



DEPARTMENT OF THE NAVY  
COMMANDER NAVY REGION HAWAII  
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JBPHH HI 96860-5101

SENATE COMMITTEE ON AGRICULTURE AND THE ENVIRONMENT  
SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL,  
AND MILITARY AFFAIRS

Testimony on Senate Bill 2930, Related to Underground Storage Tanks

Hearing Date and Time: Monday, February 5, 2018 at 1:35 pm.

Testimony on behalf of Navy Region Hawaii

Good afternoon, Chair Gabbard, Chair Nishihara, Vice Chairs, and Senators,

Thank you for the opportunity to testify. I am Captain Richard Hayes of the United States Navy. I am the commanding officer of Naval Facilities Engineering Command (NAVFAC) Hawaii, and also the Regional Engineer for Navy Region Hawaii. With me is Mr. Mark Manfredi, Project Manager for the Red Hill Facility, and personnel from the Navy Supply Command, Navy Region Hawaii, NAVFAC, and the Defense Logistics Agency. I am testifying on behalf of the U.S. Navy and Department of Defense on Hawaii Senate Bill 2930. As currently written this bill primarily targets the Department of Defense (DoD) Red Hill Bulk Fuel Storage Facility. The Environmental Protection Agency (EPA) and State of Hawaii Department of Health (DOH) regulate the Red Hill facility under a written agreement signed in September 2015 known as the Administrative Order on Consent (AOC). My testimony consists of four points:

1. The Administrative Order on Consent process is working and on track; AOC is enforceable and drives the development of upgrades to the Red Hill fuel facility.
2. Drinking water remains safe.
3. The Red Hill tanks are not leaking.
4. The Red Hill facility is vital to national defense.

**1. The Administrative Order on Consent process works; it is enforceable and drives the development of upgrades to the Red Hill fuel facility.**

The negotiated Administrative Order on Consent (AOC) has been successful and predictably directs actions as intended. To date the Navy and DoD have invested over \$33 million and tens of thousands of hours specifically towards the AOC. The AOC focus is maintaining our safe drinking water. The Navy is committed to the AOC which enables EPA and DOH as regulators to have expanded and comprehensive ability to inspect, evaluate, and approve Red Hill actions beyond what is required under State and Federal regulations. The AOC sets hard deadlines for deliverables and is enforceable by the EPA and DOH. To date the Navy met every AOC deadline. To ensure we accomplish our work in a transparent and

inclusive manner the AOC solicits and addresses external subject matter opinions. This process enables EPA, DOH, DLA, Navy, and other stakeholders to collaboratively address tank inspection, repair and maintenance; tank upgrade alternatives; release detection/tank tightness testing; corrosion testing; investigation and remediation; groundwater protection; as well as a risk and vulnerability assessment. The AOC creates legally enforceable decisions which are implemented using the federal procurement processes and, where necessary, the military construction process. Progress to date includes:

- Completed Section 6 and 7 (ground water assessment and modeling) analysis work plan with EPA and DOH approval.
- Completed the Current Fuel Release Monitoring Systems Report (Section 4.3) with EPA approval.
- Completed the Corrosion and Metal Fatigue Practices Report (Section 5.2) with EPA and DOH approval.
- Completed Section 6 and 7 (Monitoring Well Installation Plan).
- Added 6 new monitoring wells with additional wells planned.
- Completed the Sampling and Analysis Plan with EPA and DOH approval.
- Completed the Existing Data Evaluation Summary Report with EPA and DOH approval.
- Completed the Section 2 tank inspection, maintenance, and repair report with EPA and DOH approval.
- Completed the Section 3 tank upgrade alternatives report.
- Currently testing vendor proposals under the approved New Release Detection Alternatives Report (Section 4.6).
- Scoping the Destructive Testing effort.
- Continuing progress on the Section 8 Risk and Vulnerability Study.
- Completed the first draft of the Section 8f Alternate Site Study.
- Completed seismic evaluation study.
- Currently executing synoptic water level testing.

