
DRINKING WATER TREATMENT REVOLVING LOAN FUND
INTENDED USE PLAN FOR
THE STATE OF HAWAII FISCAL YEAR (SFY) 2014 AND
THE FEDERAL FISCAL YEAR (FFY) 2013 APPROPRIATION



Submitted to the
U.S. Environmental Protection Agency
Region IX
By the
State of Hawaii

State of Hawaii
Department of Health
Environmental Management Division
Safe Drinking Water Branch

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I. INTRODUCTION

A. STATE OF HAWAII'S DRINKING WATER STATE REVOLVING FUND PROGRAM

In 1996, the Drinking Water State Revolving Fund (DWSRF) was established by Congress with the passage of Federal amendments to the Safe Drinking Water Act, hereafter referred to as "the Act" (Public Law 104-182). Section 1452 of the Act authorized the Administrator of the Environmental Protection Agency (EPA) to award capitalization grants to States for the purpose of establishing a loan program to finance drinking water infrastructure projects necessary for public water systems to attain and maintain compliance with Act requirements and to further the health protection objectives of the Act.

On May 2, 1997, Hawaii's Governor signed legislation to establish the Drinking Water Treatment Revolving Loan Fund (Act 218/97) in the State of Hawaii. The Drinking Water Treatment Revolving Loan Fund, more commonly known as DWSRF, complies with the provisions of the Act, Section 1452, for the State of Hawaii.

The Department of Health (DOH), Environmental Management Division, Safe Drinking Water Branch (SDWB) and the Environmental Resources Office jointly administer Hawaii's DWSRF Program. Administration is in accordance with Hawaii Revised Statutes, Chapter 340E, and Hawaii Administrative Rules, Chapter 11-65.

B. DWSRF PROGRAM OVERVIEW

From Federal Fiscal Years (FFYs) 1997 through 2012, EPA approved capitalization grants totaling \$140,051,500.00 to be utilized by Hawaii's DWSRF Program. Of this total capitalization grant amount, \$24,561,531.73 has been set-aside for activities relating to the administration of the loan program and to support other drinking water program initiatives. The remaining capitalization grant monies, \$115,489,968.27, have been deposited into the "Loan Fund," and will be used to finance loans for eligible DWSRF projects. In addition, Section 1452(e) of the Act mandates that the State must deposit into the Loan Fund an amount from State monies equaling at least 20 percent of each capitalization grant payment. State Match for this period totaled \$28,010,300.00. Thus, a total of \$143,500,268.27 has been deposited into the loan fund by capitalization grant and State match sources from FFY 1997 through FFY 2012. This number does not include historical repayment principal and interest or investment interest earnings.

A total of \$109,808,878.78 has already been used to finance construction projects. Additional loan commitments are anticipated for several other eligible drinking water projects that are currently being processed.

States are allowed to set-aside part of the federal capitalization grants to support the various drinking water programs. Separate and identifiable accounts have been developed to be used for these Set-Aside Activities. To date, a total of \$24,561,531.73 has been set-aside for these activities as shown below.

Table 1. Set-Asides Overview (June 30, 2013)

Act Set-Aside Reference	Set-Aside Activity	FFY 1997-2012 Set-Aside Funds
Section 1452 (g) (2) – (4%)	DWSRF Administration Fund	\$3,957,128.00
Section 1452 (g) (2) – (10%)	State Program Management	\$9,348,319.88
Section 1452 (g) (2) – (2%)	Small Systems Technical Assistance	\$1,370,465.16
Section 1452 (k) – (15%)	Local Assistance and Other State Programs	\$9,885,618.69
Total Set-Asides for FFY 1997-2012		\$24,561,531.73

C. INTENDED USE PLAN OBJECTIVE

The State of Hawaii, DOH developed this Intended Use Plan for the State Fiscal Year (SFY) 2014. This Intended Use Plan will be submitted to the EPA as part of the DOH’s application for the DWSRF FFY 2013 Capitalization Grant Appropriation.

This Intended Use Plan is a central component of Hawaii’s DWSRF FFY 2013 Capitalization Grant Application and serves to convey the Program’s plan to interested parties, which may include owners of public water systems, the general public, EPA, and other State agencies or departments.

DWSRF Program plans for SFY 2014 are based on the FFY 2013 capitalization grant amount of \$8,421,000.00 from the Consolidated and Further Appropriations Act of 2013 (P.L. 113-6) and the projected state match from the 2013 Hawaii State Legislature of \$1,795,000.00. This Intended Use Plan will provide information regarding the use of the federal, state and additional monies generated from other program sources during this SFY 2014 period. Details on key aspects of the Program, including the long- and short-term goals, the priority setting criteria, and a listing of projects, are included in this Intended Use Plan.

This Intended Use Plan for SFY 2014, when finalized and approved will replace the previous Intended Use Plan for SFY 2013, dated May 2012. An Intended Use Plan is written annually for each state fiscal year.

D. REQUIREMENTS OF THE FFY 2013 CONSOLIDATED AND FURTHER APPROPRIATIONS ACT

The Consolidated and Further Appropriations Act of 2013 (P.L. 113-6), which provides the FFY 2013 appropriation for the DWSRF, carries forward the following requirements from the FFY 2012 Appropriations Act (P.L. 112-74):

Additional Subsidization

Not less than 20 percent but not more than 30 percent of the funds made available under this title to each State for Drinking Water State Revolving Fund capitalization grants shall be used by the State to provide additional subsidy to eligible recipients in the form of principal forgiveness, negative interest loans, or grants (or any combination of these).

Funds in accordance with the Consolidated and Further Appropriations Act of 2013 have been earmarked for additional subsidization in the form of zero percent interest loans with principal forgiveness. These additional subsidization loans will be targeted to projects eligible under the Green Project Reserve.

Act 98, signed by the governor on June 8, 2009, authorizes the Department of Health to provide such financial assistance to publicly-owned water systems from the Capitalization Grant.

Green Project Reserve (GPR)

For FFY 2013, funds made available under this title to each State for Drinking Water State Revolving Fund capitalization grants may, at the discretion of each State, be used for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. The Hawaii DWSRF program intends to continue providing funds for the GPR.

The Hawaii DWSRF Program is committed to the implementation of sustainable and green infrastructure. Projects that incorporate green infrastructure, water or energy efficiency improvements or other environmentally innovative activities will receive bonus points under the DWSRF rating criteria and may receive additional subsidization. The list of eligible GPR projects may be found in Appendix B.

Reporting Requirements

The Hawaii DWSRF Program will report on a quarterly basis on the utilization of funds under the SFY 2014 Intended Use Plan. The major reporting vehicle will be the DWSRF Project Benefits Reporting (PBR) system. Reporting will include the use of funds for the GPR and Additional Subsidization and information on the environmental benefits of DWSRF-funded projects.

The Hawaii DWSRF program intends to satisfy the Federal Funding Accountability and Transparency Act (FFATA) up to the FFY 2013 Capitalization Grant amount with **DW331-0062, Kamehameha Highway 16-Inch and 8-Inch Mains (Heeia)** project.

Davis-Bacon Requirements

For FFY 2012 and each fiscal year thereafter, the requirements of section 1450(e) of the Safe Drinking Water Act (42 U.S.C. 300j-9(e)) shall apply to any construction project carried out in whole or in part with assistance made available by a drinking water treatment revolving loan fund as authorized by section 1452 of that Act (42 U.S.C. 300j-12).

Cash Draw Ratio

The cash draw ratio (also known as proportionality) is the ratio of federal to state monies used to fund a loan. The Hawaii DWSRF is a direct loan program and will draw funds on a 83.33 percent to 16.67 percent schedule or at the required ratio to satisfy the cash draw ratio requirements.

II. DWSRF LONG-TERM AND SHORT-TERM GOALS

In establishing the national DWSRF Program, Congress gave the States the flexibility to design a program that can be tailored to meet the needs of the local public water systems. The long- and short-term goals for Hawaii's DWSRF Program, including those of the recently enacted ARRA, are presented below. They provide a framework for the direction of Hawaii's DWSRF Program.

A. LONG-TERM GOALS

1. To assist as many water purveyors as possible to attain compliance with State and Federal Drinking Water Regulations through the low-interest loan program.
2. To maintain the DWSRF Program in perpetuity.
3. To research options of providing funds to assist in financing improvements to privately-owned and state-owned public water systems.
4. To promote sustainable infrastructure and energy efficiency through the use of the DWSRF's Green Project Reserve.

B. SHORT-TERM GOALS

1. Continue development of a system to track the currently required tracking items, which may include accounting, management, set-asides, compliance and customer service concerns.
2. Continue modification of the Functional Procedures and the Operating Agreement to reflect and meet the DWSRF requirements and needs.
3. Continue to follow the implementation of the Capacity Evaluation program and adjust the implementation to meet with the DWSRF loan program needs.
4. Continue to streamline the DWSRF program to be more efficient and to better serve its customers.

III. DWSRF FINANCIAL INFORMATION

A. DWSRF CAPITALIZATION GRANT FOR FFY 2013

National funding for the DWSRF program under the Consolidated and Further Appropriations Act of 2013 is \$861,326,000.00. Subtracting National Set-Asides of \$19,220,000.00 from the original appropriation leaves \$842,106,000.00 for individual state programs. Based on the latest Drinking Water Needs Survey, Hawaii's share for FFY 2013 is 1 percent of the total allotment for state programs, or \$8,421,000.00.

Hawaii's DWSRF will not be taking any funds from the FFY 2013 capitalization grant for set-asides, however, the program is requesting EPA to retain \$450,000.00 from the FFY 2013 Capitalization Grant to fund the Hawaii Loan/Grant Tracking System Assessment, Development, and Implementation (LGTS) in order to assure that the program is prepared to implement new regulatory requirements over the next several years. The FFY 2013 Capitalization Grant, less \$450,000.00 for LGTS, and the appropriate State Match amount will be dedicated to the funding of eligible construction projects as noted in the Priority List of Projects section of this Intended Use Plan. Hawaii's DWSRF is also proposing to bank 16 percent (\$1,347,360.00) of the FFY 2013 Capitalization Grant in the loan fund, which may be taken from future Capitalization Grants for set-asides.

B. DWSRF PROJECT ELIGIBILITY

The DWSRF Program will fund drinking water projects, which are eligible for DWSRF consideration. The project categories include:

- Projects to correct acute health problems;
- Projects to correct chronic health problems; and
- Projects to meet other public health criteria.

C. FINANCING GUIDELINES FOR GOVERNMENT- (STATE AND COUNTY) OWNED PUBLIC WATER SYSTEMS

Hawaii's DWSRF Program will provide low-interest loans for construction of eligible drinking water projects within the State. Project priority will be determined by program guidelines as detailed in Section V, "Priority List of Projects and Project Selection Procedures" in this Intended Use Plan.

In most cases, loans to eligible projects are made under terms and conditions effective at the time of financing. The following guidelines are currently in place at this time.

