

Hawaii Drinking Water State Revolving Fund (DWSRF)



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

Thursday, November 5, 2015



What is DWSRF?

- Drinking Water State Revolving Fund provides low-interest loans to the four (4) County water departments for the construction of drinking water infrastructure.
- These projects help to achieve or maintain compliance with drinking water standards, and help protect public health and the environment.
- Requires 20% state match to the federal capitalization grant.



Hakalau Iki Spring Box, Hamakua, Hawaii
>\$690,000 DWSRF project



Unliquidated Obligations (ULO)

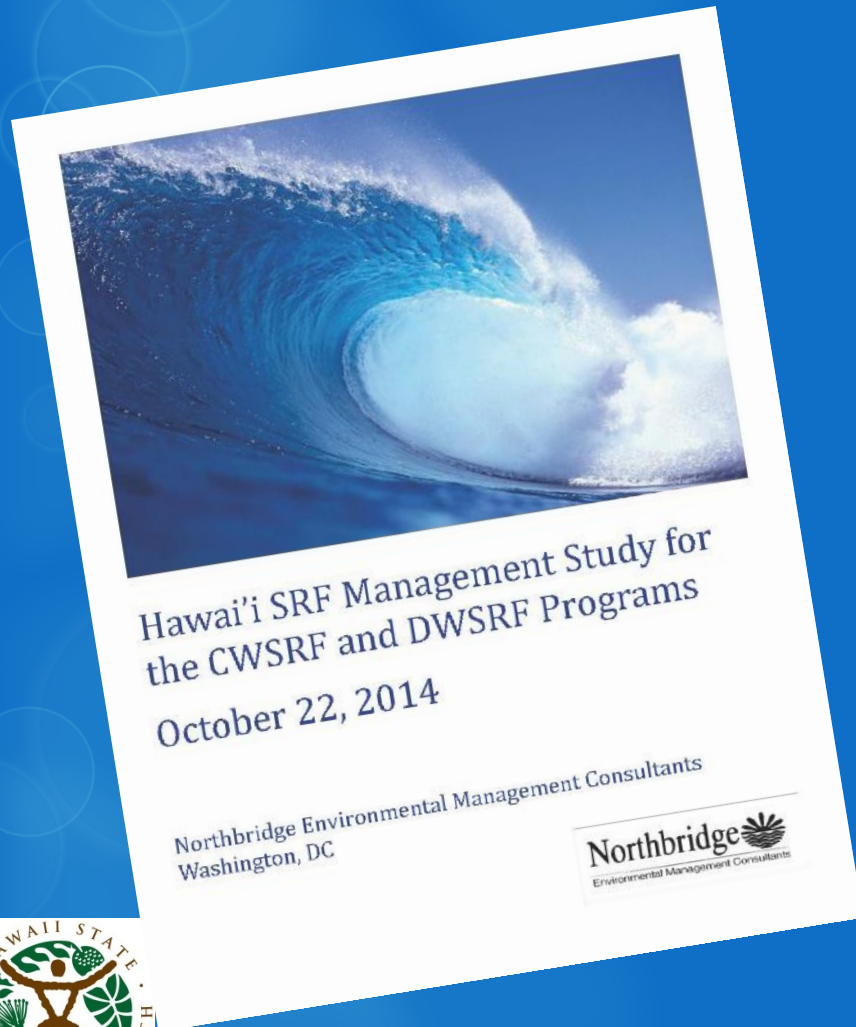
- ULO is the amount of Capitalization Grant not drawn down from the Federal Treasury.
- In response to concerns from Congress, EPA has adjusted their policies to focus on the pace at which States to draw down their grants.



Hawaii SRF Management Study for CWSRF and DWSRF Programs

October 22, 2014

- Organizational and Managerial Changes to Improve SRF Operations
- Internal Contributor to Hawaii's Unliquidated Obligations
- External Contributors to Hawaii's Unliquidated Obligations
- Financial Management
- Streamlining the Application and Disbursement Processes
- Developing a Communications Strategy
- Environmental Review



DWSRF Notice of Non-Compliance

October 24, 2014

Two major areas of concern:

- Timely and expeditious commitment and expenditure of funds.
- Adequacy of staffing, tools, and processes to manage funds in a sound, efficient, and prudent manner.



DWSRF Corrective Action Plan

January 30, 2014

- Purpose: To improve and sustain fiscal program management and bring program into compliance.
- 30 Required Corrective Action components due January 30, 2015 through July 31, 2017.



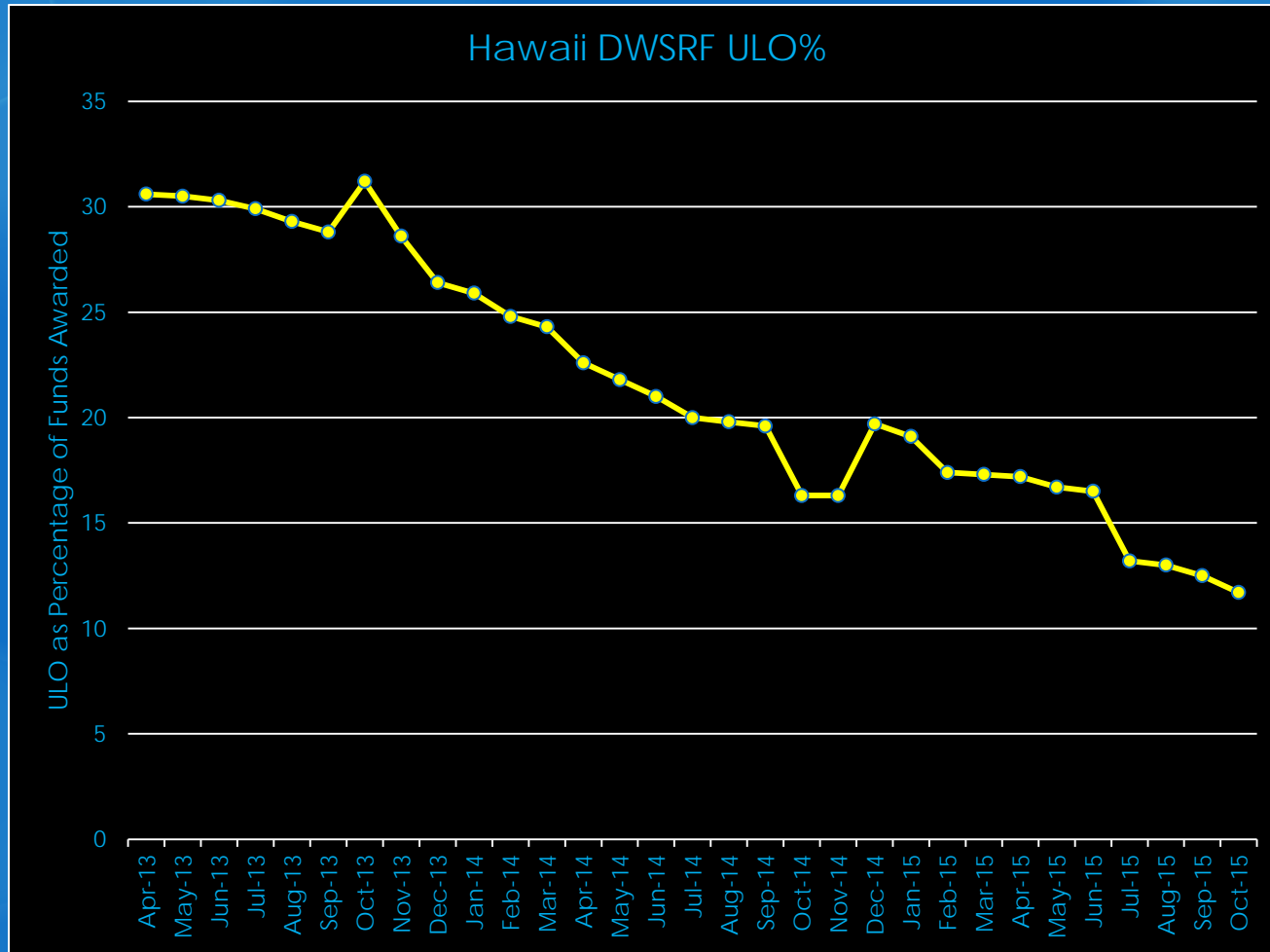
Current Hawaii Unliquidated Obligations – Federal Portion

(Results as of 10/01/2015 from EPA HQ)

- **Total Federal Cap Grants Awarded = \$176,310,378**
- **Total Unliquidated Obligations (Project Loan and Set-Asides) = \$20,574,424**



Downward Trend of Hawaii ULO



EPA Region 9 Withholding

- September 2015 - EPA Office of Inspector General recommended that EPA Region 9 withhold the entire FFY 2015 Capitalization Grant.
- EPA Region 9 opted to award \$688,320 and withhold the balance of the FFY 2015 Capitalization Grant (\$8,098,680).



EPA Region 9 Withholding

In order to receive the balance of the FFY 2015 Capitalization Grant (\$8,098,680), DOH must meet the following interim targets by January 29, 2016:

- Execution of Final Loan Agreements in the amount of \$28,283,883.00
- Disbursement of \$7,674,832.29



Status of the Interim Commitment Target

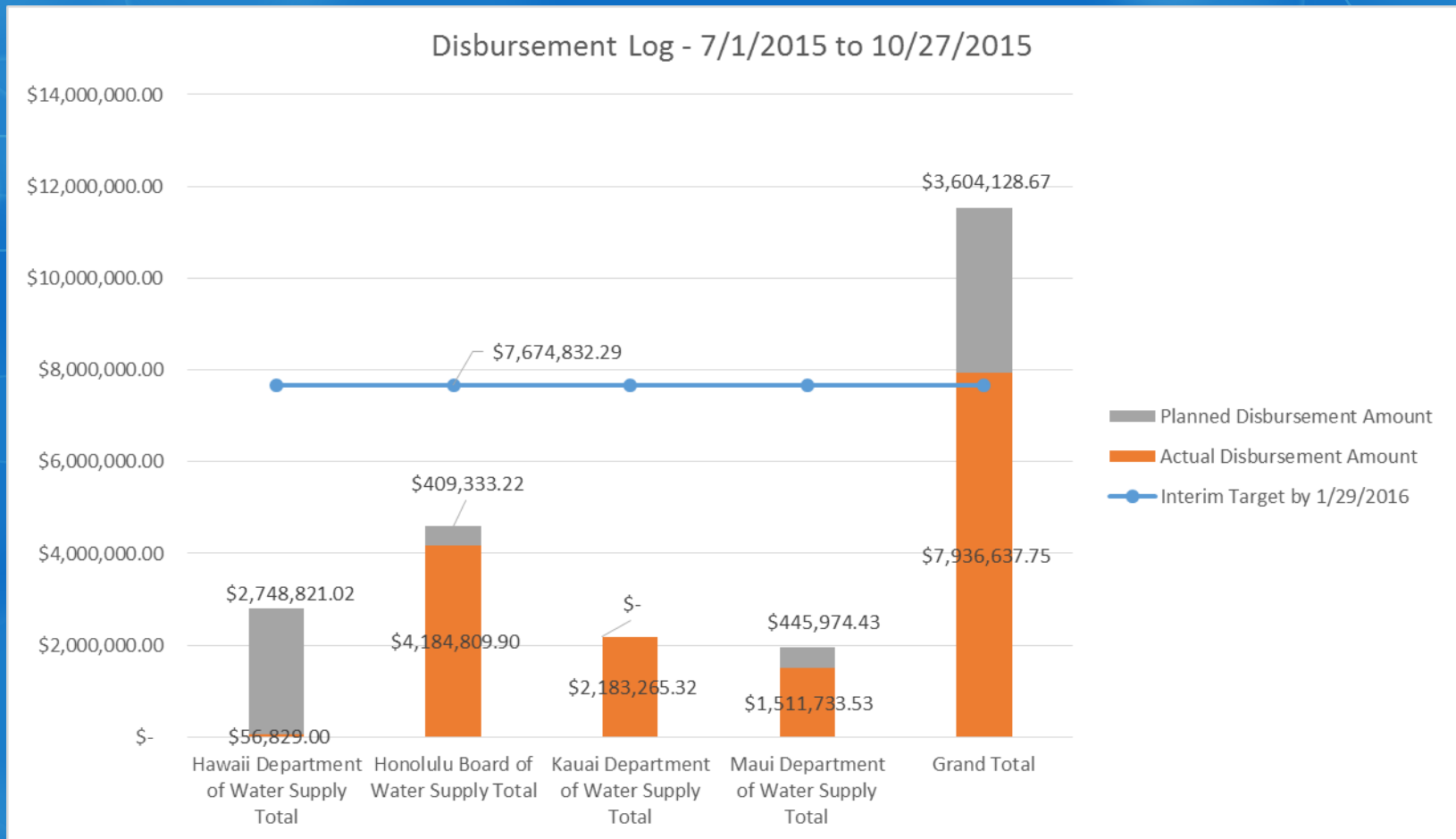
Loans needed to be executed by January 29, 2016:

County	Project No	Project Name	Loan Amount
Hawaii	DW102-0001	Laupahoehoe 0.5MG Reservoir	\$ 4,158,170.00
Hawaii	DW130-0003	Waimea WTP Microfiltration	\$ 12,896,000.00
Hawaii	DW129-0001	Halaula Well Development Phase 1	\$ 823,420.00
Hawaii	DW161-0002	Ahualoa-Honokaa Transmission Waterline	\$ 3,200,000.00
Honolulu	HBWS-0003	Honolulu BWS Water System Improvements 2	\$ 15,942,339.00
		Total	\$ 37,019,929

Target: \$28,283,883



Status of the Interim Disbursement Target



Interim disbursement target has been met ahead of schedule!



Actions to Improve the Hawaii CWSRF and DWSRF Programs

- Working with Northbridge Environmental Management Consultants to continue making improvements identified in the management study.
- Participated in multiple Lean/Kaizen events focused on improving communication, processes, and making organizational changes
- Shift program direction to fund projects that are under construction or close to construction.



Thank you !



Hawaii Drinking Water State Revolving Fund (DWSRF)

- *Supplemental Information*



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Environmental Health Administration
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#(1) & (2) Brief description of the federal program, the draw down for which is an issue.

The State of Hawaii, Drinking Water Treatment Revolving Loan Fund (DWTRLF) program was established by the 1997 State Legislature as the result of the 1996 Federal amendments to the Safe Drinking Water Act. This allowed the state to accept the capitalization grants from the EPA. **The State provides 20% matching funds.**

The Hawaii DOH-SDWB program, known as DWSRF, provides low-interest loans to its four County water departments for the construction of drinking water infrastructure projects. These projects help to achieve or maintain compliance with drinking water standards, improve and expand their drinking water infrastructure, and help protect the public's health and the environment of Hawaii.



Hakalau Iki Spring Box, Hamakua, Hawaii
>\$690,000 DWSRF project



#(3) Data on Open Federal DWSRF Grants

SFY	Grant Award #	Award	Amount Expended	ULO Carried Over	State Match	Match Expended	ULO Carried Over
Federal Grants for SFY 1998 - 2006 and the ARRA (\$19.5 million in SFY 2010) have been closed							
2007	FS99986507	\$ 8,229,300.00	\$ 8,192,188.00	\$ 37,112.00	\$ 1,661,000.00	\$ 1,645,860.00	\$ 15,140.00
2008	FS99986508	\$ 8,229,000.00	\$ 8,199,266.07	\$ 29,733.93	\$ 1,671,000.00	\$ 1,645,800.00	\$ 25,200.00
2009	FS99986509	\$ 8,146,000.00	\$ 7,821,690.45	\$ 324,309.55	\$ 1,671,000.00	\$ 1,582,157.73	\$ 88,842.27
2010	FS99986510	\$ 8,146,000.00	\$ 6,896,259.81	\$ 1,249,740.19	\$ 1,630,000.00	\$ 1,494,669.74	\$ 135,330.26
2011	FS99986511	\$ 13,573,000.00	\$ 10,108,067.19	\$ 3,464,932.81	\$ 2,715,000.00	\$ 1,933,081.17	\$ 781,918.83
2012	FS99986512	\$ 9,268,000.00	\$ 6,547,020.19	\$ 2,720,979.81	\$ 2,715,000.00	\$ 1,179,069.45	\$ 1,535,930.55
2013	FS99986513	\$ 9,125,000.00	\$ 6,972,081.17	\$ 2,152,918.83	\$ 2,715,000.00	\$ 1,325,657.45	\$ 1,389,342.55
2014	FS99986514	\$ 8,421,000.00	\$ 4,729,452.72	\$ 3,691,547.28	\$ 1,825,000.00	\$ 904,209.55	\$ 920,790.45
2015	FS99986515	\$ 8,787,058.00	\$ 5,225,877.89	\$ 3,561,180.11	\$ 1,825,000.00	\$ 504,649.80	\$ 1,320,350.20
2016	FS99986516	\$ 102,320.00	\$ -	\$ 102,320.00			
Total as of 10/29/2015		\$ 82,026,678.00	\$ 64,691,903.49	\$ 17,334,774.51	\$ 18,428,000.00	\$ 12,215,154.89	\$ 6,212,845.11



#(4) DWSRF Projects with Final Loan Agreements, but have not commenced drawing down

NOTE: The delay of the project is not due to a delay in the draw down. Funds are available to be drawn.

Project No.	Project Name	NTP Date	Duration	Loan Amount
DW212-0011	Meadows Booster Pump Station #18 Improvements	4/1/2014	12 months	\$ 1,100,000.00
DW215-0010	Kula 200 #1 Tank Replacement	12/23/2013	6 months	\$ 839,782.00
DW331-0047	Kalihi Water System Improvements, Part III	8/1/2014	24 months	\$ 5,068,079.00



**#(4) List of
Projects with
Final Loan
Agreements,
but not
completed**

Project No.	Project Name	NTP Date	Duration	Loan Amount
DW107-0001	Kaieie Mauka			\$ 2,245,936.00
DW212-0009	Wailuku Well Dev	11/1/2013	18 months	\$ 2,000,000.00
DW213-0014	Paia-Kuau Water System Improvements	12/1/2013	6 months	\$ 815,447.00
DW213-0015	Haliimaile Tank Replacement	3/31/2014	6 months	\$ 700,000.00
DW217-0005	Wakiu Well Replacement	1/23/2012	12 months	\$ 2,248,485.65
DW331-0002	Waimanalo Well III	5/31/2005	18 months	\$ 2,251,700.00
DW331-0049	Kona Street 8-Inch Main	9/12/2015	8 months	\$ 4,399,728.00
DW331-0052	Mapunapuna Water System Improvements, Part I	10/25/2013		\$ 5,727,070.00
DW331-0059	Woodlawn Drive 8-Inch Main	9/30/2013		\$ 3,720,373.00
DW331-0062	Kamehameha Highway 16-Inch and 8-Inch Mains (Heeia)	8/28/2013		\$ 6,253,646.00
DW331-0063	Kapiolani Boulevard 12-Inch Main	9/16/2013		\$ 5,472,724.00
DW335-0003	Ewa Shaft GAC Treatment Facility	2/24/2006	18 months	\$ 13,000,184.75
DW331-0058	Wilhelmina Rise 811 Reservoir Replacement	10/1/2014	15 months	\$ 3,790,383.00
DW331-0067	Woodlawn Water System Improvements, Part II	8/15/2014	12 months	\$ 2,042,264.00
DW333-0004	Wahiawa 1075 Reservoir Repair	10/1/2014	10 months	\$ 2,254,417.00
DW335-0007	Ewa Beach Water System Improvements, Part II	10/1/2014	10 months	\$ 1,492,831.00



#(4) SFY 2016 Fundable List of Projects

Project No.	Owner	Project Name	Estimated Construction Date	Estimated Loan Amount
DW215-0009 ¹	Maui DWS	Phase 6 Booster Pump Upgrades	Aug-15	\$4,000,000.00
MDWS-0001 ²	Maui DWS	Source Generator Installation - 4 sites	Oct-15	\$1,320,000.00
DW233-0002 ³	Maui DWS	Kualapuu MCC Upgrades	Oct-15	\$550,000.00
DW212-0018	Maui DWS	Wailuku Heights Tank 30 Booster Replacement	Dec-15	\$1,320,000.00
DW247-0008	Maui DWS	Omaopio 2.1 MG Tank Replacement	Mar-16	\$4,400,000.00
DW133-0004 ³	Hawaii DWS	Kapulena Well Development Phase 2 (Production Well and 0.3 MG Reservoir)	SFY 2016	\$2,664,824.00
DW130-0003 ³	Hawaii DWS	Waimea WTP Microfiltration	SFY 2016	\$12,896,000.00
DW212-0015	Maui DWS	Iao Surface Water Treatment Plants Upgrades	SFY 2016	\$16,500,000.00
DW161-0002 ³	Hawaii DWS	Ahualoa-Honokaa Transmission Waterline	SFY 2016	\$3,200,000.00
DW102-0001 ³	Hawaii DWS	Laupahoehoe 0.5 MG Reservoir	SFY 2016	\$4,158,101.00
HBWS-0003	Honolulu BWS	Honolulu: HBWS-0003 Honolulu BWS Water System Improvements 2 (+ design allowance and 10% contingency)		\$15,942,339.00
• DW331-0043		• Diamond Head WSI, II (low bid \$4,185,347.00);	• Nov-15	
• DW331-0050		• Liliha WSI, V low bid \$2,547,700.00+);	• Nov-15	
• DW331-0056		• Pensacola St WSI (low bid \$2,714,722.00);	• Nov-15	
• DW331-0048		• Kapahulu WSI, I (low bid \$3,952,925.00);	• Nov-15	
Total				\$66,951,264.00



#(4) List of Completed Projects Repaying Loans

Project No.	Project Name	NTP Date	Duration	Loan Amount
DW106-0001	Kulaimano Production Well & Suppt. Facilities	5/1/2010	12 months	\$ 1,344,599.00
DW129-0002	Kynnersley #1 0.3 MG Reservoir	9/28/2012	12 months	\$ 2,394,278.00
DW212-0010	Uluniu Road and Ewa Pl Waterline Replacement	11/7/2011	12 months	\$ 850,000.00
DW213-0008	Kamole WTP High Lift Pumps	1/19/2011	12 months	\$ 2,070,400.00
DW214-0009	Napili Well "A" Tank Replacement	12/8/2015	12 months	\$ 1,894,084.00
DW215-0003	Waikamoi Flume Repair/Replacement		12 months	\$ 8,362,760.00
DW215-0004	Olinda WTP Sed. Basin		12 months	\$ 1,492,502.00
DW247-0004	Piiholo WTP Imp. Organic Carbon Removal	1/7/2013	18 months	\$ 4,960,519.00
DW247-0005	Upper Omaopio Rd. Tanks Replacement	2/15/2011	6 months	\$ 1,093,228.00
DW331-0038	Kealakaha Dr., Pooholua Dr., and Waipao Pl 8-in Mains	8/12/2015	10 months	\$ 1,179,714.00
DW331-0042	Foster Village Water System Improvements, Part III	5/13/2013		\$ 1,382,569.00
DW331-0057	Ward Avenue 12-Inch and 8-Inch Water Mains	9/12/2015	8 months	\$ 2,296,015.30
HBWS-0002	Honolulu BWS Refinance Loan 1			\$ 26,400,910.01



#(5) Reasons for the delay in the draw down

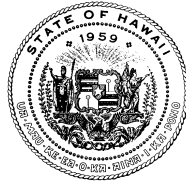
- Permitting (Federal, State, County)
- State Historic Preservation Division review
- Contractor resources or other issues
- Unanticipated site conditions



#(6) Timeline and Summary of the Notices from Federal Agencies

Date	Agency	Subject or Document Title	Link or filename
10/22/2014	EPA Region 9	Hawai'i SRF Management Study for the CWSRF and DWSRF Programs	http://www3.epa.gov/region9/water/grants/pdf/hawaii-srf-mgmt-study-cwsrf-dwsrf-programs-2014-10-22.pdf
10/24/2014	EPA Region 9	Notice of Non-Compliance to the Hawaii Department of Health letter	http://www3.epa.gov/region9/water/grants/pdf/hawaii-dept-health-notice-of-non-compliance-2014-10-24.pdf
1/30/2015	DOH to EPA	Submittal of Hawaii Department of Health, Corrective Action Plan for US EPA, Region IX's Notice of Non-Compliance letter	2015-01-30DOH_CorrectiveActionPlan
3/17/2015	EPA Region 9	HI DWSRF CAP Approval letter	2015-03-17HI_DWSRF_CAPapproval
4/20/2015	EPA Region 9	HI DWSRF CAP Deliverables Approval letter	2015-04-20EPAapprovalHIdeliverables; 2015-04-20EPAapprovalHIdeliverables-Encl
5/27/2015	EPA Region 9	HI DWSRF CAP Deliverables Approval letter	2015-05-27EPAapprovalHIdeliverables11-15-16 Final
8/3/2015	EPA Region 9	HI DWSRF CAP Deliverables Approval letter	2015-08-03EPAapprovalHI_CAPdeliverables; 2015-08-03EPAapprovalHI_CAPdeliverables-Encl
9/21/2015	EPA Region 9	Grant enforcement action for non-compliance with federal requirements pertaining to EPA notice of non-compliance issued under the Safe Drinking Water Act letter	2015-09-21EPA_R9GrantEnforcementAction; 2015-09-21EPA_R9GrantEnforcementAction-Attachment1; 2015-09-21EPA_R9GrantEnforcementAction-Attachment2
9/28/2015	OIG	Early Warning Report: EPA Region 9 Should Withhold Award of the Fiscal Year 2015 Drinking Water State Revolving Fund Grant to the Hawaii Department of Health (Report #15-P-0298)	http://www2.epa.gov/office-inspector-general/early-warning-report-epa-region-9-should-withhold-award-fiscal-year-2015
10/19/2015	EPA Region 9	HI DWSRF CAP Deliverables Approval letter	2015-10-19EPAapprovalDOH_CAPdeliverables





STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. BOX 3378
HONOLULU, HI 96801-3378

In reply, please refer to:
File: EMD-SDWB

Blumenfeld03.docx

January 30, 2015

Mr. Jared Blumenfeld
Regional Administrator
United States Environmental Protection Agency
Region IX
75 Hawthorne Street
San Francisco, California 94105-3901

Dear Mr. Blumenfeld:

Subject: Submittal of Hawaii Department of Health, Corrective Action Plan for
US EPA, Region IX's Notice of Non-Compliance

The Hawaii Department of Health (DOH) received the Notice of Non-Compliance (NNC) on October 24, 2014. The US EPA Region IX documented concerns and recommendations to the Drinking Water Treatment Loan Revolving Fund, also known as the Drinking Water State Revolving Fund (DWSRF), in eight (8) years of Program Evaluation Reports.

The DOH acknowledges that programmatic improvements are needed to ensure expeditious and timely use of the funds in the DWSRF, a Loans and Grants Tracking System (LGTS) and cash flow model is needed to manage unspent funds, and personnel need to be hired to manage the set-aside programs.

The DOH hereby submits the enclosed Corrective Action Plan (CAP) for the US EPA, Region IX's NNC. The DOH is committed to addressing the additional NNC listed actions with subsequent due dates (NNC Items 9-30).

The DOH would like to take this opportunity to express its appreciation to the Water Division, Tribal and State Assistance Branch Immediate Office (WTR-3), Drinking Water Management Section (WTR-3-1), and Infrastructure Section (WTR-3-3) for their assistance in the development and implementation of the SRF Management Study and LGTS, and for coordinating informational briefings and meetings with the Governor's Office, Department of Accounting and General Services, Department of Budget and Finance, and the water and wastewater programs of the City and Counties. The SRF Teams in the Safe Drinking Water Branch, Wastewater Branch, and Environmental Resources Office are excited to see the many possible improvements identified in the SRF Management Study.

Mr. Jared Blumenfeld
January 30, 2015
Page 2 of 2

In addition, the DOH continues to work closely with two (2) teams from the US EPA contractor, Northbridge Environmental Management Consultants, to implement some recommendations from the SRF Management Study and to develop and implement the LGTS. We are impressed with Northbridge's depth of knowledge of other possible workflow improvements which are in use in different states.

If you have any questions, please contact Ms. Joanna L. Seto, P.E., Safe Drinking Water Branch Chief, at (808) 586-4258 or via email at joanna.seto@doh.hawaii.gov.

Sincerely,



Virginia Pressler, M.D.
Director of Health

Enclosure: Hawaii Department of Health Corrective Action Plan

- c: Mr. Mike Montgomery, EPA Region IX Tribal and State Assistance Branch
Immediate Office (WTR-3) (w/ encl.) [via montgomery.mike@epa.gov only]
EPA Region IX Infrastructure Section (WTR-3-3) (w/ encl.)
[via eberhardt.doug@epa.gov, polanco.susan@epa.gov, licata.juanita@epa.gov,
amaris.josh@epa.gov only]
EPA Region IX Drinking Water Management Section (WTR-3-1) (w/ encl.) [via
li.corine@epa.gov, leon-querrero.ephraim@epa.gov only]
Mr. Mike McCartney, Governor's Office (w/ encl.)
Ms. Karen Matsunaga, Department of Budget and Finance (w/ encl.) [via
Karen.K.Matsunaga@hawaii.gov only]
Mr. Wayne Horie, Department of Accounting and General Services (w/ encl.) [via
wayne.m.horie@hawaii.gov only]
Mr. Gary Gill, Deputy Director of Environmental Health (w/ encl.) [via email only]
Mr. Stuart Yamada, Environmental Management Division (w/ encl.) [via email only]
Ms. Sina Pruder, Wastewater Branch (w/ encl.) [via email only]
Ms. Nancy Bartter and Mr. Kevin Yoshioka, Environmental Resources Office
(w/ encl.) [via email only]

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

October 24, 2014 United States Environmental Protection Agency, Region IX (EPA) Notice of Non-Compliance

Pursuant to 40 CFR 35.3585 (b) and (c), the DOH must submit a corrective action plan by January 30, 2015. If the DOH fails to provide an acceptable corrective action plan to achieve the results required, or subsequently fails to implement an element of an approved plan, the EPA may suspend grant payments until the DOH has taken acceptable actions, or take other enforcement actions under 40 C.F.R. §31.43. The CAP must address the following components:

Item	Action	Deadline	Action Area	DOH Commitment
1	Identify a senior DOH manager as the primary point of contact for tracking, overseeing and coordinating the DOH's activities associated with the CAP.	January 30, 2015	Data and Reporting	<p>The DOH identifies the Deputy Director for Environmental Health (DDEH) and Joanna L. Seto, P.E., Chief of the Safe Drinking Water Branch (SDWB) as the primary points of contact.</p> <p>The DDEH is responsible for coordinating the activities outside of the DOH which are associated with the CAP.</p> <p>The SDWB Chief is responsible for tracking, overseeing, and coordinating the DOH's activities associated with the CAP. This includes the technical, managerial and financial reporting requirements.</p> <p>The alternate contact for the SDWB Chief is Nancy Barter, Public Health Administrative Officer of the Environmental Resources Office.</p>
2	Submit a schedule for monthly meetings with the EPA to discuss progress on the CAP components. At least three days prior to each meeting, the DOH will provide a written agenda with updates on CAP components, the Management Study and the LGTS work assignments.	January 30, 2015	Data and Reporting	<p>The DOH will meet with EPA at a minimum on a monthly basis, beginning February of 2015 and until July of 2017, to discuss the progress on the CAP items. DOH will provide to EPA at least three (3) days prior to each meeting a written agenda with updates on CAP items, the Management Study and LGTS work assignments.</p> <p>The DOH proposes the meetings be scheduled on the third Wednesday of the month. The SDWB Chief will generate and distribute agendas on the Friday prior to the meeting.</p>

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
3	Submit a fund utilization plan for the 15% set-aside for each capitalization grant. The plan will identify the funds paid to date (with the associated project or activity being reimbursed), encumbered funds (with a schedule for expending the funds), and available funds (with a schedule for expending the funds).	January 30, 2015	Disbursements	<p>The DOH submits the fund utilization plan for the 15% set-aside for each capitalization grant in CAP Attachment 1. The plan uses a spreadsheet to identify the funds paid to date (with the associated project or activity being reimbursed), encumbered funds (with a schedule for expending the funds), and available funds (with a schedule for expending the funds).</p> <p>This is a one-time CAP submittal requirement which the DOH will continue to update and submit on a quarterly basis. Note that the values are as of January 15, 2015, mid-way through the reporting month.</p>
4	Submit a summary of all 15% set-aside projects including recipient, project outcomes/outputs, funding level, project period and project status.	January 30, 2015	Technical Capabilities	<p>The DOH submits CAP Attachment 2 which is a summary of all 15% set-aside projects including recipient, project outcomes/outputs, funding level, project period and project status.</p> <p>This is a one-time CAP submittal requirement which the DOH will continue to update and submit on a quarterly basis per the approved workplan. Note that the values are as of January 15, 2015, mid-way through the reporting month.</p>

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
5	Alter the loan amortization calculation methods for loans signed after March 1, 2015, to a one-time amortization of the loan upon project completion. This includes creating a projected amortization schedule at loan signing.	January 30, 2015	Data and Reporting	<p>The DOH commits to alter the loan amortization calculation methods for loans by January 30, 2015. The DOH commits to agree to the method or methods of alteration by April 1, 2015. The DOH commits to implement the changes to the amortization calculation methods on loans signed after June 30, 2015, to a one-time amortization of the loan upon project completion. This includes creating a projected amortization schedule at loan signing.</p> <p>The extension is requested because the DOH is required to amend Hawaii Administrative Rules, Chapter 11-65-03 and 11-65-10. The rules amendment process is estimated to take six to 12 months. In addition, the DOH is currently drafting the Final Loan Agreements for loans which are scheduled to be executed in the Spring of 2015. Changes to the amortization calculation method would impact staff time as well as delay the issuance of the Final Loan Agreements.</p>
6	Submit a list of projects from the state fiscal year 2015 fundable list that are viable and ready to proceed within three to six months.	January 30, 2015	Loan Commitments	The DOH submits CAP Attachment 3 which is a list of projects from the SFY 2015 fundable list that are viable and ready to proceed within three to six months.
7	Submit a report establishing a target level for commitments (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings) for state fiscal year 2015.	January 30, 2015	Loan Commitments	The DOH submits CAP Attachment 4 which is a report establishing a target level for commitments (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings) for SFY 2015.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment												
8	Submit a report establishing a target level for disbursements for state fiscal year 2015.	January 30, 2015	Disbursements	<p>The DOH submits the following target levels for disbursements for SFY 2015. Quarters 1 and 2 are actual disbursements while Quarters 3 and 4 are projected disbursements based on assumptions in the existing DOH cash flow.</p> <table><tr><th>Period of Disbursement</th><th>Disbursed Amount</th></tr><tr><td>Quarter 1 (July 1 – September 30, 2014)</td><td>\$7,160,468.22</td></tr><tr><td>Quarter 2 (October 1 – December 31, 2014)</td><td>\$28,757,141.35</td></tr><tr><td>Quarter 3 (January 1 – March 31, 2015) *</td><td>\$8,877,601.07</td></tr><tr><td>Quarter 4 (April 1 – June 30, 2015)</td><td>\$15,367,516.33</td></tr><tr><td>SFY 2015</td><td>\$60,162,726.97</td></tr></table> <p><i>Note:</i> * \$3,659,540.94 of this are actual disbursements for January</p>	Period of Disbursement	Disbursed Amount	Quarter 1 (July 1 – September 30, 2014)	\$7,160,468.22	Quarter 2 (October 1 – December 31, 2014)	\$28,757,141.35	Quarter 3 (January 1 – March 31, 2015) *	\$8,877,601.07	Quarter 4 (April 1 – June 30, 2015)	\$15,367,516.33	SFY 2015	\$60,162,726.97
Period of Disbursement	Disbursed Amount															
Quarter 1 (July 1 – September 30, 2014)	\$7,160,468.22															
Quarter 2 (October 1 – December 31, 2014)	\$28,757,141.35															
Quarter 3 (January 1 – March 31, 2015) *	\$8,877,601.07															
Quarter 4 (April 1 – June 30, 2015)	\$15,367,516.33															
SFY 2015	\$60,162,726.97															
9	Meet with the EPA to select recommendations to implement from the final version of the LGTS Study.	30 days from receipt of final report	Technical Capabilities	The DOH will meet with the EPA 30 days from receipt of the final version of the LGTS Study.												
10	Submit a plan, including a schedule, to implement selected recommendations from the LGTS Study.	30 days from meeting with the EPA	Technical Capabilities	The DOH will submit the LGTS Study Implementation Plan to EPA by 30 days from meeting with the EPA.												

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
11	Submit to the EPA a staffing plan including job descriptions and timeline to address at a minimum the following four deficiencies the EPA has identified: (1) information technology: expertise is needed with respect to the development, implementation and maintenance of LGTS; (2) financial analysis: expertise is needed with respect to financial modeling, strategic planning, and forecasting to determine funding capacity and create an understanding of the long term implications of funding decisions; (3) program management: expertise is needed for managing the SRFs (not limited to DWSRF) in a manner so as to integrate program, accounting, and financial activities to meet and sustain the goals of the CAP and Management Study; and (4) set-aside management: submit a schedule for filling the Program Specialist, Geologist and Chemist vacancies in SDWB, such that all three positions are advertised by March 31, 2015.	February 28, 2015	Technical Capabilities	The DOH will submit a staffing plan to EPA by February 28, 2015, which includes job descriptions and timeline, to address, at a minimum, the four deficiencies EPA identified in this CAP Item 11.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
12	The DOH will meet with the EPA to review and agree on the modifications to the Hawaii DWSRF State Environmental Review Process to ensure that the SERP meets the requirements of the federal DWSRF program.	February 28, 2015	SERP	<p>The DOH will meet with EPA by February 28, 2015, to review the modification to the Hawaii DWSRF State Environmental Review Process (SERP) to ensure that the SERP meets the requirements of the federal DWSRF program. In addition, the DOH will submit an outline of the draft proposed revision to the SERP for EPA review.</p> <p>The DOH will meet with EPA by April 30, 2015, to agree on the modifications. Additional time is needed to work out necessary changes and legal consultation.</p> <p>Note that the first meeting between DOH and EPA was held via conference call on January 16, 2015.</p>
13	Deadline for advertising the Program Specialist, Geologist and Chemist vacancies in SDWB. Submit a report describing the status of the vacancies in SDWB.	March 31, 2015	Technical Capabilities	<p>The DOH will submit a copy of the Internal Vacancy Announcement and status of the process to fill the position to EPA by March 31, 2015, for each listed position.</p> <p>Note: Program Specialist title has been changed to General Professional.</p>
14	Submit a report evaluating the extent to which each 15% set-aside project is meeting goals, outcomes, outputs and contract terms. Include a list and schedule for each deficiency and correction.	March 31, 2015	Technical Capabilities	<p>The DOH will submit a report to EPA by March 31, 2015, which will evaluate the extent to which each 15% set-aside project is meeting goals, outcomes, outputs and contract terms, including a list and schedule for each deficiency and correction.</p> <p>Note that this will be an update of CAP Attachment 2.</p>

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
15	Propose a commitment target for state fiscal year 2016 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target must be calculated using a cash flow model such as FOCUS that incorporates the DOH's project pipelines along with the counties' capital improvement plans. If the EPA has not yet provided state allotments for 2015, the DOH should confer with the EPA regarding an estimated amount for the 2015 capitalization grant. Submit a list of projects from the state fiscal year 2016 fundable list (or draft IUP), sufficient to meet the proposed commitment target, that are viable and ready to proceed within three to six months.	March 31, 2015	Loan Commitments	The DOH will submit to EPA by March 31, 2015, a commitment target for SFY 2016 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target will be calculated using a cash flow model that incorporates the DOH's project pipelines along with the counties' capital improvement plans and will include a list of projects from the SFY 2016 fundable list (or draft IUP), sufficient to meet the proposed commitment target, that are viable and ready to proceed within three to six months.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
16	Submit a disbursement plan accounting for all sources of funds, including capitalization grants, state match, fees, repayments and interest earnings, developed using a cash flow model. Federal funds must be disbursed such that the balance of federal funds on June 30, 2017, (including loans and set-asides) does not exceed the sum of the 2015 and 2016 capitalization grants. The plan must include annual and cumulative disbursement targets for state fiscal years 2016 and 2017.	March 31, 2015	Disbursements	The DOH will submit a disbursement plan to EPA by March 31, 2015, based on assumptions in the existing DOH cash flow model. The plan will account for all sources of funds, including capitalization grants, state match, fees, repayments and interest earnings, and will include annual and cumulative disbursement targets for SFY 2016 and 2017.
17	Deadline for finalizing and adopting modifications to the SERP such that it complies with federal requirements.	April 30, 2015	SERP	The DOH requests a subsequent two (2) month extension of this deadline from April 30, 2015, to June 30, 2015, to submit the final modifications to the SERP to EPA for approval. This extension is due to the time needed for DOH to ensure legal review of the proposed modifications to the SERP.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
18	Submit a report (or final IUP) describing the DOH's plan for utilizing its full loan capacity in state fiscal year 2016, as determined using a cash flow model such as FOCUS that incorporates the DOH's project pipelines along with the counties' capital improvement plans. The report must describe (1) the DWTRLF's full loan capacity, which includes anticipated repayments as well as available funds (from capitalization grants, state match, fees, repayments and interest earnings); (2) the final commitment target for state fiscal year 2016 (the maximum amount the DOH can commit to executed assistance agreements) and (3) a list of projects from the 2016 fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.	May 31, 2015	Loan Commitments	The DOH will submit the Final IUP for SFY 2016 to EPA by May 31, 2015. The IUP will describe (1) the DWTRLF's full loan capacity, which includes all available funds (from capitalization grants, state match, fees, repayments, interest earnings, and anticipated repayments); (2) the final commitment target for SFY 2016 (the maximum amount the DOH can commit to executed assistance agreements) and (3) a list of projects from the 2016 fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.
19	Submit a list of all executed final assistance agreements made in state fiscal year 2015 to verify that the commitment target for state fiscal year 2015 was met by June 30, 2015.	July 31, 2015	Loan Commitments	The DOH will submit a list to EPA by July 31, 2015, which will include all executed final assistance agreements made in SFY 2015 to verify that the commitment target for SFY 2015 in CAP Item 7 was met by June 30, 2015.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
20	Submit evidence that the disbursement target set for state fiscal year 2015 was met by June 30, 2015. If future annual and cumulative disbursement targets need to be adjusted to meet the June 30, 2017, target, submit an analysis using a cash flow model to justify these changes.	July 31, 2015	Disbursements	The DOH will submit evidence to EPA by July 31, 2015, that the disbursement target set for SFY 2015 in CAP Item 8 was met by June 30, 2015, and will update the future disbursement target with new cash flow model data.
21	Submit evidence that the 15% set-aside achieved a cumulative spending rate of 75% by June 30, 2015.	July 31, 2015	Disbursements	The DOH will submit evidence to EPA by July 31, 2015, that the 15% set-aside achieved a cumulative spending rate of 75% by June 30, 2015.
22	Propose a commitment target for state fiscal year 2017 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target must be calculated using a cash flow model such as FOCUS that incorporates the DOH's project pipelines along with the counties' capital improvement plans. If the EPA has not yet provided state allotments for 2016, the DOH should confer with the EPA regarding an estimated amount for the 2016 capitalization grant. Submit a list of projects from the state fiscal year 2017 fundable list (or draft IUP), sufficient to meet the proposed commitment target that are viable and ready to proceed within three to six months.	March 31, 2016	Loan Commitments	The DOH will submit to EPA by March 31, 2016, a commitment target for SFY 2017 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target will be calculated using a cash flow model that incorporates the DOH's project pipelines along with the counties' capital improvement plans and will include a list of projects from the SFY 2017 fundable list (or draft IUP), sufficient to meet the proposed commitment target, that are viable and ready to proceed within three to six months.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
23	Submit a report (or final IUP) describing the DOH's plan for utilizing its full loan capacity in state fiscal year 2017, as determined using a cash flow model such as FOCUS that incorporates the DOH's project pipelines along with the counties' capital improvement plans. The report must describe (1) the DWTRLF's full loan capacity, which includes anticipated repayments as well as available funds (from capitalization grants, state match, fees, repayments and interest earnings); (2) the final commitment target for state fiscal year 2017 (the maximum amount the DOH can commit to executed assistance agreements); and (3) a list of projects from the 2017 fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.	May 31, 2016	Loan Commitments	The DOH will submit the Final IUP for SFY 2017 to EPA by May 31, 2016. The report will describe (1) the DWTRLF's full loan capacity, which includes all available funds (from capitalization grants, state match, fees, repayments, interest earnings, and anticipated repayments); (2) the final commitment target for state fiscal year 2017 (the maximum amount the DOH can commit to executed assistance agreements); and (3) a list of projects from the 2017 fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.
24	Submit a list of all executed final assistance agreements made in state fiscal year 2016 to verify that the commitment target for state fiscal year 2016 was met by June 30, 2016.	July 31, 2016	Loan Commitments	The DOH will submit a list to EPA by July 31, 2016, which will include all executed final assistance agreements made in SFY 2016 to verify that the commitment target for SFY 2016 in CAP Item 15 was met by June 30, 2016.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
25	Submit evidence that the disbursement target set for state fiscal year 2016 was met by June 30, 2016. If future annual and cumulative disbursement targets need to be adjusted to meet the June 30, 2017, target, the DOH shall submit an analysis using a cash flow model to justify these changes.	July 31, 2016	Disbursements	The DOH will submit evidence to EPA by July 31, 2016, that the disbursement target set for SFY 2016 in CAP Item 16 was met by June 30, 2016, and will update the future disbursement target with new cash flow model data.
26	Submit evidence that the 15% set-aside achieved a cumulative spending rate of 80% by June 30, 2016.	July 31, 2016	Disbursements	The DOH will submit evidence to EPA by July 31, 2016, that the 15% set-aside achieved a cumulative spending rate of 80% by June 30, 2016.
27	Achieve a balance of unliquidated federal funds, including set-asides, of no more than the sum of the federal capitalization grants for federal fiscal years 2015 and 2016.	June 30, 2017	Disbursements	The DOH will submit evidence to EPA by June 30, 2017, that the balance of unliquidated federal funds, including set-asides, is no more than the sum of the federal capitalization grants for FFY 2015 and 2016.
28	Submit a list of all executed final assistance agreements made in state fiscal year 2017 to verify that the commitment target for state fiscal year 2017 was met by June 30, 2017.	July 31, 2017	Loan Commitments	The DOH will submit a list to EPA by July 31, 2017, which will include all executed final assistance agreements made in SFY 2017 to verify that the commitment target for SFY 2017 in CAP Item 22 was met by June 30, 2017.
29	Submit evidence that the disbursement target set for state fiscal year 2017 was met by June 30, 2017.	July 31, 2017	Disbursements	The DOH will submit evidence to EPA by July 31, 2017, that the disbursement target set for SFY 2017 in CAP Item 16 was met by June 30, 2017, and will update the future disbursement target with new cash flow model data.
30	Submit evidence that the 15% set-aside achieved a cumulative spending rate of 80% by June 30, 2017.	July 31, 2017	Disbursements	The DOH will submit evidence to EPA by July 31, 2017, that the 15% set-aside achieved a cumulative spending rate of 80% by June 30, 2017.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

The Drinking Water State Revolving Fund Corrective Action Plan is submitted on behalf of the Hawaii Department of Health pursuant to the U.S. EPA Region IX Notice of Non-Compliance, dated October 24, 2014.

Signature: Virginia Pressler

Name: Virginia Pressler, M.D.

Title: Director of Health

Date: January 30, 2015

**Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 3 - Attachment 1
Due January 30, 2015**

CAP Item 3	Submit a fund utilization plan for the 15% set-aside for each capitalization grant. The plan will identify the funds paid to date (with the associated project or activity being reimbursed), encumbered funds (with a schedule for expending the funds), and available funds (with a schedule for expending the funds).
DOH Commitment	<p>The DOH submits the fund utilization plan for the 15% set-aside for each capitalization grant in CAP Attachment 1. The plan uses a spreadsheet to identify the funds paid to date (with the associated project or activity being reimbursed), encumbered funds (with a schedule for expending the funds), and available funds (with a schedule for expending the funds).</p> <p>This is a one-time CAP submittal requirement which the DOH will continue to update and submit on a quarterly basis. Note that the values are as of January 15, 2015, mid-way through the reporting month.</p>

The DOH funds paid to date are listed on the following spreadsheet – DWSRF15%GrantYearFundingExpenditureSummary.AsOf20150115.xlsx. Each Capitalization Grant is identified with the related spending rate. The schedule for expending funds is listed in the “Outstanding Payments” portion of the table.

