DAVID V. IGE GOVERNOR OF HAWAII





STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809 CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT KEKOA KALUHIWA

SUZANNE D. CASE

JEFFREY T. PEARSON, P.E. DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT CONSERVATION AND COASTAL LANDS CONSERVATION AND RESOURCES ENFORCEMENT ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION LAND STATE PARKS

Testimony of SUZANNE D. CASE Chairperson

Before the Senate Committee on WAYS AND MEANS

Thursday, March 30, 2017 1:40 PM **State Capitol, Conference Room 211**

In Consideration of **HOUSE BILL 636, HOUSE DRAFT 1, SENATE DRAFT 1** RELATING TO WATER CONSERVATION

House Bill 636, House Draft 1, Senate Draft 1 proposes to establish within each of the four county water supply departments, a two-year water conservation financial assistance pilot program to provide financial assistance to county-owned public water systems to implement their respective water conservation incentive programs. This measure also appropriates an unspecified sum out of the general revenues for Fiscal Year 2017-2018 and the same sum for Fiscal Year 2018-2019 for this two-year pilot program. The Department of Land and Natural Resources (Department) supports this bill provided that its passage does not replace or adversely impact our priorities requested in the Executive Budget.

House Bill 636, House Draft 1, Senate Draft 1 changes the source of funding from special funds to general funds. The Department believes that it is more appropriate to use general funds to furnish assistance to the Counties due to the limited and restricted nature of special fund accounts and possible impacts to special funded Departmental programs.

Fresh water is Hawaii's most precious natural resource. It is imperative that water utilities and their customers become as efficient as possible when it comes to using water. conservation is one of the most cost-effective long-term water supply options for a utility. Successful water conservation programs can help to preserve our limited water supplies to provide for society's growing needs while ensuring abundant water for future generations. County-owned water utilities can reduce their customer per-capita water use by carefully implementing demand-side water conservation programs and measures – which will require funding resources.

Providing a state-funded cost share to the county water supply departments will incentivize these utilities to implement water conservation programs and to stretch available county funding. Appropriating funding directly to the county water supply departments recognizes county home rule authority and would make the proposed water conservation program more efficient while streamlining implementation of the respective program activities.

Thank you for the opportunity to comment on this measure.

Harry Kim Mayor



Wil Okabe Managing Director

Barbara J. Kossow
Deputy Managing Director

County of Hawai'i

Office of the Mayor

25 Aupuni Street, Suite 2603 • Hilo, Hawai'i 96720 • (808) 961-8211 • Fax (808) 961-6553 KONA: 74-5044 Ane Keohokalole Hwy., Bldg. C • Kailua-Kona, Hawai'i 96740 (808) 323-4444 • Fax (808) 323-4440

March 29, 2017

Senator Jill N. Tokuda, Chair Committee on Ways and Means Hawai'i State Capitol Honolulu, HI 96813

Dear Chair Tokuda and Committee Members:

RE: HB 636, HD 1, SD 1

Relating to Water Conservation

As the purpose clause of HB 636, HD1, SD1 makes clear, Hawaii needs to become as efficient as possible in the use of its limited fresh water supplies. A water conservation program that provides financial assistance to county-owned public water systems and their customers, to help implement water conservation, would, almost certainly, be a valuable tool.

Whether the Legislature can find money for such a program is obviously a dilemma that only you can solve, but we hope that HB 636 will become law.

Respectfully submitted,

for Harry Kim Mayor

BOARD OF WATER SUPPLY

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



KIRK CALDWELL, MAYOR

BRYAN P. ANDAYA, Chair ADAM C. WONG, Vice Chair DAVID C. HULIHEE KAPUA SPROAT KAY C. MATSUI

ROSS S. SASAMURA, Ex-Officio FORD N. FUCHIGAMI, Ex-Officio

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

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

The Honorable Jill N. Tokuda, Chair and Members Committee on Ways and Means State Senate Hawaii State Capitol, Room 207 Honolulu, Hawaii 96813

Dear Chair Tokuda and Members:

Subject: House Bill 636, House Draft 1, Senate Draft 1 Relating to Water Conservation

We strongly support House Bill 636, House Draft (HD) 1, Senate Draft (SD) 1 which establishes a two-year water conservation financial assistance pilot program, within each of the four county water supply departments, to provide financial assistance to county-owned public water systems to implement their respective water conservation incentive programs.

This financial assistance program will provide incentives to encourage a greater number of residents to take part in an important sustainability goal to improve Hawaii's long-term water security.

Thank you for your consideration of our written testimony on House Bill 636, HD1, SD1.

Very truly yours,

ERNEST Y. W. LAU, P.E.

