

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

WEDNESDAY, MARCH 30, 2011
11:00 A.M.
CONFERENCE ROOM 308

SENATE BILL NO. 145, S.D. 2, H.D. 1
RELATING TO IRRIGATION

Chairperson Oshiro and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No. 145, S.D. 2, H.D. 1. The purpose of this bill is to appropriate funds for various 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.





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

March 29, 2011

TESTIMONY

Re: SB145 SD2 RELATING TO IRRIGATION

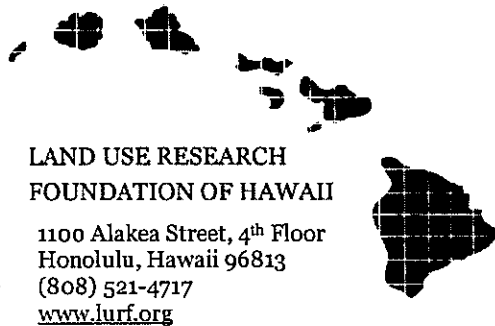
Chair Oshiro and Members of the Committee:

Hawaii Farm Bureau Federation on behalf of commercial farm and ranch families and organizations in the State **strongly supports SB145 SD2, an omnibus measure authorizing GO Bonds for funding irrigation projects across the state.**

Sound irrigation systems are important to provide affordable and reliable water to farms and ranches. A systematic process to repair, maintain and build systems is critical as agriculture seeks to expand, and areas of the State are faced with long periods of drought.

We respectfully request your strong **support in moving this measure forward and restoring the effective date to the enactment of the measure.** We appreciate this opportunity to provide our opinion on this matter. If there are any questions, please contact Warren Watanabe at 2819718.

Thank you.



LAND USE RESEARCH
FOUNDATION OF HAWAII

1100 Alakea Street, 4th Floor
Honolulu, Hawaii 96813
(808) 521-4717
www.lurf.org

March 30, 2011

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

Support of SB 145, SD 2, HD 1. (Authorizing issuance of general obligation bonds to make capital improvements to various irrigation systems.)

Wednesday, March 30, 2011 at 11:00 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 SB 145, SD 2, HD 1, and offer comments.**

SB 145, SD 2, HD 1. This bill proposes to authorize the director of finance to issue general obligation bonds (up to the sum of \$9,960,000 for fiscal year 2011-2012, and up to the sum of \$9,960,000 for fiscal year 2012-2013) to finance capital improvements to various irrigation systems located throughout the State. The effective date of this bill is July 1, 2020.

LURF's Position. The purpose of this bill is to provide additional funding required for improvements to 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 to service their agricultural lands consider such resources critical to conduct their agricultural operations and to sustain their businesses. These agricultural stakeholders believe SB 145, SD 2, HD 1 will greatly assist by providing funding necessary to conduct preventative maintenance and make infrastructure and other capital improvements to irrigation systems for the long-term betterment of the State's agricultural industry.

House Committee on Finance
March 30, 2011
Page 2

For the above reasons, LURF **supports SB 145, SD 2, 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

SENATE BILL 145, SD2, HD 1

RELATING TO IRRIGATION

March 30, 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 Senate Bill 145, SD2, HD1 which includes funding for the improvement of Hawaii's irrigation infrastructure.

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 the Waiahole system to service the tenants of this new agricultural park.

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. 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.

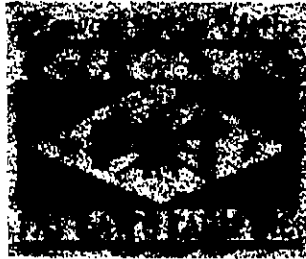
Three of the 7 siphons have been repaired but the other four remain perilously deteriorated. If one or more of these siphons collapse it would take several months to get the system back in service. It took over 18 months for one of the siphons in the Wahiawa Irrigation System to be replaced after a major storm took it out a few years back. Considering the number of farms, the diversity of crops, 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 desire of the Kunia Water Cooperative (KWC) 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. **Any of the 4 remaining siphons could break at any time and the users would have no water for several months waiting for a repair.**

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. If the state is interested in food and fuel security, there needs to be a continued commitment to water delivery infrastructure.

