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DEPT. COMM. NO. 447

JOSH GREEN, M.D.
GOVERNOR

RIKI FUJITANI
EXECUTIVE DIRECTOR

STATE OF HAWAIʻI
SCHOOL FACILITIES AUTHORITY
2759 S. KING STREET, ROOM H201
HONOLULU, HAWAIʻI 96826

August 17, 2025

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
State Capitol, Room 409
Honolulu, Hawaiʻi 96813

The Honorable Nadine K. Nakamura, Speaker
and Members of the House of
Representatives
State Capitol, Room 431
Honolulu, Hawaiʻi 96813

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Hawaiʻi School Facilities Authority Monthly Progress Report for August 2026 on the King Kamehameha III Elementary School Rebuild, as required by Act 123, Session Laws of Hawaiʻi 2026.

In accordance with section 93-16, Hawaiʻi Revised Statutes, I am also informing you that the report may be viewed electronically at:

https://www.hisfa.org/legislative-reports/

Sincerely,

Riki Fujitani

Riki Fujitani
Executive Director

cc: Legislative Reference Bureau
Board of Education (via email)
Office of the Governor (via email)
Office of the Lieutenant Governor (via email)

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Hawai‘i School Facilities Authority

King Kamehameha III Elementary School — Status Report

Hawai‘i School Facilities Authority — to the Governor and the Legislature

Status as of August 14, 2026 · supersedes the version released August 6, 2026 · Act 123 (SLH 2026), §8(a) status report · DR-4724-HI · PW16

This status report is submitted by the Hawai‘i School Facilities Authority (SFA) pursuant to Act 123, Session Laws of Hawai‘i 2026, §8(a), which requires a monthly milestone progress report to the Governor and the Legislature no later than five days after the end of each month. It addresses the four required elements: (1) critical-path items, (2) project timeline, (3) key construction milestones, and (4) actions necessary to secure matching or supplemental funds.

Prepared by the SFA team. Figures carry provenance tags: [Cited] document-backed · [Verbal] told to us · [Est.] our analysis.

Act 123 (SLH 2026), §8(a) — statutory compliance checklist

Pursuant to Act 123 (SLH 2026), §8(a), the School Facilities Authority submits this status report to the Governor and the Legislature. It is issued on a bi-weekly cadence and satisfies the §8(a) requirement of a milestone progress report no later than five days after the end of each month. This report includes each of the four elements the statute requires:

- **(1) Critical path items** → Section 2 — Critical-Path Items
- **(2) Project timelines** → Section 3 — Project Timeline
- **(3) Key construction milestones** → Section 4 — Key Construction Milestones
- **(4) Actions necessary to secure matching or supplemental funds to ensure the timely completion of the King Kamehameha III elementary school** → Section 5 — Actions to Secure Matching / Supplemental Funds (with Section 6, Funding Status)

Summary of changes since the version released August 6, 2026

- Insurance and the federal match — updated. Earlier reports described the FEMA Public Assistance amount for the school as its eligible cost less the insurance proceeds attributed to the school. The State's insurance was paid on an unallocated basis at the policy limit and no proceeds are attributed to the school, so there is no duplication of benefits and no insurance offset. FEMA's concurrence is the remaining step. [Cited — SFA memorandum to file, August 5, 2026]
- Environmental site investigations — a Notice to Proceed was issued August 13 for four of the five items in the design team's Change Order No. 4, allowing the hazardous-materials soil survey, Phase I environmental site assessment, flora and fauna survey, and archaeological inventory survey to proceed on County-owned land. The preliminary engineering report and drainage items await a separate Notice to Proceed.
- Scope and program — discussions with DOE are continuing and no scope decision has been made. The next coordination meeting is August 27, 2026.

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1. Executive Summary

Since assuming the lead on July 1, 2026, the SFA team has stood up topic-specific coordination with the County, DOT, Kamehameha Schools, the design team, HiEMA, and the environmental planning team, and the project remains on track against its two binding constraints. The project is sized to the $146,000,000 Act 123 appropriation — budget is the driver [Cited — Act 123, SLH 2026, §2]. The question that had been open for the whole of this reporting period closed during it: the relationship between the State's insurance recoveries and the federal match.