The FFY 2016 workplan overhead is budgeted to be \$562,386.00. The available funds to be encumbered are from:

FFY 2008 - \$595.15

FFY 2009 - \$413,695.96 + \$82,323.58 (12-034 unencumbered)

FFY 2010 - \$28,589.04 + \$2,980.02 (14-106 unencumbered)

FFY 2011 - \$15,641.26

A balance of \$18,561.04 is needed to meet the budget. The DOH will not request any funds from the DWSRF 15% Set-Aside in the *SFY 2016 & FFY 2015 Intended Use Plan*.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 3 - Attachment 1
Due January 30, 2015

DWSRF15%GrantYearFundingExpenditureSummary.AsOf20150115.xlsx

15% Set Aside FFY2004- FFY2014 - As of January 15, 2015

Using COMPASS #s as of 1/15/2015

FFY 2004 - 008207 (Expires 6/30/13)				FS99986505	04DG - 0 & 1 = EXPENDED
\$	72,474.58	Misc-FFY10-11 +portion 12 workplan		Various	Paid 10/01/09 - 1/31/12
\$	132,835.42	08-164 / 57034	6/3/2008	WHPP - County of Maui	Paid 07/11/2011 - 02/06/2012; zero balance
\$	165,000.00	09-114 / 58425	7/1/2009	University of Hawaii-OSDS	Paid 01/28/2010 - 05/01/2012
\$	460,000.00	10-116 / 58640	10/9/2009	RCAC - Technical Assistance	Paid 07/30/2010 - 07/27/2012; zero balance
\$	830,310.00	Paid to date	100%	Spending Rate	
\$	830,310.00	Grant award			
\$	-	Available Funds			
FFY 2005 - 009207 (Expires 6/30/2016)				FS99986506	06DG = EXPENDED
\$	53,779.00	Misc-FFY11-12 workplan + portion 13 workplan		Various	Paid 10/01/10 - 01/31/12
\$	74,801.18	09-114 / 58425	7/1/2009	University of Hawaii-OSDS	Paid 01/27/12-09/07/2012
\$	20,748.44	11-044 / 60099	4/26/2011	UH Contaminant Leaching Model	Paid 06/06/2012 - 08/28/2012
\$	144,771.00	10-116 / 58640	10/9/2009	RCAC - Technical Assistance	Paid 01/24/2012 - 10/23/2012
\$	62,500.00	10-116 / 58640		RCAC - Technical Assistance	Paid 3/5/2013
\$	14,182.56	11-044/60099	4/26/2011	UH Contaminant Leaching Model	Paid 5/07/2013
\$	62,500.00	10-116 / 58640		RCAC - Technical Assistance	Paid 7/08/2013
\$	62,500.00	10-116 / 58640		RCAC - Technical Assistance	Paid 9/10/2013
\$	62,707.82	10-116 / 58640		RCAC - Technical Assistance	Paid 1/15/2014
\$	11,891.64	11-044/62390	10/24/2013	UH Contaminant Leaching Model	Paid 2/14/2014
\$	62,500.00	10-116 / 58640		RCAC - Technical Assistance	Paid 3/14/2014
\$	4,000.00	14-106 / 62390		UH Contaminant Leaching Model	Paid 3/14/2014
\$	62,500.00	10-116 / 58640		RCAC - Technical Assistance	Paid 6/04/2014
\$	4,168.36	14-106 / 62390		UH Contaminant Leaching Model	Paid 6/04/2014
\$	62,500.00	10-116 / 58640		RCAC - Technical Assistance	Paid 10/01/2014
\$	62,500.00	10-116 / 58640		RCAC - Technical Assistance	Paid 12/11/2014
\$	828,550.00	Paid to date	100%	Spending Rate	
\$	828,550.00	Grant award			
\$	-	Available Funds			
FFY 2006 - 010207 (Expires 6/30/2017)				FS99986507	06DG
\$	300,000.00	12-060 / 33448	6/26/2012	Agilent Technologies - LCMS	Paid 06/01/2012; zero balance
\$	8,093.56	12-026 / 61163	6/3/2012	West Maui Land Co., Inc.	Paid 6/03/2013
\$	60,490.63	12-044 / 61135	7/8/2013	County of Hawaii - Dept. of Finance, Treasury Division -	Paid 7/8/2013
\$	17,398.45	12-026 / 61163	7/8/2013	West Maui Land Co., Inc.	Paid 7/8/2013
\$	866.62	12-026 / 61163	10/23/2013	West Maui Land Co., Inc.	Paid 10/23/2013
\$	83,439.37	12-044 / 61135	6/22/2012	County of Hawaii - Dept. of Finance, Treasury Division -	Paid 1/15/2014
\$	24,877.76	12-026 / 61163	1/15/2014	West Maui Land Co., Inc.	Paid 1/15/2014
\$	13,926.42	12-026 / 61163	3/14/2014	West Maui Land Co., Inc.	Paid 3/14/2014
\$	4,000.00	14-106 / 62390	6/4/2014	UH Contaminant Leaching Model	Paid 6/4/2014
\$	49,676.40	12-026 / 61163	6/20/2014	West Maui Land Co., Inc.	Paid 6/20/2014
\$	448.50	12-026 / 61163	6/20/2014	West Maui Land Co., Inc.	Paid 6/20/2014
\$	563,217.71	Paid to date	68%	Spending Rate	
\$	822,930.00	Grant award			
\$	259,712.29	Available Funds			
Outstanding Payments					
\$	200,000.00	15-033 / 63363		RCAC Tech Assist Circuit Rider	Project ends 9/30/2017
\$	59,712.29	12-026 / 61163	6/26/2012	West Maui Land Co., Inc.	ASO #12-026 Project extended to end 12/31/2014.
\$	259,712.29	Encumbered			
\$	0.00	No Balance to Encumber			

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 3 - Attachment 1
Due January 30, 2015

DWSRF15%GrantYearFundingExpenditureSummary.AsOf20150115.xlsx

15% Set Aside FFY2004- FFY2014 - As of January 15, 2015

Using COMPASS #s as of 1/15/2015

FFY 2007 - 011207 (Expires 6/30/2017)				FS99986508	07DG - 0
\$	435.49	Misc-FFY12 workplan		Various	Paid 2/1/2012
\$	3,383.60	Misc-FFY12 workplan		Various	Paid 5/8/2012
\$	1,626.68	Misc-FFY12 workplan		Various	Paid 6/1/2012
\$	325,207.50	12-060 / 33448	8/31/2011	Agilent Technologies - LCMS	Paid 6/26/2012
\$	7,964.73	Misc-FFY12 workplan		Various	Paid 8/14/2012
\$	2,023.13	Misc-FFY12 workplan		Various	Paid 8/30/2012
\$	1,899.84	Misc-FFY13 workplan		Various	Paid 10/11/2012
\$	2,301.21	Misc-FFY13 workplan		Various	Paid 11/6/2012
\$	1,315.81	Misc-FFY13 workplan		Various	Paid 12/11/2012
\$	171.20	Misc-FFY13 workplan		Various	Paid 7/8/2013
\$	8,259.22	12-116 / 61357	8/14/2012	County of Hawaii - Dept. of Water	Paid 10/23/2013
\$	142.42	Misc-FFY14 workplan		Various	Paid 12/6/2013
\$	39,991.25	12-044 / 61135	6/22/2012	County of Hawaii - Dept. of Finance, Treasury Division -	Paid 1/15/2014
\$	3,576.23	12-116 / 61357		County of Hawaii - Dept. of Water	Paid 1/15/2014
\$	65,176.65	13-013 / 61471		HRWA - Continuing Education	Paid 1/15/2014
\$	26,334.00	13-013 / 61471		HRWA - Continuing Education	1/28/2014
\$	66,078.75	12-044 / 61135	6/22/2012	County of Hawaii - Dept. of Finance, Treasury Division -	Paid 2/14/2014
\$	30,723.00	13-013 / 61471		HRWA - Continuing Education	Paid 3/14/2014
\$	7,872.08	12-116 / 61357		County of Hawaii - Dept. of Water	Paid 6/4/2014
\$	3,460.08	12-116 / 61357		County of Hawaii - Dept. of Water	Paid 6/4/2014
\$	26,334.00	13-013 / 61471		HRWA - Continuing Education	Paid 6/4/2014
\$	21,432.35	13-013 / 61471	9/28/2012	HRWA - Continuing Education	paid 10/1/2014
\$	27,529.14	12-116 / 61357		County of Hawaii - Dept. of Water	paid 12/11/2014
\$	9,036.08	12-116 / 61357		County of Hawaii - Dept. of Water	paid 12/11/2014
\$	682,274.44	Paid to date	83%	Spending Rate	
\$	822,900.00	Grant award			
\$	140,625.56	Available Funds			
Outstanding Payments					
\$	95,812.03	12-116 / 61357		County of Hawaii - Dept. of Water	Project ends 12/31/2015.
\$	19,332.42	12-116 / 61357		County of Hawaii - Dept. of Water	to be paid 10/31/2014
\$	2,895.15	12-116 / 61357		County of Hawaii - Dept. of Water	to be paid 1/13/2015
\$	22,585.96	FFY15 workplan		Tasks 1 - 8	see FFY15-16.DrawdownCalculationsFor15%QtrReports.xls
\$	140,625.56	Encumbered			
\$	0.00	No Balance to Encumber			
FFY 2008 - 012207 (Expires 6/30/2018)				FS99986509	08DG - 0
\$	11,937.35	Misc-FFY12 workplan		Various	Paid 05/07/12 - 11/02/12
\$	3,434.47	Misc-FFY13 workplan		Various	Paid 12/11/2012
\$	3,699.43	Misc-FFY13 workplan		Various	Paid 3/21/2013
\$	65,584.20	13-013 / 61471		HRWA	Paid 5/07/2013
\$	7,127.72	12-117 / 61641	12/31/2012	County of Maui - Dept. of Water	Paid 6/03/2013
\$	36,209.25	13-013 / 61471		HRWA	Paid 7/08/2013
\$	35,112.00	13-013 / 61471		HRWA	Paid 9/10/2013
\$	9,353.24	12-117 / 61641	12/31/2012	County of Maui - Dept. of Water	Paid 10/23/2013
\$	6,545.80	12-117 / 61641	12/31/2012	County of Maui - Dept. of Water	Paid 1/15/2014
\$	1,818.40	Misc-FFY14 workplan		Various	Paid 12/06/2013
\$	5,474.32	12-117 / 61641		County of Maui - Dept. of Water	Paid 3/14/2014
\$	20,000.00	12-033 / 61691		Hawaiian Beaches Water Co.	paid 4/1/2014
\$	4,748.46	12-117 / 61641		County of Maui - Dept. of Water	Paid 6/20/2014
\$	4,180.70	12-117 / 61641		County of Maui - Dept. of Water	Paid 10/1/2014
\$	7,535.05	13-013 / 61471		HRWA - Continuing Education	Paid 10/1/2014
\$	32,530.28	12-117 / 61641		County of Maui - Dept. of Water	Paid 12/11/2014
\$	46,084.50	13-013 / 61471		HRWA - Continuing Education	Paid 12/11/2014
\$	301,375.17	Paid to date	25%	Spending Rate	
\$	1,221,900.00	Grant award			
\$	920,524.83	Available Funds			
Outstanding Payments					
\$	184,149.90	13-013 / 61471	9/28/2012	HRWA - Continuing Education	^3yr contract (08.2012-07.2015), draws are \$48,000/quarter (average). Project ends 8/28/2015
\$	26,334.00	13-013 / 61471	9/28/2012	HRWA - Continuing Education	to be paid 12/18/2014; estimated draw 1/9/2015
\$	29,406.30	13-013 / 61471	9/28/2012	HRWA - Continuing Education	to be paid 1/16/2015
\$	648,420.82	12-117 / 61641	12/31/2012	County of Maui - Dept. of Water	Project ends 6/30/2015

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 3 - Attachment 1
Due January 30, 2015

DWSRF15%GrantYearFundingExpenditureSummary.AsOf20150115.xlsx

15% Set Aside FFY2004- FFY2014 - As of January 15, 2015

Using COMPASS #s as of 1/15/2015

\$	31,618.66	12-117 / 61641	12/31/2012	County of Maui - Dept. of Water	to be paid 1/15/2015
\$	919,929.68	Encumbered			
\$	595.15	Funds to Encumber			
FFY 2009 - 013207 (Expires 6/30/2019)			FS99986510		09DG - 0 & 1
\$	177.60	Misc-FFY12 workplan		Various	Paid 05/07/2012
\$	887.20	Misc-FFY13 workplan		Various	Paid 1/17/2013
\$	170.20	Misc-FFY13 workplan		Various	Paid 7/08/2013
\$	2,625.00	12-034 / 61692	1/29/2013	Hawaiian Shores Community Association, Inc.	Paid 12/06/2013
\$	21,104.24	12-033 / 61691		Hawaiian Beaches Water Co., Inc.	Paid 4/1/2014
\$	9,021.67	12-034 / 61692		Hawaiian Shores Community Association, Inc.	Paid 5/9/2014
\$	628.12	12-034 / 61692	1/29/2013	Hawaiian Shores Community Association, Inc.	Paid 11/17/2014
\$	4,857.60	12-034 / 61692	1/29/2013	Hawaiian Shores Community Association, Inc.	Paid 11/17/2014
\$	544.03	12-034 / 61692	1/29/2013	Hawaiian Shores Community Association, Inc.	Paid 12/11/2014
\$	6,753.78	Misc-FFY15 workplan		Various?	Paid 12/11/2014
\$	46,769.44	Paid to date		4%	Spending Rate
\$	1,221,900.00	Grant award			
\$	480,000.00	Amount moved back to loan fund			
\$	695,130.56	Available Funds			
Outstanding Payments					
\$	16,395.76	12-033 / 61691		Hawaiian Beaches Water Co., Inc.	Project ends 6/30/2015.
\$	82,323.58	12-034 / 61692	1/29/2013	Hawaiian Shores Community Association, Inc.	Project ends 12/31/2014. Unencumber balance to FFY16 workplan.
\$	182,715.26	FFY15 workplan		Tasks 1 - 8	see FFY15-16.DrawdownCalculationsFor15%QtrReports.xls
		FFY16 workplan		Tasks 1 - 8	see FFY15-16.DrawdownCalculationsFor15%QtrReports.xls
\$	281,434.60	Encumbered			
\$	413,695.96	Funds to Encumber			
FFY 2010 - 014207 (Expires 6/30/2017)			FS99986511		10DG - 0
\$	2,136.96	Misc-FFY13 workplan		Various	Paid 2/5/2013
\$	101.89	Misc-FFY13 workplan		Various	Paid 1/18/2013
\$	879.40	Misc-FFY13 workplan		Various	Paid 12/11/2012
\$	1,303.86	Misc-FFY13 workplan		Various	Paid 11/6/2012
\$	1,316.80	Misc-FFY13 workplan		Various	Paid 10/11/2012
\$	27,923.61	Misc-FFY13 workplan		Various	Paid 3/5/2013
\$	23,435.66	Misc-FFY13 workplan		Various	Paid 3/27/2013
\$	4,459.89	Misc-FFY13 workplan		Various	Paid 5/7/2013
\$	63.28	Misc-FFY13 workplan		Various	Paid 5/7/2013
\$	501.40	Misc-FFY13 workplan		Various	Paid 6/03/2013
\$	20,798.54	Misc-FFY13 workplan		Various	Paid 7/08/2013
\$	3,757.20	Misc-FFY13 workplan		Various	Paid 8/08/2013
\$	14,798.18	Misc-FFY13 workplan		Various	Paid 9/10/2013
\$	14,960.96	12-117 / 61641		County of Maui - Dept. of Water	Paid 10/23/2013
\$	6,074.96	Misc-FFY14 workplan		Various	Paid 10/23/2013
\$	16,149.15	Misc-FFY14 workplan		Various	Paid 12/06/2013
\$	34,906.20	12-117 / 61641		County of Maui - Dept. of Water	Paid 1/15/2014
\$	2,113.15	Misc-FFY14 workplan + missing nickel		Various	Paid 1/15/2014
\$	13,128.30	Misc-FFY14 workplan		Various	Paid 1/28/2014
\$	53,319.21	12-117 / 61641		County of Maui - Dept. of Water	Paid 2/14/2014
\$	1,721.23	Misc-FFY14 workplan		Various	Paid 2/14/2014
\$	1,763.61	Misc-FFY14 workplan		Various	Paid 3/14/2014
\$	18,820.94	13-047 / 62556		Kawela Plantation Homeowners' Association	Paid 4/1/2014
\$	922.70	Misc-FFY14 workplan		Various	Paid 4/1/2014
\$	230,348.63	12-117 / 61641		County of Maui - Dept. of Water	Paid 5/9/2014
\$	11,179.63	Misc-FFY14 workplan		Various	Paid 5/9/2014
\$	17,435.99	14-106 / 62390		UH Contaminant Leaching Model	Paid 5/9/2014
\$	274.40	Misc-FFY14 workplan		Various	Paid 6/4/2014

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 3 - Attachment 1
Due January 30, 2015

DWSRF15%GrantYearFundingExpenditureSummary.AsOf20150115.xlsx

15% Set Aside FFY2004- FFY2014 - As of January 15, 2015

Using COMPASS #s as of 1/15/2015

\$	66,465.00	12-117 / 61641	County of Maui - Dept. of Water	Paid 6/20/2014
\$	2,323.59	13-038 / 61642	Kauai Department of Water - Project "WET"	Paid 6/20/2014
\$	10,802.40	Misc-FFY14 workplan	Various	Paid 6/20/2014
\$	3,150.53	Misc-FFY14 workplan	Various	Paid 10/1/2014
\$	514.99	14-106 / 62390	UH Contaminant Leaching Model	Paid 10/1/2014
\$	4,787.81	Misc-FFY14 workplan	Various - indirect	Paid 11/17/2014
\$	11,716.65	13-047 / 62556	Kawela Plantation Homeowners' Association	Paid 12/11/2014
\$	624,356.70	Paid to date	48%	Spending Rate
\$	1,304,530.00	Grant award		
\$	680,173.30	Available Funds		
Outstanding Payments				
\$	99,462.41	13-047 / 62556	Kawela Plantation Homeowners' Association	Project ends 12/31/2015.
\$	2,980.02	14-106 / 62390	10/24/2013 UH Contaminant Leaching Model	Unencumber balance to FFY16 workplan
\$	171,445.00	13-038 / 61642	Kauai Department of Water - Project "WET"	Project ends 12/31/2015.
\$	10,192.42	13-038 / 61642	Kauai Department of Water - Project "WET"	to be paid 7/11/2014
\$	17,504.41	13-038 / 61642	Kauai Department of Water - Project "WET"	to be paid 10/9/2014
\$	350,000.00	15-033 / 63363	RCAC Tech Assist Circuit Rider	Project ends 9/30/2017
		FFY16 workplan	Tasks 1 - 8	see FFY15-16.DrawdownCalculationsFor15%QtrReports.xls
\$	651,584.26	Encumbered		
\$	28,589.04	Funds to Encumber		
FFY 2011 - 015207 (Expires 6/30/2018) FS99986512 11DG - 0 & 1				
\$	158,896.99	12-117 / 61641	County of Maui - Dept. of Water	Paid 6/20/2014
\$	190,088.26	12-117 / 61641	County of Maui - Dept. of Water	Paid 10/1/2014
\$	18,275.44	Misc-FFY14 workplan	Various	Paid 10/1/2014
\$	15,331.19	Misc-FFY14 workplan	Various	Paid 10/1/2014
\$	11,182.11	Misc-FFY15 workplan	Various?	Paid 11/17/2014
\$	393,773.99	Paid to date	41%	Spending Rate
\$	952,030.00	Grant award		
\$	350,000.00	Amount moved back to loan fund		
\$	208,256.01	Available Funds		
Outstanding Payments				
\$	1,014.80	12-117 / 61641	County of Maui - implementation of	Project ends 6/30/2015
\$	191,600.00	15-033 / 63363	RCAC Tech Assist Circuit Rider	Project ends 9/30/2017
		FFY16 workplan	Tasks 1 - 8	see FFY15-16.DrawdownCalculationsFor15%QtrReports.xls
\$	192,614.80	Encumbered		
\$	15,641.21	Funds to Encumber		
FFY 2012 - 016207 (Expires 6/30/2019) FS99986513 12DG - 0 = NO AWARD				
\$	-	Paid to date	n/a	Spending Rate
\$	-	Grant award		
\$	-	Available Funds		
FFY 2013 - 017207 (Expires 6/30/2020) FS99986514 13DG - 0 = NO AWARD				
		Paid to date	n/a	Spending Rate
\$	-	Grant award		
\$	-	Available Funds		
FFY 2014 - 018207 (Expires 6/30/2021) FS99986515 14DG - 0 = NO AWARD				
		Paid to date	n/a	Spending Rate
\$	-	Grant award		
\$	-	Available Funds		

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
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Due January 30, 2015

DWSRF15%GrantYearFundingExpenditureSummary.AsOf20150115.xlsx

15% Set Aside FFY2004- FFY2014 - As of January 15, 2015

Using COMPASS #s as of 1/15/2015

Grant Totals (FFY00-14)	\$ 8,005,050.00			10/27/2014 action plan	
Return to Loan Fund	\$ 830,000.00			1. spend down existing contracts	
Revised Grant Total	\$ 7,175,050.00			2. meet 75% spending rate by 6/30/2015	
Net Paid	\$ 4,270,627.45	60%	current spending rate = Net Paid / Revised Grant Total	3. option - transfer balance remaining in contracts to loan; use 430 account to fund the balance remaining by 12/31/2015 if not going to meet 80% spending rate by 6/30/2016	difference
Available Funds	\$ 2,904,422.55	\$ 2,904,422.55	OK - EPA COMPASS Tab in FFY15-16.DrawdownCalculationsFor15%QtrReports.xls		\$ -
Encumbered - FFY15 workplan - draws	\$ 212,055.00	\$ 212,055.00	OK - FFY15 Budget in FFY15-16.DrawdownCalculationsFor15%QtrReports.xls		\$ -
Balance of Encumbered Contracts	\$ 2,233,846.19	\$ 2,233,409.46	NOT OK - matches Estimated Contract Encumbered (top right this sheet)		\$ (436.73)
Unencumbered Funds	\$ 458,521.36	\$ 458,958.09	NOT OK - Balance available (COMPASS - Contract Encumbered this sheet)		\$ 436.73

	\$ 4,116,967.40	Estimated Cumulative Draws as of 6/30/2015	
	\$ 1,035,930.66	Estimated Difference in Draws from 10/2/2014 to 6/30/2015	
Net paid + est draw	\$ 5,306,558.11	74%	Estimated 6/30/2015 spending rate = Net Paid by 6/30/2015 / Revised Grant Total
	\$ 5,381,287.50	75%	amount needed to draw for 75% spending rate by 6/30/2015
	\$ 74,729.39	meets draw rate	amount needed to draw by 6/30/2015 to reach 75% spending rate
	\$ 5,740,040.00	80%	amount needed to draw for 80% spending rate by 6/30/2016 & 6/30/2017

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Budget from FFY15-16.DrawdownCalculationsFor15%QtrReports.(date).xlsx				
\$ 212,055.00	FFY15 overhead			
\$ 562,386.00	FFY16 overhead	\$ 543,824.96	\$ 18,561.04	
\$ 774,441.00	FFY15&16 overhead	balance available + unencumbered 12-034 & 14-106	= balance needed for FFY16	

Distribution Est for Project	
Pre 3/2014	\$ -
3/31/2014	\$ 2,980.02
9/30/2014	\$ -
12/31/2014	\$ 158,431.63
6/30/2015	\$ 649,435.62
8/28/2015	\$ 213,556.20
12/31/2015	\$ 467,405.99
9/30/2017	\$ 741,600.00

\$ 810,847.27 drawn by 6/30/2015

\$ 680,962.19 drawn by 6/30/2016

\$ 2,233,409.46 ok matches outstanding below

Move unpaid draws (most requested after 12/31/2014) back to outstanding column

Projects	ASO Log no.	End Date	Funding Level	Payments*	Outstanding
1 UH CLEARS	11-044	9/30/2012	\$ 34,931.00	\$ 34,931.00	\$ -
2 UH CLERS Model and Script	14-106	3/31/2014	\$ 45,000.00	\$ 42,019.98	\$ 2,980.02
3 West Maui Land WHPP	12-026	12/31/2014	\$ 175,000.00	\$ 115,287.71	\$ 59,712.29
4 Lanai (\$250,000)	13-037			\$ -	
5 COH WHP	12-116	6/30/2015	\$ 200,000.00	\$ 59,732.83	\$ 140,267.17
6 COH Honokaa	12-044	9/30/2014	\$ 250,000.00	\$ 250,000.00	\$ -
7 RCAC	10-116	9/30/2014	\$ 1,250,000.00	\$ 1,250,000.00	\$ -
8 Hawaiian Beaches WHP	12-033	6/30/2015	\$ 57,500.00	\$ 41,104.24	\$ 16,395.76
9 Hawaiian Shores WHP	12-034	12/31/2014	\$ 100,000.00	\$ 17,676.42	\$ 82,323.58
10 County of Maui WHP	12-117	6/30/2015	\$ 1,500,000.00	\$ 850,564.38	\$ 649,435.62
11 Kawela Plantation WHP	13-047	12/31/2015	\$ 130,000.00	\$ 30,537.59	\$ 99,462.41
12 Kauai WHPP (\$200,000)	12-025	6/30/2015		\$ -	\$ -
13 County of Kauai WET	13-038	12/31/2015	\$ 230,000.00	\$ 2,323.59	\$ 227,676.41
14 HRW	13-013	8/28/2015	\$ 600,415.20		
				\$ 386,859.00	\$ 213,556.20
15 RCAC	15-033	9/30/2017	\$ 741,600.00	\$ -	\$ 741,600.00
Total encumbered costs for projects			\$ 5,314,446.20	\$ 3,081,036.74	\$ 2,233,409.46

* Payments taken from quarterly reports

to be extended to these dates - use in blue table above

Available Funding	\$ 4,371,781
Less Projects	\$ 2,233,409
True Available	\$ 2,138,372

FFY10-12 Workplan costs (10/1/2009 - 9/30/2012)

\$ 72,474.58	Misc-FFY10-11 +portion 12 workplan	008207	Various	Paid 10/01/09 - 1/31/12
\$ 53,779.00	Misc-FFY11-12 workplan + portion 13 workplan	009207	Various	Paid 10/01/10 - 01/31/12
\$ 435.49	Misc-FFY12 workplan	011207	Various	Paid 2/1/2012
\$ 3,383.60	Misc-FFY12 workplan	011207	Various	Paid 5/8/2012
\$ 1,626.68	Misc-FFY12 workplan	011207	Various	Paid 6/1/2012
\$ 7,964.73	Misc-FFY12 workplan	011207	Various	Paid 8/14/2012
\$ 2,023.13	Misc-FFY12 workplan	011207	Various	Paid 8/30/2012
\$ 11,937.35	Misc-FFY12 workplan	012207	Various	Paid 05/07/12 -
\$ 153,624.56				

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
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DWSRF15%GrantYearFundingExpenditureSummary.AsOf20150115.xlsx

FFY13 Workplan costs (10/1/2012 - 9/30/2013)

Qtrly Subtotals

\$	1,899.84	Misc-FFY13 workplan	011207	Various	Paid 10/11/2012		
\$	1,316.80	Misc-FFY13 workplan	014207	Various	Paid 10/11/2012		
\$	2,301.21	Misc-FFY13 workplan	011207	Various	Paid 11/6/2012		
\$	1,303.86	Misc-FFY13 workplan	014207	Various	Paid 11/6/2012		
\$	1,315.81	Misc-FFY13 workplan	011207	Various	Paid 12/11/2012		
\$	879.40	Misc-FFY13 workplan	014207	Various	Paid 12/11/2012		
\$	3,434.47	Misc-FFY13 workplan	012207	Various	Paid 12/11/2012	\$	12,451.39
\$	887.20	Misc-FFY13 workplan	013207	Various	Paid 1/17/2013		
\$	101.89	Misc-FFY13 workplan	014207	Various	Paid 1/18/2013		
\$	2,136.96	Misc-FFY13 workplan	014207	Various	Paid 2/5/2013		
\$	27,923.61	Misc-FFY13 workplan	014207	Various	Paid 3/5/2013		
\$	3,699.43	Misc-FFY13 workplan	012207	Various	Paid 3/21/2013		
\$	23,435.66	Misc-FFY13 workplan	014207	Various	Paid 3/27/2013	\$	58,184.75
\$	4,459.89	Misc-FFY13 workplan	014207	Various	Paid 5/7/2013		
\$	63.28	Misc-FFY13 workplan	014207	Various	Paid 5/7/2013		
\$	501.40	Misc-FFY13 workplan	014207	Various	Paid 6/03/2013	\$	5,024.57
\$	20,798.54	Misc-FFY13 workplan	014207	Various	Paid 7/08/2013		
\$	171.20	Misc-FFY13 workplan	011207	Various	Paid 7/8/2013		
\$	170.20	Misc-FFY13 workplan	013207	Various	Paid 7/08/2013		
\$	3,757.20	Misc-FFY13 workplan	014207	Various	Paid 8/08/2013		
\$	14,798.18	Misc-FFY13 workplan	014207	Various	Paid 9/10/2013	\$	39,695.32
\$	115,356.03					\$	115,356.03

FFY14 Workplan costs (10/1/2013 - 9/30/2014)

Qtrly Subtotals

\$	6,074.96	Misc-FFY14 workplan	014207	Various	Paid 10/23/2013		
\$	16,149.15	Misc-FFY14 workplan	014207	Various	Paid 12/06/2013		
\$	1,818.40	Misc-FFY14 workplan	012207	Various	Paid 12/06/2013		
\$	142.42	Misc-FFY14 workplan	011207	Various	Paid 12/6/2013	\$	24,184.93
\$	2,113.15	Misc-FFY14 workplan + missing nickel	014207	Various	Paid 1/15/2014		
\$	13,128.30	Misc-FFY14 workplan	014207	Various	Paid 1/28/2014		
\$	1,721.23	Misc-FFY14 workplan	014207	Various	Paid 2/14/2014		
\$	1,763.61	Misc-FFY14 workplan	014207	Various	Paid 3/14/2014	\$	18,726.29
\$	922.70	Misc-FFY14 workplan	014207	Various	Paid 4/1/2014		
\$	11,179.63	Misc-FFY14 workplan	014207	Various	Paid 5/9/2014		
\$	274.40	Misc-FFY14 workplan	014207	Various	Paid 6/4/2014		
\$	10,802.40	Misc-FFY14 workplan	014207	Various	Paid 6/20/2014	\$	23,179.13
\$	18,275.44	Misc-FFY14 workplan	015207	Various	Paid 10/1/2014		
\$	15,331.19	Misc-FFY14 workplan	015207	Various	Paid 10/1/2014		
\$	3,150.53	Misc-FFY14 workplan	014207	Various	Paid 10/1/2014		
\$	4,787.81	Misc-FFY14 workplan	014207	Various - indirect	Paid 11/17/2014	\$	41,544.97
\$	107,635.32					\$	107,635.32

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 3 - Attachment 1
Due January 30, 2015

DWSRF15%GrantYearFundingExpenditureSummary.AsOf20150115.xlsx

FFY15 Workplan costs (10/1/2014 - 9/30/2015)

Qtrly Subtotals

\$	6,753.78	Misc-FFY15 workplan	013207	Various	Paid 12/11/2014		
\$	11,182.11	Misc-FFY15 workplan	015207	Various?	Paid 11/17/2014		
		Misc-FFY15 workplan		Various			
		Misc-FFY15 workplan		Various		\$	17,935.89
		Misc-FFY15 workplan		Various			
		Misc-FFY15 workplan		Various			
		Misc-FFY15 workplan		Various			
		Misc-FFY15 workplan		Various		\$	-
		Misc-FFY15 workplan		Various			
		Misc-FFY15 workplan		Various			
		Misc-FFY15 workplan		Various			
		Misc-FFY15 workplan		Various		\$	-
		Misc-FFY15 workplan		Various			
		Misc-FFY15 workplan		Various			
		Misc-FFY15 workplan		Various		\$	-
\$	17,935.89					\$	17,935.89

Distribution Est for Project as of 6/30/2015	
Pre 3/2014	\$ -
3/31/2014	\$ 2,980.02
9/30/2014	\$ -
12/31/2014	\$ 82,323.58
6/30/2015	\$ -
8/28/2015	\$ 150,415.20
12/31/2015	\$ 205,000.00
9/30/2017	\$ 576,600.00

to be unencumbered, apply to operational expenses

to be unencumbered, apply to operational expenses

\$ 85,303.60 drawn by 6/30/2015

\$ 355,415.20 drawn by 6/30/2016

\$ 1,017,318.80 ok matches outstanding below

Estimated Draws as of 6/30/2015

Projects	ASO Log no.	End Date	Funding Level	Payments*	Outstanding
1 UH CLEARS	11-044	9/30/2012	\$ 34,931.00	\$ 34,931.00	\$ -
2 UH CLERS Model and Script	14-106	3/31/2014	\$ 45,000.00	\$ 42,019.98	\$ 2,980.02
3 West Maui Land WHPP	12-026	12/31/2014	\$ 175,000.00	\$ 175,000.00	\$ -
4 Lanai (\$250,000)	13-037			\$ -	\$ -
5 COH WHP	12-116	12/31/2015	\$ 200,000.00	\$ 150,000.00	\$ 50,000.00
6 COH Honokaa	12-044	9/30/2014	\$ 250,000.00	\$ 250,000.00	\$ -
7 RCAC	10-116	9/30/2014	\$ 1,104,771.00	\$ 1,104,771.00	\$ -
8 Hawaiian Beaches WHP	12-033	12/31/2014	\$ 57,500.00	\$ 57,500.00	\$ -
9 Hawaiian Shores WHP	12-034	12/31/2014	\$ 100,000.00	\$ 17,676.42	\$ 82,323.58
10 County of Maui WHP	12-117	6/30/2015	\$ 1,500,000.00	\$ 1,500,000.00	\$ -
11 Kawela Plantation WHP	13-047	12/31/2015	\$ 130,000.00	\$ 75,000.00	\$ 55,000.00
12 Kauai WHPP (\$200,000)	12-025			\$ -	\$ -
13 County of Kauai WET	13-038	12/31/2015	\$ 230,000.00	\$ 130,000.00	\$ 100,000.00
14 HRW	13-013	8/28/2015	\$ 600,415.20	\$ 450,000.00	\$ 150,415.20
15 RCAC	15-033	9/30/2017	\$ 741,600.00	\$ 165,000.00	\$ 576,600.00
Total encumbered costs for projects			\$ 5,169,217.20	\$ 4,116,967.40	\$ 1,017,318.80

* Payments taken from quarterly reports; estimated draws if highlighted in yellow

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 4 - Attachment 2
Due January 30, 2015

FFY15-16 DWSRF 15% Set-Aside Workplan Quarterly Report as of January 15, 2015
Cumulative to FFY2015 First Quarter (October 1, 2014 – December 31, 2014)

CAP Item 4	Submit a summary of all 15% set-aside projects including recipient, project outcomes/outputs, funding level, project period and project status.
DOH Commitment	<p>The DOH submits CAP Attachment 2 which is a summary of all 15% set-aside projects including recipient, project outcomes/outputs, funding level, project period and project status.</p> <p>This is a one-time CAP submittal requirement which the DOH will continue to update and submit on a quarterly basis per the approved workplan. Note that the values are as of January 15, 2015, mid-way through the reporting month.</p>

Note: Best to print on 11x17 size paper. Changes to letter size at Page CAP4-10.

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FFY 2015 Workplan Summary

Workplan Task	FFY 2015 Spending Rate *	Status	Plan to meet goal
1. Administration Program	23%	Quarterly Reports submitted. Vacant positions not yet filled. Contract management on-going via D.Chang overtime. Revision of WHP-FAP application on-going – no RFP issued in 2014.	DOH has made advertising the SDWB vacant positions a priority to meet the 3/31/2015 CAP deadline. WHP-FAP application to be revised by 3/31/2015. Program determined that RFP not needed if requesting procurement exemption through 12/31/2020. . Work with SDWB staff and EPA to revise FFY 2015-2016 Workplan by 3/31/2015.
2. Protection Program	9%	Source Water Assessments of Drinking Water Sources done as requested.	Develop and implement guidelines to prepare plans. Continue to meet with other water-related programs (Task #3). Revise and obtain EPA approval on GW QAPrgP to conduct monitoring program.
3. Project Review Program	14%	Discussions with other water-related programs on-going.	Continue to meet with DLNR-CWRM; CWB, WWB, SHWB; HEER; DOA; County water departments; small systems.
4. Laboratory Capability and Certification Program	7%	Water Reuse portion of QAPP undergoing additional review and revision. LCMS maintenance on-going.	Various SLD staff to utilize LCMS for various projects. SLD staff to train to do same methods for CLERS contaminant list and atrazine and degradation products.
5. Data Management Program	0%	Coordinated sharing of data as requested.	Water system to distribute SWAP zone delineation data as requested. SDWB to distribute only if permission granted by water system. GIS continued to be used within EMD, not shared to non-water system personnel. PCA to County water departments.
6. Emergency Response Program	(no budget)	No activities in FFY 2015.	FFY 2016 plan is to assist water systems with contingency plans. Utilize circuit riders to develop protection plans.
7. Training and Technical Assistance Program	5%	Hawaii Water Works Conference held in October 2014 with SWAP presentations/discussions.	Planning to co-host NEMA Contaminant Transport in Soil and Groundwater Workshop on 4/13-14/2015 (other government agencies and consultants invited to attend). Begin planning 3 rd Annual Joint Government Water Conference for August 2015.
8. Public Participation Program	19%	<i>The Water Spot</i> distributed in January 2015. Statewide Project WET planning on-going.	Coordinating Project WET events to be held on Hawaii Island and Molokai by 6/30/2015 (ASO Log Nos. 13-038; 12-116; and 13-047).

Note: * Spending Rate = Cumulative Drawdown/Budget Amount.

- 1. Administration Program Table**
- Objective: To administer general programmatic supervisory functions to ensure the effective implementation.. To ensure timely grant award, timely submittal of reports, documenting progress, appropriate use of federal funds.
- Outcomes: Sufficient resources to accomplish required tasks. Proper authority to fulfill program mission, goals and objectives. Sound planning to address future issues. Adequate reporting to assure proper oversight and compliance with requirements.

1. Administration Program Task/Output & Deliverable FY15 - \$35,485; FY16 - \$103,939	Schedule	Measure of Success
1) Amend FFY15-16 Workplan and Budget – <i>Amended Work plan and Budget (J. Seto, Program Specialist)</i>	a) Draft: 3/31 2015 b) Final: 5/15/ 2015	Submittal of amended Workplan on time.
2) Prepare FFY17-18 Workplan and Budget - <i>Workplan and Budget (J. Seto, Program Specialist)</i>	5/15/2016	On-time submittal.
3) Program Oversight and Management – <i>Deliverable: Quarterly WHP status reports(J. Seto, D. Chang, Program Specialist)</i>	Quarterly report to EPA 30 days after quarter ends: 1/31/2015; 4/30/2015; 7/31/2015; 10/31/2015; 1/31/2016; 4/30/2016; 7/31/2016; 10/31/2016	On-time submittal.
4) Establish and hire Geologist 1 and Program Specialist IV positions to assist with wellhead protection/source water protection program. Establish Chemist IV position to assist with wellhead protection/source water protection program. -- <i>Deliverable: notification of filled positions. (J. Seto, N. Uehara, D. Chang)</i>	3/31/2015 (pending completion of position description approval and interviews). Chemist IV position – 3/31/2016.	Positions filled. Note: NNC-CAP Item #13 requires advertisement of all three (3) positions by 3/31/2015.
5) Quarterly meeting/conference with EPA Projects Officer to report progress on obligations/commitments. -- <i>Deliverable: Meeting notes (J. Seto)</i>	On or after submittal of quarterly report to EPA 30 days after quarter ends: 1/31/2015; 4/30/2015; 7/31/2015; 10/31/2015; 1/31/2016; 4/30/2016; 7/31/2016; 10/31/2016	Meeting held.

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1. Administration Program Task/Output & Deliverable FY15 - \$35,485; FY16 - \$103,939	Schedule	Measure of Success
6) <u>Source Water Protection – Financial Assistance Plan (FAP) (D. Chang, WHP Geologist, Program Specialist, J. Seto)</u> a) Manage Hawaii Source Water Protection - Financial Assistance Program to allow for the use of 15 % DWSRF funds for wellhead protection activities including the implementation of funding mechanism(s) and selection process for funding Source Water Protection Projects. <i>Proposed schedule for negotiating new projects and discussion on how these projects link to overall set-aside goals/priorities.</i> b) Develop and negotiate WHP-FAP contracts for the County Water Departments, Government Agencies, and private water systems. Contracts will provide financial assistance for development of protection strategies/plans and implementation of protection activities. This includes travel to Neighbor Islands to negotiate with Neighbor Island water suppliers. - <i>Proposed schedule for negotiating new projects and discussion on how these projects link to overall set-aside goals/priorities.</i> c) Revise FAP. <i>Advertise funding opportunities and/or continue to reach out directly to entities to gauge interest, eligibility and negotiate projects/funding level for when funding becomes available.</i> [See Fund Utilization Plan Table (Work Plan page 5)]	a) 10/1/2014-9/30/2016 Continue to manage existing contracts through their expiration dates. b) List of projects by 9/30/2015 for contracts to be issued by 10/1/2016. c) Revised FAP Application by 6/30/2015.	a) Successful completion of projects meeting all identified contracted tasks. [Deliverable: summary of project accomplishments & environmental outcomes.] b) Successful development of list of potential projects for future contracts for award in SFY16 when 15% Set-Asides are taken in capitalization grant. [Deliverable: list of proposed projects to fund and criteria to prioritize for funding.] c) Successful revision of FAP Application and advertisement of available funds. [Deliverable: revised FAP Application]
FFY 2015 First Quarter (October 1, 2014 – December 31, 2014)		
<u>PROGRAM ADMINISTRATION</u> 10/4-5: 15% DWSRF WHP Quarterly Report (July-September 2014). 10/06: Discussion with auditor on sole source procurement waiver for WHP-FAP Projects. 10/25: Revise HI SWP Factsheet. 10/25-26 Review Letter of Non-Compliance and Management Study for DWSRF Program, as pertaining to DWSRF 15% Set-Aside. 10/27: Meeting with Michael Montgomery/Susan Polanco/Kate Rao (EPA) and Sina Pruder (WWB) on SWAP and OSDS. 10/27: SDWB Meeting on FY2015-16 Budget, Contracts, and 15%DWSRF CAP to Letter of Non-Compliance. 11/12-13: Discussions with Ephraim Leon-Guerrero (EPA) on SWP Target Numbers. 12/05: Discussion with Ephraim Leon-Guerrero on EPA/States SWP Conference Call. 12/13-14: Prepare for EPA Region 9/States Source Water Protection Conference Call. 12/17: Discussion with Ephraim Leon-Guerrero on EPA/States SWP Conference Call Agenda and 15%DWSRF WHP/SWP Program Activities. 12/18: EPA R9/States SWP Conference Call. 12/26: Work with Nancy Barter (ERO) on list of existing contracts (15%DWSRF) for budget briefing table. <u>Program Staffing Positions</u> <u>Chemist IV</u> 10/2014: Draft reorganization concept memorandum for Safe Drinking Water Branch and Environmental Health Analytical Services Branch submitted to DOH-Personnel. <u>HRWA Source Water Protection Grant (USDA-FSA)</u> 10/01: Discussion with Tui Anderson (HRWA) on impact of lava flow on water sources (well protection). 12/15: Discussion with Tui Anderson (HRWA) on Maui Water Quality Events in January 2015. <u>WHP-FAP CONTRACT MANAGEMENT</u> 12/2014: Contract/Project Management for active WHP-FAP Projects (ASO 12-026, 12-033, 12-116, 12-117, 13-038 & 13-047). ASO 12-026: West Maui Land Company (WMLC) 11/21: Discussion with Dave Minami (WMLC) on WHP-FAP Contract (ASO 12-026) activities/tasks status and contract expiration on 12/31/2014 (expected to complete reservoir fencing and part of OSDS EIM Program). . ASO 12-033: Hawaiian Beaches Water Company (HBWC) 11/19: Text Kate Drago (HBWC) on WHP-FAP grant – expires on 12/31/2014 and expired Certificate of Insurance. 11/20: Discussion with Kate Drago on WHP=FAP grant (does HBWC want a contract extension to complete project tasks). 11/2014: Work on draft Modification #1 for ASO 12-033 (Hawaiian Beaches). 12/19: Email Request from HBWC received for Extension to Contract ASO 12-033. 12/2014: Work on final draft Modification #1 for ASO 12-033 (Hawaiian Beaches) – received extension request from HBWC. 12/29: Contract Modifications Prepared (completed) and Submitted to ASO for Contract Extension. ASO 12-116: Hawaii Department of Water Supply (HDWS) 10/01: Meeting with Kawika Uyehara (HDWS) on WHP/SWP activities. 10/15: Discussion with Kanani Aton (HDWS) on Project WET on Big Island. 11/17: Discussion with Mae Kise (HDWS) on Source Water Monitoring. 12/01: Discussion with Kawika Uyehara on source water monitoring presentation at End-of-Year Monitoring Meeting. 12/13-14: Prepare for meetings with HDWS (Source Water Monitoring QA). 12/15: Meeting with Kawika Uyehara (HDWS) SWP Program (QA Requirements for Source Water Monitoring & program tasks updates). 12/22: Discussion with Mae Kise on QA requirements for Source Water Monitoring. ASO 12-117: Maui Department of Water Supply (MDWS) 10/2014: Drafting Modification #2 for ASO 12-117 (MDWS) – extension to 6/30/15. 10/19: Reviewing MDWS SWP Easement and OSDS Plans. 11/07: Discussion with Eva Blumenstein (MDWS) on WHP Program Grant Contract Modification (extension). 11/28: Discussion with Eva Blumenstein (MDWS) on WHP Program Grant Contract Modification (extension) for easements (final determination by end of December 2014) otherwise move funding to OSDS upgrades (cesspools in SWAP-CZB) – may require contract modification. 11/2014: Final draft Modification #2 for ASO 12-117 (MDWS) – extension to 6/30/15 – Submitted to ASO. 12/05: Discussion with Eva Blumenstein on WHP-FAP grant tasks and meeting/site visit to easement and OSDS projects. 12/12: Discussion with Eva Blumenstein on WHP meeting/site visit (Eva Blumenstein is new Planning & Water Resources Program Manager). 12/19: Discussion with Eva Blumenstein on ASO 12-117-M2 Contract Extension and 12/22/14 Meeting/Site Visit. 12/20-21: Prepare for meeting with MDWS on WHP-FAP Projects and site visits to project sites. 12/22: Meeting with Eva Blumenstein/Alex Butaro (MDWS) on WHP-FAP grant tasks (easement and OSDS projects), future program funding, and update of wellhead protection ordinance. 12/27: Review MDWS WHP – Revised Cesspool/OSDS Replacement Program. 12/2014: ASO 12-177-M2 Approved. On-going: Discussions with MDWS on Maui Water Department Wellhead Protection Sign Phone Number (who’s number will be listed – DOH or MDWS?) ASO 13-038: Kauai Department of Water (KDOW) 10/17: Meeting with KDOW/HDWS/HRWA/AWWA on direction of Project WET and project events on Big Island and Molokai. 11/14: Discussion with Kanani Aton (HDWS) on conducting mini-Make A Splash Events (Project WET) on Big Island.		

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1. Administration Program Task/Output & Deliverable FY15 - \$35,485; FY16 - \$103,939	Schedule	Measure of Success
11/29-30: Work on Project WET activities (review/comment on draft plan for mini-Make A Splash events). 12/01: Discussion with Kimberly Tamaoka (KDOW) on planning mini Make A Splash events on Big Island. 12/13-14: Prepare for meetings with KDOW/HDWS/HRWA on Project WET (mini Make-A-Splash events for Hawaii - Spring/Summer 2015). 12/15: Meeting with KDOW/HDWS/HRWA to discuss planning of Project WET (mini Make A Splash Events) on Big Island (Hilo area). ASO 13-047: Kawela Plantation Homeowners' Association (KPHA) 10/15: Discussion with Juanita Colon (KPHA) on WHP-FAP contract extension, OSDS Training and Project WET activities on Molokai. 10/2014: Drafting Modification #1 for ASO 13-047 (KPHA) – extension to 12/31/15. 11/10: Assist Mary with information requested by ASO for procurement audit (Kawela Plantation – WHP grant). 11/2014: Final draft Modification #1 for ASO 13-047 (KPHA) – extension to 12/31/15 – Submitted to ASO. 12/2014: ASO 13-047-M1 Approved. ASO 14-106: University of Hawaii 10/25: Finalize Project Completion Report for ASO 14-106 CLERS Project. Drawdown: \$8,000		

2. Protection Program Table

Objectives: To provide protection of wellhead/source water protection areas.

Outcomes: Limit risks to drinking water sources by ensuring that all sources (existing, new and proposed) have SWAs.

2. Protection Program Task/Output & Deliverable Cost – FY15 - \$21,165; FY16 - \$60,492	Schedule	Measure of Success
1) <u>Source Water Assessments (WHP Geologist)</u> a) Conduct Source Water Assessments of New Drinking Water Sources, including: i) delineations of source water assessment/protection areas ii) potential contamination source inventories. iii) Susceptibility analysis of the water source to contamination activities through a SWAP Maintenance and Update Contract. <i>Source water assessments for new and proposed drinking water sources</i> b) Maintain and update existing Source Water Assessments, as new data and information become available. – <i>Maintenance and update of existing Source Water Assessments.</i>	a) Conducted as new sources are identified by consultants. b) Submit report on previous quarter in quarterly report.	a) New SWAP completed within 6 months of request for determination. [Deliverable: updated GIS SWA data layer and summary of SWAP findings.] b) Report submitted on-time and indicates availability of any new data and/or information.[Deliverable: updated GIS SWA data layer and summary of update to previous SWAP.]
2) <u>Source Water/Wellhead Protection Plans(WHP Geologist)</u> a) Develop and implement established guidelines and procedures for water systems to prepare Source Water/Wellhead Protection Plans and conduct Wellhead Protection planning and implementation activities. – [Deliverable - <i>Guidelines and procedures for preparing protection plans.</i> b) Work with water systems on preparing/developing Source Water/Wellhead Protection Plans, including: i) Prepare Source Water/Wellhead Protection Plans ii) Provide technical assistance on protective measures for protecting drinking water sources from contamination. <i>Source water/wellhead protection plans and technical assistance for drinking water sources/systems.</i> c) Work with water systems on the implementation of protection plans. – <i>Implementation of protection plans.</i>	a) Guidelines developed by 9/30/2015; implemented by 12/31/2015. b) 1 PWS per calendar quarter as requested by water systems – starting 12/31/2013. c) 1 PWS per calendar quarter as requested by water systems – starting 12/31/2013.	a) Submittal of guidelines on-time. b) Completion of SWP/WHP Plan on time. c) Implementation of SWP/WHP on schedule.
3) <u>Potential Contaminating Activities (PCA) (WHP Geologist)</u> a) Implement On-Site Disposal System (OSDS) Priority Criteria and Inspection Protocol for SWAP Areas b) Assist Department of Agriculture (DOA) programs with pesticide activities within SWAP areas. Attendance at meeting/conference call.	a) 12/31/2015-9/30/2016 b) 12/31/2015-9/30/2016	a) On-going technical assistance. b) Meetings as scheduled with DOA and State Labs Division.
4) <u>Water Quality Monitoring (D. Chang, Chemist)</u> a) Identify parameter list of target compounds to analyze based on PCAs within SWAP-capture zone. b) Conduct water quality monitoring program for potential contaminants within SWAP capture zone.	a) Draft list by 4/30/2015 b) Start by 1/1/2016	a) Completed list to start analyzing compounds. b) Development of contaminants list for Water Reuse Project. Submit revised list in GW QAPrgP by 4/30/2015.
FFY 2015 First Quarter (October 1, 2014 – December 31, 2014)		
<u>SOURCE WATER ASSESSMENTS</u> 11/2014: Conducted preliminary SWAP Capture Zone delineations for Maui Department of Water Supply (Ola'i 1&2). 12/2014: Conducted SWAP Capture Zone delineations for Maui Department of Water Supply (Kealaloa). <u>POTENTIAL CONTAMINATION ACTIVITIES (PCA)</u> 11/2014: Draft outline for use of WHP-FAP(15%DWSRF) grants to upgrade cesspools in SWAP Zone B. Drawdown: \$2,000		

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3. Project Review Program Table

Objectives: To assure the delivery of acceptable water quality from new source developments, and modifications to new and existing drinking water systems through the State’s review process. To provide protection through the development of comments and recommendations on projects which may impact groundwater in existing or future source water or wellhead protection areas.

