State of Hawai‘i
Water Pollution Control Revolving Fund
also known as the
Clean Water State Revolving Fund (CWSRF)

Intended Use Plan

for State Fiscal Year (SFY) 2027
and Federal Fiscal Year (FFY) 2026 Appropriation

Submitted to the
U.S. Environmental Protection Agency (EPA)
Region IX

Prepared by the
State of Hawai‘i
Department of Health
Environmental Management Division
Wastewater Branch

September 2026

Table of Contents

I. Introduction 3

II. FFY 2026 Project Funding Requirements and Project Selection 3

III. Long-Term and Short-Term Goals 10

IV. Project Eligibility and Selection 11

V. Loan Policies 12

VI. Financial Management 13

VII. Other Requirements of the Act 14

Appendix A – CWSRF Project Ranking Criteria 16

Appendix B – Hawai'i – Project Priority List for SFY 2027 19

Appendix C – Summary of Public Comments 22

Table of Tables

Table 1: CWSRF Projects to be Funded in SFY 2027 9

Table 2: Long-Term Goals 10

Table 3: Short-Term Goals 10

Table 4: Project Eligible for CWSRF Funding 12

Table 5: Sources and Uses of SFY 2027 Funds 13

Table 6: Capitalization Grant Payments and Disbursements for FFY 2026 14

Table 7: Status of Additional Subsidies for Closed Grants 14

Table of Figures

Figure 1: Proposed Project for SRF Funding Form (Form D-1) 18

I. Introduction

Hawai'i's Water Pollution Control Revolving Fund (commonly referred to as the Clean Water State Revolving Fund or CWSRF) provides low-interest loans to Hawai'i's four (4) counties to construct high-priority wastewater, stormwater, and non-point source projects. Since its establishment in 1988, the program has issued over $1.416 billion in low-interest loans, providing significant savings in interest costs to the counties.

Each year, the CWSRF Program is required to prepare an Intended Use Plan (IUP) as part of its request to the EPA for an annual capitalization grant. The IUP sets program goals, identifies the intended use of federal and state funds to be provided during the year, and describes how the program will meet the requirements of the Federal Fiscal Year (FFY) 2026 Appropriations Act.

On November 15, 2021, President Biden signed the Bipartisan Infrastructure Law (BIL) (P.L. 117-58), also known as the Infrastructure Investment and Jobs Act (IIJA) of 2021. The BIL appropriates funds to be administered through the existing CWSRF program from FFY 2022 through 2026 and to be utilized from SFY 2023 through 2027. There are two (2) appropriations per year for the CWSRF (i.e., BIL CWSRF General Supplemental appropriation and BIL CWSRF Emerging Contaminants (EC) Supplemental appropriation).

II. FFY 2026 Project Funding Requirements and Project Selection

Hawai'i is expected to receive a federal capitalization grant of $5,532,000.00 under the FFY 2026 Base CWSRF Appropriations Act and $20,726,000.00 under the FFY 2026 BIL CWSRF Appropriations Act (i.e., $19,079,000.00 for BIL CWSRF General Supplemental and $1,647,000.00 BIL CWSRF EC Supplemental). The following requirements apply:

1. American Iron and Steel (AIS): Funds made available from the CWSRF may not be used for a project for the construction, alteration, maintenance, or repair of treatment works unless all the iron and steel products used in the project are produced in the United States. EPA provides AIS national waivers, including the use of a De Minimis waiver for projects.

2. Fiscal Sustainability Plan (FSP): For applicable CWSRF projects involving repair, replacement, or expansion of publicly owned treatment works, the recipient of a loan shall develop and implement an FSP or certify that the recipient has developed and implemented an FSP that includes:

    - an introduction indicating whom the document is prepared for and stating the purpose of the document;
    - an asset inventory of critical assets that are a part of the treatment works, which includes, but is not limited to:

        i. type of asset;
        ii. installation date;
        iii. asset condition;
        iv. estimated useful remaining life;
        v. service history;

- an evaluation of the condition and performance of inventoried assets or asset groupings;
- a certification that the recipient has evaluated and will be implementing water and energy conservation efforts as part of the plan; and
- a fiscal plan for maintaining, repairing, and, as necessary, replacing the treatment works and a plan for funding such activities.

3. Cost and Effectiveness Analysis: For applicable CWSRF projects, the recipient of a loan shall certify that the recipient:

    - has studied and evaluated the cost and effectiveness of the processes, materials, techniques, and technologies for carrying out the proposed project or activity for which assistance is sought under this title; and
    - has selected, to the maximum extent practicable, a project or activity that maximizes the potential for efficient water use, reuse, recapture, and conservation, and energy conservation, taking into account:

        i. the cost of constructing the project or activity;
        ii. the cost of operating and maintaining the project or activity over the life of the project or activity; and
        iii. the cost of replacing the project or activity.

4. Green Project Reserve (GPR): To the extent that there are sufficient eligible project applications, not less than 10% of the capitalization grant shall be used by the state for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. Various minimum amounts are to be allocated to the GPR. *Table 1* shows how this requirement will be met.

    - Base CWSRF GPR:

        i. During SFY 2027, the plan is to assign the FFY 2026 GPR amount, estimated to be $553,200.00, to C150054-53 Lahaina Recycled Water Force Main Construction/Rehabilitation.

    - BIL CWSRF General Supplemental GPR:

        i. During SFY 2027, the plan is to assign the FFY 2026 GPR amount, estimated to be $1,907,900.00, to C150051-82 Honouliuli WWTP Phase 1C - Headworks, HRBC, Solids Process and Misc. Improvements (SLA3).

    - BIL CWSRF EC GPR:

        i. During SFY 2027, the plan is to assign the FFY 2026 GPR amount, estimated to be $164,700.00, to C150051-82 Honouliuli WWTP Phase 1C - Headworks, HRBC, Solids Process and Misc. Improvements (SLA3).

5. Additional Subsidization:

    - Base CWSRF Additional Subsidization:

Under the Base CWSRF additional subsidy provision, two distinct and additive subsidy authorities are included in the grant:

i. Congressional Additional Subsidy Authority:

Per congressional authority, the Hawai'i CWSRF program must provide 10% of the Base CWSRF capitalization grant as additional subsidization to any CWSRF-eligible recipient. For the FFY 2026 Base CWSRF appropriation, the program plans to allocate 10%, a total of $553,200.00, as additional subsidization to C150055-08 Wailua WWTP Improvements Phase II.

ii. Clean Water Act (CWA) Additional Subsidy Authority:

Per the CWA, the Hawai'i CWSRF program is mandated to use at least 10%, but no more than 30%, of the capitalization grant to provide additional subsidization to eligible CWSRF assistance recipients and project types as described in section 603(i) of the CWA. For the FFY 2026 Base CWSRF appropriation, the program plans to allocate 10%, a total of $553,200.00, as additional subsidization to C150054-53 Lahaina Recycled Water Force Main Construction/Rehabilitation.

- BIL CWSRF General Supplemental Additional Subsidization:

In accordance with BIL, the Hawai'i CWSRF program is mandated to provide 49% of the FFY 2026 BIL CWSRF General Supplemental capitalization grant as additional subsidization to eligible CWSRF assistance recipients and project types as described in section 603(i) of the CWA. For the FFY 2026 BIL CWSRF General Supplemental appropriation, the program plans to allocate 49%, a total of $9,348,710.00, as additional subsidization to the following projects:

i. $2,963,104.00 to C150054-53 Lahaina Recycled Water Force Main Construction/Rehabilitation
ii. $3,516,303.00 to C150062-53 Hilo WWTP Rehabilitation and Replacement Project Phase I (SLA2)
iii. $1,869,303.00 to C150051-82 Honouliuli WWTP Phase 1C - Headworks, HRBC, Solids Process and Misc. Improvements (SLA3)
iv. $1,000,000.00 to RCC00KA-03 County of Kauai Residential Cesspool Conversion Program 3

- BIL CWSRF EC Additional Subsidization:

In accordance with BIL, the Hawai'i CWSRF program is mandated to provide 100% of the FFY 2026 BIL CWSRF EC capitalization grant as additional subsidization to any eligible CWSRF assistance recipient for any project eligible under section 603(c) of the CWA that addresses emerging contaminants. For the FFY 2026 BIL CWSRF EC, the program plans to allocate 100%, a total of $1,647,000.00, as additional subsidization to C150051-82 Honouliuli WWTP Phase 1C - Headworks, HRBC, Solids Process and Misc. Improvements (SLA3).

6. Davis-Bacon: The Davis-Bacon Act shall apply to any construction of treatment works carried out in whole or in part with assistance made available by the CWSRF. The Hawai'i CWSRF Program will continue to implement Davis-Bacon requirements with the exception provided by the *Class Deviation - Prevailing Wage Interview Requirement in Clean Water and Drinking Water State Revolving Funds (CWSRF and DWSRF) Capitalization Grants* memorandum of November 16, 2012. This waives the requirement for wage interviews to be conducted within the first two weeks of the start of construction.

7. Reporting: The Hawai'i CWSRF Program will continue its quarterly reporting in the EPA Office of Water State Revolving Fund (OWSRF) data system (formerly CWSRF Benefits Reporting (CBR) system) for all CWSRF Base and BIL projects. Reporting will be done on GPR, Federal Funding Accountability and Transparency Act (FFATA) requirements, and environmental benefits from new projects per the EPA Order on Environmental Benefits. This information will also be included in the Annual Report, as well as the "two-pager" reports on environmental benefits.

