JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR



WENDY GADY Executive Director

STATE OF HAWAI'I AGRIBUSINESS DEVELOPMENT CORPORATION HUI HO'OULU AINA MAHIAI

TESTIMONY OF WENDY L. GADY EXECUTIVE DIRECTOR AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE SENATE COMMITTEE ON WATER AND LAND February 6, 2025 1:15 p.m. Conference Room 229 & Videoconference

SENATE BILL NO. 1541 RELATING TO THE WAIAHOLE WATER SYSTEM

Chair DeCoite, Vice Chair Wakai, and Members of the Committee:

Thank you for the opportunity to testify in **<u>support</u>** of Senate Bill No. 1541 which appropriates funds to the Agribusiness Development Corporation to fully pay off the bond debt service on the Waiahole water system and repair the adit 8 tunnel. This measure is critical for ensuring the continued operation and maintenance of a vital water infrastructure system that supports Hawai'i's agricultural industry and food security efforts.

The Waiahole Water System plays an essential role in supporting agriculture on O'ahu, particularly in Central and Leeward regions where water availability is a significant constraint. By delivering a reliable source of irrigation water, the system sustains local farming operations, promotes diversified agriculture, and contributes to Hawai'i's efforts to achieve food security and reduce dependence on imported goods.

To maximize the impact of the suggested appropriation, we recommend on utilizing the following: • **Regular Maintenance Schedules:** Establish a comprehensive maintenance and inspection schedule to ensure the system remains operational and avoids future disruptions.

• **Stakeholder Collaboration:** Engage with farmers, community organizations, and water resource experts to prioritize repairs and upgrades that address the most urgent needs.

• **Transparent Reporting:** Require periodic reporting on the use of funds and the progress of repairs to ensure accountability and public trust in the management of the system.

• **Explore Future Upgrades:** Consider incorporating advanced water management technologies and sustainability measures to further enhance the efficiency and environmental benefits of the system.

We support this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget. House Bill 781 is a critical investment in Hawai'i's agricultural infrastructure and future food security. By funding bond debt service and necessary tunnel repairs for the Waiahole water system, this measure will sustain the essential water resources that our farmers and communities rely upon. Thank you for your consideration of our testimony.

KUNIA VILLAGE TITLE HOLDING CORPORATION PO BOX 100 KUNIA, HI 96759 808 228 0272

TESTIMONY BEFORE THE SENATE COMMITTEE ON AGRICULTURE & ENVIRONMENT

SENATE BILL 1541

February 6, 2025

Chair DeCoite Members of the Committee:

My name is Stephanie Whalen. I am President of the Kunia Village Title Holding Corporation (KVTHC). I am testifying today on behalf of this entity. It consists of an agricultural housing and an agricultural business community. There are over 600 men, women and children residing here and/ or working in the 10 agricultural businesses or non-profits companies supporting agriculture. These are the people who help produce fresh fruits and vegetables for your table.

KVTHC strongly supports Senate Bill 1541 Relating to the Waiahole Water System.

This bill provides very thorough information about the system, its uniqueness and value to the farmers and the overall community. Such a system would certainly cost many millions more dollars to construct today. It also appears to be one of the more **costly irrigation systems for farmers.** The cost is approaching that of the electrically pumped system in this area. Unfortunately, the water pumped from the aquifer in this area has been contaminated by various parties and its continuing use for irrigation is uncertain.

Consequently, the users of this system feel it is appropriate and of value to the state to pay off this burdensome debt on the farmers in this region. The costs and savings of this action are well reported in the body of this proposed bill. As with all businesses farming costs are ultimately borne by the ultimate users. In this case those that eat here: you, me, everyone in Hawaii. AND, we are all aware of the significant increase in imported foods recently whether canned, packaged or fresh.

Paying off this debt as proposed in this bill for local farmers who have already paid an amount that more than covers the principal is certainly an action worth your most serious attention.

Thank you for the opportunity to testify in support of Hawaii's agricultural needs.



Hawaii Agriculture Research Center

94-340 Kunia Road, Waipahu, HI 96797 Ph: 808-621-1350/Fax: 808-621-1359

TESTIMONY BEFORE THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

SENATE BILL NO. 1541

--RELATING TO THE WAIAHOLE WATER SYSTEM

Thursday February 6, 2025

Chair De Coite, Vice Chair Wakai and Members of the Committee:

My name is Robbie Melton. I am Executive Director of the Hawaii Agriculture Research Center (HARC). I am testifying today on behalf of the center and our research and support staff.

HARC strongly supports House Bill 781 relating to the Waiahole water system.

