



AQUA ENGINEERS

AN EMPLOYEE OWNED COMPANY

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US Army Awards Aqua Engineers, Inc. Contract to Privatize Wastewater Collection Systems on Oahu

Hawaii—Kauai-based Aqua Engineers, Inc. has been awarded a \$229 million, 50-year military contract for the Privatization of the US Army Wastewater Collection Systems on Oahu, making the award winning water and wastewater management company Hawaii's largest.

Aqua Engineers was selected for its technical approach to improving the once Government-owned utility while maintaining cost competitiveness for the Oahu-wide wastewater utility project. The firm expects to save the US Army more than \$18 million in financing charges by using new technology and funding Initial Capital Upgrades internally. Officials from the US Army and Aqua Engineers signed the contract agreement this week, signifying the complete divestiture and transfer of ownership of a U.S. Government-owned utility system to a non-Government entity.

US Senator Inouye congratulated the company, saying, "I am proud of Hawaii small business, Aqua Engineers, for working hard, understanding the Army's needs, and then providing a workable plan with the best value to win the competition. This is a win-win for all parties. The US Army will be better able to focus on their mission, while infusing significant capital into our economy to create and expand jobs through Aqua Engineers."

The project includes the acquisition of wastewater installations at Fort Shafter, Aliamanu Military Reservation, Fort DeRussy, Tripler Army Medical Center, Red Hill Coast Guard, Hickam Air Force Base, Pihlilaa Army Recreation Center, and Schofield Barracks. As part of the privatization contract, Aqua Engineers will provide necessary improvements, upgrades, repairs, expansions, investments, and facility replacements, as well as continue to operate and maintain the utility wastewater collection systems.

“Our team is excited about the opportunity to team with the US Army in assuming the ownership of the US Army Oahu-wide wastewater utility,” said Eassie Miller, president and CEO of Aqua Engineers. “Our experience in the wastewater industry and high company standards, combined with our Schofield Barracks Waste Water Treatment Plant ownership experience, enables our team to provide cost effective, efficient, and reliable services.”

This is the second military privatization project awarded Aqua Engineers. In November 2006, Aqua Engineers successfully completed upgrades to the Schofield Barracks Wastewater Treatment Plant. The plant was the first to come under the U.S. Department of Defense’s privatization program to contract with private-sector companies and take over utility and housing operations on hundreds of military bases across the country in order to decrease costs and streamline projects.

For its work on the Schofield Barracks Wastewater Treatment Plant, and on a surface water treatment facility on Kauai, Aqua Engineers was awarded the GE ecomagination Award in 2007 and again in 2008, receiving project recognition for its partnership with the US Military and for its role in taking operational measures to improve the environment—the focus being on lowering emissions and integrating with local communities and continuing to be good corporate citizens.

Aqua Engineers' work with the US Army to upgrade the Schofield Barracks Wastewater Treatment Plant included recommending new technologies that reduced the plant's output of nitrogen and phosphates and enabled it to provide premium recycled water (R-1) to irrigate lawns, golf courses, parks and other sites on base, positively affecting the nearly 28,000 military personnel and their families, and civilians who work on base and nearby.

"In this new project as well, we are committed to working in partnership with the Army to enhance the operational reliability and efficiency of the utility and to successfully completing the upgrades outlined in the military contract," Miller said. "Our ultimate goal is to conserve water, decrease pollution, and contribute to sustainability goals."

About Aqua Engineers

Aqua Engineers was founded in 1981 to meet a need for trained operators for privately-owned wastewater treatment plants on Kauai. The company now operates and maintains 28 wastewater systems, more than 75 pumping stations, and eleven water stations throughout Hawaii. With its subsidiary companies A-Vac, LLC, which handles sewer and storm system maintenance; and Briant Construction, Inc., a mechanical contracting company; Aqua Engineers has nearly 100 employees specializing in engineering, construction, operations, maintenance, and management of water and wastewater systems.

In March 2006, it transitioned from a 4-person ownership organization to an employee owned company when 100% of Aqua Engineers shares were purchased by the company's employee stock ownership plan (ESOP).

Dedicated to designing and operating efficient water and wastewater systems throughout Hawaii, Aqua Engineers www.aquaengineers.com continues to expand its services and employ the latest technology to meet community needs.

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