



DEPARTMENT OF HEALTH

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Hawaii Department of Health Exceeds Federal Targets for Drinking Water State Revolving Funds

Milestone Ensures Continued Support for Future Funding

HONOLULU -- The Hawaii State Department of Health Drinking Water State Revolving Fund Program has exceeded funding requirements by disbursing more than \$30,180,000 of loan funds in state fiscal year 2016 to support infrastructure improvements in public water systems for all four counties. This successfully meets and exceeds the target of \$30 million in total disbursements approved last year by federal officials.

In addition, the Department of Health executed loan agreements to provide funding totaling more than \$55.5 million, exceeding the \$51.8 million target.

"The Drinking Water State Revolving Fund is an important resource for Hawaii where infrastructure improvements are routinely required to support our communities," said Keith Kawaoka, deputy director of Environmental Health. "I commend our staff and the counties for making the best possible use of this federally funded source and for strengthening confidence overall in sustaining the program."

Joanna Seto, Safe Drinking Water Branch chief said, "Mahalo to our State Revolving Fund team and County partners who stepped up to the plate and hit a grand slam home run by initiating major improvements to water systems in every county. Everyone at the Department of Health and the County water departments pulled together to effectively use these funds to improve every county's infrastructure and meet the 2016 targets for our state."

Each year, Congress appropriates funds that are administered by the U.S. Environmental Protection Agency (EPA) to provide grants to states to capitalize low-interest loan programs for public water system infrastructure improvements. By meeting these targets, the Drinking Water State Revolving Fund is positioned to receive the entire EPA capitalization grant award of \$8,312,000 for state fiscal year 2017.

"The Hawaii Department of Health has made significant progress in funding needed drinking water infrastructure, in response to our 2015 corrective action plan," said Alexis Strauss, EPA's Acting Regional Administrator for the Pacific Southwest. "We will continue to ensure that critical drinking water projects are funded promptly to support safe drinking water for all in Hawaii."

The Drinking Water State Revolving Fund supported the following projects in FY 2016:

- The Hawaii Department of Water Supply received \$32.29 million in commitments and disbursed more than \$14.21 million. The commitments will support the following six projects: Laupahoehoe 0.5 MG Reservoir, Olaa #6 Production Well and 1.0 MG Reservoir, Halaula Well Development Phase 1, Waimea Water Treatment Plant Microfiltration, Kapulena Well Development Phase 2, and the Ahualoa-Honokaa Transmission Waterline.
- The Honolulu Board of Water Supply (HBWS) committed \$11.65 million and disbursed \$9.49 million. The commitment will support the HBWS Water System Improvements 2 loan which includes the Liliha Water System Improvements Phase V, Pensacola Street Water System Improvements, and Kapahulu Water System Improvements Phase I projects.
- The Maui Department of Water Supply received \$11.64 million in commitments and disbursed more than \$4.29 million. The commitments will provide support for the following five projects: Wailuku Heights Tank 30 Booster Replacement, Phase 6 Booster Pump Upgrades, Kualapuu MCC Upgrades, Omapio 2.1 MG Tank Replacement, and Source Generator Installation at 4 Sites.
- Kauai Department of Water disbursed \$2.18 million.

Using the Financial Operations and Cash Flow Utilization in the State Revolving Fund (FOCUS) financial planning model, the state has set its fiscal year 2017 targets at \$38.8 million for executed loans and \$44.3 million for disbursements by June 2017.

Since it began in 1997, the Drinking Water State Revolving Fund has disbursed a total of more than \$222.7 million in low interest loans for infrastructure improvements throughout the state.

Background

There are two funds for water system infrastructure improvement projects: the Clean Water State Revolving Fund infrastructure loan program, established by the Clean Water Act of 1987, and the Drinking Water State Revolving Fund infrastructure loan program, established by the Safe Drinking Water Act Amendments of 1996.

The Clean Water State Revolving Fund, which is also referred to as Hawaii's Water Pollution Control Revolving Fund, provides low-interest loans to Hawaii's four counties to construct high-priority wastewater, storm water, and non-point source water pollution projects. Since it began in 1991, the Clean Water State Revolving Fund has disbursed more than \$686.9 million in low-interest loans, providing significant savings in interest costs to the counties.

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