

BOARD OF WATER SUPPLY

CITY AND COUNTY OF HONOLULU
630 SOUTH BERETANIA STREET
HONOLULU, HI 96843
www.boardofwatersupply.com



January 11, 2023

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Manager and Chief Engineer

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Deputy Manager

The Honorable Calvin K. Y. Say, Chair
and Members
Committee on Zoning
Honolulu City Council
530 South King Street, Room 100
Honolulu, Hawaii 96813

Dear Chair Say and Members:

SUBJECT: City Council Resolution No. 22-297: Authorizing Exemptions from Certain Requirements Relating to the Kahoapili Affordable Rental or Affordable and Market Rate For-Sale Project at 2965 Ala Napuaa Place, Honolulu, Hawaii 96818. Tax Map Key: (1) 1-1-061:003

The Board of Water Supply (BWS) understands the intent of City Council Resolution No. 22-297, authorizing exemptions from certain requirements relating to the Kahoapili Affordable Rental or Affordable and Market Rate For-Sale Project in Salt Lake, Honolulu, HI (herein "Project").

The BWS Board of Directors (Board) passed Resolution No. 889, 2018, Adopting Revisions to the Schedule of Rates and Charges for the Furnishing of Water and Water Service for Fiscal Years 2019 – 2023, effective September 10, 2018 through June 30, 2023. The Board recognizes the importance of affordable water to meet essential household needs and allowed for waiver(s) of the water system facilities charge and new meter cost for qualified affordable and homeless dwelling units, up to 500 dwelling units per year and shall expire on June 30, 2023. The dwelling units must meet certain requirements as specified in the BWS Resolution. Any extension to this Resolution is subject to Board approval.

The BWS is a semi-autonomous agency that does not receive funds from property taxes, so the cost of any waiver will have to be recovered through water rates. As such, the BWS does not allow for exemptions. Under Section 1-102 and 2-202 of the BWS Rules and Regulations, the BWS may allow a deferral of payment of water system facility charges and installation of water service fees until the installation of the water meter, provided that all BWS requirements are satisfied.

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The Honorable Calvin K. Y. Say, Chair
and Members
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Page 2


For clarification purposes, the BWS suggests the following amendments to page 3, item #6, as underscored below:

Board of Water Supply ("BWS") Rules and Regulations

6. ~~Exemption~~ Deferral from BWS Rules and Regulations, Sections 1-102, 2-202(2), and 2-202(3) to allow ~~exemption a deferral of payment~~ from BWS installation and ~~water facilities charges~~ water system facility and installation of water service fees attributed to affordable units, ~~to the extent approved by BWS~~, estimated at: (a) \$575,618 if developed as a rental project, and (b) \$349,045 if developed as a for-sale project; until the installation of the water meter and provided that all Board of Water Supply requirements are satisfied. The actual fees to be deferred will be determined by the BWS during review of the building permit applications.

Thank you for your consideration and the opportunity to provide testimony on this matter.

Very truly yours,


ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer
