MAR 1 4 2007

SENATE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A FINANCIAL AND MANAGEMENT AUDIT OF THE DEPARTMENT OF AGRICULTURE'S OPERATION OF THE MOLOKAI IRRIGATION SYSTEM.

WHEREAS, the Molokai irrigation system, the largest irrigation system operated by the Department of Agriculture, extends for twenty-five miles, delivering 1,200,000,000 gallons of water annually and serving 3,160 acres of land; and

WHEREAS, the Molokai irrigation system is supported by the revenues the Department of Agriculture generates from users of the system in the way of fees and charges; and

WHEREAS, a portion of the revenues generated by the Molokai irrigation system may be being diverted by the Department of Agriculture to subsidize other irrigation systems or other Department of Agriculture operations throughout the State; and

WHEREAS, the termination of any diversion of revenues generated by the Molokai irrigation system could mean lower fees and rates for users of the system than they are now paying; and

WHEREAS, users of the Molokai irrigation system and members of the Molokai irrigation system water users advisory board have been making recommendations for years on ways to improve the system, including but not limited to ways to capture excess runoff during maximum flow conditions and the use of diesel power for the generation of electricity to operate the system; and

WHEREAS, in spite of years of making recommendations on improvements to the system, the users of the Molokai irrigation system continue to deal with an inadequate irrigation system and continue to pay fees and charges that do not allow for a flourishing agricultural industry on Molokai; now, therefore,

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 BE IT RESOLVED by the Senate of the Twenty-fourth Legislature of the State of Hawaii, Regular Session of 2007, the House of Representatives concurring, that the Auditor is requested to conduct a financial and management audit of the Department of Agriculture's operation of the Molokai irrigation system; and

BE IT FURTHER RESOLVED that the Auditor is requested to include in the audit a determination of:

(1) The total annual revenues generated from users of the Molokai irrigation system for the last three years;

(2) The total annual costs of operation and maintenance of the Molokai irrigation system for the last three years;

(3) Anticipated major costs for upkeep of the Molokai irrigation system over the next three years;

(4) Any anticipated capital improvement costs that the Molokai irrigation system may require over the next three years;

(5) What, if any, funds generated from users of the Molokai irrigation system are being diverted by the Department of Agriculture to subsidize other irrigation systems or other Department of Agriculture operations throughout the State;

(6) What measures may be implemented to improve the physical facilities and the operations of the Molokai irrigation system; and

(7) What measures may be implemented to reduce the cost of irrigation to users of the Molokai irrigation system; and

BE IT FURTHER RESOLVED that the Auditor is requested to submit the findings and any recommendations of the audit, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2008; and

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BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Auditor, the Chairperson of the Board of Agriculture, and to the Molokai irrigation system water users advisory board.

OFFERED BY:

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