THE SENATE THIRTY-SECOND LEGISLATURE, 2023 STATE OF HAWAII

S.B. NO. ⁸³³ S.D. 1

A BILL FOR AN ACT

RELATING TO THE WAHIAWA IRRIGATION SYSTEM.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

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PART I

2 SECTION 1. The legislature finds that the Wahiawa irrigation system is a critical irrigation system providing 3 water to farmers in Waialua and Haleiwa on the island of Oahu. 4 5 Built by the Waialua Sugar Company, the Wahiawa irrigation 6 system was created with a dam and freshwater reservoir fed by the north fork and south fork of the Kaukonahua stream. The dam 7 8 is essential to agriculture as the water in the reservoir 9 provides irrigation to farmers in Wahiawa, Waialua, and Haleiwa. 10 The reservoir also provides a venue for recreational activities 11 for the surrounding community and the State.

12 The legislature further finds that Dole Food Company, Inc., 13 has listed the irrigation system for sale for \$20,000,000. The 14 Dole portion of the system includes the Wahiawa reservoir, 15 Wahiawa dam, and ditch system. The spillway, owned by 16 Sustainable Hawaii, LLC, is also an integral component of the 17 irrigation system. Dole has offered to donate its interests to

2023-1284 SB833 SD1 SMA.docx

Page 2

S.B. NO. ⁸³³ S.D. 1</sup>

the State of Hawaii in exchange for the State's agreement to
repair the spillway to meet and maintain dam safety standards.
It is in the interest of the public for the State to acquire the
Wahiawa irrigation system and preserve the system for public
access and the agriculture industry.

6 The purpose of this Act is to authorize the department of 7 agriculture, department of land and natural resources, and 8 agribusiness development corporation to acquire the Wahiawa 9 irrigation system, on terms negotiated and agreed upon by the 10 office of the governor, and to purchase, repair, and maintain 11 the associated spillway.

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PART II

13 SECTION 2. (a) The office of the governor shall negotiate 14 with Wahiawa Water Company, Inc., and Dole Food Company, Inc., 15 the State's fee simple acquisition of the Wahiawa irrigation 16 system.

(b) The department of land and natural resources may acquire from Wahiawa Water Company, Inc., or Dole Food Company, Inc., on terms agreed upon by the office of the governor, the fee simple interest in the Wahiawa irrigation system, including the following parcels:

2023-1284 SB833 SD1 SMA.docx

| 1 | (1) | TMK (1) 7-3-001-003; |
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| 2 | (2) | TMK (1) 7-3-001-019; |
| 3 | (3) | TMK (1) 7-3-006-023; |
| 4 | (4) | TMK (1) 7-3-007-001; |
| 5 | (5) | TMK (1) 7-3-008-001; |
| 6 | (6) | TMK (1) 7-3-010-003; |
| 7 | (7) | TMK (1) 7-3-011-003; |
| 8 | (8) | TMK (1) 7-3-011-006; |
| 9 | (9) | TMK (1) 7-3-011-007; |
| 10 | (10) | TMK (1) 7-3-012-002; |
| 11 | (11) | TMK (1) 7-3-012-006; |
| 12 | (12) | TMK (1) 7-4-001-003; and |
| 13 | (13) | TMK (1) 7-4-012-001. |
| 14 | (c) | The department of agriculture may acquire: |
| 15 | (1) | From Dole Food Company, Inc., or the appropriate owner |
| 16 | | a fee simple interest in the Wahiawa dam, on terms |
| 17 | | agreed upon by the office of the governor; and |
| 18 | (2) | From Sustainable Hawaii, LLC, a fee simple interest in |
| 19 | | the spillway associated with the Wahiawa irrigation |
| 20 | | system, located at parcel TMK (1) 7-1-012-014; |
| 21 | | provided that the sale terms shall be conditioned on |

2023-1284 SB833 SD1 SMA.docx

Page 4

| 1 | an appraisal of the property pursuant to section | | | | |
|----|--|--|--|--|--|
| 2 | 171-30, Hawaii Revised Statutes. | | | | |
| 3 | (d) The agribusiness development corporation may acquire | | | | |
| 4 | from Dole Food Company, Inc., or the appropriate owner on terms | | | | |
| 5 | agreed upon by the office of the governor, the ditch system | | | | |
| 6 | associated with the Wahiawa irrigation system. | | | | |
| 7 | (e) The department of land and natural resources shall not | | | | |
| 8 | impose administrative fines on the department of agriculture for | | | | |
| 9 | safety deficiencies at Wahiawa dam or the associated spillway; | | | | |
| 10 | provided that the department of agriculture shall repair and | | | | |
| 11 | maintain the Wahiawa dam and spillway and shall ensure the | | | | |
| 12 | structures meet dam safety standards. | | | | |
| 13 | (f) No fines owed by Dole Food Company, Inc.; Sustainable | | | | |
| 14 | Hawaii, LLC; or Wahiawa Water Company, Inc., for violations of | | | | |
| 15 | dam safety standards at Wahiawa dam or the associated spillway | | | | |
| 16 | shall transfer to the State upon the sale of the property to the | | | | |
| 17 | State. | | | | |
| 18 | PART III | | | | |
| 19 | SECTION 3. There is appropriated out of the general | | | | |
| 20 | revenues of the State of Hawaii the sum of \$21,000,000 or so | | | | |
| 21 | much thereof as may be necessary for fiscal year 2023-2024 and | | | | |

2023-1284 SB833 SD1 SMA.docx



2023-1284 SB833 SD1 SMA.docx

2024-2025 for the agribusiness development corporation to manage
and maintain its acquired portion of the Wahiawa irrigation
system.

4 The sums appropriated shall be expended by the agribusiness5 development corporation for the purposes of this Act.

6 SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ 7 or so 8 much thereof as may be necessary for fiscal year 2023-2024 and 9 the same sum or so much thereof as may be necessary for fiscal 10 year 2024-2025 for the department of land and natural resources 11 to manage and maintain its acquired portion of the Wahiawa 12 irrigation system and for establishment of four full-time 13 equivalent (4.0 FTE) positions.

14 The sums appropriated shall be expended by the department 15 of land and natural resources for the purposes of this Act.

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PART IV

SECTION 7. The appropriations made for the capital improvement projects authorized by this Act shall not lapse at the end of the fiscal biennium for which the appropriations are made; provided that all moneys from the appropriations unencumbered as of June 30, 2025, shall lapse as of that date.

2023-1284 SB833 SD1 SMA.docx

| 1 | SECTION 8. | This Act shall take effect on July 1, 205 | , O . |
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Report Title:

Wahiawa Irrigation System; Land Purchase; Office of the Governor; Department of Agriculture; Agribusiness Development Corporation; Department of Land and Natural Resources; Appropriation

Description:

Requires the Office of the Governor to negotiate the State's fee simple acquisition of the Wahiawa irrigation system on the island of Oahu. Authorizes and appropriates funds for the Department of Agriculture, Agribusiness Development Corporation, and Department of Land and Natural Resources to purchase, repair, and maintain the Wahiawa irrigation system and the associated spillway. Appropriates funds four full-time equivalent (4.0 FTE) positions for the Department of Land and Natural Resources. Effective 7/1/2050. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