As proposed, SB2930 proposes a specific material solution as the tank upgrade alternative, explicitly identifying a secondary containment solution with interstitial monitoring by 2028, without the technical evaluation and assessment to support this alternative. A directed solution not scrutinized under the AOC process may not yield optimal results and is contrary to the spirit of the AOC. The Navy has demonstrated good faith in complying with the AOC.

Addressing tank upgrade alternatives at Red Hill is a unique and very complex issue, which is why the Navy supports the engineering based process mandated by the AOC. The Navy, with input from subject matter experts, undertook a rigorous evaluation of the leading six tank upgrade alternatives, three of which are double-wall options. Deadlines are tight to accomplish our goal. With the analysis in hand, the Navy and regulators will decide on the best available practicable solution to continue upgrading the Red Hill tanks. Regulators must approve solutions, and provide valuable feedback at every stage to produce a thorough and effective product.

This step by step, engineering driven process incrementally evaluates best available practicable solutions – the AOC is not just a one-time assessment. The AOC reviews best available practicable solutions every five years, likely yielding over time a more innovative approach than the fixed solution mandated by SB2930.

The National Defense Authorization Act (NDAA) of 2017 requires the Navy, DLA, and EPA to brief the House Armed Services Committee on its Tank Upgrade Alternative recommendation upon final review. We respectfully remind the Chair and Committee members that there are no "off the shelf" solutions to many of these requirements. Assessing the best available practicable technology requires consideration of alternatives – including some untested alternatives – as well as considering public input. We remain committed to the AOC process, which focuses on achieving the best solutions for Red Hill.

## **2. Drinking water remains safe.**

Past and current validated testing confirms, and all parties agree, that drinking water from the Red Hill shaft as well as nearby municipal wells is safe for human consumption. An EPA certified third party laboratory tests drinking water samples to validate analytical results. The Navy works with regulators at EPA and DOH, and with other stakeholders to ensure it remains safe. All analytical results are submitted to the regulatory agency which evaluates and confirms monitoring data. Testing records confirm that the drinking water meets or exceeds all Federal and State Safe Drinking Water Standards.

Since the fuel release in 2014, the Navy has added additional monitoring wells, installing the newest operating well in November 2017. The Navy installed the first groundwater monitoring well in 2002. In 2008, the Navy developed and implemented a DOH approved Groundwater Protection Plan that incorporated the existing groundwater monitoring wells. Today, there are 14 ground water monitoring sites around the Red Hill facility to detect possible migration of contaminants toward the drinking water sources by collecting samples using procedures developed with EPA and DOH. The Navy, with the approval of regulators, is assessing locations to expand the monitoring well network, both inside and outside of Navy property, to further improve groundwater flow models. The Navy provides the complete suite of studies, analytical data, and technical reports to the regulatory agencies and shares data for public review. The Navy updated the Ground Water Protection Plan in 2009, 2010, and again in 2014, each time with DOH approval. The Navy is consulting with DOH and EPA to continually evolve and update the Groundwater Protection Plan. Recent hydro-geological data provided additional evidence to the extent of a physical barrier that separates Red Hill from public water sources, supporting the 2015 EPA and DOH assessment that any migration from Red Hill to Board of Water Supply drinking water is “unlikely”. Our work continues on this effort.

We entirely agree that protecting the drinking water in Hawaii is an unquestioned, non- negotiable imperative. We are meeting this requirement through the AOC with our regulators, DOH and EPA.

### **3. Red Hill tanks are not leaking.**

The Navy began a more stringent leak detection test at Red Hill in 2008 for two tanks, and then tested the remaining operational tanks in 2009. This new test, a tank tightness test, is a procedure that determines if an underground storage tank leaks. Operators fill the tank and precisely measure pressure over time to ensure the tank is not leaking. Planned to be a biennial test, the Navy increased tank tightness testing frequency to annually in 2015. The AOC and its Statement of Work (SOW) incorporated this test. The Navy most recently completed the Red Hill annual tank tightness test in December 2017. All operating tanks continue to pass leak detection criteria of Title 40 of the U.S. Code of Federal Regulations.

