



DWSRF FUNDING UPDATES-LOANS FOR CAPITAL IMPROVEMENT PROJECTS

HAWAI'I DEPARTMENT OF HEALTH
JUDY HAYDUCSKO, JANN MASAKI, & EVAN WATARIDA



HWWA OCTOBER 15, 2025

STAFF

Staffing chart is available on our website:

<https://health.hawaii.gov/sdwb/drinking-water-state-revolving-fund/>

- **JOAN CORRIGAN – ENGINEERING SECTION SUPERVISOR**
- **JUDY HAYDUCSKO – PROGRAM ENGINEER**
- VACANT – PROGRAM ENGINEER
- PENDING/TEMPORARY –WILDFIRE RECOVERY SRF ENGINEER
- ~~DEVIN DONALDSON – ENGINEERING SECTION SUPPORT~~
- KEVIN YOSHIOKA – BUSINESS LOAN SUPERVISOR
- **EVAN WATARIDA - BUSINESS LOAN OFFICER**
- **JANN MASAKI – BUSINESS LOAN OFFICER**
- **ANDREA CHAGAMI – ACCOUNTANT**
- DAISY CHUCK-SMITH - ACCOUNTANT

doh.dwsrf@doh.hawaii.gov = DWSRF staff shared email account



OVERVIEW

- ✓ Provide updates on federal funding information
- ✓ Earmarks (aka Congressionally Directed Spending) – expected trend
- ✓ Loan agreement ceiling cap – **for SFY 2026 only**
- ✓ Update on the Intended Use Plan (IUP)
- ✓ Funding commitment letter timing
- ✓ Pro-Fi vs Project Loan
- ✓ DWSRF streamlining: E-signatures, blanket borrowing resolutions, pay requests

SRF STATS: RECENT BIL (IIJA) AND BASE EPA GRANTS

(\$)

FFY	Base	BIL-General	BIL-Lead	BIL-EC
20	11,011,000	NA	NA	NA
21	11,001,000	NA	NA	NA
22	7,008,000	17,992,000	19,588,640 6,992,000	7,555,000
23	4,938,000	21,055,000	28,650,000 0	7,640,000
24	4,661,000	22,985,000	28,650,000 7,900,950.92	7,640,000
25	10,906,000	24,898,000	0	7,640,000 7,907,000

PROJECTED FUNDS FOR SFY 2026

EPA Base & BIL Suppl Grants	\$35.8M
State Match	\$ 7.2M
<u>Repayments & Interest</u>	<u>\$17.6M</u>
Total “new” funds for Project Loans	\$60.6M

Plus funds from prior years, for projects without executed loans.

Plus additional \$7.9M for Emerging Contaminants

Plus additional \$68.3M for SA-HMW for Maui Wildfire

ADDITIONAL SUBSIDY PROJECT PRIORITIES

1. Projects addressing a contamination or acute health concern.
2. System consolidation to address inadequate capacity.
3. Small (serving fewer than 25,000 persons) or Disadvantaged Communities (DAC), with a maximum affordability score based on the tiered structure in Table 2 of IUP, up to \$1M.
4. Equivalency projects, up to 50% of the project cost.

5. Projects in non-DAC communities and with a poverty level above five (5) percent, additional subsidy may be assigned up to the poverty percent level, as identified in a population-weighted average of the project census blocks, to account for pocket DAC.

6. Small (serving fewer than 25,000 persons) or DAC, beyond the initial \$1M as stated in #3.

Table 2. Additional Subsidy Tiers for Small or DAC

Tier	Affordability Score	Maximum Eligible Additional Subsidy Based on Project Cost (%)
1	100	95
2	50 – 99	90
3	25 – 49	75
4	0 – 24	50

CONGRESSIONALLY DIRECTED SPENDING (EARMARK) POLICY

Policy change. Since earmarks (aka congressional directed spending) have severely impacted the traditional DWSRF funding, in the future, DWSRF will not be supporting any new projects via funding matches or supplemental funding. The only exemption is an existing project with HDWS that has been severely delayed due to well permitting challenges.

LOAN CEILING CAP – TIMING IN SFY 26

Due to our internal budget limitations, **for this SFY 2026 only**, some of the larger loans may have an initial partial loan and a secondary or amended loan agreement to fund the remainder of the needed funds. If your loan will have a multiple year execution, we will be talking to you prior to loan closing.

INTENDED USE PLAN (IUP)

Early every calendar year, DOH sends out the email to all Public Water Systems requesting them to fill out the [Proposed Project for SRF Funding Form](#). Based on federal priorities, DWSRF identifies highest priority projects and develops the project priority list.

