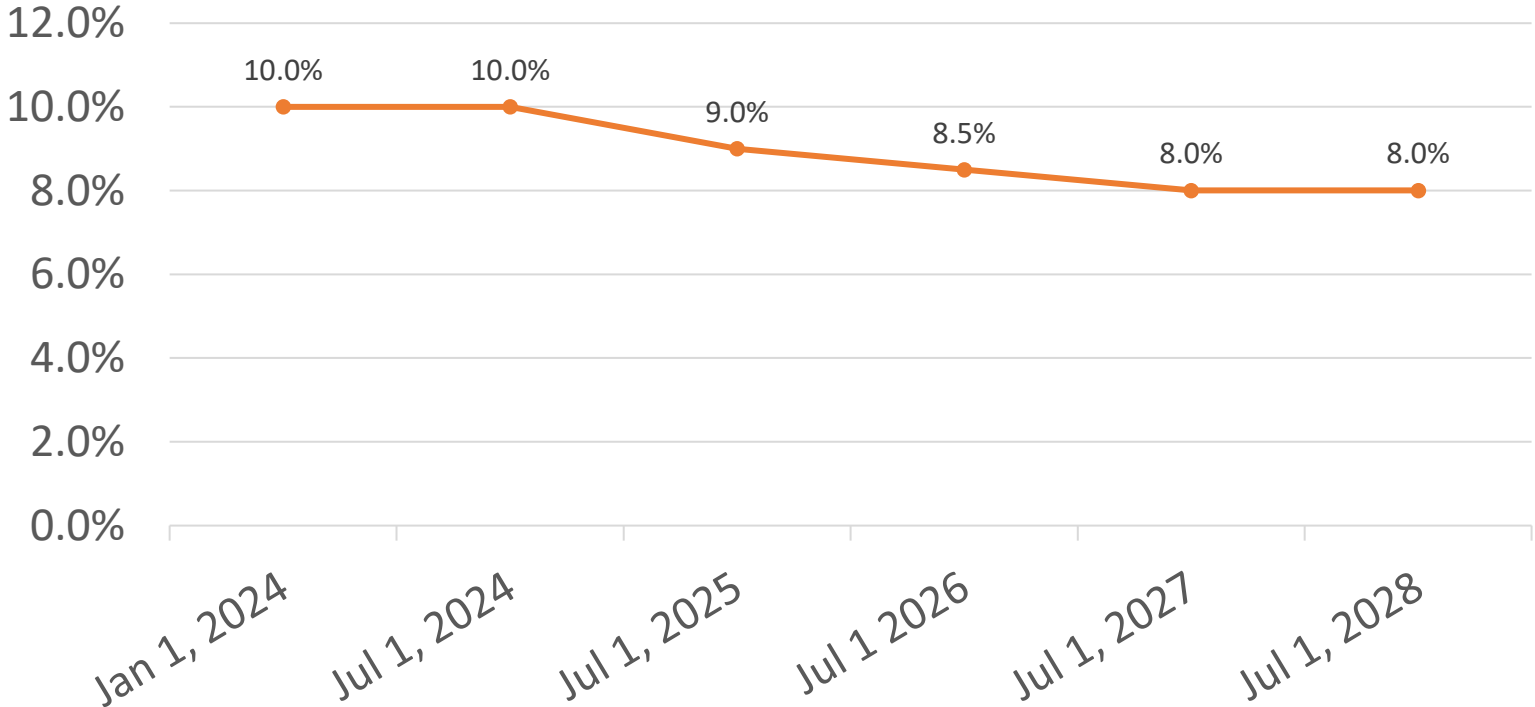
% of Customer Accounts*	% Usage*	Cost of Service Recovery
90%	35.4%	95%
4%	20.7%	100%
<1%	2.4%	60%
5%	33.9%	117%
<1%	6.3%	Varies from 32% to 94%