- Two binding constraints: the October 17, 2026 start-of-construction milestone that protects the FEMA temporary-school funding, and securing the ≥$48,000,000 federal match that Act 123 §2 makes a condition of releasing the $146,000,000.
- The federal match is the FEMA Public Assistance reimbursement for the school, obligated at $49,554,088 with $0 drawn to date [Cited — PW16]. The State's documented position is that no insurance proceeds are attributed to the school, so the reimbursement is not offset by insurance and the §2 condition is satisfied on its face; the remaining step is FEMA's concurrence. [Cited — SFA memorandum to file, Riki Fujitani, Executive Director, August 5, 2026; issued on SFA letterhead August 7 and approved by the Office of the Governor August 7]
- Critical path: the federal NEPA environmental review covering the school and the roads. State HRS Chapter 343 review is suspended under the Governor's Thirtieth Emergency Proclamation, so NEPA is the operative review [Cited — DAGS memorandum to file, June 8, 2026]. FEMA's Environmental and Historic Preservation review is under way in preliminary form, and whether a single lead federal agency is required has not been settled [Verbal — FEMA EHP, August 7, 2026]. A tiered review is being pursued that would allow an early phase (site grading) to proceed ahead of the full assessment. This remains the single largest schedule variable.
- Roadway delivery (HDOT) gates the school's opening, which is targeted for 2029. The alignment is settled — the Prison Street to Lahainaluna Road jug handle, on an 88-foot right-of-way [Cited — HDOT-preferred alignment, settled at the roadway work session of July 27, 2026].
- Budget: the project continues to fit within the $146,000,000 appropriation [Cited — Act 123, SLH 2026, §2]. SFA continues to work with the design team and DOE on a value-engineering and bid strategy; that strategy was reviewed on August 13 and has not been decided.
- Federal cost share: 90% [Cited — PW16].

Coordination activity since the last report.

- Insurance — a working meeting was convened August 5 with SFA, the project management consultant, DOE, DAGS Risk Management, the State's insurance broker, HiEMA and its technical advisor, the Hawai‘i Office of Recovery and Resiliency, and the Office of the Governor. The meeting resolved the insurance question: the proceeds were paid on an unallocated basis at the policy limit, no proceeds are attributed to the school, and on that basis the project should be eligible for full FEMA Public Assistance reimbursement without an insurance offset. The resolution was documented in a memorandum to file and approved by the Office of the Governor on August 7. [Cited — SFA memorandum to file, Riki Fujitani, Executive Director, August 5, 2026; issued on SFA letterhead August 7 and approved by the Office of the Governor August 7]
- Community engagement — a preparation work session was held August 3 with the County, DOE, Kamehameha Schools, the design team, and the cultural and community-engagement lead, to align the parties on messaging ahead of the September 2 community meeting. A follow-up work session

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was scheduled for August 17 but was canceled due to weather (state offices were closed); the SFA team will still circulate draft slides to the invited group for the September 2 update and reschedule the session if needed. The cultural and community-engagement lead is preparing the material.

- Design and cost alignment — a design and cost coordination meeting was held August 6 with SFA, DOE, and the design team on the value-engineering and bid strategy; the design team issued minutes, amended at DOE's request. An in-person review followed on August 13 at the campus with SFA, DOE, the design team and the cultural and community-engagement lead. Consistent with the delivery structure, these sessions sought input and confirmation of workable solutions rather than approval. Scope and program discussions with DOE are continuing and no scope decision has been made; the bid strategy was likewise discussed without decision. Both carry to the next coordination meeting on August 27, 2026.
- Environmental review — FEMA's Environmental and Historic Preservation office reframed the review on August 7: the review is proceeding, a wetland delineation is required to confirm that no jurisdictional waters are present, and whether a single lead federal agency is required has not been settled [Verbal — FEMA EHP, August 7, 2026]. A working session with the environmental planning team was held August 12. A session on the history of the environmental studies, between the design team and the planning team, is set for August 17.
- State environmental review — the applicability of HRS Chapter 343 was resolved this period. Chapter 343 review is suspended for this project under the Governor's Thirtieth Emergency Proclamation per HRS §127A-13(a)(3); the project proceeds under federal NEPA and will not retroactively comply, and County entitlements may be secured afterward, which the County concurs with. This is conditional on continued renewal of the proclamation. [Cited — memorandum to file, Gordon S. Wood, DAGS Public Works Administrator, June 8, 2026]
- Environmental site investigations — a Notice to Proceed was issued August 13 covering four of the five items in the design team's Change Order No. 4, clearing the constraint that had held the investigations on County-owned land and allowing the hazardous-materials soil survey, Phase I environmental site assessment, flora and fauna survey, and archaeological inventory survey to mobilize. The preliminary engineering report and drainage items await a separate later Notice to Proceed.
- FEMA process record — the SFA team prepared, at HiEMA's request, a status document mapping each of the 22 delivery steps in the State's November 14, 2025 submission to FEMA against current status, together with a draft response letter for HiEMA to issue. It was updated on August 13 to record the Chapter 343 suspension.
- Funding path — a funding-path memorandum and the FEMA step-status document were provided to the Office of the Governor's recovery staff and to HiEMA on August 11.
- Kamehameha Schools — standing weekly check-ins continued, including a session on August 10; minutes have been prepared.
- Roadways and offsite infrastructure — design coordination on the roadway and offsite infrastructure continued, and a roads and infrastructure update meeting is set for August 24. The updated State right-of-way map is still needed to finalize the school-parcel boundary.
- Site access — the County school-site right-of-entry and the Kamehameha Schools Kuʻia Makai right-of-entry both remain fully executed [Cited — executed County right-of-entry, July 9, 2026; Revocable Right of Entry No. 501632RO, executed July 30, 2026].
- Community — the County's monthly Lāhainā community meeting was held August 12, on the third anniversary of the wildfire. SFA did not present; the team attended to listen.

