

Honolulu Board of Water Supply

News Release



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January 6, 2015

BOARD OF WATER SUPPLY (BWS) COMPLETES BOND SALE Proceeds to be reinvested into water system infrastructure

HONOLULU – The Board of Water Supply (BWS) recently issued \$144,985,000 in water system revenue bonds. The Series 2014A and Series 2014B bonds were sold, paying a rate of 3.36 percent. As a result, the BWS saved more than \$13M in interest.

In November 2014, the BWS also received a low-interest loan through the Drinking Water State Revolving Funds (DWSRF) administered by the State Department of Health. The loan was used to refinance outstanding bonds and resulted in more than \$6M of interest savings. Combined with the savings from the bond sale, the BWS has realized more than \$19M in interest (today's dollars) or nearly \$1M per year for the next 23 years. These savings will be reinvested into the BWS water system infrastructure, which will result in better reliability and will help to fund some of its future water service improvement projects. The bond ratings from Moody's Investors Service and Fitch Ratings are Aa2 and AA+, respectively.

"The BWS is committed to providing reliable and affordable water service to our customers," said Ernest Lau, manager and chief engineer. "As one of the State's strongest rated municipal agencies, I am pleased that we were able to complete these bond sales as it allows the BWS to move forward on its long-term water system improvement plans, thereby positively benefitting all of our Oahu customers."

About the Board of Water Supply

The Board of Water Supply (BWS), a semi-autonomous agency of the City and County of Honolulu, manages Oahu's municipal water resources and distribution system. As the largest water utility in the State, the BWS serves approximately one million customers on Oahu. The BWS embraces its mission of "Water for Life – *Ka Wai Ola*"—to provide a safe, dependable, and affordable water supply, now and into the future. *Uwē ka lani, ola ka honua* – "When the heavens weep, the earth lives." For more information, visit www.boardofwatersupply.com.

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