- Loans to eligible projects, using the currently available DWSRF funds, can be for 100 percent financing of the allowable project costs.
- Except for disadvantaged communities, loan repayment periods will be limited to a maximum of 20 years, with repayment installments to be made semi-annually. Disadvantaged communities may extend financing for up to 30 years. See the Disadvantaged Communities section in this IUP for details.
- DWSRF loan rates will remain fixed over the life of the loan.
- The DWSRF total annual loan rates will follow a tiered structure based on loan amounts. The total loan rate is composed of the loan fee and interest rate, as shown in the following table. These rates are in place until June 30, 2014 and may be adjusted depending on the ability of the fund to remain in perpetuity.

Total Loan Rate (%)	Interest Rate (%)	Loan Fee (%)	Project Loan Amount (\$)
1.00	0.00	1.00	Over 8 million
1.50	0.50	1.00	4 million to 8 million
2.00	1.00	1.00	Less than 4 million

- Administrative loan fees will be equivalent to the outstanding principal balance of the loan multiplied by a semi-annual rate of one-half percent (0.50%), to be computed based on, and be payable on, the same dates that corresponding repayments of the principal and interest on the loan are due.
- The principal amortization for most DWSRF loans will begin one year after the Notice to Proceed (NTP) or the date of the final loan agreement, whichever is later.

D. STATUS OF DWSRF FUNDS

The "Sources and Uses of DWSRF Funds" are summarized in Appendix A and identify Hawaii's total funding sources and uses for SFY 2014. This report is based on the DWSRF Program's receipt of:

1. Sources:

- The FFY 2013 Federal Capitalization Grant totaling \$8,421,000.00;
- The 2013 Hawaii State Legislature Projected Match of \$1,795,000.00;
- The transfer of \$480,000.00 from the 15 percent set-aside taken from the FFY 2010 capitalization grant;
- The transfer of \$350,000.00 from the 15 percent set-aside taken from the FFY 2011 capitalization grant;
- The transfer of \$27,000.00 from the 2 percent set-aside taken from the FFY 2011 capitalization grant.
- The estimated uncommitted DWSRF funds on June 30, 2013 is projected to total \$34,776,599.82;
- The projected DWSRF loan repayments (Principal and Interest) in SFY 2014 is projected to total \$5,457,122.56;
- The projected DWSRF investment interest in SFY 2014 to total \$183,798.72;

Loan Fees: On May 17, 2000, the State adopted Chapter 11-65, Hawaii Administrative Rules, entitled "Environmental State Revolving Funds." These rules establish fees for loans and other financial assistance from the DWSRF. On November 7, 2011 these rules were revised in which the annual maximum loan fee of 3.25 percent may be charged to DWSRF loans was established and the limit on the fees collected for the DWSRF administrative loan fee account was increased to \$2 million. At the end of each fiscal year, any funds within the DWSRF administrative loan fee account, less encumbrances, in excess of \$2 million will be transferred to the DWSRF repayment accounts to be use for DWSRF loans. There are two classes of loan fees:

(a) Program Fees: The State utilizes Program Fee monies only to cover DWSRF program administrative costs. Administrative activities include the costs of processing, issuing and servicing loans, supporting engineering services, financial and legal consulting fees, reimbursement for support services from the State, and other DWSRF activities.

Program Loan Fees collected (SFY 2012)	\$732,602.20
Actual Expenses incurred (SFY 2012) ¹	\$0.00
Program Loan Fees projected (SFY 2013)	\$736,718.48
Program Loan Fees projected (SFY 2014)	\$694,540.16

¹ Actual expenses incurred are based on State of Hawaii, Financial Accounting & Management Information System (FAMIS)

(b) Non-Program Fees: The State may utilize Non-Program Fees to primarily support DWSRF Administrative activities, secondary to support the DWSRF loan fund, and then if available or applicable to support the Public Water System Supervision Program and other Safe Drinking Water Branch activities.

Non-Program Loan Fees collected (SFY 2012)	\$1,758,750.71
Actual Expenses incurred (SFY 2012)	\$26,436.05
Non-Program Loan Fees projected (SFY 2013)	\$1,643,060.49
Non-Program Loan Fees projected (SFY 2014)	\$1,528,419.92

2. Uses:

- Projected DWSRF Administrative expenses (4% set-aside) in SFY 2014 total \$685,574.00;
- Projected State Program Management expenses (10% set-aside) in SFY 2014 total \$830,000.00;
- Projected Small Systems Technical Assistance expenses (2% set-aside) in SFY 2014 total \$12,500.00;
- Projected Local Assistance and Other State Programs expenses (15% set-aside) in SFY 2014 total \$483,924.00; and
- Projected Loans (expected to be executed) in SFY 2014 to total \$61,610,000.00.

IV. SET-ASIDE ACTIVITIES

The Act allows each state to set-aside up to 31 percent of its federal capitalization grant to support various drinking water program activities including administration, state program management, technical assistance and other special activities. Hawaii will not set-aside any funds from the FFY 2013 Capitalization Grant. Banking set-asides in the loan fund allows the funds to be used for loans now and reserves Hawaii’s authority to take these funds from future capitalization grants for the purposes described in Table 2 and the narrative below. Hawaii will bank 16 percent of the FFY 2013 Capitalization Grant into the loan fund. The cumulative banked set-asides for FFY 1997-2013 Capitalization Grant Funds will total \$5,110,660.00.

Hawaii will submit detailed workplans to EPA for approval before funds are expended on these activities. Hawaii will report on the progress of these set-aside activities to EPA in the annual performance status reports.

Table 2. Set-Asides Overview

SDWA Act Set-Aside Reference	Set-Aside Activity	Set-Aside FFY 2013 Capitalization Grant Funds	Banked Set-Aside FFY 2013 Capitalization Grant Funds	Banked Set-Aside FFY 1997-2012 Capitalization Grant Funds
Section 1452 (g) (2) – (4%)	DWSRF Administration Fund	\$0.00	\$336,840.00	\$0.00
Section 1452 (g) (2) – (10%)	State Program Management	\$0.00	\$842,100.00	\$2,986,500.00*
Section 1452 (g) (2) – (2%)	Small Systems Technical Assistance	\$0.00	\$168,420.00	\$776,800.00
Section 1452 (k) – (15%)	Local Assistance and Other State Programs	\$0.00	\$0.00	\$0.00
Total Set-Asides		\$0.00	\$1,347,360.00	\$3,763,300.00*
Total Banked Set-Asides FFY 1997-2013 Capitalization Grant Funds			\$5,110,660.00*	

* Corrected amounts. \$822,900.00 from Banked 10 Percent Set-Aside was erroneously subtracted in this column in the SFY 2013 IUP.

A. DWSRF ADMINISTRATION FUND (4% SET-ASIDE)

Section 1452(g)(2) of the Act allows up to four percent of the DWSRF Capitalization Grant to be set-aside for administration of the DWSRF program. Hawaii will bank all of the four percent set-aside (\$336,840.00) from the Capitalization Grant this year to support administrative activities. Administrative functions include the development, implementation and review of DWSRF program processes and documentation needs that may include, but are not limited to, financial, managerial, and legal consultation, DWSRF set-aside and funds accounting, application review, public assistance, audits, information system maintenance, record retention and filing, environmental review, development of the Intended Use Plan and Priority List of Projects, budget, workplan, plans and specifications review and approval, construction inspections and staff training.

B. STATE PROGRAM MANAGEMENT (10% SET-ASIDE)

Section 1452(g)(2) of the Act allows up to ten percent of the DWSRF Capitalization Grant to be set-aside to support Public Water System Supervision program activities and other initiatives of the Act. Hawaii will bank all of the ten percent set-aside (\$842,100.00) from the FFY 2013 Capitalization Grant to support these activities.

These funds support activities, which are important for the State Program to maintain primary enforcement authority, and strengthen the State’s Public Water System Supervision program. Activities covered under the State Program Management set-aside include, but are not limited to, Public Water System Supervision program activities, capacity development, operator certification, sanitary surveys, regulation development and contracts for conducting sanitary surveys, security training, cross-connection training, and quality assurance and quality control measures.

C. SMALL SYSTEMS TECHNICAL ASSISTANCE (2% SET-ASIDE)

Section 1452(g)(2) of the Act allows up to two percent of the DWSRF Capitalization Grant to be set-aside to support Small Systems Technical Assistance activities. Hawaii will bank all of the two percent set-aside (\$168,420.00) from the Capitalization Grant to support these activities.

These funds will be saved to provide future assistance to public water systems serving fewer than 10,000 people or 89 percent of the public water systems in Hawaii. Activities under this set-aside include helping systems prepare their DWSRF loan applications, assistance with improving their technical, financial, and managerial capability, training, and planning, technical assistance via sanitary survey follow-ups, direct on-site assistance and a Circuit Rider program to address any necessary improvements to the water system.

D. LOCAL ASSISTANCE AND OTHER STATE PROGRAMS (15% SET-ASIDE)

Section 1452(k) of the Act allows up to 15 percent of the Capitalization Grant to be set-aside to support Local Assistance and Other State Programs. Hawaii will not take any of the fifteen percent set-aside from the Capitalization Grant this year to support these activities.

Activities under this set-aside include, but are not limited to, wellhead protection and related source water protection activities (such as, creating local source water protection advisory committees, development of source water protection plans and strategies, and implementing protection activities including outreach and educational programs); technical, financial and managerial capacity development and related activities, which may include vulnerability assessments, contingency and emergency response plans, and fencing and security cameras for protecting drinking water sources; technical assistance via sanitary survey follow-ups and direct on-site assistance to address any necessary improvements to the water system and a Circuit Rider program to address any necessary improvements to the water system. In addition, Hawaii will utilize past Capitalization Grants 15% set-aside funds to support any or all of the activities listed here. None of the individual activities listed will exceed ten percent of any particular year's Capitalization Grant.

V. PRIORITY LIST OF PROJECTS AND PROJECT SELECTION PROCEDURES

A. PRIORITY LIST OF PROJECTS

Any project considered for funding must be listed on the Priority List of Projects. The *DWSRF Priority List of Projects for SFY 2014* is presented in Appendix B. In November 2012, the SDWB DWSRF Program sent a letter to water purveyors to submit proposed projects for DWSRF funding. The Priority List of Projects was developed by evaluating the proposed projects based on the Project Selection Procedures and DWSRF Rating Criteria. The priority ranking system is applicable for projects to be funded through the DWSRF program. Amendments to the Project Selection Procedures and DWSRF Rating Criteria will be considered as appropriate to reflect the changing character of the Program. The *DWSRF Project Rating Criteria* is found in Appendix C.

Projects with an executed binding commitment are required to have an executed final loan agreement within one year of the binding commitment date, otherwise, DWSRF funds committed to those projects may be reallocated to other ready-to-proceed projects.

B. PROJECT SELECTION PROCEDURES

The State of Hawaii utilizes a ranking system to establish the order in which eligible projects will be financed. Projects are ranked based on the relative impact of the project in achieving the objectives of the Act. In general, priority is given to current construction projects that facilitate compliance with national primary drinking water regulations applicable to the system or otherwise significantly further the health protection objectives of the Act.