#### **Red Hill tanks are not leaking.**

In 2014, contractors completed a multi-year service inspection and planned maintenance on Tank 5. Upon refilling the tank after being certified for return to service, the Navy experienced a release of 27,000 gals of jet fuel. There were three major failures that resulted in the fuel release, poor workmanship and lack of quality control by the contractor, poor quality assurance oversight by the Navy, and the operators' lack of procedural compliance. The Navy took appropriate and corrective actions to fix the contractor's issues, lack of quality control and procedural failures. **No other tanks were involved in the 2014 fuel release.** The Navy reiterates for the record, that the official estimation for the 2014 fuel release from Red Hill Tank 5, based on best accounting practices, is approximately 27,000 gallons, not 40,000 gallons as the bill indicates.

In the October 2017 letter to stakeholders, Rear Adm. Brian Fort, Commander, Navy Region Hawaii, said:

“One way the Navy ensures operational fuel tanks do not leak is by conducting inspections and monitoring tank levels. The most detailed inspection, which requires months to accomplish, scans every square inch of the tank wall using electromagnetic, ultrasonic analysis, and visual verification. Control room operators, using the automated fuel handling equipment system, continually monitor fuel levels of every tank as well as check tank levels manually. Another measure the Navy takes to ensure our tanks do not leak is our annual tank tightness test, which has undergone a third-party review by the National Working Group on Leak Detection Evaluations. This month, we began this test again on all operational tanks in Red Hill. Since 2014, the military spent over \$25.4 million on the Administrative Order on Consent (AOC)-related issues in support of our effort to monitor and upgrade the facility, and since 2006 we invested more than \$240 million on other Red Hill projects. We have also not let up on tank maintenance. We awarded two contracts worth \$39 million dollars to clean, inspect and repair five tanks, employing lessons learned from the 2014 release.”

The over \$240 million spent on improvements include: installed groundwater and soil vapor monitoring systems, structurally reinforced and renovated the tunnels and passageways, improved ventilation, tank interiors, oil tight door systems, fire protection systems, pipelines, and Red Hill drinking water shaft security. This is in addition to our normally occurring preventive maintenance, tank testing and inspections.

#### **4. The Red Hill facility is of vital strategic importance to our Nation and US Pacific Command.**

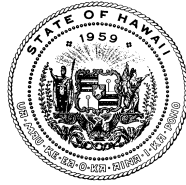
Red Hill's importance hasn't changed in the past four years; if anything its importance has increased. Three years ago Brigadier General O'Neil, Director of Logistics, addressing PACOM's command of Air Force, Marines, Army, and Navy forces, testified (paraphrasing for clarity only):

The Red Hill facility holds a significant percentage of petroleum war reserves required to defend national security interests in the Pacific region. It supports all US military forces stationed in and transiting through Hawaii via its hardened, underground, cyber-protected, gravity feed system to Joint Base Pearl Harbor-Hickam. It supports the Hawaii Army and Air National Guard and is capable of defense support to civil authorities should circumstances dictate. There is no comparable US owned facility anywhere from India to mainland USA. USPACOM remains committed to operating environmentally sound facilities, demonstrated through a trained workforce and continued financial investment that has improved safety, accountability, detection and monitoring at Red Hill.

Red Hill has been vital to our nation since construction; it is vital today; and will remain vital for the foreseeable future. The DoD asks the Legislature to defer this bill to allow DOH to continue its work with EPA and the Navy. We remain committed to protecting drinking water in Hawaii as an unquestioned, non-negotiable requirement. The AOC, which describes tasks that the Navy will complete within certain time constraints, is dedicated to meeting that requirement. This legally enforceable process provides the roadmap for the Red Hill facility with enhanced oversight and approval roles for DOH and EPA with expert resources beyond what this bill proposes.