Outcomes: All new sources, new or modified distribution systems and treatment systems for PWSs will be capable of providing safe water meeting safe drinking water standards. All reviewed projects will be informed of drinking water concerns and applicability to their proposals

3. Project Review Program Task/Output & Deliverable Cost – FY15 - \$21,165; FY16 - \$65,715	Schedule	Measure of Success
1) Evaluate new and revised Safe Drinking Water Program requirements. Develop and implement program linkages with source water assessment results. – (J. Seto) <i>Program review of how source water assessments can be integrated into other Safe Drinking Water Rules and requirements.</i>	Draft list by -9/30/2015	Completion of substantial list and ideas.
2) Engage in discussions with federal, state, county, and stakeholder organizations responsible for related programs to identify potential water protection measures. – (J. Seto, WHP Geologist) <i>Program review of how source water assessments can be integrated into other water protection rules and requirements.</i>	Draft meeting schedule w/ organizations by 9/30/2015 Conduct meetings by 12/31/2015	Meetings scheduled and conducted by deadlines. Water protection measures identified. Examples of agencies/organizations: DLNR-CWRM; SHWB; CWB; DLNR-EngDiv; watershed groups.
3) Identify opportunities to integrate SWAP data with existing water protection activities and promote linkages with other regulatory/non-regulatory programs. (J. Seto)	Draft list of ideas/programs by 9/30/2015	List developed and start next step (#2 above).
FFY 2015 First Quarter (October 1, 2014 – December 31, 2014)		
Department of Land and Natural Resources (DLNR) 11/2014: Work on Agenda for SDWB/CWRM Coordination Meeting and Prepare materials for SDWB/CWRM Coordination Meeting. 11/24: SDWB/CWRM Coordination Meeting. 11/2014: Review DLNR proposals for SWP projects. Branch Chief attended meeting with DLNR and DOH-CWB.		
Department of Health – Clean Water Branch, Polluted Runoff Control Program 12/2014: Identify SWP areas in any of the priority watersheds which are listed in the DOH-CWB Polluted Runoff Control Program Implementation RFP. Provide information/map (Hanalei Watershed) to Ephraim Leon-Guerrero.		
Drawdown: \$3,000		

4. Laboratory Capability and Certification Program Table

Objectives: Establish and maintain the capability to perform the laboratory analyses for the contaminants required in the PWSSP and the GWP as resources permit. Maintain a laboratory certification program.

Outputs: Sufficient certified laboratory capability (state and private) is available to ensure all analytical needs of PWSs in Hawaii are met.4

4. Laboratory Capability and Certification Program Task/Output & Deliverable Cost – FY15 - \$15,000; FY16 - \$143,064	Schedule	Measure of Success
1) Develop monitoring program to test for potential contaminants based on identified PCAs in Source Water-Capture Zones. Include as part of Groundwater/Drinking Water Monitoring Strategy/Plan. – <i>Monitoring program for PCAs.</i> (D. Chang, Chemist)	Draft by 4/30/2015 with GWPP Work Plan #2a.	Draft completed on schedule.
2) Identify laboratories capabilities and resources to provide support for analyses under the SWP portion of the Comprehensive Groundwater/Drinking Water Monitoring Strategy/Plan. - <i>List of potential laboratories capable of performing basic analytical services and/or SLD resources needs and capabilities.</i> (D. Chang, Chemist)	Draft by 3/30/2015	Draft completed on schedule.
3) Revise and complete Quality Assurance Program Plan for contaminants identified for SWP monitoring under the Comprehensive Groundwater/Drinking Water Monitoring Strategy/Plan. - <i>Compliance with grant QA requirements that all environmental measurement activities be conducted with EPA funds be addressed in a quality assurance program plan.</i> (D. Chang, Chemist)	Draft by 4/30/2015. Final pending data from Water Reuse Project in FFY15.	Draft completed on schedule.
4) Procure necessary resources and capabilities for laboratory analyses of SWP target contaminants. Maintain LCMS budgeted for \$15,000. (D. Chang, Chemist)	10/1/2015-9/30/2016	Procured on schedule. LCMS maintained.
FFY 2015 First Quarter (October 1, 2014 – December 31, 2014)		
11/10: Assist Mary with information requested by ASO for procurement audit (Agilent – LCMS Procurement). 12/11: Work with Wanda Chang (SLD) on reply to audit questions regarding Agilent – LCMS Procurement.		
Ongoing: Work with SLD on developing capabilities to analyze (1) Atrazine and Degradation By-Products and (2) PPCPs in Hawaii’s wastewater.		
Drawdown: \$1,000		

5. Data Management Program Table

Objectives: To ensure that current, accurate data regarding the compliance status of PWS, groundwater quality, and wellhead/groundwater source water protection activities, is available for State, Federal, and public uses.

Outcomes: Complete and accurate data is available for state, federal and public uses.

5. Data Management Program Task/Output & Deliverable Cost – FY15 - \$4,000; FY16 - \$34,211	Schedule	Measure of Success
1) Coordinate and expand the SWAP efforts with other county/state/federal programs to establish data sharing/exchange, program linkages and increase interagency cooperation. - <i>Provide and receive additional relevant data resources with other agencies and organizations.</i> (D. Chang WHP Geologist, S. Matsuda)	10/1/2014-9/30/2016	Coordinated sharing of data.
2) Participate in Statewide GIS and GPS Users Groups as a vehicle for data-sharing/exchange -. <i>Data shared with other EHA and State agencies.</i> (D. Chang WHP Geologist, S. Matsuda)	10/1/2014-9/30/2016	Coordinated sharing of data.
3) Maintain SWAP/SWP related data and GIS information. (D. Chang, WHP Geologist, S. Matsuda)	10/1/2014-9/30/2016	Current data in system.
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NO ACTIVITIES THIS QUARTER. Drawdown: \$0		

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6. Emergency Response Program Table

Objectives: To assure maintenance of potable quality drinking water in emergency situations such as waterborne disease outbreaks, chemical spills, drought, earthquakes hurricanes, tsunamis, floods, power failures, terrorist actions, etc.

Outcomes: State and public water systems prepared to provide safe drinking water under emergency conditions.

6. Emergency Response Program Task/Output & Deliverable Cost – FY13 - \$0; FY14 - \$10,954	Schedule	Measure of Success
1) Work with the Engineering Section on the development of HISWAP Emergency Management Planning in conjunction with the revision of Hawaii Administrative Rules, Title 11, Chapter 19, Emergency Plan for Safe Drinking Water. - <i>Implements Section 9.3 of the Hawaii Source Water Assessment and Protection Plan.</i>	Draft revision to HAR, Chapter 11-19 by 3/31/2016 Adoption by 9/30/2016	Adoption of revised rules on schedule.
2) Work with water systems on including contingency plans in their protection plans. - <i>Ensures contingency plans as part of protection plans.</i>	10/1/2014-9/30/2016	As requested, provide assistance to 1 water system per quarter. When funding budgeted, provide assistance to 2 water systems per quarter.
FFY 2015 First Quarter (October 1, 2014 – December 31, 2014)		
<u>NO ACTIVITIES THIS QUARTER.</u>		
Drawdown: \$0		

7. Training and Technical Assistance Program Table

Objectives: To assure that training and technical assistance programs are available to meet the needs of the PWSS program staff and water purveyors, to provide programs to improve the technical, managerial and financial capacities of water systems, and to provide source water/wellhead protection training to water supply personnel, community groups, the public, consultants and other government agencies, to enable the implementation of the wellhead and source water protection programs.

Outcomes: Improved knowledge and understanding of existing and proposed rules, technical, managerial and financial capacity, risk communication and management, wellhead and source water protection, and other related areas by state staff, the regulated community and others.

7. Training and Technical Assistance Program Task/Output & Deliverable Cost – FY15 - \$108,520; FY16 - \$128,617	Schedule	Measure of Success
1) <u>SDWB Staff Training (J. Seto, D. Chang, WHP Geologist, Program Specialist; Geologist II)</u> a) Identify and fill staff training needs in the areas of wellhead protection requirements, guidance, and policies. This includes mainland training events which will require mainland travel. - <i>Staff prepared to implement WHP activities.[Deliverable: quarterly list of proposed training and summary of training once accomplished and how training supported DOH SWPP.]</i> b) Attend and participate in National source water protection conferences, workgroups and committees, such as GWPC, ASDWA, and the Regional EPA/State Source Water Protection Group. This will require mainland travel. - <i>Provide summary of training once accomplished and how training supported DOH-SWPP.</i>	10/1/2014-9/30/2016	Staff training once per calendar year.
2) <u>Water System/SWP Stakeholder Training (D. Chang; WHP Geologist; Program Specialist)</u> a) Develop and conduct training events on wellhead protection for water supply personnel, community groups, the public, consultants, and government agencies with \$7,500 budget to provide a better understanding of the linkages of the source water assessment results with other drinking water program requirements. (Such as the SWAP Report, Groundwater Rule, Monitoring Waivers) - <i>SWAP Linkages to Drinking Water Requirements Workshop (overview). Workshops on specific requirements may also be held. – [Deliverable: training agenda, participant list and supporting material]WHP Training Events</i> b) Respond to technical inquiries from water supply personnel, community groups, the public, consultants, and government agencies concerning source water/wellhead protection. - <i>Responses to persons or entities interested on WHP. # of responses/inquires will be reported quarterly.</i> c) Travel to Neighbor Islands to conduct source water and Wellhead Protection Financial Assistance training of water supply managers and personnel. – [Deliverable: list of location/meeting agenda/summary/supporting material.]	a) By 9/30/2015, and 9/30/2016 b) Include in quarterly reports c) 10/1/2014-9/30/2016	a) Once per calendar year. b) Submitted on time. c) Training completed through 2016. Training to be conducted on revised WHP-FAP process after 3/31/2015.
3) <u>SWP/WHP Workshops/Conference Events (J. Seto; D. Chang; Program Specialist)</u> a) Co-sponsor or conduct a Source Water Protection workshop or conference with \$25,000 budget - <i>Workshop or conference on SWP/WHP conducted</i> Deliverable: workshop agenda, participant list and supporting material] b) Conduct Annual Joint GovernmentWater Conference with \$50,000 budget (one-day conference held on Kauai, Maui, and Oahu and in Hilo and Kona to provide water systems and the water industry with a better understanding of water quantity and quality issues facing Hawaii’s groundwater and drinking water resources. – Deliverable: workshop agenda, participant list and supporting material]	a) By 11/30 each year b) By 9/ 30 each year	a) In October 2014 HWWA Conference b) 1 st Conference held January 14-18, 2013; positive survey responses. 2 nd Confernce held August 5-19, 2014; positive survey responses. 3 rd Conference to be held August 2015.
4) Manage technical assistance and training Contracts. <i>Timely submittal of reports, evidence of training events, technical assistance, submittal of invoices. (J. Nikaïdo; J. Yamami)</i>	10/1/2014 – 9/30/2016	Successful completion of portion of contracted tasks.
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7. Training and Technical Assistance Program Task/Output & Deliverable Cost – FY15 - \$108,520; FY16 - \$128,617	Schedule	Measure of Success
<p><u>SDWB STAFF TRAINING</u> 10/15-17: Daniel Chang attended 2014 HWWA Annual Conference in Lihue, Kauai. 11/13-14: Daniel Chang and Robert Whittier attended 2014 Hawaii Water Reuse Conference. (Presentation on Recycled Water Quality – Is it a Concern? Made by Joanna Seto, Robert Whittier and Dani4el Chang).</p> <p><u>SWP/WHP WORKSHOPS/CONFERENCE EVENTS</u> <u>2014 Annual Hawaii Water Works Association (HWWA) Conference</u> 10/2014: Discussions with Kauai Department of Water on agenda and funding for HWWA Conference. 10/11-12: Drafting MOA with KDOW on funding for HWWA Conference. 10/15: MOA Signed by KDOW and SDWB. 10/15-17: Annual HWWA Conference in Lihue, Kauai.</p> <p><u>2015 3rd Annual Joint Government Water Conference</u> 12/2014: Determining alternative registration mechanisms. (1) CVENT (This would be for the 3rd (and future) Annual Joint Government Water Conference in August 2015 and beyond. The total cost for the four (4) year period is approximately \$7250 = maintenance of \$5000 + \$2250 for 500 attendees each of the four (4) years. It may be higher or lower depending on attendance. Total cost for one (1) year is \$4250 = maintenance of \$1250 + \$3000 for 500 attendees.) and (2) eHawaii.gov (inquired about a way to take payments for conferences, SDWB will contact eHawaii.gov for more information).</p> <p>Drawdown: \$5,000</p>		

8. Public Participation Program Table

Objectives: To identify and implement means of public involvement in the source water/wellhead/groundwater protection efforts.
Outcomes: Better informed public and regulated community in areas related to the protection of drinking water quality. Greater public involvement in the planning and implementation of drinking water protection programs and policies.

8. Public Participation Program Task/Output & Deliverable Cost – FY15 - \$6,720; FY16 - \$15,394	Schedule	Measure of Success
1) <u>SDWB Outreach Activities</u> a) Create a Source Water/Wellhead protection newsletter to keep water systems, water industry personnel, and interested individuals abreast of the activities and progress of the Hawaii Source Water Assessment Program and the Source Water Protection/Wellhead Protection Program. - Deliverable: newsletter.](J. Yamami; D. Chang) b) Develop practical public participation information materials to make technical information and findings understandable to the public. - <i>Dissemination of WHP information to the public via website and/or in water system bills. (WHP Geologist)</i> c) Develop a Hawaii Source Water Assessment and Protection component of the SDWB website to provide for access to information. – Deliverable: draft outline of web page.][Additional mechanism for providing public access to WHP information. (WHP Geologist) d) Make presentations at environmental organizations meetings, conferences, workshops, meetings and neighborhood board meetings to promote the source water assessment and protection program. – <i>Presentation of WHP to the environmental protection community and interested stakeholders. (WHP Geologist)</i>	a) Quarterly SDWB newsletter – <i>The Water Spot</i> b) Draft by 3/31/2015; Final by 6/30/2015 c) Draft by 3/31/2015; Final by 6/30/2015 d) As requested, 10/1/2014-9/30/2016	a) On-time distribution w/ applicable article by D. Chang. b) On-time. c) On-time. d) Provided as needed.
2) Implement wellhead protection/source water protection activities in support of the Hawaii education system. - <i>SWAP curriculum (high school level) State Science Fair; Project WET [Need to include proposed schedule and discuss material to be developed or presented.] (WHP Geologist)</i>	10/1/2014-9/30/2016	Activities implemented.
3) Purchase appropriate presentation equipment and supplies for use in public informational meetings, community event and in generating public informational materials. Deliverable: Proposed list to be provided on quarterly basis. (WHP Geologist)	10/1/2014-9/30/2016	Materials procured.
FFY 2015 First Quarter (October 1, 2014 – December 31, 2014)		
<p><u>See Project WET activities: KDOW (ASO 13-038).</u> <u>NO OTHER ACTIVITIES THIS QUARTER.</u> Drawdown: \$1,300</p>		

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SRF 15% Fund Utilization Plan Table for SWP/WHP contracts (as of 01/15/2015)

- Note Shaded lavender rows indicate contracts for technical assistance and training (State Activity Code 437).
Shaded blue rows or **bold blue** font indicate contracts completed and closed or to be closed.
Shaded orange rows indicate contracts terminated and closed.
Yellow highlighted projects – no 4th quarter report and invoice – update provided via phone/email
Pink highlighted end dates – proposed to be extended. No further extensions after that date.
* Payments taken from quarterly reports; Table from DWSRF 15% Grant year funding expenditure summary...xlsx
** ASO Log No. 12-025 and 13-037 contracts terminated due to inactivity and change of scope, respectively. Funds applied to ASO Log No. 15-033.
*** **ASO Log No. 12-034 and 14-106** contracts to be closed and balance to be applied to operating expenses for FFY15-16.

ASO Log No.	End Date	Funding Level	Contract Subtotal Paid *	Balance Remaining
10-116	9/30/2014	\$1,250,000.00	\$1,250,000.00	\$0
11-044	9/30/2012	\$0	\$0	\$0
12-025 **		\$0	\$0	\$0
12-026	12/31/2014	\$175,000.00	\$115,287.71	\$59,712.29
12-033	6/30/2015	\$57,500.00	\$41,104.24	\$16,395.76
12-034 ***	12/31/2014	\$100,000.00	\$17,676.42	\$82,323.58
12-044	9/30/2014	\$250,000.00	\$250,000.00	\$-
12-116	6/30/2015	\$200,000.00	\$79,065.25	\$120,934.75
12-117	6/30/2015	\$1,500,000.00	\$786,415.44	\$713,584.51
13-013	8/28/2015	\$600,415.20	\$360,525.00	\$239,890.20
13-037 **		\$0	\$0	\$0
13-038	12/31/2015	\$230,000.00	\$2,323.59	\$227,676.41
13-047	12/31/2015	\$130,000.00	\$30,537.59	\$99,462.41
14-106 ***	3/31/2014	\$45,000.00	\$42,019.98	\$2,980.02
15-033 **	9/30/2017	\$741,600.00	\$-	\$741,600.00
Paid Period Subtotal		\$5,279,515.20	\$3,211,723.02	\$2,076,192.18

ASO Log No.	Project/Organization & Protection Activities	Outcome and Deliverable/Output	Project Period End Date	Grant#	Project Status
10-116	RCAC Technical Assistance - Circuit Rider Program	Small public water systems site visits (50/calendar quarter); promote improvements to TMF capacity; hands-on assistance; maintain “hot line;” yearly evaluation	9/30/2014	FS99986505-2% [paid \$145,229.00; outstanding \$0] FS99986505 - \$460,000 [paid \$460,000; outstanding \$0]; FS99986506 - \$644,771 [paid \$644,771; outstanding \$0]	Recipient notified of Quarterly Report Form and Invoice deadline. Quarterly Report and Invoice Received. Project completed. Report to be submitted.
11-044	University of Hawaii, Water Resources Research Center - Develop Leaching Model for nonpesticide contaminants to assist in monitoring waiver program	Physico-chemical property and toxicity evaluation; Modes of release and volatility component; updating recharge and soil database; running process based model HYDRUS-1D; aggregate leachability potential based on CLEARS and HYDRUS-1D runs and PCA scores	9/30/2012	FS99986506 - \$55,000 [paid \$34,931.00; outstanding \$6,077.63; total \$59,922.37 (of which \$24,991.37 is from GW106)]; FS99986507 - \$4,000 [outstanding \$4,000] [6/5/13 contract closed with balance of \$10,077.63 applied to ASO Log No. 14-106]	Successful project. Leaching model provides map of potentially contaminated areas and identifies the specific contaminant. Computer script to be revised under ASO Log No. 14-106. Report to be submitted under ASO Log No. 14-106.
12-025	County of Kauai Department of Water - Develop WHPP	Update GIS data; expand PCA inventory; continue to prepare SW/WHP plans; development of implementation plan; develop well siting policy; public outreach	6/30/2015	FS99986507 - \$200,000 [outstanding \$0] [1/22/2014 - contract terminated with balance to be applied to upcoming 15-033 Circuit Rider contract. See FFY 2014 Second Quarter (January 1, 2014 – March 31, 2014) Administrative Program Task Notes for this contract.]	KDOW is contracting with consultant to do this work. KDOW has not contracted with consultant who has requested information and held meeting with DOH. KDOW Manager and Chief Engineer resigned effective 10/31/13. Continuing to coordinate with main contact person. No report or invoice received.
12-026	West Maui Land Company - Implement WHP Activities	Secondary containment within Zone A; public outreach; removal of potential hazardous contaminants; OSDS education, inspection and maintenance program; protection of reservoir; non-contaminating use of land surrounding well source	4/30/2014 [Extended to 12/31/2014 to complete contract.]	FS99986507 - \$175,000 [paid \$115,287.71; outstanding \$59,712.29]	Recipient notified of Quarterly Report Form and Invoice deadline. Purchased hydraulic power unit. Paid for winch shipping charge. No report or invoice received. As of 11/21/2014: Expected to complete reservoir fencing and part of OSDS EIM Program.

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ASO Log No.	Project/Organization & Protection Activities	Outcome and Deliverable/Output	Project Period End Date	Grant#	Project Status
12-033	Hawaiian Beaches Water Company, Inc. - WHP Implementation	Secondary containment within Zone A; update and implement the Emergency Response Plan; Security improvements; Public outreach; decommissioning of cesspools; OSDS education, inspection and maintenance program	12/31/2014 Extending to 6/30/2015 to complete contract.	FS99986509 - \$20,000 [paid \$20,000; outstanding \$0] FS99986510 - \$37,500 [paid \$21,104.24; outstanding \$16,395.76]	Recipient notified of Quarterly Report Form and Invoice deadline. Building to be demolished and cesspool to be decommissioned. 8/7/2014: System and neighborhood impacted by Hurricane Iselle and pending lava flow toward source well.
12-034	Hawaiian Shores Community Association - Implement WHP Activities	Secondary containment within Zone A; update and implement the Emergency Response Plan; Security improvements; Public outreach; decommissioning of cesspools; OSDS education, inspection and maintenance program	12/31/2014	FS99986510 - \$100,000 [paid \$17,676.42; outstanding \$82,323.58] Balance of \$82,323.58 to be deobligated and used for FFY16 overhead.	Recipient notified of Quarterly Report Form and Invoice deadline. Completed land survey of HSCA properties within Capture Zones A & B. No report or invoice received. Final invoice and report received 10/15/2014.
12-044	County of Hawaii, Department of Finance, Treasury Division - OSDS Connection to Honokaa Sewer	Identification of qualified lot owners; awarding of project funding to lot owners; inspection of sewer connections; contract recordkeeping	9/30/2014	FS99986507 - \$143,930 [paid \$143,930; outstanding \$0] FS99986508 - \$106,070 [paid \$106,070; outstanding \$0] 01/06/2014 contract closed	Recipient notified of Quarterly Report Form and Invoice deadline. Quarterly Report and Invoice Received. Reimbursements paid for connection to County wastewater system. Project completion report submitted.
12-116	County of Hawaii Department of Water Supply - WHPP Development	Update GIS data; expand PCA inventory; continue to prepare SW/WHP plans; development of implementation plan; develop well siting policy; public outreach	6/30/2014 Extended to 6/30/2015 to complete contract.	FS99986508 - \$200,000 [paid \$79,065.25; outstanding \$120,934.75 (within 30 days, invoice rec'd 1/13/2015 for \$2895.15)]	Recipient notified of Quarterly Report Form and Invoice deadline. Working on procuring fencing materials and developing outreach strategy. Purchased lab equipment to perform in-house analysis; continue to develop outreach strategy. Quarterly Report and Invoice Received.
12-117	County of Maui Department of Water Supply - Implement WHP Activities & Watershed Protection Projects and 2013 HWWA Conference	Implement SW/WHP strategies and ordinance through public outreach; BMP workshops; acquire WHP easements (5 PCAs); Implement SW/WHP incentive activities including financial assistance for maintenance and upgrading of OSDS; financial assistance for BMPs (3 PCAs); watershed protection projects (3); HWWA conference SWP track	12/31/2014 Extending to 6/30/2015 to complete contract.	FS99986509 - \$750,000 [paid \$37,430.24; outstanding \$712,569.76 (within 30 days, revised invoice rec'd 1/15/2015 for \$31,618.71)] FS99986511 - \$400,000 [paid \$400,000; outstanding \$0] FS99986512 - \$350,000 [paid \$348,985.25; outstanding \$1,014.75]	Recipient notified of Quarterly Report Form and Invoice deadline. Fieldwork for placement of WHP signage; pollution prevention advertisement; updated website; conducted study/special analysis of 50 ft radius of all DWS sites; feasibility report for conversion from cesspool to septic tank; property surveys completed; various work done for each watershed; held 2014 HWWA Conference on October 23-25, 2014 for 315 registrants (20 plenary speakers and 52 technical sessions). Quarterly Report and Invoice Received. Rec'd 12/23/2014 letter requesting move funding from Task #3 to Task #4. Contract mod required.
13-013	Hawaii Rural Water Association - Continuing Education Activities	Detailed comprehensive plan for self-sustaining continuing education training program in Hawaii (5 years); training curriculum and lesson plans for first 3 years; 5 year financial plan; publicity plan; CEU credit request for each session; 3 annual reports at the end of each year of the contract	8/28/2015	FS99986508 - \$170,000 [paid \$170,000; outstanding \$0]; FS99986509 - \$430,415.20 [paid \$216,859.00; outstanding \$213,556.20 (within 30 days, invoice rec'd 12/12/2014 for \$26,334.00)]	Recipient notified of Quarterly Report Form and Invoice deadline. Submitted 5 year training and financial plans; conducted training January-October 2013; submitted Annual Report Year 1. Quarterly Report and Invoice Received.

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ASO Log No.	Project/Organization & Protection Activities	Outcome and Deliverable/Output	Project Period End Date	Grant#	Project Status
13-037	Lanai Water Company - Watershed - Forested Area Fencing	Install 1 mile of fence to encompass Wells #2 & #4 <i>Change in scope to reused wastewater study not approved.</i>	6/1/2014	FS99986511 - \$250,000 [deobligating \$250,000] <i>[3/7/2014 - contract terminated with balance to be applied to upcoming Circuit Rider contract. See FFY 2014 Second Quarter (January 1, 2014 – March 31, 2014) Administrative Program Task Notes for this contract.]</i>	Recipient notified of Quarterly Report Form and Invoice deadline. Contract obligated 9/11/13. In discussion regarding modification of contract.
13-038	County of Kauai Department of Water - Project Water Education for Teachers (WET) (Statewide)	Develop Project WET for SWP education with DOE; set up statewide workshops and educational events (1/each county/year); provide copies of curriculum to workshop attendees; “Make a Splash” festival for 5 th grade students once per year	<i>Extending to 12/31/2015 to complete contract.</i>	FS99986511 - \$230,000 [paid \$2,323.59; outstanding \$227,676.41 (within 30 days, on 1/14/2015 rec'd revised FFY14 (Quarters 3 & 4) and FFY15 (Quarter 1) invoices for \$28,535.58)]	Recipient notified of Quarterly Report Form and Invoice deadline. KDOW Manager and Chief Engineer resigned effective 10/31/13. Will coordinate with Acting Manager. No report or invoice received. In discussion with new coordinator. See Administrative Program Task Notes for this contract. Training scheduled at 4 locations for July 2014. Project will also coordinate events with County of Hawaii and Kawela Plantation.
13-047	Kawela Plantation - Implement WHP Activities	Secondary containment within Zone A; Public outreach; WHP signs; OSDS education, inspection and maintenance program; herbicides and pesticides and waste removal; stormwater control; livestock control; WHP plan	<i>12/31/2014 Extended to 12/31/2015 to complete contract.</i>	FS99986511 - \$130,000 [paid \$30,537.59; outstanding \$99,462.41]	Recipient notified of Quarterly Report Form and Invoice deadline. Recipient is obtaining estimates for supplies and equipment. Conducted public outreach, attended stormwater control training, and purchased equipment for stormwater control. <i>No report or invoice received. Discussed Project WET activities on Molokai.</i>
14-106	University of Hawaii, Water Resources Research Center - Leachate Model revised computer scripting	Convert CLERS model script from VBA to Python	3/31/2014	FS99986506 -> \$13,991.37 + \$6,077.63 = \$20,069 [paid \$20,069; outstanding \$0] FS99986507 - \$4,000[paid \$4,000; outstanding \$0] FS99986511 - \$20,931[paid \$17,950.98; outstanding \$2,980.02] <i>Balance of \$2,980.02 to be deobligated and used for FFY16 overhead.</i>	Recipient notified of Quarterly Report Form and Invoice deadline. Contract obligated 10/16/13. Invoice received. Project Completion Report submitted.
15-033	RCAC Technical Assistance - Circuit Rider Program	Small public water systems site visits (600 on-site technical assistance contact hours); promote improvements to TMF capacity; hands-on assistance; maintain “hot line;” yearly evaluation	9/30/2017	FS99986507 - \$200,000 [outstanding \$200,000] FS99986511 - \$350,000 [outstanding \$350,000] FS99986512 - \$191,600 [outstanding \$191,600]	Contract encumbered 10/1/2014.

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HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	RCAC Technical Assistance - Circuit Rider Program
ASO Log No.:	10-116
Start/End Date:	10/1/2009 - 9/30/2014
DWSRF 15% Set-Asides Technical Assistance funds:	FS99986505-2% [paid \$145,229.00; outstanding \$0] FS99986505 - \$460,000 [paid \$460,000; outstanding \$0]; FS99986506 - \$644,771 [paid \$644,771; outstanding \$0]
Contractor:	Rural Community Assistance Corporation
Address:	
Phone:	
Fax:	
Email:	

Background/Overview:	
Objectives/Goals:	Small public water systems site visits (50/calendar quarter); promote improvements to TMF capacity; hands-on assistance; maintain "hot line;" yearly evaluation
Methods Employed:	Quarterly Report and Invoice Received. Project completed. Report to be submitted.
Pollutants of Concern:	
SWAP Area:	n/a
Outcome:	Funding was used for (but not limited to)

For Information on the Wellhead Protection - Financial Assistance Program, contact:

Safe Drinking Water Branch
Hawaii Department of Health
919 Ala Moana Boulevard, #308
Honolulu, Hawaii 96814
Ph.: (808) 586-4258
Fax: (808) 586-4351

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HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	University of Hawaii, Water Resources Research Center - Develop Leaching Model for nonpesticide contaminants to assist in monitoring waiver program
ASO Log No.:	11-044
Start/End Date:	3/14/2011-9/30/2011; extended to 9/30/2012 (M1)
DWSRF 15% Set-Asides WHP funds:	FS99986506 - \$55,000 [paid \$34,931.00; outstanding \$6,077.63; total \$59,922.37 (of which \$24,991.37 is from GW106)]; FS99986507 - \$4,000 [outstanding \$4,000] <i>[6/5/2013 contract closed with balance of \$10,077.63 applied to ASO Log No. 14-106]</i>
Contractor:	Water Resources Research Center, University of Hawaii - Chittaranjan Ray, P.E., Ph.D.
Address:	2540 Dole Street, 282 Holmes Hall, Honolulu, HI 96822
Phone:	(808) 956-9652
Fax:	(808) 956-5044
Email:	cray@hawaii.edu

Background/Overview:	
Objectives/Goals:	Physico-chemical property and toxicity evaluation; Modes of release and volatility component; updating recharge and soil database; running process based model HYDRUS-1D; aggregate leachability potential based on CLEARS and HYDRUS-1D runs and PCA scores
Methods Employed:	Successful project. Leaching model provides map of potentially contaminated areas and identifies the specific contaminant.
Pollutants of Concern:	
SWAP Area:	Multiple Source Water Capture Zone Areas
Outcome:	Funding was used for (but not limited to) Computer script to be revised under ASO Log No. 14-106. Report to be submitted under ASO Log No. 14-106.

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HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	West Maui Land Company - Implement WHP Activities
ASO Log No.:	12-026
Start/End Date:	6/13/12-6/30/13; 7/1/13 - 4/30/14 (M1); 5/1-6/30/2014 (M2); 7/1-12/31/2014 (M3)
DWSRF 15% Set-Asides WHP funds:	FS99986507 - \$175,000 [paid \$115,287.71; outstanding \$59,712.29]
Contractor:	West Maui Land Company, Inc. - Lea Tamayose
Address:	305 E. Wakea, Suite 100, Kahului, Hawaii 96732
Phone:	(808) 870-8930
Fax:	
Email:	lea@westmauland.com

Background/Overview:	
Objectives/Goals:	Secondary containment within Zone A; public outreach; removal of potential hazardous contaminants; OSDS education, inspection and maintenance program; protection of reservoir; non-contaminating use of land surrounding well source
Methods Employed:	Purchased hydraulic power unit. Paid for winch shipping charge. As of 11/21/2014: Expected to complete reservoir fencing and part of OSDS EIM Program.
Pollutants of Concern:	
SWAP Area:	?? Source Water Capture Zone Area
Outcome:	Funding was used for (but not limited to)

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HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	Hawaiian Beaches Water Company, Inc. - WHP Implementation
ASO Log No.:	12-033
Start/End Date:	12/28/2012 - 12/31/2014; Extending to 6/30/2015
DWSRF 15% Set-Asides WHP funds:	FS99986509 - \$20,000 [paid \$20,000; outstanding \$0] FS99986510 - \$37,500 [paid \$21,104.24; outstanding \$16,395.76]
Contractor:	Hawaiian Beaches Water Company, Inc. - Kate Prescott Drago
Address:	P.O. Box 22, Pahoia, Hawaii 96778
Phone:	(808) 965-9882
Fax:	
Email:	kateprescott78@hotmail.com

Background/Overview:	
Objectives/Goals:	Secondary containment within Zone A; update and implement the Emergency Response Plan; Security improvements; Public outreach; decommissioning of cesspools; OSDS education, inspection and maintenance program
Methods Employed:	Building to be demolished and cesspool to be decommissioned. 8/7/2014: System and neighborhood impacted by Hurricane Iselle and pending lava flow toward source well.
Pollutants of Concern:	
SWAP Area:	?? Source Water Capture Zone Area
Outcome:	Funding was used for (but not limited to)

For Information on the Wellhead Protection - Financial Assistance Program, contact:

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HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	Hawaiian Shores Community Association - Implement WHP Activities
ASO Log No.:	12-034
Start/End Date:	1/15/2013 - 12/31/2014
DWSRF 15% Set-Asides WHP funds:	FS99986510 - \$100,000 [paid \$17,676.42; outstanding \$82,323.58] <i>Balance of \$82,323.58 to be deobligated and used for FFY16 overhead.</i>
Contractor:	Hawaiian Shores Community Association - Eileen O'Hara
Address:	15-2793 S. Honu St., Pahoa, Hawaii 96778
Phone:	(808) 965-8140
Fax:	
Email:	cohara@hawaii.rr.com or HSCA_BOD@hawaii.rr.com

Background/Overview:	
Objectives/Goals:	Secondary containment within Zone A; update and implement the Emergency Response Plan; Security improvements; Public outreach; decommissioning of cesspools; OSDS education, inspection and maintenance program
Methods Employed:	Completed land survey of HSCA properties within Capture Zones A & B. Final invoice and report received 10/15/2014.
Pollutants of Concern:	
SWAP Area:	?? Source Water Capture Zone Area
Outcome:	Funding was used for (but not limited to)

For Information on the Wellhead Protection - Financial Assistance Program, contact:

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HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name: Connection of On-Site Disposal Systems (OSDS) within the Haina Water System's Source Water Protection Capture Zone to the Honokaa Sewer Project.

ASO Log No.: 12-044

Start/End Date: June 8, 2012 to January 6, 2014

DWSRF funds: \$250,000.00 (15% Set-Asides WHP)

Contractor: Michael Okumoto, Treasurer, Department of Finance, County of Hawaii
25 Aupuni Street, Room 1102 Hilo, Hawaii 96720
Phone: (808) 933-6240 Fax: (808) 961-8946 Email: mokumoto@co.hawaii.hi.us

Background/Overview: The United States Environmental Protection Agency mandated that the County of Hawaii close all of its large capacity cesspools. Using funds from the American Reconstruction and Recovery Act ("ARRA"), the County was able to finance the cost of replacing the large capacity cesspools with sewer lines in the town of Honokaa.

A sewer line was installed on Mamane Street in Honokaa, which is the main thoroughfare through this town. Pursuant to Hawaii County Code, Section 21-5, lots accessible to a sewer line must connect. These lot owners would be required to reroute their sewer lines from the back of their lots to the front. In most cases, they will need to break through concrete sidewalks. Lot owners located below the sewer line will need to install a pump which might require an upgrade of their electrical system. The cost of the hookup to the County's sewer line is the responsibility of the lot owner. A survey mailed to the affected lot owners found that eighty percent (80%) indicated that they need at least partial financing. The connection cost will be a financial hardship for many of these lot owners.

Objectives/Goals: Part of the area requiring connection to the Honokaa Sewer Project is located within the Source Water/Wellhead Protection Area ("WHPA") for the Hawaii Department of Water Supply's Haina Water System (identified as Public Water System #161). The WHPA identifies the area around a drinking water source where potential contaminating activity ("PCA") may contaminate the water source. On-Site Disposal Systems ("OSDS") including large capacity cesspools, cesspools, and septic systems are identified by the Hawaii Source Water Assessment and Protection Program as a PCA.

The County requested funding under the Wellhead Protection – Financial Assistance Program ("WHP-FAP") to provide grants for sewer connections to those lot owners within the WHPA that may have financial hardships and may be unable to hookup without these funds.

Methods Employed: Conducted public meetings to explain financial assistance program;
Sent letters to OSDS owners eligible for financial assistance; and
Provided reimbursement of connection cost - equally distributed to OSDS owners based on actual cost.

Pollutants of Concern: Domestic Wastewater constituents (microbiological, nutrients)

SWAP Area: Haina Source Water Capture Zone Area

Outcome: Funding was used for (but not limited to) trenching and installation of new sewer lines connecting structures to the County Sewer, installation of Grinder pumps, and the pumping and filling of OSDS (abandonment & closure of existing OSDS). A total of 53 connectable properties were located within the wellhead protection capture zone. Excluding State and County properties, properties already connected to an existing sewer system, vacant land, and parcels not required to connect to the sewer; there were 39 parcels eligible for funding. Grant funding was provided to 33 parcels (of which all but 6 of the recipients were fully reimbursed). Reimbursement ranged from \$2,600 to \$17,173.



For Information on the Wellhead Protection - Financial Assistance Program, contact:

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Fax: (808) 586-4351

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HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	County of Hawaii Department of Water Supply - WHPP Development
ASO Log No.:	12-116
Start/End Date:	8/14/2012 - 6/30/2014; Extended to 6/30/2015
DWSRF 15% Set-Asides WHP funds:	FS99986508 - \$200,000 [paid \$79,065.25; outstanding \$120,934.75 (within 30 days, invoice rec'd 1/13/2015 for \$2895.15)]
Contractor:	County of Hawaii Department of Water Supply - Kawika Uyehara
Address:	345 Kekaunaoa Street, Suite 20, Hilo, Hawaii 96720
Phone:	(808) 961-8070 x257
Fax:	
Email:	kuyehara@hawaiidws.org

Background/Overview:	
Objectives/Goals:	Update GIS data; expand PCA inventory; continue to prepare SW/WHP plans; development of implementation plan; develop well siting policy; public outreach
Methods Employed:	Working on procuring fencing materials and developing outreach strategy. Purchased lab equipment to perform in-house analysis; continue to develop outreach strategy.
Pollutants of Concern:	
SWAP Area:	?? Source Water Capture Zone Area
Outcome:	Funding was used for (but not limited to)

For Information on the Wellhead Protection - Financial Assistance Program, contact:

Safe Drinking Water Branch
Hawaii Department of Health
919 Ala Moana Boulevard, #308
Honolulu, Hawaii 96814
Ph.: (808) 586-4258
Fax: (808) 586-4351

**Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 4 - Attachment 2
Due January 30, 2015**

**FFY15-16 DWSRF 15% Set-Aside Workplan Quarterly Report as of January 15, 2015
Cumulative to FFY2015 First Quarter (October 1, 2014 – December 31, 2014)**



HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	County of Maui Department of Water Supply - Implement WHP Activities & Watershed Protection Projects and 2013 HWWA Conference
ASO Log No.:	12-117
Start/End Date:	12/18/12 - 6/30/2014; Extended to 12/31/2014 (M1) & 6/30/2015 (M2)
DWSRF 15% Set-Asides WHP funds:	FS99986509 - \$750,000 [paid \$37,430.24; outstanding \$712,569.76 (within 30 days, revised invoice rec'd 1/15/2015 for \$31,618.71)] FS99986511 - \$400,000 [paid \$400,000; outstanding \$0] FS99986512 - \$350,000 [paid \$348,985.25; outstanding \$1,014.75]
Contractor:	County of Maui Department of Water Supply - Eva Blumenstein
Address:	200 High Street, Wailuku, Hawaii 96793
Phone:	
Fax:	
Email:	Eva.blumenstein@co.maui.hi.us

Background/Overview:	
Objectives/Goals:	Implement SW/WHP strategies and ordinance through public outreach; BMP workshops; acquire WHP easements (5 PCAs); Implement SW/WHP incentive activities including financial assistance for maintenance and upgrading of OSDs; financial assistance for BMPs (3 PCAs); watershed protection projects (3); HWWA conference SWP track
Methods Employed:	Fieldwork for placement of WHP signage; pollution prevention advertisement; updated website; conducted study/special analysis of 50 ft radius of all DWS sites; feasibility report for conversion from cesspool to septic tank; property surveys completed; various work done for each watershed; held 2014 HWWA Conference on October 23-25, 2014 for 315 registrants (20 plenary speakers and 52 technical sessions). Rec'd 12/23/2014 letter requesting move funding from Task #3 to Task #4. Contract modification drafted.
Pollutants of Concern:	
SWAP Area:	?? Source Water Capture Zone Area
Outcome:	Funding was used for (but not limited to)

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**Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 4 - Attachment 2
Due January 30, 2015**

**FFY15-16 DWSRF 15% Set-Aside Workplan Quarterly Report as of January 15, 2015
Cumulative to FFY2015 First Quarter (October 1, 2014 – December 31, 2014)**



HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	Hawaii Rural Water Association - Continuing Education Activities
ASO Log No.:	13-013
Start/End Date:	8/29/2012 - 8/28/2015; 8/29/2015-2/28/2016 (M1)
DWSRF 15% Set-Asides Technical Assistance funds:	FS99986508 - \$170,000 [paid \$170,000; outstanding \$0]; FS99986509 - \$430,415.20 [paid \$216,859.00; outstanding \$213,556.20 (within 30 days, invoice rec'd 12/12/2014 for \$26,334.00)]
Contractor:	Hawaii Rural Water Association
Address:	
Phone:	
Fax:	
Email:	

Background/Overview:	
Objectives/Goals:	Detailed comprehensive plan for self-sustaining continuing education training program in Hawaii (5 years); training curriculum and lesson plans for first 3 years; 5 year financial plan; publicity plan; CEU credit request for each session; 3 annual reports at the end of each year of the contract
Methods Employed:	Submitted 5 year training and financial plans; conducted training January-October 2013; submitted Annual Report Year 1 and 2. Quarterly Report and Invoice Received.
Pollutants of Concern:	
SWAP Area:	n/a
Outcome:	Funding was used for (but not limited to)

For Information on the Wellhead Protection - Financial Assistance Program, contact:

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Hawaii Department of Health
919 Ala Moana Boulevard, #308
Honolulu, Hawaii 96814
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Fax: (808) 586-4351

**Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 4 - Attachment 2
Due January 30, 2015**

**FFY15-16 DWSRF 15% Set-Aside Workplan Quarterly Report as of January 15, 2015
Cumulative to FFY2015 First Quarter (October 1, 2014 – December 31, 2014)**



HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	County of Kauai Department of Water - Project Water Education for Teachers (WET) (Statewide)
ASO Log No.:	13-038
Start/End Date:	December 18, 2012 - June 30, 2015 (extending to 12/31/2015)
DWSRF 15% Set-Asides WHP funds:	FS99986511 - \$230,000 [paid \$2,323.59; outstanding \$227,676.41 (within 30 days, on 1/14/2015 rec'd revised FFY14 (Quarters 3 & 4) and FFY15 (Quarter 1) invoices for \$28,535.58)]
Contractor:	County of Kauai, Department of Water - Kimberly Tamaoka
Address:	P.O. Box 1706, Lihue, Hawaii 96766
Phone:	(808) 345-5461
Email:	ktamaoka@kauaiwater.org

Background/Overview:	
Objectives/Goals:	Develop Project WET for SWP education with DOE; set up statewide workshops and educational events (1/each county/year); provide copies of curriculum to workshop attendees; "Make a Splash" festival for 5 th grade students once per year
Methods Employed:	
Pollutants of Concern:	
SWAP Area:	Multiple Source Water Capture Zone Areas
Outcome:	Funding was used for (but not limited to)

For Information on the Wellhead Protection - Financial Assistance Program, contact:

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Hawaii Department of Health
919 Ala Moana Boulevard, #308
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Ph.: (808) 586-4258
Fax: (808) 586-4351

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 4 - Attachment 2
Due January 30, 2015

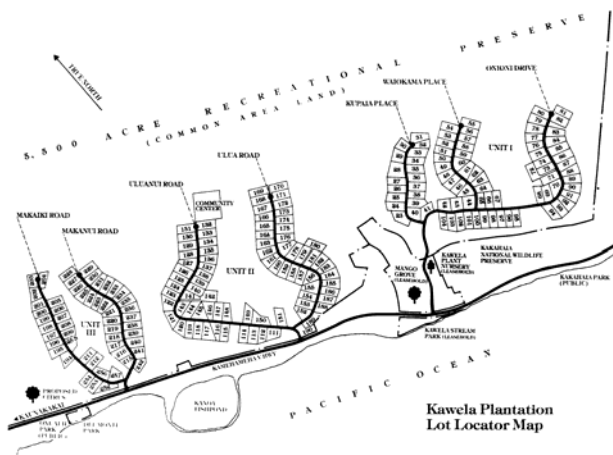
FFY15-16 DWSRF 15% Set-Aside Workplan Quarterly Report as of January 15, 2015
Cumulative to FFY2015 First Quarter (October 1, 2014 – December 31, 2014)



HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	Kawela Plantation - Implement WHP Activities
ASO Log No.:	13-047
Start/End Date:	11/27/2013 - 12/31/2015
DWSRF 15% Set-Asides WHP funds:	FS99986511 - \$130,000 [paid \$30,537.59; outstanding \$99,462.41]
Contractor:	Kawela Plantation Homeowners' Association - Juanita N. Colon
Address:	PO Box 28; 243 Uluanui Road, Kaunakakai, HI 96748
Phone:	(808) 553-4223
Fax:	(808) 553-3996
Email:	kawelapha@gmail.com
Website:	http://www.kawelapha.com

Background/Overview:	“Each of the three potable wells sits at an elevation of approximately 250 feet and all three are located in Unit 1 of the Plantation. Each was originally drilled to a depth of approximately 235 feet and utilizes a cast iron casing with an inside diameter of 6 inches. They are designed to tap into a lens of fresh water that, by its lesser density, sits above the salt water table.” – excerpt from “The Kawela Plantation Water System” at http://www.kawelapha.com/downloads/TheKawelaPlantationWaterSystemReport.pdf .
Objectives/Goals:	Secondary containment within Zone A; Public outreach; WHP signs; OSDS education, inspection and maintenance program; herbicides and pesticides and waste removal; stormwater control; livestock control; WHP plan.
Methods Employed:	Conducted public outreach, attended stormwater control training, and purchased equipment for stormwater control. Discussed Project WET activities on Molokai.
Pollutants of Concern:	
SWAP Area:	?? Source Water Capture Zone Area
Outcome:	Funding was used for (but not limited to)



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**Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 4 - Attachment 2
Due January 30, 2015**

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Cumulative to FFY2015 First Quarter (October 1, 2014 – December 31, 2014)**



HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name: Convert Comprehensive Leaching Risk Assessment System ("CLEARS") model script from VBA to Python

ASO Log No.: 14-106

Start/End Date: July 1, 2013 to March 31, 2014

DWSRF funds: \$45,000.00 (15% Set-Asides WHP)

Contractor: Chittaranjan Ray, P.E., Ph.D., Water Resources Research Center, University of Hawaii
2540 Dole Street, 282 Holmes Hall, Honolulu, HI 96822
Ph: 808-956-9652 Fax: 808-956-5044 Email: cray@hawaii.edu

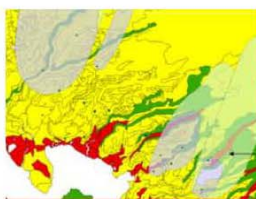
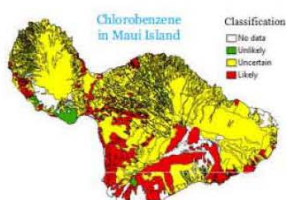
Background/Overview: The Comprehensive Leaching Risk Assessment System ("CLEARS") model assesses the leaching potential of land-applied chemicals based on soil, chemical, and recharge properties. The model is used by the Hawaii Department of Agriculture ("HDOA") for registration and approval of new pesticides in the state.

The earlier pesticide leaching tool has been modified to account for the loss by volatilization, allowing new volatile chemicals (and non-pesticide drinking water contaminants) to be assessed. To account for the loss by volatilization, the previous tool has been expanded to include additional terms, liquid-vapor partitioning for the retardation factor ("RF") and vapor loss at the soil surface for the attenuation factor ("AF"), respectively.

Monitoring of source water from drinking water wells in Hawaii has been going on for decades. However, many of these wells show no evidence of contamination. For a contaminant to appear in a well, it must be present in the capture zone of the well. Processes that contribute to point or non-point source pollution include leaching of chemicals or pathogens through soil, transport in aquifers, and eventual appearance in well waters. The new leaching model will also implement several geographic information system ("GIS") layers for regional vulnerability maps so that all contamination activities and their associated risk can be determined simultaneously. These additional GIS layers, obtained from the Source Water Assessment Program ("SWAP") of the Hawaii Department of Health ("HDOH"), include the capture zones around public water supply wells and any potential contaminating activity ("PCA") within the capture zones. As some drinking water parameters/contaminants have not been detected in Hawaiian municipal water supply wells over decades, and there is adequate information about land use (past and current) and PCAs, it will be feasible to justify the waiving of regular monitoring for chemicals that show low risk of appearance in ground water.

Objectives/Goals: The previous version of CLEARS was coded in Visual Basic for Applications (VBA) and utilized ARC-GIS for visualization. VBA is compatible with ARC-GIS 10 or with lower version. ESRI (the maker of ARC-GIS software) has released ARC-GIS 10.1 and eventually higher versions will be released. However, VBA will not be supported by Microsoft and ESRI for ARC-GIS versions above 10.x or higher. As a result, steps have been taken to modify the source code of CLERS so that it is not impacted by the future Microsoft and ESRI upgrades. For this, two options exist: (a) converting the current VBA code to VB.net studio or (b) Python. VB.net studio is operating system dependent; however Python being independent of operating system can be used on any desktop environment. Python being a versatile language in the public domain, it is being now widely used scientific and engineering applications. The current code has been migrated first to VB.net (for keeping the same user interface) and subsequently to Python.

Outcome: Development of a Comprehensive Leaching Risk Assessment System ("CLEARS") model capable of evaluating the leachability of pesticides and drinking water contaminants to groundwater.



**For Information on the Wellhead Protection -
Financial Assistance Program, contact:**

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Hawaii Department of Health
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Honolulu, Hawaii 96814
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Fax: (808) 586-4351

**Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 4 - Attachment 2
Due January 30, 2015**

**FFY15-16 DWSRF 15% Set-Aside Workplan Quarterly Report as of January 15, 2015
Cumulative to FFY2015 First Quarter (October 1, 2014 – December 31, 2014)**



HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	RCAC Technical Assistance - Circuit Rider Program
ASO Log No.:	15-033
Start/End Date:	10/01/2014 - 9/30/2017
DWSRF 15% Set-Asides	FS99986507 - \$200,000 [outstanding \$200,000]
Technical Assistance funds:	FS99986511 - \$350,000 [outstanding \$350,000]
	FS99986512 - \$191,600 [outstanding \$191,600]
Contractor:	Rural Community Assistance Corporation
Address:	
Phone:	
Fax:	
Email:	

Background/Overview:	
Objectives/Goals:	Small public water systems site visits (600 on-site technical assistance contact hours); promote improvements to TMF capacity; hands-on assistance; maintain "hot line;" yearly evaluation
Methods Employed:	
Pollutants of Concern:	
SWAP Area:	n/a
Outcome:	Funding was used for (but not limited to)

For Information on the Wellhead Protection - Financial Assistance Program, contact:

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Hawaii Department of Health
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Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 6 - Attachment 3
Due January 30, 2015

CAP Item 6	Submit a list of projects from the state fiscal year 2015 fundable list that are viable and ready to proceed within three to six months.
DOH Commitment	The DOH submits CAP Attachment 3 which is a list of projects from the SFY 2015 fundable list that are viable and ready to proceed within three to six months.