The Priority List of Projects is developed and updated each year and placed in the Intended Use Plan. The Intended Use Plan is then made available for public review and comment each year.

As required by the Act Amendments of 1996, the priority ranking system attempts to assign the highest priority to those projects, which:

1. Address the most serious risk to human health;
2. Are necessary to ensure compliance with the requirements of the Act; and
3. Assist systems most in need, on a per household basis.

Projects are ranked against all other projects competing for funds using the DWSRF Project Rating Criteria. While points are primarily assigned on a basis of the health problems or the Act compliance issue being addressed by a project, a final criterion is reserved for determining the priority of eligible projects with the same point totals. The Act amendments of 1996 require that 15 percent of the monies available for funding projects each fiscal year must go to public water systems that serve 10,000 or fewer persons (small public water systems). Thus, the highest ranking small public water system project that will be ready-to-proceed in that fiscal year will be selected to satisfy the minimum 15 percent level. In the event that there are no projects that meet these criteria, DOH will make this portion of the fund available to all other public water systems. This will ensure that the funds are allocated as expeditiously as possible and are efficiently utilized.

Due to the limited amount of funds available and the anticipated demand for low-interest loans, the DWSRF emphasizes the financing of construction projects addressing public health protection and compliance.

C. TIE-BREAKING PROCEDURE

The following procedure is used for the purpose of breaking ties between projects at the time of evaluation.

1. If the tie is between public water systems with service populations greater than 10,000 persons (large public water system) and public water systems with service populations of 10,000 or fewer persons (small public water system), the small water systems will be given the higher priority.
2. For small public water systems, the tie will be broken through the evaluation of the affected population's Median Household Income. The higher priority will be assigned to the public water system with the lowest Median Household Income. Where this fails to clearly determine project rank, the highest priority will be assigned to the project, which exhibits the highest cost per person, based on the system's population.
3. Similarly, for large public water systems, the tie will be broken through the evaluation of the affected population's Median Household Income. The higher priority will be assigned to the public water system with the lowest Median Household Income. Where this fails to clearly determine project rank, the highest priority will be assigned to the project, which exhibits the highest cost per person, based on the system's population.

D. BYPASS PROCEDURE

The DOH will work with the highest ranked public water systems to ensure that the highest ranked projects are funded first.

However, the final funding selection of drinking water projects from the Priority List of Projects will be based primarily on the project's "readiness-to-proceed." If, for whatever reason, a public water system is not ready-to-proceed with construction in a timely fashion, the DOH may select a lower ranking project for funding based on its ability to proceed in a timely manner. This "bypass" procedure is necessary to ensure that the available funds will be disbursed in a timely manner.

The DOH reserves the right to fund lower priority projects over higher priority projects if in the opinion of DOH, a higher priority project has not taken the steps necessary to expeditiously prepare for funding and initiation of construction (e.g. DOH has not received an approved application, project is not ready-to-proceed with construction, or the public water system withdraws its project for consideration). If a project must be bypassed because it has been delayed, it will be given high priority for funding as soon as it is ready and funds become available. The DOH may also raise the priority of a project on the Priority List of Projects in the case of an emergency or natural disaster, such as a landslide, hurricane, flood, earthquake, etc.

Categorical Green Projects identified in the *DWSRF Priority List of Projects for SFY 2014* may be funded ahead of non-Categorical Green Projects.

Currently, the DWSRF Program will not be providing funding for project refinancing. Projects previously on the DWSRF list for which construction has been completed, per consultation with the SDWB, and loan application processing was not initiated prior to or during construction, have been removed from the Priority List of Projects. In order to receive DWSRF funding, all projects must comply with the DWSRF and State Environmental Review Process prior to commencement of construction.

E. DISADVANTAGED COMMUNITIES

The DWSRF is authorized to provide up to 30 percent of the Capitalization Grant for any fiscal year to assist disadvantaged communities. A disadvantaged community is currently defined as a public water system's community with a county MHI less than the State's MHI of \$66,420, as demonstrated in the 2010 Census;

The Hawaii DWSRF program may assist disadvantaged communities by allowing county-owned water systems in such communities to extend financing of DWSRF loans up to thirty years.

F. FUNDABLE LIST OF PROJECTS

For the SFY 2014, projects listed in Table 3 may be funded up to 100 percent of the eligible construction cost from the *DWSRF Priority List of Projects for SFY 2014* based on potential available funds and readiness-to-proceed. For more specific information on the projects listed in this table, see Appendix B.

Table 3. Fundable List of Projects

Rank	Project No.	Owner	Project Name	Green Project Reserve Type	Estimated Construction Date	Estimated Construction Cost
7	DW247-0004	Maui DWS	Piiholo Water Treatment Plant Improvements - Organic Carbon Reduction		SFY 2012	\$ 7,500,000
21	DW215-0004	Maui DWS	Olinda Water Treatment Plant - Relining of the 8.5 MG Sedimentation Basin	Water Efficiency	SFY 2012	\$ 1,500,000
2	DW133-0003	Hawaii DWS	Kukuihaele Production Well and Supporting Facilities		Jan-13	\$ 1,500,000
17	DW161-0002	Hawaii DWS	Ahualoa-Honokaa Transmission Waterline	Water Efficiency	Jan-13	\$ 7,200,000
31	DW213-0015	Maui DWS	Haliimaile Tank Replacement	Water Efficiency	Feb-13	\$ 700,000
33	DW212-0009	Maui DWS	Wailuku Well Development	Energy Efficiency (Categorical)	SFY 2013	\$ 3,600,000
34	DW212-0011	Maui DWS	Maui Meadows Booster Pump Station #18 Improvements	Energy Efficiency (Categorical)	SFY 2013	\$ 1,500,000
39	DW331-0062	Hon BWS	Kamehameha Highway 16-Inch and 8-Inch Mains (Heeia)	Water Efficiency	SFY 2013	\$ 7,800,000
48	DW331-0068	Hon BWS	Energy Efficiency Improvements at BWS Facilities	Energy Efficiency (Categorical)	SFY 2013	\$ 500,000
53	DW107-0002	Hawaii DWS	Papaikou Transite & G.I. Pipeline Replacement	Water Efficiency	SFY 2013	\$ 4,200,000
85	DW331-0052	Hon BWS	Mapunapuna Water System Improvements, Part I		SFY 2013	\$ 3,370,000
93	DW331-0059	Hon BWS	Woodlawn Drive 8-Inch Main		SFY 2013	\$ 2,000,000
95	DW331-0042	Hon BWS	Foster Village Water System Improvements, Part III		SFY 2013	\$ 1,240,000
38	DW214-0014	Maui DWS	Mahinahina Well #1 Development	Energy Efficiency (Categorical)	Aug-13	\$ 9,000,000
1	DW133-0004	Hawaii DWS	Kapulena Well Development Phase 2 (Production Well and 0.3 MG Reservoir)		Jan-14	\$ 3,500,000
16	DW212-0016	Maui DWS	Wailuku Well #2 Exploratory		Feb-14	\$ 500,000
29	DW213-0014	Maui DWS	Paia-Kuau Water System Improvements	Water Efficiency	Mar-14	\$ 3,000,000
45	DW331-0063	Hon BWS	Kapiolani Boulevard 12-Inch Main	Water Efficiency	SFY 2014	\$ 3,000,000
Total						\$61,610,000.00

VI. ASSURANCES AND PROPOSALS

A. ENVIRONMENTAL REVIEW

Applicants are responsible for conducting environmental assessments as defined by Chapter 343, Hawaii Revised Statutes, entitled “Environmental Impact Statements,” and outlined in “A Guidebook for the Hawaii State Environmental Review Process.” The DWSRF Program will review each Applicant’s progress in this process. The DWSRF Program reserves the right to refuse any SRF loan to any Applicant for any reason if it feels that the proposed project has the potential to impact the environment in ways that the Applicant has not considered or has not addressed through mitigation measures.

B. FEDERAL CROSS-CUTTERS

The State will ensure that all federal cross-cutters are addressed within the loan agreement prior to the finalization of the agreement. All projects seeking DWSRF assistance must have been and/or be constructed following all federal cross-cutters and other DWSRF environmental requirements.

C. BINDING COMMITMENT

Hawaii’s DWSRF Program will enter into binding commitments in an amount equal to the amount of each Capitalization Grant payment (Capitalization Grant less set-aside amounts) and accompanying State Match that is deposited into the Loan Fund. These commitments must be initiated within one year after receipt of each Capitalization Grant payment.

D. TIMELY EXPENDITURE

The State will expend all funds in the DWSRF loan fund in a timely and expeditious manner.

VII. DWSRF-CWSRF FUND TRANSFER

The Hawaii SRF programs reserve the right to transfer up to 33 percent of the DWSRF Capitalization Grant to the Clean Water State Revolving Fund (CWSRF), or an equivalent amount from the CWSRF to the DWSRF, as needed. The State of Hawaii passed legislation that allows the programs to transfer the funds if needed. At this time, the programs are not planning to transfer funds in SFY 2014.

VIII. U.S. ENVIRONMENTAL PROTECTION AGENCY STRATEGIC PLAN GOALS AND OBJECTIVES

The Hawaii DWSRF Program supports the National EPA Strategic Plan Goal 2 (Protecting America’s Waters), Objective 2.1 (Protect Human Health), and Strategic Measure (Water Safe to Drink) as listed below. Specifically, Hawaii has established and manages the revolving loan fund that provides low-cost loans and other types of assistance to water systems by financing the cost of infrastructure projects to achieve or maintain compliance with the Act requirements. Hawaii DWSRF activities support EPA Program Reporting Code 201B81E. Every summer, Hawaii and EPA negotiate Hawaii’s Strategic Plan commitments for the State Fiscal Year starting July 1. Hawaii’s commitments for SFY 2014 will be submitted by August 2013.

Strategic Plan Goal 2: Protecting America's Waters

Strategic Plan Objective 2.1: Protect Human Health – Reduce human exposure to contaminants in drinking water, fish, and shellfish and recreational waters, including protecting source waters.

Strategic Measure: Water Safe to Drink – By 2015, 90 percent of community water systems will provide drinking water that meets all applicable health-based drinking water standards through approaches including effective treatment and source water protection.

All planned and prior year loans have assisted public water systems to meet the federal and state drinking water compliance requirements. Details of Hawaii's DWSRF activities supporting the National EPA Strategic Plan will be included in the DWSRF Annual Report published in September of each year. A summary of loan activity for the fiscal year will be included in the report as well as details for each project. Project details will include a brief description and benefit of the project, project number, dollar amount and population served for projects financed, and the interest rate for each loan.