In summary, your military in Hawaii and throughout the Pacific needs continuous and uninterrupted access to large volume, secure and sustainable fuel storage facilities. The Red Hill facility provides fuel to support countless contingency operations in the Pacific, and is essential to safeguard our national interests and support humanitarian missions overseas. The forward presence provided by your military builds international cooperation, maintains regional stability, and ensures maritime security, including the free flow of commerce to Hawaii, the mainland, and throughout the Indo-Asia-Pacific region. Red Hill will continue to operate safely with the process already established in the AOC. We respectfully request your support to defer action on this bill to ensure that the State Department of Health, the EPA, DLA, the Navy, and other stakeholders have sufficient time to complete our collaborative Administrative Order on Consent.

Thank you for the opportunity to testify today.



STATE OF HAWAII  
DEPARTMENT OF HEALTH  
P. O. Box 3378  
Honolulu, HI 96801-3378  
doh.testimony@doh.hawaii.gov

**Testimony in OPPOSITION to SB2930  
RELATING TO UNDERGROUND STORAGE TANKS**

SENATOR MIKE GABBARD, CHAIR  
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

SENATOR CLARENCE K. NISHIHARA, CHAIR  
SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, MILITARY  
AFFAIRS

Hearing Date: February 5, 2018  
1:35 pm

Room Number: 224

1 **Fiscal Implications:** None

2 **Department Testimony:** The department of health opposes SB2930.

3 It is not possible for the department to make rules as proposed in the current measure and remain  
4 an approved state underground storage tank (UST) program under federal law. Some of the rules  
5 required by the bill are less stringent than the federal underground storage tank regulations,  
6 which would constitute a violation of the requirements for state UST programs in Title 40 Code  
7 of Federal Regulations (CFR) §281-11. Other parts of the bill are problematic because they  
8 require rules which either conflict with the Administrative Order on Consent in Department  
9 Docket No. 15-UST-EA-01 (AOC) or which fail to provide owners and operators of UST  
10 systems time to come into compliance with them. Additionally, the proposed timeline for the  
11 department to complete the rulemaking required by this measure, which must be done pursuant  
12 to the requirements of chapter 91, Hawaii Revised Statutes (HRS), is simply not possible.

13 The department's procedures for rulemaking (governed by chapters 91 and 201M, HRS, chapters  
14 2-1 and 11-1, HAR, and Administrative Directive No. 09-01) include: public informational  
15 meetings during rule drafting; formatting review by the Legislative Reference Bureau; review by  
16 the Attorney General, EPA, and the Small Business Regulatory Review Board; a memo to the

1 Governor explaining the reasons for the proposed regulatory change and the possible impacts on  
2 the department's programs, the public, and the State's economy; thirty day public notice; public  
3 hearing and comment period; and department response to public comments. The department  
4 would require more time than this bill provides to rework its current draft rules to incorporate the  
5 changes required by this measure and complete the rulemaking process.

6 The state's UST program is a federally approved and funded program. Therefore, the department  
7 is already required under 40 CFR Part 281 ("Approval of State Underground Storage Tank  
8 Programs") to adopt state rules at least as stringent as the new federal rules by October 13, 2018  
9 (the federal rules were updated in 2015). The department is currently engaged in the rulemaking  
10 process and the conflicting rule proposals in this bill would significantly interfere with  
11 department's ability to comply with the federal deadline.

12 Several parts of this bill conflict with the goal of creating a comprehensive and internally  
13 consistent regulatory program. Having analyzed the current measure, we've found the following  
14 problems with the proposed requirements for the department's regulations:

15 1. Page 4 lines 12-17 – requiring field constructed tanks (FCTs) greater than 50,000 gallons  
16 and installed before July 15, 2015 to meet upgrade requirements in 40 CFR section  
17 280.21.

