# SB 145

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State of Hawaii DEPARTMENT OF AGRICULTURE 1428 South King Street Honolulu, Hawaii 96814-2512

TESTIMONY OF RUSSELL S. KOKUBUN CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND WATER, LAND, AND HOUSING

> SATURDAY, FEBRUARY 12, 2011 2:45 P.M. CONFERENCE ROOM 225

SENATE BILL NO. 145 RELATING TO IRRIGATION

Chairpersons Nishihara and Dela Cruz and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No. 145. The purpose of this bill is to appropriate funds for State irrigation systems, the Agricultural Water Use and Development Plan, and personnel positions. The Department supports the intent of this bill.

The State's irrigation systems provide one of the essential resources to farm. Our systems serve over 7,000 acres with irrigation water. Most of these systems are approaching or are over 100 years old and in need of significant improvements to reduce water losses and maintenance costs.

From a statewide perspective, the Department respectfully requests consideration for the addition of the following projects:

- \$2,500,000 for the Ka`u Irrigation System
- \$300,000 for the Kekaha Ditch System
- \$110,000 for the Kahuku Agricultural Park Irrigation System



RUSSELL S. KOKUBUN Chairperson, Board of Agriculture

> JAMES J. NAKATANI Deputy to the Chairperson

TESTIMONY OF RUSSELL S. KOKUBUN SENATE BILL NO. 145 PAGE 2

If funds for the Agricultural Water Use and Development Plan are being appropriated, the name of the special fund may need to be broadened. In that case, the department respectfully requests the following revisions regarding the irrigation repair and maintenance special fund: 1) the name of the "irrigation repair and maintenance special fund" be changed to the "agricultural infrastructure improvement special fund" to allow agricultural land improvement projects access to this Act.; 2) revise §167-24 (b) to read, "Moneys in the [irrigation repair and maintenance special fund] agricultural infrastructure improvement special fund shall be used to fund [repair and maintenance of the following irrigation systems:] improvements for the following agricultural projects:; 3) add paragraph "(18) Studies for agricultural water and land planning" to §167-24 (b); and 4) change the wording where appropriate in this bill to reflect the revised name of the special fund.

The Department also requests deferring the appropriations for the positions identified in the bill at this time. It is our inclination to focus on funding the projects as the priority consideration.

Thank you for the opportunity to testify on this measure.

NEIL ABERCROMBIE GOVERNOR OF HAWAII





#### WILLIAM J. AILA, JR. INTERIM CLARFERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

GUY H. KAULUKUKUI FIRST DEPUTY

WILLIAM M. TAM DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES BOATNO AND OCEAN REGREATION BUREAU OF CONVEYANCES COMMISSION ON WATER RESOURCE MANAGEMENT CONSERVATION AND COASTAL LANDS CONSERVATION AND RESOURCES ENFORCEMENT ENGINEERING FORSTRY AND WILDLIFE HISTORIC PRESERVATION KAHOOLAWE ISLAND RESERVE COMMISSION LAND STATE PARKS

#### STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of

WILLIAM J. AILA, JR.

Chairperson

Before the Senate Committees on AGRICULTURE and WATER, LAND, AND HOUSING

Saturday, February 12, 2011 2:45 PM State Capitol, Conference Room 225

#### In consideration of SENATE BILL 145 RELATING TO IRRIGATION

Senate Bill 145 authorizes the Director of Finance to issue general obligation bonds in the sum of \$400,000 to be deposited into the Department of Agriculture's irrigation repair and maintenance special fund to fund various irrigation system improvements, the agricultural water use and development plan, and additional personnel to improve oversight and management of the irrigation systems for fiscal years 2011-2012.

The Department of Land and Natural Resource's Commission on Water Resource Management (Commission) supports the intent of the bill but defers to the Department of Agriculture regarding the impact of this measure on their Executive Biennium Budget request.

