

**PART 4**  
FIXING RATES FOR THE FURNISHING OF WATER SERVICE IN THE  
COUNTY OF KAUAI

SECTION I - GENERAL USE RATES

1. **Service Charge.** For each service there shall be a charge per month imposed based on the size of the meter, or its service capacity equivalence in the case of parallel meters, as follows:

Meter Size	Effective	Effective	Effective	Effective
	January 1 2012	July 1 2012	July 1 2013	July 1 2014
5/8"	\$12.00	\$14.40	\$16.00	\$17.75
3/4"	16.75	20.00	22.25	24.75
1"	24.25	29.50	32.75	36.50
1-1/2"	46.00	53.00	59.00	65.50
2"	70.00	81.00	90.00	100.00
3"	132.00	146.75	163.00	181.00
4"	216.00	240.00	267.00	297.00
6"	420.00	475.00	528.00	587.00
8"	680.00	755.00	840.00	934.00

2. **Use Charge.** In addition thereto, there shall be a consumption charge imposed per 1,000 gallons as follows:

Use Rate Block	Effective	Effective	Effective	Effective
	January 1 2012	July 1 2012	July 1 2013	July 1 2014
0 <sup>th</sup> Block	\$3.20	\$3.40	\$3.60	\$3.80
1 <sup>st</sup> Block	3.50	3.90	4.35	4.85
2 <sup>nd</sup> Block	4.25	4.50	5.05	5.65
3 <sup>rd</sup> Block	6.85	7.60	8.50	9.50
4 <sup>th</sup> Block	7.20	8.05	8.95	10.00

The 0<sup>th</sup>, 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, and 4<sup>th</sup> block consumption thresholds vary with the size of each meter, and shall be as follows in thousands of gallons per monthly billing:

Meter Size	0 <sup>th</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
	Rate Block Minimum	Rate Block From-To	Rate Block From-To	Rate Block From-To	Rate Block Over
5/8"	1	1-7	7-14	14-18	18
3/4"	2	2-29	29-57	57-65	65
1"	3	3-68	68-137	137-175	175
1-1/2"	10	10-169	169-337	337-387	387
2"	12	12-400	400-750	750-925	925
3"	50	50-600	600-1,200	1,200-1,750	1,750
4"	175	175-1,000	1,000-2,500	2,500-2,750	2,750
6"	225	225-4,000	4,000-7,500	7,500-10,000	10,000
8"	250	250-1,000	1,000-2,500	2,500-12,500	12,500

3. Wharfage Fee. Where applicable, the Department of Transportation's wharfage fee shall be charged in addition to the above use and service charges.

SECTION II - BULK RATES

Bulk rates for specified areas may be established by the Board providing the following conditions are met:

1. The area consists of existing dwellings or business establishment with bulk rates built prior to September 11, 1992.
2. The system has been offered to the Board but refused because of substandard or obsolete pipeline and fixtures.
3. The lots or parcels are under diversified ownership and not under a single or limited number of owners (three (3) and less).
4. There is a savings to the Board in maintenance and operating costs in contrast to accepting the system.
5. All bulk rates shall be renegotiated biennially and may continue upon concurrence of both parties.

SECTION III - AGRICULTURAL RATES

1. Service Charge. For each agricultural service there shall be a charge per month imposed based on the size of the meter, or its service capacity equivalence in the case of parallel meters, as follows:

Meter Size	Effective	Effective	Effective	Effective
	January 1 2012	July 1 2012	July 1 2013	July 1 2014
5/8"	\$15.00	\$15.00	\$16.00	\$17.75
3/4"	20.00	20.00	22.25	24.75
1"	30.00	30.00	32.75	36.50
1-1/2"	55.00	55.00	59.00	65.50
2"	90.00	90.00	90.00	100.00
3"	160.00	160.00	163.00	181.00
4"	260.00	260.00	267.00	297.00
6"	500.00	500.00	528.00	587.00
8"	800.00	800.00	840.00	934.00

2. In addition to the agricultural service charge described in this Section III, for all water drawn, where such water is used for agriculture, stock raising, or dairy farming on a commercial basis, the following consumption charge shall be imposed for each 1,000 gallons used, as of the following effective dates:

Use Rate Block	Effective	Effective	Effective	Effective
	January 1 2012	July 1 2012	July 1 2013	July 1 2014
1 <sup>st</sup> Block	\$1.75	\$1.90	\$2.05	\$2.20