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The federal match, and what remains gating the money. The federal match on the §2 appropriation is the FEMA Public Assistance reimbursement for the school, obligated at $49,554,088 with $0 drawn to date [Cited — PW16]. The question of whether the State's insurance recoveries would reduce that reimbursement is resolved: the State's insurance was paid on an unallocated basis at the policy limit, no proceeds are attributed to the school, and because DAGS Risk Management can document that, there is no duplication of benefits and the project should be eligible for full reimbursement with no insurance offset. [Cited — SFA memorandum to file, Riki Fujitani, Executive Director, August 5, 2026; issued on SFA letterhead August 7 and approved by the Office of the Governor August 7] FEMA has not yet issued a determination on that basis, and obtaining its concurrence is the remaining action. Separately, a request to increase the FEMA cost estimate to $91,141,841 through a PW16 scope change is pending with FEMA [Cited — PW16 Request for Change to Scope of Work]. Of that amount, HiEMA expects roughly $88 to $90 million to be approved; the request is in final FEMA review and headed to the congressional large-project queue. [Verbal — HiEMA, July 22, 2026, and restated in subsequent coordination meetings] The two remaining constraints on the money are therefore FEMA's concurrence on the insurance basis and the §9 full-funding determination, which currently holds the first drawdown.

Confirmations the SFA team is seeking from the coordination group. These are needed for the project as soon as possible; several will be pressed at the August 27, 2026 coordination meeting.

- FEMA — confirmation of the lead agency for the environmental review and of the document structure (a single combined action covering the school and roads, or separate school and roadway actions).
- FEMA — concurrence that no insurance proceeds are attributed to the school, on the documented unallocated basis, so the Public Assistance reimbursement is not offset.
- FEMA — confirmation that site grading qualifies as start of construction for the October 17 milestone.
- §9 — the Attorney General interpretation and the Comptroller's availability determination needed to release the appropriation.
- Kamehameha Schools — completion of the written document release, which unblocks the County's USACE request, roadway design coordination, and the planning team's due diligence, including the final subdivision boundary as geo-referenced data.
- DOE and HiEMA — the inter-agency arrangement and Grants Portal access that let SFA deliver and draw while DOE remains the recipient of record.

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2. Critical-Path Items [§8(a)(1)]

Critical-path items. The federal NEPA environmental review covering the school and roads is the critical path and the single largest schedule variable. State HRS Chapter 343 review is suspended under the Governor's Thirtieth Emergency Proclamation, so NEPA is the operative review [Cited — June 8, 2026]. FEMA's Environmental and Historic Preservation review is under way in preliminary form; whether a single lead federal agency is required, and whether the school and roads proceed as one action or separately, are not yet settled [Verbal — FEMA EHP, August 7, 2026]. A tiered review is being pursued to allow an early grading start. October 17 is an administrative FEMA milestone (start of construction), distinct from the opening date.