8. Cash Draw Ratio: As of November 18, 2022, the Hawai'i CWSRF program is no longer required to comply with the cash draw rules in the CWSRF regulations at 40 CFR 35.3155(d)(5)(i) and (ii) and 40 CFR 35.3160(b)(2)-(4). The CWSRF will deposit state match funds (or an equivalent amount of non-federal funds) prior to drawing any funds from the federal capitalization grant. The CWSRF may draw funds from the capitalization grant at a ratio of 100% of the disbursement amount.

9. Other Federal Requirements: Other federal requirements apply in an amount equal to the capitalization grant. These requirements are:

    - Single audit Act (OMB 2 CFR 200, Subpart F)
    - Disadvantaged Business Enterprise (DBE) compliance
    - Federal environmental cross-cutting authorities
    - Equivalency: CWSRF projects specifically identified by the Hawai'i CWSRF program that total an amount at least equal to the capitalization grant from the EPA and comply with all the federal requirements. Potential equivalency projects for FFY 2026 are identified in *Table 1*. All Base CWSRF, BIL CWSRF General Supplemental, and BIL CWSRF EC capitalization grants must meet the equivalency requirements separately.
    - Blending Funds and Cash Draws: States have the flexibility to craft single assistance agreements (e.g., loans) that contain multiple types of construction components and activities. These assistance agreements may commit funds from multiple BIL capitalization grants and base program funds. Upon disbursement of funds, these assistance agreements may draw from both BIL and base SRF capitalization grants for eligible project components. BIL and base funds must be separately managed and tracked for accounting purposes. States are encouraged to draw BIL funds first when projects are funded with both BIL and base funds.

10. Disadvantaged Communities: Congress has requested that states direct subsidies to disadvantaged communities. In the past, the CWSRF has funded projects such as the closure of large-capacity cesspools servicing relatively low-income or sparsely populated areas and will continue to do so. The BIL was designed to rebuild America's infrastructure and invest in disadvantaged communities. The Hawai'i CWSRF will review, refine, and improve its affordability criteria and definition of "disadvantaged communities" as necessary.

11. Affordability Criteria: The Hawai‘i CWSRF program established its affordability criteria on September 30, 2015, and revised it on October 13, 2021. The affordability analysis included the applicant's income, unemployment data, population trends, and other data determined relevant by the Hawai‘i CWSRF program. The affordability criteria will neither singly determine nor guarantee whether the Hawai‘i CWSRF program will enter into a binding commitment for additional subsidization with an applicant.

12. Signage:

- From the FFY 2015 SRF base capitalization grant and each year thereafter, the Hawai‘i CWSRF program must comply with EPA's Guidelines for Enhancing Public Awareness of SRF Assistance Agreements (also known as "SRF Signage Guidelines") in order to enhance public awareness of EPA assistance agreements nationwide. The Hawai‘i CWSRF program will ensure compliance with EPA's Signage policy is met for SFY 2027 by implementing the method which best balances the following two (2) goals:

    i. The sign will satisfy the overall objective of communicating the EPA's role in funding assistance agreements that achieve positive benefits.
    ii. The implementation method should be practically and financially viable for states and communities and avoid any overly burdensome investment of time and resources.
    iii. Signage requirements will be considered an equivalency requirement for SRF programs and will not be required to apply to all SRF projects. The guidelines provide the following options as acceptable:

        A. Standard signage
        B. Posters, wall signage, or brochures in a public building or location
        C. Newspaper/periodical advertisement or press release for project construction, groundbreaking ceremony, or operation of the new or improved facility
        D. Online signage placed on a community website or a social media outlet

13. Architectural and Engineering (A/E) Services Procurement: In accordance with the Attorney General's certification letter dated March 21, 2022, which certifies that using Hawai‘i Revised Statutes Chapter 103D - The State of Hawai‘i Public Procurement Code is equivalent to 40 USC 1101 et seq., the Hawai‘i CWSRF program may fund A/E projects that receive the capitalization grants, provided that our capitalization grant application for SFY 2027 includes the certification.

14. The Hawai‘i CWSRF Program's definition of a Treatment Works is the following:
Treatment works mean any treatment unit and its associated collection system and disposal system, excluding non-point source and individual wastewater systems. Treatment unit means any plant, facility, or equipment used in the treatment of wastewater, including the necessary pumps, power equipment, blowers, motors, holding tanks, flow splitter, and other process equipment.

    Projects that do not fall under this definition are not required to comply with the following:

- Hawai‘i State Environmental Review Process (SERP), which includes:

i. the environmental decision document (e.g. prior decision document, exempt project declaration, environmental assessment, or environmental impact statement);
ii. the eighteen (18) environmental cross-cutting authorities such as the consultation process under Section 106 of the National Historic Preservation Act, Section 7 of the Endangered Species Act, etc.

- AIS requirement,
- Davis-Bacon requirement, and
- Fiscal Sustainability Plan.

15. Build America, Buy America Act (BABAA): The BIL creates the BABAA domestic sourcing requirements for federal financial assistance programs for infrastructure, including the SRF programs. The BABAA requires that, no later than May 14, 2022, none of the funds made available for a federal financial assistance program for infrastructure may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States. These requirements are for projects identified as using funds "directly made available by" a capitalization grant (i.e. equivalency projects), as applicable.

16. Sewer Overflow and Stormwater Reuse Municipal Grants Program: America's Water Infrastructure Act of 2018 amended section 221 of the Federal Water Pollution Control Act (FWPCA, a.k.a. the "Clean Water Act", "CWA") to reauthorize the Sewer Overflow and Stormwater Reuse Municipal Grants Program (a.k.a. the "Overflow and Stormwater Grant program" or "OSG program"), which authorizes EPA to award grants to states to assist communities in meeting combined sewer overflows (CSO), sanitary sewer overflows (SSO), and stormwater management infrastructure needs. In selecting from among municipalities applying for OSG grants, a state shall give priority to an applicant that is requesting a grant for a project that is on a state's IUP pursuant to section 606(c).

17. Section 603(c)(2-3) of the FWPCA: Section 319 and 320: The Projects funded under Sections 319 and 320 must support the implementation of a current EPA-approved state nonpoint source management plan and a comprehensive conservation and management plan, respectively. The following project(s) meet these criteria and are identified for funding under these authorities:

    - RCC00KA-03 County of Kauai Residential Cesspool Conversion Program 3

18. Federal Civil Rights Responsibilities, Including Title VI of the Civil Rights Act of 1964: The EPA has a responsibility to ensure that recipients and sub-recipients of federal financial assistance from the EPA comply with federal civil rights laws that prohibit discrimination on the basis of race, color, national origin (including limited English proficiency), disability, sex, and age, including Title VI of the Civil Rights Act of 1964. The EPA expects the state to review program activities to ensure compliance with Title VI of the Civil Rights Act of 1964. The CWSRF program affirms its review and commitment to Title VI requirements in IUPs and that financial agreements and contracts include appropriate Title VI nondiscrimination language.

19. CWSRF 2% Technical Assistance (TA): The BIL amends the CWA to include section 603(k), which allows States to use up to an amount equal to 2% of their annual capitalization grant awards received after November 15, 2021, to provide TA to rural, small, and tribal publicly owned

treatment works. The Hawai'i CWSRF program reserves the authority to utilize any unused portion of the 2% TA allowance for future TA needs if the full amount allowed under a capitalization grant is not used. From FFY 2022 through FFY 2026, the total unused amount of TA from the Base CWSRF appropriation is $753,260.00, the total unused amount of TA from the BIL CWSRF General Supplemental appropriation is $1,438,300.00, and the total unused amount of TA from the BIL CWSRF EC appropriation is $147,960.00.

- Base CWSRF: The Hawai'i CWSRF program does not plan to utilize the 2% TA from the FFY 2026 Base CWSRF appropriation.
- BIL CWSRF General Supplemental: The Hawai'i CWSRF program does not plan to utilize the 2% TA from the FFY 2026 BIL CWSRF General Supplemental appropriation.
- BIL CWSRF EC: The Hawai'i CWSRF program does not plan to utilize the 2% TA from the FFY 2026 BIL CWSRF EC appropriation.

20. Clean Watershed Needs Survey (CWNS): The BIL expands the CWNS to include all capital projects eligible for CWSRF funding. The Hawai'i CWSRF will continue to complete and submit data to the CWNS Data Entry Portal (DEP) every four (4) years as required.

Table 1 lists projects that Hawai'i CWSRF plans to fund in SFY 2027. Although other projects may have a higher ranking, those projects are not ready to proceed at this time.