APPENDIX A
SOURCES AND USES OF DWSRF FUNDS FOR SFY 2014

APPENDIX A

SOURCES AND USES OF DWSRF FUNDS FOR SFY 2014

I. SOURCES

FFY 2013 DWSRF Capitalization Grant Appropriation (estimated)	\$8,421,000.00	
Transfer of FFY 2010 15 Percent set-aside	\$480,000.00	
Transfer of FFY 2011 15 Percent Set-Aside	\$350,000.00	
Transfer of FFY 2011 2 Percent Set-Aside	\$27,000.00	
Less (Total Set-Asides for FFY 2013):		
1. DWSRF Administration Fund (4% Set-Aside)	\$0.00	
2. State Program Management (10% Set-Aside)	\$0.00	
3. Small Systems Technical Assistance (2% Set-Aside)	\$0.00	
4. Local Assistance & Other State Programs (15% Set-Aside)	\$0.00	
5. LGTS	\$450,000.00	
TOTAL FFY 2013 FEDERAL FUNDS AVAILABLE FOR LOANS		<u>\$8,828,000.00</u>
Projected 20% State Match from the 2012 State Legislature	\$1,795,000.00	
TOTAL DWSRF LOAN FUNDING RESOURCES		<u>\$10,623,000.00</u>
Estimated Uncommitted DWSRF funds at June 30, 2013	\$34,776,599.82	
Projected cash in from loan repayments for the period July 1, 2013 to June 30, 2014	\$5,457,122.56	
Projected cash in from investment interest earnings for the period July 1, 2013 to June 30, 2014	\$183,798.72	
Total Estimated Sources of Funds		<u>\$51,040,521.10</u>

II. USES

Projected Loans (expected to be executed) from July 1, 2013 to June 30, 2014	\$61,610,000.00	
TOTAL ESTIMATED USES OF FUNDS		<u>\$61,610,000.00</u>
TOTAL ESTIMATED FUNDS BALANCE		(\$10,569,478.90)

APPENDIX B
DWSRF PRIORITY LIST OF PROJECTS FOR SFY 2014

**Appendix B
DWSRF Priority List of Projects for SFY 2014**

No.	Points	DWSRF Project No.	Public Water System	Population	Owner	Project (Name and Description)	Green Project Reserve Type	Expected Construction Start Date	Estimated Construction Cost
1	170	DW133-0004	#133 DWS Kukuiahae	463	Hawaii DWS	Kapulena Well Development Phase 2 (Production Well and 0.3 MG Reservoir): Outfit exploratory well into a production well to replace Waiuilii Springs (a GWUDI source) and the existing Kukuiahae Well (low sustainable yield ~ 50 gpm and high total chlorid levels) with a new groundwater source. Project includes new 0.3 MG reservoir and new waterlines to connect the Kapulena Well with the existing Kukuiahae reservoir (0.1 MG) and also provide fire protection.		Jan-14	\$ 3,500,000
							100		
2	160	DW133-0003	#133 DWS Kukuiahae	492	Hawaii DWS	Kukuiahae Production Well and Supporting Facilities: Replacement source for Waiuilii Spring, which has atrazine and indication of possible surface water influence. <i>(Binding commitment executed)</i>		Jan-13	\$ 1,500,000
3	155	DW130-0003	#130 DWS South Kohala	11,927	Hawaii DWS	Waimea WTP Microfiltration: Microfiltration plant for compliance with Enhanced Surface Water Treatment Rule and Disinfection/Disinfectants Byproducts Rule.		SFY 2013	\$ 10,000,000
4	140	DW412-0003	#400 DOW Lihue-Kapaa	27,055	Kauai DOW	Job No. 97-1, PLH-02, PLH-42, Kokolau Tunnel Water Treatment Plant Construction and Pipeline Replacement: The Department plans to renew the Kokolau Tunnel gravity water source. The tunnel was previously used as a drinking water source until it was determined to be under the influence of surface water and is currently off-line. The project consists of constructing a new membrane type treatment plant at the existing Grove Farm Tank Site and replacing a segment of leaky concrete pipeline in between the tunnel and the proposed WTP. This project will bring this water source into compliance with the Safe Drinking Water Act for groundwater sources under the influence of surface water. Furthermore, our estimates show that we can offset approximately 300,000 kWh/year in pumping costs by taking advantage of the high level gravity source and utilizing membrane type treatment technology.	Water Efficiency	Dec-12	\$ 4,500,000
5	140	DW413-0003	#400 DOW Lihue-Kapaa	27,055	Kauai DOW	Job No. 02-24, WK-02 Akulikuli Tunnel Repairs, Water Treatment Plant Construction and Pipeline Replacement The Department plans to renew the Akulikuli Tunnel gravity water source. The tunnel was used as a drinking water source until it was determined to be under the influence of surface water and is currently off-line. The project consists of repairing tunnel portals, constructing a new membrane type treatment plant at the existing Ornellas Tank Site and pipeline replacement between the tunnel and proposed WTP. This project will bring this water source into compliance with the Safe Drinking Water Act for groundwater sources under the influence of surface water. Furthermore, our estimates show that we can offset approximately 450,000 kWh/year in pumping costs by taking advantage of the high level gravity source and utilizing membrane type treatment technology.		Dec-12	\$ 4,500,000
6	135	DW103-0001	#103 DWS Ninole	151	Hawaii DWS	Ninole Well "A" (Replace Chaves Spring): Replacement source for Chaves Spring, which has atrazine.		SFY 2013	\$ 2,000,000
7	135	DW247-0004	#247 DWS Lower Kula	3,246	Maui DWS	Piiholo Water Treatment Plant Improvements - Organic Carbon Reduction: Reduce total organic carbon levels to help lower disinfection byproducts. <i>(Binding commitment executed)</i>		SFY 2012	\$ 7,500,000
8	130	DW214-0008	#214 DWS Lahaina	18,598	Maui DWS	Mahinahina Water Treatment Facility Retrofit: Retrofit WTF from multimedia to membrane filtration to achieve positive barrier to enhance water quality.		SFY 2015	\$ 11,121,000
9	115	DW129-0001	#129 DWS North Kohala	4,822	Hawaii DWS	Halaula Well Development Phase 1: Replacement source for Bond Tunnel to comply with the Lead and Copper Rule. Construction of potable water well, 0.5 MG reservoir, chlorine/control building, electrical and site improvements, and other supporting facilities. <i>(Binding commitment executed)</i>		Jan-12	\$ 2,200,000
10	115	DW434-0006	#434 DOW Kalaheo	15,108	Kauai DOW	Job No. 11-11, K-17, Puuwai Water Treatment Plant: Renew the Puuwai gravity water source utilizing surface water from Alexander Dam reservoir. This project will bring this source into compliance with the Safe Drinking Water Act for treated surface water. Estimates show that the Department can offset approximately 500,000 kWh/year in pumping costs by taking advantage of the high level gravity source and utilizing membrane technology.	Energy Efficiency (Categorical)	Dec-12	\$ 4,500,000
11	110	DW214-0006	#214 DWS Lahaina	18,598	Maui DWS	Honokahua Well "A" GAC Treatment Installation of Granular Activated Carbon Adsorption System to provide treatment for the removal of DBCP from well serving Mahinahina (Lahaina) system.		SFY 2015	\$ 2,500,000
12	110	DW335-0011	#335 BWS Waipahu-Ewa-Waianae	175,326	Hon BWS	Waipio Heights Wells and Wells I GAC System: Install granular activated carbon units at Waipahu Wells III and approximately 4,000 linear feet of 16-inch main and appurtenances to connect Waipio Heights Wells and Wells I with Waipahu Wells III facility for water treatment.		SFY 2015	\$ 3,240,000
13	105	DW108-0001	#108 DWS Waiohinu-Naalehu	3,033	Hawaii DWS	Waiohinu Well (Replace Mountain House Tunnel & Hao Spring): Replacement source for Mountain House Tunnel & Hao Springs, which are not reliable during drought & indication of possible surface water influence.		Jul-06	\$ 2,000,000
14	105	DW233-0001	#233 DWS Ualapue	1,031	Maui DWS	Ualapue Well Replacement: Installation of replacement source for Ualapue System, which has increasing chloride levels and may be susceptible to becoming a groundwater under the influence of surface water.		SFY 2014	\$ 3,500,000