Critical-Path Item	Status	Owner	Target	Risk / Note
FEMA concurrence that no insurance is attributed to the school	State position documented and approved by the Office of the Governor; FEMA determination not yet issued	SFA / DAGS RMO / HiEMA → FEMA	Near-term	Confirms the ≥$48,000,000 §2 match is not reduced by insurance. The State's insurance was paid unallocated at the policy limit with no proceeds attributed to the school, so there is no duplication of benefits [Cited — SFA memorandum to file, Riki Fujitani, Executive Director, August 5, 2026; issued on SFA letterhead August 7 and approved by the Office of the Governor August 7]
FEMA cost estimate — PW16 scope change to $91,141,841	Pending with FEMA — HiEMA expects roughly $88 to $90M approved	HiEMA / FEMA	Near-term	Raises the eligible basis before the match is confirmed. Of the $91,141,841 requested, HiEMA expects roughly $88 to $90 million to be approved; in final FEMA review and headed to the congressional large-project queue. [Verbal — HiEMA, July 22, 2026, and restated in subsequent coordination meetings]
NEPA environmental review (school + roads) — critical path	Under way — planning team under Notice to Proceed; FEMA EHP preliminary review in progress; tiered review pursued	FEMA / planning team / design team	Largest variable	State HRS 343 review is suspended under the Thirtieth Emergency Proclamation, so NEPA is operative [Cited — June 8, 2026]. Whether a single lead federal agency is required, and whether the school and roads proceed as one action or separately, are unsettled [Verbal — FEMA EHP, August 7, 2026]. A wetland delineation is required to confirm no jurisdictional waters. A tiered review is sought to allow early site grading ahead of the full review.
Kamehameha Schools document release (wetland study and design material)	Open — KS legal finalizing the written release	KS / SFA coordinating	Near-term — unblocks three parties	One written release unblocks the County's request for a USACE jurisdictional determination, roadway design coordination, and the planning team's environmental due diligence, which needs the final subdivision boundary as geo-referenced data
§9 full-funding gate — release the school appropriation	Open — Attorney General interpretation sought	Governor / AG / Comptroller / B&F	Near-term	No expenditure until the entire project cost is available as determined by the Comptroller; §9 currently holds the first FEMA drawdown [Cited — Act 123 §9]

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Critical-Path Item	Status	Owner	Target	Risk / Note
FEMA recipient and inter-agency arrangement	In progress — not settled	DOE / HiEMA / SFA	Post-July 1	DOE remains the FEMA Public Assistance recipient of record; SFA delivers under Act 123 through an inter-agency arrangement. DOE has restated its position as applicant and subrecipient of record, and the formal transfer has not been accomplished by Act 123 alone [Verbal — DOE, August 3, 2026]
Site grading as "start of construction" (FEMA)	Open — confirmation sought	SFA via HiEMA → FEMA	Before Oct 17	Determines whether the October 17 milestone protecting the temporary-school funding is met
Environmental site investigations on County land	Unblocked — Notice to Proceed issued August 13 for four of five Change Order No. 4 items	Design team / consultants	Mobilizing	The hazardous-materials soil survey, Phase I environmental site assessment, flora and fauna survey, and archaeological inventory survey can proceed; the preliminary engineering report and drainage items await a separate later Notice to Proceed
Act 123 §7 transfer of the design contract and associated funds	Design contract moved to SFA; the fund transfer is limited by the lapsed balance	DAGS / SFA	Continuing	The design engagement moved under SFA by contract amendment. Of the State Major Disaster Fund balance planned for design, $5,250,000.80 lapsed on June 30, 2026 and cannot be transferred; approximately $2.22M encumbered transfers. SFA may request an FY2027 replacement [Cited — DAGS memo S-090.26]
Site access — rights of entry	Fully executed [Cited — County right-of-entry, July 9, 2026; Revocable Right of Entry No. 501632RO, July 30, 2026]	DAGS / DOT / DOE / County / KS	Complete	The County school-site right-of-entry and the Kamehameha Schools Kuʻia Makai right-of-entry (No. 501632RO) are both fully executed, enabling survey, geotechnical, and site-investigation access

Owner key: SFA State — Gov/Comptroller/DAGS Federal — FEMA/HiEMA KS DOT/County/consultants