Table 1: CWSRF Projects to be Funded in SFY 2027

Project No./ Subrecipient/ Project Name	NPDES Permit No.	Estimated Loan Date	Estimated Loan Amount	State Match	Ad. Sub. (GPR/Afford. Crit.)		FFATA (Base/BIL/EC)
55-08: Kauai Wailua WWTP Improvements Phase II	HI0020257	7/15/2026	$ 10,000,000		$ 553,200 (Base-Cong.)		
59-29: Kauai Lihue WWTP Rehabilitation	N/A	7/15/2026	$ 5,000,000				
54-32: Maui Napili No. 3 Force Main Replacement	N/A	8/15/2026	$ 1,800,000				
54-42: Maui Napili No. 4 Force Main Replacement	N/A	8/15/2026	$ 1,800,000				
59-25: Kauai Best Management Practice (BMP) Improvements at Various Refuse Transfer Stations (SLA2)	HIR10H655	9/15/2026	$ 10,193,790				
54-56: Maui Napili No. 1 Force Main Replacement	N/A	9/15/2026	$ 3,700,000				
62-53: Hawaii Hilo WWTP Rehabilitation and Replacement Project Phase I (SLA2)	HI0021377	10/15/2026	$ 14,808,401	$ 3,815,800 (BIL) $ 1,106,400 (Base)	$ 3,516,303 (BIL)	AC	$ 5,532,000 (Base)
54-53: Maui Lahaina Recycled Water Force Main Construction/Rehabilitation	N/A	3/15/2027	$ 8,000,000		$ 553,200 (Base-sta.) $ 2,963,104 (BIL.)	GPR GPR	
51-77: Honolulu-BWS East Kapolei 215 R-1 3.0 MG Reservoir and 16-Inch Transmission Main	N/A	4/15/2027	$ 8,824,610				
51-83: Honolulu-BWS Kualakai Parkway: 16-Inch R-1 Transmission Main	N/A	4/15/2027	$ 3,238,999				
51-82: Honolulu-ENV Honouliuli WWTP Phase 1C - Headworks, HRBC, Solids Process and Misc. Improvements (SLA3)	HI0020877	4/15/2027	$ 21,576,000		$ 1,869,303 (BIL) $ 1,647,000 (BIL-EC)	GPR GPR	$ 19,079,000 (BIL) $ 1,647,000 (BIL-EC)
KA-03: Kauai County of Kauai Residential Cesspool Conversion Program 3	N/A	5/15/2027	$ 1,000,000		$ 1,000,000 (BIL)	GPR	
TOTAL			**$ 89,941,800**				
Minimum Executed Loans			**$ 89,941,800**				

III. Long-Term and Short-Term Goals

The Hawai‘i CWSRF Program has developed long-term and short-term goals, listed in *Table 2* and *Table 3*, respectively.

Table 2: Long-Term Goals

1. Provide financial assistance for eligible projects that protect Hawai‘i’s public health; correct surface water quality impairment; eliminate or prevent ground water contamination; control point and non-point pollution sources; promote water reuse, energy efficiency and sustainability; and achieve compliance with federal and state water quality standards.
2. Ensure fiscal soundness and perpetuity of the CWSRF.
3. Ensure equitable access to financial assistance for underserved and small communities in Hawaii, providing tailored support to address their water infrastructure challenges and promote sustainable practices in compliance with regulatory standards.
4. Support the State of Hawai‘i’s mandate to eliminate all cesspools by 2050 (Act 125) by providing assistance to replace cesspools with approved wastewater treatment systems.

Table 3: Short-Term Goals

1. Promote water reuse, energy efficiency, and/or other innovative environmental projects.
2. Reduce all unliquidated loan obligations.
3. Provide loans with competitive interest rates while still assuring the program's perpetuity.
4. Revisit standard operating procedures to improve program efficiency.
5. Prepare a strategic outreach/marketing plan and project planning process and procedures to address the slow rate of readiness by assistance recipients to enter into commitment agreements, and to establish a sustainable pipeline of projects.
6. Enhance disbursement efficiency by streamlining procedures and reducing processing times, ensuring timely release of funds to eligible projects, while maintaining stringent oversight to guarantee proper allocation.
7. Ensure high fund utilization rates by maintaining a robust pipeline of ready-to-go projects, continuously identifying and preparing projects for funding to meet demand and maximize program effectiveness.

IV. Project Eligibility and Selection

CWSRF project funding is available for public facilities and systems owned by a state or county government agency. Projects eligible for funding must be listed on the current Project Priority List (Appendix B – Hawai‘i – Project Priority List for SFY 2027). All projects scheduled for CWSRF funding will be reviewed for consistency with appropriate plans developed under Sections 208, 303(e), 319, and 320 of the FWPCA.

All CWSRF-eligible projects and activities may be funded through the Base CWSRF and BIL CWSRF General Supplemental appropriations. Projects and activities with a primary purpose of addressing emerging contaminants may be funded through the BIL CWSRF EC appropriation.

The Water Resources Reform and Development Act of 2014 amendments expanded the CWSRF project eligibility. The CWSRF Program will be evaluating the feasibility of including land purchases, privately owned systems, and decentralized wastewater treatment system projects in the program.

Stormwater discharges from municipal separate storm sewer systems (MS4) are a major concern in urbanized areas due to the high concentration of pollutants found in these discharges. The Hawai‘i CWSRF Program provides loan funding for the construction of MS4 projects. *Table 4* shows the types of projects that are eligible for CWSRF funding.

Table 4: Project Eligible for CWSRF Funding

1. Point Source Projects:

    a. New, expanded, or rehabilitated wastewater treatment plants.
    b. Publicly owned water reuse systems and distribution lines.
    c. New or rehabilitated collector, trunk, and interceptor sewers.
    d. Sludge reuse, treatment, and disposal facilities.
    e. Septage handling, marine vessel pump out, and treatment facilities.

2. Non-Point Source (NPS) Projects:

    a. Watershed planning/assessment or implementation of projects needed to restore NPS impaired waters.
    b. Cesspool replacement with septic tanks, aerobic units, constructed wetlands, or treatment plants.
    c. Equipment purchase of street sweepers, catch basin vacuum vehicles, and sediment traps and basins.
    d. Capping and closure of municipal solid waste landfills, landfill reclamation, landfill leachate collection, storage and treatment, and landfill gas collection and control systems.
    e. Brownfield projects involving site assessments, underground storage tank removal and disposal, contaminated soil or sediment removal and disposal, capping wells, soil remediation, controlling stormwater runoff, and monitoring groundwater and surface water for contaminants.
    f. Water quality projects involving leachate and stormwater management at municipal solid waste transfer stations.
    g. Stormwater management projects.

Project selection is based on the project's priority ranking as well as its readiness to proceed. The project ranking system, shown in Appendix A – CWSRF Project Ranking Criteria, assigns points to potential projects based on various criteria such as whether a project corrects surface water quality impairment, results in energy efficiency, water efficiency, or achieves compliance with a federal or state enforcement issue.

Points for each project are totaled and a *Project Priority List* is compiled (Appendix B – Hawai'i – Project Priority List for SFY 2027) listing projects in the order of highest to lowest priority. However, a significant factor in project selection is the project's readiness to proceed. If a project is high in priority, but not ready to commence, then it may be bypassed.

V. Loan Policies

Projects selected for funding are financed based on no more than the useful life of the project or 30 years, whichever is less. The CWSRF may provide Programmatic Financing loans to interested counties. If there are sufficient CWSRF funds, then 100% of eligible project costs are financed. Projects are subject to an annual interest rate of 0.25% and a semi-annual loan fee of 0.5%. This results in a total loan rate of about 1.25%, which remains fixed over the life of the loan. At the end of each state fiscal year, current rates are evaluated to determine if adjustments are needed.

VI. Financial Management

Table 5 shows projections for SFY 2027 sources and uses of funds. Included in the fund sources are loan fees collected, which are classified as either "program income" or "non-program income". Program income from loan fees covers activities directly related to administering the Hawai'i CWSRF Program, such as issuing and servicing loans, engineering support, financial and legal consultation, and reimbursement for relevant services provided by the State. All non-program income from loan fees that will be collected in SFY 2027 will be used to pay for personnel and operating expenses (e.g., salaries, supplies, travel, equipment, etc.). There will be no excess fees available to fund other activities.

As allowed in accordance with the FWPCA section 603(d)(7), the Hawai'i CWSRF Program will be utilizing 1/5 percent per year of the current valuation of the fund (not including any fees collected that are placed in the fund) to cover administrative expenses for Program activities. The current valuation of the fund is $656,581,703.00. For SFY 2027, the CWSRF Program plans to use $1,313,100.00 from the fund to cover activities directly related to administering the CWSRF Program.

Non-program income generated from loan fees covers various water quality program activities, including operation and maintenance inspections of wastewater pollution control facilities (45%), the recycled water program (11%), the bio-solids program (11%), and other water quality program activities (33%).

Table 5: Sources and Uses of SFY 2027 Funds

SFY 2027 Projected Fund Sources		
Loan funds available, end of SFY 2026	$	3,838,200
Federal Capitalization Grant, FFY 2026 (Base)	$	5,532,000
State Match of 20% projected for Feb. 2027 (Base)	$	1,106,400
Federal Capitalization Grant, FFY 2026 (BIL-General)	$	19,079,000
State Match of 20% projected for Feb. 2027 (BIL-General)	$	3,815,800
Federal Capitalization Grant, FFY 2026 (BIL-EC)	$	1,647,000
Loan repayments	$	51,423,400
Investment Interest	$	3,500,000
Program Fees	$	50,100
Non-Program Fees	$	4,324,500
1/5 % of Net Assets	$	1,313,100
Total Sources	**$**	**95,629,500**
SFY 2027 Projected Uses		
Executed Loans	$	89,941,800
Administrative Expenses	$	5,687,700
Total Uses	**$**	**95,629,500**

Table 6 shows the capitalization grant payment and disbursement projections based on an anticipated FFY 2026 capitalization grant award date of October 2026, and a state match date of December 2026.

Table 6: Capitalization Grant Payments and Disbursements for FFY 2026

FFY	Quarter	Period	Application for EPA Payments	ASAP Draws
2027	1	Oct. - Dec. 2026	$ -	$ -
2027	2	Jan. - Mar. 2027	$ -	$ -
2027	3	Apr. - Jun. 2027	$ 5,532,000.00	$ 5,532,000.00
2027	4	Jul. - Sep. 2027	$ 19,079,000.00	$ 19,079,000.00
2028	1	Oct. - Dec. 2027	$ 1,647,000.00	$ 1,647,000.00
2028	2	Jan. - Mar. 2028	$ -	$ -
2028	3	Apr. - Jun. 2028	$ -	$ -
2028	4	Jul. - Sep. 2028	$ -	$ -
		TOTAL	**$ 26,258,000.00**	**$ 26,258,000.00**

Note: ASAP is the Automated Standard Application for Payments.