The following projects are from Table 5, the Fundable List, from the *SFY 2015 Intended Use Plan*. Of the 13 projects which were identified based on potential available funds and readiness-to-proceed, there are seven (7) which are viable and ready to proceed within three to six months (e.g., Notice to Proceed issued by County).

Rank	Project No.	Owner	Project Name	Green Project Reserve Type	Estimated Construction Date	FLA Date (Executed or Estimated)	Estimated Loan Amount
16	DW213-0015	Maui DWS	Haliimaile Tank Replacement	Water Efficiency	Aug-14	1/15/2015	\$ 700,000.00
34	DW215-0009	Maui DWS	Phase 6 Booster Pump Upgrades	Energy Efficiency	Aug-14	8/15/2015	\$ 4,619,076.00
35	DW215-0010	Maui DWS	Kula 200 #1 Tank Replacement		Aug-14	4/15/2015	\$ 874,565.00
69	DW400-0011	Kauai DOW	PLH-39; Lihue Baseyard Improvements for the Department of Water	Energy Efficiency (Categorical)	Sep-14	12/15/2014	\$ 4,000,000.00
73	DW102-0001	Hawaii DWS	Laupahoehoe 0.5 MG Reservoir		Nov-14	4/15/2015	\$ 4,158,101.00
1	DW133-0004	Hawaii DWS	Kapulena Well Development Phase 2 (Production Well and 0.3 MG Reservoir)		SFY 2015	7/15/2015	\$ 2,664,824.00
21	DW161-0002	Hawaii DWS	Ahualoa-Honokaa Transmission Waterline	Water Efficiency	SFY 2015	4/15/2015	\$ 3,200,000.00
Total							\$20,216,566.00

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 7 - Attachment 4
Due January 30, 2015

CAP Item 7	Submit a report establishing a target level for commitments (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings) for state fiscal year 2015.
DOH Commitment	The DOH submits CAP Attachment 4 which is a report establishing a target level for commitments (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings) for SFY 2015.

Project No.	Project Name	FLA Date Executed	Loan Amount
HBWS-0001	Honolulu BWS Water System Improvements 1	11/15/2014	\$ 9,579,895.00
HBWS-0002	Honolulu BWS Loan Refinance 1	10/15/2014	\$ 26,400,910.01
DW331-0047	Kalihi Water System Improvements, Part III	10/15/2014	\$ 5,068,079.00
DW217-0005	Wakiu Well Replacement <i>SLA</i>	8/15/2014	\$ 1,850,000.00
TOTAL EXECUTED FLAs IN SFY 2015			\$42,898,884.01

Project No.	Project Name	FLA Date Estimated to be Executed	Loan Amount
DW400-0011	Lihue Baseyards	12/15/2014	\$ 4,000,000.00
DW213-0015	Haliimaile Tank Replacement	1/15/2015	\$700,000.00
DW331-0057	Ward Avenue 12-Inch and 8-Inch Mains <i>SLA</i>	2/15/2015	\$199,721.30
DW215-0010	Kula 200 #1 Tank Replacement	4/15/2015	\$874,565.00
DW102-0001	Laupahoehoe 0.5MG Reservoir	4/15/2015	\$4,158,101.00
DW161-0002	Ahualoa-Honokaa Transmission Waterline	4/15/2015	\$3,200,000.00
TOTAL ANTICIPATED EXECUTED FLAs IN SFY 2015			\$13,132,387.30

TOTAL TARGET LEVEL FOR COMMITMENTS IN SFY 2015	\$56,031,271.31
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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street
San Francisco, CA 94105-3901

MAR 17 2015

OFFICE OF THE
REGIONAL ADMINISTRATOR

Virginia Pressler, M.D.
Director, Hawaii Department of Health
1250 Punchbowl Street
Honolulu, Hawaii 96813

Dear Dr. Pressler:

The EPA has reviewed the corrective action plan (CAP) submitted by the Hawaii Department of Health (DOH) on January 30, 2015, in accordance with EPA's October 24, 2014, Notice of Non-compliance for the Hawaii Drinking Water Treatment Revolving Loan Fund. We have also reviewed the Hawaii SRF Management Study Implementation Plan Outline (Outline), which you sent to us on February 10, 2015, in conjunction with the CAP. I am pleased to inform you that I am hereby approving the CAP and endorsing the Outline. Implementation of the CAP and Outline in an integrated manner is crucial for improving the financial performance of the Hawaii Drinking Water Treatment Revolving Loan Fund.

The EPA appreciates the DOH's responsiveness to the EPA notice of non-compliance and the changes in program management and financial oversight reflected in the approved CAP. My staff has worked with you and the DOH throughout this process. Our meetings with you and your partner agencies have already produced process changes for the revolving fund programs. Specifically, we are pleased to learn that the Department of Budget and Finance has granted the DOH revolving funds an exception to the State's operating quarterly allotment process. I am also encouraged that Governor Ige emphasized his intent to improve federal funds management in his first State of the State address.

We also acknowledge the DOH's timely submission of the deliverables due under the CAP by January 30, 2015. We will review these and future deliverables as quickly as possible and respond in writing. The DOH may submit future CAP deliverables to Jane Diamond, Water Division Director. Failure by the DOH to implement a component of the CAP may result in the EPA suspending grant payments until acceptable actions are taken in accordance with 40 C.F.R. 35.3585(c). In addition, the EPA may take other actions based on this CAP or other EPA reviews that reveal non-compliance with the Drinking Water State Revolving Fund requirements, including withholding further grant awards or wholly or partly suspending or terminating current awards in accordance with 40 C.F.R. 31.43. Implementation of the CAP and the Outline will

advance our mutual goal of optimizing use of the Drinking Water Treatment Revolving Loan Fund program to provide safe drinking water and improve public health throughout Hawaii.

We are committed to continuing our joint efforts to support compliance, while improving internal and statewide processes that will realize full utilization of the SRF and other federal funds. If you have questions regarding compliance with the program requirements, please call Michael Montgomery, Water Division Assistant Director, at 415-972-3438.

Sincerely,



Jared Blumenfeld

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Approved Submittals

Item	Action Identified in EPA's Notice of Non-compliance	Deadline	Action Area	DOH CAP Commitment	DOH Deliverable and EPA Review
1	Identify a senior DOH manager as the primary point of contact for tracking, overseeing and coordinating the DOH's activities associated with the CAP.	January 30, 2015	Data and Reporting	<p>The DOH identifies the Deputy Director for Environmental Health (DDEH) and Joanna L. Seto, P.E., Chief of the Safe Drinking Water Branch (SDWB) as the primary points of contact.</p> <p>The DDEH is responsible for coordinating the activities outside of the DOH which are associated with the CAP.</p> <p>The SDWB Chief is responsible for tracking, overseeing and coordinating the DOH's activities associated with the CAP. This includes the technical managerial and financial reporting requirements.</p> <p>The alternate contact for the SDWB Chief is Nancy Bartter, Public Health Administrative Officer of the Environmental Resources Office.</p>	<p>The DOH identified the primary points of contact in the CAP submitted on January 30, 2015.</p> <p>EPA approves this deliverable.</p>
2	Submit a schedule for monthly meetings with the EPA to discuss progress on the CAP components. At least three days prior to each meeting, the DOH will provide a written agenda with updates on CAP components, the Management Study and the LGTS work assignment.	January 30, 2015	Date and Reporting	<p>The DOH will meet with EPA at a minimum on a monthly basis, beginning February of 2015 and until July of 2017, to discuss the progress on the CAP items. DOH will provide to EPA at least three (3) days prior to each meeting a written agenda with updates on CAP items, the Management Study and LGTS work assignments.</p> <p>The DOH proposes the meetings be scheduled on the third Wednesday of the month. The SDWB Chief will generate and distribute agendas on the Friday prior to the meeting.</p>	<p>The DOH included a schedule of meetings with EPA in the CAP submitted on January 30, 2015.</p> <p>EPA approves this deliverable.</p>
3	Submit a fund utilization plan for the 15% set-aside for each capitalization grant. The plan will identify the funds paid to date (with associated project or activity being reimbursed), encumbered funds (with a schedule for expending the funds) and available funds (with a schedule for expending the funds).	January 30, 2015	Disbursements	<p>The DOH submits the fund utilization plan for the 15% set-aside for each capitalization grant in CAP Attachment 1. The plan uses a spreadsheet to identify the funds paid to date (with the associated project or activity being reimbursed), encumbered funds (with a schedule for expending the funds), and available funds (with a schedule for expending the funds).</p> <p>This is a one-time CPA submittal requirement which the DOH will continue to update and submit on a quarterly basis. Note that the values are as of January 15, 2015, mid-way through the reporting month.</p>	<p>The DOH included a fund utilization plan in the CAP submitted on January 30, 2015.</p> <p>EPA approves this deliverable.</p>

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Approved Submittals

Item	Action Identified in EPA's Notice of Non-compliance	Deadline	Action Area	DOH CAP Commitment	DOH Deliverable and EPA Review
4	Submit a summary of all 15% set-aside projects including recipient, project outcomes/outputs, funding level, project period and project status.	January 30, 2015	Technical Capabilities	<p>The DOH submits CAP Attachment 2 which is a summary of all 15% set-side projects including recipient, project outcomes/outputs, funding level, project period and project status.</p> <p>This is a one-time CPA submittal requirement which the DOH will continue to update and submit on a quarterly basis per the approved workplan. Note that the values are as of January 15, 2015, mid-way through the reporting month.</p>	<p>The DOH included a summary of all 15% set-aside projects in the CAP submitted on January 30, 2015.</p> <p>EPA approves this deliverable.</p>
5	Alter the loan amortization calculation methods for loans signed after March 1, 2015, to a one-time amortization of the loan upon project completion. This includes creating a projected amortization schedule at loan signing.	January 30, 2015	Data and Reporting	<p>The DOH commits to alter the loan amortization calculation methods for loans by January 30, 2015. The DOH commits to agree to the method or methods of alteration by April 1, 2015. The DOH commits to implement the changes to the amortization calculation methods on loans signed after June 30, 2015, to a one-time amortization of the loan upon project completion. This includes creating a projected amortization schedule at loan signing.</p> <p>The extension is requested because the DOH is required to amend Hawaii Administrative Rules, Chapter 11-65-03 and 11-65-10. The rules amendment process is estimated to take six to 12 months. In addition, the DOH is currently drafting the Final Loan Agreements for loans which are scheduled to be executed in the Spring of 2015. Changes to the amortization calculation method would impact staff time as well as delay the issuance of the Final Loan Agreements.</p>	<p>The DOH included a commitment to alter the loan amortization calculation methods in the CAP submitted on January 30, 2015. In an email from Keith Kawaoka to Jane Diamond, Mike Montgomery and Doug Eberhardt, dated March 31, 2015, DOH submitted a description of the altered amortization calculation method.</p> <p>EPA approves the initial deliverable submitted on January 30 pertaining to the DOH's commitment to alter the loan amortization calculation methods. EPA is not approving at this time the DOH's March 31 deliverable.</p>
6	Submit a list of projects from the state fiscal year 2015 fundable list that are viable and ready to proceed within three to six months.	January 30, 2015	Loan Commitment	The DOH submits CAP Attachment 3 which is a list of projects from the SFY 2015 fundable list that are viable and ready to proceed within three to six months.	<p>The DOH included a list of projects in the CAP submitted on January 30, 2015.</p> <p>EPA approves this deliverable.</p>
7	Submit a report establishing a target level for commitments (i.e., the amount of funding the DOH must commit in executed assistance agreements,	January 30, 2015	Loan Commitment	The DOH submits CAP Attachment 4 which is a report establishing a target level for commitments (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization	<p>The DOH included a report establishing a target level for commitments in the CAP submitted on January 30, 2015.</p> <p>EPA approves this deliverable.</p>

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Approved Submittals

Item	Action Identified in EPA's Notice of Non-compliance	Deadline	Action Area	DOH CAP Commitment	DOH Deliverable and EPA Review														
	based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings) for state fiscal year 2015.			grants, state match, fees, repayments and interest earnings) for SFY 2015.															
8	Submit a report establishing a target level for disbursement for state fiscal year 2015.	January 30, 2015	Disbursement	<div>The DOH submits the following target levels for disbursement for SFY 2015. Quarters 1 and 2 are actual disbursements while Quarter 3 and 4 are projected disbursements based on assumptions in the existing DOH cash flow.</div> <table><tr><th>Period of Disbursement</th><th>Disbursement Amount</th></tr><tr><td>Quarter 1</td><td>\$7,160,468.22</td></tr><tr><td>Quarter 2</td><td>\$28,757,141.35</td></tr><tr><td>Quarter 3 *</td><td>\$8,877,601.07</td></tr><tr><td>Quarter 4</td><td>\$15,367,516.33</td></tr><tr><td>SFY 2015</td><td>\$60,162,726.97</td></tr><tr><td colspan="2">Note: * \$3,659,540.94 of this are actual disbursements for January.</td></tr></table>	Period of Disbursement	Disbursement Amount	Quarter 1	\$7,160,468.22	Quarter 2	\$28,757,141.35	Quarter 3 *	\$8,877,601.07	Quarter 4	\$15,367,516.33	SFY 2015	\$60,162,726.97	Note: * \$3,659,540.94 of this are actual disbursements for January.		<div>The DOH submitted target levels for disbursements in the CAP submitted on January 30, 2015.</div> <div>EPA approves this deliverable.</div>
Period of Disbursement	Disbursement Amount																		
Quarter 1	\$7,160,468.22																		
Quarter 2	\$28,757,141.35																		
Quarter 3 *	\$8,877,601.07																		
Quarter 4	\$15,367,516.33																		
SFY 2015	\$60,162,726.97																		
Note: * \$3,659,540.94 of this are actual disbursements for January.																			
9	Meet with the EPA to select recommendations to implement from the final version of the LGTS Study.	30 days from receipt of final report	Technical Capabilities	The DOH will meet with the EPA 30 days from receipt of the final version of the LGTS Study.	<div>The final LGTS Study report was transmitted to DOH on February 2, 2015. DOH and EPA met to discuss selected recommendation on March 3, 2015.</div> <div>EPA approves this deliverable.</div>														
10	Submit a plan, including a schedule, to implement selected recommendation from the LGTS Study.	30 days from meeting with the EPA	Technical Capabilities	The DOH will submit the LGTS Study Implementation Plan to EPA by 30 day from meeting with the EPA.	<div>DOH and EPA met to discuss selected recommendations on March 3, 2015. In an email from Keith Kawaoka to Jane Diamond, Mike Montgomery and Doug Eberhardt, dated March 31, 2015, DOH submitted the LGTS Study Implementation Plan.</div> <div>EPA approves this deliverable.</div>														
12	The DOH will meet with EPA to review and agree on the modifications to the	February 28, 2015	SERP	The DOH will meet with EPA by February 28, 2015, to review the modification to the Hawaii DWSRF State Environmental Review Process (SERP) to	The DOH documented, in the CAP submitted January 30, 2015, that it met with EPA via conference call on January														

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Approved Submittals

Item	Action Identified in EPA's Notice of Non-compliance	Deadline	Action Area	DOH CAP Commitment	DOH Deliverable and EPA Review
	Hawaii DWSRF State Environmental Review Process to ensure that the SERP meets the requirements of the federal DWSRF program.			<p>ensure that the SERP meets the requirements of the federal DWSRF program. In addition, the DOH will submit an outline of the draft proposed revision to the SERP for EPA review.</p> <p>The DOH will meet with EPA by April 30, 2015, to agree on the modifications. Additional time is needed to work out necessary changes and legal consultation.</p> <p>Note that the first meeting between DOH and EPA was held via conference call on January 16, 2015.</p>	<p>16, 2015, to review the modification to the SERP. The DOH submitted to EPA an outline of the proposed SERP in an email from Keith Kawaoka to Jane Diamond, Mike Montgomery, and Doug Eberhardt, dated February 27, 2015.</p> <p>EPA approves these deliverables for the portions of the item that pertain to a meeting to review modifications to the SERP and the submittal of an outline of the proposed revision to the SERP. EPA awaits the DOH's deliverable for the portion of the item regarding a meeting between the DOH and EPA to agree on the modifications to the SERP by April 30, 2015.</p>
13	Deadline for advertising the Program Specialist, Geologist and Chemist vacancies in SDWB. Submit a report describing the status of the vacancies in SDWB.	March 31, 2015	Technical Capabilities	<p>The DOH will submit a copy of the Internal Vacancy Announcement and status of the process to fill the position to EPA by March 31, 2015, for each listed position.</p> <p>Note: Program Specialist title has been changed to General professional.</p>	<p>In an email from Keith Kawaoka to Jane Diamond, Mike Montgomery and Doug Eberhardt, dated March 31, 2015, the DOH submitted the vacancy announcements for the three positions and a hiring schedule for each position.</p> <p>EPA approves this deliverable.</p>



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street
San Francisco, CA 94105-3901

APR 20 2015

Mr. Keith Kawaoka
Deputy Director for Environmental Management
Hawaii Department of Health
P.O. Box
Honolulu, Hawaii 96814

Dear Mr. Kawaoka:

Thank you for your timely submission of deliverables in accordance with the Hawaii Department of Health's Corrective Action Plan for U.S. EPA Region IX's Notice of Noncompliance, dated January 30, 2015. I am pleased to inform you that EPA has reviewed and approved deliverables pertaining to action items 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 12 and 13 of the corrective action plan, as described in the enclosed table.

I also acknowledge the Department of Health's timely submittal of deliverables regarding action items 5, 11, 14, 15 and 16 of the corrective action plan. We have concerns with these deliverables that we will be discussing with the Department of Health, including a conference call on April 22 to discuss action item 11.

EPA is committed to working with the Department of Health to accomplish the goals of the corrective action plan. If you have any questions regarding future action items, please feel free to call Mike Montgomery, Water Division Assistant Director, at (415) 972-3438.

Sincerely,

A handwritten signature in black ink, appearing to read "Jane Diamond".

Jane Diamond
Director, Water Division

Enclosure



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

**75 Hawthorne Street
San Francisco, CA 94105-3901**

May 27, 2015

Keith Kawaoka
Deputy Director, Hawaii Department of Health
1250 Punchbowl Street, 3rd Floor
Honolulu, HI 96813

Dear Mr. Kawaoka:

On October 24, 2014, the U.S. Environmental Protection Agency (EPA) issued a notice of non-compliance to the Hawaii Department of Health (DOH) regarding the management of the Drinking Water State Revolving Fund (DWSRF). Subsequently the DOH submitted a corrective action plan (CAP) to return the program to compliance and has been submitting deliverables in accordance with the CAP. The notice of non-compliance was issued in large part due to DOH's failure to expend funds in the Hawaii DWSRF in an expeditious and timely manner per the terms and conditions of the grant agreements and 40 C.F.R. §35.3550(c) and (l). EPA may suspend grant payments and pursuant to 40 C.F.R. § 31.43, the EPA may take other actions, including withholding further grant awards, wholly or partly suspending current awards, or wholly or partly terminating current awards for failure to comply.

As we have discussed, deliverables #11, #15 and #16 do not fully meet the requirements of the CAP (see enclosure for a description of the deliverables). This letter documents the schedule for DOH to correct and resubmit these deliverables. EPA staff has been working with DOH to correct these CAP deliverables since February 27, 2015, when DOH submitted deliverable #11 (staffing plan) and March 30, 2015, when DOH submitted deliverables #15 and #16 (financial targets).

Staffing Plan

The DOH plan (deliverable #11) must be resubmitted on June 5, 2015. It failed to adequately identify how DOH would address staff deficiencies in the areas of financial analysis and program management. We appreciate your leadership in evaluating organizational changes that would support success of the SRF's under the current EPA approved plans. The staffing plan that you are required to resubmit, could be revised at a later date to reflect the outcome of your organizational evaluation. Given that it can take up to six months to advertise an external position, we agree the staffing plan proceed in parallel to the DOH organizational evaluation.

With regard to the financial analysis requirement, DOH proposed to divide this function among existing staff. This is not an adequate approach. The difficulties the DOH has had preparing and submitting deliverables #15 and #16, as described below, demonstrate the need for a specific position with expertise in financial analysis. Please resubmit deliverable #11 with a position description and a hiring plan that

includes internal and external advertisement dates, and a target hiring date. We strongly encourage you to consider seeking an exempt position so as not to further delay acquisition of this expertise.

The staffing plan DOH submitted identified multiple options for addressing the program management deficiency. Only one option, an Intergovernmental Personnel Act (IPA) assignment, is appropriate in the long term. When you resubmit deliverable #11, please focus on the IPA option. Finding an appropriate IPA is uncertain, so working concurrently on an exempt position is strongly recommended. Please include a position description and a hiring plan that includes internal and external advertisement dates and hiring dates for the IPA and exempt position to be created. We support utilizing Northbridge, as mentioned in your original submittal, while the IPA and exempt position is created and filled, so please include this as an interim measure in your revised deliverable #11.

In addition, set-aside management was to be addressed by the General Professional IV position, which was advertised on schedule. It is our understanding that this advertisement received no internal applicants and will now be advertised externally. By June 1, 2015, please provide an advertising and hiring schedule to fill this position that includes advertisement to Hawaii State employees and to the general public. Due to the historical delays experienced filling this position, we require these advertisements to be posted by June 15, 2015.

Finally, we approve your current proposal of 0.25 FTE from the Drinking Water Information Technology Specialist and 0.20 FTE from the Clean Water Information Technology Specialist to address the need for information technology expertise. We will revisit this approach in 2016 once the loans and grants tracking system is fully operable.

Financial Targets

The revisions to deliverables #15 and #16 that DOH re-submitted on April 22, 2014, continue to underestimate the financial funding capacity of the DWSRF. Revised deliverable #15 proposes a commitment target of about \$23 million. To fully utilize your DWSRF funds, the DOH must execute assistance agreements, on the funds on hand, but also include interest earnings and repayments that are under loan contract to be repaid to the DWSRF.

As explained in the enclosure, the current loan capacity of the program is about \$44 million, not assuming any additional federal capitalization grants. The capitalization funds allotted to Hawaii for fiscal year 2015 are about \$8 million, thus the financial funding capacity with a full FY15 capitalization grant would be about \$52 million not \$23 million.

Deliverables #15, #16 and #18, due June 1, 2015, must contain a final commitment target that accurately estimates the DOH's financial funding capacity, which is supported by #15 and #16. If the DOH desires to receive its full allotment of FY15 federal capitalization funds by September 30, 2015, it needs to set a commitment target of at least \$52 million as part of deliverable #18. That is, the DOH must commit to executing at least \$52 million in new funding agreements by June 30, 2016. Otherwise, the DOH will not have demonstrated a timely need for the full capitalization grant, and it will not have placed itself on a path to meeting the remaining CAP deliverables.

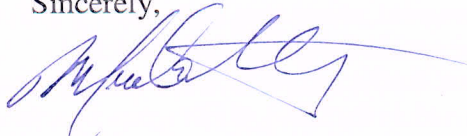
Deliverable #18 must identify \$52 million in projects or, at a minimum, the steps the DOH will take to ensure it can execute \$52 million in new final loan agreements by June 30, 2016.

Deliverables #16 and #18 are cornerstone requirements of the CAP as they demonstrate the State intent to fully utilize DWSRF funds and reduce federal unliquidated obligations. I understand our staffs have had several conversations regarding deliverables of concern and your staff is now preparing deliverable #18 and revised deliverables #15 and #16 for submittal by June 1st.

Fiduciary responsibility for federal funds is not the only reason to fully utilize DWSRF funds. The latest national Drinking Water Infrastructure Needs Survey and Assessment reported to Congress that Hawaii has nearly \$1 billion in unmet drinking water needs. Underutilized federal funds (and matching state funds) represent unmet public health benefits for the citizens of Hawaii as well as lost economic opportunity in the form of jobs and materials utilized in the construction of critical drinking water infrastructure. In addition, there is significant cost savings for utilities through the use of the SRF, which helps keep user rates affordable and makes safe water for disadvantaged communities accessible.

If you or your staff have any additional questions regarding this letter, please feel free to contact me at (415) 972-3438.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Montgomery", with a long horizontal flourish extending to the right.

Michael Montgomery
Assistant Director, Water Division

cc: Elizabeth O. Kim, Special Advisor to the Governor
Dr. Virginia Pressler, M.D., Director, Hawaii Department of Health

EPA Review of CAP Deliverables #15 and #16

Description of Deliverables #11, #15, #16 and #18

Item	Required Action	DOH Commitment
11	Submit to the EPA a staffing plan including job descriptions and timeline to address at a minimum the following four deficiencies the EPA has identified: (1) information technology: expertise is needed with respect to the development, implementation and maintenance of LGTS; (2) financial analysis: expertise is needed with respect to financial modeling, strategic planning, and forecasting to determine funding capacity and create an understanding of the long term implications of fund decision; (3) program management: expertise is needed for managing the SRFs (not limited to DWSRF) in a manner so as to integrate program, accounting, and financial activities to meet and sustain the goals of the CAP and Management Study; and (4) set-aside management; submit a schedule for filling the Program Specialist, Geologist and Chemist vacancies in SDWB, such that all three positions are advertised by March 31, 2015.	The DOH will submit a staffing plan to EPA by February 28, 2015, which includes job descriptions and timeline, to address, at a minimum, the four deficiencies EPA identified in this CAP Item 11.
15	Propose a commitment target for state fiscal year 2016 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of the available loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target must be calculated using a cash flow model such as FOCUS that incorporates DOH's project pipeline along with counties' capital improvement plans. If the EPA has not yet provided state allotments for 2015, the DOH should confer with EPA regarding an estimated amount for the 2015 capitalization grant. Submit a list of projects from the state fiscal year fundable list (or draft IUP), sufficient to meet the proposed commitment target, that are viable and ready to proceed within three to six months.	The DOH will submit to EPA by March 31, 2015, a commitment target for SFY 2016 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target will be calculated using a cash flow model that incorporates the DOH's project pipelines along with the counties' capital improvement plans and will include a list of projects from the SFY 2016 fundable list (or draft IUP), sufficient to meet the proposed commitment target, that are viable and ready to proceed within three to six months.
16	Submit a disbursement plan accounting for all sources of funds, including capitalization grants, state match, fees, repayments and interest earnings, developed using a cash flow model. Federal funds must be disbursed such that the balance of federal funds, on June 30, 2017, (including loans and set-asides) does not exceed the sum of the 2015 and 2016 capitalization grants. The plan must include annual and cumulative disbursement targets for state fiscal years 2016 and 2017.	The DOH will submit a disbursement plan to EPA by March 31, 2015, based on assumptions in the existing DOH cash flow model. The plan will account for all sources of funds, including capitalization grants, state match, fees, repayments and interest earnings, and will include annual and cumulative disbursement targets for SFY 2016 and 2017.
18	Submit a report (or final IUP) describing the DOH's plan for utilizing its full loan capacity in state fiscal year 2016, as determined using a cash flow model such as FOCUS that incorporates the DOH's project	The DOH will submit the Final IUP for SFY 2016 to EPA by May 31, 2015. The IUP will describe (1) the DWTRLF's full loan capacity, which includes all available funds

<p>pipelines along with the counties' capital improvement plans. The report must describe (1) the DWTRLF's full loan capacity, which includes anticipated repayments as well as available funds (from capitalization grants, state match, fees, repayments and interest earnings); (2) the final commitment target for state fiscal year 2016 (the maximum amount the DOH can commit to executed assistance agreements) and (3) a list of projects from the 2016 fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.</p>	<p>(from capitalization grants, state match, fees, repayments, interest earnings, and anticipated repayments); (2) the final commitment target for SFY 2016 (the maximum amount the DOH can commit to executed assistance agreements) and (3) a list of projects from the 2016 fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.</p>
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Derivation of Full Loan Capacity

Using the model and information that DOH submitted as part of deliverable #15, EPA estimated the current full loan capacity. The modeling results submitted by DOH included an assumption that DOH would receive future capitalization grants, but future Congressional appropriations for the DWSRF program are uncertain, so EPA removed future capitalization grants from the model to estimate the current full loan capacity. When the DOH included \$51 million in new loan commitments by June 30, 2016, in their model, the lowest resulting cash balance at any point in the future was roughly \$3 million. Running the loan fund down to a balance this low would not be prudent. \$10 million, however, is a reasonable cushion. EPA increased the cushion from \$3 million to \$10 million (an increase of \$7 million), so EPA estimated the current loan capacity to be \$44 million, rather than \$51 million (a decrease of \$7 million). Stated another way, with no future capitalization grant awards, DOH could make \$44 million in loan commitments in the coming state fiscal year and have a minimum of \$10 million on hand at all times.

As described above, the estimate of the current loan capacity of \$44 million is based on modeling that assumes there will be no future capitalization grants. Hawaii has been allotted approximately \$8 million in capitalization funds for federal fiscal year 2015. Thus, if DOH receives its full capitalization grant for federal fiscal year 2015, then its full loan capacity would be about \$52 million.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street

San Francisco, CA 94105-3901

AUG 03 2015

Keith Kawaoka
Deputy Director, Hawaii Department of Health
1250 Punchbowl Street, 3rd floor
Honolulu, HI 96813

Dear Mr. Kawaoka:

This is an update on the status of the DOH deliverables which have been submitted to us under the Corrective Action Plan (CAP) for the Hawaii Drinking Water State Revolving Fund. In my last communication, on May 27, 2015, I did not approved deliverables #11, #15, and #16 because they did not fully meet the requirements of the CAP. The Department of Health (DOH) has resubmitted these deliverables and has submitted additional deliverables required under the CAP. A summary of the status of all CAP deliverables submitted by DOH to date is enclosed. Key deliverables are discussed below.

Staffing Plan (Deliverable #11)

With respect to deliverable #11, EPA has approved the information technology (per our May 27, 2015 letter) and is now approving the set-aside management positions. We cannot accept your proposal for the program management and financial analysis positions as submitted. You have indicated that DOH would not be able to fill these positions before the conclusion of the CAP, July 31, 2017. You have not provided enough information or a plan detailing how DOH plans to fill these positions in the interim or expedite creating and filling these critical positions highlighted in the management study and identified in the CAP. In addition, we believe the position descriptions submitted do not adequately address the level of skill and management capability required, as outlined in the HI SRF Management Study.

We have agreed that an EPA consultant, funded by the State, will fill in for these key functions while we await the outcome of your organization evaluation, anticipated to be completed September 2015. We agree to your proposal to provide periodic updates on the status of the evaluation; we recommend bi-weekly reports starting the week of August 10, 2015. I will be setting up a meeting with you, Dr. Pressler and representatives from the Governor's office during the week of September 14 when I am in Honolulu to discuss the draft recommendations of your organization evaluation and how they will address the CAP requirements and management study recommendations. It would be appropriate at that time to re-evaluate the status of the unapproved portions of CAP deliverable #11.

Financial Targets/Plans (Deliverables #15 (revised), #16 (revised) and #18 (new))

On June 17, 2015, DOH submitted the third revision of deliverable #15, which proposes a target of \$51.8 million as the amount of new loans to be executed in state fiscal year 2016. EPA is approving this deliverable.

DOH also submitted on June 17 the third revision of deliverable #16, which is a plan for disbursements. The submittal identifies a target for disbursements of \$49,016,070.76 for state fiscal year 2016 and \$44,347,640.65 for state fiscal year 2017. The deliverable was to include a cumulative target as well as annual targets. Assuming it is the sum of the annual targets for state fiscal years 2016 and 2017, then the cumulative target for state fiscal year 2017 is \$93,363,711.41.

EPA is approving these targets, but the annual and cumulative targets for 2017 may need to be revised at a later date. The targets may need to be revised for two reasons. First, if DOH is unable to meet a spending target rate for the 15% set-aside of 80% by June 30, 2016, in accordance with CAP deliverable #26, then we may not allow DOH to take the 15% set-aside from its federal fiscal year 2016 grant. In that case, the target may need to increase. Secondly, disbursement targets are currently based on an assumption that projects will request equal-sized payments on a monthly basis during the course of construction. The DOH must base the disbursement targets for state fiscal year 2017 (deliverable #25) on a more precise use of claim schedules prepared by or in collaboration with the recipients.

DOH submitted deliverable #18 on June 2, 2015, in the form of the intended use plan for the DWSRF for state fiscal year 2016. As submitted, this deliverable sets the final target for the amount of funding to be executed in new financial agreements in state fiscal year 2016 at \$51.8 million, consistent with the draft target proposed in deliverable #15, and it includes a list of projects from the 2016 fundable list that exceeds this target. We accept \$51.8 million as the final target for new financial agreements in state fiscal year 2016, but we understand DOH is revising the intended use plan, so we are not taking action on deliverable #18 at this time.

Programmatic Improvements (#17, #5, #10 and #14)

We will review your proposed state environmental review process, meet with the Hawaii Attorney General's office and DOH staff to discuss our comments and work with you to finalize a document that will fulfill state and federal requirements. We have extended the deadline for completing deliverable #17 to September 14, 2015. Per the environmental review requirements (§35.3140), your final proposal shall be signed by Dr. Pressler and submitted to the EPA Region 9 RA for review and approval.

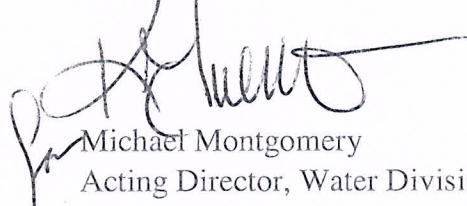
We have had ongoing discussions regarding DOH loan amortization methods, CAP #5 due April 1, 2015. On or before August 20, 2015, DOH shall submit the final one-time amortization method for review and approval by EPA.

On June 25, 2015, DOH notified EPA that start-up of the Loans and Grants Tracking System is postponed due to a break in access to the state cloud hosting the system. EPA is approving your proposed new start date of August 31, 2015, and we look forward to your continuing progress per the schedule submitted in deliverable #10.

On April 22, 2015, DOH submitted a revised version of deliverable #14 reporting that the 15% set-aside is meeting project goals. EPA is approving deliverable #14.

If you have any questions regarding this letter, please feel free to contact me at (415) 972-3438.

Sincerely,



Michael Montgomery
Acting Director, Water Division

Enclosure

cc: Dr. Virginia Pressler, M.D., Director, Hawaii Department of Health
Elizabeth O. Kim, Special Advisor to the Governor

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – July 2015

Item	Action Identified in EPA's Notice of Non-compliance	Deadline	Action Area	DOH CAP Commitment	DOH Deliverable and EPA Review	Status
1	Identify a senior DOH manager as the primary point of contact for tracking, overseeing and coordinating the DOH's activities associated with the CAP.	January 30, 2015	Data and Reporting	<p>The DOH identifies the Deputy Director for Environmental Health (DDEH) and Joanna L. Seto, P.E., Chief of the Safe Drinking Water Branch (SDWB) as the primary points of contact. The DDEH is responsible for coordinating the activities outside of the DOH which are associated with the CAP.</p> <p>The SDWB Chief is responsible for tracking, overseeing and coordinating the DOH's activities associated with the CAP. This includes the technical managerial and financial reporting requirements.</p> <p>The alternate contact for the SDWB Chief is Nancy Bartter, Public Health Administrative Officer of the Environmental Resources Office.</p>	<p><u>January 30, 2015</u> - The DOH identified the primary points of contact in the CAP submitted to EPA.</p> <p><u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.</p>	DONE
2	Submit a schedule for monthly meetings with the EPA to discuss progress on the CAP components. At least three days prior to each meeting, the DOH will provide a written agenda with updates on CAP components, the Management Study and the LGTS work assignment.	January 30, 2015	Date and Reporting	<p>The DOH will meet with EPA at a minimum on a monthly basis, beginning February of 2015 and until July of 2017, to discuss the progress on the CAP items. DOH will provide to EPA at least three (3) days prior to each meeting a written agenda with updates on CAP items, the Management Study and LGTS work assignments.</p> <p>The DOH proposes the meetings be scheduled on the third Wednesday of the month. The SDWB Chief will generate and distribute agendas on the Friday prior to the meeting.</p>	<p><u>January 30, 2015</u> - The DOH submitted a schedule of meetings with EPA in the CAP.</p> <p><u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.</p>	DONE
3	Submit a fund utilization plan for the 15% set-aside for each capitalization grant. The plan will identify the funds paid to date (with associated project or activity being reimbursed), encumbered funds (with a schedule for expending the funds) and available funds (with a schedule for expending the funds).	January 30, 2015	Disbursements	<p>The DOH submits the fund utilization plan for the 15% set-aside for each capitalization grant in CAP Attachment 1. The plan uses a spreadsheet to identify the funds paid to date (with the associated project or activity being reimbursed), encumbered funds (with a schedule for expending the funds), and available funds (with a schedule for expending the funds).</p> <p>This is a one-time CPA submittal requirement which the DOH will continue to update and submit on a quarterly basis. Note that the values are as of</p>	<p><u>January 30, 2015</u> - The DOH submitted a fund utilization plan in the CAP submitted.</p> <p><u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.</p>	DONE

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – July 2015

				January 15, 2015, mid-way through the reporting month.		
4	Submit a summary of all 15% set-aside projects including recipient, project outcomes/outputs, funding level, project period and project status.	January 30, 2015	Technical Capabilities	<p>The DOH submits CAP Attachment 2 which is a summary of all 15% set-side projects including recipient, project outcomes/outputs, funding level, project period and project status.</p> <p>This is a one-time CPA submittal requirement which the DOH will continue to update and submit on a quarterly basis per the approved workplan. Note that the values are as of January 15, 2015, mid-way through the reporting month.</p>	<p><u>January 30, 2015</u> - The DOH submitted a summary of all 15% set-aside projects in the CAP.</p> <p><u>April 20, 2015</u> - EPA approved this CAP deliverable in a letter from Jane Diamond to Keith Kawaoka.</p>	DONE
5	Alter the loan amortization calculation methods for loans signed after March 1, 2015, to a one-time amortization of the loan upon project completion. This includes creating a projected amortization schedule at loan signing.	January 30, 2015	Data and Reporting	<p>The DOH commits to alter the loan amortization calculation methods for loans by January 30, 2015. The DOH commits to agree to the method or methods of alteration by April 1, 2015. The DOH commits to implement the changes to the amortization calculation methods on loans signed after June 30, 2015, to a one-time amortization of the loan upon project completion. This includes creating a projected amortization schedule at loan signing.</p> <p>The extension is requested because the DOH is required to amend Hawaii Administrative Rules, Chapter 11-65-03 and 11-65-10. The rules amendment process is estimated to take six to 12 months. In addition, the DOH is currently drafting the Final Loan Agreements for loans which are scheduled to be executed in the Spring of 2015. Changes to the amortization calculation method would impact staff time as well as delay the issuance of the Final Loan Agreements.</p>	<p><u>January 30, 2015</u> - The DOH submitted a commitment to alter the loan amortization calculation methods in the CAP.</p> <p><u>March 31, 2015</u> – Email from Keith Kawaoka to Jane Diamond, Michael Montgomery and Doug Eberhardt transmitting deliverable for action item 5. DOH's submittal to EPA listed three methods that will meet the one-time amortization requirement. DOH stated they will choose one of these three methods.</p> <p><u>April 20, 2015</u> - EPA approved DOH's commitment to alter the loan amortization calculation methods in a letter from Jane Diamond to Keith Kawaoka</p> <p><u>April 27, 2015</u> – DOH sent a proposed one-time amortization method to EPA and the Hawaii Counties – method demonstrated in April 21 and 23 webinars to Hawaii Counties to introduce new method.</p> <p><u>Status:</u> Amendment of Hawaii Administrative Rules, Chapter 11-65-03 and 11-65-10, is required to go forward</p>	ONGOING

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – July 2015

					<p>with change to a one-time amortization method. Once the Rule is final, DOH will include the one-time amortization schedule in all new loan agreements. EPA awaits the amendment of the Hawaii Administrative Rule change based on the following schedule:</p> <ul style="list-style-type: none"> • <u>August 20, 2015</u> – Rule scheduled for public hearing • <u>September 2015</u> - date anticipate that the Rule will go to the Governor's office for signature. <p><u>August 3, 2015</u> – In this letter, EPA sets August 20, 2015 as deadline for DOH to submit a one-time amortization process to EPA for final approval.</p>	
6	Submit a list of projects from the state fiscal year 2015 fundable list that are viable and ready to proceed within three to six months.	January 30, 2015	Loan Commitment	The DOH submits CAP Attachment 3 which is a list of projects from the SFY 2015 fundable list that are viable and ready to proceed within three to six months.	<p><u>January 30, 2015</u> - The DOH submitted a list of viable and fundable projects in the CAP.</p> <p><u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.</p>	DONE
7	Submit a report establishing a target level for commitments (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings) for state fiscal year 2015.	January 30, 2015	Loan Commitment	The DOH submits CAP Attachment 4 which is a report establishing a target level for commitments (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings) for SFY 2015.	<p><u>January 30, 2015</u> - The DOH submitted in the CAP a report establishing a target level for commitments.</p> <p><u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.</p>	DONE
8	Submit a report establishing a target level for disbursement for state fiscal year 2015.	January 30, 2015	Disbursement	The DOH submits the following target levels for disbursement for SFY 2015. Quarters 1 and 2 are actual disbursements while Quarter 3 and 4 are projected disbursements based on assumptions in the existing DOH cash flow.	<u>January 30, 2015</u> - The DOH submitted in the CAP target levels for SFY 2015 disbursements.	DONE

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – July 2015

				<table><tr><td>Period of Disbursement</td><td>Disbursement Amount</td></tr><tr><td>Quarter 1</td><td>\$7,160,468.22</td></tr><tr><td>Quarter 2</td><td>\$28,757,141.35</td></tr><tr><td>Quarter 3 *</td><td>\$8,877,601.07</td></tr><tr><td>Quarter 4</td><td>\$15,367,516.33</td></tr><tr><td>SFY 2015</td><td>\$60,162,726.97</td></tr><tr><td colspan="2">Note: * \$3,659,540.94 of this are actual disbursements for January.</td></tr></table>	Period of Disbursement	Disbursement Amount	Quarter 1	\$7,160,468.22	Quarter 2	\$28,757,141.35	Quarter 3 *	\$8,877,601.07	Quarter 4	\$15,367,516.33	SFY 2015	\$60,162,726.97	Note: * \$3,659,540.94 of this are actual disbursements for January.		<u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.	
Period of Disbursement	Disbursement Amount																			
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Note: * \$3,659,540.94 of this are actual disbursements for January.																				
9	Meet with the EPA to select recommendations to implement from the final version of the LGTS Study.	30 days from receipt of final report	Technical Capabilities	The DOH will meet with the EPA 30 days from receipt of the final version of the LGTS Study.	<u>February 2, 2015</u> - The final LGTS Study report was transmitted to DOH. <u>March 3, 2015</u> - DOH and EPA met to discuss selected recommendations. <u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.	DONE														
10	Submit a plan, including a schedule, to implement selected recommendations from the LGTS Study	30 days from meeting with EPA	Technical Capabilities	The DOH will submit the LGTS Study Implementation Plan to EPA by 30 days from meeting with EPA.	<u>March 31, 2015</u> - The DOH submitted the Plan in an email from Keith Kawaoka to Jane Diamond, Michael Montgomery and Doug Eberhardt. <u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka. <u>June 25, 2015</u> - DOH notified EPA in an email from J. Seto to S. Polanco that start-up of LGTS is postponed until August 1, 2015, due to a break in access to the state cloud hosting the system. <u>July 20, 2015</u> – LGTS status update teleconference with DOH, NB and EPA. DOH confirmed the LGTS system will go live on August 1, 2015. EPA will participate in monthly LGTS implementation status updates.	ONGOING														

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – July 2015

					<p><u>August 3, 2015</u> - EPA approves the August 31, 2015 deadline for DOH to begin using LGTS, in a letter from Mike Montgomery to Keith Kawaoka.</p>	
11	<p>Submit to the EPA a staffing plan including job descriptions and timeline to address at a minimum the following four deficiencies the EPA has identified: (1) information technology: expertise is needed with respect to the development, implementation and maintenance of LGTS; (2) financial analysis; expertise is needed with respect to financial modeling, strategic planning, and forecasting to determine funding capacity and create an understanding of the long term implications of funding decisions; (3) program management; expertise is needed for managing the SRFs (not limited to DWSRF) in a manner so as to integrate program, accounting, and financial activities to meet and sustain the goals of the CAP and Management Study; and (4) set-aside management; submit a schedule for filling the Program Specialist, Geologist and Chemist vacancies in SDWB, such that all three positions are advertised by March 31, 2015.</p>	February 28, 2015	Technical Capabilities	<p>The DOH will submit a staffing plan to EPA by February 28, 2015, which includes job descriptions and timeline, to address, at a minimum, the four deficiencies EPA identified in this CAP item 11.</p>	<p><u>February 28, 2015</u> - DOH submitted staffing plan to EPA.</p> <p><u>April 20, 2015</u> – In a letter from Jane Diamond to Keith Kawaoka, EPA acknowledged receipt but did not approve this deliverable.</p> <p><u>May 27, 2015</u> - In a letter from Michael Montgomery to Keith Kawaoka, EPA:</p> <ol style="list-style-type: none"> 1. Approved IT staffing plan; 2. Disapproved SRF Financial Analyst and Program Manager Staffing plan; 3. Requested more supporting information on Set-aside Program Specialist; 4. Acknowledged that DOH satisfied filling Geologist and Chemist positions; 5. Requested that DOH resubmit #11 by June 5, 2015. <p><u>June 17, 2015</u> – Email from DOH, Keith Yamamoto to EPA, Mike Montgomery asked for a time extension to prepare and resubmit the position descriptions required under CAP #11</p> <p><u>August 3, 2015</u> - In a letter from Mike Montgomery of EPA to Keith Kawaoka, of DOH, EPA:</p> <ol style="list-style-type: none"> 1. Acknowledged receipt of DOH's revised #11 and approved the set-aside management positions. 	ONGOING

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – July 2015

					<p>2. Disapproved the plans for filling the Program Manager and Fiscal Analyst since neither position will be filled within the CAP time frame.</p> <p><u>Status:</u> EPA will schedule a meeting with Dr. Pressler, Director, Hawaii Department of Health, Keith Kawaoka, Deputy Director and Elizabeth Kim, Special Advisor to Governor Ige, to discuss plans for filling Program Manager and Fiscal Analyst positions</p>	
12	The DOH will meet with EPA to review and agree on the modifications to the Hawaii DWSRF State Environmental Review Process to ensure that the SERP meets the requirements of the federal DWSRF program.	February 28, 2015	SERP	<p>The DOH will meet with EPA by February 28, 2015, to review the modification to the Hawaii DWSRF State Environmental Review Process (SERP) to ensure that the SERP meets the requirements of the federal DWSRF program. In addition, the DOH will submit an outline of the draft proposed revision to the SERP for EPA review.</p> <p>The DOH will meet with EPA by April 30, 2015, to agree on the modifications. Additional time is needed to work out necessary changes and legal consultation.</p> <p>Note that the first meeting between DOH and EPA was held via conference call on January 16, 2015.</p>	<p><u>January 30, 2015</u> - The DOH documented on this date that they met with EPA via conference call on January 16, 2015, to review the modification to the SERP.</p> <p><u>February 27, 2015</u> - The DOH submitted to EPA an outline of the proposed SERP modifications in an email from Keith Kawaoka to Jane Diamond, Mike Montgomery, and Doug Eberhardt.</p> <p><u>April 20, 2015</u> – In a letter from Jane Diamond to Keith Kawaoka, EPA approved this action item.</p> <p><u>August 3, 2015</u> – In this letter to DOH, EPA establishes September 14, 2015 as the deadline for DOH to send their formal submittal to the EPA R9 Regional Administrator requesting approval of DOH SRF SERP.</p>	ONGOING
13	Deadline for advertising the Program Specialist, Geologist and Chemist vacancies in SDWB. Submit a report describing the status of the vacancies in SDWB	March 31, 2015	Technical Capabilities	<p>The DOH will submit a copy of the Internal Vacancy Announcement and status of the process to fill the position to EPA by March 31, 2015, for each listed position.</p> <p>Note: Program Specialist title has been changed to General Professional.</p>	<p><u>March 31, 2015</u> - DOH submitted evidence of the Internal Vacancy Announcements and status.</p> <p><u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.</p>	ONGOING

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – July 2015

					<p><u>May 27, 2015</u> – Letter from EPA to DOH required the external announcement for the General Professional IV (formerly known as Program Specialist) shall be advertised by June 15, 2015.</p> <p><u>June 16, 2015</u> - DOH submitted a copy of the external announcement for the GPIV position posted on June 13, 2015, via email from Keith Yamamoto to Michael Montgomery, Nancy Woo and Doug Eberhardt,.</p> <p><u>Status:</u> DOH anticipates receiving a list of qualified applicants by September 18, 2015. If there are no applicants, DOH will update EPA as to DOH's plan to fill this position. DOH is currently using in-house staff to cover the work required for this position.</p>	
14	Submit a report evaluating the extent to which each 15% set-aside project is meeting goals, outcomes, outputs and contract terms. Include a list and schedule for each deficiency and correction.	March 31, 2015	Technical Capabilities	<p>The DOH will submit a report to EPA by March 31, 2015, which will evaluate the extent to which each 15% set-aside project is meeting goals, outcomes, outputs and contract terms, including a list and schedule for each deficiency and correction.</p> <p>Note that this will be an update of CAP attachment 2.</p>	<p><u>March 31, 2015</u> - The DOH submitted the report in an email from Keith Kawaoka to Jane Diamond, Michael Montgomery and Doug Eberhardt.</p> <p><u>April 22, 2015</u>- EPA reviewed and asked for revisions that were submitted, in an email from Keith Kawaoka to Michael Montgomery.</p> <p><u>August 3, 2015</u> – EPA approves this deliverable by letter from Mike Montgomery to Keith Kawaoka.</p>	DONE
15	Propose a commitment target for state fiscal year 2016 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of	March 31, 2015	Loan Commitments	The DOH will submit to EPA by March 31, 2015, a commitment target for SFY 2016 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available	<u>March 31, 2015</u> – DOH originally submits this deliverable in an email from Keith Kawaoka to Jane Diamond, Michael Montgomery and Doug Eberhardt.	DONE

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – July 2015

	the available loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target must be calculated using a cash flow model such as FOCUS that incorporates DOH's project pipeline along with counties' capital improvement plans. If the EPA has not yet provided state allotments for 2015, the DOH should confer with EPA regarding an estimated amount for the 2015 capitalization grant. Submit a list of projects from the state fiscal year fundable list (or draft IUP), sufficient to meet the proposed commitment target, that are viable and ready to proceed within three to six months.			loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target will be calculated using a cash flow model that incorporates the DOH's project pipelines along with the counties' capital improvement plans and will include a list of projects from the SFY 2016 fundable list (or draft IUP), sufficient to meet the proposed commitment target, that are viable and ready to proceed within three to six months.	<p><u>April 22, 2015</u> - Email from Keith Kawaoka to Michael Montgomery resubmits the deliverable.</p> <p><u>May 27, 2015</u> - In this letter, Mike Montgomery notified Keith Kawaoka that the deliverable submitted did not fully meet the requirements of the CAP.</p> <p><u>June 1, 2015</u> - Email from Keith Kawaoka to Michael Montgomery, Nancy Woo and Doug Eberhardt resubmits the revised deliverable.</p> <p><u>June 17, 2015</u> - Email from Keith Yamamoto to Michael Montgomery, Nancy Woo and Doug Eberhardt resubmits the third revised deliverable.</p> <p><u>August 3, 2015</u> – In this letter, EPA approved this deliverable as submitted on June 17, 2015.</p>	
16	Submit a disbursement plan accounting for all sources of funds, including capitalization grants, state match, fees, repayments and interest earnings, developed using a cash flow model. Federal funds must be disbursed such that the balance of federal funds, on June 30, 2017, (including loans and set-asides) does not exceed the sum of the 2015 and 2016 capitalization grants. The plan must include annual and cumulative disbursement targets for state fiscal years 2016 and 2017.	March 31, 2015	Disbursements	The DOH will submit a disbursement plan to EPA by March 31, 2015, based on assumptions in the existing DOH cash flow model. The plan will account for all sources of funds, including capitalization grants, state match, fees, repayments and interest earnings, and will include annual and cumulative disbursement targets for SFY 2016 and 2017	<p><u>March 31, 2015</u> – DOH originally submits this deliverable in an email from Keith Kawaoka to Jane Diamond, Michael Montgomery and Doug Eberhardt.</p> <p><u>April 22, 2015</u> - Email from Keith Kawaoka to Michael Montgomery resubmits the deliverable.</p> <p><u>May 27, 2015</u> - In this letter, Mike Montgomery notified Keith Kawaoka that the deliverable did not fully meet the requirements of the CAP.</p> <p><u>June 1, 2015</u> - Email from Keith Kawaoka to Michael Montgomery, Nancy Woo and Doug Eberhardt resubmits the revised deliverable.</p>	DONE

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – July 2015

					<p><u>June 17, 2015</u> - Email from Keith Yamamoto to Michael Montgomery, Nancy Woo and Doug Eberhardt resubmits the third revised deliverable.</p> <p><u>August 3, 2015</u> – In this letter, EPA approved this deliverable as submitted on June 17, 2015.</p>	
17	Deadline for finalizing and adopting modifications to the SERP such that it complies with federal requirements	April 30, 2015	SERP	The DOH requests a subsequent two (2) month extension of this deadline for April 30, 2015, to June 30, 2015, to submit the final modifications to the SERP to EPA for approval. This extension is due to the time needed for DOH to ensure legal review of the proposed modifications to the SERP.	<p><u>January 30, 2015</u> - The DOH documented on this date that they met with EPA via conference call on January 16, 2015, to review the modification to the SERP.</p> <p><u>February 27, 2015</u> - The DOH submitted to EPA an outline of the proposed SERP modifications in an email from Keith Kawaoka to Jane Diamond, Mike Montgomery, and Doug Eberhardt.</p> <p><u>April 20, 2015</u> – In a letter from Jane Diamond to Keith Kawaoka, EPA approved deliverable 12 – meeting with EPA and providing an outline for the SERP modifications.</p> <p><u>August 3, 2015</u>– In this letter to DOH, EPA establishes September 14, 2015 as the deadline for DOH to send their formal submittal to the EPA R9 Regional Administrator requesting approval of DOH SRF SERP.</p>	ONGOING
18	Submit a report (or final IUP) describing the DOH's plan for utilizing its full loan capacity in state fiscal year 2016, as determined using a cash flow model such as FOCUS that incorporates the DOH's project pipelines along with the counties' capital improvement plans. The report must describe (1) the DWTRLF's full loan capacity, which includes anticipated	May 31, 2015	Loan Commitments	The DOH will submit the Final IUP for SFY 2016 to EPA by May 31, 2015. The IUP will describe (1) the DWTRLF's full loan capacity, which includes all available funds (from capitalization grants, state match, fees, repayments, interest earnings, and anticipated repayments); (2) the final commitment target for SFY 2016 (the maximum amount the DOH can commit to executed assistance agreements) and (3) a list of projects from the 2016	<p><u>June 2, 2015</u> - DOH submitted this deliverable in an email from Keith Kawaoka to Michael Montgomery, Nancy Woo and Doug Eberhardt. As submitted, this deliverable sets the final target for the amount of funding to be executed in new financial agreements in state fiscal year 2016 at \$51.8 million and includes a list of projects from the</p>	ONGOING

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – July 2015

	<p>repayments as well as available funds (from capitalization grants, state match, fees, repayments and interest earnings); (2) the final commitment target for state fiscal year 2016 (the maximum amount the DOH can commit to executed assistance agreements) and (3) a list of projects from the 2016 fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.</p>			<p>fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.</p>	<p>2016 fundable list that exceeds this target. <u>August 3, 2015</u> – In this letter, EPA accepts \$51.8 million as the final target for new financial agreements in state fiscal year 2016.</p> <p>However, DOH has not taken action on the final deliverable, pending revisions to the intended use plan. EPA is not taking action on this deliverable until a final IUP is resubmitted.</p>	
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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street
San Francisco, CA 94105-3901

SEP 21 2015

Virginia Pressler, M.D.
Director, Hawaii Department of Health
1250 Punchbowl Street
Honolulu, Hawaii 96813

Re: Grant enforcement action for non-compliance with federal requirements pertaining to EPA notice of non-compliance issued under the Safe Drinking Water Act

Dear Dr. Pressler:

In response to the notice of non-compliance issued by the EPA on October 24, 2014, regarding lack of compliance with federal requirements pertaining to the Drinking Water State Revolving Fund (DWSRF), the Hawaii Department of Health (HDOH) submitted the enclosed corrective action plan (CAP) on January 30, 2015. The CAP included binding targets for the amount of funding the HDOH was required to commit in executed assistance agreements in state fiscal year 2015 (CAP item 7) and the amount of DWSRF funds that the HDOH was required to disburse in state fiscal year 2015 (CAP item 8). The deliverables submitted by HDOH as required by CAP items 19 and 20 on July 31, 2015, document that the HDOH did not meet these targets. As a result of the HDOH's failure to meet CAP requirements, EPA is withholding the majority of HDOH's DWSRF capitalization grant for federal fiscal year 2015, pursuant to 2 CFR §200.338. In accordance with 2 CFR §200.338 (e), the EPA may withhold further awards for the program as a remedy for noncompliance.

