

SB 1104

DAVID Y. IGE
GOVERNOR



WESLEY K. MACHIDA
DIRECTOR

LAUREL A. JOHNSTON
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY

TESTIMONY BY WESLEY K. MACHIDA

DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE

TO THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

ON SENATE BILL NO. 1104

February 13, 2017

1:15 P.M.

Room 224

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST MAUI ALL NATURAL ALTERNATIVE, LLC.

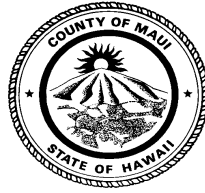
Senate Bill No. 1104 authorizes the issuance of Special Purpose Revenue Bonds (SPRB) up to \$20,000,000 to assist Maui All Natural Alternative, LLC, with the development of a project to provide municipal sludge processing and renewable energy at the Wailuku-Kahului wastewater reclamation facility on Maui pursuant to Part V, Chapter 39A, Hawaii Revised Statutes.

The Department is providing comments only to advise the Legislature and prospective SPRB parties that should the legislation be approved, approval of the SPRB issuance and conduit loan will require further review of the financing proposal to ensure compliance with all federal, state and credit underwriting requirements. For additional information, please consult our FAQ located at the following link:

<http://budget.hawaii.gov/wp-content/uploads/2012/11/SPRB-FAQ.pdf>.

Thank you for the opportunity to provide testimony on this measure.

ALAN M. ARAKAWA
MAYOR



200 South High Street
Wailuku, Maui, Hawai'i 96793-2155
Telephone (808) 270-7855
Fax (808) 270-7870
E-mail: mayors.office@mauicounty.gov

OFFICE OF THE MAYOR
Ke`ena O Ka Meia
COUNTY OF MAUI – Kalana O Maui

February 10, 2017

TESTIMONY OF ALAN M ARAKAWA
MAYOR
COUNTY OF MAUI

BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Monday, February 13, 2017
1:15p, Conference Room 224

SB 1104 RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST MAUI ALL NATURAL ALTERNATIVE, LLC.

Senator Mike Gabbard, Chair
Senator Gil Riviere, Vice Chair
Honorable Members of the Senate Committee on Agriculture and Environment

Thank you for this opportunity to testify in **SUPPORT** of SB1104.

This bill allows for the issuance of special purpose revenue bonds to assist Maui All Natural Alternative, LLC (MANA) with the development of a project to provide municipal sludge processing and renewable energy at the Wailuku-Kahului wastewater reclamation facility on Maui.

This is a public purpose project that combines beneficial use of municipal sludge, demonstrates on a commercial scale, firm renewable energy produced from energy crops harvested on Maui, and promotes environmental sustainability and agricultural diversification on former plantation lands. The project funded through private funds addresses many state and local mandates and in addition provides pathways for larger scale agriculture in Hawaii, which is badly needed due to departure of pineapple and sugar plantations over a period of time.

Therefore, I strongly urge the passage of this bill.

Sincerely,

Alan M. Arakawa
Mayor, County of Maui



Email: communications@uluponoinitiative.com

SENATE COMMITTEE ON AGRICULTURE & ENVIRONMENT
Monday, February 13, 2017 – 1:15 p.m. – Room 224

Ulupono Initiative Strongly Supports SB 1104, Relating to the Issuance of Special Purpose Revenue Bonds to Assist Maui All Natural Alternative, LLC.

Dear Chair Gabbard, Vice Chair Riviere, and Members of the Committee:

My name is Murray Clay and I am Managing Partner of the Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally produced food; increase affordable, clean, renewable energy; and reduce waste. Ulupono believes that self-sufficiency is essential to our future prosperity and will help shape a future where economic progress and mission-focused impact can work hand in hand.

Ulupono strongly supports SB 1104, which authorizes the issuance of special purpose revenue bonds to assist Maui All Natural Alternative, LLC (MANA) with the development of a project to provide municipal sludge processing and renewable energy at the Wailuku-Kahului wastewater reclamation facility on Maui. This is a public purpose project that combines beneficial use of municipal sludge, demonstrates on a commercial scale, firm renewable energy produced from energy crops harvested on Maui, and promotes environmental sustainability and agricultural diversification on former plantation lands. It will help provide pathways for larger scale agriculture in Hawai'i, which is needed due to the departure of pineapple and sugar plantations in our state's recent history. This project, which will continue to be funded through private sources, helps to address many of the state's and counties' sustainability goals.

Thank you for this opportunity to testify.

Respectfully,

Murray Clay
Managing Partner

Investing in a Sustainable Hawai'i



State Senate
Committee on Agriculture and Environment

Monday, February 13, 2017
1:15p, Conference Room 224

SB 1104 RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST MAUI ALL NATURAL ALTERNATIVE, LLC

Senator Mike Gabbard, Chair and Members of the Committee on Agriculture and Environment:

My name is Jeff Walsh, Project Development Manager for Maui All Natural Alternative LLC (MANA). Through our partnerships we are positioned as a global leader in offering sustainable solutions for the generation of renewable energy and the conversion of waste to resources and a technology leader in recovering value from waste for the municipal, industrial, and agriculture sectors.

I am here testifying in **SUPPORT** of SB 1104, which authorizes the issuance of special purpose revenue bonds to assist MANA with the development of a project to provide municipal sludge processing and renewable energy at the Wailuku-Kahului wastewater reclamation facility on Maui.