Table 7 shows the status of the additional subsidies for grants that were closed out.

Table 7: Status of Additional Subsidies for Closed Grants

SFY	FFY	Grant Type	Grant	Required % of Grant	Disbursed Subsidy	Undisbursed Subsidy	Subsidy in Executed Loans
2024	2023	BIL Supp.	$16,144,000.00	$7,910,560.00	$3,994,380.00	$3,916,180.00	Yes

On July 8, 2024, the Hawaii House Bill HB 2453 HD1 SD2 CD1 RELATING TO WATER INFRASTRUCTURE was signed into law as Act 218. This law authorizes the grant transfer authority between the Drinking Water Treatment Revolving Loan Fund and the Water Pollution Control Revolving Fund programs, as currently allowed under title 40 Code of Federal Regulations section 35.3530(c). For SFY 2027, no transfers between the two programs are planned.

VII. Other Requirements of the Act

The following commitments are intended to meet specific requirements of the Act:

1. Section 602(a) - Environmental Reviews: The State of Hawai'i (State) will conduct environmental reviews in accordance with the State Environmental Review Process Document that was approved by EPA on February 20, 2018.

2. Section 602(b)(2) - State Matching Funds: The State agrees to deposit into the CWSRF from State monies a certain percentage of the amount of each EPA grant payment on or before the date on which the State receives each grant award payment. The Hawai'i CWSRF program will receive the required state match for the Base CWSRF and BIL CWSRF General Supplemental grants from the Hawai'i Legislature appropriation from the issuance of general obligation bond funds.

a. Base CWSRF State Matching Funds: "[T]he State will deposit in the fund from State moneys an amount equal to at least 20 percent of the total amount of all capitalization grants which will be made to the State with funds to be made available under this title and section 205(m) of this Act on or before the date on which each quarterly grant payment will be made to the State under this title".
b. BIL CWSRF General Supplemental State Matching Funds: "Provided further, [t]hat for the funds provided under this paragraph in this Act in [Federal] fiscal year 2022 and [Federal] fiscal year 2023, the State shall deposit in the State loan fund from State moneys an amount equal to at least 10 percent of the total amount of the grant to be made to the State, notwithstanding sections 602(b)(2), 602(b)(3) or 202 of the Federal Water Pollution Control Act". The match requirement returned to 20 percent of the capitalization grant in federal fiscal year 2024 and thereafter.
c. BIL CWSRF EC State Matching Funds: "Provided further, [t]hat funds provided under this paragraph in this Act shall not be subject to the matching or cost share requirements of sections 602(b)(2), 602(b)(3), or 202 of the Federal Water Pollution Control Act".

3. Section 602(b)(3) - Binding Commitments: The State will enter into binding commitments for 120 percent of each quarterly payment within one year after receipt of each quarterly payment. A binding commitment is when a commitment notice is issued for a project. Commitment Notices are issued for projects that are planned to be funded.

4. Section 602(b)(4) - Expeditious and Timely Expenditures: The State will expend all funds in the CWSRF in an expeditious and timely manner, consistent with law, regulation, and guidance. States must make commitments (i.e., they must sign assistance agreements, such as loans, with eligible recipients) within one (1) year after the receipt of each capitalization grant payment from the EPA. States must make an effort to draw down (expend) funds within two (2) years of the capitalization grant award.

5. Section 602(b)(7) - State Laws and Procedures: The State agrees to expend each quarterly grant payment in accordance with its laws and procedures.

6. Consistency with Planning: The State agrees that it will not provide assistance to any project unless that project complies with all agreements and is consistent with plans developed under Sections 208, 303(e), 319, or 320 of the Act.

7. National Reporting Needs: The State agrees to provide data or information to EPA as required for national reports and Congressional or public inquiries.

Appendix A – CWSRF Project Ranking Criteria

Hawai‘i Department of Health Priority System Policies

I. General Policy

The State of Hawai‘i priority system describes the criteria and method used to rank wastewater pollution control projects considered eligible for SRF funding assistance. The Department of Health (DOH) gives high priority to projects protecting water quality and contributing to the Green Project Reserve and/or sustainability issues such as water reuse, energy efficiency, renewable energy, and environmentally innovative technologies. DOH also funds projects to achieve compliance with enforcement issues and considers the need for the project.

II. Project Priority List and Project Selection

The loan applicant submits a *Proposed Project for SRF Funding Form (Form D-1)* (see Figure 1) for each new project to be considered for funding. The applicant provides a project description and checks off all criteria applicable to the project. Each criterion is assigned a specific number of points. Points for each project are totaled and eligible projects are compiled into a *Project Priority List* in the order of the project's ranking, with the highest priority going to those projects with the highest number of points.

Generally, proposed projects will be prioritized in the following order:

1. Water quality protection projects that correct surface water quality impairment or eliminate/prevent groundwater contamination.
2. Green projects which promote water reuse, energy efficiency, renewable energy, sludge reuse, sustainable infrastructure, and/or environmentally innovative technologies.
3. Enforcement-related projects which are necessary to achieve compliance with a federal or state compliance issue, consent decree, or court order.
4. Project need is also considered. Points are awarded for secondary treatment, sewer rehabilitation, non-point source issues, and stormwater management.

Project selection is based on the project's ranking, the project's readiness to proceed to construction, and the amount of funds available for the particular fiscal year. If additional SRF funds are available later in the fiscal year, projects are selected for funding from the current *Project Priority List*. A project on the list may be bypassed if the project is not ready to proceed when the funding is available.

III. Ranking Projects with an Equal Number of Points

In the event two or more projects are ready to proceed at the same time and have the same number of points, project selection will be based on the following tie-breaking criteria:

1. First criterion: Priority given to the project whose county has not had an SRF project selected for funding. If this applies to more than one county, the second criterion will be used.
2. Second criterion: Project serving the largest population will have priority.

IV. Intended Use Plan

The Project Priority List and selection of projects intended to be funded are included in the annual Intended Use Plan (IUP), which describes the intended use of federal and state funds available to the program for the upcoming fiscal year.

The IUP is subject to a 30-day public comment period during which time the public is encouraged to participate and comment on the IUP. At the conclusion of the comment period, DOH may revise the IUP as necessary, depending on the comments received. The final IUP is then provided to all loan applicants and to the EPA.

Figure 1: Proposed Project for SRF Funding Form (Form D-1)

PROPOSED PROJECT for SRF FUNDING FORM

State Fiscal Year _____

Project Title: _____

County/Applicant: _____ NPDES Permit No.: _____

Estimated Cost: $_____ Estimated Start Date: _____

Project Description:

Place an "X" next to each item that applies. The project description must contain information supporting the applicable items.

	1. Water Quality Protection	
	Corrects surface water quality impairment or eliminates/prevents ground water contamination.	12 pts.
	2. Green Infrastructure	
	a. Water reuse facility providing R1 or R2 water and/or reuse transmission and/or distribution system.	10 pts.
	b. Energy Efficiency or Renewable Energy: Uses energy efficient components (e.g. motors, pumps, blowers, photovoltaic panels etc.) that reduce energy consumption of a major component by 20% or more; or provides for renewable energy (methane conversion, etc.) or other environmentally innovative technologies (e.g. hydroelectric turbine at outfall line to generate electricity) to reduce energy consumption of the plant or major component by 20% or more.	8 pts.
	c. Promotes sustainable infrastructure to withstand the effects of rising sea levels due to climate change and provides adaptation for coastline inundation.	7 pts.
	d. Provides for wastewater sludge reuse.	7 pts
	e. Energy audit.	3 pts.
	3. Compliance and Enforcement	
	Project necessary to achieve compliance with federal or state compliance issue, consent decree, or court order.	5 pts.
	4. Project Need	
	a. Secondary treatment for wastewater treatment plant.	4 pts.
	b. Sewer collection system rehabilitation or replacement, infiltration/inflow correction.	4 pts.
	c. Large capacity cesspool and landfill liner projects.	4 pts.
	d. Stormwater equipment, wastewater facilities.	3 pts.

Total Points (for DOH use)	