**Appendix B
DWSRF Priority List of Projects for SFY 2014**

No.	Points	DWSRF Project No.	Public Water System	Population	Owner	Project (Name and Description)	Green Project Reserve Type	Expected Construction Start Date	Estimated Construction Cost
15	105	DW215-0011	#215 DWS Upper Kula	6,918	Maui DWS	Olinda Water Treatment Facility- Organic Carbon Reduction: Provide design to reduce organic carbon in the raw water prior to treatment at the Olinda WTF		Feb-15	\$ 4,000,000
16	105	DW212-0016	#212 DWS Wailuku	68,054	Maui DWS	Wailuku Well #2 Exploratory: Construct a new exploratory well to allow spreading of pumping from the Iao Aquifer. This well will be one well to serve as a replacement of existing Shaft 3C		Feb-14	\$ 500,000
17	90	DW161-0002	#161 DWS Haina	2,316	Hawaii DWS	Ahualoa-Honokaa Transmission Waterline: Construct a waterline from the proposed Ahualoa production well to the Haina system to help transport the new groundwater source to the system. Replace existing pipeline prone to breaks and leaks. <i>(Binding commitment executed)</i>	Water Efficiency	Jan-13	\$ 7,200,000
18	90	DW217-0004	#217 DWS Hana	1,134	Maui DWS	Hamao to Koali Waterline Project: Replace 2,000 LF of inadequate and leaking pipeline with 8-in waterline to serve the Koali area of Hana.	Water Efficiency	SFY 2015	\$ 1,000,000
19	90	DW402-0001	#402 DOW Anini	156	Kauai DOW	ANI-01a&b, Anini Kalihiwai Pipeline: Replace approximately 15,000 feet of pipeline. The Department of Water proposes to construct a new transmission waterline from its Kilauea-Waipake-Kalihiwai Water System to provide water supply to current DOW customers. The transmission route will be located along Kuhio Highway, Kalihiwai Road, crossing underneath Kalihiwai Stream, and Anini Road. In addition to supplying customers directly along the transmission route, the waterline will also reconnect to waterlines along Kalamania Road, Koahe Road, and Kalihiwai Valley Road. The purpose of the project is twofold. Firstly, it will provide fire flow protection to several locations along the transmission route, which the current waterlines are not capable of doing. Secondly, it will replace the water supply to current DOW customers along Anini Road and Kalihiwai Valley Road, which is currently provided by another water purveyor (Princeville Utilities) through financial agreements with DOW, thereby providing greater system security by affording DOW complete control over the water system.	Water Efficiency	Dec-13	\$ 10,000,000
20	90	DW160-0001	#160 DWS Lalamilo	1,903	Hawaii DWS	Puako Waterline Replacement: Replace approximately 4,600 LF of 8" diameter waterline, 2,700 LF of 12" diameter waterline, and upsize approximately 3,600 LF of 8" diameter to 12" diameter waterline. Existing waterlines are old, deteriorating, and subject to leakage.	Water Efficiency	SFY 2013	\$ 1,500,000
21	90	DW215-0004	#215 DWS Upper Kula	6,918	Maui DWS	Olinda Water Treatment Plant - Relining of the 8.5 MG Sedimentation Basin: Replace the existing leaking lining of the sedimentation basin. Joints along the concrete floor and walls will be repaired. <i>(Binding commitment executed)</i>	Water Efficiency	SFY 2012	\$ 1,500,000
22	90	DW215-0012	#215 DWS Upper Kula	6,918	Maui DWS	Piihola WTF Control Upgrades: Replace existing auto control system with new control/operation system	Energy Efficiency	Oct-13	\$ 1,300,000
23	90	DW400-0004	#400 DOW Lihue-Kapaa	27,055	Kauai DOW	Job No. PLH-03, Kahili Horizontal Directional Drilled Well: This project is for the purpose of reducing power costs by developing water that doesn't need electricity to produce potable water. The scope of the project is to drill horizontally into the Ridge on the south side of Iole Stream to develop dike water. This water would come out at the 1100 to 1200 foot elevation with a pressure of up to 1200psi. This pressure would be monitored so the supply is taken at a sustainable rate of an expected 2-5 million gallons per day rate, which would replace existing sources. Eliminating existing source has the potential of reducing the power cost for DOW by 20-40% or about \$0.6-\$1.2 million per year. At this location in the forest reserve there is high expectation of the water having no chemical contaminants or VOC's. Expected cost is \$12 million to drill, case and test the well. Length of the hole would be about 9000 feet and would be 18 inch in diameter if the maximum amount of water is developed. A transmission line to bring the water to the Lihue system would need to travel about 6 miles. Cost would depend on flow rate. <i>(Binding commitment executed)</i>	Energy Efficiency (Categorical)	Jan-12	\$ 15,000,000
24	90	DW400-0007	#400 DOW Lihue-Kapaa	27,055	Kauai DOW	WK-11, Upper Wailua Houselots Booster Pump Station and Pipeline Replacements: Construct a 200 gpm booster pump station and the replacement of approximately 3,500 feet of pipeline for the upper Wailua Houselots community.	Water Efficiency	Dec-13	\$ 7,000,000
25	90	DW400-0003	#400 DOW Lihue-Kapaa	27,055	Kauai DOW	PLH-26, Isenberg Camp Main Replacements, Lihue: Replace approximately 12,500 feet of pipeline along Fujii, Inouye, Hiraoka, Jerves, Nakamura, Kanaolu, Eha, Eono, Elima, Ekoru Streets, Maalo, Noi, Laukini Roads, Lihue	Water Efficiency	Dec-13	\$ 3,500,000
26	90	DW400-0006	#400 DOW Lihue-Kapaa	27,055	Kauai DOW	WK-33, Kahuna Road 12" Main Replacement, Kapaa Homesteads: Replace approximately 9,500 feet of 12" pipeline along Kahuna Road for the Kapaa Homesteads community	Water Efficiency	Dec-13	\$ 3,000,000
27	90	DW400-0009	#400 DOW Lihue-Kapaa	27,055	Kauai DOW	WK-01, Rehabilitate Moalepe Tunnel and Improve Access Road The Department is currently using Moalepe Tunnel as a source of high level groundwater. The tunnel access road, chlorination station, source tunnel entrance, etc. are in need of rehabilitation. This project helps ensure the source meets all of the requirements of the Safe Drinking Water Act. The Department saves approximately 400,000 kWh/year in pumping costs by taking advantage of this high level water source.		Dec-12	\$ 1,500,000
28	90	DW412-0002	#400 DOW Lihue-Kapaa	27,055	Kauai DOW	Puhi Well No. 2 & 3 CO2 Removal: Installation of forced draftway aeration with the use of existing soda ash system for stabilizing the stripped water (Lead and Copper Rule).		Dec-13	\$ 305,000

Appendix B
DWSRF Priority List of Projects for SFY 2014

No.	Points	DWSRF Project No.	Public Water System	Population	Owner	Project (Name and Description)	Green Project Reserve Type	Expected Construction Start Date	Estimated Construction Cost
29	90	DW213-0014	#213 DWS Makawao	27,642	Maui DWS	Paia-Kuau Water System Improvements: Upgrade the existing water system by abandoning the existing 4-inch and 6-inch waterlines, which are prone to breaks and leaks, and installing new services and laterals to the existing 12-inch waterline along Hana Highway from Paia Park to Kuau.	Water Efficiency	Mar-14	\$ 3,000,000
30	90	DW213-0012	#213 DWS Makawao	27,642	Maui DWS	Hamakuapoko Wells Upgrades: Replacement of the existing well pumps and motors at the two well locations with submersible pumps and related electrical equipment. A new 100,000 gallon tank will be added with related piping.	Energy Efficiency (Categorical)	Nov-13	\$ 2,000,000
31	90	DW213-0015	#213 DWS Makawao	27,642	Maui DWS	Haliimaile Tank Replacement: Replace the existing 47,000 gallon corrugated steel lined tank with a new approximately 75,000 gallon glass lined steel tank for water storage.	Water Efficiency	Feb-13	\$ 700,000
32	90	DW212-0015	#212 DWS Wailuku	68,054	Maui DWS	Iao Surface Water Treatment Plants Upgrades: Upgrade the existing 1.2 MGD Iao Surface Water Treatment Plant. Upgrades includes a building to shelter the microfiltration units (the existing units are exposed with no building), install new microfiltration units and related filter backwash facilities for a 1.2 MGD capacity. The project will provide a reliable water treatment facility. High efficiency pumps will be installed.	Energy Efficiency (Categorical)	SFY 2016	\$ 15,000,000
33	90	DW212-0009	#212 DWS Wailuku	68,054	Maui DWS	Wailuku Well Development: Installation of a new well to replace an existing well that will be abandoned. This source will provide reliability to the Central and South Maui areas. Installation of a pump and motor along with electrical controls and transmission waterlines to connect to the existing water distribution system. <i>(Binding commitment executed)</i>	Energy Efficiency (Categorical)	SFY 2013	\$ 3,600,000
34	90	DW212-0011	#212 DWS Wailuku	68,054	Maui DWS	Maui Meadows Booster Pump Station #18 Improvements: This project will replace the two existing booster pumps and its electrical equipment. The existing pumps and electrical equipment are near the end of its service life. The project will provide a reliable pumping system to its service area.	Energy Efficiency (Categorical)	SFY 2013	\$ 1,500,000
35	90	DW434-0004	#434 DOW Kalaheo	13,581	Kauai DOW	LO-08, Koloa Road Main Replacements, Lawai: Replace approximately 1,700 feet of pipeline along Koloa Road (Alaloke Place-Piko Road), Lawai.	Water Efficiency	Dec-13	\$ 2,000,000
36	90	DW434-0008	#434 DOW Kalaheo	15,108	Kauai DOW	Job No. 11-10, K-18, 8-Inch Water Main Replacement Along Halewili Road: The Department of Water currently has a water line easement through a residential lot. This water line is in very poor condition and recently required a major repair. It is the intent of this project to eliminate this line through the residential property, provide additional/adequate flow to the service area, and relocate the water line to the public ROW. Replace ~1650 LF of pipe.	Water Efficiency	Jun-13	\$ 1,500,000
37	90	DW434-0007	#434 DOW Kalaheo	13,581	Kauai DOW	Omao Tank Micro-Turbine: The Department currently drops approximately 1 MGD of potable water from the Lawai-Omao-Piwai 677' Water System down to the 366' Koloa Water System. A bank of control valves at the Omao Tank site are used to dissipate and effecuate the energy loss. This project consists of replacing one of the existing control valves with a new parallel hydro turbine, appurtenant controls and installation of electrical transmission lines. A hydro turbine at the Omao Tank/Reservoir has the potential to generate approximately 47 kW of power and total annual power generation of approximately \$0.02/kWh. This equates to revenue in the range of \$40,000 per year by selling power to the Kauai Island Cooperative, the island electric utility.	Energy Efficiency (Categorical)	Dec-12	\$ 500,000
38	90	DW214-0014	#214 DWS Lahaina	17,967	Maui DWS	Mahinahina Well #1 Development: Development of the well to include pump installation, tank and waterline installation, well site improvements including paving, electrical/control building, and access roads to the well site.	Energy Efficiency (Categorical)	Aug-13	\$ 9,000,000
39	90	DW331-0062	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Kamehameha Highway 16-Inch and 8-Inch Mains (Heeia) : Install 16-inch mains and appurtenances along Kamehameha Highway from 250 feet south of Heeia Street to connection with 30-inch main located 1,200 feet north of Alii Bluffs Wastewater Pump Station - approx. 5,200 LF. Install 8-inch main and appurtenances along Kamehameha Highway from near fire hydrant W-955 to fire hydrant W-679 - approx. 7,400 LF.	Water Efficiency	SFY 2013	\$ 7,800,000
40	90	DW331-0060	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Ala Moana Boulevard 12-Inch Main: Install 12-inch main along Ala Moana Blvd from Ward Ave to Atkinson Dr - approx. 6,200 LF.	Water Efficiency	SFY 2016	\$ 6,820,000
41	90	DW331-0065	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Nimitz Highway 16-Inch Main : Install 16-inch mains and appurtenances along Nimitz Highway from Waiakamilo Road to Sumner Street and along Waiakamilo Road from Nimitz Highway to Hart Street - approx. 6,200 lin. ft.	Water Efficiency	SFY 2016	\$ 6,100,000
42	90	DW331-0066	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Palolo Water System Improvements, Part III : Install 12-inch mains and appurtenances along Palolo Avenue from Kiwila Street to Palolo Place and along 10th Avenue from Palolo Place to Ahe Street - approx. 5,220 LF. Install 8-inch mains and appurtenances along Kaululoa Place from Palolo Avenue to end, along Palolo Avenue from Kauhana Street to Palolo Place, along 10th Avenue from Palolo Place to Ahe street, and along Makanui place from 10th Avenue to end - approx. 4,520 LF. Install 4-inch mains and appurtenances along Holomua Place from Makanui Place to end - approx. 365 LF.	Water Efficiency	SFY 2016	\$ 4,150,000
43	90	DW331-0069	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Palolo Water System Improvements, Part IV: Install 16-inch mains and appurtenances along Pakui Street from 10th Avenue to Wilhelmina Rise 405 Reservoir, along 10th Avenue from Maluhia Avenue to Pakui Street, along Pukele Avenue from 7th Avenue to Maluhia Avenue, along 7th Avenue from Kaau Street to Pukele Avenue, along Kaau Street from Palolo Avenue to 7th Avenue and along Palolo Avenue from Kaau Street to Waialae Avenue - approx. 4,150 lin. ft. Install 12-inch mains and appurtenances along Kalua Road from Mahana Street to 10th Avenue - approx. 985 lin. ft. Install 8-inch mains and appurtenances along 9th Avenue from Paalea Street to Kiwili Street - approx. 2,410 lin. ft. Replacement of pipeline needed to reduce water main breaks and leaks.	Water Efficiency	Jul-17	\$ 4,100,000

