

# DEPARTMENT OF WATER SUPPLY • COUNTY OF HAWAI'I 345 KEKÜANAŌ'A STREET, SUITE 20 • HILO, HAWAI'I 96720 TELEPHONE (808) 961-8050 • FAX (808) 961-8657

February 7, 2017

Chair Ryan Yamane, Vice-Chair Sam Kong, and Committee Members Committee on Water and Land House of Representatives Hawai'i State Capitol, Room 420 Honolulu, HI 96813

Dear Honorable Yamane, Vice-Chair Kong, and Committee Members:

## Subject: House Bill 215 – Relating to County Services Hearing: February 8, 2017, 9:00 a.m.

The Department of Water Supply (DWS), County of Hawai'i, respectfully submits testimony in <u>opposition</u> of House Bill 215 (HB 215).

The proposed amendments to Hawai'i Revised Statues (HRS) 46-1.5, as currently drafted in HB 215, are unclear and ambiguous for the following reasons:

- 1. The clause "respond to claim" is not clearly defined. Does this mean to acknowledge the claim or to correct/rectify the claim? These are two significantly different scenarios.
- 2. The seventy-two (72) hour deadline to "respond to claim" appears to conflict with the Hawai'i County Charter and Code, regarding claims filed against the county. The Hawai'i County Charter and Code do not specify the deadline to respond to a claim once it has been been filed.
- 3. The clause "disruption to water or sewer service" does not specifically exclude valid reasons for disruption of water service such as, but not limited to:
  - a. restriction of water use to forestall a water shortage,
  - b. water shut-offs with or without notice to make water system repairs, alterations, extensions, or for other reasons deemed necessary or in the best interest of the utility.
- 4. The clause "disruption to water or sewer service" does not specifically exclude valid reasons for discontinuation of water service such as, but not limited to:
  - a. nonpayment of water bills,
  - b. noncompliance with Rules and Regulations,
  - c. unauthorized use of water,
  - d. wasteful use of water,
  - e. service detrimental to other water users,
  - f. water use that represents a clear and immediate hazard to the water supply.

The examples for disruption of water service, as listed in Bullets 3 and 4 above, are terms that a water service applicant agrees to when applying for water service with the Hawai'i County DWS. The

Committee on Water and Land Page 2 February 7, 2017

Hawai'i County DWS cannot be penalized when enforcing its established Rules and Regulations for water service. As currently written, HB 215 could also impede the DWS' ability to collect payment owed to the DWS for water service, which will in turn penalize DWS' customers who make regular on-time payment for their water service.

To summarize, the DWS respectfully submits this testimony in opposition of HB 215.

Thank you for your time and consideration on DWS' testimony for this proposed bill. Should you have additional questions, please do not hesitate to contact us at (808) 961-8050.

Sincerely yours,

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Keith K. Okamoto, P.E. Manager-Chief Engineer

KKU:dmj



DAVID TAYLOR, P.E. Director

GLADYS C. BAISA Deputy Director

### DEPARTMENT OF WATER SUPPLY COUNTY OF MAUI 200 SOUTH HIGH STREET

WAILUKU, MAUI, HAWAII 96793-2155 www.mauiwater.org LATE

February 8, 2017

# Testimony of the Maui County Department of Water Supply

# Opposing H.B. 215 Relating to County Services

## House Committee on Water and Land

# Wednesday, February 8, 2017, 9:00 am, Conference Room 325

Dear Honorable Representative Yamane and Members of the Committee on Water and Land:

The Maui County Department of Water Supply (DWS) <u>opposes H.B. 215</u> which would require each county to respond within 72 hours to claims relating to disruption of water or sewer service and provides that failure to respond within this time period subjects the counties to treble damages in a civil court for failure to respond.

I respectively feel that H.B. 215:

- Constitutes an unfunded mandate that would place an onerous burden on our operations as it would require additional funds for staff resources in order to respond to claims within a 72 hour time period, especially on weekends and holidays when minimal staffing is available;
- Is overly broad and does not define what a "claim", "disruption" or "respond" means. Failure to adequately define these terms may result in a large volume of valid and fraudulent claims against DVVS;
- Does not cite the basis for requiring a 72 hour window period. It appears that 72 hours is an arbitrary response time with no supporting justification;
- May subject DWS to treble damages even in instances where full completion of repairs is impractical, infeasible, unsafe; and
- Exposes DWS to treble damages without exempting Acts of God and intentional damage to water systems.