18 The tank upgrade requirements in 40 CFR section 280.21 are less stringent than the  
19 federal regulations for FCTs with regard to cathodic protection, allowing an internal liner  
20 alternative. The federal regulations that apply to these tanks (40 CFR section  
21 280.252(b)(1)) require owners and operators to meet either the performance standards for  
22 new tanks in 40 CFR section 280.20(a) or cathodic protection. The new tank performance  
23 standards in 40 CFR section 280.20 are more stringent than the upgrade requirements in  
24 40 CFR section 280.21. The state cannot adopt rules less stringent than the federal rules.

25 2. Page 4 lines 12-14, 18-19 – requiring FCTs greater than 50,000 gallons and installed  
26 before July 15, 2015 to upgrade with secondary containment with interstitial monitoring  
27 by July 1, 2028.

1 This requirement conflicts with an existing enforceable Agreement on Consent (AOC)  
2 between the US Navy, the Defense Logistics Agency (DLA), the department, and the US  
3 EPA for the Red Hill bulk fuel storage facility. The AOC process allows and encourages  
4 the development of new tank design and release detection technologies, and the  
5 department would promulgate rules consistent with the AOC that preserve the possibility  
6 that new, more protective technologies may be developed and introduced.

- 7 3. Page 4 lines 12-14 and page 5 lines 12-18 – allowing FCTs greater than 50,000 gallons  
8 and installed before July 15, 2015 to use a release detection method than can detect a 0.5  
9 gallon per hour leak at 95% probability.

10 The option to use a release detection method that can detect a 0.5 gallon per hour leak at  
11 95% probability could be considered less stringent than the federal rules because there  
12 are no other technical specifications required with this option. The release detection  
13 option called “other methods” in 40 CFR section 280.43(i) that does not include other  
14 technical specifications is more stringent because it requires the ability to detect a 0.2  
15 gallon per hour leak at 95% probability. The state cannot adopt rules less stringent than  
16 the federal rules.

- 17 4. Page 4 lines 12-14 and page 5 line 4 through top of 6 line 2 – requiring FCTs greater than  
18 50,000 gallons and installed before July 15, 2015 to install a release detection system by  
19 July 1, 2019.

20 The department believes this timeline is too short for compliance by regulated entities to  
21 be feasible given the complexity of the requisite procurement and construction.

- 22 5. Page 6 lines 3-14 – requirement for FCTs installed on or after July 15, 2015 to be  
23 secondarily contained.

24 These requirements do not specify an effective date(s), implying that they become  
25 effective on the effective date of new rules, which would immediately render certain  
26 tanks and piping already installed without secondary containment and interstitial  
27 monitoring in violation of the rules without affording the owner or operator an  
28 opportunity to come into compliance.



1 6. Page 6 lines 3-5 and 7-14 - requirement for FCTs installed on or after July 15, 2015 to  
2 have interstitial monitoring with certain specifications.

3 This paragraph requires interstitial monitoring, but refers to technical terms (vacuum,  
4 pressure, hydrostatic testing, and leak rates) relevant to other forms of release detection  
5 that do not apply to interstitial monitoring. Interstitial monitoring in 40 CFR 280 subpart  
6 D means interstitial monitoring in accordance with technical specifications in 40 CFR  
7 section 280.43(g).

8 7. Page 6 lines 15-18, and p. 8 lines 4-10 – allowing onsite integral piping connected to  
9 FCTs greater than 50,000 gallons and installed before July 15, 2015 to use a release  
10 detection method that can detect a 0.5 gallon per hour leak at 95% probability.

11 The option to use a release detection method that can detect a 0.5 gallon per hour leak at  
12 95% probability could be considered less stringent than the federal rules because there  
13 are no other technical specifications required by the measure to accompany this option.

14 The release detection option called “other methods” in 40 CFR section 280.43(i) that  
15 does not include other technical specifications is more stringent because it requires the  
16 ability to detect a 0.2 gallon per hour leak at 95% probability. The state cannot adopt  
17 rules less stringent than the federal rules.