3. Project Timeline [§8(a)(2)]

The schedule is driven by the environmental review. October 17, 2026 is an administrative FEMA milestone (start of construction) that protects the temporary-school funding — not the opening. State environmental review under HRS Chapter 343 is suspended for this project under the Governor's Thirtieth Emergency Proclamation per HRS §127A-13(a)(3), so the project proceeds under federal NEPA and will not retroactively comply; County entitlements may be secured afterward, which the County concurs with. That position is conditional on continued renewal of the proclamation. [Cited — memorandum to file, Gordon S. Wood, DAGS Public Works Administrator, June 8, 2026] The federal NEPA review covering the school and the roads is therefore the operative review, the critical path, and the single largest schedule variable. FEMA's Environmental and Historic Preservation review is under way in preliminary form; whether a single lead federal agency is required, and whether the school and roads proceed as one action or as separate actions, are not yet settled, and a wetland delineation is required to confirm that no jurisdictional waters are present [Verbal — FEMA EHP, August 7, 2026]. Written confirmation of the review structure is being sought. The planning team is under a Notice to Proceed and is pursuing a tiered review that would let an early phase (site grading) proceed ahead of the full assessment; a separate early grading-permit package is also being evaluated to protect the October 17 milestone. The environmental assessment is expected to run approximately 9 to 12 months [Est.]. A County grading permit, not a building permit, is what is required to start construction, and the permit and grading set is planned for submittal to the County on September 30, 2026. Roadway construction runs from approximately late 2027 through approximately August 2028 per HDOT's schedule, and roadway completion gates the school's opening. Opening is targeted for 2029, contingent on the duration of the environmental review and on roadway and FHWA delivery. A second deadline bookends the schedule: the FEMA-funded temporary school runs on a limited term with a January 2029

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target, so the permanent school should open before then to avoid a State-borne coverage gap; the cost and term of any extension are being confirmed with HiEMA and DAGS [Verbal — SFA team, August 14, 2026]. Section 106 historic-preservation consultation is triggered by the project's federal funding — the FEMA-funded school, carried through FEMA's environmental and historic-preservation review, and the FHWA roads, DOT-led — with Kamehameha Schools' prior Chapter 6E work carrying over; Chapter 6E is complete and the burial plan is approved, and the added federal step is Native Hawaiian organization consultation.

Upcoming coordination sessions:

- Monday, August 17 — session on the history of the environmental studies, between the design team and the environmental planning team.
- Monday, August 17 — follow-up work session on Lāhainā community-meeting preparation (SFA, the design team, Kamehameha Schools, the County, DOE, and the KKIII school) — CANCELED due to weather; the SFA team will circulate draft slides to the invited group instead.
- Monday, August 24 — roadway update meeting.
- Thursday, August 27 — all-parties coordination meeting; the bid strategy and cost reconciliation carry to this session.
- Ahead of September 2 — pre-briefings with Kamehameha Schools, the County, and DOT so those parties are prepared to field questions at the community meeting.
- Wednesday, September 2 — joint Lāhainā community meeting; the project's item sits within the larger monthly community meeting.
- Standing cadence — weekly Kamehameha Schools check-ins, weekly design and cost-alignment sessions with the design team and DOE, an all-parties coordination call every other week, and topic work sessions on the alternating weeks.

4. Key Construction Milestones [§8(a)(3)]

Key construction milestones:

Milestone	Target Date	Status	Note
Act 123 effective; SFA assumed lead	Jul 1, 2026	Complete	§7 transfer clock started
State HRS 343 review — suspended under the Thirtieth Emergency Proclamation	Confirmed Jun 8, 2026	Resolved	Federal NEPA is the operative review; conditional on continued proclamation renewals
Insurance basis for the federal match — State position documented	Aug 5–7, 2026	Resolved; FEMA concurrence pending	No insurance proceeds attributed to the school; no offset to FEMA reimbursement
Notice to Proceed — environmental site investigations (four of five items)	Aug 13, 2026	Issued	Unblocks the investigations on County-owned land
Next all-parties coordination meeting	Aug 27, 2026	Scheduled	Bid strategy and cost reconciliation carry to this session
Joint community meeting (Lāhainā)	Sep 2, 2026	Confirmed	The project's item sits within the larger monthly Lāhainā community meeting
Permit and grading set submitted to the County	Sep 30, 2026	Planned	A County grading permit, not a building permit, is what is required to start
Start of construction (site grading)	Oct 17, 2026	Administrative FEMA milestone	Protects the temporary-school funding; not the opening date
NEPA environmental review complete — gates the building	Under way	In progress	Approximately a 9 to 12 month environmental assessment; tiered review sought for an early grading start
Roadway construction complete	~Aug 2028	Per HDOT schedule	Gates the school's opening

