

STAND. COM. REP. NO. 3001

Honolulu, Hawaii

MAR 23 2016

RE: H.B. No. 2198
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Water, Land, and Agriculture, to which was referred H.B. No. 2198, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL
PURPOSE REVENUE BONDS FOR UKUMEHAME RESERVOIRS,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to provide financing to assist West Maui Investors, LLC, with permits, testing, construction, and post-construction management of two Ukumehame reservoirs.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that Ukumehame Reservoir numbers 2 and 3 are earthen embankment dams constructed side-by-side along the bottom of the western slope of the Ukumehame Gulch on the island of Maui that receive water from a small diversion off of the stream in the Ukumehame Gulch, which has historically been utilized for agricultural water in the nearby area. Your Committee further finds that following the discovery of a major leak from Ukumehame Reservoir number 3 in 2008, the water level in reservoir numbers 2 and 3 were drawn down to minimize the risk of failure; however, the owner modified portions of the water system



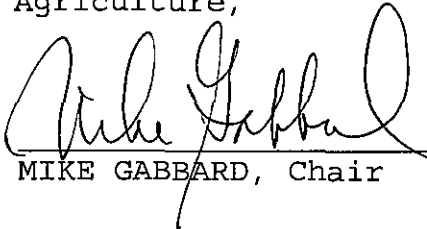
to bypass Ukumehame Reservoir numbers 2 and 3 and has yet to implement any remediation work that would address public safety.

Your Committee has amended this measure by:

- (1) Reinserting the special purpose revenue bond amount of \$850,285; and
- (2) Inserting an effective date of July 1, 2016.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2198, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2198, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Water, Land, and
Agriculture,

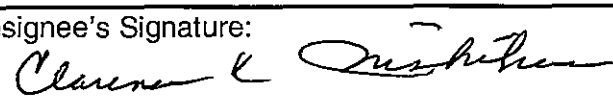


MIKE GABBARD, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Water, Land, and Agriculture
WLA

Bill / Resolution No.:*	Committee Referral:	Date:
HB2198, HD 2	WCA, WAM	3/14/16
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310
<input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
	Nay	Excused
GABBARD, Mike (C)	/	
NISHIHARA, Clarence K. (VC)	/	
DELA CRUZ, Donovan M.		/
RIVIERE, Gil	/	
RUDERMAN, Russell E.		/
SHIMABUKURO, Maile S.L.	/	
THIELEN, Laura H.		/
WAKAI, Glenn	/	
SLOM, Sam		/
TOTAL	5	4
Recommendation:		
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency
Goldenrod Committee File Copy		

*Only one measure per Record of Votes