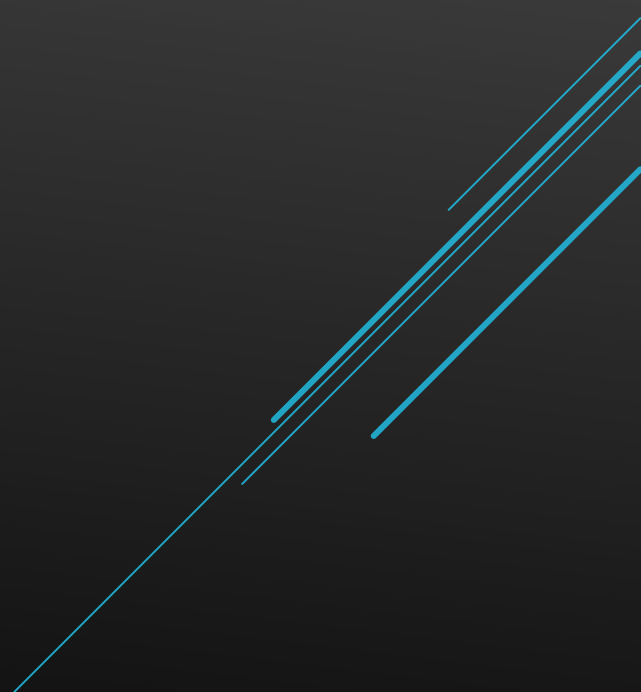


BILL 76 WATER SYSTEM DEVELOPMENT FEE

Department of Water Supply
John Stufflebean, P.E., Director
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Engineer



PURPOSE OF AMENDMENT

- ▶ Align code with fee structure changes in current budget ordinance
 - ▶ Equivalent Single Dwelling methodology
 - ▶ Modernize with industry standard terminology
 - ▶ Add consumer protections
 - ▶ Ensure avoidance of repeat fee payment
- 

DEFINITIONS

Section 2. Section 14.01.040, Maui County Code, is amended by amending the definition of “water system development fee” to read as follows:

“Water system development fee” [(“WSDF”)] means a monetary [rate imposed on any applicant to fund a portion of costs to construct water system improvements or to recover the] exaction the department charges an applicant to defray the cost of [existing] water system improvements, including public source, storage, and transmission facilities [made in anticipation of additional demand on the water system.] related to the impact of the application.”

- ▶ Replace “rate” with “exaction”
 - ▶ Stronger term for one-time cost
- ▶ Replace “recover” with “defray”
 - ▶ “Recover” suggests collection in arrears
- ▶ Creates clear connection between fee and development impact

PURPOSE OF CODE CHAPTER

- ▶ Clarity that the fee is directly related to mitigation of development impact
- ▶ Add terms representation the three components of the fee

“14.07.010 Purpose. [The] This chapter’s purpose [of this chapter] is to authorize the department to collect fees [for] to defray the department’s costs for improvements that are not required solely for existing ratepayers. These improvements include water system improvements [(or) or dedicated water system (improvements) which are] improvements necessary to increase [the service] reliable system capacity [or to replace existing service capacity in the department’s water systems] by establishing additional source, storage, and transmission facilities to serve new water consumers or [additional] increased demand by existing consumers[, and to establish the appropriate accounting mechanisms to carry out this purpose].”

NEW DEFINITIONS

SECTION 4. Section 14.07.020, Maui County Code, is amended by adding two new definitions to be appropriately inserted and to read as follows:

“Average daily demand” means the average amount of water projected to be used by a property measured in gallons per day and based upon a calculation of equivalent single dwellings under rules adopted by the department.

“Equivalent single dwelling” means a standardized unit of measurement representing a use of water equivalent to 300 gallons per day.”

- ▶ Bring focus to average daily demand
- ▶ Introduce “Equivalent Single Dwelling” into code



TRIVIALIZE METER SIZE

- ▶ Detach fee from meter size
- ▶ More focus on average daily demand

“14.07.050 Water service. A. Unless exempted [pursuant to] under section 14.07.080, the water system development fee [shall] must be imposed on any applicant granted new water service, as set [forth] in the annual budget, based on the [number and size of water meters required.] average daily demand requested.