* May not equal 100% due to rounding

WATER RATES BEING PROPOSED FOR 5 ½-YEAR PERIOD BEGINNING JANUARY 2024

JANUARY 2024 – JUNE 2029

BWS planned for rate increases every year



ALL CUSTOMER CLASSES WILL HAVE SAME RATE INCREASE



Single-family residential

Tiered



Multi-unit residential

Tiered

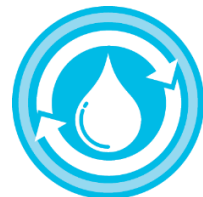


Agricultural

Tiered



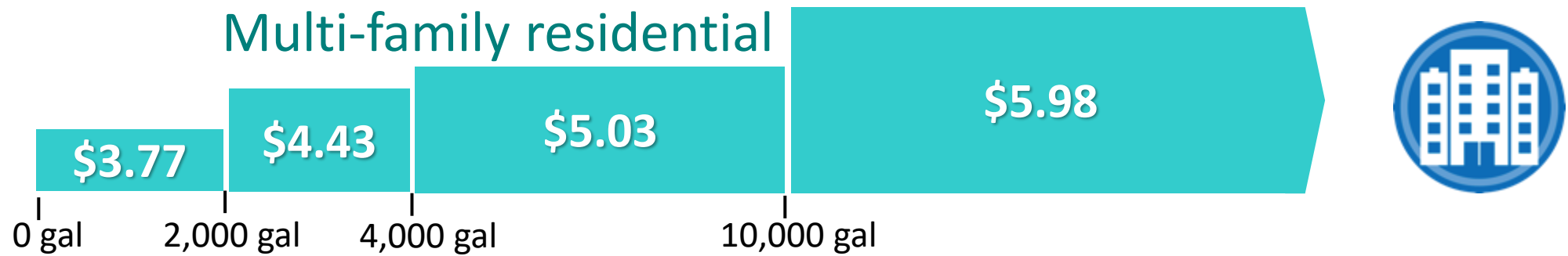
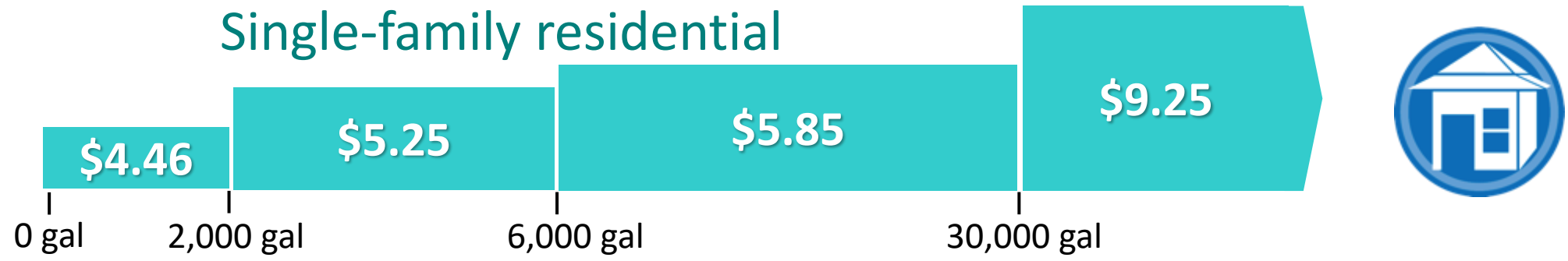
Non-residential