**Appendix B
DWSRF Priority List of Projects for SFY 2014**

No.	Points	DWSRF Project No.	Public Water System	Population	Owner	Project (Name and Description)	Green Project Reserve Type	Expected Construction Start Date	Estimated Construction Cost
44	90	DW331-0061	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Kalakaua Avenue Water System Improvements, Phase III: Install 16-inch mains and appurtenances along Kalakaua Avenue from Beretania Street to Kapiolani Boulevard - Approx. 3,200 LF.	Water Efficiency	SFY 2015	\$ 3,600,000
45	90	DW331-0063	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Kapiolani Boulevard 12-Inch Main : Install 12-inch main and appurtenances along Kapiolani Boulevard from McCully Street to Date Street - approx. 3,370 LF.	Water Efficiency	SFY 2014	\$ 3,000,000
46	90	DW331-0064	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Manoa Estates Water System Improvements : Install 12-inch main and appurtenances along Waaloa Way from Waaloa Place to Manoa Chlorinator - approx. 1,630 LF. Install 8-inch mains and appurtenances along Manoa Estates Road from Pinoa Street to Waaloa Way - approx. 1,290 LF.	Water Efficiency	SFY 2016	\$ 1,310,000
47	90	DW331-0067	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Woodlawn Water System Improvements, Part II: Install 8-inch mains and appurtenances along Woodlawn Drive from Woodlawn Terrace Place to Alani Drive and along Seaview Rise from Woodlawn Drive to Paty Drive - approx. 2,630 LF.	Water Efficiency	SFY 2015	\$ 1,200,000
48	90	DW331-0068	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Energy Efficiency Improvements at BWS Facilities: Conduct energy efficiency audit and initiate energy performance contract to reduce energy consumption at BWS facilities.	Energy Efficiency (Categorical)	SFY 2013	\$ 500,000
49	90	DW400-0011	KDOW	70,000	Kauai DOW	PLH-39, Lihue Baseyard Improvements for the Department of Water: Design and construct a new DOW administration building in an environmentally conscious way which includes meeting energy and safe drinking water guidelines such as solar water heater, photovoltaic systems, rain catchment, underground retention systems, and other green aspects.	Energy Efficiency (Categorical)	Mar-13	\$ 2,000,000
50	90	KDOW-0001	KDOW	70,000	Kauai DOW	Islandwide Deep Well Pump Facility Energy Audit and Replacement of Inefficient Facility Components: The energy audit portion of the project consists of testing and analyzing the "wire-to-water" energy efficiency of all Department deep well pump stations. The second phase of the project is to plan and design the replacement of inefficient pump facility components. The final phase consists of the actual inefficient component replacements. It is anticipated that the project will result in replacing old motors with new premium efficiency motors, replacing inefficient and non-functional power factor correcting capacitors, and replacing old and inefficient deep well pump assemblies. The Department spends approximately \$3 million per year on electricity and the goal is to reduce electrical demand by at least 10%.	Energy Efficiency (Categorical)	Feb-13	\$ 500,000
51	80	DW112-0001	#112 DWS Olaa-Mountain View	664	Hawaii DWS	Olaa #2 - 0.5 MG Reservoir Replacement: Design and construct a new 0.5 MG concrete reservoir to replace the existing 0.2 MG steel Olaa #2 reservoir which is severely deteriorated and potentially poses a health and safety risk		SFY 2013	\$ 3,000,000
52	80	DW234-0003	#234 DWS Kaunakakai	3,489	Maui DWS	Kaunakakai-Kawela System Well 2: New well to replace/supplement shallow well for water quality.		SFY 2012	\$ 2,000,000
53	80	DW107-0002	#107 DWS Papaikou	2,426	Hawaii DWS	Papaikou Transite & G.I. Pipeline Replacement: Replacement of existing transite and cast iron waterline, which is old and deteriorating. Construction of dedicated pump line from Papaikou Deep well to Papaikou 0.25 MG reservoir to increase contact time. <i>(Binding commitment executed)</i>	Water Efficiency	SFY 2013	\$ 4,200,000
54	80	DW403-0002	#403 DOW Hanalei	988	Kauai DOW	H-08, (West) Hanalei Tank, Well #2 and Connecting Pipeline: Construct a 0.5 MG storage tank and drilling, testing and development of a 300 gpm potable water well with approximately 10,000 feet of pipeline and access road		Dec-13	\$ 10,000,000
55	80	DW415-0004	#415 DOW Haena-Wainiha	1,010	Kauai DOW	HW-11, Haena 0.2 MG 144' Tank and Connecting Pipeline: Construct a two hundred thousand gallon storage tank and approximately 5,000 feet of connecting pipeline and access road at Haena		Dec-13	\$ 7,000,000
56	80	DW415-0003	#415 DOW Haena-Wainiha	1,010	Kauai DOW	HW-13, Wainiha 0.1 MG 217' Tank and Connecting Pipeline: Construct a one-hundred thousand gallon storage tank and approximately 5,000 feet of connecting pipeline at Wainiha		Dec-13	\$ 7,000,000
57	80	DW415-0005	#415 DOW Haena-Wainiha	1,010	Kauai DOW	HW-12, Wainiha Well #4: Drill, test, and develop Wainiha Well #4 (100 gpm).		Dec-13	\$ 1,500,000
58	80	DW403-0003	#403 DOW Hanalei	988	Kauai DOW	H-07, Replacement of Hanalei (Princeville) Tank: Demolish and construct a 150,000 gallon storage tank at Princeville, Hanalei.		Dec-13	\$ 1,000,000
59	80	DW366-0001	#366 BWS Waialea-Sunset Beach	4,219	Hon BWS	Kamehameha Highway-Sunset Beach Water System Improvements: 16-inch Main, Pupukea Road to Waialea, Part I: Install 16" mains & appurtenances along Kamehameha Highway from F.H. C-6 (300' north of Kaunala Street) to vicinity 600 feet south of Paumalu Stream (Sunset Beach 206 Reservoir Access Road) - approx. 5,300 lin. ft.		SFY 2014	\$ 3,500,000
60	80	DW404-0004	#404 DOW Hanapepe - Eleele	4,457	Kauai DOW	Job No. HE-03a, Hanapepe (Town) Well #1 Repair and Renovations: Replace submersible motor and pump assembly, replace control building, and motor control center; improvements to site drainage and repair access road.		Dec-13	\$ 1,000,000
61	80	DW218-0002	#218 DWS Honokohau	42	Maui DWS	Honokohau Water Source Replacement: Installation of a new well or treatment facility to replace source for the Honokohau system.		SFY 2016	\$ 1,500,000

**Appendix B
DWSRF Priority List of Projects for SFY 2014**

No.	Points	DWSRF Project No.	Public Water System	Population	Owner	Project (Name and Description)	Green Project Reserve Type	Expected Construction Start Date	Estimated Construction Cost
62	80	DW247-0007	#247 DWS Lower Kula	3,246	Maui DWS	Phase 10 Booster Pump Upgrades: Replace booster pumps and related equipment at 4 booster pump stations; Pookela, Maluhia, Olinda, and Lower Kula water tanks		Aug-13	\$ 6,000,000
63	80	DW215-0009	#215 DWS Upper Kula	6,918	Maui DWS	Phase 6 Booster Pump Upgrades: Replace booster pumps and related equipment at 3 booster pump stations; Kula Kai, Middle Kimo, and Upper Kimo water tanks		Sep-13	\$ 4,000,000
64	80	DW215-0010	#215 DWS Upper Kula	6,918	Maui DWS	Kula 200 #1 Tank Replacement: Replace 25K Gal Steel Tank with equal or larger size glass lined tank		Feb-14	\$ 1,200,000
65	80	DW333-0002	#333 BWS Wahiawa	24,547	Hon BWS	Wahiawa Water System Improvements, Part I: Install 12-inch mains and appurtenances along California Avenue from Maalo Street to Mahele Street - approx. 2,100 lin. ft. Install 8-inch mains and appurtenances along California Avenue from Maalo Street to Auhili Place, Kaalalo Place, Lei Awapuhi Place, Lei Aloalo Place, Longley Place, Kukui Street, Olive Street from Kamehameha Highway to Cypress Avenue, Ohai Street, Ohai Place, Milihana Place, Koele Way, Kilani Avenue from Lehua Street to Holoku Place, Kamehameha Highway from California Avenue to Avocado Street, and along Nihuiwai Place and Hiwi Place - approx. 15,951 lin. ft.		SFY 2016	\$ 7,060,000
66	80	DW332-0005	#332 BWS Waialua	13,067	Hon BWS	Kamehameha Highway Water System Improvements, Part I (Haleiwa): Part I: Install 8-inch mains and appurtenances along Kamehameha Highway from 625 feet northeast of Fire Hydrant #C-49 to 10 feet northeast of Fire Hydrant #C-41 and along Pohaku Loa Way from Kamehameha Highway to Kamehameha Highway - approx. 6,600 lin. ft. Install 8-inch and 4-inch mains and appurtenances along a private road (TMK: 6-1-12:40) from Kamehameha Highway to end of road across of Fire Hydrant #C-501, along Punalau Place from Kamehameha Highway to end, along Ikuwai Place from Kamehameha Highway to end, along Ikuwai Way from Kamehameha Highway to end, and along various side streets - approx. 2,700 lin. ft. Install 2-inch mains along TMK 6-1-11:10, TMK 6-1-11:1, TMK 6-1-11:2, and TMK 6-1-11:15 - approx 1,150 lin. ft.		SFY 2016	\$ 7,000,000
67	80	DW332-0006	#332 BWS Waialua	13,067	Hon BWS	Kamehameha Highway Water System Improvements, Part II (Haleiwa): Install 12-inch main and appurtenances along Kamehameha Highway from Papailoa Road to approximately 300 linear feet northwest of Kawailoa Drive - approx. 2,400 lin. ft. Install 8-inch main and appurtenances along Kamehameha Highway from 16-inch main interconnection near Fire Hydrant #C-59 to approximately 550 linear feet northeast of Fire Hydrant #C-56 - approx. 4,900 lin. ft.		SFY 2018	\$ 4,900,000
68	80	DW400-0010	#400 DOW Lihue-Kapaa	27,055	Kauai DOW	PLH-36, Expansion to Grove Farm's Surface Water Treatment Plant at Hanamaulu: Expand the Grove Farm surface water treatment plant by three million gallons per day		Dec-13	\$ 10,000,000
69	80	DW400-0008	#400 DOW Lihue-Kapaa	27,055	Kauai DOW	WK-10 & WK-21, (Upper) Wailua Homesteads 1.0 MG 538' Tank, Well and Connecting Pipeline: Construct a one million gallon storage tank and drilling, testing and development of a 500 gpm potable water well with approximately 5,000 feet of pipeline and access road for the upper Wailua Homesteads community		Dec-13	\$ 7,000,000
70	80	DW400-0005	#400 DOW Lihue-Kapaa	27,055	Kauai DOW	PLH-38, Hanamaulu Tank and Connecting Pipeline: Construct a one million gallon storage tank with approximately 500 feet of pipeline and access road.		Dec-13	\$ 5,000,000
71	80	DW213-0010	#213 DWS Makawao	68,054	Maui DWS	Wind Turbine - Kamole Water Treatment Plant: Construct a wind turbine system to generate electricity. The system will produce electrical power for the water treatment plant and the high lift pumps. The system will reduce the department's dependance on Maui Electric Company and fossil fuels	Energy Efficiency (Categorical)	Jul-12	\$ 2,000,000
72	80	DW213-0011	#213 DWS Makawao	68,054	Maui DWS	Photovoltaic System - Kamole Water Treatment Plant: Construct a photovoltaic system at the Kamole Water Treatment Plant. The system will provide electrical power to the treatment plant. This will reduce the department's dependance on Maui Electric Company and fossil fuels.	Energy Efficiency (Categorical)	SFY 2013	\$ 200,000
73	80	DW212-0017	#212 DWS Wailuku	68,054	Maui DWS	Waiehu Heights Well A Refurbishment/Replacement: Refurbish or replace existing Waiehu Well A due to high chlorides and low pump capacity		Aug-15	\$ 5,200,000
74	80	DW434-0002	#434 DOW Kalaheo	13,581	Kauai DOW	Job No. 09-01, K-01, Kalaheo 1111' & 1222' Water System Improvements: Planned improvements include replacing two existing water tanks, and constructing a new production well, new transmission main, booster pump upgrade, relocation of existing pressure reducing valve stations, and modifying a booster pump station affected by the upgrades. These improvements are needed to adequately serve the current and future Kalaheo Lāwa'i-'Ōma'o water service area. Two existing tanks, Nursery Tank and Clearwell Tank, will each be replaced with a new 0.5MG water tank. The Nursery Tank replacement will be located on a nearby property acquired from the Yamada family and will be identified as the Yamada Tank. The new Clearwell Tank replacement will be located near the existing Clearwell Tank. Along with the new tank, a production well and booster pump station will be constructed on the Yamada site. At the existing 908 Tank site modifications will be made to the existing booster pump station and new transmission main will be constructed along Po'ohiwi Road and Pu'uwai Road all the way to the Yamada Tank site. There are also planned improvements for extending the transmission main in Kikala Road. Modifications to existing and proposed pressure reducing valve stations are also planned within Pu'uwai Road and Kikala Road. interior and exterior walls and floor.		Dec-13	\$ 10,000,000
75	80	DW434-0005	#434 DOW Kalaheo	13,581	Kauai DOW	KP-05, Poipu 1.0 MG 245' Tank and Connecting Pipeline: Construct a one million gallon storage tank at Poipu.		Dec-13	\$ 3,000,000
76	80	DW214-0012	#214 DWS Lahaina	17,967	Maui DWS	Hydro Electric Facility at the Honokowai Tank Site: Construction of a hydroelectric facility. Electric power will be generated from the high pressure waterline that fills the existing 2 MG Honokowai	Energy Efficiency (Categorical)	SFY 2015	\$ 750,000
77	80	DW214-0013	#214 DWS Lahaina	17,967	Maui DWS	Mahinahina Water Treatment Facility-Raw Water Algae Protection: Install a cover over the raw water reservoir or other method of eliminating algae growth at the facility raw water storage pond		Nov-13	\$ 600,000

