

NEIL ABERCROMBIE  
Governor



RUSSELL S. KOKUBUN  
Chairperson, Board of Agriculture

JAMES J. NAKATANI  
Deputy to the Chairperson

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 HOUSE COMMITTEE  
ON  
FINANCE

THURSDAY, FEBRUARY 24, 2011  
11:30 A.M.  
CONFERENCE ROOM 308

HOUSE BILL NO. 1571, H.D. 1  
RELATING TO AGRICULTURE

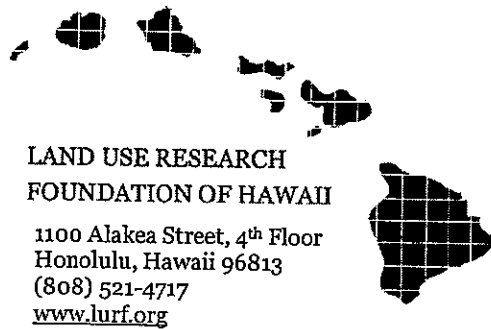
Chairperson Oshiro and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 1571, H.D. 1. The purpose of this bill is to appropriate funds for State irrigation systems. The Department supports the intent of this bill.

The State's irrigation systems provide one of the essential resources to farm. The systems listed in this bill provide reliable irrigation water to over 22,000 acres of farm land. Most of these systems are approaching or are over 100 years old and are in need of significant improvements to reduce water losses and maintenance costs. These funds are necessary to help extend the life of these systems for many decades to come and to continue to move Hawaii toward a more sustainable future.

Thank you for the opportunity to testify on this measure.





LAND USE RESEARCH  
FOUNDATION OF HAWAII

1100 Alakea Street, 4<sup>th</sup> Floor  
Honolulu, Hawaii 96813  
(808) 521-4717  
[www.lurf.org](http://www.lurf.org)

February 24, 2011

Representative Marcus R. Oshiro, Chair and Representative Marilyn B. Lee, Vice Chair  
Committee on Finance

**Support of HB 1571, HD 1 Relating to Agriculture (authorizing issuance of general obligation bonds to finance various irrigation systems).**

**Thursday, February 24, 2011 at 11:30 a.m. in CR 308**

My name is Dave Arakawa, and I am the Executive Director of the Land Use Research Foundation of Hawaii (LURF), a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. One of LURF's missions is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources and public health and safety.

We appreciate the opportunity to provide our testimony **in support of HB 1571, HD 1 and offer comments.**

**HB 1571, HD 1.** This bill proposes to authorize the issuance of \$2,000,000 in general obligation bonds to make capital improvements to the Waiahole irrigation system (WIS).

**LURF's Position.** The purpose of this bill is to provide funding required for capital improvements to the Waiahole irrigation system; one of Hawaii's most important irrigation systems which is one hundred years old, 23.5 miles long, services thousands of acres of productive agricultural lands in central Oahu, but is now in serious disrepair. The Waiahole system is one of many irrigation systems throughout the State which are essential to Hawaii's agricultural industry. With large amounts of prime agricultural lands and irrigation systems made available for conversion to diversified agriculture as a result of the plantation closures in the 1990s, the State presently has an opportunity to strengthen and expand Hawaii's diversified agriculture industry. Agricultural lands, however, require significant quantities of water to support and maintain productivity. In order to ensure that local agricultural producers may continue to receive a dependable supply of water for crops, as well as research and development operations, sufficient funding is necessary to improve, repair and maintain Hawaii's irrigation systems.

Local farmers and ranchers who rely on irrigation systems such as Waiahole to service their agricultural lands consider such resources critical to conduct their agricultural operations and to sustain their businesses. HB 1571, HD 1 will greatly assist by providing funding necessary to make capital improvements to the Waiahole system, including siphon replacements and other necessary infrastructure improvements, to ensure that water may continue to be delivered efficiently to farmers and ranchers..

Based on the above, LURF **supports** **HB 1571, HD 1**, and respectfully urges your favorable consideration.

Thank you for the opportunity to present testimony regarding this matter.



## 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 HOUSE COMMITTEE ON FINANCE

#### HOUSE BILL 1571, HD1

#### RELATING TO AGRICULTURE

February 24, 2011

Chairman Oshiro and Members of your Committee:

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 strongly supports House Bill 1571, HD1 which includes supporting the improvement of the irrigation infrastructure for the Waiahole water 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.

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 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.**

**An additional state interest in the Waiahole Irrigation System is a 150-acre parcel owned by the state, located in Kunia, and destined to be one of its agricultural parks. The Department of Agriculture recently requested an allocation of water from the Water Commission from this system to service the tenants of this agricultural park.**

The Kunia Water Cooperative was established to represent the producers using the Waiahole Irrigation System. It has 9 members with over 50 farms being serviced by this system. 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. Under most of these lands, the aquifer allocation 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 a major storm took it out a few years back. Considering the number of farms, the diversity of crops, and the 1,000s of acres of this prime agricultural area, support for irrigation infrastructure needs to be a high priority.