The IUP is posted for a 30-day public comment around April/May. If additional projects are added, or if significant changes are necessary, the IUP will be posted as a draft amendment for another 30-day public comment period.

SFY 2026 IUP is expected to be finalized in late October.


A 2026 IUP amendment is expected to be posted for public comment in November 2026. Please update DWSRF if a project status changes ASAP.



Complete
the SRF
application

THE SRF PROCESS:








When should you submit loan application form?

- As soon as you're READY
 - For Construction loans, SERP must be complete prior to loan execution
 - Loan application is DWSRF trigger to issue a commitment letter.
 - Ideally, complete all reviews and final budget ~3-6 months before you need reimbursement
- 

These loans have a 20 year repayment period.

We are offering 1 and 2 year ProFi loans.




PROGRAMMATIC FINANCING	VS	PROJECT LOANS
Full list of eligible projects with description, timeline, status, cost and anticipated disbursements for the fiscal year (Jul 1 - Jun 30)	 PROPOSED PROJECTS	Single project with description, timeline, status, and total cost
<ul style="list-style-type: none"> - Loan Application - Ordinance/Resolution - Project List 	 REQUIRED LOAN DOCS	Loan Application, Ordinance/Resolution, EADs, Plans, Specifications, Contract(s), W/MBE and DBE info, NTP
<ul style="list-style-type: none"> - Cross-cutters - American Iron and Steel - Davis-Bacon - DWSRF Boilerplate 	 SRF REQUIREMENTS	<ul style="list-style-type: none"> - Cross-cutters - American Iron and Steel - Davis-Bacon - DWSRF Boilerplate
<ul style="list-style-type: none"> - NHPA Section 106 (prior to disbursement) - Signage (during construction) 	 OTHER REQUIREMENTS	<ul style="list-style-type: none"> - NHPA Section 106 (prior to loan execution) - Signage (during construction)
Supporting docs + remaining required project loan docs submitted with or before initial payment request	 PAYMENT REQUESTS	Supporting docs submitted with each payment request
Loans are close at the end of each fiscal year (Jul 1 - Jun 30); projects may transferred and continue disbursing in the following ProFi	 LOAN CLOSEOUT	Occurs upon project completion/ termination and the final request has been submitted to DOH
<ul style="list-style-type: none"> - Amount: based on funds disbursed - Timing: Oct 15 and Apr 15 after loan execution 	 SEMI-ANNUAL REPAYMENTS	<ul style="list-style-type: none"> - Amount: based on funds disbursed - Timing: based on loan date

These loans can have a 20, 30 or 40 year repayment period, depending on the asset life and community economic profile.



Execute
loan

THE SRF PROCESS: EXECUTE LOAN

1. **Business Loan Officers (BLOs)** create loan agreement.
 2. **Deputy Attorney General** signs agreement.
 3. **Borrower** signs agreement.
 4. **DOH Director** signs agreement.
 5. **BLOs** encumber a purchase order to process pay requests.
 6. **BLOs** send one hard copy of agreement back to **Borrower**.
- 

ELECTRONIC SIGNATURE PROCESS

COUNTY DOW

SRF works closely with the County to set up the electronic signature process. The only requirement is to have a valid email address!

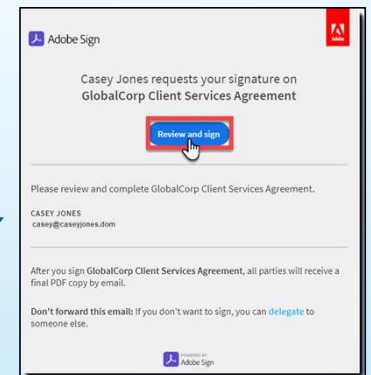
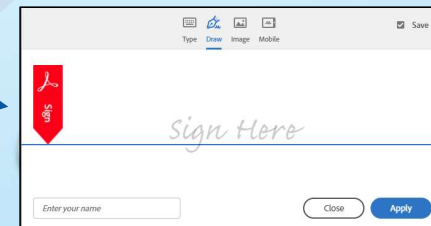
SRF sends the County a document to sign via Adobe Sign.

The County receives an email notification and link to sign.

Each recipient will access the document and click 'Review and Approve' or 'Review and Sign.'

Full execution is done in as little as 1 week, and the reimbursement process can begin!

After the last signer completes, all parties-- including the SRF and the County, receive the document together with the document audit report automatically.