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Milestone	Target Date	Status	Note
FEMA temporary-school lease — funded term ends	January 2029 target	Watch	Opening should precede this to avoid a State-borne coverage gap; the cost and term of any extension are being confirmed with HiEMA and DAGS
Substantial completion / opening	Targeted 2029	Contingent	Gated by the environmental review duration and roadway completion

5. Actions to Secure Matching / Supplemental Funds [§8(a)(4)]

Actions to secure matching / supplemental funds — the standing §8(a)(4) record. The ≥$48,000,000 federal match on the §2 appropriation is the FEMA Public Assistance reimbursement for the school (PW16, obligated at $49,554,088; a scope change to $91,141,841 is pending) [Cited — Act 123 §2; PW16 Project Report; PW16 Request for Change to Scope of Work]. The insurance question that previously governed this item is resolved: no insurance proceeds are attributed to the school, so the reimbursement is not offset [Cited — SFA memorandum to file, Riki Fujitani, Executive Director, August 5, 2026; issued on SFA letterhead August 7 and approved by the Office of the Governor August 7], and the controlling action is now obtaining FEMA's concurrence on that basis. The remaining gate on spending is the §9 full-funding determination. Design and consultant costs were planned against the State Major Disaster Fund (HRS §127A-16, a State fund appropriated from general revenues, not a federal fund); $5,250,000.80 of that balance lapsed on June 30, 2026 and SFA may request an FY2027 replacement [Cited — DAGS memo S-090.26]. Hazard Mitigation Grant Program funding is foreclosed for DR-4724 [Verbal — HiEMA, June 12, 2026]; resilience funding pivots to FEMA §406 mitigation and CDBG-DR. The FHWA highway funds in the spine road are a separate federal share of approximately 80% and are not the §2 match.

Funding Action	Source	Status
Obtain FEMA's concurrence that no insurance proceeds are attributed to the school, so the Public Assistance reimbursement is not offset	SFA / DAGS RMO / HiEMA → FEMA	Open — the State position is documented and approved by the Office of the Governor; FEMA has not yet issued a determination [Cited — SFA memorandum to file, Riki Fujitani, Executive Director, August 5, 2026; issued on SFA letterhead August 7 and approved by the Office of the Governor August 7]
Raise the FEMA cost estimate to the full eligible basis through the pending PW16 scope change to $91,141,841	HiEMA / FEMA	In final FEMA review — HiEMA expects roughly $88 to $90 million of the $91,141,841 requested to be approved; headed to the congressional large-project queue. [Verbal — HiEMA, July 22, 2026, and restated in subsequent coordination meetings]
Confirm the ≥$48,000,000 federal match holds at the 90% cost share	HiEMA / FEMA / SFA	Open — the §2 condition; obligated at $49,554,088 with $0 drawn
Complete the inter-agency arrangement and Grants Portal access — DOE remains the FEMA recipient of record; SFA delivers under Act 123	DOE / HiEMA / SFA	In progress — DOE has restated its position as applicant and subrecipient of record; formal action is still required
Secure the §9 full-funding release of the school appropriation through the Attorney General interpretation and the Comptroller's determination	Governor / AG / Comptroller / B&F	Open — the gate on all Act 123 expenditure
Execute the first FEMA Public Assistance drawdown against a clean, directly eligible cost — the environmental planning and due-diligence engagement	SFA / HiEMA / FEMA	In review — gated on the §9 release and the required Cultural Resources Commission review
Request an FY2027 State Major Disaster Fund replacement for the lapsed design balance	DAGS / SFA	$5,250,000.80 lapsed June 30, 2026; the DAGS memo confirms the lapse and contemplates an FY2027 replacement request [Cited — DAGS memo S-090.26]. The Major Disaster Fund is a State fund appropriated from the general revenues of the State under HRS §127A-16, not a federal fund.
Maintain a documented chronology of the project's funding and schedule history for legislative and oversight review	SFA	In progress — a dated chronology of events with sources is being prepared at SFA's direction

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Funding Action	Source	Status
Pursue resilience funding through FEMA §406 mitigation and CDBG-DR	SFA / HiEMA / County	Open — Hazard Mitigation Grant Program funding is foreclosed for DR-4724 [Verbal — HiEMA, June 12, 2026]

