NEIL ABERCROMBIE GOVERNOR OF HAWAII





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STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

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Testimony of WILLIAM J. AILA, JR. Chairperson

Before the House Committee on WATER AND LAND

Monday, February 3, 2014 9:15 A.M. State Capitol, Conference Room 325

In consideration of HOUSE BILL 1729 RELATING TO DAM AND RESERVOIR SAFETY

House Bill 1729 proposes to require the Board of Land and Natural Resources (BLNR) to prepare all studies to determine the safe removal or retirement of a dam or reservoir upon the request of a homeowner association or homeowner of property where a dam or reservoir is situated. The Department of Land and Natural Resources (Department) opposes this measure.

The Department believes that each private dam owner should be responsible to comply with the law, which includes bearing the cost of the studies needed to remove their own dams. This measure shifts a private responsibility to the Department and raises concerns of the use of public funds for private purposes. Whether you are a seller or buyer of a property that a dam resides on, the obligation to conduct these studies should remain a private responsibility. Disclosure and due diligence should be performed in the conveyance of any property so each party clearly understands their obligations. This measure also creates a loophole which could have a significant fiscal impact if numerous studies are requested to be conducted by the Department. Because the Department's Dam Safety Program relies on fees collected from dam owners to operate, this measure could also have negative implications on other dam owners that may not benefit from this proposed revision.

Thank you for the opportunity to testify on this measure.

February 3, 2014 Relating to Dam and Reservoir Safety HB 1729

Dear Committee Members,

I am the managing agent for Waikapu Gardens Association and we are part of tremendous problem. Right in the middle of our subdivision is reservoir #6, which was abandoned by Wailuku Water Company a couple of years ago. This large about 7 acre dam now sits empty in the middle of the subdivision. We have tried to work with the State Department of Land and Natural Resources to solve the problem of what to do with an empty reservoir without success. We have consulted with Oceanit Engineering to find out how much to take our of dam status and the estimate was about \$500,000.00. To keep in dam status the cost was about the same. We have recently hired Oceanit to do the PMF study at a cost of \$23,500.00. We are a mix of low and moderate income residents, with association dues that will go up considerably without some type of help in this matter. The association would like the dam to be exempt from Dam Status but is not possible at this time.

Meanwhile we have a large empty hole in the ground in the middle of the subdivision that is starting to drain association finances.

We are also paying the \$4,100.00 dollar regulated dam and reservoir annual fee.

Please consider HB 1729 bill to help this homeowner association.

ours.

Jóseph G. Blackburn Managing Agent