The Commission recognizes and supports the need for long-range agricultural water planning and the development and implementation of the agricultural water use and development plan. As one of five components of the Hawaii Water Plan, the Agricultural Water Use and Development Plan provides critical information needed by the State, counties, and other stakeholders to facilitate the coordinated planning process required to maintain existing irrigation systems and provide for Hawaii's agricultural water needs.



<u>Hawaii Farm Bureau</u> 2343 Rose Street, Honolulu, HI 96819 PH: (808)848-2074; Fax: (808) 848-1921

# February 11, 2011

# TESTIMONY

# **Re: HB145 RELATING TO IRRIGATION**

Chair Nishihara, Chair Dela Cruz and Members of the Committees:

Hawaii Farm Bureau Federation on behalf of commercial farm and ranch families and organizations in the State strongly supports with comment SB145, funding irrigation projects across the state.

The State Water Code requires a Hawaii Water Plan that addresses current and future needs of water in the State. In 1998, as large water systems were abandoned with the closure of plantations, the Legislature included the Agricultural Water Use and Development Plan as part of the State Water Plan. The intent of the measure was "to develop a long-range management plan that assesses **state and private** agricultural water use, supply and irrigation water systems." (quote from Commission on Water Resource and Management with emphasis added).

Since passage, attempts have been made to complete the Plan. Todate, it remains incomplete and the Water Commission is faced with decision making responsibilities that need this information. Past reports emphasized State systems and while they are important, they are not the only systems in the State. Many areas depend on private systems.

The \$400K associated with this measure provides funding to complete the Plan as defined in HRS 174C-31 (e) 3 and 4 is needed. This information will assist the Commission in making decisions on the various needs identified in the Water Code. We respectfully request your passage of this measure, amending it to address funding for HRS174c-31(e)3 and 4. (attached)

We defer quantification of the funding requirements for CIP projects across the State to HDOA. Priority needs to be given to those projects that may be in the Federal budget and require a State match.

We respectfully request your strong support in moving this measure forward with the suggested amendments. We appreciate this opportunity to provide our opinion on this matter. If there are any questions, please contact Warren Watanabe at 2819718. Thank you.

Attached: AWUDP language

Suggested language for reference to the Agricultural Water Use and Development Plan

SECTION 1. There is appropriated out of the agricultural development and food security special fund the sum of \$ or so much thereof as may be necessary for fiscal year 2011-2012 and the same sum or so much thereof as may be necessary for fiscal year 2012-2013 for the department of agriculture to complete the statewide agriculture water <u>use and</u> development <del>study</del> <u>plan as defined in HRS 174c-31 (e)3 and HRS 174c-31 (e)4</u>.

The sum appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 2. This Act shall take effect on July 1, 2011.

# MONSANTO CO. 94-520 KUNIA ROAD KUNIA, HAWAII 96759

# TESTIMONY BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND SENATE COMMITTEE ON WATER, LAND, & HOUSING

#### FEBRUARY 12, 2011

# TESTIMONY ON SB 145 RELATING TO IRRIGATION

Aloha Chair Nishihara, Chair Dela Cruz, and members of the committee:

My name is Alan Takemoto, Community Affairs Manager for Monsanto Hawaii. We <u>strongly</u> support SB 145 with amendments. We would like to respectfully request the addition of the Waiahole Irrigation System to the list of CIP projects. The funds needed for FY 11-12 is \$500,000 and FY 12-13 is \$2,500,000.

The Waiahole Irrigation System is a vital and critical irrigation system that services thousands of acres of prime agricultural lands in central Oahu. There are over 50 farm businesses that rely on Waiahole Irrigation System that produce vegetables, nurseries, seed, aquaculture, and agricultural research operations. There are over 2,000 jobs that have been generated by these farm businesses in the central Oahu region and in turn has generated positive growth for other businesses.