We are prepared to award a portion of federal fiscal year 2015 funds from the set-aside account for administrative costs (i.e., the 4% set-aside). These funds can be used to continue the contract assistance that the EPA is providing to the HDOH for making improvements to the DWSRF program.

We will award the remainder of the federal fiscal year 2015 capitalization grant funds, if the HDOH commits at least \$28,283,883 in new assistance agreements and disburses \$7,674,832.29 between June 30, 2015, and January 29, 2016. A more detailed description of these requirements is enclosed.

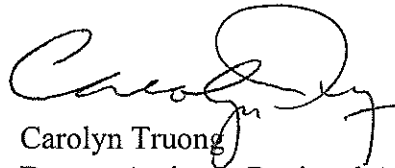
The HDOH may dispute this Agency decision under 2 CFR Part 1500, Subpart E (§§1500.12 through 1500.19) by filing an appeal electronically within 30 calendar days from the date this Agency decision is electronically sent to the HDOH. The appeal must be transmitted via email to the EPA Region 9 Disputes Decision Official, Serena McIlwain, at McIlwain.Serena@epa.gov, with a copy to me at Truong.Carolyn@epa.gov, within this 30 calendar day period. The appeal must include the following:

- (1) An electronic copy of the disputed Agency decision.
- (2) A detailed statement of the specific legal and factual grounds for the appeal including electronic copies of any supporting documents.
- (3) The specific remedy or relief you are seeking under the appeal.
- (4) The name and contact information, including email address, of your designated point of contact for the appeal.

Please note that should you require a time extension to file your appeal, you must electronically submit the request with your justification to the Disputes Decision Official, with a copy to me, before the expiration of the 30-calendar day period for filing an appeal.

If you or your staff have any questions or need further assistance, please feel free to contact Susan Polanco, EPA Project Officer, by phone at 808-541-2722 or email at Polanco.Susan@epa.gov. If you have questions about the disputes process, you may contact Sandra Leon, Office of Regional Counsel, by phone at 415-972-3878 or email at Leon.Sandra@epa.gov.

Sincerely,



Carolyn Truong
Deputy Assistant Regional Administrator

Enclosures (2)

cc: Elizabeth O. Kim, Special Advisor to Governor Ige
Keith Kawaoka, Deputy Director for Environmental Health

DAVID Y. IGE
GOVERNOR OF HAWAII



VIRGINIA PRESSLER, M.D.
DIRECTOR OF HEALTH

STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. BOX 3378
HONOLULU, HI 96801-3378

In reply, please refer to:
File: EMD-SDWB

Blumenfeld03.docx

January 30, 2015

Mr. Jared Blumenfeld
Regional Administrator
United States Environmental Protection Agency
Region IX
75 Hawthorne Street
San Francisco, California 94105-3901

Dear Mr. Blumenfeld:

Subject: Submittal of Hawaii Department of Health, Corrective Action Plan for
US EPA, Region IX's Notice of Non-Compliance

The Hawaii Department of Health (DOH) received the Notice of Non-Compliance (NNC) on October 24, 2014. The US EPA Region IX documented concerns and recommendations to the Drinking Water Treatment Loan Revolving Fund, also known as the Drinking Water State Revolving Fund (DWSRF), in eight (8) years of Program Evaluation Reports.

The DOH acknowledges that programmatic improvements are needed to ensure expeditious and timely use of the funds in the DWSRF, a Loans and Grants Tracking System (LGTS) and cash flow model is needed to manage unspent funds, and personnel need to be hired to manage the set-aside programs.

The DOH hereby submits the enclosed Corrective Action Plan (CAP) for the US EPA, Region IX's NNC. The DOH is committed to addressing the additional NNC listed actions with subsequent due dates (NNC Items 9-30).

The DOH would like to take this opportunity to express its appreciation to the Water Division, Tribal and State Assistance Branch Immediate Office (WTR-3), Drinking Water Management Section (WTR-3-1), and Infrastructure Section (WTR-3-3) for their assistance in the development and implementation of the SRF Management Study and LGTS, and for coordinating informational briefings and meetings with the Governor's Office, Department of Accounting and General Services, Department of Budget and Finance, and the water and wastewater programs of the City and Counties. The SRF Teams in the Safe Drinking Water Branch, Wastewater Branch, and Environmental Resources Office are excited to see the many possible improvements identified in the SRF Management Study.

Mr. Jared Blumenfeld
January 30, 2015
Page 2 of 2

In addition, the DOH continues to work closely with two (2) teams from the US EPA contractor, Northbridge Environmental Management Consultants, to implement some recommendations from the SRF Management Study and to develop and implement the LGTS. We are impressed with Northbridge's depth of knowledge of other possible workflow improvements which are in use in different states.

If you have any questions, please contact Ms. Joanna L. Seto, P.E., Safe Drinking Water Branch Chief, at (808) 586-4258 or via email at joanna.seto@doh.hawaii.gov.

Sincerely,



Virginia Pressler, M.D.
Director of Health

Enclosure: Hawaii Department of Health Corrective Action Plan

- c: Mr. Mike Montgomery, EPA Region IX Tribal and State Assistance Branch
Immediate Office (WTR-3) (w/ encl.) [via montgomery.mike@epa.gov only]
EPA Region IX Infrastructure Section (WTR-3-3) (w/ encl.)
[via eberhardt.doug@epa.gov, polanco.susan@epa.gov, licata.juanita@epa.gov,
amaris.josh@epa.gov only]
EPA Region IX Drinking Water Management Section (WTR-3-1) (w/ encl.) [via
li.corine@epa.gov, leon-guerrero.ephraim@epa.gov only]
Mr. Mike McCartney, Governor's Office (w/ encl.)
Ms. Karen Matsunaga, Department of Budget and Finance (w/ encl.) [via
Karen.K.Matsunaga@hawaii.gov only]
Mr. Wayne Horie, Department of Accounting and General Services (w/ encl.) [via
wayne.m.horie@hawaii.gov only]
Mr. Gary Gill, Deputy Director of Environmental Health (w/ encl.) [via email only]
Mr. Stuart Yamada, Environmental Management Division (w/ encl.) [via email only]
Ms. Sina Pruder, Wastewater Branch (w/ encl.) [via email only]
Ms. Nancy Bartter and Mr. Kevin Yoshioka, Environmental Resources Office
(w/ encl.) [via email only]

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

October 24, 2014 United States Environmental Protection Agency, Region IX (EPA) Notice of Non-Compliance

Pursuant to 40 CFR 35.3585 (b) and (c), the DOH must submit a corrective action plan by January 30, 2015. If the DOH fails to provide an acceptable corrective action plan to achieve the results required, or subsequently fails to implement an element of an approved plan, the EPA may suspend grant payments until the DOH has taken acceptable actions, or take other enforcement actions under 40 C.F.R. §31.43. The CAP must address the following components:

Item	Action	Deadline	Action Area	DOH Commitment
1	Identify a senior DOH manager as the primary point of contact for tracking, overseeing and coordinating the DOH's activities associated with the CAP.	January 30, 2015	Data and Reporting	<p>The DOH identifies the Deputy Director for Environmental Health (DDEH) and Joanna L. Seto, P.E., Chief of the Safe Drinking Water Branch (SDWB) as the primary points of contact.</p> <p>The DDEH is responsible for coordinating the activities outside of the DOH which are associated with the CAP.</p> <p>The SDWB Chief is responsible for tracking, overseeing, and coordinating the DOH's activities associated with the CAP. This includes the technical, managerial and financial reporting requirements.</p> <p>The alternate contact for the SDWB Chief is Nancy Bartter, Public Health Administrative Officer of the Environmental Resources Office.</p>
2	Submit a schedule for monthly meetings with the EPA to discuss progress on the CAP components. At least three days prior to each meeting, the DOH will provide a written agenda with updates on CAP components, the Management Study and the LGTS work assignments.	January 30, 2015	Data and Reporting	<p>The DOH will meet with EPA at a minimum on a monthly basis, beginning February of 2015 and until July of 2017, to discuss the progress on the CAP items. DOH will provide to EPA at least three (3) days prior to each meeting a written agenda with updates on CAP items, the Management Study and LGTS work assignments.</p> <p>The DOH proposes the meetings be scheduled on the third Wednesday of the month. The SDWB Chief will generate and distribute agendas on the Friday prior to the meeting.</p>

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
3	Submit a fund utilization plan for the 15% set-aside for each capitalization grant. The plan will identify the funds paid to date (with the associated project or activity being reimbursed), encumbered funds (with a schedule for expending the funds), and available funds (with a schedule for expending the funds).	January 30, 2015	Disbursements	<p>The DOH submits the fund utilization plan for the 15% set-aside for each capitalization grant in CAP Attachment 1. The plan uses a spreadsheet to identify the funds paid to date (with the associated project or activity being reimbursed), encumbered funds (with a schedule for expending the funds), and available funds (with a schedule for expending the funds).</p> <p>This is a one-time CAP submittal requirement which the DOH will continue to update and submit on a quarterly basis. Note that the values are as of January 15, 2015, mid-way through the reporting month.</p>
4	Submit a summary of all 15% set-aside projects including recipient, project outcomes/outputs, funding level, project period and project status.	January 30, 2015	Technical Capabilities	<p>The DOH submits CAP Attachment 2 which is a summary of all 15% set-aside projects including recipient, project outcomes/outputs, funding level, project period and project status.</p> <p>This is a one-time CAP submittal requirement which the DOH will continue to update and submit on a quarterly basis per the approved workplan. Note that the values are as of January 15, 2015, mid-way through the reporting month.</p>

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
5	Alter the loan amortization calculation methods for loans signed after March 1, 2015, to a one-time amortization of the loan upon project completion. This includes creating a projected amortization schedule at loan signing.	January 30, 2015	Data and Reporting	<p>The DOH commits to alter the loan amortization calculation methods for loans by January 30, 2015. The DOH commits to agree to the method or methods of alteration by April 1, 2015. The DOH commits to implement the changes to the amortization calculation methods on loans signed after June 30, 2015, to a one-time amortization of the loan upon project completion. This includes creating a projected amortization schedule at loan signing.</p> <p>The extension is requested because the DOH is required to amend Hawaii Administrative Rules, Chapter 11-65-03 and 11-65-10. The rules amendment process is estimated to take six to 12 months. In addition, the DOH is currently drafting the Final Loan Agreements for loans which are scheduled to be executed in the Spring of 2015. Changes to the amortization calculation method would impact staff time as well as delay the issuance of the Final Loan Agreements.</p>
6	Submit a list of projects from the state fiscal year 2015 fundable list that are viable and ready to proceed within three to six months.	January 30, 2015	Loan Commitments	The DOH submits CAP Attachment 3 which is a list of projects from the SFY 2015 fundable list that are viable and ready to proceed within three to six months.
7	Submit a report establishing a target level for commitments (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings) for state fiscal year 2015.	January 30, 2015	Loan Commitments	The DOH submits CAP Attachment 4 which is a report establishing a target level for commitments (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings) for SFY 2015.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment												
8	Submit a report establishing a target level for disbursements for state fiscal year 2015.	January 30, 2015	Disbursements	<p>The DOH submits the following target levels for disbursements for SFY 2015. Quarters 1 and 2 are actual disbursements while Quarters 3 and 4 are projected disbursements based on assumptions in the existing DOH cash flow.</p> <table><thead><tr><th>Period of Disbursement</th><th>Disbursed Amount</th></tr></thead><tbody><tr><td>Quarter 1 (July 1 – September 30, 2014)</td><td>\$7,160,468.22</td></tr><tr><td>Quarter 2 (October 1 – December 31, 2014)</td><td>\$28,757,141.35</td></tr><tr><td>Quarter 3 (January 1 – March 31, 2015) *</td><td>\$8,877,601.07</td></tr><tr><td>Quarter 4 (April 1 – June 30, 2015)</td><td>\$15,367,516.33</td></tr><tr><td>SFY 2015</td><td>\$60,162,726.97</td></tr></tbody></table> <p>Note: * \$3,659,540.94 of this are actual disbursements for January</p>	Period of Disbursement	Disbursed Amount	Quarter 1 (July 1 – September 30, 2014)	\$7,160,468.22	Quarter 2 (October 1 – December 31, 2014)	\$28,757,141.35	Quarter 3 (January 1 – March 31, 2015) *	\$8,877,601.07	Quarter 4 (April 1 – June 30, 2015)	\$15,367,516.33	SFY 2015	\$60,162,726.97
Period of Disbursement	Disbursed Amount															
Quarter 1 (July 1 – September 30, 2014)	\$7,160,468.22															
Quarter 2 (October 1 – December 31, 2014)	\$28,757,141.35															
Quarter 3 (January 1 – March 31, 2015) *	\$8,877,601.07															
Quarter 4 (April 1 – June 30, 2015)	\$15,367,516.33															
SFY 2015	\$60,162,726.97															
9	Meet with the EPA to select recommendations to implement from the final version of the LGTS Study.	30 days from receipt of final report	Technical Capabilities	The DOH will meet with the EPA 30 days from receipt of the final version of the LGTS Study.												
10	Submit a plan, including a schedule, to implement selected recommendations from the LGTS Study.	30 days from meeting with the EPA	Technical Capabilities	The DOH will submit the LGTS Study Implementation Plan to EPA by 30 days from meeting with the EPA.												

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
11	<p>Submit to the EPA a staffing plan including job descriptions and timeline to address at a minimum the following four deficiencies the EPA has identified: (1) information technology: expertise is needed with respect to the development, implementation and maintenance of LGTS; (2) financial analysis: expertise is needed with respect to financial modeling, strategic planning, and forecasting to determine funding capacity and create an understanding of the long term implications of funding decisions; (3) program management: expertise is needed for managing the SRFs (not limited to DWSRF) in a manner so as to integrate program, accounting, and financial activities to meet and sustain the goals of the CAP and Management Study; and (4) set-aside management: submit a schedule for filling the Program Specialist, Geologist and Chemist vacancies in SDWB, such that all three positions are advertised by March 31, 2015.</p>	February 28, 2015	Technical Capabilities	The DOH will submit a staffing plan to EPA by February 28, 2015, which includes job descriptions and timeline, to address, at a minimum, the four deficiencies EPA identified in this CAP item 11.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
12	The DOH will meet with the EPA to review and agree on the modifications to the Hawaii DWSRF State Environmental Review Process to ensure that the SERP meets the requirements of the federal DWSRF program.	February 28, 2015	SERP	<p>The DOH will meet with EPA by February 28, 2015, to review the modification to the Hawaii DWSRF State Environmental Review Process (SERP) to ensure that the SERP meets the requirements of the federal DWSRF program. In addition, the DOH will submit an outline of the draft proposed revision to the SERP for EPA review.</p> <p>The DOH will meet with EPA by April 30, 2015, to agree on the modifications. Additional time is needed to work out necessary changes and legal consultation.</p> <p>Note that the first meeting between DOH and EPA was held via conference call on January 16, 2015.</p>
13	Deadline for advertising the Program Specialist, Geologist and Chemist vacancies in SDWB. Submit a report describing the status of the vacancies in SDWB.	March 31, 2015	Technical Capabilities	<p>The DOH will submit a copy of the Internal Vacancy Announcement and status of the process to fill the position to EPA by March 31, 2015, for each listed position.</p> <p>Note: Program Specialist title has been changed to General Professional.</p>
14	Submit a report evaluating the extent to which each 15% set-aside project is meeting goals, outcomes, outputs and contract terms. Include a list and schedule for each deficiency and correction.	March 31, 2015	Technical Capabilities	<p>The DOH will submit a report to EPA by March 31, 2015, which will evaluate the extent to which each 15% set-aside project is meeting goals, outcomes, outputs and contract terms, including a list and schedule for each deficiency and correction.</p> <p>Note that this will be an update of CAP Attachment 2.</p>

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
15	Propose a commitment target for state fiscal year 2016 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target must be calculated using a cash flow model such as FOCUS that incorporates the DOH's project pipelines along with the counties' capital improvement plans. If the EPA has not yet provided state allotments for 2015, the DOH should confer with the EPA regarding an estimated amount for the 2015 capitalization grant. Submit a list of projects from the state fiscal year 2016 fundable list (or draft IUP), sufficient to meet the proposed commitment target, that are viable and ready to proceed within three to six months.	March 31, 2015	Loan Commitments	The DOH will submit to EPA by March 31, 2015, a commitment target for SFY 2016 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target will be calculated using a cash flow model that incorporates the DOH's project pipelines along with the counties' capital improvement plans and will include a list of projects from the SFY 2016 fundable list (or draft IUP), sufficient to meet the proposed commitment target, that are viable and ready to proceed within three to six months.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
16	Submit a disbursement plan accounting for all sources of funds, including capitalization grants, state match, fees, repayments and interest earnings, developed using a cash flow model. Federal funds must be disbursed such that the balance of federal funds on June 30, 2017, (including loans and set-asides) does not exceed the sum of the 2015 and 2016 capitalization grants. The plan must include annual and cumulative disbursement targets for state fiscal years 2016 and 2017.	March 31, 2015	Disbursements	The DOH will submit a disbursement plan to EPA by March 31, 2015, based on assumptions in the existing DOH cash flow model. The plan will account for all sources of funds, including capitalization grants, state match, fees, repayments and interest earnings, and will include annual and cumulative disbursement targets for SFY 2016 and 2017.
17	Deadline for finalizing and adopting modifications to the SERP such that it complies with federal requirements.	April 30, 2015	SERP	The DOH requests a subsequent two (2) month extension of this deadline from April 30, 2015, to June 30, 2015, to submit the final modifications to the SERP to EPA for approval. This extension is due to the time needed for DOH to ensure legal review of the proposed modifications to the SERP.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
18	Submit a report (or final IUP) describing the DOH's plan for utilizing its full loan capacity in state fiscal year 2016, as determined using a cash flow model such as FOCUS that incorporates the DOH's project pipelines along with the counties' capital improvement plans. The report must describe (1) the DWTRLF's full loan capacity, which includes anticipated repayments as well as available funds (from capitalization grants, state match, fees, repayments and interest earnings); (2) the final commitment target for state fiscal year 2016 (the maximum amount the DOH can commit to executed assistance agreements) and (3) a list of projects from the 2016 fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.	May 31, 2015	Loan Commitments	The DOH will submit the Final IUP for SFY 2016 to EPA by May 31, 2015. The IUP will describe (1) the DWTRLF's full loan capacity, which includes all available funds (from capitalization grants, state match, fees, repayments, interest earnings, and anticipated repayments); (2) the final commitment target for SFY 2016 (the maximum amount the DOH can commit to executed assistance agreements) and (3) a list of projects from the 2016 fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.
19	Submit a list of all executed final assistance agreements made in state fiscal year 2015 to verify that the commitment target for state fiscal year 2015 was met by June 30, 2015.	July 31, 2015	Loan Commitments	The DOH will submit a list to EPA by July 31, 2015, which will include all executed final assistance agreements made in SFY 2015 to verify that the commitment target for SFY 2015 in CAP Item 7 was met by June 30, 2015.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
20	Submit evidence that the disbursement target set for state fiscal year 2015 was met by June 30, 2015. If future annual and cumulative disbursement targets need to be adjusted to meet the June 30, 2017, target, submit an analysis using a cash flow model to justify these changes.	July 31, 2015	Disbursements	The DOH will submit evidence to EPA by July 31, 2015, that the disbursement target set for SFY 2015 in CAP Item 8 was met by June 30, 2015, and will update the future disbursement target with new cash flow model data.
21	Submit evidence that the 15% set-aside achieved a cumulative spending rate of 75% by June 30, 2015.	July 31, 2015	Disbursements	The DOH will submit evidence to EPA by July 31, 2015, that the 15% set-aside achieved a cumulative spending rate of 75% by June 30, 2015.
22	Propose a commitment target for state fiscal year 2017 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target will be calculated using a cash flow model that incorporates the DOH's project pipelines along with the counties' capital improvement plans and will include a list of projects from the SFY 2017 fundable list (or draft IUP), sufficient to meet the proposed commitment target, that are viable and ready to proceed within three to six months.	March 31, 2016	Loan Commitments	The DOH will submit to EPA by March 31, 2016, a commitment target for SFY 2017 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target will be calculated using a cash flow model that incorporates the DOH's project pipelines along with the counties' capital improvement plans and will include a list of projects from the SFY 2017 fundable list (or draft IUP), sufficient to meet the proposed commitment target, that are viable and ready to proceed within three to six months.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
23	Submit a report (or final IUP) describing the DOH's plan for utilizing its full loan capacity in state fiscal year 2017, as determined using a cash flow model such as FOCUS that incorporates the DOH's project pipelines along with the counties' capital improvement plans. The report must describe (1) the DWTRLF's full loan capacity, which includes anticipated repayments as well as available funds (from capitalization grants, state match, fees, repayments and interest earnings); (2) the final commitment target for state fiscal year 2017 (the maximum amount the DOH can commit to executed assistance agreements); and (3) a list of projects from the 2017 fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.	May 31, 2016	Loan Commitments	The DOH will submit the Final IUP for SFY 2017 to EPA by May 31, 2016. The report will describe (1) the DWTRLF's full loan capacity, which includes all available funds (from capitalization grants, state match, fees, repayments, interest earnings, and anticipated repayments); (2) the final commitment target for state fiscal year 2017 (the maximum amount the DOH can commit to executed assistance agreements); and (3) a list of projects from the 2017 fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.
24	Submit a list of all executed final assistance agreements made in state fiscal year 2016 to verify that the commitment target for state fiscal year 2016 was met by June 30, 2016.	July 31, 2016	Loan Commitments	The DOH will submit a list to EPA by July 31, 2016, which will include all executed final assistance agreements made in SFY 2016 to verify that the commitment target for SFY 2016 in CAP Item 15 was met by June 30, 2016.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

Item	Action	Deadline	Action Area	DOH Commitment
25	Submit evidence that the disbursement target set for state fiscal year 2016 was met by June 30, 2016. If future annual and cumulative disbursement targets need to be adjusted to meet the June 30, 2017, target, the DOH shall submit an analysis using a cash flow model to justify these changes.	July 31, 2016	Disbursements	The DOH will submit evidence to EPA by July 31, 2016, that the disbursement target set for SFY 2016 in CAP Item 16 was met by June 30, 2016, and will update the future disbursement target with new cash flow model data.
26	Submit evidence that the 15% set-aside achieved a cumulative spending rate of 80% by June 30, 2016.	July 31, 2016	Disbursements	The DOH will submit evidence to EPA by July 31, 2016, that the 15% set-aside achieved a cumulative spending rate of 80% by June 30, 2016.
27	Achieve a balance of unliquidated federal funds, including set-asides, of no more than the sum of the federal capitalization grants for federal fiscal years 2015 and 2016.	June 30, 2017	Disbursements	The DOH will submit evidence to EPA by June 30, 2017, that the balance of unliquidated federal funds, including set-asides, is no more than the sum of the federal capitalization grants for FFY 2015 and 2016.
28	Submit a list of all executed final assistance agreements made in state fiscal year 2017 to verify that the commitment target for state fiscal year 2017 was met by June 30, 2017.	July 31, 2017	Loan Commitments	The DOH will submit a list to EPA by July 31, 2017, which will include all executed final assistance agreements made in SFY 2017 to verify that the commitment target for SFY 2017 in CAP Item 22 was met by June 30, 2017.
29	Submit evidence that the disbursement target set for state fiscal year 2017 was met by June 30, 2017.	July 31, 2017	Disbursements	The DOH will submit evidence to EPA by July 31, 2017, that the disbursement target set for SFY 2017 in CAP Item 16 was met by June 30, 2017, and will update the future disbursement target with new cash flow model data.
30	Submit evidence that the 15% set-aside achieved a cumulative spending rate of 80% by June 30, 2017.	July 31, 2017	Disbursements	The DOH will submit evidence to EPA by July 31, 2017, that the 15% set-aside achieved a cumulative spending rate of 80% by June 30, 2017.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)

The Drinking Water State Revolving Fund Corrective Action Plan is submitted on behalf of the Hawaii Department of Health pursuant to the U.S. EPA Region IX Notice of Non-Compliance, dated October 24, 2014.

Signature: Virginia Pressler

Name: Virginia Pressler, M.D.

Title: Director of Health

Date: January 30, 2015

**Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 3 - Attachment 1
Due January 30, 2015**

CAP Item 3	Submit a fund utilization plan for the 15% set-aside for each capitalization grant. The plan will identify the funds paid to date (with the associated project or activity being reimbursed), encumbered funds (with a schedule for expending the funds), and available funds (with a schedule for expending the funds).
DOH Commitment	<p>The DOH submits the fund utilization plan for the 15% set-aside for each capitalization grant in CAP Attachment 1. The plan uses a spreadsheet to identify the funds paid to date (with the associated project or activity being reimbursed), encumbered funds (with a schedule for expending the funds), and available funds (with a schedule for expending the funds).</p> <p>This is a one-time CAP submittal requirement which the DOH will continue to update and submit on a quarterly basis. Note that the values are as of January 15, 2015, mid-way through the reporting month.</p>

The DOH funds paid to date are listed on the following spreadsheet – DWSRF15%GrantYearFundingExpenditureSummary.AsOf20150115.xlsx. Each Capitalization Grant is identified with the related spending rate. The schedule for expending funds is listed in the “Outstanding Payments” portion of the table.

The FFY 2016 workplan overhead is budgeted to be \$562,386.00. The available funds to be encumbered are from:

FFY 2008 - \$595.15

FFY 2009 - \$413,695.96 + \$82,323.58 (12-034 unencumbered)

FFY 2010 - \$28,589.04 + \$2,980.02 (14-106 unencumbered)

FFY 2011 - \$15,641.26

A balance of \$18,561.04 is needed to meet the budget. The DOH will not request any funds from the DWSRF 15% Set-Aside in the *SFY 2016 & FFY 2015 Intended Use Plan*.

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 3 - Attachment 1
Due January 30, 2015

DWSRF15%GrantYearFundingExpenditureSummary.AsOf20150115.xlsx

15% Set Aside FFY2004- FFY2014 - As of January 15, 2015

Using COMPASS #s as of 1/15/2015

FFY 2004 - 008207 (Expires 6/30/13)			FS99986505	04DG - 0 & 1 = EXPENDED
\$	72,474.58	Misc-FFY10-11 +portion 12 workplan	Various	Paid 10/01/09 - 1/31/12
\$	132,835.42	08-164 / 57034	6/3/2008 WHPP - County of Maui	Paid 07/11/2011 - 02/06/2012; zero balance
\$	165,000.00	09-114 / 58425	7/1/2009 University of Hawaii-OSDS	Paid 01/28/2010 - 05/01/2012
\$	460,000.00	10-116 / 58640	10/9/2009 RCAC - Technical Assistance	Paid 07/30/2010 - 07/27/2012; zero balance
\$	830,310.00	Paid to date	100%	Spending Rate
\$	830,310.00	Grant award		
\$	-	Available Funds		
FFY 2005 - 009207 (Expires 6/30/2016)			FS99986506	06DG = EXPENDED
\$	53,779.00	Misc-FFY11-12 workplan + portion 13 workplan	Various	Paid 10/01/10 - 01/31/12
\$	74,801.18	09-114 / 58425	7/1/2009 University of Hawaii-OSDS	Paid 01/27/12-09/07/2012
\$	20,748.44	11-044 / 60099	4/26/2011 UH Contaminant Leaching Model	Paid 06/06/2012 - 08/28/2012
\$	144,771.00	10-116 / 58640	10/9/2009 RCAC - Technical Assistance	Paid 01/24/2012 - 10/23/2012
\$	62,500.00	10-116 / 58640	RCAC - Technical Assistance	Paid 3/5/2013
\$	14,182.56	11-044/60099	4/26/2011 UH Contaminant Leaching Model	Paid 5/07/2013
\$	62,500.00	10-116 / 58640	RCAC - Technical Assistance	Paid 7/08/2013
\$	62,500.00	10-116 / 58640	RCAC - Technical Assistance	Paid 9/10/2013
\$	62,707.82	10-116 / 58640	RCAC - Technical Assistance	Paid 1/15/2014
\$	11,891.64	11-044/62390	10/24/2013 UH Contaminant Leaching Model	Paid 2/14/2014
\$	62,500.00	10-116 / 58640	RCAC - Technical Assistance	Paid 3/14/2014
\$	4,000.00	14-106 / 62390	UH Contaminant Leaching Model	Paid 3/14/2014
\$	62,500.00	10-116 / 58640	RCAC - Technical Assistance	Paid 6/04/2014
\$	4,168.36	14-106 / 62390	UH Contaminant Leaching Model	Paid 6/04/2014
\$	62,500.00	10-116 / 58640	RCAC - Technical Assistance	Paid 10/01/2014
\$	62,500.00	10-116 / 58640	RCAC - Technical Assistance	Paid 12/11/2014
\$	828,550.00	Paid to date	100%	Spending Rate
\$	828,550.00	Grant award		
\$	-	Available Funds		
FFY 2006 - 010207 (Expires 6/30/2017)			FS99986507	06DG
\$	300,000.00	12-060 / 33448	6/26/2012 Agilent Technologies - LCMS	Paid 06/01/2012; zero balance
\$	8,093.56	12-026 / 61163	6/3/2012 West Maui Land Co., Inc.	Paid 6/03/2013
\$	60,490.63	12-044 / 61135	7/8/2013 County of Hawaii - Dept. of Finance, Treasury Division -	Paid 7/8/2013
\$	17,398.45	12-026 / 61163	7/8/2013 West Maui Land Co., Inc.	Paid 7/8/2013
\$	866.62	12-026 / 61163	10/23/2013 West Maui Land Co., Inc.	Paid 10/23/2013
\$	83,439.37	12-044 / 61135	6/22/2012 County of Hawaii - Dept. of Finance, Treasury Division -	Paid 1/15/2014
\$	24,877.76	12-026 / 61163	1/15/2014 West Maui Land Co., Inc.	Paid 1/15/2014
\$	13,926.42	12-026 / 61163	3/14/2014 West Maui Land Co., Inc.	Paid 3/14/2014
\$	4,000.00	14-106 / 62390	6/4/2014 UH Contaminant Leaching Model	Paid 6/4/2014
\$	49,676.40	12-026 / 61163	6/20/2014 West Maui Land Co., Inc.	Paid 6/20/2014
\$	448.50	12-026 / 61163	6/20/2014 West Maui Land Co., Inc.	Paid 6/20/2014
\$	563,217.71	Paid to date	68%	Spending Rate
\$	822,930.00	Grant award		
\$	259,712.29	Available Funds		
Outstanding Payments				
\$	200,000.00	15-033 / 63363	RCAC Tech Assist Circuit Rider	Project ends 9/30/2017
\$	59,712.29	12-026 / 61163	6/26/2012 West Maui Land Co., Inc.	ASO #12-026 Project extended to end 12/31/2014.
\$	259,712.29	Encumbered		
\$	0.00	No Balance to Encumber		

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 3 - Attachment 1
Due January 30, 2015

DWSRF15%GrantYearFundingExpenditureSummary.AsOf20150115.xlsx

15% Set Aside FFY2004- FFY2014 - As of January 15, 2015

Using COMPASS #s as of 1/15/2015

FFY 2007 - 011207 (Expires 6/30/2017)			FS99986508	07DG - 0	
\$	435.49	Misc-FFY12 workplan	Various	Paid 2/1/2012	
\$	3,383.60	Misc-FFY12 workplan	Various	Paid 5/8/2012	
\$	1,626.68	Misc-FFY12 workplan	Various	Paid 6/1/2012	
\$	325,207.50	12-060 / 33448	8/31/2011	Agilent Technologies - LCMS	Paid 6/26/2012
\$	7,964.73	Misc-FFY12 workplan	Various	Paid 8/14/2012	
\$	2,023.13	Misc-FFY12 workplan	Various	Paid 8/30/2012	
\$	1,899.84	Misc-FFY13 workplan	Various	Paid 10/11/2012	
\$	2,301.21	Misc-FFY13 workplan	Various	Paid 11/6/2012	
\$	1,315.81	Misc-FFY13 workplan	Various	Paid 12/11/2012	
\$	171.20	Misc-FFY13 workplan	Various	Paid 7/8/2013	
\$	8,259.22	12-116 / 61357	8/14/2012	County of Hawaii - Dept. of Water	Paid 10/23/2013
\$	142.42	Misc-FFY14 workplan	Various	Paid 12/6/2013	
\$	39,991.25	12-044 / 61135	6/22/2012	County of Hawaii - Dept. of Finance, Treasury Division -	Paid 1/15/2014
\$	3,576.23	12-116 / 61357		County of Hawaii - Dept. of Water	Paid 1/15/2014
\$	65,176.65	13-013 / 61471		HRWA - Continuing Education	Paid 1/15/2014
\$	26,334.00	13-013 / 61471		HRWA - Continuing Education	1/28/2014
\$	66,078.75	12-044 / 61135	6/22/2012	County of Hawaii - Dept. of Finance, Treasury Division -	Paid 2/14/2014
\$	30,723.00	13-013 / 61471		HRWA - Continuing Education	Paid 3/14/2014
\$	7,872.08	12-116 / 61357		County of Hawaii - Dept. of Water	Paid 6/4/2014
\$	3,460.08	12-116 / 61357		County of Hawaii - Dept. of Water	Paid 6/4/2014
\$	26,334.00	13-013 / 61471		HRWA - Continuing Education	Paid 6/4/2014
\$	21,432.35	13-013 / 61471	9/28/2012	HRWA - Continuing Education	paid 10/1/2014
\$	27,529.14	12-116 / 61357		County of Hawaii - Dept. of Water	paid 12/11/2014
\$	9,036.08	12-116 / 61357		County of Hawaii - Dept. of Water	paid 12/11/2014
\$	682,274.44	Paid to date	83%	Spending Rate	
\$	822,900.00	Grant award			
\$	140,625.56	Available Funds			
Outstanding Payments					
\$	95,812.03	12-116 / 61357		County of Hawaii - Dept. of Water	Project ends 12/31/2015.
\$	19,332.42	12-116 / 61357		County of Hawaii - Dept. of Water	to be paid 10/31/2014
\$	2,895.15	12-116 / 61357		County of Hawaii - Dept. of Water	to be paid 1/13/2015
\$	22,585.96	FFY15 workplan		Tasks 1 - 8	see FFY15-16.DrawdownCalculationsFor15%QtrReports.xls
\$	140,625.56	Encumbered			
\$	0.00	No Balance to Encumber			
FFY 2008 - 012207 (Expires 6/30/2018)			FS99986509	08DG - 0	
\$	11,937.35	Misc-FFY12 workplan	Various	Paid 05/07/12 - 11/02/12	
\$	3,434.47	Misc-FFY13 workplan	Various	Paid 12/11/2012	
\$	3,699.43	Misc-FFY13 workplan	Various	Paid 3/21/2013	
\$	65,584.20	13-013 / 61471		HRWA	Paid 5/07/2013
\$	7,127.72	12-117 / 61641	12/31/2012	County of Maui - Dept. of Water	Paid 6/03/2013
\$	36,209.25	13-013 / 61471		HRWA	Paid 7/08/2013
\$	35,112.00	13-013 / 61471		HRWA	Paid 9/10/2013
\$	9,353.24	12-117 / 61641	12/31/2012	County of Maui - Dept. of Water	Paid 10/23/2013
\$	6,545.80	12-117 / 61641	12/31/2012	County of Maui - Dept. of Water	Paid 1/15/2014
\$	1,818.40	Misc-FFY14 workplan		Various	Paid 12/06/2013
\$	5,474.32	12-117 / 61641		County of Maui - Dept. of Water	Paid 3/14/2014
\$	20,000.00	12-033 / 61691		Hawaiian Beaches Water Co.	paid 4/1/2014
\$	4,748.46	12-117 / 61641		County of Maui - Dept. of Water	Paid 6/20/2014
\$	4,180.70	12-117 / 61641		County of Maui - Dept. of Water	Paid 10/1/2014
\$	7,535.05	13-013 / 61471		HRWA - Continuing Education	Paid 10/1/2014
\$	32,530.28	12-117 / 61641		County of Maui - Dept. of Water	Paid 12/11/2014
\$	46,084.50	13-013 / 61471		HRWA - Continuing Education	Paid 12/11/2014
\$	301,375.17	Paid to date	25%	Spending Rate	
\$	1,221,900.00	Grant award			
\$	920,524.83	Available Funds			
Outstanding Payments					
\$	184,149.90	13-013 / 61471	9/28/2012	HRWA - Continuing Education	^3yr contract (08.2012-07.2015), draws are \$48,000/quarter (average). Project ends 8/28/2015
\$	26,334.00	13-013 / 61471	9/28/2012	HRWA - Continuing Education	to be paid 12/18/2014; estimated draw 1/9/2015
\$	29,406.30	13-013 / 61471	9/28/2012	HRWA - Continuing Education	to be paid 1/16/2015
\$	648,420.82	12-117 / 61641	12/31/2012	County of Maui - Dept. of Water	Project ends 6/30/2015

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15% Set Aside FFY2004- FFY2014 - As of January 15, 2015

Using COMPASS #s as of 1/15/2015

\$	31,618.66	12-117 / 61641	12/31/2012	County of Maui - Dept. of Water	to be paid 1/15/2015
\$	919,929.68	Encumbered			
\$	695.15	Funds to Encumber			
FFY 2009 - 013207 (Expires 6/30/2019)			FS99986510	09DG - 0 & 1	
\$	177.60	Misc-FFY12 workplan		Various	Paid 05/07/2012
\$	887.20	Misc-FFY13 workplan		Various	Paid 1/17/2013
\$	170.20	Misc-FFY13 workplan		Various	Paid 7/08/2013
\$	2,625.00	12-034 / 61692	1/29/2013	Hawaiian Shores Community Association, Inc.	Paid 12/06/2013
\$	21,104.24	12-033 / 61691		Hawaiian Beaches Water Co., Inc.	Paid 4/1/2014
\$	9,021.67	12-034 / 61692		Hawaiian Shores Community Association, Inc.	Paid 5/9/2014
\$	628.12	12-034 / 61692	1/29/2013	Hawaiian Shores Community Association, Inc.	Paid 11/17/2014
\$	4,857.60	12-034 / 61692	1/29/2013	Hawaiian Shores Community Association, Inc.	Paid 11/17/2014
\$	544.03	12-034 / 61692	1/29/2013	Hawaiian Shores Community Association, Inc.	Paid 12/11/2014
\$	6,753.78	Misc-FFY15 workplan		Various?	Paid 12/11/2014
\$	46,769.44	Paid to date		4%	Spending Rate
\$	1,221,900.00	Grant award			
\$	480,000.00	Amount moved back to loan fund			
\$	695,130.56	Available Funds			
Outstanding Payments					
\$	16,395.76	12-033 / 61691		Hawaiian Beaches Water Co., Inc.	Project ends 6/30/2015.
\$	82,323.58	12-034 / 61692	1/29/2013	Hawaiian Shores Community Association, Inc.	Project ends 12/31/2014. Unencumber balance to FFY16 workplan.
\$	182,715.26	FFY15 workplan		Tasks 1 - 8	see FFY15-16.DrawdownCalculationsFor15%QtrReports.xls
		FFY16 workplan		Tasks 1 - 8	see FFY15-16.DrawdownCalculationsFor15%QtrReports.xls
\$	281,434.60	Encumbered			
\$	413,695.96	Funds to Encumber			
FFY 2010 - 014207 (Expires 6/30/2017)			FS99986511	10DG - 0	
\$	2,136.96	Misc-FFY13 workplan		Various	Paid 2/5/2013
\$	101.89	Misc-FFY13 workplan		Various	Paid 1/18/2013
\$	879.40	Misc-FFY13 workplan		Various	Paid 12/11/2012
\$	1,303.86	Misc-FFY13 workplan		Various	Paid 11/6/2012
\$	1,316.80	Misc-FFY13 workplan		Various	Paid 10/11/2012
\$	27,923.61	Misc-FFY13 workplan		Various	Paid 3/5/2013
\$	23,435.66	Misc-FFY13 workplan		Various	Paid 3/27/2013
\$	4,459.89	Misc-FFY13 workplan		Various	Paid 5/7/2013
\$	63.28	Misc-FFY13 workplan		Various	Paid 5/7/2013
\$	501.40	Misc-FFY13 workplan		Various	Paid 6/03/2013
\$	20,798.54	Misc-FFY13 workplan		Various	Paid 7/08/2013
\$	3,757.20	Misc-FFY13 workplan		Various	Paid 8/08/2013
\$	14,798.18	Misc-FFY13 workplan		Various	Paid 9/10/2013
\$	14,960.96	12-117 / 61641		County of Maui - Dept. of Water	Paid 10/23/2013
\$	6,074.96	Misc-FFY14 workplan		Various	Paid 10/23/2013
\$	16,149.15	Misc-FFY14 workplan		Various	Paid 12/06/2013
\$	34,906.20	12-117 / 61641		County of Maui - Dept. of Water	Paid 1/15/2014
\$	2,113.15	Misc-FFY14 workplan + missing nickel		Various	Paid 1/15/2014
\$	13,128.30	Misc-FFY14 workplan		Various	Paid 1/28/2014
\$	53,319.21	12-117 / 61641		County of Maui - Dept. of Water	Paid 2/14/2014
\$	1,721.23	Misc-FFY14 workplan		Various	Paid 2/14/2014
\$	1,763.61	Misc-FFY14 workplan		Various	Paid 3/14/2014
\$	18,820.94	13-047 / 62556		Kawela Plantation Homeowners' Association	Paid 4/1/2014
\$	922.70	Misc-FFY14 workplan		Various	Paid 4/1/2014
\$	230,348.63	12-117 / 61641		County of Maui - Dept. of Water	Paid 5/9/2014
\$	11,179.63	Misc-FFY14 workplan		Various	Paid 5/9/2014
\$	17,435.99	14-106 / 62390		UH Contaminant Leaching Model	Paid 5/9/2014
\$	274.40	Misc-FFY14 workplan		Various	Paid 6/4/2014

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15% Set Aside FFY2004- FFY2014 - As of January 15, 2015				Using COMPASS #s as of 1/15/2015
\$	66,465.00	12-117 / 61641	County of Maui - Dept. of Water	Paid 6/20/2014
\$	2,323.59	13-038 / 61642	Kauai Department of Water - Project "WET"	Paid 6/20/2014
\$	10,802.40	Misc-FFY14 workplan	Various	Paid 6/20/2014
\$	3,150.53	Misc-FFY14 workplan	Various	Paid 10/1/2014
\$	514.99	14-106 / 62390	UH Contaminant Leaching Model	Paid 10/1/2014
\$	4,787.81	Misc-FFY14 workplan	Various - indirect	Paid 11/17/2014
\$	11,716.65	13-047 / 62556	Kawela Plantation Homeowners' Association	Paid 12/11/2014
\$	624,356.70	Paid to date	48%	Spending Rate
\$	1,304,530.00	Grant award		
\$	680,173.30	Available Funds		
Outstanding Payments				
\$	99,462.41	13-047 / 62556	Kawela Plantation Homeowners' Association	Project ends 12/31/2015.
\$	2,980.02	14-106 / 62390	10/24/2013 UH Contaminant Leaching Model	Unencumber balance to FFY16 workplan
\$	171,445.00	13-038 / 61642	Kauai Department of Water - Project "WET"	Project ends 12/31/2015.
\$	10,192.42	13-038 / 61642	Kauai Department of Water - Project "WET"	to be paid 7/11/2014
\$	17,504.41	13-038 / 61642	Kauai Department of Water - Project "WET"	to be paid 10/9/2014
\$	350,000.00	15-033 / 63363	RCAC Tech Assist Circuit Rider	Project ends 9/30/2017
\$	551,584.26	FFY16 workplan	Tasks 1 - 8	see FFY15-16.DrawdownCalculationsFor15%QtrReports.xls
\$	28,589.04	Encumbered		
\$		Funds to Encumber		
FFY 2011 - 015207 (Expires 6/30/2018) FS99986512 11DG - 0 & 1				
\$	158,896.99	12-117 / 61641	County of Maui - Dept. of Water	Paid 6/20/2014
\$	190,088.26	12-117 / 61641	County of Maui - Dept. of Water	Paid 10/1/2014
\$	18,275.44	Misc-FFY14 workplan	Various	Paid 10/1/2014
\$	15,331.19	Misc-FFY14 workplan	Various	Paid 10/1/2014
\$	11,182.11	Misc-FFY15 workplan	Various?	Paid 11/17/2014
\$	393,773.99	Paid to date	41%	Spending Rate
\$	962,030.00	Grant award		
\$	360,000.00	Amount moved back to loan fund		
\$	208,256.01	Available Funds		
Outstanding Payments				
\$	1,014.80	12-117 / 61641	County of Maui - implementation of	Project ends 6/30/2015
\$	191,600.00	15-033 / 63363	RCAC Tech Assist Circuit Rider	Project ends 9/30/2017
\$	192,614.80	FFY16 workplan	Tasks 1 - 8	see FFY15-16.DrawdownCalculationsFor15%QtrReports.xls
\$		Encumbered		
\$	15,641.21	Funds to Encumber		
FFY 2012 - 016207 (Expires 6/30/2019) FS99986513 12DG - 0 = NO AWARD				
\$	-	Paid to date	n/a	Spending Rate
\$	-	Grant award		
\$	-	Available Funds		
FFY 2013 - 017207 (Expires 6/30/2020) FS99986514 13DG - 0 = NO AWARD				
\$	-	Paid to date	n/a	Spending Rate
\$	-	Grant award		
\$	-	Available Funds		
FFY 2014 - 018207 (Expires 6/30/2021) FS99986515 14DG - 0 = NO AWARD				
\$	-	Paid to date	n/a	Spending Rate
\$	-	Grant award		
\$	-	Available Funds		