Form D-1, revised Jul. 2025

Appendix B – Hawai'i – Project Priority List for SFY 2027

Priority Ranking	Project Number	Borrower	Project Name	Estimated Eligible Amount	Points	Estimated Start Date
1	C150090-07	County of Hawaii	Nā'ālehu Wastewater Treatment and Disposal System and Drainage Modifications	49,000,000.00	29	4/1/2028
2	C150055-15	County of Kauai	Wailua WWTP New Plant Construction	140,000,000.00	29	7/1/2030
3	C150051-81	City and County of Honolulu - ENV	Honouliuli WWTP Secondary Treatment Phase 1B - Secondary Compliance Facilities	273,509,898.00	27	2/14/2019
4	C150059-32	County of Kauai	Lihue WWTP Plant Expansion Phase I	75,000,000.00	27	7/1/2029
5	C150051-80	City and County of Honolulu - ENV	Honouliuli WWTP Secondary Treatment Phase 1A - Sludge Drying and Related Facilities	72,735,704.00	25	10/29/2018
6	C150090-05	County of Hawaii	Pāhala Large Capacity Cesspool Conversion	35,000,000.00	25	4/1/2026
7	C150090-04	County of Hawaii	Nā'ālehu Wastewater Collection System	62,000,000.00	25	1/1/2027
8	C150080-40	County of Hawaii	Kealakehe WWTP Headworks Upgrade	57,500,000.00	25	4/1/2029
9	C150062-53	County of Hawaii	Hilo WWTP Rehabilitation and Replacement Project Phase I	100,000,000.00	24	2/1/2025
10	NPS0048-14	City and County of Honolulu - FM	GSI Planning Study in the Vicinity of the Kaelepulu Stream, Kailua, Oahu	750,000.00	24	9/1/2026
11	C150054-53	County of Maui	Lahaina Recycled Water Force Main Construction/Rehabilitation	23,000,000.00	22	1/1/2027
12	C150050-19	County of Kauai	Eleele WWTP Plant Expansion	50,000,000.00	22	7/1/2029
13	RCC00KA-01	County of Kauai	County of Kauai Residential Cesspool Conversion Program 1	2,000,000.00	21	7/1/2024
14	C150090-08	County of Hawaii	Pāhala Wastewater Collection System	31,000,000.00	21	9/24/2024
15	C150051-89	City and County of Honolulu - ENV	Honouliuli WWTP Phase 1D - Influent Pump Station, Flow Storage, and Misc. Improvements	173,000,000.00	21	6/30/2026
16	RCC00KA-02	County of Kauai	County of Kauai Residential Cesspool Conversion Program 2	1,000,000.00	21	7/1/2026
17	RCC00KA-03	County of Kauai	County of Kauai Residential Cesspool Conversion Program 3	1,000,000.00	21	7/1/2027
18	C150054-57	County of Maui	Wahikuli Sewer System	18,000,000.00	21	7/1/2027
19	C150055-19	County of Kauai	Wailua Houselots Sewer Collection System Expansion	65,000,000.00	21	7/1/2029
20	C150047-13	County of Kauai	Waimea WWTP Tsunami Plant Relocation or Hardening Construction	100,000,000.00	21	7/1/2030
21	C150047-16	County of Kauai	Kekaha Community Sewer Collection System Expansion	120,000,000.00	21	7/1/2030
22	C150055-25	County of Kauai	Kawaihau Cesspool Conversion Service Expansion	325,000,000.00	21	7/1/2030
23	NPS0048-11	City and County of Honolulu - FM	Oahu Green Stormwater Infrastructure (GSI) Implementation Plan	2,900,000.00	19	7/1/2025
24	NPS0048-12	City and County of Honolulu - FM	Oahu Green Stormwater Infrastructure (GSI) Pilot Project in Kakaako	850,000.00	19	10/1/2025
25	C150052-65	County of Maui	Wailuku-Kahului Soil Aquifer Treatment (SAT) Basins	10,000,000.00	19	9/1/2026
26	C150077-36	County of Maui	Kihei Wastewater Pump Station No. 7 Relocation	11,900,000.00	19	9/1/2026
27	C150059-25	County of Kauai	Best Management Practice (BMP) Improvements at Various Refuse Transfer Stations	36,200,000.00	17	9/1/2021
28	C150054-48	County of Maui	Napili Wastewater Pump Station No. 4 Modifications	4,600,000.00	17	3/20/2023
29	C150055-10	County of Kauai	Wailua WWTP NPDES Compliance Improvements	5,000,000.00	17	7/1/2027
30	C150052-75	County of Maui	Old Wailuku Heights Sewer System	6,000,000.00	17	1/1/2029
31	C150048-15	Hawaii Department of Hawaiian Home Lands	Papakōlea Sewer Modernization Project	20,988,340.00	16	6/1/2025

Appendix B – Hawai'i – Project Priority List for SFY 2027

32	C150055-06	County of Kauai	Wailua SPS #3 Rehabilitation	10,000,000.00	16	9/1/2025
33	C150059-22	County of Kauai	Hanama'ulu Collection System Rehabilitation	3,000,000.00	16	8/1/2026
34	C150052-74	County of Maui	Upper Waiko Road Sewer Extension	2,000,000.00	16	9/1/2026
35	C150052-20	County of Maui	Waiko Road Subdivision Sewer System	2,500,000.00	16	9/1/2026
36	C150047-15	County of Kauai	Waimea Dairy & Captain Cooke SPS Upgrade	16,000,000.00	16	7/1/2027
37	C150051-74	City and County of Honolulu - ENV	Waipahu Wastewater Pump Station Force Main New	150,000,000.00	16	10/1/2027
38	C150047-14	County of Kauai	Waimea Infiltration and Inflow Repairs	10,000,000.00	16	7/1/2028
39	C150055-18	County of Kauai	Wailua Infiltration and Inflow Repairs	10,000,000.00	16	7/1/2028
40	C150059-33	County of Kauai	Lihue Infiltration and Inflow Repairs	15,000,000.00	16	7/1/2028
41	C150050-16	County of Kauai	Hanapepe Sewer Collection System Expansion (Moi Rd)	11,000,000.00	16	7/1/2029
42	C150050-20	County of Kauai	Eleele Infiltration and Inflow Repairs	15,000,000.00	16	7/1/2029
43	C150047-18	County of Kauai	Waimea Menehune and Alawai SPS Rehabilitation	6,000,000.00	16	7/1/2030
44	C150051-84	City and County of Honolulu - ENV	Honouliuli WWTP Solids Process Biogas Cleaning and Storage System	33,825,000.00	15	10/7/2022
45	C150054-46	County of Maui	West Maui Recycled Water System Expansion	18,000,000.00	15	4/1/2023
46	C150051-82	City and County of Honolulu - ENV	Honouliuli WWTP Phase 1C - Headworks, HRBC, Solids Process and Misc. Improvements	517,000,000.00	15	9/29/2023
47	NPS0048-09	City and County of Honolulu - FM	Storm Water Pollution Preventative Maintenance Equipment Phase 2	139,000.00	15	12/1/2025
48	NPS0048-10	City and County of Honolulu - FM	Storm Water Pollution Preventative Maintenance Equipment Phase 1	198,000.00	15	12/1/2025
49	C150052-66	County of Maui	Wailuku-Kahului Recycled Water Pump Station	6,000,000.00	15	9/1/2027
50	C150055-16	County of Kauai	Wailua WWTP Improvements Phase III	50,000,000.00	14	7/1/2027
51	C150052-25	County of Maui	Wailuku-Kahului Recycled Water Force Main	39,000,000.00	14	9/1/2027
52	C150054-45	County of Maui	Napili Wastewater Pump Station No. 3 Modifications	4,600,000.00	12	11/1/2024
53	C150077-37	County of Maui	Kihei Wastewater Pump Station No. 8 Modifications/Upgrade	4,000,000.00	12	1/1/2026
54	C150059-35	County of Kauai	Lihue & Eleele Septage Receiving Station Upgrade	4,000,000.00	12	7/1/2026
55	C150052-76	County of Maui	Aeration Basin - Kahului Wastewater Treatment Facility	19,200,000.00	12	7/1/2026
56	C150055-08	County of Kauai	Wailua WWTP Improvements Phase II	25,500,000.00	12	7/1/2026
57	C150077-21	County of Maui	Kihei Wastewater Pump Station No. 5 Modifications and Force Main Upgrade	4,250,000.00	12	9/1/2027
58	C150077-35	County of Maui	Kihei Wastewater Pump Station No. 6 Modifications/Upgrade	6,800,000.00	12	9/1/2027
59	C150054-58	County of Maui	Lahaina Sewer System Improvements	11,000,000.00	11	7/1/2026
60	C150054-59	County of Maui	Replacement of Lahaina Wastewater Pump Station #5 & #6	19,500,000.00	11	7/1/2026
61	C150077-29	County of Maui	North Kihei Mauka Transmission System	17,000,000.00	11	9/1/2027
62	C150054-36	County of Maui	Kaanapali Resort R-1 Water Distribution System Expansion	8,500,000.00	10	1/1/2024
63	C150051-77	Honolulu Board of Water Supply	East Kapolei 215 R-1 3.0 MG Reservoir and 16-Inch Transmission Main	19,600,000.00	10	1/15/2026
64	C150051-83	Honolulu Board of Water Supply	Kualakai Parkway: 16-Inch R-1 Transmission Main	16,500,000.00	10	3/1/2026
65	C150054-40	County of Maui	Honokowai R-1 Distribution System Expansion	4,300,000.00	10	9/1/2026