It is the desire of the Kunia Water Cooperative and HARC 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 is supportive of the requests for all the agricultural water systems listed in this proposed bill over the biennium. HARC is appreciative of the legislature's past support and continuing recognition of repair needs for agricultural water systems in the state. These are valuable investments in the food, feed and fuel needs for the current and future generations.**

Thank you for the opportunity to testify in support of Hawaii's agricultural needs.



**Hawaii Farm Bureau**  
F E D E R A T I O N

2343 Rose Street, Honolulu, HI 96819  
PH: (808)848-2074; Fax: (808) 848-1921

February 24, 2011

**TESTIMONY**

**RE: HB1571 HD1 SD1 RELATING TO AGRICULTURE**

Chair Oshiro and Members of the Committee:

Hawaii Farm Bureau Federation on behalf of commercial farm and ranch families and organizations in the State **strongly supports with amendments**, HB1571 HD1 authorizing the issuance of general obligation bonds for repair and maintenance of the Irrigation Systems across the State.

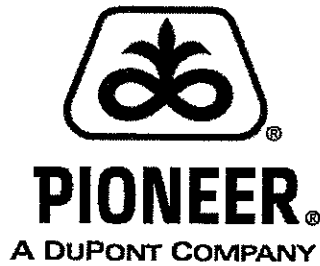
Hawaii's increased level of self sufficiency is totally dependent upon the health of its' agricultural industry. Without water, there can be no agriculture. This measure seeks to provide funding to address needed improvements to the system to provide reliable deliveries.

Building water storage and delivery infrastructure is critical but so is our ability to access the water needed to put into these systems. To accomplish this, the **completion of the Agricultural Water Use and Development Plan is critical. The information is needed to assist the Water Commission in making critical water decisions for agriculture.**

To this end, we request the addition of the following line in section 2:

(9)	Ag Water Use and Development Plan (Important Sources of Agricultural Water
Section)	\$400,000

We respectfully request your support in passing this measure with the suggested amendments. If there are any questions, please contact Warren Watanabe at 2819718. Thank you.



**Pioneer Hi-Bred International, Inc.**  
Cindy Goldstein, Ph. D

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HB1571 HD1 Relating to Irrigation Systems  
COMMITTEE ON FINANCE  
Thursday February 24, 2011 at 11:30 a.m.  
Conference Room 308

Chairman Oshiro, Vice Chair Lee and members of the Committee on Finance.

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

Pioneer Hi-Bred strongly supports HB1571 HD1 to fund 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 additional funding needed for improvements to irrigation systems throughout the State. The aging water systems throughout Hawaii provide water for many of Hawaii's farmers and will be essential for establishment of new agriculture operations.

Many farmers rely on water from the aging irrigation systems outlined in HB1571 HD1. 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 such as the Waiahole Irrigation System and Kekaha Ditch System.

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. Irrigation systems have served the needs of agriculture for decades and repairs are needed to continue providing water needed for agriculture operations throughout Hawaii.

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

## COMMITTEE ON FINANCE

**DATE:** Monday February 24<sup>th</sup>, 2011

**TIME:** 11:30 am

**PLACE:** Conference Room 308

**RE: Authorizes issuance of general obligation bonds to finance various irrigation systems.**

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Aloha Chair Oshiro, Vice Chair Lee and Members of the Committee,

My name is Laurie Goodwin, Hawaii State Affairs Manager for Syngenta Hawaii. **Syngenta Hawaii strongly supports HB 1571 HDI** which would issue general obligation bonds to finance the continued operation and maintenance of several irrigation systems including the Waiahole ditch system. These funds are critical to the continued success of existing farming operations. Without water and infrastructure to deliver water, farmers and ranchers cannot survive.

Syngenta Hawaii relies on these irrigation systems to deliver our water. Losing or delaying the delivery of that water would significantly impact our business. But it is not only our business or industry that relies on these systems. They deliver water to farmers producing a variety of products including fruits and vegetables, flowers and livestock. Expanding farming for increased local food production will not be possible without a consistent, reliable water supply.

We urge you to pass this legislation that will provide funding to support the water feeding vibrant and economically impactful areas of Hawaiian 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](mailto:laurie.goodwin@syngenta.com)





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

TESTIMONY BEFORE THE  
HOUSE COMMITTEE ON FINANCE

FEBRUARY 24, 2011

AGENDA #3  
11:30 AM

TESTIMONY ON HB 1571, HD 1  
RELATING TO AGRICULTURE

Aloha Chair Oshiro and members of the committee:

My name is Alan Takemoto, Community Affairs Manager for Monsanto Hawaii. We **strongly support HB 1571, HD 1** which provides funding for various irrigation systems. In particular, we support the **capital improvements to the Waiahole Irrigation System**.