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15% Set Aside FFY2004- FFY2014 - As of January 15, 2015

Using COMPASS #s as of 1/15/2015

Grant Totals (FFY00-14)	\$ 8,005,050.00			10/27/2014 action plan	
Return to Loan Fund	\$ 830,000.00			1. spend down existing contracts	
Revised Grant Total	\$ 7,175,050.00			2. meet 75% spending rate by 6/30/2015	
Net Paid	\$ 4,270,627.45	60%	current spending rate = Net Paid / Revised Grant Total	3. option - transfer balance remaining in contracts to loan; use 430 account to fund the balance remaining by 12/31/2015 if not going to meet 80% spending rate by 6/30/2016	difference
Available Funds	\$ 2,904,422.55	\$ 2,904,422.55	OK - EPA COMPASS Tab in FFY15-16.DrawdownCalculationsFor15%QtrReports.xls		\$ -
Encumbered - FFY16 workplan - draws	\$ 212,055.00	\$ 212,055.00	OK - FFY15 Budget in FFY15-16.DrawdownCalculationsFor15%QtrReports.xls		\$ -
Balance of Encumbered Contracts	\$ 2,233,846.19	\$ 2,233,409.46	NOT OK - matches Estimated Contract Encumbered (top right this sheet)		\$ (436.73)
Unencumbered Funds	\$ 458,521.36	\$ 458,958.09	NOT OK - Balance available (COMPASS - Contract Encumbered this sheet)		\$ 436.73

	\$ 4,116,967.40	Estimated Cumulative Draws as of 6/30/2015	
	\$ 1,035,930.66	Estimated Difference in Draws from 10/2/2014 to 6/30/2015	
Net paid + est draw	\$ 5,306,558.11	74%	Estimated 6/30/2015 spending rate = Net Paid by 6/30/2015 / Revised Grant Total
	\$ 5,381,287.50	75%	amount needed to draw for 75% spending rate by 6/30/2015
	\$ 74,729.39	meets draw rate	amount needed to draw by 6/30/2015 to reach 75% spending rate
	\$ 5,740,040.00	80%	amount needed to draw for 80% spending rate by 6/30/2016 & 6/30/2017

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Budget from FFY15-16.DrawdownCalculationsFor15%QtrReports.(date).xlsx				
\$	212,055.00	FFY15 overhead		
\$	562,386.00	FFY16 overhead	\$ 543,824.96	\$ 18,561.04
\$	774,441.00	FFY15&16 overhead	balance available + unencumbered 12-034 & 14-106	= balance needed for FFY16

Distribution Est for Project	
Pre 3/2014	\$ -
3/31/2014	\$ 2,980.02
9/30/2014	\$ -
12/31/2014	\$ 168,431.63
6/30/2015	\$ 649,435.62
8/28/2015	\$ 213,556.20
12/31/2015	\$ 467,405.99
9/30/2017	\$ 741,600.00

\$ 810,847.27 drawn by 6/30/2015

\$ 680,962.19 drawn by 6/30/2016

\$ 2,233,409.46 ok matches outstanding below

Move unpaid draws (most requested after 12/31/2014) back to outstanding column

Projects	ASO Log no.	End Date	Funding Level	Payments*	Outstanding
1 UH CLEARS	11-044	9/30/2012	\$ 34,931.00	\$ 34,931.00	\$ -
2 UH CLERS Model and Script	14-106	3/31/2014	\$ 45,000.00	\$ 42,019.98	\$ 2,980.02
3 West Maui Land WHPP	12-026	12/31/2014	\$ 175,000.00	\$ 115,287.71	\$ 59,712.29
4 Lanai (\$250,000)	13-037			\$ -	
5 COH WHP	12-116	6/30/2015	\$ 200,000.00	\$ 59,732.83	\$ 140,267.17
6 COH Honokaa	12-044	9/30/2014	\$ 250,000.00	\$ 250,000.00	\$ -
7 RCAC	10-116	9/30/2014	\$ 1,250,000.00	\$ 1,250,000.00	\$ -
8 Hawaiian Beaches WHP	12-033	6/30/2015	\$ 57,500.00	\$ 41,104.24	\$ 16,395.76
9 Hawaiian Shores WHP	12-034	12/31/2014	\$ 100,000.00	\$ 17,676.42	\$ 82,323.58
10 County of Maui WHP	12-117	6/30/2015	\$ 1,500,000.00	\$ 850,564.38	\$ 649,435.62
11 Kawela Plantation WHP	13-047	12/31/2015	\$ 130,000.00	\$ 30,537.59	\$ 99,462.41
12 Kauai WHPP (\$200,000)	12-025	6/30/2015		\$ -	\$ -
13 County of Kauai WET	13-038	12/31/2015	\$ 230,000.00	\$ 2,323.59	\$ 227,676.41
14 HRW	13-013	8/28/2015	\$ 600,415.20	\$ 386,859.00	\$ 213,556.20
15 RCAC	15-033	9/30/2017	\$ 741,600.00	\$ -	\$ 741,600.00
Total encumbered costs for projects			\$ 5,314,446.20	\$ 3,081,036.74	\$ 2,233,409.46

* Payments taken from quarterly reports

to be extended to
these dates - use
in blue table
above

Available Funding	\$ 4,371,781
Less Projects	\$ 2,233,409
True Available	\$ 2,138,372

FFY10-12 Workplan costs (10/1/2009 - 9/30/2012)

\$	72,474.58	Misc-FFY10-11 +portion 12 workplan	008207	Various	Paid 10/01/09 - 1/31/12
\$	53,779.00	Misc-FFY11-12 workplan + portion 13 workplan	009207	Various	Paid 10/01/10 - 01/31/12
\$	435.49	Misc-FFY12 workplan	011207	Various	Paid 2/1/2012
\$	3,383.60	Misc-FFY12 workplan	011207	Various	Paid 5/8/2012
\$	1,626.68	Misc-FFY12 workplan	011207	Various	Paid 6/1/2012
\$	7,964.73	Misc-FFY12 workplan	011207	Various	Paid 8/14/2012
\$	2,023.13	Misc-FFY12 workplan	011207	Various	Paid 8/30/2012
\$	11,937.35	Misc-FFY12 workplan	012207	Various	Paid 05/07/12 -
\$	153,624.56				

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FFY13 Workplan costs (10/1/2012 - 9/30/2013)

						Qtrly Subtotals
\$	1,899.84	Misc-FFY13 workplan	011207	Various	Paid 10/11/2012	
\$	1,316.80	Misc-FFY13 workplan	014207	Various	Paid 10/11/2012	
\$	2,301.21	Misc-FFY13 workplan	011207	Various	Paid 11/6/2012	
\$	1,303.86	Misc-FFY13 workplan	014207	Various	Paid 11/6/2012	
\$	1,315.81	Misc-FFY13 workplan	011207	Various	Paid 12/11/2012	
\$	879.40	Misc-FFY13 workplan	014207	Various	Paid 12/11/2012	
\$	3,434.47	Misc-FFY13 workplan	012207	Various	Paid 12/11/2012	\$ 12,451.39
\$	887.20	Misc-FFY13 workplan	013207	Various	Paid 1/17/2013	
\$	101.89	Misc-FFY13 workplan	014207	Various	Paid 1/18/2013	
\$	2,136.96	Misc-FFY13 workplan	014207	Various	Paid 2/5/2013	
\$	27,923.61	Misc-FFY13 workplan	014207	Various	Paid 3/5/2013	
\$	3,699.43	Misc-FFY13 workplan	012207	Various	Paid 3/21/2013	
\$	23,435.66	Misc-FFY13 workplan	014207	Various	Paid 3/27/2013	\$ 58,184.75
\$	4,459.89	Misc-FFY13 workplan	014207	Various	Paid 5/7/2013	
\$	63.28	Misc-FFY13 workplan	014207	Various	Paid 5/7/2013	
\$	501.40	Misc-FFY13 workplan	014207	Various	Paid 6/03/2013	\$ 5,024.57
\$	20,798.54	Misc-FFY13 workplan	014207	Various	Paid 7/08/2013	
\$	171.20	Misc-FFY13 workplan	011207	Various	Paid 7/8/2013	
\$	170.20	Misc-FFY13 workplan	013207	Various	Paid 7/08/2013	
\$	3,757.20	Misc-FFY13 workplan	014207	Various	Paid 8/08/2013	
\$	14,798.18	Misc-FFY13 workplan	014207	Various	Paid 9/10/2013	\$ 39,695.32
\$	115,356.03					\$ 115,356.03

FFY14 Workplan costs (10/1/2013 - 9/30/2014)

						Qtrly Subtotals
\$	6,074.96	Misc-FFY14 workplan	014207	Various	Paid 10/23/2013	
\$	16,149.15	Misc-FFY14 workplan	014207	Various	Paid 12/06/2013	
\$	1,818.40	Misc-FFY14 workplan	012207	Various	Paid 12/06/2013	
\$	142.42	Misc-FFY14 workplan	011207	Various	Paid 12/6/2013	\$ 24,184.93
\$	2,113.15	Misc-FFY14 workplan + missing nickel	014207	Various	Paid 1/15/2014	
\$	13,128.30	Misc-FFY14 workplan	014207	Various	Paid 1/28/2014	
\$	1,721.23	Misc-FFY14 workplan	014207	Various	Paid 2/14/2014	
\$	1,763.61	Misc-FFY14 workplan	014207	Various	Paid 3/14/2014	\$ 18,726.29
\$	922.70	Misc-FFY14 workplan	014207	Various	Paid 4/1/2014	
\$	11,179.63	Misc-FFY14 workplan	014207	Various	Paid 5/9/2014	
\$	274.40	Misc-FFY14 workplan	014207	Various	Paid 6/4/2014	
\$	10,802.40	Misc-FFY14 workplan	014207	Various	Paid 6/20/2014	\$ 23,179.13
\$	18,275.44	Misc-FFY14 workplan	015207	Various	Paid 10/1/2014	
\$	15,331.19	Misc-FFY14 workplan	015207	Various	Paid 10/1/2014	
\$	3,150.53	Misc-FFY14 workplan	014207	Various	Paid 10/1/2014	
\$	4,787.81	Misc-FFY14 workplan	014207	Various - indirect	Paid 11/17/2014	\$ 41,544.97
\$	107,635.32					\$ 107,635.32

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Qtrly Subtotals

\$	6,753.78	Misc-FFY15 workplan	013207	Various	Paid 12/11/2014	
\$	11,182.11	Misc-FFY15 workplan	015207	Various?	Paid 11/17/2014	
		Misc-FFY15 workplan		Various		
		Misc-FFY15 workplan		Various		\$ 17,935.89
		Misc-FFY15 workplan		Various		
		Misc-FFY15 workplan		Various		
		Misc-FFY15 workplan		Various		
		Misc-FFY15 workplan		Various		\$ -
		Misc-FFY15 workplan		Various		
		Misc-FFY15 workplan		Various		
		Misc-FFY15 workplan		Various		\$ -
		Misc-FFY15 workplan		Various		
		Misc-FFY15 workplan		Various		\$ -
\$	17,935.89					\$ 17,935.89

Distribution Est for Project as of 6/30/2016	
Pre 3/2014	\$ -
3/31/2014	\$ 2,980.02
9/30/2014	\$ -
12/31/2014	\$ 82,323.68
6/30/2016	\$ -
8/28/2016	\$ 150,416.20
12/31/2016	\$ 206,000.00
9/30/2017	\$ 676,600.00

to be unencumbered, apply to operational expenses

to be unencumbered, apply to operational expenses

\$ 85,303.60 drawn by 6/30/2015

\$ 355,415.20 drawn by 6/30/2016

\$ 1,017,318.80 ok matches outstanding below

Estimated Draws as of 6/30/2015

	Projects	ASO Log no.	End Date	Funding Level	Payments*	Outstanding
1	UH CLEARS	11-044	9/30/2012	\$ 34,931.00	\$ 34,931.00	\$ -
2	UH CLERS Model and Script	14-106	3/31/2014	\$ 45,000.00	\$ 42,019.98	\$ 2,980.02
3	West Maui Land WHPP	12-026	12/31/2014	\$ 175,000.00	\$ 175,000.00	\$ -
4	Lanai (\$250,000)	13-037			\$ -	\$ -
5	COH WHP	12-116	12/31/2015	\$ 200,000.00	\$ 150,000.00	\$ 50,000.00
6	COH Honokaa	12-044	9/30/2014	\$ 250,000.00	\$ 250,000.00	\$ -
7	RCAC	10-116	9/30/2014	\$ 1,104,771.00	\$ 1,104,771.00	\$ -
8	Hawaiian Beaches WHP	12-033	12/31/2014	\$ 57,500.00	\$ 57,500.00	\$ -
9	Hawaiian Shores WHP	12-034	12/31/2014	\$ 100,000.00		\$ -
				\$ 17,676.42		\$ 82,323.58
10	County of Maui WHP	12-117	8/30/2015	\$ 1,500,000.00	\$ 1,500,000.00	\$ -
11	Kawela Plantation WHP	13-047	12/31/2015	\$ 130,000.00	\$ 75,000.00	\$ 55,000.00
12	Kauai WHPP (\$200,000)	12-025			\$ -	\$ -
13	County of Kauai WET	13-038	12/31/2015	\$ 230,000.00	\$ 130,000.00	\$ 100,000.00
14	HRW	13-013	8/28/2015	\$ 600,415.20		\$ -
					\$ 450,000.00	\$ 150,415.20
15	RCAC	15-033	9/30/2017	\$ 741,600.00	\$ 165,000.00	\$ 576,600.00
Total encumbered costs for projects				\$ 5,169,217.20	\$ 4,116,967.40	\$ 1,017,318.80

* Payments taken from quarterly reports; estimated draws if highlighted in yellow

**Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
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FFY15-16 DWSRF 15% Set-Aside Workplan Quarterly Report as of January 15, 2015
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CAP Item 4	Submit a summary of all 15% set-aside projects including recipient, project outcomes/outputs, funding level, project period and project status.
DOH Commitment	The DOH submits CAP Attachment 2 which is a summary of all 15% set-aside projects including recipient, project outcomes/outputs, funding level, project period and project status This is a one-time CAP submittal requirement which the DOH will continue to update and submit on a quarterly basis per the approved workplan. Note that the values are as of January 15, 2015, mid-way through the reporting month.

Note: Best to print on 11x17 size paper. Changes to letter size at Page CAP4-10.

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FFY 2015 Workplan Summary

Workplan Task	FFY 2015 Spending Rate *	Status	Plan to meet goal
1. Administration Program	23%	Quarterly Reports submitted. Vacant positions not yet filled. Contract management on-going via D Chang overtime. Revision of WHP-FAP application on-going – no RFP issued in 2014.	DOH has made advertising the SDWB vacant positions a priority to meet the 3/31/2015 CAP deadline. WHP-FAP application to be revised by 3/31/2015. Program determined that RFP not needed if requesting procurement exemption through 12/31/2020. Work with SDWB staff and EPA to revise FFY 2015-2016 Workplan by 3/31/2015.
2. Protection Program	9%	Source Water Assessments of Drinking Water Sources done as requested	Develop and implement guidelines to prepare plans. Continue to meet with other water-related programs (Task #3). Revise and obtain EPA approval on GW QAPrgP to conduct monitoring program.
3. Project Review Program	14%	Discussions with other water-related programs on-going.	Continue to meet with DLNR-CWRM, CWB, WWB, SHWB, HEER, DOA, County water departments, small systems.
4. Laboratory Capability and Certification Program	7%	Water Reuse portion of QAPP undergoing additional review and revision. LCMS maintenance on-going.	Various SLD staff to utilize LCMS for various projects. SLD staff to train to do same methods for CLERS contaminant list and atrazine and degradation products.
5. Data Management Program	0%	Coordinated sharing of data as requested.	Water system to distribute SWAP zone delineation data as requested. SDWB to distribute only if permission granted by water system. GIS continued to be used within EMD, not shared to non-water system personnel. PCA to County water departments.
6. Emergency Response Program	(no budget)	No activities in FFY 2015.	FFY 2016 plan is to assist water systems with contingency plans. Utilize circuit riders to develop protection plans.
7. Training and Technical Assistance Program	5%	Hawaiian Water Works Conference held in October 2014 with SWAP presentations/discussions.	Planning to co-host NEMA Contaminant Transport in Soil and Groundwater Workshop on 4/13-14/2015 (other government agencies and consultants invited to attend). Begin planning 3rd Annual Joint Government Water Conference for August 2015.
8. Public Participation Program	19%	The Water Spot distributed in January 2015. Statewide Project WET planning on-going.	Coordinating Project WET events to be held on Hawaii Island and Molokai by 6/30/2015 (ASO Log Nos 13-038, 12-116, and 13-047).

Note * Spending Rate = Cumulative Drawdown/Budget Amount.

1. Administration Program Table

Objective: To administer general programmatic supervisory functions to ensure the effective implementation. To ensure timely grant award, timely submittal of reports, documenting progress, appropriate use of federal funds.

Outcomes: Sufficient resources to accomplish required tasks. Proper authority to fulfill program mission, goals and objectives. Sound planning to address future issues. Adequate reporting to assure proper oversight and compliance with requirements.

1. Administration Program Task/Output & Deliverable FY15 - \$35,485; FY16 - \$103,939	Schedule	Measure of Success
1) Amend FFY15-16 Workplan and Budget – Amended Work plan and Budget (J. Seto, Program Specialist)	a) Draft: 3/31/2015 b) Final: 5/15/2015	Submittal of amended Workplan on time.
2) Prepare FFY17-18 Workplan and Budget - Workplan and Budget (J. Seto, Program Specialist)	5/15/2016	On-time submittal
3) Program Oversight and Management –Deliverable: Quarterly WHP status reports (J. Seto, D. Chang, Program Specialist)	Quarterly report to EPA 30 days after quarter ends: 1/31/2015, 4/30/2015, 7/31/2015, 10/31/2015, 1/31/2016, 4/30/2016, 7/31/2016, 10/31/2016	On-time submittal
4) Establish and hire Geologist 1 and Program Specialist IV positions to assist with wellhead protection/source water protection program. Establish Chemist IV position to assist with wellhead protection/source water protection program --Deliverable: notification of filled positions. (J. Seto, N. Uehara, D. Chang)	3/31/2015 (pending completion of position description approval and interviews). Chemist IV position – 3/31/2016	Positions filled. Note: NNC-CAP Item #13 requires advertisement of all three (3) positions by 3/31/2015
5) Quarterly meeting/conference with EPA Projects Officer to report progress on obligations/commitments -- Deliverable: Meeting notes (J. Seto)	On or after submittal of quarterly report to EPA 30 days after quarter ends: 1/31/2015, 4/30/2015, 7/31/2015, 10/31/2015, 1/31/2016, 4/30/2016, 7/31/2016, 10/31/2016	Meeting held.

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1. Administration Program Task/Output & Deliverable FY15 - \$35,485; FY16 - \$103,939	Schedule	Measure of Success
<p>6) <u>Source Water Protection – Financial Assistance Plan (FAP) (D. Chang, WHP Geologist, Program Specialist, J. Seto)</u></p> <p>a) Manage Hawaii Source Water Protection - Financial Assistance Program to allow for the use of 15 % DWSRF funds for wellhead protection activities including the implementation of funding mechanism(s) and selection process for funding Source Water Protection Projects. <i>Proposed schedule for negotiating new projects and discussion on how these projects link to overall set-aside goals priorities.</i></p> <p>b) Develop and negotiate WHP-FAP contracts for the County Water Departments, Government Agencies, and private water systems. Contracts will provide financial assistance for development of protection strategies/plans and implementation of protection activities. This includes travel to Neighbor Islands to negotiate with Neighbor Island water suppliers. - <i>Proposed schedule for negotiating new projects and discussion on how these projects link to overall set-aside goals priorities.</i></p> <p>c) Revise FAP. <i>Advertise funding opportunities and/or continue to reach out directly to entities to gauge interest, eligibility and negotiate projects funding level for when funding becomes available.</i></p> <p>[See Fund Utilization Plan Table (Work Plan page 5)]</p>	<p>a) 10/1/2014-9/30/2016 Continue to manage existing contracts through their expiration dates</p> <p>b) List of projects by 9/30/2015 for contracts to be issued by 10/1/2016</p> <p>c) Revised FAP Application by 6/30/2015</p>	<p>a) Successful completion of projects meeting all identified contracted tasks. [Deliverable: summary of project accomplishments & environmental outcomes]</p> <p>b) Successful development of list of potential projects for future contracts for award in SFY16 when 15% Set-Asides are taken in capitalization grant. [Deliverable: list of proposed projects to fund and criteria to prioritize for funding]</p> <p>c) Successful revision of FAP Application and advertisement of available funds. [Deliverable: revised FAP Application]</p>
FFY 2015 First Quarter (October 1, 2014 – December 31, 2014)		
PROGRAM ADMINISTRATION		
<p>10/4-5: 15% DWSRF WHP Quarterly Report (July-September 2014)</p> <p>10/06: Discussion with auditor on sole source procurement waiver for WHP-FAP Projects</p> <p>10/25: Revise HI SWP Factsheet</p> <p>10/25-26: Review Letter of Non-Compliance and Management Study for DWSRF Program, as pertaining to DWSRF 15% Set-Aside</p> <p>10/27: Meeting with Michael Montgomery/Susan Polanco/Kate Rao (EPA) and Sina Pruder (WWB) on SWAP and OSDS</p> <p>10/27: SDWB Meeting on FY2015-16 Budget, Contracts, and 15%DWSRF CAP to Letter of Non-Compliance</p> <p>11/12-13: Discussions with Ephraim Leon-Guerrero (EPA) on SWP Target Numbers</p> <p>12/05: Discussion with Ephraim Leon-Guerrero on EPA/States SWP Conference Call</p> <p>12/13-14: Prepare for EPA Region 9/States Source Water Protection Conference Call</p> <p>12/17: Discussion with Ephraim Leon-Guerrero on EPA/States SWP Conference Call Agenda and 15%DWSRF WHP/SWP Program Activities</p> <p>12/18: EPA R9/States SWP Conference Call</p> <p>12/26: Work with Nancy Barter (ERO) on list of existing contracts (15%DWSRF) for budget briefing table</p>		
Program Staffing Positions		
Chemist IV		
10/2014: Draft reorganization concept memorandum for Safe Drinking Water Branch and Environmental Health Analytical Services Branch submitted to DOH- Personnel.		
HRWA Source Water Protection Grant (USDA-FSA)		
10/01: Discussion with Tui Anderson (HRWA) on impact of lava flow on water sources (well protection).		
12/15: Discussion with Tui Anderson (HRWA) on Maui Water Quality Events in January 2015.		
WHP-FAP CONTRACT MANAGEMENT		
12/2014: Contract/Project Management for active WHP-FAP Projects (ASO 12-026, 12-033, 12-116, 12-117, 13-038 & 13-047).		
ASO 12-026: West Maui Land Company (WMLC)		
11/21: Discussion with Dave Minami (WMLC) on WHP-FAP Contract (ASO 12-026) activities/tasks status and contract expiration on 12/31/2014 (expected to complete reservoir fencing and part of OSDS EIM Program)		
ASO 12-033: Hawaiian Beaches Water Company (HBWC)		
11/19: Text Kate Drago (HBWC) on WHP-FAP grant – expires on 12/31/2014 and expired Certificate of Insurance		
11/20: Discussion with Kate Drago on WHP-FAP grant (does HBWC want a contract extension to complete project tasks)		
11/2014: Work on draft Modification #1 for ASO 12-033 (Hawaiian Beaches)		
12/19: Email Request from HBWC received for Extension to Contract ASO 12-033		
12/2014: Work on final draft Modification #1 for ASO 12-033 (Hawaiian Beaches) – received extension request from HBWC		
12/29: Contract Modifications Prepared (completed) and Submitted to ASO for Contract Extension		
ASO 12-116: Hawaii Department of Water Supply (HDWS)		
10/01: Meeting with Kawika Uyehara (HDWS) on WHP/SWP activities.		
10/15: Discussion with Kanani Aton (HDWS) on Project WET on Big Island.		
11/17: Discussion with Mae Kise (HDWS) on Source Water Monitoring.		
12/01: Discussion with Kawika Uyehara on source water monitoring presentation at End-of-Year Monitoring Meeting		
12/13-14: Prepare for meetings with HDWS (Source Water Monitoring QA)		
12/15: Meeting with Kawika Uyehara (HDWS) SWP Program (QA Requirements for Source Water Monitoring & program tasks updates)		
12/22: Discussion with Mae Kise on QA requirements for Source Water Monitoring		
ASO 12-117: Maui Department of Water Supply (MDWS)		
10/2014: Drafting Modification #2 for ASO 12-117 (MDWS) – extension to 6/30/15		
10/19: Reviewing MDWS SWP Easement and OSDS Plans		
11/07: Discussion with Eva Blumenstein (MDWS) on WHP Program Grant Contract Modification (extension)		
11/28: Discussion with Eva Blumenstein (MDWS) on WHP Program Grant Contract Modification (extension) for easements (final determination by end of December 2014) otherwise move funding to OSDS upgrades (cesspools in SWAP-CZB) – may require contract modification		
11/2014: Final draft Modification #2 for ASO 12-117 (MDWS) – extension to 6/30/15 – Submitted to ASO.		
12/05: Discussion with Eva Blumenstein on WHP-FAP grant tasks and meeting/site visit to easement and OSDS projects.		
12/12: Discussion with Eva Blumenstein on WHP meeting/site visit (Eva Blumenstein is new Planning & Water Resources Program Manager).		
12/19: Discussion with Eva Blumenstein on ASO 12-117-M2 Contract Extension and 12/22/14 Meeting/Site Visit.		
12/20-21: Prepare for meeting with MDWS on WHP-FAP Projects and site visits to project sites.		
12/22: Meeting with Eva Blumenstein/Alex Butaro (MDWS) on WHP-FAP grant tasks (easement and OSDS projects), future program funding, and update of wellhead protection ordinance.		
12/27: Review MDWS WHP – Revised Cesspool/OSDS Replacement Program.		
12/2014: ASO 12-177-M2 Approved.		
On-going: Discussions with MDWS on Maui Water Department Wellhead Protection Sign Phone Number (who's number will be listed – DOH or MDWS?)		
ASO 13-038: Kauai Department of Water (KDOW)		
10/17: Meeting with KDOW/HDWS/HRWA/AWWA on direction of Project WET and project events on Big Island and Molokai.		
11/14: Discussion with Kanani Aton (HDWS) on conducting mini-Make A Splash Events (Project WET) on Big Island.		

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1. Administration Program Task/Output & Deliverable FY15 - \$35,485; FY16 - \$103,939	Schedule	Measure of Success
11/29-30: Work on Project WET activities (review/comment on draft plan for mini-Make A Splash events) 12/01: Discussion with Kimberly Tamaoka (KDOW) on planning mini Make A Splash events on Big Island 12/13-14: Prepare for meetings with KDOW/HDWS/HRWA on Project WET (mini Make-A-Splash events for Hawaii - Spring/Summer 2015). 12/15 Meeting with KDOW/HDWS/HRWA to discuss planning of Project WET (mini Make A Splash Events) on Big Island (Hilo area). ASO 13-047: Kawela Plantation Homeowners' Association (KPHA) 10/15 Discussion with Juanita Colon (KPHA) on WHP-FAP contract extension, OSDS Training and Project WET activities on Molokai 10/2014: Drafting Modification #1 for ASO 13-047 (KPHA) – extension to 12/31/15. 11/10 Assist Mary with information requested by ASO for procurement audit (Kawela Plantation – WHP grant) 11/2014: Final draft Modification #1 for ASO 13-047 (KPHA) – extension to 12/31/15 – Submitted to ASO 12/2014: ASO 13-047-M1 Approved. ASO 14-106: University of Hawaii 10/25: Finalize Project Completion Report for ASO 14-106 CLERS Project. Drawdown: \$8,000		

2. Protection Program Table

Objectives: To provide protection of wellhead/source water protection areas.

Outcomes: Limit risks to drinking water sources by ensuring that all sources (existing, new and proposed) have SWAs

2. Protection Program Task/Output & Deliverable Cost - FY15 - \$21,165; FY16 - \$60,492	Schedule	Measure of Success
1) Source Water Assessments (WHP Geologist) a) Conduct Source Water Assessments of New Drinking Water Sources, including i) delineations of source water assessment/protection areas ii) potential contamination source inventories iii) Susceptibility analysis of the water source to contamination activities through a SWAP Maintenance and Update Contract. <i>Source water assessments for new and proposed drinking water sources</i> b) Maintain and update existing Source Water Assessments, as new data and information become available – <i>Maintenance and update of existing Source Water Assessments.</i>	a) Conducted as new sources are identified by consultants b) Submit report on previous quarter in quarterly report.	a) New SWAP completed within 6 months of request for determination [Deliverable: updated GIS SWA data layer and summary of SWAP findings] b) Report submitted on-time and indicates availability of any new data and/or information [Deliverable: updated GIS SWA data layer and summary of update to previous SWAP]
2) Source Water/Wellhead Protection Plans (WHP Geologist) a) Develop and implement established guidelines and procedures for water systems to prepare Source Water/Wellhead Protection Plans and conduct Wellhead Protection planning and implementation activities – [Deliverable - <i>Guidelines and procedures for preparing protection plans.</i>] b) Work with water systems on preparing/developing Source Water/Wellhead Protection Plans, including: i) Prepare Source Water/Wellhead Protection Plans ii) Provide technical assistance on protective measures for protecting drinking water sources from contamination. <i>Source water/wellhead protection plans and technical assistance for drinking water sources systems.</i> c) Work with water systems on the implementation of protection plans – <i>Implementation of protection plans.</i>	a) Guidelines developed by 9/30/2015; implemented by 12/31/2015. b) 1 PWS per calendar quarter as requested by water systems – starting 12/31/2013 c) 1 PWS per calendar quarter as requested by water systems – starting 12/31/2013	a) Submittal of guidelines on-time. b) Completion of SWP/WHP Plan on time. c) Implementation of SWP/WHP on schedule.
3) Potential Contaminating Activities (PCA) (WHP Geologist) a) Implement On-Site Disposal System (OSDS) Priority Criteria and Inspection Protocol for SWAP Areas b) Assist Department of Agriculture (DOA) programs with pesticide activities within SWAP areas Attendance at meeting/conference call	a) 12/31/2015-9/30/2016 b) 12/31/2015-9/30/2016	a) On-going technical assistance b) Meetings as scheduled with DOA and State Labs Division
4) Water Quality Monitoring (D. Chang, Chemist) a) Identify parameter list of target compounds to analyze based on PCAs within SWAP-capture zone b) Conduct water quality monitoring program for potential contaminants within SWAP capture zone.	a) Draft list by 4/30/2015 b) Start by 1/1/2016	a) Completed list to start analyzing compounds b) Development of contaminants list for Water Reuse Project Submit revised list in GW QAPrgP by 4/30/2015
FFY 2015 First Quarter (October 1, 2014 – December 31, 2014)		
SOURCE WATER ASSESSMENTS		
11/2014: Conducted preliminary SWAP Capture Zone delineations for Maui Department of Water Supply (Ola'i 1&2)		
12/2014: Conducted SWAP Capture Zone delineations for Maui Department of Water Supply (Kaalaloa).		
POTENTIAL CONTAMINATION ACTIVITIES (PCA)		
11/2014: Draft outline for use of WHP-FAP(15%DWSRF) grants to upgrade cesspools in SWAP Zone B		
Drawdown: \$2,000		

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3. Project Review Program Table

Objectives: To assure the delivery of acceptable water quality from new source developments, and modifications to new and existing drinking water systems through the State's review process. To provide protection through the development of comments and recommendations on projects which may impact groundwater in existing or future source water or wellhead protection areas.

Outcomes: All new sources, new or modified distribution systems and treatment systems for PWSs will be capable of providing safe water meeting safe drinking water standards. All reviewed projects will be informed of drinking water concerns and applicability to their proposals.

3. Project Review Program Task/Output & Deliverable Cost – FY15 - \$21,165; FY16 - \$65,715	Schedule	Measure of Success
1) Evaluate new and revised Safe Drinking Water Program requirements. Develop and implement program linkages with source water assessment results. – (J. Seto) <i>Program review of how source water assessments can be integrated into other Safe Drinking Water Rules and requirements.</i>	Draft list by -9/30/2015	Completion of substantial list and ideas
2) Engage in discussions with federal, state, county, and stakeholder organizations responsible for related programs to identify potential water protection measures. – (J. Seto, WHP Geologist) <i>Program review of how source water assessments can be integrated into other water protection rules and requirements.</i>	Draft meeting schedule w/ organizations by 9/30/2015 Conduct meetings by 12/31/2015	Meetings scheduled and conducted by deadlines Water protection measures identified. Examples of agencies/organizations: DLNR-CWRM, SHWB, CWB, DLNR-EngDiv, watershed groups
3) Identify opportunities to integrate SWAP data with existing water protection activities and promote linkages with other regulatory/non-regulatory programs. (J. Seto)	Draft list of ideas/programs by 9/30/2015	List developed and start next step (#2 above)
FFY 2015 First Quarter (October 1, 2014 – December 31, 2014)		
Department of Land and Natural Resources (DLNR)		
11/2014: Work on Agenda for SDWB/CWRM Coordination Meeting and Prepare materials for SDWB/CWRM Coordination Meeting		
11/24: SDWB/CWRM Coordination Meeting		
11/2014: Review DLNR proposals for SWP projects. Branch Chief attended meeting with DLNR and DOH-CWB		
Department of Health – Clean Water Branch, Polluted Runoff Control Program		
12/2014: Identify SWP areas in any of the priority watersheds which are listed in the DOH-CWB Polluted Runoff Control Program Implementation RFP. Provide information/map (Hanalei Watershed) to Ephraim Leon-Guerrero.		
Drawdown: \$3,000		

4. Laboratory Capability and Certification Program Table

Objectives: Establish and maintain the capability to perform the laboratory analyses for the contaminants required in the PWSP and the GWP as resources permit. Maintain a laboratory certification program.

Outputs: Sufficient certified laboratory capability (state and private) is available to ensure all analytical needs of PWSs in Hawaii are met 4

4. Laboratory Capability and Certification Program Task/Output & Deliverable Cost – FY15 - \$15,000; FY16 - \$143,064	Schedule	Measure of Success
1) Develop monitoring program to test for potential contaminants based on identified PCAs in Source Water-Capture Zones. Include as part of Groundwater/Drinking Water Monitoring Strategy/Plan - <i>Monitoring program for PCAs.</i> (D. Chang, Chemist)	Draft by 4/30/2015 with GWPP Work Plan #2a	Draft completed on schedule
2) Identify laboratories capabilities and resources to provide support for analyses under the SWP portion of the Comprehensive Groundwater/Drinking Water Monitoring Strategy/Plan - <i>List of potential laboratories capable of performing basic analytical services and/or SLD resources needs and capabilities.</i> (D. Chang, Chemist)	Draft by 3/30/2015	Draft completed on schedule.
3) Revise and complete Quality Assurance Program Plan for contaminants identified for SWP monitoring under the Comprehensive Groundwater/Drinking Water Monitoring Strategy/Plan - <i>Compliance with grant QA requirements that all environmental measurement activities be conducted with EPA funds be addressed in a quality assurance program plan.</i> (D. Chang, Chemist)	Draft by 4/30/2015. Final pending data from Water Reuse Project in FFY15.	Draft completed on schedule.
4) Procure necessary resources and capabilities for laboratory analyses of SWP target contaminants. Maintain LCMS budgeted for \$15,000. (D. Chang, Chemist)	10/1/2015-9/30/2016	Procured on schedule LCMS maintained
FFY 2015 First Quarter (October 1, 2014 – December 31, 2014)		
11/10: Assist Mary with information requested by ASO for procurement audit (Agilent – LCMS Procurement).		
12/11: Work with Wanda Chang (SLD) on reply to audit questions regarding Agilent – LCMS Procurement.		
Ongoing: Work with SLD on developing capabilities to analyze (1) Atrazine and Degradation By-Products and (2) PPCPs in Hawaii's wastewater		
Drawdown: \$1,000		

5. Data Management Program Table

Objectives: To ensure that current, accurate data regarding the compliance status of PWS, groundwater quality, and wellhead/groundwater source water protection activities, is available for State, Federal, and public uses.

Outcomes: Complete and accurate data is available for state, federal and public uses.

5. Data Management Program Task/Output & Deliverable Cost – FY15 - \$4,000; FY16 - \$34,211	Schedule	Measure of Success
1) Coordinate and expand the SWAP efforts with other county/state/federal programs to establish data sharing/exchange, program linkages and increase interagency cooperation. - <i>Provide and receive additional relevant data resources with other agencies and organizations.</i> (D. Chang WHP Geologist, S. Matsuda)	10/1/2014-9/30/2016	Coordinated sharing of data
2) Participate in Statewide GIS and GPS Users Groups as a vehicle for data-sharing/exchange. - <i>Data shared with other EHA and State agencies.</i> (D. Chang WHP Geologist, S. Matsuda)	10/1/2014-9/30/2016	Coordinated sharing of data
3) Maintain SWAP/SWP related data and GIS information. (D. Chang, WHP Geologist, S. Matsuda)	10/1/2014-9/30/2016	Current data in system.
FFY 2015 First Quarter (October 1, 2014 – December 31, 2014)		
NO ACTIVITIES THIS QUARTER.		
Drawdown: \$0		

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6. Emergency Response Program Table

Objectives: To assure maintenance of potable quality drinking water in emergency situations such as waterborne disease outbreaks, chemical spills, drought, earthquakes hurricanes, tsunamis, floods, power failures, terrorist actions, etc.

Outcomes: State and public water systems prepared to provide safe drinking water under emergency conditions.

6. Emergency Response Program Task/Output & Deliverable Cost - FY13 - \$0; FY14 - \$10,954	Schedule	Measure of Success
1) Work with the Engineering Section on the development of HISWAP Emergency Management Planning in conjunction with the revision of Hawaii Administrative Rules, Title 11, Chapter 19, Emergency Plan for Safe Drinking Water - <i>Implements Section 9.3 of the Hawaii Source Water Assessment and Protection Plan.</i>	Draft revision to HAR, Chapter 11-19 by 3/31/2016 Adoption by 9/30/2016	Adoption of revised rules on schedule.
2) Work with water systems on including contingency plans in their protection plans - <i>Ensures contingency plans as part of protection plans.</i>	10/1/2014-9/30/2016	As requested, provide assistance to 1 water system per quarter. When funding budgeted, provide assistance to 2 water systems per quarter.
FFY 2015 First Quarter (October 1, 2014 – December 31, 2014)		
NO ACTIVITIES THIS QUARTER.		
Drawdown: \$0		

7. Training and Technical Assistance Program Table

Objectives: To assure that training and technical assistance programs are available to meet the needs of the PWSS program staff and water purveyors, to provide programs to improve the technical, managerial and financial capacities of water systems, and to provide source water/wellhead protection training to water supply personnel, community groups, the public, consultants and other government agencies, to enable the implementation of the wellhead and source water protection programs.

Outcomes: Improved knowledge and understanding of existing and proposed rules, technical, managerial and financial capacity, risk communication and management, wellhead and source water protection, and other related areas by state staff, the regulated community and others.

7. Training and Technical Assistance Program Task/Output & Deliverable Cost - FY15 - \$108,520; FY16 - \$128,617	Schedule	Measure of Success
1) SDWB Staff Training (J. Seto, D. Chang, WHP Geologist, Program Specialist, Geologist II) a) Identify and fill staff training needs in the areas of wellhead protection requirements, guidance, and policies. This includes mainland training events which will require mainland travel - <i>Staff prepared to implement WHP activities. [Deliverable: quarterly list of proposed training and summary of training once accomplished and how training supported DOH SWPP.]</i> b) Attend and participate in National source water protection conferences, workgroups and committees, such as GWPC, ASDWA, and the Regional EPA/State Source Water Protection Group. This will require mainland travel - <i>Provide summary of training once accomplished and how training supported DOH-SWPP.</i>	10/1/2014-9/30/2016	Staff training once per calendar year
2) Water System/SWP Stakeholder Training (D. Chang, WHP Geologist, Program Specialist) a) Develop and conduct training events on wellhead protection for water supply personnel, community groups, the public, consultants, and government agencies with \$7,500 budget to provide a better understanding of the linkages of the source water assessment results with other drinking water program requirements. (Such as the SWAP Report, Groundwater Rule, Monitoring Waivers) - <i>SWAP Linkages to Drinking Water Requirements Workshop (overview). Workshops on specific requirements may also be held. -- [Deliverable: training agenda, participant list and supporting material] WHP Training Events</i> b) Respond to technical inquiries from water supply personnel, community groups, the public, consultants, and government agencies concerning source water/wellhead protection - <i>Responses to persons or entities interested on WHP. # of responses inquires will be reported quarterly.</i> c) Travel to Neighbor Islands to conduct source water and Wellhead Protection Financial Assistance training of water supply managers and personnel - [Deliverable: list of location/meeting agenda/summary/supporting material]	a) By 9/30/2015, and 9/30/2016 b) Include in quarterly reports c) 10/1/2014-9/30/2016	a) Once per calendar year b) Submitted on time c) Training completed through 2016. Training to be conducted on revised WHP-FAP process after 3/31/2015.
3) SWP/WHP Workshops/Conference Events (J. Seto, D. Chang, Program Specialist) a) Co-sponsor or conduct a Source Water Protection workshop or conference with \$25,000 budget - <i>Workshop or conference on SWP WHP conducted Deliverable: workshop agenda, participant list and supporting material]</i> b) Conduct Annual Joint Government Water Conference with \$50,000 budget (one-day conference held on Kauai, Maui, and Oahu and in Hilo and Kona to provide water systems and the water industry with a better understanding of water quantity and quality issues facing Hawaii's groundwater and drinking water resources - Deliverable: workshop agenda, participant list and supporting material]	a) By 11/30 each year b) By 9/30 each year	a) In October 2014 HWWA Conference b) 1 st Conference held January 14-18, 2013, positive survey responses 2 nd Conference held August 5-19, 2014, positive survey responses 3 rd Conference to be held August 2015
4) Manage technical assistance and training Contracts. <i>Timely submittal of reports, evidence of training events, technical assistance, submittal of invoices. (J. Nikaido, J. Yamami)</i>	10/1/2014 – 9/30/2016	Successful completion of portion of contracted tasks.
FFY 2015 First Quarter (October 1, 2014 – December 31, 2014)		

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7. Training and Technical Assistance Program Task/Output & Deliverable Cost ~ FY15 - \$108,520; FY16 - \$128,617	Schedule	Measure of Success
SDWB STAFF TRAINING 10/15-17: Daniel Chang attended 2014 HWWA Annual Conference in Lihue, Kauai. 11/13-14: Daniel Chang and Robert Whittier attended 2014 Hawaii Water Reuse Conference. (Presentation on Recycled Water Quality -- Is it a Concern? May by Joanna Seto, Robert Whittier and Daniel Chang). SWP/WHP WORKSHOPS/CONFERENCE EVENTS 2014 Annual Hawaii Water Works Association (HWWA) Conference 10/2014: Discussions with Kauai Department of Water on agenda and funding for HWWA Conference. 10/11-12: Drafting MOA with KDOW on funding for HWWA Conference. 10/15: MOA Signed by KDOW and SDWB 10/15-17: Annual HWWA Conference in Lihue, Kauai. 2015 3rd Annual Joint Government Water Conference 12/2014: Determining alternative registration mechanisms (1) CVENT (This would be for the 3rd (and future) Annual Joint Government Water Conference in August 2015 and beyond. The total cost for the four (4) year period is approximately \$7250 = maintenance of \$5000 + \$2250 for 500 attendees each of the four (4) years. It may be higher or lower depending on attendance. Total cost for one (1) year is \$4250 = maintenance of \$1250 + \$3000 for 500 attendees) and (2) eHawaii gov (inquired about a way to take payments for conferences, SDWB will contact eHawaii gov for more information). Drawdown: \$5,000		

8. Public Participation Program Table

Objectives: To identify and implement means of public involvement in the source water/wellhead/groundwater protection efforts.

Outcomes: Better informed public and regulated community in areas related to the protection of drinking water quality. Greater public involvement in the planning and implementation of drinking water protection programs and policies

8. Public Participation Program Task/Output & Deliverable Cost ~ FY15 - \$6,720; FY16 - \$15,394	Schedule	Measure of Success
1) SDWB Outreach Activities a) Create a Source Water/Wellhead protection newsletter to keep water systems, water industry personnel, and interested individuals abreast of the activities and progress of the Hawaii Source Water Assessment Program and the Source Water Protection/Wellhead Protection Program - Deliverable: newsletter [J. Yamami, D. Chang] b) Develop practical public participation information materials to make technical information and findings understandable to the public - <i>Dissemination of WHP information to the public via website and/or in water system bills.</i> (WHP Geologist) c) Develop a Hawaii Source Water Assessment and Protection component of the SDWB website to provide for access to information - Deliverable: draft outline of web page [Additional mechanism for providing public access to WHP information. (WHP Geologist)] d) Make presentations at environmental organizations meetings, conferences, workshops, meetings and neighborhood board meetings to promote the source water assessment and protection program - <i>Presentation of WHP to the environmental protection community and interested stakeholders.</i> (WHP Geologist)	a) Quarterly SDWB newsletter - <i>The Water Spot</i> b) Draft by 3/31/2015, Final by 6/30/2015 c) Draft by 3/31/2015, Final by 6/30/2015 d) As requested, 10/1/2014-9/30/2016	a) On-time distribution w/ applicable article by D. Chang b) On-time c) On-time d) Provided as needed
2) Implement wellhead protection/source water protection activities in support of the Hawaii education system. - <i>SWAP curriculum (high school level) State Science Fair; Project WET [Need to include proposed schedule and discuss material to be developed or presented.]</i> (WHP Geologist)	10/1/2014-9/30/2016	Activities implemented.
3) Purchase appropriate presentation equipment and supplies for use in public informational meetings, community event and in generating public informational materials. Deliverable: Proposed list to be provided on quarterly basis (WHP Geologist)	10/1/2014-9/30/2016	Materials procured
FFY 2015 First Quarter (October 1, 2014 – December 31, 2014) See Project WET activities: KDOW (ASO 13-038). NO OTHER ACTIVITIES THIS QUARTER. Drawdown: \$1,300		

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SRF 15% Fund Utilization Plan Table for SWP/WHP contracts (as of 01/15/2015)

- Note Shaded lavender rows indicate contracts for technical assistance and training (State Activity Code 437)
Shaded blue rows or bold blue font indicate contracts completed and closed or to be closed
Shaded orange rows indicate contracts terminated and closed.
Yellow highlighted projects – no 4th quarter report and invoice – update provided via phone/email
~~Link highlighted and date~~ – proposed to be extended No further extensions after that date
* Payments taken from quarterly reports, Table from DWSRF 15% Grant year funding expenditure summary .xlsx
** ASO Log No. 12-025 and 13-037 contracts terminated due to inactivity and change of scope, respectively. Funds applied to ASO Log No. 15-033
*** ASO Log No. 12-034 and 14-106 contracts to be closed and balance to be applied to operating expenses for FFY15-16.

ASO Log No.	End Date	Funding Level	Contract Subtotal Paid *	Balance Remaining
10-116	9/30/2014	\$1,250,000.00	\$1,250,000.00	\$0
11-044	9/30/2012	\$0	\$0	\$0
12-025 **		\$0	\$0	\$0
12-026	12/31/2014	\$175,000.00	\$115,287.71	\$59,712.29
12-033	6/30/2014	\$57,500.00	\$41,104.24	\$16,395.76
12-034 ***	12/31/2014	\$100,000.00	\$17,676.42	\$82,323.58
12-044	9/30/2014	\$250,000.00	\$250,000.00	\$-
12-116	6/30/2014	\$200,000.00	\$79,065.25	\$120,934.75
12-117	6/30/2014	\$1,500,000.00	\$786,415.44	\$713,584.51
13-013	8/28/2015	\$600,415.20	\$360,525.00	\$239,890.20
13-037 **		\$0	\$0	\$0
13-038	12/31/2014	\$230,000.00	\$2,323.59	\$227,676.41
13-047	12/31/2014	\$130,000.00	\$30,537.59	\$99,462.41
14-106 ***	3/31/2014	\$45,000.00	\$42,019.98	\$2,980.02
15-033 **	9/30/2017	\$741,600.00	\$-	\$741,600.00
Paid Period Subtotal		\$5,279,515.20	\$3,211,723.02	\$2,076,192.18

ASO Log No.	Project/Organization & Protection Activities	Outcome and Deliverable/Output	Project Period End Date	Grant#	Project Status
10-116	RCAC Technical Assistance - Circuit Rider Program	Small public water systems site visits (50/calendar quarter); promote improvements to TMP capacity; hands-on assistance; maintain "hot line;" yearly evaluation	9/30/2014	FS99986505-2% [paid \$145,229.00; outstanding \$0] FS99986505 - \$460,000 [paid \$460,000; outstanding \$0]; FS99986506 - \$644,771 [paid \$644,771; outstanding \$0]	Recipient notified of Quarterly Report Form and Invoice deadline. Quarterly Report and Invoice Received. Project completed. Report to be submitted.
11-044	University of Hawaii, Water Resources Research Center - Develop Leaching Model for nonpesticide contaminants to assist in monitoring waiver program	Physico-chemical property and toxicity evaluation; Modes of release and volatility component; updating recharge and soil database; running process based model HYDRUS-ID; aggregate leachability potential based on CLEARS and HYDRUS-ID runs and PCA scores	9/30/2012	FS99986506 - \$55,000 [paid \$34,931.00; outstanding \$6,077.63; total \$59,922.37 (of which \$24,991.37 is from GW106)]; FS99986507 - \$4,000 [outstanding \$4,000] [6/5/13 contract closed with balance of \$10,077.63 applied to ASO Log No. 14-106]	Successful project. Leaching model provides map of potentially contaminated areas and identifies the specific contaminant. Computer script to be revised under ASO Log No. 14-106. Report to be submitted under ASO Log No. 14-106
12-025	County of Kauai Department of Water - Develop WHPP	Update GIS data; expand PCA inventory; continue to prepare SW/WHP plans; development of implementation plan; develop well siting policy; public outreach	6/30/2015	FS99986507 - \$200,000 [outstanding \$0] [1/22/2014 - contract terminated with balance to be applied to upcoming 15-033 Circuit Rider contract. See FFY 2014 Second Quarter (January 1, 2014 – March 31, 2014) Administrative Program Task Notes for this contract]	KDOW is contracting with consultant to do this work. KDOW has not contracted with consultant who has requested information and held meeting with DOH KDOW Manager and Chief Engineer resigned effective 10/31/13. Continuing to coordinate with main contact person No report or invoice received
12-026	West Maui Land Company - Implement WHP Activities	Secondary containment within Zone A; public outreach; removal of potential hazardous contaminants; OSDS education, inspection and maintenance program; protection of reservoir; non-contaminating use of land surrounding well source	4/30/2014 Extended to 12/31/2014 to complete contract.	FS99986507 - \$175,000 [paid \$115,287.71; outstanding \$59,712.29]	Recipient notified of Quarterly Report Form and Invoice deadline. Purchased hydraulic power unit Paid for winch shipping charge. No report or invoice received As of 11/21/2014: Expected to complete reservoir fencing and part of OSDS EIM Program.