HARC is a non-profit organization whose mission is to support agriculture in Hawaii through research and infrastructure preservation. Its experiment station is located at the urban/agricultural boundary in the Kunia agricultural area, essentially the gateway to this agricultural district. In the sugar era it produced some of the highest yields on record. Today we are a thriving research organization developing new crop varieties with traits like disease resistance and higher productivity. We focus on crops that will strengthen Hawaii's agricultural sustainability. Educating producers on new varieties and farming techniques is a cornerstone of HARC. Currently we conduct over 40 research projects at Kunia Station, and support 7 Go Farm graduates and two agriculture organizations onsite.

The only source of agricultural water for HARC is the Waiahole Irrigation System. The Board of Water Supply limited the use of potable water to domestic use on this parcel and where available to other agricultural operations in the area. Without water there can be no viable agricultural activity on this land as it receives very little rainfall.

As a user of this system, we feel it is appropriate and of value to the state to pay off this burdensome debt on the farmers in this region. The costs and savings of this action are well reported in the body of this proposed bill. HARC is a non-profit organization and does not have the financial means to support an alternative water system.

Paying off this debt as proposed in this bill will support local agricultural production and ease the financial burden of Hawaii's farmers.

Thank you for the opportunity to testify in support of Hawaii's agricultural needs.



Email: <u>communications@ulupono.com</u>

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM Thursday, February 6, 2025 — 1:15 p.m.

Ulupono Initiative <u>supports</u> SB 1541, Relating to the Waiahole Water System

Dear Chair DeCoite and Members of the Committee:

My name is Mariah Yoshizu, and I am the Government Affairs Associate at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy and clean transportation choices, and better management of freshwater resources.

Ulupono <u>supports</u> **SB 1541**, which appropriates funds for the Waiahole Water System for bond debt service and tunnel repair.

The Waiahole Water System is a cornerstone of agricultural sustainability on O'ahu, particularly in the Central and Leeward regions where water accessibility presents significant challenges. Specifically, this measure merits support for several compelling reasons:

- The system provides irreplaceable water security for agricultural operations. Without reliable irrigation water, our farming communities cannot sustain their operations or plan for future growth.
- The requested funding addresses critical infrastructure needs, particularly the repair of the adit 8 tunnel, through which all water from the Waiahole Water System must pass. This maintenance will prevent system deterioration and avoid more costly repairs in the future.
- Funding supports broader economic and environmental goals. The system's reliability directly impacts the livelihoods of local farmers and agricultural workers, contributing to rural economic vitality, and promotes Hawai'i's environmental stewardship priorities and commitment to sustainable resource management.
- The Waiahole Water System plays a crucial role in advancing Hawai'i's food security. As we work to reduce our dependence on imported food, maintaining reliable agricultural water infrastructure enables increased local food production capacity.

This worthy investment proposed in this bill represents a critical commitment to ensuring that the Waiahole Water System continues to serve our farming communities effectively while supporting our broader goals for agricultural sustainability and food security.

Respectfully,

Mariah Yoshizu Government Affairs Associate

Investing in a Sustainable Hawaiʻi



February 6, 2025

Senate Committee on Economic Development and Tourism Time: 1:15 pm Place: Conference Room 229

> Testimony on SB 1541 Relating to the Waiahole Water System Position: Support

Chair Decoite, Vice Chair Wakai and committee members:

My name is Alan Takemoto, Government Affairs manager for Bayer in Hawaii.

We are in support of SB 1541 which appropriates funds for bond debt service and tunnel repair.

The Waiahole Water System (WWS) is one of the most important agricultural infrastructure the State has invested in on Oahu. The WWS covers over 5,000 acres of prime and productive agricultural lands that serves over a dozen farms in central Oahu.

The WWS is an aging system that was built in the early 1900's. It is a unique irrigation system that moves water by gravity through several siphons over 26 miles from the Koolau mountains to the central plains of Oahu. The State's purchase of the system in 1999 was one of the most important investments that assures farming will continue on the central plains of Oahu.

Thank you for allowing us to testify in support of this measure.

Bayer U.S. 94-520 Kunia Road P.O. Box 200 Kunia, HI 96759



P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

February 6, 2025

HEARING BEFORE THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

TESTIMONY ON SB 1541 RELATING TO THE WAIAHOLE WATER SYSTEM

Conference Room 229 & Videoconference 1:15 PM

Aloha Chair DeCoite, Vice-Chair Wakai, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate, and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports SB 1541, which appropriates funds for the Waiahole Water System for bond debt service and tunnel repair.

Since the demise of plantation operations across the islands, we have seen the erosion of irrigation systems. Ditches that carried water fell into disrepair, with significant leaks in the system and cracks in tunnels creating enough losses that there is no longer a significant flow of water. The Legislature continues to advocate for increased self-sufficiency and sustainability. Agriculture must play a key role in the process, and for there to be agriculture, water is essential.