Non-potable and recycled

Changes may vary by tier,
but are consistent across
the class

RESIDENTIAL CUSTOMERS PAY MORE AS WATER USE INCREASES – CURRENT RATES



Current Charges per 1,000 gallons





INCREASE FOR ESSENTIAL NEEDS TIER LIMITED TO 2.5% PER YEAR

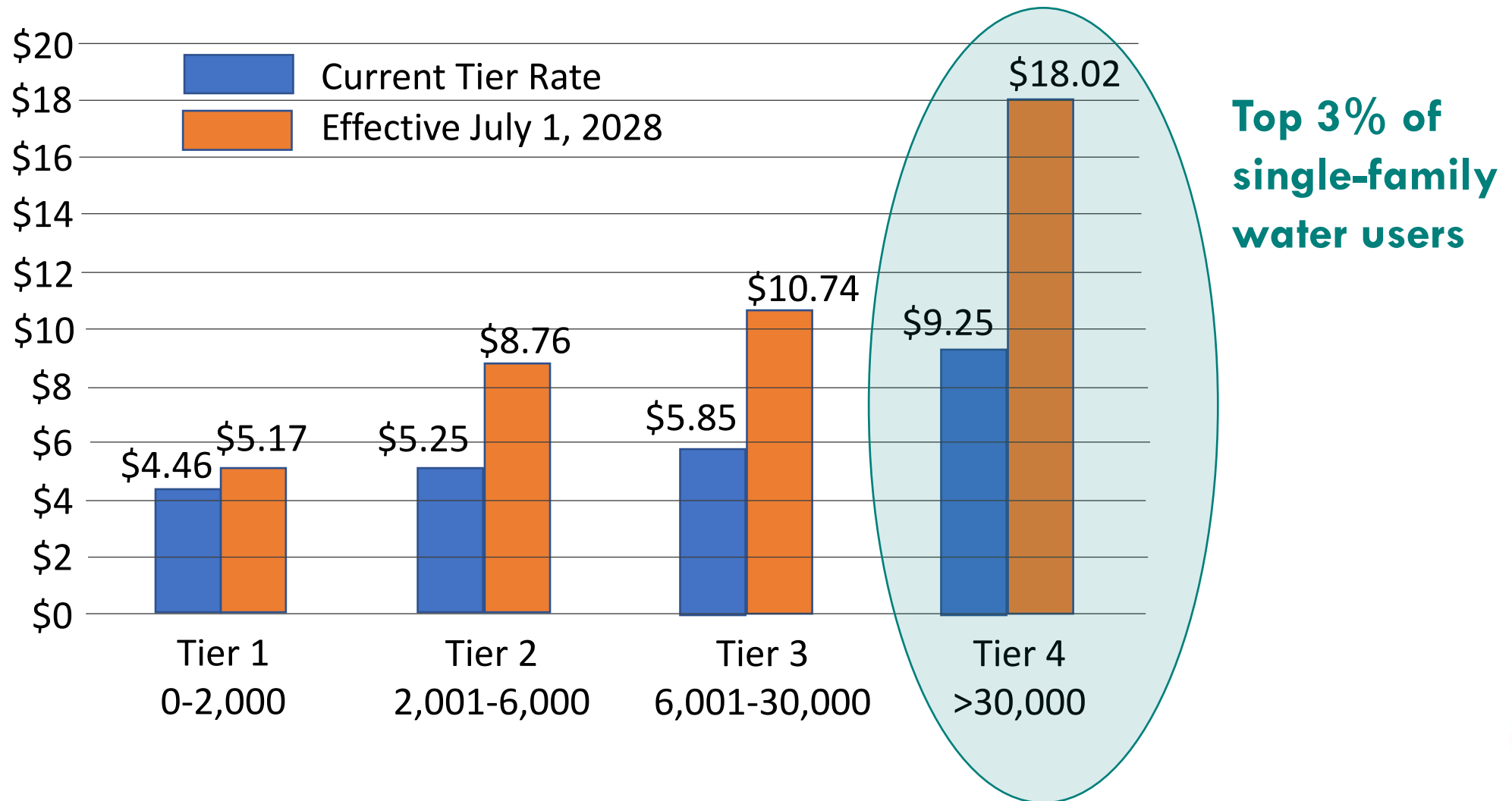
Below-cost rate for first
2,000 gallons per month