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ASO Log No.	Project/Organization & Protection Activities	Outcome and Deliverable/Output	Project Period End Date	Grant#	Project Status
12-033	Hawaiian Beaches Water Company, Inc - WHP Implementation	Secondary containment within Zone A, update and implement the Emergency Response Plan, Security improvements, Public outreach, decommissioning of cesspools, OSDS education, inspection and maintenance program	12/31/2014 <i>Extended to 6/30/2015 in complete contract</i>	FS99986509 - \$20,000 [paid \$20,000, outstanding \$0] FS99986510 - \$37,500 [paid \$21,104.24, outstanding \$16,395.76]	Recipient notified of Quarterly Report Form and Invoice deadline Building to be demolished and cesspool to be decommissioned 8/7/2014. System and neighborhood impacted by Hurricane Iselle and pending lava flow toward source well.
12-034	Hawaiian Shores Community Association - Implement WHP Activities	Secondary containment within Zone A, update and implement the Emergency Response Plan, Security improvements, Public outreach, decommissioning of cesspools, OSDS education, inspection and maintenance program	12/31/2014	FS99986510 - \$100,000 [paid \$17,676.42, outstanding \$82,323.58] <i>Balance of \$82,323.58 to be deobligated and used for FFY16 overhead.</i>	Recipient notified of Quarterly Report Form and Invoice deadline Completed land survey of HSCA properties within Capture Zones A & B No report or invoice received Final invoice and report received 10/15/2014.
12-044	County of Hawaii, Department of Finance, Treasury Division - OSDS Connection to Honokaa Sewer	Identification of qualified lot owners, awarding of project funding to lot owners, inspection of sewer connections, contract recordkeeping	9/30/2014	FS99986507 - \$143,930 [paid \$143,930, outstanding \$0] FS99986508 - \$106,070 [paid \$106,070, outstanding \$0] <i>01/06/2014 contract closed</i>	Recipient notified of Quarterly Report Form and Invoice deadline Quarterly Report and Invoice Received. Reimbursements paid for connection to County wastewater system. Project completion report submitted
12-116	County of Hawaii Department of Water Supply - WHPP Development	Update GIS data, expand PCA inventory, continue to prepare SW/WHP plans, development of implementation plan, develop well siting policy, public outreach	6/30/2014 <i>Extended to 6/30/2015 in complete contract</i>	FS99986508 - \$200,000 [paid \$79,065.25, outstanding \$120,934.75 (within 30 days, invoice rec'd 1/13/2015 for \$2895.15)]	Recipient notified of Quarterly Report Form and Invoice deadline Working on procuring fencing materials and developing outreach strategy. Purchased lab equipment to perform in-house analysis, continue to develop outreach strategy. Quarterly Report and Invoice Received
12-117	County of Maui Department of Water Supply - Implement WHP Activities & Watershed Protection Projects and 2013 HWWA Conference	Implement SW/WHP strategies and ordinance through public outreach, BMP workshops, acquire WHP easements (5 PCAs), Implement SW/WHP incentive activities including financial assistance for maintenance and upgrading of OSDS; financial assistance for BMPs (3 PCAs); watershed protection projects (3); HWWA conference SWP track	12/31/2014 <i>Extended to 6/30/2015 in complete contract</i>	FS99986509 - \$750,000 [paid \$37,430.24, outstanding \$712,569.76 (within 30 days, revised invoice rec'd 1/15/2015 for \$31,618.71)] FS99986511 - \$400,000 [paid \$400,000, outstanding \$0] FS99986512 - \$350,000 [paid \$348,985.25, outstanding \$1,014.75]	Recipient notified of Quarterly Report Form and Invoice deadline Fieldwork for placement of WHP signage, pollution prevention advertisement, updated website; conducted study/special analysis of 50 ft radius of all DWS sites; feasibility report for conversion from cesspool to septic tank; property surveys completed; various work done for each watershed, held 2014 HWWA Conference on October 23-25, 2014 for 315 registrants (20 plenary speakers and 52 technical sessions) Quarterly Report and Invoice Received Rec'd 12/23/2014 letter requesting move funding from Task #3 to Task #4. Contract mod required.
13-013	Hawaii Rural Water Association - Continuing Education Activities	Detailed comprehensive plan for self-sustaining continuing education training program in Hawaii (5 years); training curriculum and lesson plans for first 3 years; 5 year financial plan; publicity plan; CEU credit request for each session; 3 annual reports at the end of each year of the contract	8/28/2015	FS99986508 - \$170,000 [paid \$170,000, outstanding \$0]; FS99986509 - \$430,415.20 [paid \$216,859.00, outstanding \$213,556.20 (within 30 days, invoice rec'd 12/12/2014 for \$26,334.00)]	Recipient notified of Quarterly Report Form and Invoice deadline Submitted 5 year training and financial plans, conducted training January-October 2013, submitted Annual Report Year 1 Quarterly Report and Invoice Received

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ASO Log No.	Project/Organization & Protection Activities	Outcome and Deliverable/Output	Project Period End Date	Grant#	Project Status
13-037	Lanai Water Company - Watershed - Forested Area Fencing	Install 1-mile-of-fence-to-enclose Wells #2 & #4 <i>Change in scope to reused wastewater study not approved.</i>	6/1/2014	FS99986511 - \$250,000 [deobligating \$250,000] <i>[3/7/2014 - contract terminated with balance to be applied to upcoming Circuit Rider contract. See FFY 2014 Second Quarter (January 1, 2014 – March 31, 2014) Administrative Program Task Notes for this contract.]</i>	Recipient notified of Quarterly Report Form and Invoice deadline. Contract obligated 9/11/13. In discussion regarding modification of contract.
13-038	County of Kauai Department of Water - Project Water Education for Teachers (WET) (Statewide)	Develop Project WET for SWP education with DOE, set up statewide workshops and educational events (1/each county/year), provide copies of curriculum to workshop attendees, "Make a Splash" festival for 5 th grade students once per year	12/31/2014 <i>Extended to 12/31/2015 in complete contract</i>	FS99986511 - \$230,000 [paid \$2,323.59, outstanding \$227,676.41 (within 30 days, on 1/14/2015 rec'd revised FFY14 (Quarters 3 & 4) and FFY15 (Quarter 1) invoices for \$28,535.58)]	Recipient notified of Quarterly Report Form and Invoice deadline KDOW Manager and Chief Engineer resigned effective 10/31/13. Will coordinate with Acting Manager. No report or invoice received. In discussion with new coordinator. See Administrative Program Task Notes for this contract Training scheduled at 4 locations for July 2014 Project will also coordinate events with County of Hawaii and Kawela Plantation.
13-047	Kawela Plantation - Implement WHP Activities	Secondary containment within Zone A, Public outreach, WHP signs, OSDS education, inspection and maintenance program, herbicides and pesticides and waste removal, stormwater control, livestock control, WHP plan	12/31/2014 <i>Extended to 12/31/2015 in complete contract</i>	FS99986511 - \$130,000 [paid \$30,537.59, outstanding \$99,462.41]	Recipient notified of Quarterly Report Form and Invoice deadline Recipient is obtaining estimates for supplies and equipment Conducted public outreach, attended stormwater control training, and purchased equipment for stormwater control No report or invoice received Discussed Project WET activities on Molokai
14-106	University of Hawaii, Water Resources Research Center - Leachate Model revised computer scripting	Convert CLERS model script from VBA to Python	3/31/2014	FS99986506 -> \$13,991.37 + \$6,077.63 = \$20,069 [paid \$20,069, outstanding \$0] FS99986507 - \$4,000 [paid \$4,000, outstanding \$0] FS99986511 - \$20,931 [paid \$17,950.98, outstanding \$2,980.02] <i>Balance of \$2,980.02 to be deobligated and used for FFY16 overhead.</i>	Recipient notified of Quarterly Report Form and Invoice deadline Contract obligated 10/16/13 Invoice received Project Completion Report submitted.
15-033	RCAC Technical Assistance - Circuit Rider Program	Small public water systems site visits (600 on-site technical assistance contact hours), promote improvements to TMF capacity, hands-on assistance, maintain "hot line," yearly evaluation	9/30/2017	FS99986507 - \$200,000 [outstanding \$200,000] FS99986511 - \$350,000 [outstanding \$350,000] FS99986512 - \$191,600 [outstanding \$191,600]	Contract encumbered 10/1/2014

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HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	RCAC Technical Assistance - Circuit Rider Program
ASO Log No.:	10-116
Start/End Date:	10/1/2009 - 9/30/2014
DWSRF 15% Set-Asides Technical Assistance funds:	FS99986505-2% [paid \$145,229.00; outstanding \$0] FS99986505 - \$460,000 [paid \$460,000; outstanding \$0]; FS99986506 - \$644,771 [paid \$644,771; outstanding \$0]
Contractor:	Rural Community Assistance Corporation
Address:	
Phone:	
Fax:	
Email:	

Background/Overview:	
Objectives/Goals:	Small public water systems site visits (50/calendar quarter); promote improvements to TMF capacity; hands-on assistance; maintain "hot line;" yearly evaluation
Methods Employed:	Quarterly Report and Invoice Received. Project completed. Report to be submitted.
Pollutants of Concern:	
SWAP Area:	n/a
Outcome:	Funding was used for (but not limited to)

For Information on the Wellhead Protection - Financial Assistance Program, contact:

Safe Drinking Water Branch
Hawaii Department of Health
919 Ala Moana Boulevard, #308
Honolulu, Hawaii 96814
Ph.: (808) 586-4258
Fax: (808) 586-4351

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HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	University of Hawaii, Water Resources Research Center - Develop Leaching Model for nonpesticide contaminants to assist in monitoring waiver program
ASO Log No.:	11-044
Start/End Date:	3/14/2011-9/30/2011; extended to 9/30/2012 (M1)
DWSRF 15% Set-Asides WHP funds:	FS99986506 - \$55,000 [paid \$34,931.00; outstanding \$6,077.63; total \$59,922.37 (of which \$24,991.37 is from GW106)]; FS99986507 - \$4,000 [outstanding \$4,000] <i>[6/5/2013 contract closed with balance of \$10,077.63 applied to ASO Log No. 14-106]</i>
Contractor:	Water Resources Research Center, University of Hawaii - Chittaranjan Ray, P.E., Ph.D.
Address:	2540 Dole Street, 282 Holmes Hall, Honolulu, HI 96822
Phone:	(808) 956-9652
Fax:	(808) 956-5044
Email:	cray@hawaii.edu

Background/ Overview:	
Objectives/ Goals:	Physico-chemical property and toxicity evaluation; Modes of release and volatility component; updating recharge and soil database; running process based model HYDRUS-1D; aggregate leachability potential based on CLEARS and HYDRUS-1D runs and PCA scores
Methods Employed:	Successful project. Leaching model provides map of potentially contaminated areas and identifies the specific contaminant.
Pollutants of Concern:	
SWAP Area:	Multiple Source Water Capture Zone Areas
Outcome:	Funding was used for (but not limited to) Computer script to be revised under ASO Log No. 14-106. Report to be submitted under ASO Log No. 14-106.

For Information on the Wellhead Protection - Financial Assistance Program, contact:

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HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	West Maui Land Company - Implement WHP Activities
ASO Log No.:	12-026
Start/End Date:	6/13/12-6/30/13; 7/1/13 - 4/30/14 (M1); 5/1-6/30/2014 (M2); 7/1-12/31/2014 (M3)
DWSRF 15% Set-Asides WHP funds:	FS99986507 - \$175,000 [paid \$115,287.71; outstanding \$59,712.29]
Contractor:	West Maui Land Company, Inc. - Lea Tamayose
Address:	305 E. Wakea, Suite 100, Kahului, Hawaii 96732
Phone:	(808) 870-8930
Fax:	
Email:	lea@westmauland.com

Background/Overview:	
Objectives/Goals:	Secondary containment within Zone A; public outreach; removal of potential hazardous contaminants; OSDS education, inspection and maintenance program; protection of reservoir; non-contaminating use of land surrounding well source
Methods Employed:	Purchased hydraulic power unit. Paid for winch shipping charge. As of 11/21/2014: Expected to complete reservoir fencing and part of OSDS EIM Program.
Pollutants of Concern:	
SWAP Area:	?? Source Water Capture Zone Area
Outcome:	Funding was used for (but not limited to)

For Information on the Wellhead Protection - Financial Assistance Program, contact:

Safe Drinking Water Branch
Hawaii Department of Health
919 Ala Moana Boulevard, #308
Honolulu, Hawaii 96814
Ph.: (808) 586-4258
Fax: (808) 586-4351

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HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	Hawaiian Beaches Water Company, Inc. - WHP Implementation
ASO Log No.:	12-033
Start/End Date:	12/28/2012 - 12/31/2014; Extending to 6/30/2015
DWSRF 15% Set-Asides WHP funds:	FS99986509 - \$20,000 [paid \$20,000; outstanding \$0] FS99986510 - \$37,500 [paid \$21,104.24; outstanding \$16,395.76]
Contractor:	Hawaiian Beaches Water Company, Inc. - Kate Prescott Drago
Address:	P.O. Box 22, Pahoa, Hawaii 96778
Phone:	(808) 965-9882
Fax:	
Email:	kateprescott78@hotmail.com

Background/Overview:	
Objectives/Goals:	Secondary containment within Zone A; update and implement the Emergency Response Plan; Security improvements; Public outreach; decommissioning of cesspools; OSDS education, inspection and maintenance program
Methods Employed:	Building to be demolished and cesspool to be decommissioned. 8/7/2014: System and neighborhood impacted by Hurricane Iselle and pending lava flow toward source well.
Pollutants of Concern:	
SWAP Area:	?? Source Water Capture Zone Area
Outcome:	Funding was used for (but not limited to)

For Information on the Wellhead Protection - Financial Assistance Program, contact:

Safe Drinking Water Branch
Hawaii Department of Health
919 Ala Moana Boulevard, #308
Honolulu, Hawaii 96814
Ph.: (808) 586-4258
Fax: (808) 586-4351

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HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	Hawaiian Shores Community Association - Implement WHP Activities
ASO Log No.:	12-034
Start/End Date:	1/15/2013 - 12/31/2014
DWSRF 15% Set-Asides WHP funds:	FS99986510 - \$100,000 [paid \$17,676.42; outstanding \$82,323.58] <i>Balance of \$82,323.58 to be deobligated and used for FFY16 overhead.</i>
Contractor:	Hawaiian Shores Community Association - Eileen O'Hara
Address:	15-2793 S. Honu St., Pahoa, Hawaii 96778
Phone:	(808) 965-8140
Fax:	
Email:	ehohara@hawaii.rr.com or HSCA_BOD@hawaii.rr.com

Background/Overview:	
Objectives/Goals:	Secondary containment within Zone A; update and implement the Emergency Response Plan; Security improvements; Public outreach; decommissioning of cesspools; OSDS education, inspection and maintenance program
Methods Employed:	Completed land survey of HSCA properties within Capture Zones A & B. Final invoice and report received 10/15/2014.
Pollutants of Concern:	
SWAP Area:	?? Source Water Capture Zone Area
Outcome:	Funding was used for (but not limited to)

For Information on the Wellhead Protection - Financial Assistance Program, contact:

Safe Drinking Water Branch
Hawaii Department of Health
919 Ala Moana Boulevard, #308
Honolulu, Hawaii 96814
Ph.: (808) 586-4258
Fax: (808) 586-4351

**Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 4 - Attachment 2
Due January 30, 2015**

**FFY15-16 DWSRF 15% Set-Aside Workplan Quarterly Report as of January 15, 2015
Cumulative to FFY2015 First Quarter (October 1, 2014 – December 31, 2014)**



HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name: Connection of On-Site Disposal Systems (OSDS) within the Haina Water System's Source Water Protection Capture Zone to the Honokaa Sewer Project.

ASO Log No.: 12-044

Start/End Date: June 8, 2012 to January 6, 2014

DWSRF funds: \$250,000.00 (15% Set-Asides WHP)

Contractor: Michael Okumoto, Treasurer, Department of Finance, County of Hawaii
25 Aupuni Street, Room 1102 Hilo, Hawaii 96720
Phone: (808) 933-6240 Fax: (808) 961-8946 Email: mokumoto@co.hawaii.hi.us

Background/Overview: The United States Environmental Protection Agency mandated that the County of Hawaii close all of its large capacity cesspools. Using funds from the American Reconstruction and Recovery Act ("ARRA"), the County was able to finance the cost of replacing the large capacity cesspools with sewer lines in the town of Honokaa.

A sewer line was installed on Mamane Street in Honokaa, which is the main thoroughfare through this town. Pursuant to Hawaii County Code, Section 21-5, lots accessible to a sewer line must connect. These lot owners would be required to reroute their sewer lines from the back of their lots to the front. In most cases, they will need to break through concrete sidewalks. Lot owners located below the sewer line will need to install a pump which might require an upgrade of their electrical system. The cost of the hookup to the County's sewer line is the responsibility of the lot owner. A survey mailed to the affected lot owners found that eighty percent (80%) indicated that they need at least partial financing. The connection cost will be a financial hardship for many of these lot owners.

Objectives/Goals: Part of the area requiring connection to the Honokaa Sewer Project is located within the Source Water/Wellhead Protection Area ("WHPA") for the Hawaii Department of Water Supply's Haina Water System (identified as Public Water System #161). The WHPA identifies the area around a drinking water source where potential contaminating activity ("PCA") may contaminate the water source. On-Site Disposal Systems ("OSDS") including large capacity cesspools, cesspools, and septic systems are identified by the Hawaii Source Water Assessment and Protection Program as a PCA.

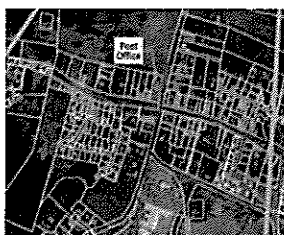
The County requested funding under the Wellhead Protection – Financial Assistance Program ("WHP-FAP") to provide grants for sewer connections to those lot owners within the WHPA that may have financial hardships and may be unable to hook up without these funds.

Methods Employed: Conducted public meetings to explain financial assistance program;
Sent letters to OSDS owners eligible for financial assistance; and
Provided reimbursement of connection cost - equally distributed to OSDS owners based on actual cost.

Pollutants of Concern: Domestic Wastewater constituents (microbiological, nutrients)

SWAP Area: Haina Source Water Capture Zone Area

Outcome: Funding was used for (but not limited to) trenching and installation of new sewer lines connecting structures to the County Sewer, installation of Grinder pumps, and the pumping and filling of OSDS (abandonment & closure of existing OSDS). A total of 53 connectable properties were located within the wellhead protection capture zone. Excluding State and County properties, properties already connected to an existing sewer system, vacant land, and parcels not required to connect to the sewer; there were 39 parcels eligible for funding. Grant funding was provided to 33 parcels (of which all but 6 of the recipients were fully reimbursed). Reimbursement ranged from \$2,600 to \$17,173.



LEGEND	
	Wellhead Protection Area Boundary
	Sewer Lines
	Parcel Boundaries
	Privately-Owned Parcel Eligible for Grant
	Government-Owned Parcel
	County Facility Sewered via ARRA Grant
	State Facility Already Sewered

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Cumulative to FFY2015 First Quarter (October 1, 2014 – December 31, 2014)



HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	County of Hawaii Department of Water Supply - WHPP Development
ASO Log No.:	12-116
Start/End Date:	8/14/2012 - 6/30/2014; Extended to 6/30/2015
DWSRF 15% Set-Asides WHP funds:	FS99986508 - \$200,000 [paid \$79,065.25; outstanding \$120,934.75 (within 30 days, invoice rec'd 1/13/2015 for \$2895.15)]
Contractor:	County of Hawaii Department of Water Supply - Kawika Uyehara
Address:	345 Kekaunaoa Street, Suite 20, Hilo, Hawaii 96720
Phone:	(808) 961-8070 x257
Fax:	
Email:	kuyehara@hawaiiidws.org

Background/Overview:	
Objectives/Goals:	Update GIS data; expand PCA inventory; continue to prepare SW/WHP plans; development of implementation plan; develop well siting policy; public outreach
Methods Employed:	Working on procuring fencing materials and developing outreach strategy. Purchased lab equipment to perform in-house analysis; continue to develop outreach strategy.
Pollutants of Concern:	
SWAP Area:	?? Source Water Capture Zone Area
Outcome:	Funding was used for (but not limited to)

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Hawaii Department of Health
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FFY15-16 DWSRF 15% Set-Aside Workplan Quarterly Report as of January 15, 2015
Cumulative to FFY2015 First Quarter (October 1, 2014 – December 31, 2014)



HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	County of Maui Department of Water Supply - Implement WHP Activities & Watershed Protection Projects and 2013 HWWA Conference
ASO Log No.:	12-117
Start/End Date:	12/18/12 - 6/30/2014; Extended to 12/31/2014 (M1) & 6/30/2015 (M2)
DWSRF 15% Set-Asides WHP funds:	FS99986509 - \$750,000 [paid \$37,430.24; outstanding \$712,569.76 (within 30 days, revised invoice rec'd 1/15/2015 for \$31,618.71)] FS99986511 - \$400,000 [paid \$400,000; outstanding \$0] FS99986512 - \$350,000 [paid \$348,985.25; outstanding \$1,014.75]
Contractor:	County of Maui Department of Water Supply - Eva Blumenstein
Address:	200 High Street, Wailuku, Hawaii 96793
Phone:	
Fax:	
Email:	Eva.blumenstein@co.maui.hi.us

Background/Overview:	
Objectives/Goals:	Implement SW/WHP strategies and ordinance through public outreach; BMP workshops; acquire WHP easements (5 PCAs); Implement SW/WHP incentive activities including financial assistance for maintenance and upgrading of OSDs; financial assistance for BMPs (3 PCAs); watershed protection projects (3); HWWA conference SWP track
Methods Employed:	Fieldwork for placement of WHP signage; pollution prevention advertisement; updated website; conducted study/special analysis of 50 ft radius of all DWS sites; feasibility report for conversion from cesspool to septic tank; property surveys completed; various work done for each watershed; held 2014 HWWA Conference on October 23-25, 2014 for 315 registrants (20 plenary speakers and 52 technical sessions). Rec'd 12/23/2014 letter requesting move funding from Task #3 to Task #4. Contract modification drafted.
Pollutants of Concern:	
SWAP Area:	?? Source Water Capture Zone Area
Outcome:	Funding was used for (but not limited to)

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HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	Hawaii Rural Water Association - Continuing Education Activities
ASO Log No.:	13-013
Start/End Date:	8/29/2012 - 8/28/2015; 8/29/2015-2/28/2016 (M1)
DWSRF 15% Set-Asides Technical Assistance funds:	FS99986508 - \$170,000 [paid \$170,000; outstanding \$0]; FS99986509 - \$430,415.20 [paid \$216,859.00; outstanding \$213,556.20 (within 30 days, invoice rec'd 12/12/2014 for \$26,334.00)]
Contractor:	Hawaii Rural Water Association
Address:	
Phone:	
Fax:	
Email:	

Background/ Overview:	
Objectives/ Goals:	Detailed comprehensive plan for self-sustaining continuing education training program in Hawaii (5 years); training curriculum and lesson plans for first 3 years; 5 year financial plan; publicity plan; CEU credit request for each session; 3 annual reports at the end of each year of the contract
Methods Employed:	Submitted 5 year training and financial plans; conducted training January-October 2013; submitted Annual Report Year 1 and 2. Quarterly Report and Invoice Received.
Pollutants of Concern:	
SWAP Area:	n/a
Outcome:	Funding was used for (but not limited to)

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Hawaii Department of Health
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Honolulu, Hawaii 96814
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Fax: (808) 586-4351

**Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 4 - Attachment 2
Due January 30, 2015**

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Cumulative to FFY2015 First Quarter (October 1, 2014 – December 31, 2014)**



HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	County of Kauai Department of Water - Project Water Education for Teachers (WET) (Statewide)
ASO Log No.:	13-038
Start/End Date:	December 18, 2012 - June 30, 2015 (extending to 12/31/2015)
DWSRF 15% Set-Asides WHP funds:	FS99986511 - \$230,000 [paid \$2,323.59; outstanding \$227,676.41 (within 30 days, on 1/14/2015 rec'd revised FFY14 (Quarters 3 & 4) and FFY15 (Quarter 1) invoices for \$28,535.58)]
Contractor:	County of Kauai, Department of Water - Kimberly Tamaoka
Address:	P.O. Box 1706, Lihue, Hawaii 96766
Phone:	(808) 345-5461
Email:	ktamaoka@kauaiwater.org

Background/Overview:	
Objectives/Goals:	Develop Project WET for SWP education with DOE; set up statewide workshops and educational events (1/each county/year); provide copies of curriculum to workshop attendees; "Make a Splash" festival for 5 th grade students once per year
Methods Employed:	
Pollutants of Concern:	
SWAP Area:	Multiple Source Water Capture Zone Areas
Outcome:	Funding was used for (but not limited to)

For Information on the Wellhead Protection - Financial Assistance Program, contact:

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Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 4 - Attachment 2
Due January 30, 2015

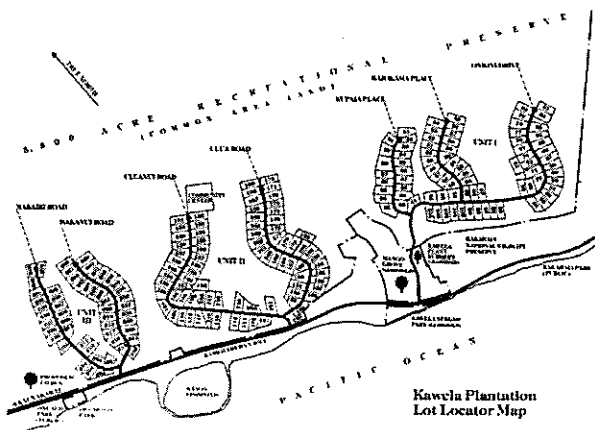
FFY15-16 DWSRF 15% Set-Aside Workplan Quarterly Report as of January 15, 2015
Cumulative to FFY2015 First Quarter (October 1, 2014 – December 31, 2014)



HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	Kawela Plantation - Implement WHP Activities
ASO Log No.:	13-047
Start/End Date:	11/27/2013 - 12/31/2015
DWSRF 15% Set-Asides WHP funds:	FS99986511 - \$130,000 [paid \$30,537.59; outstanding \$99,462.41]
Contractor:	Kawela Plantation Homeowners' Association - Juanita N. Colon
Address:	PO Box 28; 243 Uluanui Road, Kaunakakai, HI 96748
Phone:	(808) 553-4223
Fax:	(808) 553-3996
Email:	kawelapha@gmail.com
Website:	http://www.kawelapha.com

Background/Overview:	"Each of the three potable wells sits at an elevation of approximately 250 feet and all three are located in Unit 1 of the Plantation. Each was originally drilled to a depth of approximately 235 feet and utilizes a cast iron casing with an inside diameter of 6 inches. They are designed to tap into a lens of fresh water that, by its lesser density, sits above the salt water table." – excerpt from "The Kawela Plantation Water System" at http://www.kawelapha.com/downloads/TheKawelaPlantationWaterSystemReport.pdf .
Objectives/Goals:	Secondary containment within Zone A; Public outreach; WHP signs; OSDS education, inspection and maintenance program; herbicides and pesticides and waste removal; stormwater control; livestock control; WHP plan.
Methods Employed:	Conducted public outreach, attended stormwater control training, and purchased equipment for stormwater control. Discussed Project WET activities on Molokai.
Pollutants of Concern:	
SWAP Area:	?? Source Water Capture Zone Area
Outcome:	Funding was used for (but not limited to)



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HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name: Convert Comprehensive Leaching Risk Assessment System ("CLEARS") model script from VBA to Python

ASO Log No.: 14-106

Start/End Date: July 1, 2013 to March 31, 2014

DWSRF funds: \$45,000.00 (15% Set-Asides WHP)

Contractor: Chittaranjan Ray, P.E., Ph.D., Water Resources Research Center, University of Hawaii
2540 Dole Street, 282 Holmes Hall, Honolulu, HI 96822
Ph: 808-956-9652 Fax: 808-956-5044 Email: cray@hawaii.edu

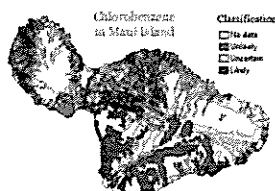
Background/Overview: The Comprehensive Leaching Risk Assessment System ("CLEARS") model assesses the leaching potential of land-applied chemicals based on soil, chemical, and recharge properties. The model is used by the Hawaii Department of Agriculture ("HDOA") for registration and approval of new pesticides in the state.

The earlier pesticide leaching tool has been modified to account for the loss by volatilization, allowing new volatile chemicals (and non-pesticide drinking water contaminants) to be assessed. To account for the loss by volatilization, the previous tool has been expanded to include additional terms, liquid-vapor partitioning for the retardation factor ("RF") and vapor loss at the soil surface for the attenuation factor ("AF"), respectively.

Monitoring of source water from drinking water wells in Hawaii has been going on for decades. However, many of these wells show no evidence of contamination. For a contaminant to appear in a well, it must be present in the capture zone of the well. Processes that contribute to point or non-point source pollution include leaching of chemicals or pathogens through soil, transport in aquifers, and eventual appearance in well waters. The new leaching model will also implement several geographic information system ("GIS") layers for regional vulnerability maps so that all contamination activities and their associated risk can be determined simultaneously. These additional GIS layers, obtained from the Source Water Assessment Program ("SWAP") of the Hawaii Department of Health ("HDOH"), include the capture zones around public water supply wells and any potential contaminating activity ("PCA") within the capture zones. As some drinking water parameters/contaminants have not been detected in Hawaiian municipal water supply wells over decades, and there is adequate information about land use (past and current) and PCAs, it will be feasible to justify the waiving of regular monitoring for chemicals that show low risk of appearance in ground water.

Objectives/Goals: The previous version of CLEARS was coded in Visual Basic for Applications (VBA) and utilized ARC-GIS for visualization. VBA is compatible with ARC-GIS 10 or with lower version. ESRI (the maker of ARC-GIS software) has released ARC-GIS 10.1 and eventually higher versions will be released. However, VBA will not be supported by Microsoft and ESRI for ARC-GIS versions above 10.x or higher. As a result, steps have been taken to modify the source code of CLERS so that it is not impacted by the future Microsoft and ESRI upgrades. For this, two options exist: (a) converting the current VBA code to VB.net studio or (b) Python. VB.net studio is operating system dependent; however Python being independent of operating system can be used on any desktop environment. Python being a versatile language in the public domain, it is being now widely used scientific and engineering applications. The current code has been migrated first to VB.net (for keeping the same user interface) and subsequently to Python.

Outcome: Development of a Comprehensive Leaching Risk Assessment System ("CLEARS") model capable of evaluating the leachability of pesticides and drinking water contaminants to groundwater.



For Information on the Wellhead Protection - Financial Assistance Program, contact:

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Hawaii Department of Health
919 Ala Moana Boulevard, #308
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Fax: (808) 586-4351

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CAP Item 4 - Attachment 2
Due January 30, 2015

FFY15-16 DWSRF 15% Set-Aside Workplan Quarterly Report as of January 15, 2015
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HAWAII SOURCE WATER PROTECTION PROGRAM

Project Name:	RCAC Technical Assistance - Circuit Rider Program
ASO Log No.:	15-033
Start/End Date:	10/01/2014 - 9/30/2017
DWSRF 15% Set-Asides	FS99986507 - \$200,000 [outstanding \$200,000]
Technical Assistance funds:	FS99986511 - \$350,000 [outstanding \$350,000]
	FS99986512 - \$191,600 [outstanding \$191,600]
Contractor:	Rural Community Assistance Corporation
Address:	
Phone:	
Fax:	
Email:	

Background/Overview:	
Objectives/Goals:	Small public water systems site visits (600 on-site technical assistance contact hours); promote improvements to TMF capacity; hands-on assistance; maintain "hot line;" yearly evaluation
Methods Employed:	
Pollutants of Concern:	
SWAP Area:	n/a
Outcome:	Funding was used for (but not limited to)

For Information on the Wellhead Protection - Financial Assistance Program, contact:

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Honolulu, Hawaii 96814
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**Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 6 - Attachment 3
Due January 30, 2015**

CAP Item 6	Submit a list of projects from the state fiscal year 2015 fundable list that are viable and ready to proceed within three to six months.
DOH Commitment	The DOH submits CAP Attachment 3 which is a list of projects from the SFY 2015 fundable list that are viable and ready to proceed within three to six months.

The following projects are from Table 5, the Fundable List, from the *SFY 2015 Intended Use Plan*. Of the 13 projects which were identified based on potential available funds and readiness-to-proceed, there are seven (7) which are viable and ready to proceed within three to six months (e.g., Notice to Proceed issued by County).

Rank	Project No.	Owner	Project Name	Green Project Reserve Type	Estimated Construction Date	FLA Date (Executed or Estimated)	Estimated Loan Amount
16	DW213-0015	Maui DWS	Haliimaile Tank Replacement	Water Efficiency	Aug-14	1/15/2015	\$ 700,000.00
34	DW215-0009	Maui DWS	Phase 6 Booster Pump Upgrades	Energy Efficiency	Aug-14	8/15/2015	\$ 4,619,076.00
35	DW215-0010	Maui DWS	Kula 200 #1 Tank Replacement		Aug-14	4/15/2015	\$ 874,565.00
69	DW400-0011	Kauai DOW	PLH-39; Lihue Baseyard Improvements for the Department of Water	Energy Efficiency (Categorical)	Sep-14	12/15/2014	\$ 4,000,000.00
73	DW102-0001	Hawaii DWS	Laupahoehoe 0.5 MG Reservoir		Nov-14	4/15/2015	\$ 4,158,101.00
1	DW133-0004	Hawaii DWS	Kapulena Well Development Phase 2 (Production Well and 0.3 MG Reservoir)		SFY 2015	7/15/2015	\$ 2,664,824.00
21	DW161-0002	Hawaii DWS	Ahualoa-Honokaa Transmission Waterline	Water Efficiency	SFY 2015	4/15/2015	\$ 3,200,000.00
Total							\$20,216,566.00

Hawaii Department of Health (DOH) Corrective Action Plan (CAP)
CAP Item 7 - Attachment 4
Due January 30, 2015

CAP Item 7	Submit a report establishing a target level for commitments (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings) for state fiscal year 2015.
DOH Commitment	The DOH submits CAP Attachment 4 which is a report establishing a target level for commitments (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings) for SFY 2015.

Project No.	Project Name	FLA Date Executed	Loan Amount
HBWS-0001	Honolulu BWS Water System Improvements 1	11/15/2014	\$ 9,579,895.00
HBWS-0002	Honolulu BWS Loan Refinance 1	10/15/2014	\$ 26,400,910.01
DW331-0047	Kalihi Water System Improvements, Part III	10/15/2014	\$ 5,068,079.00
DW217-0005	Wakiu Well Replacement <u>SLA</u>	8/15/2014	\$ 1,850,000.00
TOTAL EXECUTED FLAs IN SFY 2015			\$42,898,884.01

Project No.	Project Name	FLA Date Estimated to be Executed	Loan Amount
DW400-0011	Lihue Baseyards	12/15/2014	\$ 4,000,000.00
DW213-0015	Haliimaile Tank Replacement	1/15/2015	\$700,000.00
DW331-0057	Ward Avenue 12-Inch and 8-Inch Mains <u>SLA</u>	2/15/2015	\$199,721.30
DW215-0010	Kula 200 #1 Tank Replacement	4/15/2015	\$874,565.00
DW102-0001	Laupahoehoe 0.5MG Reservoir	4/15/2015	\$4,158,101.00
DW161-0002	Ahualoa-Honokaa Transmission Waterline	4/15/2015	\$3,200,000.00
TOTAL ANTICIPATED EXECUTED FLAs IN SFY 2015			\$13,132,387.30

TOTAL TARGET LEVEL FOR COMMITMENTS IN SFY 2015	\$56,031,271.31
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Enclosure

Requirements for Award of Withheld Federal Fiscal Year 2015 Hawaii DWSRF Capitalization Grant Funds

The EPA is establishing two requirements that the Hawaii Department of Health (HDOH) must meet before we will award the federal fiscal year (FFY) 2015 DWSRF capitalization grant funds we are withholding. Both requirements must be met before we will award the withheld funds.

New Assistance Agreements

The Hawaii Department of Health (HDOH) submitted information that describes the funds it intends to commit to executed assistance agreements in SFY 2016 as shown in Table 1 below. This includes the funds that the HDOH planned to commit in SFY 2015 but did not. EPA will not award the withheld FFY 2015 capitalization grant funds until the HDOH demonstrates it is on track to meet its SFY 2016 target. In Table 1, the loans with a final loan agreement date prior to January 29, 2016, are shaded. The sum of the estimated loan amounts for these loans is \$28,283,883. Thus, the HDOH must commit at least \$28,283,883 to executed assistance agreements between July 1, 2015, and January 29, 2016, before EPA will award the withheld funds. This requirement pertains to the amount of funding, not specific projects.

Table 1. New Assistance Agreements

<i>Project Number</i>	<i>Estimated Loan Amount</i>	<i>Estimated Construction Date (from IUP)</i>	<i>Notice to Proceed (from multiple sources)</i>	<i>Final Loan Agreement Date (from CAP deliverable #15)</i>	<i>Initial Disbursement Date (from cash flow modeling or FOCUS)</i>
DW215-0010	\$839,782		12/2013	7/15/2015	1/2016
DW215-0009	\$4,000,000	August of 2015	5/2014	8/15/2015	11/2015
DW161-0002	\$3,200,000	SFY 2016	unknown	8/15/2015	1/2016
DW102-0001	\$4,158,101	SFY 2016	6/2015	8/15/2015	1/2016
MDWS-0001	\$1,320,000	October of 2015	7/2015	10/15/2015	11/2015
DW233-0002	\$550,000	October of 2015	8/2015	10/15/2015	11/2015
DW130-0003	\$12,896,000	SFY 2016	6/2011	10/15/2015	1/2016
DW212-0018	\$1,320,000	December of 2015	10/2015	12/15/2015	1/2016
HBWS-0003	\$18,829,657	November of 2015	unknown		11/2015
DW247-0008	\$4,400,000	March of 2016	12/2015	3/15/2016	1/2016
DW133-0004	\$2,664,824	SFY 2016	unknown	3/15/2016	5/2016
DW212-0015	\$16,500,000	SFY 2016	3/2016	4/15/2016	5/2016

Disbursements

In accordance with CAP item 8, the HDOH set a target of \$60,162,726.97 in disbursements for SFY 2015. As documented in CAP item 19, the HDOH disbursed only \$52,487,894.68 during this period. The HDOH must disburse the shortfall of \$7,674,832.29 before EPA will award the withheld funds.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105-3901

OFFICE OF THE
REGIONAL ADMINISTRATOR

OCT 24 2014

Linda M. Rosen, M.D., M.P.H.
Director, Hawaii Department of Health
1250 Punchbowl Street
Honolulu, Hawaii 96813

Dear Dr. Rosen:

In 1996, Congress established and funded the Drinking Water State Revolving Fund program for states to provide low interest loans and grants to eligible water systems for design and construction of infrastructure to help systems comply with national drinking water standards. Since 1997, the U.S. Environmental Protection Agency has provided \$167 million to the Hawaii Department of Health to support cost-effective safe drinking water infrastructure projects in the state through the Hawaii Drinking Water Treatment Revolving Loan Fund program. However, the Department has not spent the funds in the DWTRLF in a timely manner, nor has it demonstrated the technical capability to operate the DWTRLF effectively.

The Department has not complied with the requirement to commit and expend funds in the DWTRLF as efficiently as possible and in an expeditious and timely manner, which applies to loan repayments, interest, fees and state match, as well as federal funds. The DWTRLF has recurrently had one of the highest percentages of unspent federal funds of any state drinking water revolving fund in the nation, and the amount of unexpended funds has grown in the past three years. Notwithstanding the Department's recent success in issuing \$25 million in loan agreements, as of June 2014, Hawaii continued to have \$100 million in unspent funds: \$33 million in federal funds and \$67 million in state funds. The latest national Drinking Water Infrastructure Needs Survey and Assessment reported to Congress that Hawaii has nearly \$1 billion in unmet drinking water needs. Hawaii's failure to fully utilize available funds compromises our mutual goal of assuring safe drinking water in Hawaii.

In addition, the Department has not complied with the requirement to manage DWTRLF funds in a sound, efficient, and prudent manner by having sufficient staff, effective tools and processes in place to track projects and plan expenditures. EPA's annual Performance Evaluation Reports have identified numerous significant issues and recommended follow-up actions, but Hawaii has not implemented the necessary changes. One example that illustrates deficiencies in the DWTRLF is the loan repayment process. Unlike other states, Hawaii recalculates a loan's repayment amount multiple times, which is inefficient and limits the state's ability to forecast and manage future fund balances using a cash flow model.

The enclosed Notice of Non-compliance describes the EPA's specific concerns and identifies the steps needed for the Department to be in full compliance and remain eligible for federal drinking water funding. The Notice of Non-compliance requires submittal of a corrective action plan to the EPA by January 30, 2015. If the Department fails to submit a corrective action plan by January 30, 2015, or, after the EPA's review and approval, fails to implement an element of the plan, the EPA may suspend grant payments, wholly or partly suspend current awards, wholly or partly terminate current awards, or withhold further grant awards until the state has taken acceptable actions.

My staff has been working with the Department over many years to improve administration and management of the DWTRLF. For the past year, a management evaluation of the DWTRLF program and development of a loans and grants tracking system have been underway to inform Hawaii's sustained achievement of the needed corrective actions. The management evaluation report is enclosed. The Department should incorporate into the corrective action plan the management evaluation recommendations that support returning to compliance, including those pertaining to the actions listed in the table of required components of the corrective action plan attached to the Notice of Non-compliance.

We look forward to continuing our joint efforts to address the critical drinking water needs in Hawaii. Please feel free to call me at 415-947-8702 or Jane Diamond, Water Division Director, at 415-947-8707 if you have questions.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Jared Blumenfeld', written in a cursive style.

Jared Blumenfeld

cc: Blake Oshiro, Governor's Office
Gary Gill, Deputy Director, HDOH

Enclosures

NOTICE OF NON-COMPLIANCE TO THE HAWAII DEPARTMENT OF HEALTH

I. Introduction

The U.S. Environmental Protection Agency is issuing this Notice of Non-compliance to the Hawaii Department of Health for failing to comply with the requirements of the Safe Drinking Water Act, its implementing regulations, and the terms and conditions of the Hawaii Drinking Water Treatment Revolving Loan Fund grant agreements funded by the EPA for federal fiscal years 2006 through 2012. The EPA has determined that the DOH does not have adequate personnel and resources to manage the DWTRLF, nor has the DOH committed and expended all funds in the DWTRLF as efficiently as possible and in an expeditious and timely manner, in violation of the terms and conditions of the grant agreements and 40 C.F.R. §35.3550(c) and (l).

Under 40 C.F.R. §35.3585, the EPA may invoke compliance assurance procedures if the Agency determines that a state has not complied with its capitalization grant agreement, other requirements under 40 U.S.C. §300j-12, or 40 C.F.R. Part 31, or has not managed its Drinking Water State Revolving Fund in a financially sound manner. Upon issuance of a notice of non-compliance, the Agency may prescribe appropriate corrective action. Within 60 days of receipt of the notice of non-compliance or by some later date prescribed by the EPA, the state must remedy the specific instances of non-compliance or submit an acceptable corrective action plan to achieve the prescribed corrective actions. If the state fails to take the necessary actions or submit a corrective action plan to achieve the results required by the prescribed deadline, the EPA may suspend payments. Additionally, in accordance with 40 C.F.R. §31.43, the EPA may take other enforcement actions such as withholding further grant awards, wholly or partly suspending current awards, or wholly or partly terminating current awards.

II. Background

The Safe Drinking Water Act established the DWSRF program to make funds available to eligible entities to finance infrastructure improvements. The EPA provides grants to states to capitalize their DWSRF programs. The Act requires states to make timely loans or grants using all available funds to eligible water systems for necessary projects. States provide funds to match the federal capitalization grant funds (20%), and loan recipients repay loans and pay interest and fees. In addition, the Act allows states to reserve a portion of the funds from the DWSRF (referred to as set-asides) to support other important activities such as source water protection and wellhead protection programs. Set-aside funds must also be spent in a timely manner.

The EPA provides funding for, and oversees the DOH's implementation of, the DWTRLF. Since 1997, the EPA has provided the DOH with a series of grants totaling approximately \$167 million to capitalize the DWTRLF. The EPA conducts an annual review of the DWTRLF and provides the results to the

DOH in a program evaluation report. The EPA has identified a number of issues concerning financial performance of the DWTRLF during the past reviews.

In November 2004, the EPA notified the DOH that it was not in compliance with the requirements to commit and expend all funds as efficiently as possible and in an expeditious and timely manner as required under 40 C.F.R. §35.3550(l). The 2004 notice indicated that the DOH should have executed loans totaling \$35.7 million by September 30, 2004, but had only executed loans totaling \$16.8 million by that date. The EPA required the DOH to submit a revised fund utilization and efficiency plan and an updated DWTRLF binding commitment and loan tracking chart within 60 days of the notice. The DOH submitted a revised plan to the EPA in January 2005, but it failed to meet the loan execution schedule contained in the plan. Consequently, the EPA notified the DOH on June 30, 2005, that it was withholding payments on the DOH's DWTRLF capitalization grant. On September 27, 2005, the DOH notified the EPA that \$46.8 million in final loan agreements had been signed, bringing the DOH back into compliance. By letter dated September 29, 2005, the EPA released the withheld funds and closed the compliance assurance process initiated in November 2004.

Subsequently, the EPA documented the following concerns and recommendations in the Program Evaluation Reports covering 2005 through 2012, which remain unresolved to date:

- **Fund Utilization Rate.** The EPA recommended that the DOH commit more funds to improve the DWTRLF's fund utilization rate, which was well below the national average.
- **First In First Out.** The EPA recommended that the DOH begin using the oldest funds available to pay invoices, rather than linking individual projects (including set-aside contracts) to specific capitalization grants.
- **Loans and Grants Tracking System.** The EPA recommended that the DOH develop a comprehensive data system to track loan and grant information for the DWTRLF and Water Pollution Control Revolving Fund, eliminating the need for multiple independent spreadsheets.
- **Inadequate Personnel.** The EPA recommended that the DOH fill critical positions left vacant to reduce delays in the expenditure of funds in the DWTRLF, particularly funds in the 15% set-aside.
- **Set-aside Management.** The EPA recommended that the DOH develop a long term plan for managing the DWTRLF set-asides.
- **Unspent Funds.** The EPA recommended that the DOH reduce the high level of unspent funds in the DWTRLF loan fund and set-aside funds. In particular, the EPA recommended reducing the levels of unspent federal funds, which are known as unliquidated obligations or ULOs.
- **Program Management and Financial Processes.** The EPA recommended that the DOH establish a comprehensive cash flow model able to project the DWTRLF's long term loan capacity, since the lack of such model was hindering financial performance.

The DOH has not fully addressed these concerns and recommendations. Accordingly, the EPA is initiating compliance assurance procedures to improve the financial performance of the DWTRLF.

III. Scope of Non-compliance

The EPA has determined that the DOH is in non-compliance with the following requirements:

1) Non-compliance with Expeditious and Timely Use of the Funds in the DWTRLF

In accordance with 40 C.F.R. §35.3550(l), and the terms and conditions of the capitalization grant agreements, the DOH is required to commit and expend all funds in the DWTRLF as efficiently as possible and in an expeditious and timely manner. The DOH has not complied with this requirement, which applies to loan repayments, interest, fees and state match, as well as federal funds.

a) Commitment of Funds

The DOH has not committed all of its funds in the DWTRLF (federal funds, state match, loan repayments, interest earnings, fees and set-asides) in an expeditious and timely manner as required by 40 C.F.R. §35.3550(l), and the terms and conditions of the capitalization grant agreements (including the Expeditious and Timely Use of SRF Funds policy memoranda 95-03, 99-05, and 99-09, which were incorporated by reference in the programmatic terms and conditions of the agreements). As shown in Table 1, the DOH has had substantial uncommitted funds in the DWTRLF, as measured by its fund utilization rate, for several years due to the DOH's inability to process sufficient loan commitments for the DWTRLF. As of June 30, 2013, the DWTRLF was 16% below the national average in fund utilization.

Table 1. Fund Utilization Rate¹

	Year (as of June 30)				
	2009	2010	2011	2012	2013
<i>National</i>	87%	94%	90%	89%	91%
<i>DWTRLF</i>	71%	86%	74%	71%	75%

b) Expenditure of Funds

The DOH has not expended all of its funds in the DWTRLF (federal funds, state match, loan repayments, interest earnings, fees and set-asides) in an expeditious and timely manner as required by 40 C.F.R. §35.3550(l), and the terms and conditions of the capitalization grant agreements (including the Expeditious and Timely Use of SRF Funds policy memoranda 95-03, 99-05, and 99-09, which were incorporated by reference in the programmatic terms and conditions of the agreements).