Thank you for the opportunity to provide testimony on this very important matter.

Respectfully Submitted,

DAVID TAYLOR, P.E. Director of Water Supply

"By Water All Things Find Life"





Testimony of Kirk Saiki, P.E. Manager and Chief Engineer Before the Committee on Water & Land Friday, February 8, 2017 9:00 A.M. State Capitol, Conference Room 325

February 7, 2017

The Honorable Ryan I. Yamane, Chair And Members Committee on Water & Land House of Representatives State Capitol, Conference Room 420 415 South Beretania Street Honolulu, Hawaii 96813

## **RE: HB215, RELATING TO WATER**

The County of Kauai Department of Water (DOW) respectfully **<u>opposes</u>** House Bill 215. This measure requires each county to respond within 72 hours to claims relating to disruption of water or sewer service and provides that failure to respond within this time period subjects the counties to treble damages in a civil court for failure to respond.

DOW opposes House Bill 215 for the following reasons:

- House Bill 215 does not define the words "claim", disruption" or "respond". Failure to define these terms may result in numerous claims against DOW.
- Exposes DOW to treble damages without exempting Acts of God and intentional damage to water system.
- Exposes DOW to treble damages where full completion of repairs is impractical, infeasible, and unsafe.

Thank you for the opportunity to testify. Should you have any further questions feel free to call me at (808) 245-5408.

Respectfully,

Kirk Saiki P.E. Manager and Chief Engineer

Enclosure

### HOUSE OF REPRESENTATIVES THE TWENTY-NINTH LEGISLATURE REGULAR SESSION OF 2017

### COMMITTEE ON WATER & LAND

Rep. Ryan I. Yamane, Chair Rep. Sam Satoru Kong, Vice Chair

|                   | Rep. Ty J.K. CullenRep. Nicole E. LowenRep. Cindy EvansRep. Calvin K.Y. SayRep. Linda IchiyamaRep. Beth FukumotoRep. Chris LeeFukumoto  |          |  |  |  |
|-------------------|---|----------|--|--|--|
|                   | NOTICE OF HEARING   |          |  |  |  |
|                   | DATE: Wednesday, February 8, 2017<br>TIME: 9:00AM<br>PLACE: Conference Room 325<br>State Capitol<br>415 South Beretania Street  |          |  |  |  |
|                   | AGENDA  |          |  |  |  |
| HB 870<br>Status  | RELATING TO MORTGAGES.WRemoves the requirement that a co-mortgagor assisting a qualified residentin securing a mortgage to purchase a dwelling unit from the Hawaiihousing finance and development corporation be a family member.Requires a qualified resident who is assisted by a co-mortgager to have anincome of at least fifty per cent of the amount required to qualify for a loanto purchase the dwelling unit.  |          |  |  |  |
| HB 1418<br>Status | RELATING TO LAND.<br>Amends the county exemptions from building permit and building code<br>requirements to ensure that Hawaii's communities are not suspended from<br>participation in the NFIP.   | WAL, CPC |  |  |  |
| HB 617<br>Status  | RELATING TO LAND RECORDATION.<br>Establishes requirements that any plan of land for deregistered land must<br>meet for recordation at the bureau of conveyances. Requires that any land<br>plan involving deregistered land filed with the registrar of conveyances<br>must be accompanied by data on the deregistration.   | WAL, JUD |  |  |  |
| HB 231<br>Status  | RELATING TO THE AHA MOKU.<br>Clarifies that the Aha Moku Advisory Committee is placed within DLNR<br>for administrative purposes only. Requires DLNR to provide budgetary<br>and administrative support to the Committee. Allows the Special Land and<br>Development Fund to be used for expenses incurred by the Committee.<br>Appropriates funds.   | WAL, FIN |  |  |  |
| HB 875<br>Status  | RELATING TO HISTORIC PRESERVATION.<br>Appropriates funds for 5 full-time equivalent (5.0 FTE) temporary student<br>intern II positions within the state historic preservation division.   | WAL, FIN |  |  |  |
| HB 1213<br>Status | RELATING TO THE DEPARTMENT OF LAND AND NATURAL<br>RESOURCES.<br>Requires the State Historic Preservation Division of the Department of<br>Land and Natural Resources, in conjunction with the Department of<br>Taxation, to conduct a joint study on the viability and costs associated with<br>creating a state tax credit for commercial properties that historically<br>preserve their properties. Appropriates funds. | WAL, FIN |  |  |  |