All residential customers
get this rate

10% of BWS residential
customers use 2,000
gallons or less



RATES DESIGNED TO ENCOURAGE CONSERVATION BY HIGHEST WATER USERS



SINGLE-FAMILY RESIDENTIAL WATER RATES 2024 - 2029



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

EssN – Essential needs

Rates are in \$ per thousand gallons

du – dwelling unit



PROPOSED: For Discussion Only




HOW TO CALCULATE YOUR WATER BILL

Tier	Gallons/ du/month	Current Water Rate	Thousands of Gallons of Usage (k-gal)	Extended Amount \$
EssN: 1	0 to 2,000	\$4.46	X 2	= \$8.92
2	2,001 to 6,000	\$5.25	X 4	= \$21.00
3	6,001 to 30,000	\$5.85	X 2	= \$11.70
4	More than 30,000	\$9.25	X 0	= \$0
Monthly Customer Charge (5/8 and 3/4-inch Meter)		\$12.09		+ \$12.09
Total Bill Amount				\$53.71

Example:
 Single-family residence
 3/4-inch meter
 Usage amount 8,510 gallons
 Usage is rounded down to the
 nearest 1,000 gallons (k-gal)
 = 8 k-gals



SAMPLE COMBINED BILL



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 \$53.71

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



ENH DEPT. OF ENVIRONMENTAL SERVICES
City and County of Honolulu
1000 Ulu'ohia Street, Suite 308
Kapolei, HI 96707-2040
ENVhonolulu.org

TOTAL SEWER CHARGES \$105.33

Sewer Questions? Call 808-768-3330
Sewer Trouble? Call 808-768-7272 (24 hours)
Office Hours: Monday thru Friday 7:45 am to 4:30 pm

ACCOUNT INFORMATION

Account Number 1023456709
Name WATER DROP
Address 630 S. BERETANIA ST.
Billing Date 07/27/2023

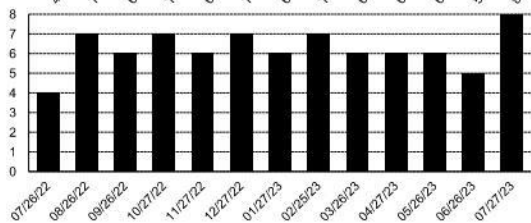
WATER & SEWER BILLING SUMMARY (See back for details)

Previous Balance \$132.83
Payments -\$132.83
Adjustments \$0.00
Corrections \$0.00
Current Charges \$159.04

TOTAL AMOUNT DUE \$159.04

PAYMENT MUST REACH US BY 08/16/2023

Bill Period Usage (kgal)



For Billing Period Ending On

Water Usage Profile

DATE	THOUS. GAL.	DAYS	WATER CHARGES
07/27/2023	8	31	\$53.71
06/26/2023	5	31	\$36.76
05/26/2023	6	29	\$42.01
04/27/2023	6	32	\$42.01
03/26/2023	6	29	\$42.01
02/25/2023	7	29	\$47.86
01/27/2023	6	31	\$42.01
12/27/2022	7	30	\$47.86
11/27/2022	6	31	\$42.01
10/27/2022	7	31	\$47.86
09/26/2022	6	31	\$42.01
08/26/2022	7	31	\$47.86
07/26/2022	4	29	\$29.52

Total BWS Water Charges

Quantity Charge \$41.62

PAYMENTS/ADJUSTMENTS/CHARGES	AMOUNT	BALANCE
Previous Balance		132.83
Payment	-132.83	
Balance Before Current Charges		0.00

Meter No. [REDACTED] Curr Rdg: 252.000 Prev Rdg: 244.000 Cons: 8.000 thousand gals

Single Family Water Charges 06/27/2023 to 07/27/2023

Tier 1 = 2 Kgal @ \$4.46	8.92
Tier 2 = 4 Kgal @ \$5.25	21.00
Tier 3 = 2 Kgal @ \$5.85	11.70
Customer Charge at Meter Size 3/4 inch	12.09
Total Water Charges	53.71

Single Family Sewer Charges 06/27/2023 to 07/27/2023

Water Irrigation Factor - 2 Kgal @ \$0	0.00
Sewer Volume Charge - 6 Kgal @ \$4.63	27.78
Sewer Base Charge for 1 Units	77.55
Total Sewer Charges	105.33

TOTAL AMOUNT DUE \$159.04

PAYMENT MUST REACH US BY 08/16/2023

Customer Charge \$12.09

<https://www.boardofwatersupply.com/customer-service/about-your-bill/how-to-read-your-bill>