18 8. Page 6 lines 15-18, page 7 lines 6-13, and page 8 lines 4-16 – requiring onsite integral  
19 piping connected to FCTs greater than 50,000 gallons and installed before July 15, 2015  
20 to install a release detection system by July 1, 2019.

21 The department believes this timeline is too short for compliance by regulated entities to  
22 be feasible given the complexity of the requisite procurement and construction.

23 9. Page 6 lines 15-18 and page 7 lines 13-19 – requiring onsite integral piping connected to  
24 FCTs greater than 50,000 gallons and installed before July 15, 2015 and in contact with  
25 soil or concrete to meet corrosion protection requirements.

26 The rationale for including concrete, as opposed to soil only, in this requirement is not  
27 clear.

28 Thank you for the opportunity to testify.

# BOARD OF WATER SUPPLY

CITY AND COUNTY OF HONOLULU  
630 SOUTH BERETANIA STREET  
HONOLULU, HI 96843  
www.boardofwatersupply.com



February 5, 2018

KIRK CALDWELL, MAYOR

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ERNEST Y. W. LAU, P.E.  
Manager and Chief Engineer

ELLEN E. KITAMURA, P.E.  
Deputy Manager and Chief Engineer *EE*

The Honorable Mike Gabbard, Chair  
and Members  
Committee on Agriculture and Environment  
Hawaii State Capitol, Room 224  
Honolulu, Hawaii 96813

The Honorable Clarence K. Nishihara, Chair  
and Members  
Committee on Public Safety, Inter-Governmental, and  
Military Affairs  
Hawaii State Capitol, Room 224  
Honolulu, Hawaii 96813

Dear Chair Gabbard, Chair Nishihara and Members:

Subject: Senate Bill 2930: Relating to Underground Storage Tanks

The Honolulu Board of Water Supply (BWS) strongly supports Senate Bill (SB) 2930. This bill will ensure the protection of our environment and underground sources of drinking water from the adverse impacts of leaking underground petroleum fuel tank systems through the application of standardized rules, requirements, and best practices that uniformly apply to all systems regardless of size and construction type.

The Department of Health (DOH) recently proposed revisions to Hawaii state rules that would require large field-constructed underground storage tanks (USTs) either (i) be provided with secondary containment beginning twenty years after the effective date of the rules or (ii) utilize a tank design and release detection method which the director determines are protective of human health and the environment. DOH's proposal is concerning because (1) it mirrors the long timeline under the Red Hill Administrative Order on Consent (AOC); and (2) can allow a tank design that does not have an annular space around the tank that can collect any leaked fuel and still be large enough to allow periodic inspection of the primary and secondary tanks. This design is unique to secondary containment and one that we believe provides our aquifers and environment the best protection from leaks from USTs.

This bill addresses these concerns by ensuring large field-constructed USTs and its piping be equipped with secondary containment and establishing a firm deadline for its installation. Our support for this measure is driven by the need to protect our drinking water aquifers and our concerns with the current direction being taken by the Parties under the Red Hill AOC.

The existing Red Hill AOC and schedule for its implementation does not respond commensurately to the imminent risk associated with the Navy's storage of millions of gallons of fuel above our sole-source aquifer. Soil and rock samples collected from below 19 of the 20 tanks at Red Hill show evidence of staining. Petroleum chemical contaminants have been

The Honorable Mike Gabbard, Chair  
and Members  
The Honorable Clarence K. Nishihara, Chair  
and Members  
February 5, 2018  
Page 2

found in groundwater samples collected from underneath the tanks that exceed current DOH Environmental Action Levels (EALs) for groundwater in one part of the aquifer.