3. In order to qualify for the charges and rates described in this Section III, the applicant shall file annually with the Department of Water a written application, shall furnish annually satisfactory proof, including State of Hawaii General Excise Tax License for the engagement of business in agriculture, stock raising or dairy farming on a commercial basis and shall have a DOW approved reduced pressure backflow preventer installed on the customers side of the meter with a current inspection certificate. The applicant for agricultural rates must agree to accepting service from the Department of Water on an interruptible basis; i.e., the Department retains the right to limit or restrict water flow for agricultural uses in the event of water shortage or in the event water service to domestic users is curtailed due to agricultural uses. The agricultural rates shall not apply to processing activities, such as canneries, mills, markets or other establishments engaged in the conversion, treatment or packaging of agricultural products.

#### SECTION IV - SHIPPING RATES

1. For each ship or vessel served, there shall be both an opening charge and a closing charge imposed as follows:
  - A. Opening and Closing Charges:
    1. Charges applicable during regular Water Department working hours: \$53.00
    2. Charges applicable during Saturdays, Sundays, State of Hawai'i holidays, and hours other than regular Water Department working hours: \$123.00
2. Additionally, for all water drawn by ships and vessels, there shall be a consumption charge imposed for each 1,000 gallons of water drawn, as follows:

Effective January 1, 2009:	\$3.70
Effective January 1, 2010:	\$4.00
3. Additionally, for all water drawn by ships and vessels, there shall be a State of Hawai'i Department of Transportation wharfage fee which is the current approved rate as per the Hawai'i Department of Transportation Approved Rate imposed for each 1,000 gallons of water drawn.

#### SECTION V - PRIVATE FIRE SERVICE CHARGES

1. Types of Fire Lines: There are two types of fire lines, not located on road rights of way, that are considered private fire lines:
  - A. "Fire lines with Detector Check Assemblies" - Fire lines with detector check assemblies which are not be used for anything other than firefighting without written permission from DOW.
  - B. "Fire lines with Full Flow Meters" - Fire lines with full flow meters allowed for dual use in order to provide normal consumption as well as fire flow. These dual use services are oversized, compared to normal service meters, in order to allow for higher than normal consumption. The oversized meter has two meters, a Full Flow Meter and a Small Meter, both of which do not accurately read low flow; the monthly service charge for the low flow offsets the inaccuracy of the meter.
2. Charges for Fire lines with Detector Check Assemblies

- A. No Charge for Fire Consumption:  
Fire lines with Detector Check Assemblies, which are used for the sole purpose of firefighting, will not be charged a consumption charge in the case of an actual fire, provided that the use for firefighting purposes is verified in writing, by the County Fire Chief, stating the time and date the firefighting started and ended.
- B. Total Charges: Although water is not permitted to be used through Fire lines with Detector Check Assemblies for anything other than firefighting, there remains the possibility of leakage, testing, and other impermissible uses. Therefore, charges for Fire lines with Detector Check Assemblies shall equal the sum of all of the following:
  - i. Private Fire Service Inlet Line Charge, as determined in Part 4, Section V, paragraph 4 below; and
  - ii. Meter Reading Service Charge; and
    - 1. Meter Reading Service Charge is equal to the service charge correlated with the detector check assembly meter size as described and laid out in Part 4, Section I of DOW Rules and Regulations;
    - 2. The minimum use service charge imposed in Part 4, Section I of DOW Rules and Regulations shall not apply for the detector check assembly;
    - 3. Removal of the security tag shall result in a fine of \$2,000.
  - iii. Use Determination Charge.
    - 1. All consumption, including consumption for annual line testing and line leakage, will be billed for use through the: 1) Detector Check Assembly Meter; and 2) Unmetered Fire line
      - a. Unmetered Fire line:
        - i. Total unmetered fire line consumption shall be determined by taking the area ratio from the area of the detector check assembly meter cross-sectional area divided into the cross-sectional area of the inlet line, as listed in Part 4, Section V, paragraph 5 below, multiplied by the reading obtained from the detector check assembly meter.
      - b. Detector Check Assembly Meter:
        - i. The portion of the consumption obtained from the reading on the detector check assembly meter will be billed, according to Part 4, Section I, based on the detector check assembly meter reading from the first one thousand gallons use.
        - ii. The difference of the consumption found from the Use Determination minus the detector check assembly meter reading will be billed at the Block Rate in Part 4, Section I, for a meter equivalent to the size of the line serving the detector check assembly for all remaining consumption without any minimum use charge.