The Waiahole Irrigation System was built about 100 years ago and continues to be a critical infrastructure system that provides water to thousands of acres of prime agricultural lands in central O[°]ahu. The central plains of O[°]ahu are one of the most highly productive and diversified agricultural regions in the State.

The State Agribusiness Development Corporation (ADC), recognizing the system's importance to the State's future sustainability, purchased the Waiahole Irrigation in 1989. The Waiahole Water System tunnels are aging and require critical repairs to ensure structural integrity and uninterrupted water delivery. Delayed maintenance risks costly failures that could disrupt water availability for agriculture. Addressing infrastructure needs proactively avoids emergency situations and escalated repair costs, ensuring the efficient and cost-effective management of state resources.

Supporting the bond debt service for the Waiahole Water System ensures its financial sustainability and reinforces the state's commitment to maintaining this essential resource for agricultural use.

SB 1541 is a necessary investment in Hawai'i's agricultural infrastructure, supporting agriculture and sustainable water resource management. HFB urges the committee to pass this measure to ensure the continued operation and reliability of the Waiahole Water System, a cornerstone of O'ahu's agricultural success.

Thank you for the opportunity to testify on this important matter.

Officers Kaipo Kekona State President

Anabella Bruch Vice-President

Maureen Datta Secretary

Reba Lopez Treasurer

Chapter Presidents Clarence Baber

Kohala, Hawai'i

Tony Vera East Hawai'i

Puna, Hawai'i

Andrea Drayer Ka'ū, Hawai'i

Maureen Datta Kona, Hawai'i

Fawn Helekahi-Burns Hāna, Maui

> Mason Scharer Haleakalā, Maui

Kaiea Medeiros Mauna Kahālāwai, Maui

> Kaipo Kekona Lahaina, Maui

Kilia Avelino-Purdy Moloka'i

> Negus Manna Lāna'i

India Clark North Shore, Oʻahu

Christian Zuckerman Wai'anae, Oʻahu

Ted Radovich Waimānalo, Oʻahu

Vincent Kimura Honolulu, Oʻahu

Natalie Urminska Kaua'i





Aloha Chair Decoite, Vice Chair Wakai, and Members of the Senate Economic Development and Tourism Committee,

The Hawai'i Farmers Union is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFU supports SB1541.**

The Waiahole Water System is a cornerstone of Hawaii's agricultural infrastructure, providing essential irrigation water to approximately 5,600 acres of farmland in Central and Leeward Oahu. This system is indispensable for the sustainability of the state's food-producing farms and ranches, and its ability to deliver reliable water supplies directly impacts the viability of local agriculture. Unfortunately, deferred maintenance and the financial burden of outstanding debt have created significant obstacles for these farmers. Addressing these issues is critical not only for sustaining current agricultural operations but also for ensuring the continued growth and security of Hawaii's food system.

Repairing this infrastructure is crucial for enhancing conveyance efficiency and reducing waste, ensuring that more of the diverted water reaches its intended users. By improving water flow and minimizing losses, these repairs will allow a greater percentage of water to benefit both Central and Leeward Oahu farms. Additionally, repaired infrastructure can help increase the volume of water available for return to Windward watersheds, benefitting both Windward farmers and native ecosystems that rely on consistent freshwater inflows. This essential investment will extend the lifespan of the system, fortify its resilience, and secure its functionality for future generations.

Mahalo for the opportunity to testify.

Hunter Heaivilin Advocacy Director Hawai'i Farmers Union LARRY JEFTS FARMS, LLC PO BOX 27 KUNIA, HAWAII 96759 (808) 688-2892

SB1541, Relating to The Waiahole Water System Senate EDT Hearing – 1:15 PM Thursday, February 6, 2025

Testimony By: Larry Jefts Position: Support

Chair DeCoite, Vice Chair Wakai, and Members of the Senate EDT Committee:

I am Larry Jefts, owner and operator of Larry Jefts Farms, LLC. We have more than 42 years of Hawaii farm experience on Molokai and Oahu. Our family farms grow about 1 million pounds weekly of import replacement produce. I am a volunteer director, serving as Chair of the West Oahu Soil and Water Conservation District (SWCD). I have also served as an officer of the Hawaii Farm Bureau for many years.

Consistent access to affordable water is vital; water is the lifeblood of my farms. Without such access, there would be no farms.

Funding to pay off the bond debt is a high priority for Central and Leeward Oahu agriculture, of which the Waiahole Water system provides irrigation water to 5,866 acres. Relief from the bond debt costs helps mitigate the cost of water to farmers.