Monsanto is a member of the Kunia Water Cooperative which is the organization that represents all of the farming businesses utilizing the water from the Waiahole Irrigation System. Our Kunia operation is at the end of the Waiahole Irrigation System and fully relies on the consistent delivery of agricultural water. Monsanto employs about 400 employees at our Kunia farm site and has invested tremendously in our facilities in the Kunia region.

The Waiahole Irrigation System is a hundred year old system that needs regular capital improvements. We need to be proactive in assuring that the system is secure and that we make the necessary infrastructure improvement in advance to avoid failures in the system. There are a total of 4 siphons that needs to be replaced. One of the siphons has been identified as a priority which this bill addresses. There will be a need in the next few years to replace the other remaining siphons.

The Agribusiness Development Corporation (ADC) owns and manages the maintenance of this system and we appreciate all that they do with minimum staff. We are here to support their good work by providing the necessary funding to make preventative maintenance and improvements to the Waiahole Irrigation System.

As we understand that irrigation systems for Hawaii's farmers and ranchers are critical for the viability of the entire agricultural industry statewide, we also support that further amendments be made to coincide with the Dept. of Agriculture's CIP irrigation priorities that include adding other projects such as the Ka'u irrigation system, Kekaha irrigation system; and Kahuku ag park irrigation. While we defer to the Dept. of Ag, we support removing the positions from the bill thus focusing only on irrigation projects.

We believe with these amendments, SB 145 will be a comprehensive bill that recognizes the importance of a long range effort to fix our irrigation systems for the betterment of Hawaii's agricultural industry.

On behalf of Monsanto Hawaii, we urge your support and passage of SB 145 with these suggested amendments.

HARC

1 808 621 1359 P.001



Hawaii Agriculture Research Center Administration: P.O. Box 100, Kunia, HI 96759

Ph: 808-621-1350/Fax: 808-621-1359

# FAX TRANSMISSION COVER SHEET

To: Senat	te Sergeant-At-Arms	Date:	February 7, 2011
Location:	Hawaii State Capitol	Fax No.:	586-6659
From: C	indy Pinick for Stephanie A. Whalen (ph	a: 621-1350)	
Number of	pages (including this cover sheet):		3

The testimony listed below is for the following joint hearing:

# Senate Committees on Water, Land, and Housing and Agriculture

# February 10, 2011

# 10:00am

# **Conference Room 225**

# SB 145

HARC



Hawaii Agriculture Research Center Administration: P.O. Box 100, Kunia, HI 96759 Ph: 808-621-1350/Fax: 808-621-1359 a member of the

Kunia Water Cooperative

# TESTIMONY BEFORE THE SENATE COMMITTEES ON

# WATER, LAND, AND HOUSING

and

# AGRICULTURE

# **SENATE BILL 145**

#### **Relating to Agriculture**

#### February 10, 2011

Chairmen Dela Cruz and Nishihara and Members of your Committees:

My name is Stephanie Whalen. 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. I also am the President of the Kunia Water Cooperative and I am testifying on its behalf

HARC opposes Senate Bill 145 as proposed. Please amend adding to Section 3:

12) for the Waiahole Irrigation 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. It has been stated in the past as being located among some of the best agricultural lands in the state. In the sugar era it produced some of the highest yields on record. It continues to show that with other crops.

HARC recently agreed to an agricultural easement on the property to protect this land for agricultural production in perpetuity. This prevents the encroachment of urbanization in the future as desired by the surrounding communities and expressed in the Central Oahu and Ewa Development plans.

Hawaii Agriculture Research Center

Page 1

The federal government and the state hold this agricultural easement requiring that the land remain in agriculture. Consequently, there is a public interest in ensuring that water is available to this property.

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 agriculture on this land as it receives very little rainfall.

The Kunia Water Cooperative was established to represent the producers using the Waiahole Irrigation System. It has 9 members and over 50 farms are serviced. For the majority of farms this is the sole source of water for their crops. For much of the acreage in the Kunia area developing a well is not an option as the aquifer allocation under most of these lands has already been meted out.