√Manager and Chief Engineer



ONE WORLD ONE WATER, LLC 677 ALA MOANA BLVD, SUITE 1100 HONOLULU, HI 96713 www.oneworldonewater.org

Testimony on H.B. 636 HD1 SD1 Relating to Water Conservation

Senate Committee on Ways and Means

March 30th, 2017 1:40 P.M. Conference Room 211

Aloha Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means,

Subject: House Bill (HB) 636 HD1 SD1 Relating to Water Conservation

At One World One Water we are dedicated to reinvesting in water infrastructure and restoring natural environments, and **we strongly support HB 636 HD1 SD1** and the establishment of a two-year water conservation financial assistance pilot program. Water is essential not only for drinking but also for energy and food production, making it an important component of our economy. Unlike other states we cannot rely on our neighbors to provide water when we need it, therefore we must do everything we can to wisely manage our wai, our water, and our wealth.

Constrained freshwater resources in Hawaii will only become more limited as climate change persists, meaning we must act now to promote water conservation, recharge, and reuse throughout our islands. Water conservation starts with efficiency, and this bill will help promote water efficiency through financial assistance to county-owned public water systems. Conserving potable water now is a proactive way of reducing future negative impacts of climate change or additional pressures on our water system.

As an organization committed to improving the quality and efficiency of our global water systems and resources, we ask your support of HB 636 HD1 SD1 to invest in Hawaii's water future.

Please contact us at globalwater@gmail.com should you have any questions or require additional information regarding this matter.

Sincerely,
One World One Water



The Nature Conservancy Hawai'i Program 923 Nu'uanu Avenue Honolulu, HI 96817 Tel(808) 537-4508 Fax(808) 545-2019 nature.org/hawaii

Testimony of The Nature Conservancy of Hawai'i Supporting H.B. 636 HD1 SD1 Relating to Water Conservation Senate Committee on Ways and Means Thursday, March 30, 2017, 1:40PM, Room 211

The Nature Conservancy of Hawai'i is a private non-profit conservation organization dedicated to the preservation of the lands and waters upon which life depends. The Conservancy has helped to protect nearly 200,000 acres of natural lands in Hawai'i. We manage 40,000 acres in 14 preserves and work in 19 coastal communities to help protect the near-shore reefs and waters of the main Hawaiian Islands. We forge partnerships with government, private parties and communities to protect Hawai'i's important watershed forests and coral reefs.

The Nature Conservancy supports H.B. 636 HD1 SD1 that would provide funding for countyowned public water systems to offer rebates or direct replacement programs for installation of water conserving technologies in homes and businesses.

Easily available fresh water is not a limitless resource here in the middle of the Pacific. In recent years, several locations in the state experienced prolonged drought. The University of Hawai'i's Rainfall Atlas catalogues fewer trade wind days and declining rainfall over the past century. Temperature records were broken across the state in recent summers and increased heat brings greater evaporation of surface water and soil moisture. Native 'ōhi'a and koa forests that are proving to be better at capturing and retaining rain water and moisture are being impaired by non-native plants like strawberry guava, ginger and albizia.

In response to these conditions, we must plan and implement mitigative and adaptive measures to ensure the resilience of our natural and human systems. One important strategy is to ensure that we have healthy Hawaiian forests that act like a sponge, collecting rain and moisture and delivering fresh water into streams and aquifers. Additionally, we must improve efficiencies and reuse of our fresh water resources. An incentive program to support the installation of water conserving technologies in our homes, businesses and other institutions is an excellent step in this direction.



Fresh Water Council Members

William Aila

Stephen Anthony*

Michael Buck

Suzanne Case

Reginald Castanares

Meredith Ching

Derek Chow

Ka'eo Duarte

Sumner Erdman

Mark Fox

Thomas Giambelluca

Timothy Johns

Howard Killian

Patrick Kobayashi

Ernest Lau

Keith Okamoto

Jerry Ornellas

Monty Richards

Kapua Sproat

David Taylor

Dennis Teranishi

Barry Usagawa

*US Geological Survey Liaison/Scientific Advisor to HCF Testimony of the
Hawai'i Fresh Water Council
on
H.B. 636 HD1 SD1
Relating to Water Conservation
Senate Committee on Ways and Means
Thursday, March 30, 2017
1:40 P.M.
Conference Room 211

The Hawaii Fresh Water Initiative strongly supports H.B. 636 HD1 SD1, which proposes to establish a water conservation device rebate program in all four counties of Hawai'i.

The Hawaii Fresh Water Initiative was launched in 2013 and assembled our diverse Fresh Water Council to develop a forward-thinking and consensus-based strategy to increase water security for Hawaii. Our Council jointly and unanimously recommended key strategies and policies with an ultimate goal of creating 100 million gallons per day (mgd) in additional, reliable fresh water capacity by 2030. One of the key strategies to achieve this statewide water goal is to increase water conservation by 40 mgd over the next 15 years.