| <u>HB 588</u><br><u>Status</u> | MAKING AN APPROPRIATION FOR HE'EIA NATIONAL<br>ESTUARINE RESEARCH RESERVE.<br>Appropriates funds for Fiscal Year 2018-2019 for the initial staff necessary<br>to develop and manage the He'eia National Estuarine Research Reserve<br>and its programs.  | WAL, FIN |
|--------------------------------|--|----------|
| HB 259<br>Status               | RELATING TO COMMUNITY FOOD FORESTS.<br>Establishes a community food forest program in the Department of Land<br>and Natural Resources and requires Department of Land and Natural<br>Resources to work collaboratively with local government and community<br>organizations to provide sources of healthy food statewide. Appropriate<br>funds.  | WAL, FIN |
| HB 632<br>Status               | RELATING TO WATER INFRASTRUCTURE LOANS.<br>Broadens the Water Infrastructure Loan Program to include loans made to<br>water utilities. Amends the definition of "water infrastructure charge" to<br>include on-bill charges to be imposed on water utilities and the definitions<br>of "water infrastructure equipment", "water infrastructure loans", and "loan<br>program" to include water tanks.   | WAL, FIN |
| HB 643<br>Status               | RELATING TO IRRIGATION.<br>Authorizes the Director of Finance to issue general obligation bonds to<br>finance capital improvements to the Waiahole Irrigation System.  | WAL, FIN |
| HB 1536<br>Status              | RELATING TO IRRIGATION.<br>Clarifies that the BOA has the power to acquire property by eminent<br>domain for the construction and maintenance of water facilities that<br>convey, distribute, and transmit water for agricultural uses, but not for<br>domestic use. Amends the definition of "public utility" in chapter 269,<br>HRS, to include the production, conveyance, etc. of water for human<br>consumption.  | WAL, CPC |
| HB 215<br>Status               | RELATING TO COUNTY SERVICES.<br>Requires counties to respond within 72 hours to claims relating to<br>disruption of water or sewer service. Subjects the counties to treble<br>damages in civil court for failure to respond.  | WAL, JUD |
| HB 631<br>Status               | RELATING TO WATER.<br>Provides that the Commission on Water Resource Management shall<br>require an owner or prior owner of an abandoned well to repair or seal the<br>well at the owner's or prior owner's expense. Appropriates funds.<br>Appropriates funds for three new positions to assist DLNR with the<br>inspection of abandoned wells and the enforcement of well construction<br>and pump installation standards. Appropriate funds for well enforcement. | WAL, FIN |
| <u>HB 630</u><br><u>Status</u> | RELATING TO DROUGHT MITIGATION.<br>Appropriates funds for county drought mitigation projects and measures.<br>Appropriates funds for one full-time equivalent permanent planner IV<br>position within the Commission on Water Resource Management to update<br>the Hawaii drought plan.  | WAL, FIN |
| HB 465<br>Status               | RELATING TO THE BOATING SPECIAL FUND.<br>Repeals the boating special fund. Transfers unencumbered boating special<br>fund moneys and future revenues to the general fund.  | WAL, FIN |
| HB 386<br>Status               | RELATING TO BEACH MONITORING.<br>Appropriates funds for the two-year extension of the Post-Bypass Beach<br>Monitoring Program of the Kikiaola Small Boat Harbor Sand Bypass<br>Operation at Waimea, Kauai.   | WAL, FIN |