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 WATER 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					
	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
\$ Change	\$1.43	\$1.56	\$1.55	\$1.60	\$1.63	\$1.75
% Change	6.8%	6.9%	6.5%	6.2%	6.0%	6.1%



COMPARING WATER 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					
	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
\$ Change	\$3.53	\$3.87	\$3.84	\$3.95	\$4.03	\$4.34
% Change	8.4%	8.5%	7.8%	7.4%	7.1%	7.1%



COMPARING WATER BILLS – AVERAGE WATER USER SINGLE-FAMILY RESIDENTIAL

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

Current Bill	Future Bill at Proposed Rates					
	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
\$ Change	\$5.56	\$6.32	\$6.25	\$6.44	\$6.57	\$7.10
% Change	9.3%	9.7%	8.8%	8.3%	7.8%	7.8%



COMPARING WATER 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					
	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
\$ Change	\$28.28	\$30.28	\$29.93	\$30.81	\$31.46	\$34.07
% Change	12.4%	11.8%	10.4%	9.7%	9.0%	9.0%



MULTI-UNIT RESIDENTIAL WATER RATES 2024 - 2029



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

EssN – Essential needs

Rates are in \$ per thousand gallons

du – dwelling unit



PROPOSED: For Discussion Only

MULTI-UNIT RESIDENTIAL SAMPLE WATER BILLS



Dwelling Units (du)	Meter Size	Monthly Usage k-gals/du	Current	Proposed Rates, Effective Dates					
				Jan 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
272	3"	7	\$8,619	\$9,462	\$10,454	\$11,436	\$12,446	\$13,478	\$14,593
144	8"	9	\$6,260	\$6,924	\$7,712	\$8,492	\$9,294	\$10,113	\$11,000
277	8"	14	\$19,805	\$22,610	\$25,474	\$28,303	\$31,216	\$34,189	\$37,413

PROPOSED: For Discussion Only
Bill amounts rounded to nearest \$1
Excludes Fire Meter Standby Charge



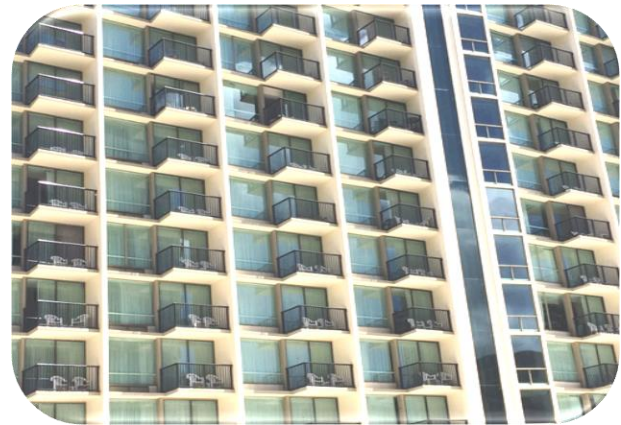
NON-RESIDENTIAL CUSTOMERS DRIVE OUR ISLAND'S ECONOMY – CURRENT RATES



5% of BWS's total customers

Non-residential customers pay 117% of their cost of service

\$5.27 per 1,000 gallons



NON-RESIDENTIAL WATER RATES

2024 - 2029



Current	Proposed Rates, Effective Dates					
	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
% Change	10.0%	10.0%	9.0%	8.5%	8.0%	8.0%

Rates are in \$ per thousand gallons

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



NON-RESIDENTIAL SAMPLE WATER BILLS

PROPOSED: For Discussion Only
Bill amounts rounded to nearest \$1



Business Type	Meter Size	Monthly Usage k-gals	Current	Proposed Rates, Effective Dates					
				Jan 1, 2024	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
Restaurant	1.5"	230	\$1,230	\$1,352	\$1,488	\$1,622	\$1,759	\$1,900	\$2,052
Hotel	6"	1,526	\$8,224	\$9,046	\$9,951	\$10,846	\$11,768	\$12,710	\$13,726
Church	2"	233	\$1,271	\$1,399	\$1,538	\$1,677	\$1,819	\$1,965	\$2,122
Office Building	3"	458	\$2,467	\$2,714	\$2,985	\$3,254	\$3,531	\$3,813	\$4,118
Large Industrial User	8"	31,233	\$164,780	\$181,258	\$199,383	\$217,328	\$235,801	\$254,665	\$275,038
Large Shopping Center	3"	4,907	\$25,913	\$28,505	\$31,355	\$34,177	\$37,082	\$40,049	\$43,253