During the days of plantation agriculture, plantations repaired and maintained irrigation systems, not only for their use, but these systems were often beneficial to surrounding farmers and, at times, residential areas. When plantations closed, irrigation systems fell into disrepair and still need repair. Repairs to the adit 8 tunnel are at a critical point of deferred maintenance. All of the Waiahole water must pass through adit 8 tunnel.

Your favorable consideration of SB1541 is appreciated. Thank you for the opportunity to testify on this bill.



February 3, 2025

Senator Lynn DeCoite, Chair Senator Glenn Wakai, Vice Chair Senate Committee on Economic Development and Tourism

Support of SB 1541, Relating to the Waiahole Water System (Appropriates funds for the Waiahole Water System for bond debt service and tunnel repair.)

Thursday, February 6, 2025, at 1:15 p.m. State Capitol, Conference Room 229 & Videoconference

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies. LURF's mission is to advocate for reasonable, rational, and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural, cultural, and agr8cultural resources, and public health and safety.

LURF appreciates the opportunity to express its **support of SB 1541**, and of the various agricultural stakeholder groups who defend the goals of viable agricultural operations and the conservation and protection of agriculture, including important agricultural lands in Hawaii.

<u>SB 1541</u>. The purpose of this bill is to provide additional funding for improvements to the Waiahole irrigation system.

LURF's Position. Since large amounts of prime agricultural lands and irrigation systems became available for conversion to diversified agriculture due to the plantation closures in the 1990s, the State has had the opportunity to strengthen and expand Hawaii's diversified agriculture industry. Agricultural lands, however, require significant quantities of water to support and maintain productivity. To ensure that local agricultural producers may continue to receive a dependable supply of water for crops, as well as research and development operations, sufficient funding is necessary to improve, repair and maintain Hawaii's irrigation systems.

Committee on Economic Development and Tourism February 3, 2025 Page 2

The Waiahole irrigation system, one of Hawaii's most important irrigation systems, is over a hundred years old, 23.5 miles long, and services thousands of acres of productive agricultural lands in central Oahu. The system is one of many irrigation systems throughout the State which are vital to Hawaii's agricultural industry.

Local farmers and ranchers who rely on irrigation systems to service their agricultural lands consider such resources critical to conduct their agricultural operations and to sustain their businesses. These agricultural stakeholders confirm that SB 1541 will greatly assist by providing funding necessary to fully pay off the bond debt service which was incurred by the agribusiness development corporation to procure and make improvements to the Waiahole Water System, and to now also make critical repairs to the System's adit 8 tunnel. Such action is vital to support and promote the long-term betterment of the State's agricultural industry and to work toward the expansion of diversified agriculture; promote the agricultural self-sufficiency of the State; and to protect water as an important resource.

For the above reasons, LURF **supports SB 1541**, and respectfully urges your favorable consideration.

Thank you for the opportunity to provide comments in support of this matter.



HAWAII CROP IMPROVEMENT ASSOCIATION

SB1541 – In Support Relating to the Waiahole Water System

Senate Committee on Economic Development and Tourism

Date: Thursday. February 6, 2025 Time: 1:15 PM Place: Conference Room 229

Aloha Chair DeCoite, Vice Chair Wakai, and Members of the Committee:

The Hawaii Crop Improvement Association (HCIA) appreciates the opportunity to provide testimony **in support of SB1541**, which appropriates funds for the Waiahole Water System for bond debt service and tunnel repair.

The Waiahole Irrigation System (WIS) is one of the most important infrastructure investments on Oahu. A product of the sugar plantation era, the system was built in the early 1900s, moving water by gravity through several siphons over 26 miles from the Ko'olau mountains to the central plains of Oahu. The WIS provides water to over 5,000 acres of productive agricultural lands on central Oahu, serving about a dozen agricultural users.

Due to its age, the WIS has and will need ongoing capital improvement and maintenance. This bill would retire existing debts, allowing the Agribusiness Development Corporation to focus on its users and help keep Oahu's agriculture industry viable into the future. It would also address much needed repairs while maximizing the efficiency of the current system.

Mahalo for the opportunity to testify on this measure.

The Hawaii Crop Improvement Association is a Hawaii-based non-profit organization that promotes modern agriculture to help farmers and communities succeed. Through education, collaboration, and advocacy, we work to ensure a safe and sustainable food supply, support responsible farming practices, and build a healthy economy.

<u>SB-1541</u> Submitted on: 2/5/2025 7:09:37 AM Testimony for EDT on 2/6/2025 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Randy Cabral	Individual	Support	Written Testimony Only

Comments:

Strong support

<u>SB-1541</u> Submitted on: 2/5/2025 8:08:12 AM Testimony for EDT on 2/6/2025 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
J Ashman	Individual	Support	Written Testimony Only

Comments:

Please pass this important measure.

Thank you.