### 3. Charges for Fire lines with Full Flow Meters

- A. Total Charges: Charges for Fire lines with Full Flow Meters shall equal the sum of all of the following:
  - i. Private Fire Service Inlet Line Charge, as determined in Part 4, Section V, paragraph 4 below; and
  - ii. Full Flow Meter Charge; and
    - 1. Full Flow Meter Charge shall equal the service charge imposed in Part 4, Section I and shall be based on the full flow meter size.
    - 2. Any consumption, including consumption for the annual line testing, line leakage, or fire use, measured on the meter, will be billed at the general use rate for water as listed in Part 4, Section 1 of these rules.

- 3. Removal of the security tag shall result in a fine of \$2,000.00.
- iii. Small Meter Charge.
  - 1. The Small Meter Charge shall equal the block rate charge for the respective meter size, as laid out in Part 4, Section 1 of these rules.

4. Private Fire Service Inlet Line Charge: For the two types of private fire service connection allowed for the purpose of automatic fire sprinklers or other private fire protection, there shall be a Private Fire Service Inlet Charge, per month, based on the diameter of the inlet line connection as follows:

PRIVATE FIRE SERVICE INLET CHARGE

<u>Inlet Line Diameter</u>	<u>Effective January 1 2012</u>	<u>Effective July 1 2012</u>	<u>Effective July 1 2013</u>	<u>Effective July 1 2014</u>
2"	\$20.50	\$22.75	\$25.25	\$28.25
3"	35.50	39.50	44.00	49.00
4"	58.00	64.50	71.75	80.00
6"	121.00	134.50	149.50	166.00
8"	206.00	229.00	255.00	283.00

5. Area Ratio Table

<u>Line Diameter</u>	<u>5/8 meter to line size dia ratio</u>	<u>3/4 meter to line size dia ratio</u>	<u>1" meter to line size dia ratio</u>	<u>1 1/2" meter to line size dia ratio</u>	<u>2" meter to line size dia ratio</u>	<u>3" meter to line size dia ratio</u>	<u>4" meter to line size dia ratio</u>
<u>2.000</u>	<u>10.24</u>	<u>7.1</u>	<u>4.0</u>	<u>1.8</u>			
<u>3.000</u>	<u>23.04</u>	<u>16.0</u>	<u>9.0</u>	<u>4.0</u>	<u>2.3</u>		
<u>4.000</u>	<u>40.96</u>	<u>28.4</u>	<u>16.0</u>	<u>7.1</u>	<u>4.0</u>	<u>1.8</u>	
<u>6.000</u>	<u>92.16</u>	<u>64.0</u>	<u>36.0</u>	<u>16.0</u>	<u>9.0</u>	<u>4.0</u>	<u>2.25</u>
<u>8.000</u>	<u>163.84</u>	<u>113.8</u>	<u>64.0</u>	<u>28.4</u>	<u>16.0</u>	<u>7.1</u>	<u>4</u>

SECTION VI - PUBLIC FIRE SERVICE CHARGES

For each fire hydrant or standpipe connected to operating pipelines of the Department of Water, there shall be a charge imposed against the County of Kauai as follows:

<u>Type and Size</u>	<u>Effective January 1 2012</u>	<u>Effective July 1 2012</u>	<u>Effective July 1 2013</u>	<u>Effective July 1 2014</u>
2-1/2" Standpipe	\$7.75	\$8.75	\$9.75	\$10.75
4" Hydrant	16.50	18.50	20.50	23.00
6" Hydrant	48.50	54.00	60.00	67.00