Appendix B – Hawai'i – Project Priority List for SFY 2027

66	C150052-71	County of Maui	Central Maui Regional WWRF (Waikapu)	55,000,000.00	10	9/1/2026
67	C150051-85	Honolulu Board of Water Supply	Kapolei Parkway 24-Inch R-1 Water Main	1,100,000.00	10	6/15/2027
68	C150077-40	County of Maui	Liloa Drive Recycled Water Distribution Line	4,000,000.00	10	9/1/2027
69	C150077-41	County of Maui	North Kihei Reuse Distribution Expansion	4,000,000.00	10	9/1/2027
70	C150052-24	County of Maui	Wailuku-Kahului Wastewater Reclamation Facility (WWRF) Upgrade to R-1	18,000,000.00	10	1/1/2030
71	C150054-32	County of Maui	Napili No. 3 Force Main Replacement	1,800,000.00	9	6/1/2020
72	C150054-42	County of Maui	Napili No. 4 Force Main Replacement	1,800,000.00	9	3/20/2023
73	C150055-13	County of Kauai	Wailua Sewer Collection System Inspection	300,000.00	9	12/1/2025
74	C150054-56	County of Maui	Napili No. 1 Force Main Replacement	3,700,000.00	9	6/1/2026
75	C150077-27	County of Maui	Kihei No. 6 Force Main Replacement	6,000,000.00	9	9/1/2027
76	C150062-54	County of Hawaii	Hilo WWTP Rehabilitation and Replacement Project Phase II	100,000,000.00	9	10/30/2027
77	C150054-55	County of Maui	Lahaina Wastewater Reclamation Facility RAS/Dewatering Upgrades	22,409,000.00	8	12/1/2025
78	C150055-17	County of Kauai	Wailua WWTP Environmental and Land Acquisition Study	2,000,000.00	7	7/1/2025
79	C150051-88	City and County of Honolulu - ENV	Honouliuli WWTP Effluent Treatment & Outfall Improvements	50,000,000.00	5	12/1/2026
80	C150050-12	County of Kauai	'Ele'ele Subdivision Collection System Rehabilitation	4,000,000.00	4	8/15/2023
81	C150059-31	County of Kauai	Lihue Aerated Solids Contact Tank Improvement	4,500,000.00	4	3/1/2025
82	C150059-27	County of Kauai	Rehab Septage Receiving Areas Lihue and Eleele WWTP	4,000,000.00	4	7/1/2026
83	C150055-12	County of Kauai	Kaua'i Sewage Pump Station Upgrades	7,000,000.00	4	7/1/2026
84	C150052-68	County of Maui	Kehalani Pump Station	9,000,000.00	4	1/1/2027
85	C150052-72	County of Maui	Kehalani Force Main and Gravity Sewer	16,800,000.00	4	1/1/2027
86	C150055-09	County of Kauai	Coco Palms Sewer Collection System Odor Control	1,000,000.00	4	7/1/2027
87	C150050-18	County of Kauai	Hanapepe Fire Station SPS Upgrade	4,500,000.00	4	7/1/2027
88	C150050-17	County of Kauai	Hanapepe River Side SPS Upgrade	4,500,000.00	4	7/1/2027
89	C150055-03	County of Kauai	Kapaa Town-Waipouli Collections System	5,000,000.00	4	7/1/2027
90	C150055-24	County of Kauai	Wailua SPS #4 and #5 Upgrade	10,000,000.00	4	7/1/2027
91	C150059-29	County of Kauai	Lihue WWTP Rehabilitation	26,500,000.00	4	7/1/2027
92	NPS0062-29	County of Hawaii	Hilo Scrap Metal Yard Remediation	16,960,000.00	4	7/1/2028
93	C150051-90	City and County of Honolulu - ENV	Pearl City/Waipahu Trunk Sewer	160,000,000.00	4	6/30/2029
94	C150077-43	County of Maui	South Kihei Capacity Sewer Upgrades	12,000,000.00	4	1/1/2030
95	C150051-87	City and County of Honolulu - ENV	Waipahu Wastewater Pump Station Force Mains Rehabilitation	130,000,000.00	4	6/1/2030
96	C150055-21	County of Kauai	Wailua Arzadon SPS Upgrade	8,000,000.00	4	7/1/2030
97	C150055-20	County of Kauai	Wailua Aloha Lumber SPS Upgrade	10,000,000.00	4	7/1/2030
98	C150055-22	County of Kauai	Wailua Coco Palms SPS Upgrade	12,000,000.00	4	7/1/2030
99	C150055-23	County of Kauai	Wailua New Parallel Force Main and Pumps - Odor Control	13,500,000.00	4	7/1/2030
100	C150062-43	County of Hawaii	Pua Force Main Installation and Rehabilitation	46,000,000.00	4	7/1/2030
				3,727,714,942.00		

Appendix C – Summary of Public Comments

I. Public Participation

Pursuant to 40 CFR 35.3150, the proposed Intended Use Plan, as well as a public notice soliciting public comments, were posted from May 8, 2026 through June 8, 2026 on the Hawai‘i CWSRF website at https://health.hawaii.gov/wastewater/home/cwsrf/.

II. Testimony and Comments

Thank you for taking the time to read and provide comments to the Hawai‘i CWSRF IUP for SFY 2027 and FFY 2026 Appropriation. We greatly appreciate your input and perspective on how the Hawai‘i CWSRF program (Program) can adapt and evolve to improve water quality and public health across the islands. During the thirty-day public comment period described above, the below comment letters were received.

1. Letter (on file and available upon request) received June 7, 2026 from Wastewater Alternatives and Innovations (WAI) signed by Stuart H. Coleman (Executive Director) and Jessica Kai Paisley (Program & Legal Specialist).

   Aloha Hawai‘i State Department of Health Wastewater Branch,

   Wastewater Alternatives and Innovations (WAI) respectfully submits the following comments on the Draft Intended Use Plan (IUP) for State Fiscal Year (SFY) 2027 and Federal Fiscal Year (FFY) 2026 Appropriation. WAI is a nonprofit organization working to advance community scale wastewater solutions and cesspool conversion in rural and underserved communities across Hawai‘i, including active project development in South Kona and Maui.

   WAI appreciates the Hawai‘i State Department of Health's continued commitment to expand wastewater infrastructure investment and address Hawai‘i's significant wastewater challenges, including cesspool conversions, decentralized wastewater treatment systems, and water quality protection in underserved communities. Section I of the Draft IUP describes the CWSRF as a program that "provides low-interest loans to Hawai‘is four (4) counties," and Section IV states that "CWSRF project funding is available for public facilities and systems owned by a state or county government agency."

   We respectfully request that the Department revise the IUP language to reflect the full range of entities eligible to participate in Clean Water funding programs under applicable federal and state authorities. The Water Resources Reform and Development Act of 2014 significantly expanded CWSRF eligible borrowers and project types.

   Under Section 603(c)(4) of the Clean Water Act, each CWSRF may provide financial assistance for the construction, repair, or replacement of decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage, and such assistance may be provided to any public entity, nonprofit organization, homeowner association, or individual homeowner. The IUP's current eligibility language implicitly limits recipients to traditional governmental borrowers, specifically state and county agencies. This creates a practical barrier to participation to other entities that are expressly eligible under federal statute.

WAI acknowledges and supports the CWSRF Progam's stated commitment in Section IV to evaluating the feasibility of including land purchases, privately-owned systems, and decentralized wastewater treatment system projects in the program, in accordance with The Water Resources Reform and Development Act of 2014.

A broader and clearer eligibility statement would align with evolving federal guidance and statewide policy objectives that encourage innovative approaches to wastewater management and expand participation by community-based organizations.

DOH Response:
The CWSRF eligibility criteria in SFY 2026 and prior IUPs are reflective of past DOH administrative and technical capacity, under which County agencies have been the primary borrowers. However, the Program is in the process of developing procedures and forms to allow non-government entities to apply to be included on the IUP PPL. These new procedures and forms are intended to be available prior to the planning of the next SFY 2028 IUP.

Importantly, regardless of future expansion of borrower threshold eligibility, the Program is a low-interest loan program and after disbursement of loan funds, any borrower is required to repay the principal, interest, and/or fee. Further:

- The Program requires a dedicated source of repayment from each borrower;
- The Program is required by Congressional authority to provide 10% of the Base CWSRF capitalization grant as additional subsidization (i.e., "principal forgiveness");
- The Program is a cost-incurred disbursement program. Eligible work must be performed before CWSRF funds are disbursed to the borrower; and
- The amount of funds loaned each SFY is based on the amount of funds from the respective FFY capitalization grant, required 20% State of Hawai'i matching funds, and amount of revolved funds (i.e., the sum of the amount of repayments, interest, and fee funds, minus the sum of program and non-program fees).

Under the current framework, opportunities to assist low- and moderate-income homeowners with cesspool conversion projects are limited. This is indicated by the suite of projects selected for inclusion in the 2026 IUP, with only $1 million (1.1 % of the total FFY 2026 spending) evidently allocated directly toward cesspool conversions through the Kauai Residential Cesspool Conversion Program. The IUP states it has a long-term goal to support the State of Hawai'i's mandate to eliminate all cesspools by 2050. We encourage the Department to set a programmatic goal in FFY 2027 and beyond to direct a meaningful and increasing share of available lending, additional subsidization, and disadvantaged community funding toward cesspool conversion projects in rural communities,

DOH Response:
The Program continues to support the State's mandate to eliminate cesspools by 2050 as a program objective by:

- Developing the Kaua'i Residential Cesspool Conversion program over the past 6 years (i.e., July 2019 – August 2025);
- Committing $3,000,000 of principal forgiveness funds to County of Kauai Residential Cesspool Conversions grant program; and

- Planning to fund the Ewa Beach Sewers, Section 4, Improvement District project, which is estimated to cost $62,000,000 to convert cesspools to sewer connections.

While cesspool conversions are an important priority for the Program and the DOH, the Program is also financing a range of other important, eligible water pollution control projects statewide. As noted above, the Program is in the process of developing procedures and forms to allow non-government entities to apply to be included on the IUP PPL, but the level of assistance available for residential cesspool conversions is limited by annual additional subsidization provided under federal capitalization grant funding, and by program capacity and the quantity of eligible, ready-to-proceed applications (i.e., "shovel-ready projects") the Program receives each year. The Program will continue to support cesspool conversions consistent with available funding, applicable program requirements, and available program resources (e.g., staff and financial tools).

In addition, The Draft IUP discloses that $2,339,520 in accumulated unspent 2% Technical Assistance funds is available across the Base CWSRF, BIL General Supplemental, and BIL EC appropriations. The IUP indicates the program does not plan to utilize the 2% TA from any of the FFY 2026 appropriation streams. CWA Section 603(k) authorizes these funds to provide technical assistance to rural, small, and tribal publicly owned treatment works. WAI respectfully encourages the Department to consider deploying a portion of accumulated TA funds for:

- *Technical assistance to nonprofit organizations and emerging RMEs in rural communities developing decentralized wastewater systems, including pre-application project readiness support; and*
- *Outreach to rural communities regarding CWSRF eligibility, cesspool conversion financing options, and the project inclusion process.*

Clarifying eligibility for nonprofit organizations, RMEs, and other qualified entities will expand access to these resources, improve program participation, and increase the number of homeowners able to complete the necessary upgrades.