Several states facing water supply issues have successfully promoted the adoption of water saving devices, including rainwater harvesting systems to replace potable water use for yards and landscaping, soil moisture sensors for landscape irrigation, and water circulation pumps. Among all 50 states, Hawai'i currently ranks in the top five in terms of our daily per capita water use at 156 gallons per day.

The rebate program established by H.B. 636 HD1 SD1 has the potential to preserve millions of gallons of fresh water per year, and is a critical component of a multi-pronged strategy to improve Hawaii's long-term water security. This program will successfully leverage limited state dollars with county funds and seed important new water conservation programs at each county water department based on their individual match ability and need.

Based on recent estimations, we believe that water conservation programs can be effectively launched at the county levels with state investment in the form of a \$335,000 appropriation in FY 2018 and a \$540,000 appropriation in FY 2019. State funds should require 1-1 match at the following levels from each county for FY 2018: Honolulu (Up to \$210,000); Maui (Up to \$60,000); Hawai'i (Up to \$50,000); Kaua'i (Up to \$15,000).

For these reasons, we strongly support H.B. 636 HD 1 SD 1, and respectfully request that the Committee pass this measure.





Email: communications@ulupono.com

SENATE COMMITTEE ON WAYS & MEANS Thursday, March 30, 2017 — 1:40 p.m. — Room 211

Ulupono Initiative <u>Strongly Supports</u> HB 636 HD 1 SD 1, Relating to Water Conservation

Dear Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committees:

My name is Kyle Datta and I am General Partner of Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally produced food; increase affordable, clean, renewable energy; and reduce waste. Ulupono believes that self-sufficiency is essential to our future prosperity and will help shape a future where economic progress and mission-focused impact can work hand in hand.

Ulupono <u>strongly supports</u> **HB** 636 **HD** 1 **SD** 1, which provides funding for water conservation for county owned public water systems, because it aligns with our goal of creating more locally produced food.

Hawai'i's agricultural industry relies on a constant supply of water, but in times of drought, farmers and ranchers often struggle to keep their businesses alive. In recent years, the state has suffered through severe drought conditions including a two to three decade downward trend in rainfall, which heavily impacts our local agricultural communities. As droughts are increasing, it becomes more important for the Legislature to fund water conservation measures to protect our island's most valuable natural resource.

As Hawai'i's local food issues become more complex and challenging, organizations need additional resources and support to address and overcome them. We appreciate this committee's efforts to look at policies that support local food production.

We believe that by collaborating, we can help produce more local food and support an economically robust homegrown agriculture industry, which strengthens our community with fresh, healthy food. Thank you for this opportunity to testify.

Resi	pect	ful	lν.
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Kyle Datta



General Partner

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 28, 2017 2:15 PM

To: WAM Testimony
Cc: mendezj@hawaii.edu

Subject: *Submitted testimony for HB636 on Mar 30, 2017 13:40PM*

Follow Up Flag: Follow up Flag Status: Completed

HB636

Submitted on: 3/28/2017

Testimony for WAM on Mar 30, 2017 13:40PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

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Testimony of Michael G. Buck on H.B. 636 HD1, SD1 Relating to Water Conservation

Senate Committee on Ways and Means

Thursday, March 30, 2017 Conference Room 211

Thank you for the opportunity to submit testimony in support of HB 636, HD1, SD1 which proposes to establish a water conservation device rebate program. I am a member of the Commission on Water Resource Management and also participate as a member of Hawaii's Fresh Water Council. Our Council jointly and unanimously recommended key strategies and policies with an ultimate goal of creating 100 million gallons per day (mgd) in additional, reliable fresh water capacity by 2030. One of the key strategies to achieve this statewide water goal is to increase water conservation by 40 mgd over the next 15 years.

Several states facing water supply issues have successfully promoted the adoption of water saving devices, including rainwater harvesting systems to replace potable water use for yards and landscaping, soil moisture sensors for landscape irrigation, and water circulation pumps. The following considerations convinced the Council that encouraging water saving device adoption in Hawai'i homes should be a top priority:

- Among all 50 states, Hawai'i ranks in the top five in terms of our daily per capita water use at 156 gallons per day. Forty-four states use less than 120 gallons per day;
- The Honolulu Board of Water Supply estimates that up to half of all potable water delivered to residences is actually used for landscape irrigation;
- A single hot water recirculation pump is estimated to save 11,000 to 15,000 gallons of water per year in a typical home.

The rebate program established by this measure has the potential to preserve hundreds of millions of gallons of fresh water per year, and is a critical component of a multi-pronged strategy to improve Hawaii's long-term water security. For these reasons, I strongly support H.B. 636 HD 1, SD1 and respectfully request that the Committees pass this measure.