B. Unless exempted [pursuant to] under section 14.07.080, the water system development fee [shall be] imposed on any applicant granted additional water service [in an amount] is equal to the difference in:

1. the water system development fee of the requested [meter size] average daily demand; and

2. the existing [water meter size] average daily demand as set [forth] in the annual budget.

C. An applicant requesting a reduction [of a water meter size] in average daily demand [shall] is not [be] entitled to [any] a

LOCK IN OLD RIGHTS



“14.07.080 Exemptions; waiver. [A. Any applicant for a building permit for an accessory dwelling will pay one-half of the water system development fee for the size meter required to be

required to relocate the meter.

B.] A. Any applicant for a building permit for any structure may be exempted from paying the water system development fee, upon proof presented, that [the]:

1. The structure or the premises on which the structure is located does not require water service or additional water service from the department’s system[, or that the].

2. The applicant or the applicant’s predecessor in interest had already paid the required water system development fee.

3. The applicant or the applicant’s predecessor in interest has already been granted the right to receive water service that is sufficient for the proposed use.

- ▶ No duplicate payment of the fee, no matter how old the service is

FEE DEFERRAL

“14.07.090 Payment of water system development fee. A. Applicant ready for water service. The director must approve applications only upon payment of the water system development

use in a future application on the same property.

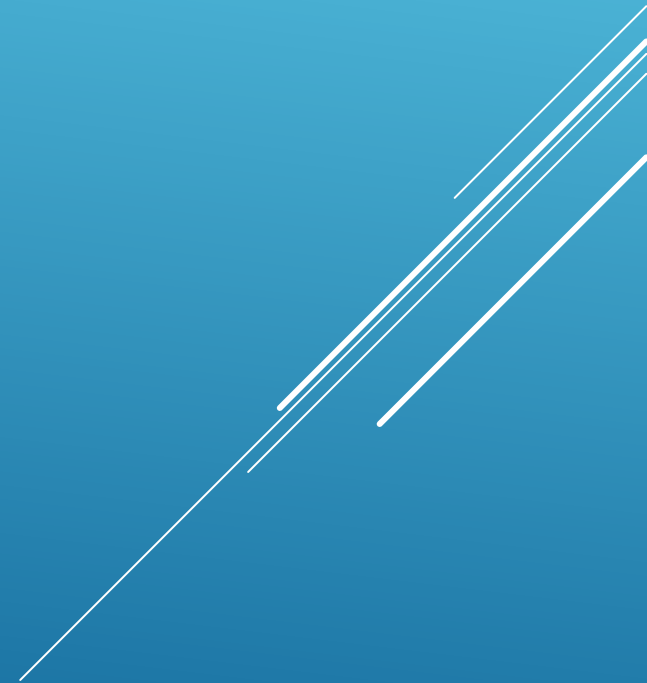
E. Exemptions. An applicant who is exempted from chapter 14.12, under subsection 14.12.030(E) or 14.12.030(F), may reserve an allocation of water before payment of the water system development fee by entering into an agreement with the department stating that the water system development fee will be paid before final subdivision approval or the issuance of a certificate of occupancy.”

- ▶ Allows collection of fee at time impact occurs
- ▶ Consistent with industry practice
- ▶ Helps ease near-term project cashflow needs



MAHALO

We are here to support the discussion



WAI Committee

From: James L. Jensen <James.Jensen@co.maui.hi.us>
Sent: Tuesday, May 12, 2026 6:45 AM
To: WAI Committee
Cc: Linda K. Kimura; John Stufflebean; Caleb P. Rowe
Subject: WAI-1(9) WSDF Presentation
Attachments: Bill 76 Presentation.pptx

You don't often get email from james.jensen@co.maui.hi.us. [Learn why this is important](#)

Aloha WAI Committee,

Please see attached PPT slidedeck for the water system development fee code amendment.
Mahalo.

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