BOARD OF WATER SUPPLY

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



'23MAY23 AM 8:55 CITY CLERK

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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. 23-87, Proposed CD1: Authorizing Exemptions from Certain Requirements Relating to The Kakaako Block C Affordable Rental and Mixed-Use Project Located at 404 and 416 Cooke Street, Honolulu, Hawaii 96813, Tax Map Key: (1) 2-1-054: 001.

The Board of Water Supply (BWS) supports the proposed amendments to City Council Resolution No. 23-87, CD1, authorizing exemptions from certain requirements relating to The Kakaako Block C Affordable Rental and Mixed-Use Project Located at 404 and 416 Cooke Street, Honolulu, Hawaii 96813 (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. On April 24, 2023, The Board passed Resolution No. 963, thereby extending the rates and charges that became effective on July 1, 2022 until superseded by a revision to the Schedule of Rates and Charges. 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affordable and homeless dwelling units, up to 500 dwelling units per year and extended the waivers and fees until the superseded by the Board revision. The dwelling units must meet certain requirements as specified in the BWS Resolution. Any further extension to 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

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facility charges and installation of water service fees until the installation of the water meter, provided that all BWS requirements are satisfied.

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

Very truly yours,

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