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, landscape, aquaculture, pineapple and agricultural research. 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 300 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. If one flume should fail, the entire Kunia agricultural region would be without water for months and leaving many totally without water.

HB 1571, HD 1 is a comprehensive bill that recognizes the importance of a long range effort to fix our irrigation systems as well as a statewide agricultural water use development plan for the betterment of Hawaii's agricultural industry.

On behalf of Monsanto Hawaii, we urge your support and passage of HB 1571, HD 1, that provides critical funding for the improvements to irrigation systems statewide and more specifically, **we strongly support the long needed improvements to the Waiahole Irrigation System.**

Thank you.

2/22/2011

House Committee on Finance  
Chair – Rep. Marcus Oshiro

Meeting Date: February 24, 2011 @ 11:30 A.M.  
House Conference Room 308  
Hawaii State Capital 415 S. Beretania St.

**RE: Joint House Committee hearing on HB1571, HD1.**

Chairman Oshiro,

This letter is in **FAVOR** to the House effort to issue general obligation bonds to repair and maintain various irrigation systems in Hawaii including the Waiahole Ditch System on Oahu.

I am in favor of funding the Waiahole Ditch System because the water delivered to West Oahu by this system is used to produce food for the State of Hawaii (Jefts Farm, Aloun Farms, Fat-Law Farms) as well as provides water for the seed industry in Hawaii, an industry that pumps \$222 million dollars annually into the State of Hawaii.

I request Hawaii lawmakers to seriously consider and to pass this legislation that will help repair our aging water systems that supports our agricultural industry.

I urge the House Committee on Finance to pass HB1571, HD1.

Sincerely,



Michael Austin  
PO Box 26441

Honolulu, Hawaii 96825

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, February 22, 2011 12:33 PM  
**To:** FINTestimony  
**Cc:** Mchughj001@hawaii.rr.com  
**Subject:** Testimony for HB1571 on 2/24/2011 11:30:00 AM

Testimony for FIN 2/24/2011 11:30:00 AM HB1571

Conference room: 308  
Testifier position: support  
Testifier will be present: No  
Submitted by: John McHugh  
Organization: Individual  
Address:  
Phone:  
E-mail: [Mchughj001@hawaii.rr.com](mailto:Mchughj001@hawaii.rr.com)  
Submitted on: 2/22/2011

### Comments:

The Waiahole Ditch, along with other irrigation ditch systems around the state, are critical to the success of agriculture in Hawaii. The Waiahole Ditch especially brings water to farmers that are contributing significantly to the economic well-being of the state. Those farms include seed production, vegetables and melons, herbs, and specialty crops. Without the Waiahole Ditch this agriculture would not exist. Because the Ditch system is more than 100 years old the question is not if it will fail but when it will fail. The infrastructure needs urgent repair to continue to service farmers that utilize its water. Please pass this bill for the good of the agriculture industry and the state of Hawaii.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Wednesday, February 23, 2011 6:25 PM  
**To:** FINTestimony  
**Cc:** hvtao@hawaiiantel.net  
**Subject:** Testimony for HB1571 on 2/24/2011 11:30:00 AM

Testimony for FIN 2/24/2011 11:30:00 AM HB1571

Conference room: 308  
Testifier position: support  
Testifier will be present: No  
Submitted by: Rodney Haraguchi, President  
Organization: Kauai Taro Growers Association  
Address:  
Phone:  
E-mail: [hvtaro@hawaiiantel.net](mailto:hvtaro@hawaiiantel.net)  
Submitted on: 2/23/2011

### Comments:

Chair Rep Marcus Oshiro and members of the House Finance Committee:

We are 9 taro farmers from the Hanalei Valley on Kauai. We are the largest wetland taro producing area in the state cultivating approximately 190 acres. Our irrigation supply ditch has a breach approximately 85 feet long and without a repair there will be no water for the entire valley.

Please amend the bill to include the Hanalei Valley Irrigation Intake repair. Last week the first draft of the repair was presented to the farmers and it is projected to cost \$1.5 million. The farmers are working with the Natural Resource Conservation Service to finalize the design as soon as possible so that repairs can be done before another major flood undermines the bottom of the river.

As a member of the Kauai County Farm Bureau Commodity group, this repair is a top priority. If there are any questions, please contact me at (808)826-6202. Mahalo for your consideration.

Rodney Haraguchi 57 acres  
Mike Fitzgerald 27 acres  
Gary Koga 26 acres  
Miguel Legaspi 11 acres  
Fred Wong 9 acres  
Alex Diego 20 acres  
Charlie Spencer 12 acres  
Bobbie Watari 17 acres  
Flora Quick 11 acres