The system is made up of a series of natural dikes and tunnels, 7 siphons, and open ditches. The system remarkably uses gravity to transport water for 25.3 miles through the central plain. Cooperative members along the ditch help in maintaining the integrity of the ditch as the Waiahole Irrigation System maintenance crew is too small to deal with all the maintenance issues for this system.

Three of the seven siphons have been repaired but the other four remain perilously deteriorated. If one or more of these siphons collapse it would take several months to get the system back in service. It took over 18 months for one of the siphons in the Wahiawa Irrigation System to be replaced after the major storm took it out a few years back. Considering the number of farms, the diversity of crops, the economic contribution of this area and the 1,000s of acres of this prime agricultural area, support for irrigation infrastructure needs to be a high priority.

It is the Kunia Water Cooperative's and HARC's desire that this system be made less risky over the next several years by approving this proposed measure and advancing it to the next committee.

HARC and the KWC strongly supports efforts to maintain and improve the irrigation systems in Hawaii and for that reason respectfully request funding for the Waiahole Irrigation System be included in this measure. The sum of \$2M would cover the planning, design and construction of 1 of the 4 siphons in need of repair.

We strongly urge you to AMEND Senate Bill 145 and thank you for the opportunity to testify.

Hawaii Agriculture Research Center

# nishihara1 - Dale

From:mailinglist@capitol.hawaii.govSent:Thursday, February 10, 2011 9:39 AMTo:AGL TestimonyCc:gottlieb@hawaii.rr.comSubject:Testimony for SB145 on 2/10/2011 10:00:00 AM

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Testimony for AGL/WLH 2/10/2011 10:00:00 AM SB145

Conference room: 225 Testifier position: support Testifier will be present: No Submitted by: Alan Gottlieb Organization: Hawaii Cattlemen's Council Address: Phone: 808-306-7769 E-mail: gottlieb@hawaii.rr.com Submitted on: 2/10/2011

Comments:



SB 145 – Relating to Irrigation; Agriculture Water Use and Plan Committee on Agriculture and Committee on Water, Land, and Housing Saturday, February 12, 2011 at 2:45 P.M. Conference Room 225

Chairman Nishihara and Vice Chair Kahele, Chair Dela Cruz and Vice Chair Solomon

My name is Cindy Goldstein, representing Pioneer Hi-Bred International, Inc., with facilities on Oahu and Kauai.

Pioneer Hi-Bred supports SB 145 with the addition of other irrigation systems.

Pioneer Hi-Bred International, Inc. produces corn, soybean and sunflower seed crops in Hawaii, with operations in four locations in the state. We carry out research and development at our sites and multiply seed to develop new hybrids and varieties that are more productive for farmers in the US and around the world. Pioneer employs approximately 400 people in a wide range of types of jobs on Oahu and Kauai.

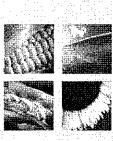
Pioneer supports the issuance of bonds and appropriation of funds out of the irrigation repair and maintenance special fund for the repair and maintenance of aging water systems that serve the needs of agriculture. The Waiahole Irrigation System and Kekaha System are not included in this bill and we would like to have these systems included on the list for SB 145.

Irrigation systems have served the needs of agriculture for decades and repairs are needed to continue providing water needed for agriculture operations throughout Hawaii. Maintenance and oversight of these irrigation systems is critical to existing agriculture operations and for new agriculture operations.

Many farmers rely on water from the aging irrigation systems in SB 145. This investment is important for fruit, vegetable, and other crop production as well as ranching. The desire to expand agricultural production for additional local food production will not be possible without a reliable water supply. Pioneer and many other agriculture businesses rely on these extensive irrigation systems for crop production and we would like to have the Waiahole Irrigation System and Kekaha System added to SB 145 to meet the needs of many agriculture operations on the West side of Kauai and Central Oahu, two highly productive agricultural areas.