Funding gate (§9): no moneys are available for expenditure until funding for the entire project cost is available, as determined by the Comptroller. Current status: Not yet met — an Attorney General interpretation of §9 is being sought so the Comptroller can make the availability determination; §9 currently holds the first FEMA drawdown. [Cited — Act 123, SLH 2026, §9]

6. Funding Status (summary)

Act 123 appropriations and federal-match status:

Appropriation (Act 123, SLH 2026)	Amount	Expending Agency	Status
School (§2)	$146,000,000	SFA	Contingent on ≥$48,000,000 federal match; §9 full-funding gate applies [Cited — Act 123 §2]
Offsite infrastructure (§3)	$30,000,000	SFA	Appropriated; §9 gate; transfer vehicle to DOT in progress [Cited — Act 123 §3]
Roadways (§4)	$12,000,000	DOT	Appropriated; state ~20% road share [Cited — Act 123 §4]
Lāhainā Small Boat Harbor (§5)	$12,000,000	DLNR (DOBOR)	Appropriated [Cited — Act 123 §5]
FEMA PA (federal — school; the §2 match)	$49,554,088 obligated → $91,141,841 pending	FEMA / HiEMA / SFA	$0 drawn; the §2 match. No insurance proceeds are attributed to the school, so the reimbursement is not offset by insurance; FEMA concurrence pending [Cited — PW16; SFA memorandum to file, Aug 5, 2026]
FHWA (federal — road, ~80% share)	$48,000,000	FHWA / DOT	~80% of the ~$60M spine road (state 20% = §4 $12M); separate from the §2 match [Verbal — HDOT, June 16, 2026]

7. Risks & Mitigations

Top risks this period:

Risk	Impact	Mitigation	Owner
§9 full-funding gate	No expenditure until the full project cost is available; currently holds the first FEMA drawdown	An Attorney General interpretation of §9 is being sought so the Comptroller can make the availability determination	SFA / Governor / AG / Comptroller
NEPA — critical path, and the review structure is unsettled	Gates the building and the opening; the largest schedule variable. Whether a single lead federal agency is required, and whether the school and roads proceed as one action or separately, would change the review sequence and the schedule	Confirm the lead agency and the document structure in writing; pursue a tiered review for an early grading start; complete the impacts work, including the required wetland delineation, that drives the determination	FEMA / planning team / SFA

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Risk	Impact	Mitigation	Owner
"Start of construction" by Oct 17	Missing the milestone that protects FEMA temporary-school funding would shift the lease cost to the State	Confirm that FEMA counts site grading as start of construction; submit the permit and grading set September 30; evaluate a separate early grading-permit package. In parallel — not relying on the milestone alone — keep FEMA apprised of progress through the 22-step delivery record and advance the reimbursement and drawdown process as the §9 funding gate clears, so momentum is visible to FEMA.	SFA via HiEMA / FEMA
Schedule slip against the temporary-school date	The environmental review is the binding schedule variable, and the structural system carries a schedule consequence of its own. If the schedule slips past the January 2029 target, an extension of the temporary school follows and the party responsible for that cost has not been established	Confirm the extension cost, term, and responsible party with HiEMA and DAGS before it becomes a live obligation; weigh the structural system for its schedule effect as well as its material cost; pursue the tiered environmental review that would allow an early grading start	SFA / HiEMA / DAGS
HRS 343 suspension depends on continued proclamation renewals	The suspension of State environmental review rests on the Governor's Emergency Proclamation. If the proclamation is not renewed, the Chapter 343 position would have to be revisited	Track each renewal and cite the proclamation current at the time of any filing	SFA / DAGS / Governor
FEMA concurrence on the insurance basis	The State's documented position is that no insurance proceeds are attributed to the school. FEMA has not yet issued a determination, and a contrary determination would reduce the reimbursement that constitutes the §2 match	Obtain FEMA's concurrence on the documented unallocated basis through HiEMA; DAGS Risk Management retains the documentation that supports it	SFA / DAGS RMO / HiEMA / FEMA
Lapsed design funding	$5,250,000.80 of the State Major Disaster Fund balance planned for design and consultant services lapsed on June 30, 2026 and cannot be transferred, leaving remaining design cost to be sourced [Cited — DAGS memo S-090.26]	Request an FY2027 Major Disaster Fund replacement, as the DAGS memo contemplates; reconcile the remaining design cost against an identified source before it reaches the appropriation	DAGS / SFA
FEMA recipient of record	DOE remains the FEMA Public Assistance recipient and has restated that position; the transfer was not accomplished by Act 123 alone, which leaves the delivery and drawdown path dependent on an inter-agency arrangement	Complete the inter-agency arrangement and the Grants Portal access that lets SFA deliver and draw	DOE / HiEMA / SFA
Kamehameha Schools document release gates three parties	Without the written release, the County cannot request the USACE determination, roadway design coordination is incomplete, and the planning team's due diligence is held	KS legal is finalizing the release; SFA is coordinating so that a single release covers all three needs	KS / SFA / County

