

LATE

The life of the land is perpetuated in righteousness



**East Kauai
Water Users' Cooperative**

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TO: Rep. Clift Tsuji, Chairperson
House Agriculture Committee

February 1, 2011

RE: Testimony on HB 1185 Relating to the East Kauai Irrigation System

Chairperson Tsuji:

My name is Jerry Ornellas. I am the president of the East Kauai Water Users' Cooperative. I am testifying in favor of HB 1185.

Amfac sugar company announced in 2001 that it was ceasing operation of its ditch system comprising 30 miles of ditch and two reservoirs serving a total of 4,000 acres—2,000 acres of State and private land in Kapaa and 2,000 acres of State land in the Kalepa area. The Cooperative was formed in 2001, took over **management** of the State-owned system in 2002, and is about to enter its ninth year of successful operation. The Cooperative is faced with this problem for operations and maintenance: large portions of the land served by the ditch and recently sold by the sugar company or leased out by the State remain fallow or, in the case of the Kalepa area, are occupied by ranchers or farmers just developing the land.

Income from the users is today insufficient to pay the normal operations and maintenance expenses on the system. In 2010, the Coop was operated on a cash budget of \$72,960. \$20,460 was paid in by members, the balance from State and County grants. Volunteer in-kind contributions totaled \$130,000 for the year. Membership has remained the same this past year, and water is being delivered in an efficient and reliable manner.

Over the past several years, the State has invested about \$2.6 million in **capital improvements** to the system. When the work is complete, the system will be in excellent operating condition. One consequence of the upgrades, however, is increased maintenance work on the part of the Coop, for example, on the faces of the reservoir dams. These are being cleaned of trees and brush under the CIP program and have to be kept clear by the Coop on a regular basis—a new expense.

The East Kauai irrigation system is the only system in the State run by the community. It is an excellent example of State/citizen cooperation, in that the citizens benefit from the use of the system and the State benefits directly by the continued existence of Fern Grotto and Wailua Reservoir. In the case of **Fern Grotto**, the health of the ferns are directly dependent upon the supply of water to the grotto from Reservoir 21 of our system which sits directly above the grotto. When Amfac let this reservoir dry up a few years ago, the ferns started to die off. When the Coop restored water, the ferns rejuvenated, and with them the prospects of the many businesses dependent upon the grotto. If the State were to operate the irrigation system itself to feed Reservoir 21, it would be prohibitively expensive.

Second, the State has plans to develop a Public Fishing Area, a camp ground and an educational center at **Wailua Reservoir**. These will be excellent additions to our island, enhancing both the tourist experience and the education of our children. Again, the reservoir is maintained by the Coop and the State avoids the considerable expense of maintaining this artificial body of water.

Third, the Coop controls the water system in the 6,500 acres of "**Kalepa**" **State lands** near Hanamaulu. This water system is essential for the development of agriculture on these lands, which are some of the few remaining areas available for ag development on State land.

I respectfully ask for your support and passage of this bill.

East Kauai Water Users' Cooperative

A handwritten signature in cursive script that reads "Jerry Ornellas". The signature is written in black ink and is positioned above the printed name.

Jerry Ornellas, President

hashem2 - Dorothy

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 01, 2011 10:54 PM
To: AGRtestimony
Cc: gottlieb@hawaii.rr.com
Subject: Testimony for HB1185 on 2/2/2011 9:40:00 AM

Testimony for AGR 2/2/2011 9:40:00 AM HB1185

Conference room: 312
Testifier position: support
Testifier will be present: No
Submitted by: Alan Gottlieb
Organization: Hawaii Cattlemen's Council
Address:
Phone:
E-mail: gottlieb@hawaii.rr.com
Submitted on: 2/1/2011

Comments:

We support the testimony of the East Kauai Water Users Coop