**Appendix B
DWSRF Priority List of Projects for SFY 2014**

No.	Points	DWSRF Project No.	Public Water System	Population	Owner	Project (Name and Description)	Green Project Reserve Type	Expected Construction Start Date	Estimated Construction Cost
78	80	DW335-0010	#335 BWS Waipahu-Ewa-Waianae	175,326	Hon BWS	Puhawai Road, Kuwale Road, Puuhulu Road Water System Improvements: Install 8-inch mains and appurtenances along Puhawai Road from Puuhulu Road to Paheehoe Road, along Wikolia Place from Puhawai Road to end, along Puuhulu Road from Puhawai Road to Kuwale Road, along Kuwale Road from Puuhulu Road to Paheehoe Road, along Haama Place from Puuhulu Road to end, along Puululu Place from Puuhulu Road to end, and along the side street from Kuwale Road to end – approx. 10,780 lin. ft.		SFY 2014	\$ 4,200,000
79	80	DW335-0009	#335 BWS Waipahu-Ewa-Waianae	175,326	Hon BWS	Kahuailani Street Water System Improvements: Install 12-inch mains and appurtenances along Mokuola Street from Waipahu Street to 70 feet beyond Nalii Street - approx. 500 lin. ft. Install 8-inch mains and appurtenances along Kahuailani Street from Hikimoe Street to end, along Puamano Place from Waipahu Street to end, along Kahiki Place from Puamano Place to end and along Hikimoe Street from Waipahu Depot Street to FH L4002 – approx. 4,020 lin. ft. Install 4-inch mains and appurtenances along the side street from Hikimoe Street to end - approx. 115 lin. ft.		SFY 2016	\$ 1,810,000
80	80	DW335-0007	#335 BWS Waipahu-Ewa-Waianae	175,326	Hon BWS	Ewa Beach Water System Improvements, Part II: Install 8-inch mains and appurtenances along Koalipehu Street from Paaloha Street to Aikanaka Road, along Aikanaka Road from Paaloha Street to Koalipehu Street, along Ihipehu Street Aikanaka Road to Pohakupuna Road and along Peone Place from Pohakupuna Road to end- approx. 2,700 lin. ft. Install 4-inch mains and appurtenances along the two side streets on Ihipehu Street and along the side street on Koalipehu Street- approx. 235 lin. ft.		SFY 2014	\$ 1,040,000
81	80	DW331-0022	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Waialae 180 Reservoir Replacement (3.0 MG): Demolish existing 1.0 MG reservoir and replace with 3.0 MG reservoir.		Unknown	\$ 9,000,000
82	80	DW331-0044	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Anoi Road Water System Improvements: Install 8-inch main and appurtenances along Anoi Road from end to end; along Keaahala Road from Kamehameha Highway to Keaahala Place; along Kamehameha Highway from Kahuhipa Street to Keole Street and along Luana Place from Paleka Road to end - approx. 5,850 lin. ft.		SFY 2014	\$ 6,560,000
83	80	DW331-0047	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Kalihi Water System Improvements, Part III: Install 8-inch and 4-inch mains and appurtenances along Bannister Place from Bannister Street to dead end. Install 8-inch mains and appurtenances along Bannister Street from Laumaka Street to North King Street; along Gulick Avenue from Wilcox Lane to North King Street; along Kopke Street from Wilcox Lane to North King Street; along Factory Street from Stanley Street to North King Street; along Puuhale Road from Dillingham Boulevard to North King Street along Wilcox Lane from Bannister Street to Puuhale Road; along Stanley Street from Bannister Street to Puuhale Road; along Waterhouse Street from Bannister Street to Puuhale Road; along Mokauea Street from Democrat Street to Kakanui Street; and along Industrial Road from Waterhouse Street to Puuhale Road - approx. 9,650 lin. ft.		SFY 2015	\$ 5,310,000
84	80	DW331-0056	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Pensacola Street Water System Improvements: Install 12-inch main and appurtenances along Pensacola Street from Kapiolan Boulevard to Young Street - approx. 2,550 lin. ft. Install 8-inch main and appurtenances along Pensacola Street from Young Street to existing 8-inch main (TMK 2-4-033:028) - approx. 3,540 lin. ft. Install 8-inch and 4-inch mains and appurtenances along Piikoi Street from Pensacola Street to Lewalani Drive - approx. 430 lin. ft.		SFY 2015	\$ 5,160,000
85	80	DW331-0052	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Mapunapuna Water System Improvements, Part I: Install 8-inch mains and appurtenances along Ahua Street from Mokumoa Street to Kilihou Street. – approx. 2,300 lin. ft.		SFY 2013	\$ 3,370,000
86	80	DW331-0048	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Kapahulu Water System Improvements, Part I: Install 8-inch mains and appurtenances along Paliuli Street, Mokihana Street, and Olu Street, along Kaimuki Avenue from 4th Avenue to Kapahulu Avenue; along Lincoln Avenue from 4th Avenue to Kapahulu Avenue; along Pahoa Avenue from 4th Avenue to 3rd Avenue; along 3rd Avenue from Kaimuki Avenue to H-1 and from H-1 to		SFY 2016	\$ 3,230,000
87	80	DW331-0043	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Diamond Head Water System Improvements, Part II: Install 12-inch mains and appurtenances along 22nd Avenue from Kilauea Avenue to Diamond Head Road, along Diamond Head Road from 22nd Avenue to Kahala Avenue, and along Kulamanu Street from Kahala Avenue to Kulamanu Place - approx. 5,235 lin. ft. Install 8-inch mains and appurtenances along Kulamanu Place from Kulamanu Street to end, along Malapua Place from 22nd Avenue to end, along Ulupua Place from 22nd Avenue to end, along Huanui Street from 22nd Avenue to Huanui Place, along Kaalawai Place from Diamond Head Road to easement, and along Kuine Place from Kulamanu Street to end - approx. 2,270 lin. ft.		SFY 2015	\$ 3,180,000
88	80	DW331-0030	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Kaimuki Water System Improvements, Part I: Install 8-inch mains and appurtenances along Maunaloa Avenue from 16th Avenue to 20th Avenue; along Kaimuki Avenue from 16th Avenue to 21st Avenue; along Pahoa Avenue from 18th Avenue to 150 feet beyond FH M-3591; along 17th Avenue from Kilauea Avenue to Kaimuki Avenue and along 18th Avenue from Kaimuki Avenue to Pahoa Avenue; along 19th and 20th Avenues from Maunaloa Avenue to Pahoa Avenue - approx. 9,850 lin. ft.		SFY 2016	\$ 2,930,000
89	80	DW331-0055	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Pacific Heights Water System Improvements, Part II: Install 12-inch main and appurtenances along Pacific Heights Road from Haili Road to Ahekol Street; along Ahekol Street from Pacific Heights Road to Booth Road; and along Booth Road from Ahekol Street to Pololani Street - approx. 3,975 lin. ft. Install 8-inch main and appurtenances along Laniloa Road and Pacific Heights Place from Pacific Heights Road to end; along Hiolani Place from Booth Road to end; and along various side streets - approx. 2,055 lin. ft.		SFY 2016	\$ 2,540,000