ELECTRONIC SIGNATURE (ESIGN) SET-UP FORM – FILLABLE PDF

STATE OF HAWAII, DEPARTMENT OF HEALTH CLEAR FORM

WATER POLLUTION CONTROL REVOLVING FUND ("WPCRF") AND DRINKING WATER TREATMENT REVOLVING LOAN FUND ("DWTRLF")

ELECTRONIC SIGNATURE (ESIGN) SET-UP FORM

Program: ☐ WPCRF ☐ DWTRLF

Borrower: _____ Department: _____

A. Sequential Routing Order for Final Loan Agreements and Supplemental Loan Agreements

Recipients of Loan Document - PLEASE LIST RECIPIENTS IN SEQUENTIAL ORDER Clear Section A

	Name		Title	Identifying Email Address*	ESIGN Role - V one		
	First	Last			Signer	Approver	CC
1					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B. Sequential Routing Order for Contract Modification Forms

Recipients of Loan Document - PLEASE LIST RECIPIENTS IN SEQUENTIAL ORDER Clear Section B

	Name		Title	Identifying Email Address*	ESIGN Role - V one		
	First	Last			Signer	Approver	CC
1					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The undersigned acknowledges that all loan agreements and documents will be routed electronically from the SRF to the County according to the information provided above by the County effective the date below and until changed in writing.

Acknowledged by: _____ Date: _____

*This is the recipient's identifying email address and is used for communication with the recipient, including the request to sign and review.

Definition of ESIGN Roles:

Signers are required to apply at least one signature to an Agreement.

Approvers are not required to sign or interact with any fields. The approver role works well for situations where someone needs to "okay" a document before it's sent off to the signer.

CC (carbon copy) email receives an initial email and the final Signed and Filed email notifications. CC any email address that you want to view the agreement, without them having signing/approval authority.

SRF USE ONLY	
PROJECT NAME	_____
PROJECT NUMBER	_____
DOH INTERNAL ROUTING ORDER	<input type="checkbox"/> Signer <input type="checkbox"/> Approver <input type="checkbox"/> CC <input type="checkbox"/> Signer <input type="checkbox"/> Approver <input type="checkbox"/> CC <input type="checkbox"/> Signer <input type="checkbox"/> Approver <input type="checkbox"/> CC <input type="checkbox"/> Signer <input type="checkbox"/> Approver <input type="checkbox"/> CC

The State of Hawaii uses Adobe Sign for its digital signature process.


12/22/2021

County decides routing order and recipient roles.

- **Signers** – applies at least one signature
- **Approvers** – “okays” a document before it is sent to the signer
- **CC** – carbon copy – receives copy of signed document

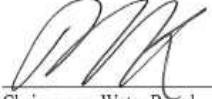
HAWAII STATE DEPARTMENT OF HEALTH

APPROVED AS TO FORM:

By: 
Director of Health

Dale K. Sakata
Deputy Attorney General

DEPARTMENT OF WATER SUPPLY
COUNTY OF HAWAII

By: 
Chairperson, Water Board,
County of Hawaii

VICE



THE SRF PROCESS: RECEIVE CAPITAL FOR YOUR PROJECT – PAY REQUEST PROCESSING

1. **Borrower** emails **Judy** draft with supporting invoices.
2. **DWSRF Engineering Section** reviews, confirms eligibility, and notifies **Borrower**.
3. **Borrower** emails or scans signed, pay request to **SDWB SRF**.
4. **SDWB SRF** conducts final review with **Business Loan Officers (BLOs)**.
5. **BLOs** send request to **Administrative Services Office (ASO)** for processing.
6. **ASO** sends request to **Dep. of Accounting and General Services (DAGS)** to reimburse funds.
7. **DAGS** cuts check and mails it to **Borrower**.



BORROWING RESOLUTIONS

DWSRF staff have noticed significant reductions in delays for the counties able to establish blanket borrowing resolutions.



WHAT PROJECT OR PRODUCT?



Water meter

WHAT PROJECT OR PRODUCT?



Emergency Generator

(This condition would indicate needing replacement)

WHAT PROJECT OR PRODUCT?



Emergency
Generator

WHAT PROJECT OR PRODUCT?



Water Reservoir

(This is a concrete tank, you can see the rebar structure and the form in place to pour the concrete.)

WHAT PROJECT OR PRODUCT?



Water Reservoir

(This is at Kunia, you can see the size based on the people in the photos.)

WHAT PROJECT OR PRODUCT?



GAC water
treatment



**WHAT PROJECT OR
PRODUCT?**

PVC pipe under
this tracer wire
tape

WHAT PROJECT OR PRODUCT?



Solar panels

QUESTIONS?



[HEALTH.HAWAII.GOV/SDWB/DRINKING-WATER-STATE-REVOLVING-FUND/](https://health.hawaii.gov/sdwb/drinking-water/state-revolving-fund/)