## SECTION VII - FACILITIES RESERVE CHARGE

1. The water system facilities reserve charge shall be assessed against all new developments and subdivisions requiring supply of water from the County of Kauai, Department of Water, and existing developments requiring additional supply of water from the Department's system. The facilities reserve charge must be paid before water services are made available to the new or existing development.
2. The water system facilities reserve charge shall be paid by all applicants for water service, including but not limited to the following:
  - a. All irrigation services and/or meters.
  - b. Additional buildings to be connected to existing services where additional demands or supplies are indicated. The charges shall be based on the meter sizes required if the buildings were metered separately.
  - c. Additional units connected to existing services and meters under the categories of single family and multi-family residential units. The charges will be based on the established schedule of charges for the respective categories.
3. The water system facilities reserve charges shall apply to all applicants for water service as follows:
  - a. For each parcel created by subdivision, including the first lot created; and for every new single family residential dwelling unit not yet metered and a facilities reserve charge has not yet been paid, the charge shall be \$4,600.00.
  - b. For each unit or hotel room in a multi-family residential development and/or resort development, which applies to each unit or hotel room, the charge shall be \$4,600.00.
  - c. For all other uses, the facilities reserve charge shall be determined by the size of the meter as follows:

<u>Meter Size</u>	<u>Amount</u>
5/8"	\$ 4,600.00
3/4"	\$ 14,300.00
1"	\$ 26,400.00
1 1/2"	\$ 53,200.00
2"	\$ 90,700.00
3"	\$ 170,000.00
4"	\$ 283,400.00
6"	\$ 566,800.00
8"	\$ 907,000.00

Meter sizes shall be determined by the Department and not by the Developer or Applicant. The facilities reserve charge for multi-family and/or resort development will be determined by the approved meter size or the number of units, whichever number is larger.

Facilities reserve charges are periodically adjusted by the Department. These adjustments may increase or decrease existing facilities reserve charge amounts. Where adjustments to facilities reserve charges result in decreases of such charges, no refund will be made of the difference between the higher, pre-existing charges and the lower, adjusted charges.

4. FRC Offsets.

- a. Definitions and construction of words. As used in this paragraph 4, the following definitions shall apply:

“Applicant” means any person, individual, corporation, partnership, business, organization, association, or other entity whatsoever that applies for water service from the Department.

“Consumer” has the meaning ascribed to it under Section I of Part 2 of the Department’s Rules and Regulations.

“FRC” means the facilities reserve charges described in section VII of Part 4 and Section III of Part 3 of the Department’s rules.

“Offset” means reduced or reduction.

“Subdivider” has the meaning ascribed to it under section I of Part 3 of the Department’s Rules and Regulations.

“Subdivision” has the meaning ascribed to it under section I of Part 3 of the Department’s Rules and Regulations.

“Water transmission main” or “main” means a main extension under Paragraph 2.d [2.a.(4)] of Section II of Part 2 of the Department’s Rules and Regulations.

As used in this Paragraph 4, the following rules of construction shall apply:

Number. Words in the singular or plural number signify both the singular and plural number.

"Or", "and". Each of the terms "or" and "and", has the meaning of the other or of both.

- b. When an applicant, consumer, or subdivider is required to construct and dedicate water source or water storage facilities, or water transmission mains, to the Department, the following rules shall apply.

Subject to the provisions of this paragraph 4, the applicable FRC liability of such applicants, consumers, or subdividers shall be offset by up to 33% each where water source or water storage improvements are constructed, and up to 50% where water transmission mains are constructed; provided that the total amount of all offsets that an applicant, consumer, or subdivider receives shall not exceed 100% of the applicant’s, consumer’s, or subdivider’s FRC liability, and provided further that the offset for any source or storage improvement or transmission main shall not exceed the actual cost of the source or storage improvement or transmission main.

The Department, and not the applicant, consumer, or subdivider, shall calculate and determine the total amount of an applicant’s, consumers, or subdivider’s FRC offset in any given case. The Department may require the applicant, consumer, or subdivider to submit documentation verifying the actual cost of a source or storage improvement or transmission main.

- c. The offsets described in this Paragraph 4 “FRC Offsets” shall not apply to water transmission mains constructed by a subdivider, applicant or consumer which are within or adjacent to a subdivision or lands either 1) owned by the applicant or consumer, or 2) developed by the applicant or consumer for uses such as, but not limited to, residential, agricultural, commercial, resort, industrial, governmental, religious, or educational uses. Where water transmission mains are constructed within, adjacent to, or outside of such subdivisions or lands, the offsets shall apply only to mains constructed outside of and off-site from such subdivisions or lands.”