MANA with local interests and relationship is involved with the promotion of renewable energy and environmental sustainability for the County of Maui and the State of Hawaii including the following attributes:

1. The project delivers renewable energy and diversion of solid waste
2. The project has no public funds at risk
3. The project is in the public interest

Thank you for the opportunity to provide information and we look forward to your passage of this measure.

From: [Jeff Rebugio](#)
To: [AEN Testimony](#)
Subject: SB 1104 RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST MAUI ALL NATURAL ALTERNATIVE, LLC
Date: Thursday, February 9, 2017 12:23:14 PM

Senator Mike Gabbard, Chair and Members of the Committee on Agriculture and Environment:

I am in support of the use of special purpose revenue bond(s) to assist Maui All Natural Alternative, LLC (MANA) with the development of a project to provide municipal sludge processing and renewable energy at the Wailuku-Kahului wastewater reclamation facility on Maui.

This is a public purpose project that combines beneficial use of municipal sludge, demonstrates on a commercial scale, firm renewable energy produced from energy crops harvested on Maui, and promotes environmental sustainability and agricultural diversification on former plantation lands. The project funded through private funds addresses many state and local mandates and in addition provides pathways for larger scale agriculture in Hawaii, which is badly needed due to departure of pineapple and sugar (especially on Maui).

Thank you for the opportunity to provide information and we look forward to your passage of this measure.

--Jeff

Jeffrey Rebugio

Kaanapali Land Management Corp

**SB 1104
RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO
ASSIST MAUI ALL NATURAL ALTERNATIVE, LLC**

**PAUL T. OSHIRO
MANAGER – GOVERNMENT RELATIONS
ALEXANDER & BALDWIN, INC.**

FEBRUARY 13, 2017

Chair Gabbard and Members of the Senate Committee on Agriculture &
Environment:

I am Paul Oshiro, testifying on behalf of Alexander & Baldwin, Inc. (A&B) on SB 1104, “RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST MAUI ALL NATURAL ALTERNATIVE, LLC.” We support this bill.

The purpose of this bill is to authorize the issuance of special purpose revenue bonds to assist Maui All Natural Alternative, LLC (MANA) with the development of a project to provide municipal sludge processing and renewable energy at the Wailuku-Kahului wastewater reclamation facility on Maui.

As a tax exempt means of financing qualified projects in the interest of the general public, we understand that the special purpose revenue bonds authorized in this bill will provide important financial support to MANA to develop and construct a commercial-scale bioenergy facility on Maui. The planned facility is expected to generate biomethane from the anaerobic digestion of purpose grown energy crops that will be cultivated on former HC&S sugar cane lands in Central Maui. The approval of this bill will provide valuable State assistance to enable MANA to pursue this public

purpose project, advance the commercialization of crop-to-renewable energy pathways in Hawaii, and assist in keeping former Central Maui sugar cane lands in active agricultural production.

Based on the aforementioned, we respectfully request your favorable consideration on this bill. Thank you for the opportunity to testify.

From: mailinglist@capitol.hawaii.gov
Sent: Monday, January 30, 2017 5:17 PM
To: AEN Testimony
Cc: mendezj@hawaii.edu
Subject: *Submitted testimony for SB1104 on Feb 13, 2017 13:15PM*

SB1104

Submitted on: 1/30/2017

Testimony for AEN on Feb 13, 2017 13:15PM in Conference Room 224

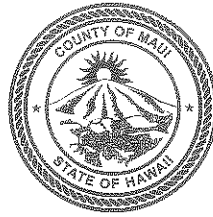
Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

ALAN M. ARAKAWA
Mayor



KA'ALA BUENCONSEJO
Director

BRIANNE L. SAVAGE
Deputy Director

(808) 270-7230
Fax (808) 270-7934

DEPARTMENT OF PARKS AND RECREATION

700 Hali'a Nakoia Street Unit 2, Wailuku, Hawaii 96793

State Senate
Committee on Agriculture and Environment

Monday, February 13, 2017; 1:15 p.m.
Conference Room 224

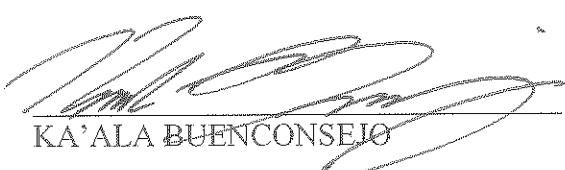
SB 1104 RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS
TO ASSIST MAUI ALL NATURAL ALTERNATIVE, LLC.

Senator Mike Gabbard, Chair and Members of the Committee on Agriculture and Environment:

My name is Ka'ala Buenconsejo and I am in support of a special purpose revenue bonds to assist Maui All Natural Alternative, LLC (MANA) with the development of a project to provide municipal sludge processing and renewable energy at the Wailuku-Kahului wastewater reclamation facility on Maui.

This is a public purpose project that combines beneficial use of municipal sludge, demonstrates on a commercial scale, firm renewable energy produced from energy crops harvested on Maui, and promotes environmental sustainability and agricultural diversification on former plantation lands. The project funded through private funds addresses many state and local mandates and in addition provides pathways for larger scale agriculture in Hawaii, which is badly needed due to departure of pineapple and sugar plantations over a period of time.

Thank you for the opportunity to provide information and we look forward to your passage of this measure.



KA'ALA BUENCONSEJO