| <u>HB 400</u><br><u>Status</u> | RELATING TO MAALAEA SMALL BOAT HARBOR.<br>Corrects an error in the Supplemental Appropriations Act of 2016 to clarify<br>that the CIP project for Maalaea small boat harbor on Maui was for plans,<br>design, and construction for pier improvements, rather than dredging. | WAL, FIN |
|--------------------------------|---|----------|
| <u>HB 52</u><br><u>Status</u>  | RELATING TO LAHAINA SMALL BOAT HARBOR.<br>Authorizes the issuance of \$3,300,000 in general obligation bonds and<br>appropriates funds for the construction of a new ferry pier at Lahaina small<br>boat harbor.  | WAL, FIN |

#### DECISION MAKING TO FOLLOW

Persons wishing to offer comments should submit testimony at least 24 hours prior to the hearing. Testimony should indicate:

- Testifier's name with position/title and organization;
- The Committee(s) to which the comments are directed;
- The date and time of the hearing; and
- Measure number.

While every effort will be made to incorporate all testimony received, materials received on the day of the hearing or improperly identified or directed, may be distributed to the Committee after the hearing.

Submit testimony in ONE of the following ways:

- PAPER: 1 copies (including an original) to Room 313 in the State Capitol;
- FAX: For testimony less than 5 pages in length, transmit to 808-586-8459 (Oahu) or 1-800-535-3859 (for Neighbor Islander without a computer to submit testimony through e-mail or the Web); or
- WEB: For testimony less than 10MB in size, transmit from <u>http://www.capitol.hawaii.gov/submittestimony.aspx</u>.

Testimony submitted will be placed on the legislative website. This public posting of testimony on the website should be considered when including personal information in your testimony.

# If during the course of the hearing it appears that there will not be sufficient time to allow everyone to be heard, the chairperson reserves the right to limit the remaining testifiers to <u>three-minutes</u>. This three-minute policy will be enforced to ensure fairness and adequate consideration to all bills.

If you require special assistance or auxiliary aids and/or services to participate in the House public hearing process (i.e., sign or foreign language interpreter or wheelchair accessibility), please contact the Committee Clerk at 586-6150 or email your request for an interpreter to <u>HouseInterpreter@Capitol.hawaii.gov</u> at least <u>24 hours</u> prior to the hearing for arrangements. Prompt requests submitted help to ensure the availability of qualified individuals and appropriate accommodations.

Selected meetings are broadcast live. Check the current legislative broadcast schedule on the "Capitol TV" website at <u>www.capitoltv.org</u> or call 536-2100.

|  | Rep. Ryan I. Yamane<br>Chair |
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## **BOARD OF WATER SUPPLY**

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



KIRK CALDWELL, MAYOR

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

ELLEN E. KITAMURA, P.E. Deputy Manager and Chief Engineer p

The Honorable Ryan I. Yamane, Chair and Members Committee on Water and Land House of Representatives Hawaii State Capitol, Room 420 415 Beretania Street Honolulu, Hawaii 96813

Dear Chair Yamane and Members:

## Subject: House Bill 215 Relating to County Services

The Board of Water Supply (BWS) respectfully opposes House Bill 215. This measure requires each county to respond within 72 hours to claims relating to disruption of water or sewer service and provides that failure to respond within this time period subjects the counties to treble damages in a civil court for failure to respond.

We believe House Bill 215:

- Constitutes an unfunded mandate that would place an onerous burden on our operations as it would require additional funds for staff resources in order to respond to claims within a 72 hour time period, especially on weekends and holidays when minimal staffing is available;
- Is overly broad and does not define what a "claim", "disruption" or "respond" means. Failure to adequately define these terms may result in a large volume of valid and fraudulent claims against BWS;
- Does not cite the basis for requiring a 72 hour window period. It appears that 72 hours is an arbitrary response time with no supporting justification;
- May subject BWS to treble damages even in instances where full completion of repairs is impractical, infeasible, unsafe; and
- Exposes BWS to treble damages without exempting Acts of God and intentional damage to water systems.

Thank you for your consideration of our testimony on House Bill 215.

truly yours erv

IEST Y*X*V. LAU, P.E. Manager and Chief Engineer