#### SECTION VIII - OTHER CHARGES

1. **Restoration of Water Service.** If a consumer’s water service is turned off for failure to pay a bill, for violation of any of the provisions of these rules and regulations, or for other reasons, all outstanding accounts against said consumer plus the charge for reopening, reinstallation or reconnection must be paid before water service be restored. Said charges shall be as established by the Department.
2. **Fire Hydrant and Other Temporary Meters.** In addition to regular meter service charge and water consumption charge, there shall be installation, removal, testing and user charges for all Fire Hydrant and other temporary meters as established by the Department.
3. **Pass Through of Private Charges.**
  - a) As used in this Paragraph 3:

“Private charge” or “private charges” means charges, fees, assessments, exactions, and all other moneys a private water company may require the Department to pay to permit the Department to purchase water from the company. The terms include contribution-in-aid-of-construction charges that a company may assess against the Department.

“Private water company” or “company” means any department or agency of the federal government or the State of Hawaii, any private person, trust, association, corporation, partnership, or business, and any water utility regulated by the Hawaii Public Utilities Commission.

(b) Whenever the Department purchases water from a private water company for end use by any of the Department’s consumers or prospective consumers and the company imposes private charges in excess of any similar charge or fee imposed under the Department’s administrative rules, the Department shall require a consumer or prospective consumer to pay, in addition to the Department’s charge or fee, the difference between the charge or fee imposed under the Department’s rules and the similar private charge imposed by the company. If the private charge imposed is less than the similar charge or fee imposed under the Department’s administrative rules, the consumer or prospective consumer shall not be entitled to the difference between the private charge imposed and the similar charge or fee imposed under the Department’s rules.

Whenever the Department purchases water from a private water company for end use by any of the Department’s consumers or prospective consumers and the company imposes private charges that are dissimilar to any charge or fee imposed under the Department’s administrative rules, the Department shall require a consumer or prospective consumer to pay an amount equal to the dissimilar private charge imposed by the company.”

#### SECTION IX - TEMPORARY GRANTS OF WATER

1. **Purpose.** The purpose of this section is to establish standards for temporary grants of water to support the initial development of county or state public beautification projects or the initial or further development of county or state public parks and public ways.

2. **Temporary Grants of Water.** The Board of Water Supply may, in its discretion, authorize temporary grants of water to support the initial development of county or state public beautification projects or the initial or further development of county or state public parks and public ways.

Any county or state department, office, or agency wishing to receive such temporary grants of water shall apply to the Board of Water Supply for such temporary grants. The application shall explain or describe in detail the contemplated project, why a temporary grant of water from the Department is necessary, what other efforts the applicant has made to obtain water from other sources, for what specific purposes the water will be used, and how the water provided will yield public benefits. The applicant shall also certify that there were no other available sources which can be used to support the project in question.

For each application, the Board shall determine and establish a maximum time limit that water may be provided to an applicant and a quantity limit on the amount of water that may be drawn.

The Board and the Manager and Chief Engineer may prescribe conditions under which water may be drawn so that the provision of water to the applicant does not adversely affect the Department's ability to provide water to its other users.

#### SECTION X - COST OF POWER ADJUSTMENT CLAUSE

All water consumption (for general use, agriculture use and ships) shall be subject to the imposition of a Cost of Power Adjustment as part of all water consumption charges.

The Department will review the actual unit costs of power for each twelve month period ending March 31<sup>st</sup> as part of the Department's annual budget review process. The power cost adjustment for the upcoming fiscal year will be calculated as the sum of the following two components:

- 1) the difference (plus or minus) between budgeted unit power costs for the upcoming fiscal year and the projected unit power costs, and
- 2) the difference (plus or minus) between the actual unit power costs incurred during the twelve-month period ending March 31<sup>st</sup> as previously described and the projected unit power costs.

The sum of these two components, calculated on a dollar[¢] per thousand gallons basis, will be applied to all water consumption.

Any power cost adjustments will be implemented on July 1<sup>st</sup> of each year.

#### SECTION XI – LATE CHARGES

A late payment charge may be applied to any delinquent balance payable to the Department. The late payment charge shall be assessed at the rate of half a percent (0.5%) for each month or fraction thereof against the delinquent balance, beginning 30 days after the date of the bill.

For the purposes of this section, 'delinquent balance' includes any loan, fee, charge, or other liquidated sum which is 30 days past due to the Department, regardless of whether there is an outstanding judgment for that sum, and whether the sum has accrued through contract, subrogation, tort, operation of law, or administrative order.