¹ Fund utilization rate is calculated as the cumulative DWSRF assistance provided as a percentage of cumulative DWSRF funds available.

i) Federal Funds

As of June 30, 2014, the DWTRLF had over \$33 million in unspent federal funds, including \$4 million in set-asides. The high federal ULOs have persisted for several years, increasing from \$31 million in October 2010 to \$52 million in October 2013 (Table 2). As a typical federal capitalization grant for the DWTRLF is about \$8 million, this level of ULOs represents several years of unspent funding, indicating that the DOH has not expended federal funds in an expeditious and timely manner. The \$33 million in ULOs is 20% of the sum of the federal capitalization grants awarded to the DWTRLF from the inception of the program through June 2014, which is the third highest percentage of ULOs in the nation.

Table 2. Federal Unliquidated Obligations

	<i>Year (as of October 1)</i>			
	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>
<i>DWTRLF</i>	\$31 million	\$46 million	\$51 million	\$52 million

ii) Set-asides

The DOH's set-aside spending rate (Table 3) has consistently been about 20 percentage points below the national average for the past five years, and as of June 30, 2014 the DWTRLF had \$4 million in unspent set-aside funds. The EPA has not allowed the DOH to take any additional 15% funds in the last two years due to excess funds not obligated to projects. This indicates that the DOH has not been expending set-aside funds in an expeditious and timely manner.

Table 3. Set-aside Spending Rate

	<i>Year (as of June 30)</i>				
	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>
<i>National</i>	79%	80%	80%	82%	84%
<i>DWTRLF</i>	57%	58%	59%	64%	70%

iii) Repayments and Interest

The DOH has accumulated several years of repayments and interest earnings. As of June 30, 2014, the DOH had about \$57 million in unspent loan repayments and interest earnings in the DWTRLF.

The DOH has about \$100 million in unexpended project funds (federal, state match, repayments, and interest) sitting idle. If these funds were spent in new loans, the DOH would earn fees and interest as the loans were repaid, generating more funds to provide loans for other projects, run state water quality programs, and increase water quality benefits for the State of Hawaii.

Some of the key reasons for the DOH's failure to expend project funds in an expeditious and timely manner include: (1) failing to commit sufficient funds to new loans; (2) committing funds to projects that are not ready to proceed; and (3) allowing recipients to withhold reimbursement requests, instead of submitting them monthly as required in loan contracts.

Some of the key reasons for the DOH's failure to expend set-aside funds in an expeditious and timely manner include: (1) inadequate staffing in the set-aside programs and (2) taking more set-aside funds than it could spend in a budget period.

2) Non-compliance with the Technical Capability to Operate the DWTRLF Program

In accordance with 40 C.F.R. §35.3550(c) and the terms and conditions of the capitalization grant agreements, the DOH must demonstrate it has adequate personnel and resources to establish and manage the DWTRLF program. The DOH has not shown that it has sufficient resources and personnel to adequately manage the DWTRLF program. The DOH's lack of fiscal modeling and long term management planning has resulted in excessive levels of unspent funds.

a) Financial Tracking and Modeling – Loans and Grants Tracking System and Cash Flow Model

The DOH has not demonstrated the ability to manage all DWTRLF funds, which has affected the progress and growth of its program. The DOH does not have a comprehensive financial tracking system (e.g., Loans and Grants Tracking System) and cash flow model that can analyze, coordinate and integrate the program's financial and project activities. The lack of comprehensive and integrated tracking and modeling tools has resulted in errors or confusion in tracking commitments, calculating outstanding balances and determining the program's funding capacity. The DOH cannot properly measure and track (1) assets and liabilities; (2) revenues earned (including loan repayments, capitalization grants, interest earnings, fees, and state match); and (3) expenses incurred (including loan disbursements and other expenditures). As a result, the DOH cannot forecast cash flow on a long term basis.

One factor limiting the DOH's ability to model cash flow is their loan amortization process. Other states amortize their loans once, after the recipient has taken all of the loan payments. The DOH amortizes its loans initially when the recipient takes its first loan payment and then re-amortizes the loan after each subsequent loan payment. Not only does this mean that the DOH spends a considerable amount of time amortizing each loan multiple times, but the process is so complex that is difficult to integrate the repayment and interest calculations into a cash flow model.

b) Set-asides and Staffing

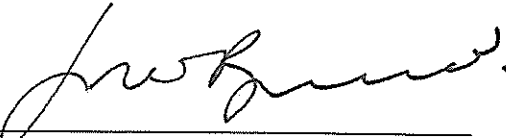
The DOH DWTRLF program has inadequate personnel to manage the set-aside programs pursuant to 40 C.F.R. §35.3550(c). A program the size and complexity of the DWTRLF demands dedicated

staff to sufficiently manage the set-aside program activities. Inadequate personnel to manage set-aside projects have contributed to excessive ULOs. The DOH has kept funds in set-aside accounts in anticipation of source water protection contracts. Issuance of the contracts, however, has been delayed by lack of personnel to manage the contracts. Likewise, funds for personnel have also been kept in set-aside accounts in anticipation of hires that have not occurred for several years.

IV. Corrective Actions and Consequences of Non-Compliance

The DOH needs to (1) increase commitments and make full use of its funding capacity to execute new assistance agreements; (2) increase timely disbursements; and (3) improve DWTRLF program operations, including its loan process, repayment process, cash flow projections, and set-aside management.

In accordance with 40 C.F.R. §35.3585(c), the DOH must submit a corrective action plan for achieving the results specified in this notice by January 30, 2015. Detailed information on the required components of the corrective action plan is included in the attachment to this notice. The DOH must take these corrective actions to avoid non-compliance in the future in accordance with 40 C.F.R. §35.3585(b). If the DOH fails to provide an acceptable corrective action plan by January 30, 2015, to achieve the results required, or subsequently fails to implement an element of a plan that the EPA approves, the EPA may suspend grant payments until the DOH has taken acceptable actions. In addition, pursuant to 40 C.F.R. §31.43, the EPA may take other actions, including withholding further grant awards, wholly or partly suspending current awards, or wholly or partly terminating current awards.



Jared Blumenfeld
Region 9
Regional Administrator

OCT 24 2014

Date

Attachment

**Attachment to the EPA Notice of Non-Compliance to the Hawaii Department of Health:
Required Corrective Action Components**

Pursuant to 40 CFR 35.3585 (b) and (c), the DOH must submit a corrective action plan by January 30, 2015. If the DOH fails to provide an acceptable corrective action plan to achieve the results required, or subsequently fails to implement an element of an approved plan, the EPA may suspend grant payments until the DOH has taken acceptable actions, or take other enforcement actions under 40 C.F.R. §31.43. The CAP must address the following components:

Item	Action	Deadline	Action Area
1	Identify a senior DOH manager as the primary point of contact for tracking, overseeing and coordinating the DOH's activities associated with the CAP.	January 30, 2015	Data and Reporting
2	Submit a schedule for monthly meetings with the EPA to discuss progress on the CAP components. At least three days prior to each meeting, the DOH will provide a written agenda with updates on CAP components, the Management Study and the LGTS work assignments.	January 30, 2015	Data and Reporting
3	Submit a fund utilization plan for the 15% set-aside for each capitalization grant. The plan will identify the funds paid to date (with the associated project or activity being reimbursed), encumbered funds (with a schedule for expending the funds), and available funds (with a schedule for expending the funds).	January 30, 2015	Disbursements
4	Submit a summary of all 15% set-aside projects including recipient, project outcomes/outputs, funding level, project period and project status.	January 30, 2015	Technical Capabilities
5	Alter the loan amortization calculation methods for loans signed after March 1, 2015, to a one-time amortization of the loan upon project completion. This includes creating a projected amortization schedule at loan signing.	January 30, 2015	Data and Reporting
6	Submit a list of projects from the state fiscal year 2015 fundable list that are viable and ready to proceed within three to six months.	January 30, 2015	Loan Commitments
7	Submit a report establishing a target level for commitments (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings) for state fiscal year 2015.	January 30, 2015	Loan Commitments
8	Submit a report establishing a target level for disbursements for state fiscal year 2015.	January 30, 2015	Disbursements
9	Meet with the EPA to select recommendations to implement from the final version of the LGTS Study.	30 days from receipt of final report	Technical Capabilities
10	Submit a plan, including a schedule, to implement selected recommendations from the LGTS Study.	30 days from meeting with the EPA	Technical Capabilities

Item	Action	Deadline	Action Area
11	Submit to the EPA a staffing plan including job descriptions and timeline to address at a minimum the following four deficiencies the EPA has identified: (1) information technology: expertise is needed with respect to the development, implementation and maintenance of LGTS; (2) financial analysis: expertise is needed with respect to financial modeling, strategic planning, and forecasting to determine funding capacity and create an understanding of the long term implications of funding decisions; (3) program management: expertise is needed for managing the SRFs (not limited to DWSRF) in a manner so as to integrate program, accounting, and financial activities to meet and sustain the goals of the CAP and Management Study; and (4) set-aside management: submit a schedule for filling the Program Specialist, Geologist and Chemist vacancies in SDWB, such that all three positions are advertised by March 31, 2015.	February 28, 2015	Technical Capabilities
12	The DOH will meet with the EPA to review and agree on the modifications to the Hawaii DWSRF State Environmental Review Process to ensure that the SERP meets the requirements of the federal DWSRF program.	February 28, 2015	SERP
13	Deadline for advertising the Program Specialist, Geologist and Chemist vacancies in SDWB. Submit a report describing the status of the vacancies in SDWB.	March 31, 2015	Technical Capabilities
14	Submit a report evaluating the extent to which each 15% set-aside project is meeting goals, outcomes, outputs and contract terms. Include a list and schedule for each deficiency and correction.	March 31, 2015	Technical Capabilities
15	Propose a commitment target for state fiscal year 2016 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target must be calculated using a cash flow model such as FOCUS that incorporates the DOH's project pipelines along with the counties' capital improvement plans. If the EPA has not yet provided state allotments for 2015, the DOH should confer with the EPA regarding an estimated amount for the 2015 capitalization grant. Submit a list of projects from the state fiscal year 2016 fundable list (or draft IUP), sufficient to meet the proposed commitment target, that are viable and ready to proceed within three to six months.	March 31, 2015	Loan Commitments
16	Submit a disbursement plan accounting for all sources of funds, including capitalization grants, state match, fees, repayments and interest earnings, developed using a cash flow model. Federal funds must be disbursed such that the balance of federal funds on June 30, 2017, (including loans and set-asides) does not exceed the sum of the 2015 and 2016 capitalization grants. The plan must include annual and cumulative disbursement targets for state fiscal years 2016 and 2017.	March 31, 2015	Disbursements
17	Deadline for finalizing and adopting modifications to the SERP such that it complies with federal requirements.	April 30, 2015	SERP

Item	Action	Deadline	Action Area
18	Submit a report (or final IUP) describing the DOH's plan for utilizing its full loan capacity in state fiscal year 2016, as determined using a cash flow model such as FOCUS that incorporates the DOH's project pipelines along with the counties' capital improvement plans. The report must describe (1) the DWTRLF's full loan capacity, which includes anticipated repayments as well as available funds (from capitalization grants, state match, fees, repayments and interest earnings); (2) the final commitment target for state fiscal year 2016 (the maximum amount the DOH can commit to executed assistance agreements) and (3) a list of projects from the 2016 fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.	May 31, 2015	Loan Commitments
19	Submit a list of all executed final assistance agreements made in state fiscal year 2015 to verify that the commitment target for state fiscal year 2015 was met by June 30, 2015.	July 31, 2015	Loan Commitments
20	Submit evidence that the disbursement target set for state fiscal year 2015 was met by June 30, 2015. If future annual and cumulative disbursement targets need to be adjusted to meet the June 30, 2017, target, submit an analysis using a cash flow model to justify these changes.	July 31, 2015	Disbursements
21	Submit evidence that the 15% set-aside achieved a cumulative spending rate of 75% by June 30, 2015.	July 31, 2015	Disbursements
22	Propose a commitment target for state fiscal year 2017 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target must be calculated using a cash flow model such as FOCUS that incorporates the DOH's project pipelines along with the counties' capital improvement plans. If the EPA has not yet provided state allotments for 2016, the DOH should confer with the EPA regarding an estimated amount for the 2016 capitalization grant. Submit a list of projects from the state fiscal year 2017 fundable list (or draft IUP), sufficient to meet the proposed commitment target that are viable and ready to proceed within three to six months.	March 31, 2016	Loan Commitments
23	Submit a report (or final IUP) describing the DOH's plan for utilizing its full loan capacity in state fiscal year 2017, as determined using a cash flow model such as FOCUS that incorporates the DOH's project pipelines along with the counties' capital improvement plans. The report must describe (1) the DWTRLF's full loan capacity, which includes anticipated repayments as well as available funds (from capitalization grants, state match, fees, repayments and interest earnings); (2) the final commitment target for state fiscal year 2017 (the maximum amount the DOH can commit to executed assistance agreements); and (3) a list of projects from the 2017 fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.	May 31, 2016	Loan Commitments
24	Submit a list of all executed final assistance agreements made in state fiscal year 2016 to verify that the commitment target for state fiscal year 2016 was met by June 30, 2016.	July 31, 2016	Loan Commitments

Item	Action	Deadline	Action Area
25	Submit evidence that the disbursement target set for state fiscal year 2016 was met by June 30, 2016. If future annual and cumulative disbursement targets need to be adjusted to meet the June 30, 2017, target, the DOH shall submit an analysis using a cash flow model to justify these changes.	July 31, 2016	Disbursements
26	Submit evidence that the 15% set-aside achieved a cumulative spending rate of 80% by June 30, 2016.	July 31, 2016	Disbursements
27	Achieve a balance of unliquidated federal funds, including set-asides, of no more than the sum of the federal capitalization grants for federal fiscal years 2015 and 2016.	June 30, 2017	Disbursements
28	Submit a list of all executed final assistance agreements made in state fiscal year 2017 to verify that the commitment target for state fiscal year 2017 was met by June 30, 2017.	July 31, 2017	Loan Commitments
29	Submit evidence that the disbursement target set for state fiscal year 2017 was met by June 30, 2017.	July 31, 2017	Disbursements
30	Submit evidence that the 15% set-aside achieved a cumulative spending rate of 80% by June 30, 2017.	July 31, 2017	Disbursements



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street

San Francisco, CA 94105-3901

October 19, 2015

Mr. Keith Kawaoka
Deputy Director for Environmental Management
Hawaii Department of Health
1250 Punch Bowl St.
Room 325
Honolulu, Hawaii 96813

Dear Mr. Kawaoka:

In accordance with the corrective action plan (CAP) for the Hawaii Drinking Water State Revolving Fund (DWSRF), the Hawaii Department of Health (HDOH) has submitted several deliverables to the U.S. Environmental Protection Agency (EPA). The EPA has taken action on some of those deliverables, most recently in a letter from me to you dated August 3, 2015. We are now taking action on additional deliverables submitted by HDOH.

CAP Item #5: Amortization Process

You submitted a final amortization process in an email to me dated August 20, 2015, and a revised final process in an email dated September 16, 2015. We are approving the amortization process submitted on September 16, 2015.

CAP Item #11: Staffing Plan

The CAP includes a milestone for the HDOH to submit a staffing plan that includes job descriptions and timelines, to address, at a minimum, four deficiencies identified by the EPA.

On February 28, 2015, the HDOH submitted a plan for staffing the deficiency cited by EPA related to information technology, which we approved on May 27, 2015. As of the week of September 17, 2015, the HDOH informed EPA that one of the persons who was performing the required information technology support will no longer provide the SRFs with IT service for the Loans and Grants Tracking System (LGTS) program. Therefore, the HDOH's staffing plan needs to be revised for the functions related to information technology. The support function for at least 0.20 FTE must be filled and a plan for filling the remaining support for LGTS must be submitted to EPA by November 13, 2015.

At our meetings on September 15 and 16, 2015, we discussed the HDOH's plans to staff the SRF Program Manager and Financial Analysis positions, based on the outcome of your Kaizen events. Please submit a staffing plan for these two positions by November 13, 2015, that includes (1) position

descriptions; (2) a plan detailing, milestones, steps and approvals needed to create and fill these positions as soon as possible but not later than

the end of the CAP; and (3) an interim plan to fulfill the functions of these positions while these positions are being filled.

The final deficiency pertains to set-aside management. You have informed us of your plans to fill a General Professional IV position to address this deficiency in part. If HDOH cannot fill this position by November 13, 2015, then please submit an alternative plan by that date for filling the position. HDOH must have a qualified applicant in place as soon as possible and no later than June 30, 2017. One of the tasks for this position will be the development of a plan for use of the 15% set-aside, which needs to be developed and approved by EPA before additional 15% set-aside funds can be provided in future capitalization grants.

CAP Item #15: SFY16 Commitment Target

CAP item #15 required HDOH to submit a target for the amount of funding it will commit to executed assistance agreements in state fiscal year 2016 (SFY16), based on maximum use of available loan funds. On June 17, 2015, HDOH submitted a commitment target of about \$51.8 million, based on HDOH's current cash flow modeling capabilities. EPA accepted this deliverable in our August 3, 2015, letter.

In an email dated July 31, 2015, you notified me that HDOH had missed its SFY15 commitment target by about \$7.4 million, and on September 10, 2015, you notified me that HDOH had recalculated its SFY16 commitment target to about \$69.8 million, because of the shortfall in SFY15 commitments. The modeling HDOH had done as part of the deliverable submitted on June 17, however, had already accounted for the \$7.4 million in projects that were not signed in SFY15, so there was no need to revise the target. Therefore, EPA continues to consider \$51.8 million as the commitment target required under CAP item #15 for SFY16.

CAP Item #16: SFY16 Disbursement Target

CAP item #16 required HDOH to submit a target for the amount of funding it will disburse in SFY16 and SFY17. On June 17, 2015, HDOH submitted a disbursement target of \$49,016,070.76 for SFY16 and \$44,347,640.65 for SFY17. EPA accepted this deliverable in our August 3, 2015, letter, but noted that the SFY17 target may need to be revised at a later date.

In an email dated July 31, 2015, you notified me that HDOH had missed the SFY15 disbursement target by \$7,674,832. In an email dated September 10, 2015, you notified me that HDOH had recalculated its disbursement targets for SFY16 and SFY17, because of the shortfall in SFY15 disbursements.

It is not clear to EPA that further modeling at this time is needed to revise the disbursement targets. For SFY16, the amount that HDOH missed the SFY15 disbursement target by (\$7,674,832.29) simply needs to be added to the original target of \$49,016,070.76 and the SFY17 target does not need to be revised at all. Therefore, EPA considers the SFY16 disbursement target to be \$56,690,903.05 and the SFY17 target to be \$44,347,640.65 with a cumulative target of \$101,038,543.70 over the two year period. The SFY17 target may need to be revised at a later date, based on the amount of the 15% set-aside taken from the federal fiscal 2016 grant and on improved cash flow modeling capability that is currently under development.

CAP Item #17: State Environmental Review Process

The CAP includes a milestone for HDOH to make changes to its state environmental review process. EPA provided additional comments to HDOH on September 25, 2015, and EPA and HDOH held a conference call on October 16, 2015, to discuss these comments. HDOH now has until November 13, 2015, to revise and submit their final package to the Regional Administrator for approval.

CAP Item #18: Intended Use Plan

The CAP includes a milestone for HDOH to submit a final intended use plan. EPA approved a portion of the deliverable in our August 3, 2015, letter, but we asked for revisions to other portions of the intended use plan. HDOH made a series of revisions to the intended use plan, the latest being on September 8, 2015. EPA is approving the deliverable for CAP item #18 as submitted on September 8, 2015.

CAP Items #19 and #20: SFY15 Loan Commitments and Disbursements

Your July 31, 2015, email to me transmitted the documentation required by CAP items #19 and #20 pertaining to the amount of funding HDOH committed to executed assistance agreements in SFY15 and the amount of funding HDOH disbursed in SFY15. The information submitted indicates that HDOH did not meet the targets established in CAP items #7 and #8. Therefore, EPA has withheld the majority of Hawaii's federal fiscal year 2015 allotment. HDOH must commit at least \$28,283,883 in executed assistance agreements and disburse the shortfall of \$7,674,832.29 between July 1, 2015, and January 29, 2016 before EPA will award the withheld funds.

CAP Item #21: Set-aside Spending Rate

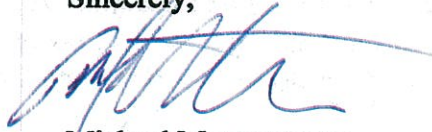
CAP item #21 required HDOH to submit evidence that the 15% set-aside achieved a cumulative spending rate of 75% by June 30, 2015. Your July 31, 2015, email transmitted documentation that the 15% set-aside achieved a cumulative spending rate of 76% by July 7, 2015. EPA is approving this deliverable and commends HDOH's accomplishment in meeting this target.

Cash Flow Model: FOCUS

Cash flow modeling is a central component of several CAP requirements. HDOH developed the deliverables for CAP items #15, #16, #19 and #20 using existing spreadsheets. Future cash flow modeling, however, needs to be done using the FOCUS model, which has been developed for HDOH in conjunction with the LGTS. Specifically, FOCUS must be used for the development of CAP items #22, #23, #25, #27, #28 and #29.

If you have any questions regarding this letter, please feel free to contact me at (415) 972-3438.

Sincerely,



Michael Montgomery
Assistant Director, Water Division

Enclosure

cc: Virginia Pressler, M.D., Director, Hawaii Department of Health
Elizabeth O. Kim, Special Advisor to the Governor

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – October 2015

Item	Action Identified in EPA's Notice of Non-compliance	Deadline	Action Area	DOH CAP Commitment	DOH Deliverable and EPA Review	Status
1	Identify a senior DOH manager as the primary point of contact for, tracking, overseeing and coordinating the DOH's activities associated with the CAP.	January 30, 2015	Data and Reporting	<p>The DOH identifies the Deputy Director for Environmental Health (DDEH) and Joanna L. Seto, P.E., Chief of the Safe Drinking Water Branch (SDWB) as the primary points of contact. The DDEH is responsible for coordinating the activities outside of the DOH which are associated with the CAP.</p> <p>The SDWB Chief is responsible for tracking, overseeing and coordinating the DOH's activities associated with the CAP. This includes the technical managerial and financial reporting requirements.</p> <p>The alternate contact for the SDWB Chief is Nancy Bartter, Public Health Administrative Officer of the Environmental Resources Office.</p>	<p><u>January 30, 2015</u> - The DOH identified the primary points of contact in the CAP submitted to EPA.</p> <p><u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.</p>	DONE
2	Submit a schedule for monthly meetings with the EPA to discuss progress on the CAP components. At least three days prior to each meeting, the DOH will provide a written agenda with updates on CAP components, the Management Study and the LGTS work assignment.	January 30, 2015	Date and Reporting	<p>The DOH will meet with EPA at a minimum on a monthly basis, beginning February of 2015 and until July of 2017, to discuss the progress on the CAP items. DOH will provide to EPA at least three (3) days prior to each meeting a written agenda with updates on CAP items, the Management Study and LGTS work assignments. The DOH proposes the meetings be scheduled on the third Wednesday of the month. The SDWB Chief will generate and distribute agendas on the Friday prior to the meeting.</p>	<p><u>January 30, 2015</u> - The DOH submitted a schedule of meetings with EPA in the CAP.</p> <p><u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.</p>	DONE
3	Submit a fund utilization plan for the 15% set-aside for each capitalization grant. The plan will identify the funds paid to date (with associated project or activity being reimbursed), encumbered funds (with a schedule for expending the funds) and available funds (with a schedule for expending the funds).	January 30, 2015	Disbursements	<p>The DOH submits the fund utilization plan for the 15% set-aside for each capitalization grant in CAP Attachment 1. The plan uses a spreadsheet to identify the funds paid to date (with the associated project or activity being reimbursed), encumbered funds (with a schedule for expending the funds), and available funds (with a schedule for expending the funds).</p> <p>This is a one-time CPA submittal requirement which the DOH will continue to update and submit on a quarterly basis. Note that the values are as of</p>	<p><u>January 30, 2015</u> - The DOH submitted a fund utilization plan in the CAP submitted.</p> <p><u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.</p>	DONE

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – October 2015

				January 15, 2015, mid-way through the reporting month.		
4	Submit a summary of all 15% set-aside projects including recipient, project outcomes/outputs, funding level, project period and project status.	January 30, 2015	Technical Capabilities	<p>The DOH submits CAP Attachment 2 which is a summary of all 15% set-aside projects including recipient, project outcomes/outputs, funding level, project period and project status. This is a one-time CPA submittal requirement which the DOH will continue to update and submit on a quarterly basis per the approved workplan. Note that the values are as of January 15, 2015, mid-way through the reporting month.</p>	<p><u>January 30, 2015</u> - The DOH submitted a summary of all 15% set-aside projects in the CAP.</p> <p><u>April 20, 2015</u> - EPA approved this CAP deliverable in a letter from Jane Diamond to Keith Kawaoka.</p>	DONE
5	Alter the loan amortization calculation methods for loans signed after March 1, 2015, to a one-time amortization of the loan upon project completion. This includes creating a projected amortization schedule at loan signing.	January 30, 2015	Data and Reporting	<p>The DOH commits to alter the loan amortization calculation methods for loans by January 30, 2015. The DOH commits to agree to the method or methods of alteration by April 1, 2015. The DOH commits to implement the changes to the amortization calculation methods on loans signed after June 30, 2015, to a one-time amortization of the loan upon project completion. This includes creating a projected amortization schedule at loan signing.</p> <p>The extension is requested because the DOH is required to amend Hawaii Administrative Rules, Chapter 11-65-03 and 11-65-10. The rules amendment process is estimated to take six to 12 months. In addition, the DOH is currently drafting the Final Loan Agreements for loans which are scheduled to be executed in the Spring of 2015. Changes to the amortization calculation method would impact staff time as well as delay the issuance of the Final Loan Agreements.</p>	<p><u>January 30, 2015</u> - The DOH submitted a commitment to alter the loan amortization calculation methods in the CAP.</p> <p><u>March 31, 2015</u> -- Email from Keith Kawaoka to Jane Diamond, Michael Montgomery and Doug Eberhardt transmitting deliverable for action item 5. DOH's submittal to EPA listed three methods that will meet the one-time amortization requirement. DOH stated they will choose one of these three methods.</p> <p><u>April 20, 2015</u> - EPA approved DOH's commitment to alter the loan amortization calculation methods in a letter from Jane Diamond to Keith Kawaoka</p> <p><u>April 27, 2015</u> -- DOH sent a proposed one-time amortization method to EPA and the Hawaii Counties -- method demonstrated in April 21 and 23 webinars to Hawaii Counties to introduce new method.</p> <p><u>August 3, 2015</u> -- In this letter, EPA sets August 20, 2015 as deadline for DOH to submit a one-time amortization process to EPA for final approval.</p>	DONE

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – October 2015

					<p><u>August 20, 2015</u> – Hawaii Administrative Rules Chapter 11-65-03 and 11-65-10, rule change required for a one-time amortization method, scheduled for public hearing</p> <p><u>August 20, 2015</u> – Email from Keith Kawaoka to Michael Montgomery submitting a final amortization process.</p> <p><u>August 26, 2015</u> – Email from EPA to HDOH with additional comments</p> <p><u>September 16, 2015</u> – Email from Keith Kawaoka to Michael Montgomery submitting a revised final amortization process.</p> <p><u>October 5, 2015</u> - Governor Ige signed Amendment of Hawaii Administrative Rules Chapter 11-65-03 and 11-65-10, allowing the one-time amortization method.</p> <p><u>October 19, 2015</u> – By this letter, EPA approves the final revision submitted by email on September 16, 2015.</p>	
6	Submit a list of projects from the state fiscal year 2015 fundable list that are viable and ready to proceed within three to six months.	January 30, 2015	Loan Commitments	The DOH submits CAP Attachment 3 which is a list of projects from the SFY 2015 fundable list that are viable and ready to proceed within three to six months.	<p><u>January 30, 2015</u> - The DOH submitted a list of viable and fundable projects in the CAP.</p> <p><u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.</p>	DONE
7	Submit a report establishing a target level for commitments (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match,	January 30, 2015	Loan Commitments	The DOH submits CAP Attachment 4 which is a report establishing a target level for commitments (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings) for SFY 2015.	<p><u>January 30, 2015</u> - The DOH submitted in the CAP a report establishing a target level for commitments.</p> <p><u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.</p>	DONE

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – October 2015

	fees, repayments and interest earnings) for state fiscal year 2015.																	
8	Submit a report establishing a target level for disbursement for state fiscal year 2015.	January 30, 2015	Disbursements	<p>The DOH submits the following target levels for disbursement for SFY 2015. Quarters 1 and 2 are actual disbursements while Quarter 3 and 4 are projected disbursements based on assumptions in the existing DOH cash flow.</p> <table><tr><td>Period of Disbursement</td><td>Disbursement Amount</td></tr><tr><td>Quarter 1</td><td>\$7,160,468.22</td></tr><tr><td>Quarter 2</td><td>\$28,757,141.35</td></tr><tr><td>Quarter 3 *</td><td>\$8,877,601.07</td></tr><tr><td>Quarter 4</td><td>\$15,367,516.33</td></tr><tr><td>SFY 2015</td><td>\$60,162,726.97</td></tr></table> <p>Note: * \$3,659,540.94 of this are actual disbursements for January.</p>	Period of Disbursement	Disbursement Amount	Quarter 1	\$7,160,468.22	Quarter 2	\$28,757,141.35	Quarter 3 *	\$8,877,601.07	Quarter 4	\$15,367,516.33	SFY 2015	\$60,162,726.97	<p><u>January 30, 2015</u> - The DOH submitted in the CAP target levels for SFY 2015 disbursements.</p> <p><u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.</p>	DONE
Period of Disbursement	Disbursement Amount																	
Quarter 1	\$7,160,468.22																	
Quarter 2	\$28,757,141.35																	
Quarter 3 *	\$8,877,601.07																	
Quarter 4	\$15,367,516.33																	
SFY 2015	\$60,162,726.97																	
9	Meet with the EPA to select recommendations to implement from the final version of the LGTS Study.	30 days from receipt of final report	Technical Capabilities	<p>The DOH will meet with the EPA 30 days from receipt of the final version of the LGTS Study.</p>	<p><u>February 2, 2015</u> - The final LGTS Study report was transmitted to DOH.</p> <p><u>March 3, 2015</u> - DOH and EPA met to discuss selected recommendations.</p> <p><u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.</p>	DONE												
10	Submit a plan, including a schedule, to implement selected recommendations from the LGTS Study	30 days from meeting with EPA	Technical Capabilities	<p>The DOH will submit the LGTS Study Implementation Plan to EPA by 30 days from meeting with EPA.</p>	<p><u>March 31, 2015</u> - The DOH submitted the Plan in an email from Keith Kawaoka to Jane Diamond, Michael Montgomery and Doug Eberhardt.</p> <p><u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.</p> <p><u>June 25, 2015</u> - DOH notified EPA in an email from J. Seto to S. Polanco that</p>	ONGOING												

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – October 2015

					<p>start-up of LGTS is postponed until August 1, 2015, due to a break in access to the state cloud hosting the system.</p> <p><u>July 20, 2015</u> – LGTS status update teleconference with DOH, NB and EPA. DOH confirmed the LGTS system will go live on August 1, 2015. EPA will participate in monthly LGTS implementation status updates.</p> <p><u>August 3, 2015</u> - EPA approves the August 31, 2015 deadline for DOH to begin using LGTS, in a letter from Mike Montgomery to Keith Kawaoka.</p> <p><u>October 19, 2015</u> – HDOH is working on an additional statement of work to continue LGTS implementation. HDOH will provide EPA this request by October 29, 2015.</p>	
11	<p>Submit to the EPA a staffing plan including job descriptions and timeline to address at a minimum the following four deficiencies the EPA has identified: (1) information technology: expertise is needed with respect to the development, implementation and maintenance of LGTS; (2) financial analysis; expertise is needed with respect to financial modeling, strategic planning, and forecasting to determine funding capacity and create an understanding of the long term implications of funding decisions; (3) program management; expertise is needed for managing the SRFs (not limited to DWSRF) in a manner so as to integrate program, accounting, and</p>	February 28, 2015	Technical Capabilities	<p>The DOH will submit a staffing plan to EPA by February 28, 2015, which includes job descriptions and timeline, to address, at a minimum, the four deficiencies EPA identified in this CAP item 11.</p>	<p><u>February 28, 2015</u> - DOH submitted staffing plan to EPA.</p> <p><u>April 20, 2015</u> – In a letter from Jane Diamond to Keith Kawaoka, EPA acknowledged receipt but did not approve this deliverable.</p> <p><u>May 27, 2015</u> - In a letter from Michael Montgomery to Keith Kawaoka, EPA:</p> <ol style="list-style-type: none"> 1. Approved IT staffing plan; 2. Disapproved SRF Financial Analyst and Program Manager Staffing plan; 3. Requested more supporting information on Set-aside Program Specialist; 4. Acknowledged that DOH satisfied filling Geologist and Chemist positions; 	ONGOING

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – October 2015

	<p>financial activities to meet and sustain the goals of the CAP and Management Study; and (4) set-aside management; submit a schedule for filling the Program Specialist, Geologist and Chemist vacancies in SDWB, such that all three positions are advertised by March 31, 2015.</p>				<p>5. Requested that DOH resubmit #11 by June 5, 2015.</p> <p><u>June 17, 2015</u> – Email from DOH, Keith Yamamoto to EPA, Mike Montgomery asked for a time extension to prepare and resubmit the position descriptions required under CAP #11</p> <p><u>August 3, 2015</u> - In a letter from Mike Montgomery of EPA to Keith Kawaoka, of DOH, EPA:</p> <ol style="list-style-type: none"> 1. Acknowledged receipt of DOH's revised #11 and approved the set-aside management positions. 2. Disapproved the plans for filling the Program Manager and Fiscal Analyst since neither position would be filled within the CAP time frame. <p><u>September 15 & 16, 2015</u> – EPA met with Dr. Pressler, Director, HDOH, Keith Kawaoka, Deputy Director, and SRF managers to discuss plans for filling the SRF Program Management, Financial Analysis and General Professional IV positions.</p> <p><u>October 19, 2015</u> – In a letter from Michael Montgomery to Keith Kawaoka, EPA set milestones:</p> <p>November 13, 2015, as the deadline for submitting a staffing plan for the Program Manager and Financial Analysis positions that includes: (1) position descriptions; (2) a plan detailing milestones, steps and approvals needed to create and</p>	
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Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – October 2015

					<p>fill these positions as soon as possible but not later than the end of the CAP; and (3) an interim plan to fulfill the functions of these positions while these positions are being filled.</p> <p>General Professional IV position – By November 13, 2015, HDOH must fill the position or submit to EPA a plan to have a qualified applicant in place as soon as possible and not later than June 30, 2017.</p> <p>IT Position – HDOH staffing plan needs to be revised for the functions related to information technology. The support function for at least the 0.20 FTE IT support must be filled and a plan for filling the remaining support for LGTS must be submitted to EPA by November 13, 2015.</p>	
12	The DOH will meet with EPA to review and agree on the modifications to the Hawaii DWSRF State Environmental Review Process to ensure that the SERP meets the requirements of the federal DWSRF program.	February 28, 2015	SERP	<p>The DOH will meet with EPA by February 28, 2015, to review the modification to the Hawaii DWSRF State Environmental Review Process (SERP) to ensure that the SERP meets the requirements of the federal DWSRF program. In addition, the DOH will submit an outline of the draft proposed revision to the SERP for EPA review.</p> <p>The DOH will meet with EPA by April 30, 2015, to agree on the modifications. Additional time is needed to work out necessary changes and legal consultation.</p> <p>Note that the first meeting between DOH and EPA was held via conference call on January 16, 2015.</p>	<p><u>January 30, 2015</u> - The DOH documented on this date that they met with EPA via conference call on January 16, 2015, to review the modification to the SERP.</p> <p><u>February 27, 2015</u> - The DOH submitted to EPA an outline of the proposed SERP modifications in an email from Keith Kawaoka to Jane Diamond, Mike Montgomery, and Doug Eberhardt.</p> <p><u>April 20, 2015</u> – In a letter from Jane Diamond to Keith Kawaoka, EPA approved this action item.</p>	ONGOING

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – October 2015

					<p><u>August 3, 2015</u> – In this letter to DOH, EPA establishes September 14, 2015 as the deadline for DOH to send their formal submittal to the EPA R9 Regional Administrator requesting approval of DOH SRF SERP.</p> <p><u>September 25, 2015</u> – EPA provided additional comments to HDOH's final draft submittal.</p> <p><u>October 16, 2015</u> – EPA and HDOH hold a conference call to discuss EPA comments.</p> <p><u>October 19, 2015</u> – Letter from EPA sets November 13, 2015 as the deadline for HDOH to submit their final SERP package to the EPA Regional Administrator for approval.</p>	
13	<p>Deadline for advertising the Program Specialist, Geologist and Chemist vacancies in SDWB. Submit a report describing the status of the vacancies in SDWB</p>	March 31, 2015	Technical Capabilities	<p>The DOH will submit a copy of the Internal Vacancy Announcement and status of the process to fill the position to EPA by March 31, 2015, for each listed position.</p> <p>Note: Program Specialist title has been changed to General Professional.</p>	<p><u>March 31, 2015</u> - DOH submitted evidence of the Internal Vacancy Announcements and status.</p> <p><u>April 20, 2015</u> - EPA approved this deliverable in a letter from Jane Diamond to Keith Kawaoka.</p> <p><u>May 27, 2015</u> – Letter from EPA to DOH required the external announcement for the General Professional IV (formerly known as Program Specialist) shall be advertised by June 15, 2015.</p> <p><u>June 16, 2015</u> - DOH submitted a copy of the external announcement for the GPIV position posted on June 13, 2015, via email from Keith Yamamoto to Michael Montgomery, Nancy Woo and Doug Eberhardt,</p>	ONGOING

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – October 2015

					<p><u>September 2015</u> - DOH received a list of qualified applicants. DOH is currently using in-house staff to cover the work required for this position.</p> <p><u>October 19, 2015</u> — EPA letter sets November 13, 2015, as the deadline for HDOH to fill the General Professional IV position or submit to EPA a plan to have a qualified applicant in place as soon as possible and not later than June 30, 2017.</p>	
14	Submit a report evaluating the extent to which each 15% set-aside project is meeting goals, outcomes, outputs and contract terms. Include a list and schedule for each deficiency and correction.	March 31, 2015	Technical Capabilities	<p>The DOH will submit a report to EPA by March 31, 2015, which will evaluate the extent to which each 15% set-aside project is meeting goals, outcomes, outputs and contract terms, including a list and schedule for each deficiency and correction.</p> <p>Note that this will be an update of CAP attachment 2.</p>	<p><u>March 31, 2015</u> - The DOH submitted the report in an email from Keith Kawaoka to Jane Diamond, Michael Montgomery and Doug Eberhardt.</p> <p><u>April 22, 2015</u>- EPA reviewed and asked for revisions that were submitted, in an email from Keith Kawaoka to Michael Montgomery.</p> <p><u>August 3, 2015</u> – EPA approved this deliverable by letter from Mike Montgomery to Keith Kawaoka.</p>	DONE
15	Propose a commitment target for state fiscal year 2016 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of the available loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target must be calculated using a cash flow model such as FOCUS that incorporates DOH's project pipeline along with counties' capital improvement plans. If the EPA has not yet provided state allotments for 2015, the DOH should confer with EPA regarding an estimated amount for	March 31, 2015	Loan Commitments	<p>The DOH will submit to EPA by March 31, 2015, a commitment target for SFY 2016 to use the state's full loan capacity (i.e., the amount of funding the DOH must commit in executed assistance agreements, based on maximum use of available loan funds, including capitalization grants, state match, fees, repayments and interest earnings). Target will be calculated using a cash flow model that incorporates the DOH's project pipelines along with the counties' capital improvement plans and will include a list of projects from the SFY 2016 fundable list (or draft IUP), sufficient to meet the proposed commitment target, that are viable and ready to proceed within three to six months.</p>	<p><u>March 31, 2015</u> – DOH originally submits this deliverable in an email from Keith Kawaoka to Jane Diamond, Michael Montgomery and Doug Eberhardt.</p> <p><u>April 22, 2015</u> - Email from Keith Kawaoka to Michael Montgomery resubmits the deliverable.</p> <p><u>May 27, 2015</u> - In this letter, Mike Montgomery notified Keith Kawaoka that the deliverable submitted did not fully meet the requirements of the CAP.</p> <p><u>June 1, 2015</u> - Email from Keith Kawaoka to Michael Montgomery, Nancy</p>	DONE

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – October 2015

	<p>the 2015 capitalization grant. Submit a list of projects from the state fiscal year fundable list (or draft IUP), sufficient to meet the proposed commitment target, that are viable and ready to proceed within three to six months.</p>				<p>Woo and Doug Eberhardt resubmits the revised deliverable.</p> <p><u>June 17, 2015</u> - Email from Keith Yamamoto to Michael Montgomery, Nancy Woo and Doug Eberhardt resubmits the third revised deliverable.</p> <p><u>August 3, 2015</u> – In this letter, EPA approved this deliverable as submitted on June 17, 2015.</p> <p><u>July 31, 2015</u> – Email from Keith Kawaoka to Michael Montgomery notifying EPA that HDOH had missed the commitment target for SFY15 by \$7.4M.</p> <p><u>September 10, 2015</u> – Email from Keith Kawaoka to Michael Montgomery notifying EPA that HDOH had recalculated the SFY16 target, now \$69.8M.</p> <p><u>October 19, 2015</u> - In this letter, EPA notifies HDOH that EPA continues to consider \$51.8M as the commitment target for SFY16.</p>	
16	<p>Submit a disbursement plan accounting for all sources of funds, including capitalization grants, state match, fees, repayments and interest earnings, developed using a cash flow model. Federal funds must be disbursed such that the balance of federal funds, on June 30, 2017, (including loans and set-asides) does not exceed the sum of the 2015 and 2016 capitalization grants. The plan must include annual and cumulative disbursement targets for state fiscal years 2016 and 2017.</p>	March 31, 2015	Disbursements	<p>The DOH will submit a disbursement plan to EPA by March 31, 2015, based on assumptions in the existing DOH cash flow model. The plan will account for all sources of funds, including capitalization grants, state match, fees, repayments and interest earnings, and will include annual and cumulative disbursement targets for SFY 2016 and 2017</p>	<p><u>March 31, 2015</u> – DOH originally submits this deliverable in an email from Keith Kawaoka to Jane Diamond, Michael Montgomery and Doug Eberhardt.</p> <p><u>April 22, 2015</u> - Email from Keith Kawaoka to Michael Montgomery resubmits the deliverable.</p> <p><u>May 27, 2015</u> – Letter from Mike Montgomery to Keith Kawaoka notifying HDOH that the deliverable did not fully meet the requirements of the CAP.</p>	DONE

Hawaii Department of Health (DOH) Corrective Action Plan (CAP) Submitted Deliverables – October 2015

					<p><u>June 1, 2015</u> - Email from Keith Kawaoka to Michael Montgomery, Nancy Woo and Doug Eberhardt resubmits the revised deliverable.</p> <p><u>June 17, 2015</u> - Email from Keith Yamamoto to Michael Montgomery, Nancy Woo and Doug Eberhardt resubmits the third revised deliverable.</p> <p><u>August 3, 2015</u> – In this letter, EPA approved this deliverable as submitted on June 17, 2015.</p> <p><u>July 31, 2015</u> – Email from Keith Kawaoka to Michael Montgomery notifying EPA that HDOH had recalculated its disbursement targets for SFY16 and SFY17 due to the shortfall in SFY15.</p> <p><u>October 19, 2015</u> – In this letter, EPA notifies HDOH that EPA considers the SFY16 disbursement target to be \$56,690,903.05 and the SRF17 target to be \$44,347,640.65, with a cumulative of \$101,038,543.70 over the two year period.</p>	
17.	Deadline for finalizing and adopting modifications to the SERP such that it complies with federal requirements	April 30, 2015	SERP	The DOH requests a subsequent two (2) month extension of this deadline for April 30, 2015, to June 30, 2015, to submit the final modifications to the SERP to EPA for approval. This extension is due to the time needed for DOH to ensure legal review of the proposed modifications to the SERP.	<p><u>January 30, 2015</u> - The DOH documented on this date that they met with EPA via conference call on January 16, 2015, to review the modification to the SERP.</p> <p><u>February 27, 2015</u> - The DOH submitted to EPA an outline of the proposed SERP modifications in an email from Keith Kawaoka to Jane Diamond, Mike Montgomery, and Doug Eberhardt.</p> <p><u>April 20, 2015</u> – In a letter from Jane Diamond to Keith Kawaoka, EPA approved deliverable 12 – meeting with</p>	ONGOING

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					<p>EPA and providing an outline for the SERP modifications.</p> <p><u>August 3, 2015</u>– In this letter to HDOH, EPA established September 14, 2015 as the deadline for DOH to send their formal submittal to the EPA R9 Regional Administrator requesting approval of DOH SRF SERP.</p> <p><u>September 25, 2015</u> – EPA submitted additional comments to HDOH for review and scheduled a conference call for October 16, 2015, to review these comments.</p> <p><u>October 16, 2015</u> - HDOH and EPA hold a conference call to review EPA's additional comments.</p> <p><u>October 19, 2015</u> – In this letter EPA sets November 13, 2015, as the deadline for HDOH to revise and submit its final SERP package to the Regional Administrator for approval.</p>	
18	<p>Submit a report (or final IUP) describing the DOH's plan for utilizing its full loan capacity in state fiscal year 2016, as determined using a cash flow model such as FOCUS that incorporates the DOH's project pipelines along with the counties' capital improvement plans. The report must describe (1) the DWTRLF's full loan capacity, which includes anticipated repayments as well as available funds (from capitalization grants, state match, fees, repayments and interest earnings); (2) the final commitment target for state fiscal year 2016 (the maximum amount</p>	May 31, 2015	Loan Commitments	<p>The DOH will submit the Final IUP for SFY 2016 to EPA by May 31, 2015. The IUP will describe (1) the DWTRLF's full loan capacity, which includes all available funds (from capitalization grants, state match, fees, repayments, interest earnings, and anticipated repayments); (2) the final commitment target for SFY 2016 (the maximum amount the DOH can commit to executed assistance agreements) and (3) a list of projects from the 2016 fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.</p>	<p><u>June 2, 2015</u> - DOH submitted this deliverable in an email from Keith Kawaoka to Michael Montgomery, Nancy Woo and Doug Eberhardt. As submitted, this deliverable sets the final target for the amount of funding to be executed in new financial agreements in state fiscal year 2016 at \$51.8 million and includes a list of projects from the 2016 fundable list that exceeds this target.</p> <p><u>July 22, 2015</u> - Email from Keith Kawaoka to Michael Montgomery transmitting Amendment 2 of the DWSRF IUP.</p>	DONE

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	the DOH can commit to executed assistance agreements) and (3) a list of projects from the 2016 fundable list sufficient to meet the final commitment target that are viable and ready to proceed within three to six months.				<p><u>August 3, 2015</u> – In this letter, EPA accepts \$51.8 million as the final target for new financial agreements in state fiscal year 2016.</p> <p><u>August 4, 2015</u> – Email from Susan Polanco, EPA to Joanna Seto, HDOH, providing comments to the DWSRF IUP, Amendment 2.</p> <p><u>August 19, 2015</u> – Email from Susan Polanco, EPA, to Joanna Seto, HDOH, providing comments to the DWSRF IUP, Amendment 2.</p> <p><u>August 31, 2015</u> - Email from Susan Polanco, EPA to Joanna Seto, HDOH providing additional comments for revision to IUP Amendment 2.</p> <p><u>September 8, 2015</u> – Email from Keith Kawaoka to Michael Montgomery transmitting Amendment 3 of the DWSRF IUP.</p> <p><u>October 19, 2015</u> – In this letter, EPA accepts HDOH's Amendment 3 of their DWSRF IUP, emailed to EPA on September 8, 2015.</p>	
19	Submit a list of all executed final assistance agreements made in state fiscal year 2015 to verify that the commitment target for state fiscal year 2015 was met by June 30, 2015.	July 31, 2015	Loan Commitments	The DOH will submit a list to EPA by July 31, 2015, which will include all executed final assistance agreements made in SFY 2015 to verify that the commitment target for SFY 2015 in CAP Item 7 was met by June 30, 2015.	<p><u>July 31, 2015</u> - Email from Keith Kawaoka to Michael Montgomery transmitted the document required by CAP item 19.</p> <p><u>September 21, 2015</u> – Letter from Carolyn Truong (EPA) informing Dr. Pressler (HDOH) that EPA will withhold the majority of the FFY15 capitalization grant as a result of HDOH's failure to meet the targets set in CAP items 7 and 8.</p>	ONGOING

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					<p><u>October 19, 2015</u> – In this letter, EPA reiterates that HDOH must commit at least \$28,283,883 to executed assistance agreements between July 1, 2015, and January 29, 2016, before EPA will award the withheld funds.</p>	
20	<p>Submit evidence that the disbursement target set for state fiscal year 2015 was met by June 30, 2015. If further annual and cumulative disbursement targets need to be adjusted to meet the June 30, 2017, target, submit an analysis using a cash flow model to justify these changes.</p>	July 31, 2015	Disbursements	<p>The DOH will submit evidence to EPA by July 31, 2015, that the disbursement target set for SFY 2015 in CAP item 8 was met by June 30, 2015, and will update the future disbursement target with new cash flow model data.</p>	<p><u>July 31, 2015</u> – Email from Keith Kawaoka to Michael Montgomery transmitting the documents required by CAP item 20.</p> <p><u>September 21, 2015</u> – Letter from Carolyn Truong (EPA) informing Dr. Pressler (HDOH) that EPA will withhold the majority of the FFY15 capitalization grant as a result of HDOH's failure to meet the targets set in CAP items 7 and 8.</p> <p><u>October 19, 2015</u> – In this letter, EPA reiterates that HDOH must disburse the shortfall of \$7,674,832.29 between July 1, 2015, and January 29, 2016 before EPA will award the withheld funds.</p>	ONGOING
21	<p>Submit evidence that the 15% set-aside achieved a cumulative spending rate of 75% by June 30, 2015.</p>	July 31, 2015	Disbursements	<p>The DOH will submit evidence to EPA by July 31, 2015, that the 15% set-aside achieved a cumulative spending rate of 75% by June 30, 2015.</p>	<p><u>July 31, 2015</u> - Email from Keith Kawaoka to Michael Montgomery transmitting the documents required by CAP item 21.</p> <p><u>October 19, 2015</u> – In this letter, EPA confirms that evidence for CAP item 21 was submitted on time and shows that HDOH did meet the goal by achieving a 76% cumulative spending rate. EPA is approving this deliverable.</p>	DONE