We strongly urge you to approve **Senate Bill 145, SD2, HD1** and thank you for the opportunity to testify.

SB145



DATE: 3/29/11
TO: STATE OF HAWAII HOUSE OF REPRESENTATIVES
FROM: FAT LAW'S FARM INC.

SUBJECT:

Dear Committee Members:

I run a small family farm in the Kunia area. We are extremely dependent on the Waiahole irrigation system and respectfully request that the State budget for the Waiahole system include \$0.5M for 2011-12 and \$2.5M for 2012-13. Local farmers such as myself desperately need this funding of our water supply so our farms can continue to put locally grown produce on the market. Budgeting these sums to support local farming is a positive use of public funds and will help farmers in this area succeed. Mahalo for your consideration of our farming needs.

VERY TRULY YOURS

FRANK LAW

Owner. Fat laws farm. inc. (frank@fatlawfarm.com)

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

TESTIMONY BEFORE THE
HOUSE COMMITTEE ON FINANCE

MARCH 30, 2011
11:00 A.M.

TESTIMONY ON SB 145, SD 2, HD 1
RELATING TO IRRIGATION

Aloha Chair Oshiro and members of the committee:

My name is Alan Takemoto, Community Affairs Manager for Monsanto Hawaii. We **strongly support SB 145, SD 2, HD 1. Our support focuses on the provision for Waiahole Irrigation System and respectfully request the committee to re-insert the appropriation of \$500,000 for FY 11-12 and \$2,500,000 for FY 12-13.**

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 have generated positive growth for other businesses.

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 necessary and critical improvements to the Waiahole Irrigation System.

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 entire farming community in the central plains of Oahu is at risk if we do not appropriate these funds to maintain a very important water system such as the Waiahole Irrigation System. Thank you.

3/29/2011

House Committee on Finance
Chair – Representative Marcus Oshiro

Meeting Date: March 30, 2011 @ 11:00 A.M.
House Conference Room 308
Hawaii State Capital 415 S. Beretania St.

RE: House Committee hearing on SB145 sb2 hd1

Chairman Oshiro,


This letter **STRONGLY FAVORS SB145** in an effort to issue general obligation bonds to repair and maintain Hawaii's irrigation systems including the Waiahole Ditch System on Oahu. If passed, this money will be used to repair and replace badly corroded siphons that run along the 27 mile length of this important water delivery system.

I am in favor 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 passing this legislation that will repair an aging water system that supports our agricultural industry.

I urge the House Committee on Finance to pass SB145 for the future of Hawaii's Agricultural Industry and Farmer's.

Sincerely,



Michael Austin
PO Box 26441

Honolulu, Hawaii 96825

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 29, 2011 11:24 AM
To: FINTestimony
Cc: kathim@halmskimchee.com
Subject: Testimony for SB145 on 3/30/2011 11:00:00 AM

Testimony for FIN 3/30/2011 11:00:00 AM SB145

Conference room: 308
Testifier position: support
Testifier will be present: Yes
Submitted by: Mike Irish/Kathi Meechan
Organization: Halms Enterprise, Inc.
Address:
Phone:
E-mail: kathim@halmskimchee.com
Submitted on: 3/29/2011

Comments:

We are strongly in support of this irrigation bill and are hopeful that the committee will pass it. The Waiahole Ditch is in dire need of repair and all farms using this water system are very concerned. Due to the current state of disrepair that the ditch is in, it would only take a small unfortunate incident to disable hundreds of acres of farmland. Passing of this bill could provide much needed funding for the system repairs, so please do what is right for all of us and let this bill pass.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 29, 2011 8:17 AM
To: FINTestimony
Cc: BVance@harc-hspa.com
Subject: Testimony for SB145 on 3/30/2011 11:00:00 AM

Testimony for FIN 3/30/2011 11:00:00 AM SB145

Conference room: 308
Testifier position: support
Testifier will be present: No
Submitted by: Blake Vance
Organization:
Address:
Phone:
E-mail: BVance@harc-hspa.com
Submitted on: 3/29/2011

Comments:

Passage of this bill is extremely important to assure continued/reliable irrigation of the agricultural lands on the Leeward side of O'ahu. Thank you.