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Risk	Impact	Mitigation	Owner
Bid and value-engineering strategy is not yet decided	The bid strategy governs how scope is protected against bid results and was reviewed on August 13 without a decision; delay compounds escalation against total cost	Carry the strategy to the August 27 coordination meeting with the procurement questions on alternates resolved beforehand	SFA / design team / DOE
Roads gate the opening	No road access means no opening; the site overlaps the County's documented flood-control project	Reconcile the design with the County flood-control plan; confirm interim access; the updated State right-of-way map is needed to finalize the school-parcel boundary	DOT / SFA / County
Prison Street wetland (§404)	A USACE determination is needed for the Prison Street road crossing, and FEMA requires a wetland delineation	The AECOS survey found no federally jurisdictional wetlands in the surveyed area; once KS provides its written release the County will submit a letter to USACE requesting a jurisdictional determination to concur, and upon concurrence USACE issues a no-permit-required letter; not expected to hold the grading permit	County / KS / USACE
Contractor procurement	Road procurement under HRS 103D-302 carries a competitive-bid protest window. For the school, SFA procures under its own authority and is not bound by the DOE requirements to accept bid alternates in listed order or to disclose a base-bid maximum, which gives the bid strategy added flexibility.	The school path is set — a pre-qualified pool with a competitive mini-bid, applying SFA's procurement flexibility on alternate ordering and base-bid disclosure as the bid strategy is finalized. [Verbal — Joji/SFA]	SFA / Procurement
Preliminary evacuation modeling is unscoped	Evacuation modeling is not within any party's scope of work, and community engagement will reasonably expect a phased, area-wide picture rather than the school road alone	SFA has asked the traffic consultant for a proposal for a concurrent preliminary model on stated assumptions; present connections as additive to the existing network	SFA / traffic consultant / County

8. Spend to Date by Bucket

FEMA draws are sequenced after the revised cost estimate (CRC) is obligated — drawing against the full eligible basis; pre-transfer design and investigation costs were carried by DAGS against the State Major Disaster Fund and require reconciliation before they post to a bucket.

Bucket	Appropriation	Obligated / Committed	Drawn / Spent to date	Note
School (§2)	$146,000,000	$49,554,088 (FEMA PA, PW16)	$0 drawn	Design/pre-construction to date carried by DAGS against the State Major Disaster Fund (requires reconciliation); FEMA draws sequenced after the revised cost estimate (CRC) is obligated [Cited — Act 123 §2; PW16 Project Report]
Offsite (§3)	$30,000,000	—	$0	§9 gate; spend begins after release
Roads (§4)	$12,000,000 state + $48,000,000 FHWA	—	$0 state drawn	DOT-led; design/ROW pending
Harbor (§5)	$12,000,000	—	$0	DLNR-led

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Bucket	Appropriation	Obligated / Committed	Drawn / Spent to date	Note
State Major Disaster Fund — design	$15,000,000 allocated: $9,800,000 WRNS consultant · $5,000,000 DOT consultant · $150,000 DAGS job 25-10-1076 · $50,000 DAGS staff services [Cited — DAGS funding status, 7/17/26]	$10,000,000 held at DAGS for the school design (after $5,000,000 to DOT): $4,749,999.20 allotted; $5,250,000.80 lapsed 6/30/26 [Cited — DAGS memo S-090.26]	Under reconciliation — actual design payments not yet confirmed; approximately $2,220,000 encumbered transfers to SFA	A STATE fund appropriated from the general revenues of the State under HRS §127A-16, not a federal fund. Funds design and consultant services (not mobilization); not §9-gated. SFA may request an FY2027 replacement for the lapsed balance [Cited — DAGS memo S-090.26]

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