DOH Response:
Under Section 603(k) of the Clean Water Act (33 U.S.C. § 1383(k)), an additional 2% of funds may be used for nonprofit organizations, State, regional, interstate, or municipal entities to provide TA to rural, small, and tribal publicly owned treatment works (as defined in Section 1254(b)(8)(B)). Any future use of TA funding would be subject to the applicable federal requirements and is dependent on the availability of funds.

In addition, we encourage the Department to provide further guidance regarding pathways through which nonprofit organizations and other eligible entities may participate in funding programs consistent with other state programs, including direct lending to eligible nonprofits and RMEs, County pass-through lending, and/or a County sponsorship program pairing small decentralized projects with larger centralized projects, which would expand opportunities to · partner with counties or other public borrowers.

To summarize, clarifying eligibility language within the IUP would:

- *Increase access to funding for decentralized wastewater treatment projects and cesspool conversion efforts.*

- *Expand opportunities to serve low- and moderate-income homeowners who may otherwise face barriers to participation.*
- *Encourage partnerships between counties, nonprofit organizations, and other entities capable of administering and managing wastewater projects.*
- *Improve utilization of available funding and forgivable loan opportunities that would otherwise be underused.*
- *Support emerging Responsible Management Entity models to provide long-term management and technical assistance for decentralized wastewater systems.*
- *Not alter existing program priorities, but rather, help to ensure that the IUP fully reflects the range of implementation approaches available to address Hawai'i's wastewater challenges.*

WAI strongly supports DOH's efforts to protect water quality, and greatly appreciates the opportunity to offer comments in the spirit of collaboration and progress on this important matter.

DOH Response:
Please see the previous response above, stating that "the Program is in the process of developing procedures and forms to allow non-government entities to apply to be included on the IUP PPL".

2. Letter (on file and available upon request) received June 7, 2026 from Lauryn Hansen.

Mahalo for the opportunity to provide comments on the Department of Health (DOH) Wastewater Branch Proposed Water Pollution Control Revolving Fund Intended Use Plan (IUP) for State Fiscal Year (SFY) 2027 and Federal Fiscal Year (FFY) 2026 Appropriation.

First and foremost, I acknowledge and appreciate the DOH's continued leadership in addressing water quality impacts through the Clean Water State Revolving Fund (CWSRF) program, including the IUP's prioritization of projects that protect water quality, address point and nonpoint source pollution, and support the State's mandate to eliminate all cesspools by 2050.

Writing as a private citizen with background in environmental management, epidemiology, and toxicology, I respectfully encourage the DOH to revisit the allocation of the Emerging Contaminants (EC) Clean Water revolving subsidization fund.

Eligibility for Emerging Contaminants CWRSF funding is designated by the U.S. EPA for projects that specifically address contaminants without water quality criteria established by the EPA under Clean Water Act section 304(a), excluding PFAS. This includes planning, design, and construction activities that specifically address one or more ECs (e.g., PFAS, microplastics) and result in a water quality benefit, including:

- *Laboratory & sampling equipment purchase*
- *Wastewater treatment (centralized & decentralized)*
- *Biosolids treatment/disposal*
- *Septic-to-sewer conversions*
- *Water reuse*
- *Source water protection*
- *Lagoon improvements & decommissioning*

- *NPS pollution control*
- *Stormwater management & treatment*
- *Landfill capping and leachate control*
- *Cleanup of contaminated sites*
- *Groundwater & surface water protection & restoration*

The 2026 draft IUP details 100% of the $1.645 million distributed for EC projects will be used to support infrastructure development projects at the Honouliuli Wastewater Treatment plant to install a High-Rate Biological Contactor and new grit removal filters. ECs are not removed in cesspools, septic systems, during municipal primary, secondary, and even many forms of tertiary municipal wastewater treatments. While primary and secondary treatment is essential for removing nutrients and do improve effluent quality, nutrients (e.g., ammonia, nitrogen, and phosphorus), certain organics and metals are not considered ECs and fall outside of the intended projects designated for EC Project funding.

The state should distribute funds to intended EC-related projects, for example:

- *Advanced tertiary treatment upgrades that effectively remove at least one EC-especially PFAS-for water reuse (e.g., GAC, reverse osmosis, ion exchange)*
- *Ambient EC monitoring and/or pilot project development, including surface water quality monitoring around regions with known contamination concerns (ecological monitoring downgradient of Red Hill plumes, agricultural areas, industrial discharge zones)*
- *Partnerships with the surface water protection branch and clean water branch to include ambient monitoring for ECs in watershed protection plans (section 319), and/or priority estuaries through (section 320)*
- *Projects that supplement MS4 stormwater investigations with EC monitoring*

Offering an out-of-state example as context, the state of Arizona allocated their CWSRF funds to establish a Project Priority List (PPL). In SFY 2023, Tucson Water had a Board-approved project for PFAS Removal (CW 010-2023), and all five years of the CWSRF BIL Emerging Contaminant Capitalization Grant were respectively allocated toward the city of Tucson to support this effort. Furthermore, in the state of California when there was an absence of EC-related project proposals, these funds were reallocated to support SDWA EC programs.

Within the State of Hawai'i, $9.457 million was recently awarded through the Emerging Contaminants Grant for Disadvantaged Communities to the Department of Health Safe Drinking Water Branch to help with testing, planning, and infrastructure projects addressing PFAS and other emerging contaminants included on EPA's Contaminant Candidate Lists (e.g., manganese, perchlorate, 1,4-dioxane). According to personal communication with the agency, these funds are being used to establish EC analytical capacity within the state, beginning with local drinking water analyses.

In the absence of eligible project applications, the wastewater branch should consider allocating EC funds to projects that build programmatic capacity that supports the ability of the state to detect and monitor ECs, including the ability to process wastewater, soil and tissue samples. It should additionally consider allocating funds to projects that have the capacity to incorporate ECs in their implementation plans and expand regional capacity to address ECs-including

development of an EC Analytical laboratory, building out EC monitoring in priority watersheds and estuaries (as designated through 319-and 320 program designations).

DOH Response:
The Program evaluated the Honouliuli WWTP Phase 1C - Headworks, HRBC, Solids Process and Misc. Improvements project and determined it to be eligible under the EPA's Emerging Contaminants (EC) guidance. This determination was based on available data and supporting documentation provided by the borrower.

Federal regulations and the capitalization grant agreement require the CWSRF program to enter into binding commitments in a timely manner to ensure the expeditious use of funds. As a result, the Program must prioritize ready-to-proceed applications (i.e., "shovel-ready projects") in order to meet the federal commitment and expenditure obligations. The Program will continue to consider future funding requests for projects which are eligible under the CWSRF EC funding requirements and will be selected based on readiness to proceed as well as the overall benefit to health and the environment.

Furthermore, as a voluntary member of the Hawai'i Wastewater Coalition, I respectfully suggest that DOH consider of a combination of short and long-term actions that strengthen cesspool conversion efforts and wastewater management readiness in the State. One promising approach is the use of Responsible Management Entities (RMEs) – including nonprofits, municipal utilities, and other community-based organizations – to support decentralized wastewater systems and expand EC monitoring and management. RMEs can organize communities, coordinate projects, facilitate financing, and provide long-term operational support. Sustained management ultimately determines water quality outcomes, supports healthy households, improves project readiness, and ensures that converted wastewater systems are effectively managed over time:

<u>Short-term (Immediate IUP Cycle)</u>

- *Providing planning or capacity-building support to counties would help cover staffing, program design, and financial structuring needed to stand up or expand cesspool conversion and EC research, monitoring, and management.*
- *Clarifying how nonprofit and community-based entities, including potential responsible management entities, may participate in the program under existing federal and state authority, particularly through partnerships with eligible entities such as counties.*
- *Articulating plans for how available funding, from both administrative and small-system allowances, will be used to support county administrative capacity and build the systems needed to administer and distribute CWSRF resources.*
- *Reviewing current project prioritization criteria to assess how effectively they support cesspool conversion and decentralized wastewater projects and identifying opportunities for refinement in future IUP cycles.*

DOH Response:
Please see the responses to the corresponding short-term bullet points above.

- The Program does not provide capacity-building funding for staffing, program design, or financial structuring activities. However, under Section 603(k) of the Clean Water Act (33 U.S.C. § 1383(k)), an additional 2% of funds may be used for nonprofit organizations, State, regional, interstate, or municipal entities to provide TA to rural, small, and tribal publicly owned treatment works (as defined in Section 1254(b)(8)(B)). Any future use of

TA funding would be subject to the applicable federal requirements and is dependent on the availability of funds.

- Currently, the Program does not directly fund or administer assistance to nonprofit or community-based entities, including Responsible Management Entities (RMEs). Any participation by nonprofit or community-based organizations would need to coordinate with eligible state or local agencies, consistent with applicable program requirements. In regard to future participation by non-profit or community-based entities, please refer to the DOH's response to WAI's letter which states that "the Program is in the process of developing procedures and forms to allow non-government entities to apply to be included on the IUP PPL".
- The Program does not include a small system allowance. This provision applies to the DWSRF, not the CWSRF. The administrative funds for the CWSRF are used solely to support the operation and administration of the program. As described in the IUP, no excess fees are available for other purposes.
- The Program acknowledges the comment for consideration in future IUPs and project prioritization.