Agriculture is an important part of the economy for rural areas served by these irrigation systems. Water is essential in keeping agricultural land in production.

Thank you for the opportunity to provide testimony for this hearing.



HCIA 2010-2012 Board of Directors

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> Past President Adolph Helm

Executive Director Alicia Maluafili

# Hawaii Crop Improvement Association

Growing the Future of Worldwide Agriculture in Hawaii

Testimony By: Alicia Maluafiti

SB 145 - RELATING TO IRRIGATION

The Senate Committees on Water, Land and Housing, and Agriculture Saturday, February 12, 2011 Room 225, 2:45 p.m.

#### Position: Strong Support

Aloha Chairs Dela Cruz and Nishihara, Vice Chairs Solomon and Kahele, and members of the Committees:

My name is Alicia Maluafiti, Executive Director of the Hawaii Crop Improvement Association, a nonprofit trade association representing the seed industry in Hawaii. HCIA strongly supports SB 145 – authorizing the issue of general obligation bonds to make capital improvements to our irrigation systems across the state.

HCIA's member seed companies maintain operations on the islands of Kauai, Maui, Molokai and Oahu. They are vested in the agricultural future of this state and have invested millions into improving the irrigation, buildings and other infrastructure. But our 100-year old irrigation systems owned and maintained by the state are in disrepair and facing serious maintenance issues. Any disruption in delivering water to farmers could severely impact their viability as we saw after the earthquake on the big island.

HCIA has seen and testified on a number of bills to appropriate funds to fix Hawaii's failing irrigation systems critical to ensuring the viability of farmers and ranchers statewide. We believe this bill offers a more comprehensive approach to addressing these challenges. HCIA would like to request that this omnibus irrigation bill be expanded to include Waiahole irrigation system on the island Oahu which services more than 50 farmers in the Kunia region.

Mahalo for the opportunity to comment.

91-1012 Kohi uka Sireet 'Ewa Beach, HI 96706 Tel: (808) 224-3648 director@hciaonline.com www.hciaonline.com

# **COMMITTEE ON AGRICULTURE & COMMITTEE ON WATER, LAND, AND HOUSING**

DATE:Saturday, February 12th, 2011TIME:2:45 P.M.PLACE:Conference Room 225

#### RE: RELATING TO IRRIGATION.

Aloha Chair Nishihara, Chair Dela Cruz and Members of the Committee,

My name is Laurie Goodwin, Hawaii State Affairs Manager for Syngenta Hawaii. Syngenta Hawaii strongly supports SB 145 with amendments which would provide funding for the continued maintenance and upkeep of various irrigation systems. We respectfully request that SB 145 be amended to include funding for the repair and maintenance of the Waiahole irrigation system in the amount of \$500,000 for 2011/2012 and \$2.5 million for 2012/2013. We also support including other projects from the Department of Agriculture's CIP irrigation priorities like the Ka'u and Kekaha irrigation systems and the Kahuku ag park. Syngenta Hawaii LLC is dependent on water from both the Waiahole and Kekaha irrigation systems to feed our crops. To ensure the successful continuation of research and development operations at our facilities that employ over 350 people we rely on consistent water delivery from these systems.

Including these amendments would make SB 145 a comprehensive bill that recognizes the value and importance of irrigation systems to Hawaii's agricultural sector. These funds are critical to the continued success of existing farming operations. Without water and infrastructure to deliver water, farmers cannot survive.

We urge you to pass this legislation with the suggested amendments. It will provide funding to support the water feeding vibrant and economically impactful areas of Hawaii agriculture.

Thank you for the opportunity to submit testimony.

Mahalo,

Laurie Goodwin

Laurie Goodwin Hawaii State Affairs Manager Syngenta Hawaii LLC 7050 Kaumualii Highway | Kekaha, HI 96752 PO Box 879 | Waimea, HI 96796 office: 808-337-1408 Ext. 120 | mobile: 808-652-0768 laurie.goodwin@syngenta.com