CURRENT REDUCED RATES WILL BE CONTINUED



Lower rates for
local agriculture

**and recycled
water**



AGRICULTURAL WATER RATES

2024 - 2029



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

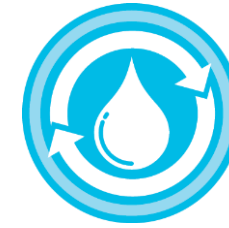
EssN – Essential needs

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					
		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
R-1 Golf	\$0.65	\$0.72	\$0.79	\$0.86	\$0.93	\$1.00	\$1.08
R-1 Other	\$1.96	\$2.16	\$2.37	\$2.59	\$2.80	\$3.03	\$3.27
RO	\$6.36	\$7.00	\$7.70	\$8.39	\$9.10	\$9.83	\$10.62

Rates are in \$ per thousand gallons



CONTINUING FEE WAIVERS



**For affordable
housing**



**And to retrofit
fire sprinklers**



**For homeless
housing**



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



BWS OFFERS WATER CONSERVATION DEVICE REBATES



AND CONSIDERING NEW WATER CONSERVATION PROGRAMS

Top water user outreach

- Hotels, other businesses, condos and townhomes

Direct install for Kupuna living on their own

- Free low flow showerheads and faucet aerators
- Water audits of homes
- Ensure Kupuna are getting appropriate rebates