Long-Term (Future IUP priorities)

I encourage DOH to identify priority areas for further development and continued engagement over the coming year, with the goal of addressing them in future IUP cycles, including:

- *Clarification and expansion of CWSRF eligibility to enable broader participation by nonprofit and community-based entities, including RMEs, in decentralized wastewater projects.*
- *Expanded use and prioritization of principal forgiveness and other affordability tools for decentralized wastewater systems.*
- *Continued refinement of project prioritization criteria to ensure decentralized and community-scale projects are appropriately prioritized.*
- *Ongoing development of county capacity to administer and distribute CWSRF funding, with clear processes to support delivery of funds to households and community-scale projects.*

In conclusion, I strongly support DOH's efforts to protect water quality and advance cesspool conversion across Hawai'i, and respectfully offer these comments in the spirit of shared learning and continued partnership. I appreciate the opportunity to provide input and look forward to continued collaboration to strengthen the effectiveness and long -term impact of these important investments, helping to protect Hawai'i waters, reefs, and communities for generations to come.

Best,
*Lauryn Hansen**

**The comments presented reflect my personal views and should not be used to represent the views of any affiliate organization at former, present, or future periods.*

DOH Response:

Please see the responses to the corresponding long-term bullet points above.

- Please refer to the DOH's response to WAI's letter which states that "the Program is in the process of developing procedures and forms to allow non-government entities to apply to be included on the IUP PPL".
- The Program is primarily structured to provide low-interest loans for eligible projects. To maintain the long-term sustainability of the revolving fund, the program cannot provide additional subsidization beyond available funding and applicable federal requirements. The Program acknowledges the comment for consideration in future IUPs and project prioritization.
- The Program acknowledges the comment for consideration in future IUPs and project prioritization.
- The Program will continue to update program guidance and work collaboratively with state and county partners to support implementation of eligible projects. The Program acknowledges the comment for consideration in future IUPs.

3. Letter (on file and available upon request) received June 7, 2026 from The Nature Conservancy (TNC).

   Mahalo for the opportunity to provide comments on the Department of Health (DOH) Wastewater Branch Proposed Water Pollution Control Revolving Fund Intended Use Plan (IUP) for State Fiscal Year (SFY) 2027 and Federal Fiscal Year (FFY) 2026 Appropriation.

   Science conducted by The Nature Conservancy (TNC) and our partners has shown that wastewater, particularly cesspools, are detrimental to the coral reefs that protect our coastlines and underpin our economy. Without clean coastal waters, our coral reef ecosystems face even greater risk amid growing global stressors, including climate change. Indeed, the most effective action we can take at the local scale to reduce the impact of climate change is to reduce local stressors to these ecosystems. Cesspools degrade groundwater, anchialine pool systems, coral reef ecosystems, and fisheries by introducing elevated amounts of organic nitrogen and phosphorus, pathogens, and other contaminants. These pollutants encourage excess algal and bacterial growth, degrade aquatic ecosystems, and pose risks to human health. Our research in He'eia, Maunalua, Olowalu, Hana, and South Kohala has shown direct evidence of cesspool contamination in streams and coastal waters using a variety of bioindicators and chemical signatures.

   We appreciate DOH's continued leadership in addressing these impacts through the Clean Water State Revolving Fund (CWSRF) program and the IUP's clear prioritization of projects that protect water quality, address point and nonpoint source pollution, and support the State's mandate to eliminate all cesspools by 2050. To help translate these long-term goals into measurable progress, we respectfully encourage the DOH to identify near-term actions over the coming year that strengthen the administrative and programmatic foundation needed to scale cesspool conversion statewide.

   One promising approach is the use of Responsible Management Entities (RMEs) – such as nonprofits, cooperatives, municipal utilities, and other community-based organizations – to support decentralized wastewater systems. RMEs can help organize communities, coordinate project development, facilitate financing, and provide long-term operation and maintenance. These functions are especially important because sustained system performance, not just initial installation, ultimately determines water quality outcomes.

As described in the attached whitepaper, Hawai‘i law and regulations generally allow RMEs to own, operate, and manage decentralized wastewater systems. However, current CWSRF program policies limit eligibility to public entities, which has the practical effect of limiting most RMEs' ability to participate directly in the program. This limitation is not required by federal or state law but rather reflects policy choices within the IUP. Federal law allows CWSRF assistance to a broad range of recipients, including nonprofit and community-based organizations, and Hawai'i statute similarly defines eligible recipients to include private entities.

Because this policy limitation originates in the IUP, the DOH has a clear opportunity to revise the draft IUP to expand eligibility to better align eligibility with existing authority. Allowing RMEs to access CWSRF resources, either directly or through structured partnerships with counties as near-term implementation partners, could help address barriers faced by individual homeowners, particularly in rural and underserved communities where financial, technical, and logistical challenges are most acute.

DOH Response:
Please refer to the DOH's response to WAI's letter which states that "the Program is in the process of developing procedures and forms to allow non-government entities to apply to be included on the IUP PPL".

We also note that administrative capacity is a key factor in the successful engagement of communities and counties to develop decentralized wastewater system projects and programs. The IUP identifies project readiness as a constraint, and limited administrative capacity can further hinder the ability to fully utilize available funding and financing. In this context, DOH may wish to consider strategic use of existing CWSRF set-aside and Technical Assistance (TA) authorities to strengthen capacity among counties and other intermediary entities to facilitate decentralized wastewater system financing. This could support staffing, program design and the financial and administrative systems needed to develop and deliver cesspool conversion programs at scale.

The IUP notes that unused TA funds from prior federal fiscal years are available for future TA needs. The need to strengthen capacities to facilitate financing for decentralized wastewater systems presents a near-term opportunity to deploy these resources without reducing funds available for projects. Clarifying how these resources will be used in this IUP cycle to build implementation capacity would help improve readiness and accelerate deployment of available funding.

DOH Response:
Please refer to the DOH's response to WAI's letter which states that "future use of TA funding would be subject to the applicable federal requirements and is dependent on the availability of funds."

Based on this context, we offer the following recommendations.

Tier 1 – Near-Term Actions for This IUP Cycle
We respectfully suggest that DOH consider a combination of near-term steps that together strengthen readiness and delivery. These steps could include:

- *Providing planning or capacity-building support to counties to help cover staffing, program design, and financial structuring needed to stand up or expand cesspool conversion programs.*
- *Articulating in this IUP a plan for how available set-aside funding, from both the administrative and small-systems set aside allowances, will be used to support county administrative capacity and build the systems needed to administer and distribute CWSRF resources.*
- *Reviewing current project prioritization criteria to assess how effectively they support cesspool conversion and decentralized wastewater projects and identifying opportunities for refinement in future IUP cycles.*
- *Clarifying how nonprofit and community-based entities, including potential RMEs, may participate in the program under existing federal and state authority, particularly through partnerships with eligible entities such as counties.*

Taken together, these approaches could help counties and RM Es better support households, improve project readiness, and ensure that converted systems are effectively managed over time.

DOH Response:

Please see the responses to the corresponding bullet points above.

- The Program does not provide capacity-building funding for staffing, program design, or financial structuring activities.
- The Program does not include a small system allowance. This provision applies to the DWSRF, not the CWSRF.
- The Program acknowledges the comment for consideration in future IUPs and project prioritization.
- Currently, the Program does not directly fund or administer assistance to nonprofit or community-based entities, including RMEs. Any participation by nonprofit or community-based organizations would need to coordinate with eligible state or local agencies, consistent with applicable program requirements. In regard to future participation by non-profit or community-based entities, please refer to the DOH's response to WAI's letter which states that "the Program is in the process of developing procedures and forms to allow non-government entities to apply to be included on the IUP PPL".

Tier 2 – Priorities for Future IUP Cycles

In addition to these near-term steps, we encourage DOH to identify several priority areas for further development and continued engagement over the coming year, with the goal of addressing them in future IUP cycles. These areas may include:

- *Further clarification and potential expansion of CWSRF eligibility to enable broader participation by nonprofit and community-based entities, including RMEs, in decentralized wastewater projects.*
- *Expanded use and prioritization of principal forgiveness and other affordability tools for decentralized wastewater systems.*
- *Continued refinement of project prioritization criteria to ensure decentralized and community-scale projects are appropriately prioritized."*
- *Ongoing development of county capacity to administer and distribute CWSRF funding, with clear processes to support delivery of funds to households and community-scale projects.*

In closing, we strongly support DOH's efforts to protect water quality and advance cesspool conversion across Hawai'i. We respectfully offer these comments in the spirit of partnership and shared learning, and we would welcome continued dialogue as DOH considers next steps. We would welcome the opportunity to support DOH in advancing these areas and in developing effective approaches over time. We appreciate the opportunity to provide input and look forward to continued collaboration to strengthen the effectiveness and long-term impact of these important investments, helping to protect Hawai'i waters, reefs, and communities for generations to come.

Mahalo for the opportunity to provide comments and for your continued leadership.

DOH Response:
Please see the responses to the corresponding bullet points above.

- Please refer to the DOH's response to WAI's letter which states that "the Program is in the process of developing procedures and forms to allow non-government entities to apply to be included on the IUP PPL".
- The Program is primarily structured to provide low-interest loans for eligible CWSRF projects. To maintain the long-term sustainability of the revolving fund, the Program cannot provide additional subsidization beyond available funding and applicable federal requirements. The Program acknowledges the comment for consideration in future IUPs and project prioritization.
- The Program acknowledges the comment for consideration in future IUPs and project prioritization.
- The Program will continue to update program guidance and work collaboratively with state and county partners to support implementation of eligible projects. The Program acknowledges the comment for consideration in future IUPs.

III. Summary

There were three (3) comment letters in response to the solicitation for public input on the IUP.

Jonathan Nagato
JONATHAN NAGATO, P.E., CHIEF
Wastewater Branch