**Appendix B
DWSRF Priority List of Projects for SFY 2014**

No.	Points	DWSRF Project No.	Public Water System	Population	Owner	Project (Name and Description)	Green Project Reserve Type	Expected Construction Start Date	Estimated Construction Cost
90	80	DW331-0058	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Wilhelmina Rise 811 Reservoir Replacement: Replace failing reservoir.		SFY 2014	\$ 2,500,000
91	80	DW331-0033	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Kakaako Water System Improvement: Install 8-inch mains and appurtenances along Halekauwila Street from Richards Street to Keawe Street; along Keawe Street from Auahi Street to Queen Street; and along Pohukaina Street from Punchbowl Street to South Street.		Unknown	\$ 2,300,000
92	80	DW331-0050	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Liliha Water System Improvements, Part V: Install 8-inch mains and appurtenances along Liliha Street from Wyllie Street to end, along Puunui Avenue from Wyllie Street to Hawaii Street, along Kauai Street from Liliha Street to Puunui Avenue, along Lanai Street from Wyllie Street to Liliha Street and along Hawaii Street from Liliha Street to Puunui Avenue - approx. 5,600 lin.ft.		SFY 2014	\$ 2,160,000
93	80	DW331-0059	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Woodlawn Drive 8-Inch Main: Install 8-inch mains and appurtenances along Woodlawn Drive from Alani Drive to Kahaloa Drive; along Kahaloa Drive from Kalawao Street to Woodlawn Drive; along Lower Road from Woodlawn Drive to end; along Alani Drive from Woodlawn Drive to 150 feet beyond FH1258 and along Waipuna Rise and Emekona Place - approx. 5,900 lin. ft.		SFY 2013	\$ 2,000,000
94	80	DW331-0054	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Monsarrat Avenue Water System Improvements: Install 16-inch and 8-inch mains and appurtenances along Monsarrat Avenue from Paki Avenue to Campbell Avenue - approx. 3,200 lin. ft.		SFY 2015	\$ 1,670,000
95	80	DW331-0042	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Foster Village Water System Improvements, Part III: Install 8-inch mains and appurtenances along Olino Street from Molehu Drive to Halupa Street, along Puanakau Street from Molehu Drive to Halupa Street, and along Molehu Drive from Olino Street to Halupa Street - approx. 3,230 lin. ft.		SFY 2013	\$ 1,240,000
96	80	DW331-0045	#331 BWS Honolulu-Windward-Pearl Harbor	665,735	Hon BWS	Hui Ulili Street 8-Inch Main: Install 12-inch, 8-inch and 4-inch mains and appurtenances along Hui Ulili Street from Hui Kelu Street to Hui Oi Street - approx. 2,825 lin ft.		SFY 2016	\$ 1,240,000

APPENDIX C
DWSRF PROJECT RATING CRITERIA

APPENDIX C

DWSRF PROJECT RATING CRITERIA

1. **Projects to Correct Acute Health Problems (Only ONE problem will be credited within this category.)**
 - a. Waterborne disease outbreak. 100
 - b. Surface Water Treatment Rule compliance
(includes groundwater determined by DOH to be under the
direct influence of surface water or GWUDI) 100
 - Total Coliform Rule compliance.
 - Fecal coliforms 100
 - Total coliforms 80
 - c. Nitrate or Nitrite 100
 - d. Indication of possible surface water influence to a ground water source through Giardia,
Cryptosporidium, microscopic particulate analyses, etc. While the evidence may not be conclusive
enough for DOH to make a determination, the water utility has decided to correct the potential
problem. 25
2. **Projects to Correct Chronic Health Problems (Only ONE problem will be credited within this category.)**
 - a. Lead & Copper Rule (90th percentile values).
 - Lead Action Level (0.015 mg/L) exceedance. 80
 - Copper Action Level (1.3 mg/L) exceedance. 60
 - b. Organic Chemical 80
 - c. Inorganic Chemical 80
 - d. Project to address a currently unregulated or any other contaminant not addressed above. 60
 - e. Infrastructure improvements or replacements to provide safe drinking water. These include
installation, replacement, or rehabilitation of eligible water sources, treatment facilities and
processes, pumps, storage, transmission and distribution piping, and other eligible infrastructure
needs. 50

3. **Other Public Health Criteria (A maximum of 50 points can be accumulated in this category.)**
- a. All water sources serving the system are affected by the same health problem being corrected. 25
 - b. The public water system has taken interim steps to temporarily resolve the water quality problem and has committed to a definitive, long-term solution. 25

4. **Incentives (A maximum of 50 points can be accumulated in this category.)**

Program Incentives

- a. Small system ($\leq 10,000$) consolidation.
Project will protect public health by supplying safe drinking water from a qualified local government or a water authority within a certified government to an existing, privately-owned public water system that demonstrates or may demonstrate non-compliance with the current or future state and federal drinking water regulations. 50
- b. Required Phase II and V monitoring is up-to-date. 10
- c. DOH approved Cross-Connection Control program with testing. 10
- d. Water Conservation Program. 10
- e. DOH approved Wellhead Protection or Source Water Assessment program(s). 10

Project Incentives

- a. The project is required as part of a DOH compliance order.
 - Violation incurred before July 1, 1997. 25
 - Violation incurred on or after July 1, 1997. 15
- b. Green Project Reserve 10
Projects that address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities.

Note: Projects involving the refinancing of existing debt will receive a preliminary score using the same criteria as current construction projects. The preliminary score will then be divided by one thousand (1,000) to determine the refinancing project's final point total for the Priority List.

Ties: The procedure to be used for breaking ties between projects will be as follows:

1. If the tie is between public water systems with service populations greater than 10,000 persons (large public water system) and public water systems with service populations of 10,000 or fewer persons (small public water system), the small water systems will be given the higher priority.
2. For small public water systems, the tie will be broken through the evaluation of the affected population's Median Household Income. The higher priority will be assigned to the public water system with the lowest Median Household Income. Where this fails to clearly determine project

rank, the highest priority will be assigned to the project, which exhibits the highest cost per person, based on the system's population.

3. Similarly, for large public water systems, the tie will be broken through the evaluation of the affected population's Median Household Income. The higher priority will be assigned to the public water system with the lowest Median Household Income. Where this fails to clearly determine project rank, the highest priority will be assigned to the project, which exhibits the highest cost per person, based on the system's population.

APPENDIX D
FEDERAL CAPITALIZATION GRANT PAYMENTS AND DISBURSEMENT
SCHEDULE FOR FFYS 2014 AND 2015

APPENDIX D

FEDERAL CAPITALIZATION GRANT PAYMENTS AND DISBURSEMENT SCHEDULE FOR FFYs 2014 AND 2015

FFY	Quarter	Application for EPA Payments	Total Set Asides	DWSRF Loan Disbursements
2014	1	\$4,414,000.00	\$0.00	\$0.00
2014	2	\$2,207,000.00	\$0.00	\$1,765,600.00
2014	3	\$2,207,000.00	\$0.00	\$1,765,600.00
2014	4	\$0.00	\$0.00	\$1,765,600.00
2015	1	\$0.00	\$0.00	\$1,765,600.00
2015	2	\$0.00	\$0.00	\$1,765,600.00
2015	3	\$0.00	\$0.00	\$0.00
2015	4	\$0.00	\$0.00	\$0.00
Total		\$8,828,000.00*	\$0.00	\$8,828,000.00*

*Includes the transfer of \$830,000.00 from the 15% set-aside, \$27,000.00 from the 2% set-aside, and less \$450,000.00 for LGTS.

APPENDIX E
NOTICE OF PUBLIC PARTICIPATION & INPUT

APPENDIX E

NOTICE OF PUBLIC PARTICIPATION & INPUT

I. **Public Notice Activity**

Pursuant to 40 CFR 35.3150, a notice of public participation and input was published on the Department of Health's website (<http://health.hawaii.gov/sdwb/dwsrf/>) on May 1, 2013 to consider the proposed *Drinking Water Treatment Revolving Fund Intended Use Plan (IUP) for The State of Hawaii Fiscal Year (SFY) 2014 and The Federal Fiscal Year (FFY) 2013 Appropriation* (Docket No. 13-SDW-SRF-01). The public comment period was established from May 1, 2013 to May 30, 2013.

Evidence of the publication of the public notice is on-file in the Safe Drinking Water Branch office at 919 Ala Moana Blvd., Room 308, Honolulu, Hawaii 96814.

II. **Summary**

The solicitation of public participation and input for this Intended Use Plan produced responses from US EPA, Region 9 that required minor revisions to the fiscal data and the fundable list. These changes were not significant enough to warrant a new public participation and input period.



STUART YAMADA, P.E., CHIEF
Environmental Management Division

State of Hawaii
Notice of Public Participation and Input on the Revised Proposed
Drinking Water Treatment Revolving Loan Fund (DWTRLF)
Intended Use Plan (IUP) for the State of Hawaii Fiscal Year (SFY) 2014 and
The Federal Fiscal Year (FFY) 2013 Appropriation
(Docket No. 13-SDW-SRF-01)

Pursuant to Chapters 342 and 91, Hawaii Revised Statutes, Section 101(e) of Public Law 92-500 and the U.S. Environmental Protection Agency Regulations, 40 CFR 35.2015, notice is hereby given that a public comment period is being initiated to allow public participation and input on the Intended Use Plan for SFY 2014.

The U.S. Environmental Protection Agency provides grants to the State of Hawaii annually to construct drinking water facilities and support other drinking water program activities. During SFY 2014, approximately \$8,975,000.00 is expected to be allocated to the State of Hawaii. In order to utilize the federal and matching state revolving funds, proposed projects must be prioritized and listed in the *DWSRF Priority List of Projects for SFY 2014* (Appendix B of the Intended Use Plan).

Upon written request, a public hearing may be scheduled for any county. Requests for a public hearing must be received by the Safe Drinking Water Branch **May 30, 2013**. If a public hearing is deemed appropriate, a second public notice will be published with the date, time and location of the public hearing.

Information regarding the Intended Use Plan may be obtained by calling or writing to the Safe Drinking Water Branch Oahu address noted below. The proposed Intended Use Plan for SFY 2013 will be on file and available for review from **May 1, 2013 to May 30, 2013** at the locations listed below. If, due to disability, you have special needs for commenting on the proposed Intended Use Plan, please contact the Safe Drinking Water Branch Oahu address noted below or call 586-4258 (voice) by **May 30, 2013**.

Oahu

Safe Drinking Water Branch
State Department of Health
919 Ala Moana Blvd., Room 308
Honolulu, Hawaii 96814
Telephone: (808) 586-4258
Contact: Alain Carey

East Hawaii

Environmental Health Facility
Department of Health
1582 Kamehameha Avenue
Hilo, Hawaii 96720
Telephone: (808) 933-0401
Contact: [Newton Inouye](#)

Kauai

District Health Office
Department of Health
3040 Umi Street
Lihue, Hawaii 96766
Telephone: (808) 241-3323
Contact: Gerald Takamura

West Hawaii

Department of Health
Keakealani Building
79-1020 Haukapila Street, Room 110
Kealahou, Hawaii 96750
Telephone: (808) 322-1507
Contact: [Steven Okoji](#)

Maui

District Health Office
Department of Health
54 High Street
Wailuku, Hawaii 96793
Telephone: (808) 984-8234
Contact: [Patricia Kitkowski](#)