For more information go to the conservation menu tab at boardofwatersupply.com

OTHER BWS CHARGES

Fire Meter Standby Charge

Standby Charge For Emergency Interconnections

Water System Facilities Charge

Environmental Regulations Compliance Fee Cost Adjustment

Power Cost Adjustment



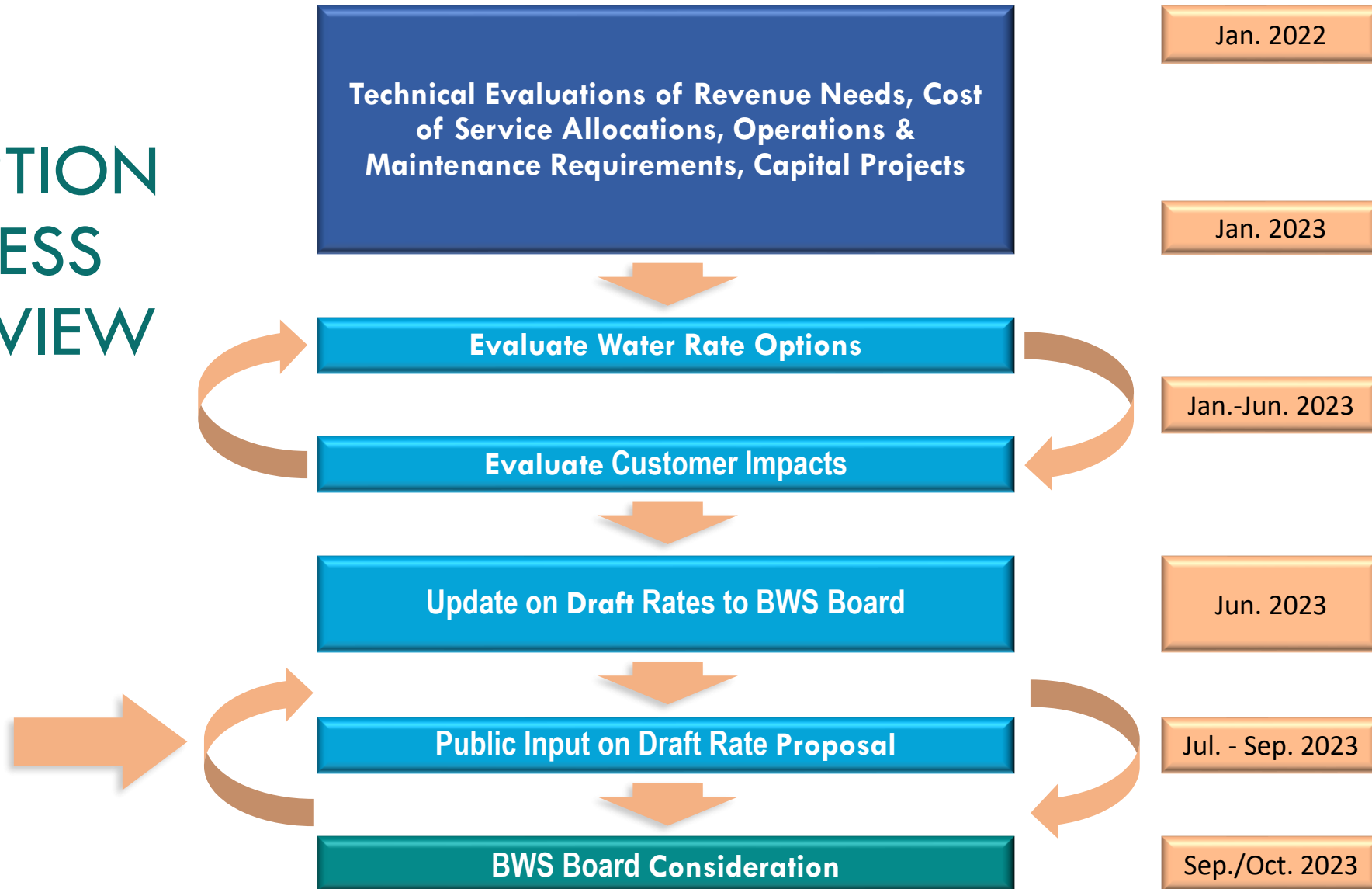
FIRE METER STANDBY CHARGE

Meter Size	Current	Jan 1 FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
2" and smaller	\$7.99	\$8.79	\$9.67	\$10.54	\$11.43	\$12.35	\$13.34
3"	\$10.29	\$11.32	\$12.45	\$13.57	\$14.73	\$15.90	\$17.18
4"	\$14.23	\$15.65	\$17.22	\$18.77	\$20.36	\$21.99	\$23.75
6"	\$28.44	\$31.28	\$34.41	\$37.51	\$40.70	\$43.95	\$47.47
8"	\$52.94	\$58.23	\$64.06	\$69.82	\$75.76	\$81.82	\$88.36

- For READINESS TO SERVE, applies exclusively to services for private fire protection including automatic fire sprinklers connected to alarms, fire hydrants, and wet stand pipes



RATE ADOPTION PROCESS OVERVIEW



LEARN MORE AT A COMMUNITY INFORMATION MEETING NEAR YOU

All Meetings: 6:00 – 8:30 PM	
Kaneohe	Monday, August 14 <i>Benjamin Parker Elementary School Cafeteria</i> 45-259 Waikalua Road, Kaneohe 96744
Honolulu	Tuesday, August 15 <i>Japanese Cultural Center of Hawaii</i> 2454 S Beretania St., Honolulu 96826
Kapolei	Wednesday, August 16 <i>Kapolei Hale, Conference Rooms A/B/C</i> 1000 Uluohia Street, Kapolei 96707
Mililani	Wednesday, August 23 <i>Mililani High School Cafeteria</i> 95-1200 Meheula Parkway, Mililani 96789



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

Sept. 30, 2023

Questions?

Call: (808) 748-5041

BWS Website: www.boardofwatersupply.com

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

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



For more information, visit our website or scan this QR code with your mobile device.



KA WAI OLA

ALL LIFE
DEPENDS
ON
WATER

MAHALO!

boardofwatersupply.com