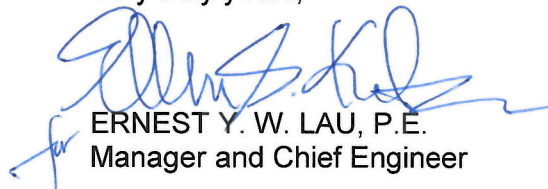
Even according to the Navy's own preliminary risk assessment report submitted under the AOC, there have been 37 documented leaks occurring at Red Hill since the facility began operations in 1943—an average of one leak every other year. The report is also estimating the frequencies of future leaks by not only using Red Hill data but also including data from United States commercial nuclear power plants and data from Navy installations other than the Red Hill facility. We are concerned about its relevance and application because power plant data is predominantly from above ground storage tanks, storing water rather than fuel and constructed to nuclear industry standards, and maintained in a highly regulated environment which is not replicated at Red Hill. The other Navy tank installation data are from tanks that are not anywhere as large as the Red Hill tanks, not all underground, a mix of single and double-walled tanks, and tanks with cathodic protection that is not present in the Red Hill tanks. The report also fails to analyze the risk of earthquakes. BWS has significant concerns that seismic shaking could result in a break near the base of a tank, causing a tear and resulting in the release of millions of gallons of fuel into the environment.

Additionally, the interim groundwater modeling work currently underway discounts data that indicates regional groundwater flow direction could be from Red Hill toward Halawa Valley and the significant potential impact to a major BWS groundwater supply source, Halawa Shaft. The Navy interim modeling efforts indicate a strong predisposition to groundwater flow from Red Hill to Pearl Harbor and discounts any data to the contrary. Relying solely on the Navy's modeling work could under inform the decisions made to improve the facility and protect groundwater.

For these reasons, BWS is counting on SB 2930 to ensure that the protective capabilities of secondary containment are in place to safeguard our drinking water especially if the Red Hill facility wants to store large volumes of fuel just 100 feet above our aquifer. Red Hill is the state's largest field-constructed UST facility that should be regulated to a level proportional to the extremely large volume of fuel that it stores. The groundwater aquifer underneath the facility is called the Southern Oahu Basal Aquifer and is designated by the United States Environmental Protection Agency (EPA) as a sole source aquifer and principal source of drinking water for Wahiawa, Ewa and portions of Honolulu that if contaminated would create a significant hazard to public health. The need to preserve and protect groundwater quality and quantity now and into the future outweighs the continued operation of large field-constructed USTs without secondary containment and we strongly ask for your support of this measure.

Thank you for the opportunity to testify.

Very truly yours,

  
ERNEST Y. W. LAU, P.E.  
Manager and Chief Engineer



Chamber of Commerce HAWAII  
*The Voice of Business*

**Testimony to the Senate Committee on Agriculture and Environment & the  
Senate Committee on Public Safety, Intergovernmental, and Military Affairs  
Monday, February 5, 2018 at 1:35 P.M.  
Conference Room 224, State Capitol**

**RE: SENATE BILL 2930 RELATING TO UNDERGROUND STORAGE TANKS**

Chairs Gabbard and Nishihara, Vice Chairs Riviere and Wakai, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **opposes** SB 2930, which requires, on or before 9/1/2018, that the Department of Health adopt rules for underground storage tanks and tank systems to conform with certain federal regulations and that include additional requirements for field-constructed underground storage tanks and tank systems.

In recognizing how critical the U.S. military presence is to Hawaii's economy, the Chamber underscores that the Red Hill fuel facility is vital to military readiness as it supports all Hawaii-based military actions and a significant share of many more in the Indo-Asia-Pacific region.

It is the understanding of the Chamber that this legislation threatens the U.S. military's ability to respond to crisis in the region, whether it is conflict or humanitarian aid/disaster relief, due to the fact that the requirements proposed in this bill are not feasible based on the timeline prescribed in it. The military's ability to remain "ready to respond" is essential for preserving the military's presence in the State and protecting our second largest industry. If the current bill is passed it is likely that the Red Hill facility will not be able to meet these mandates. The Chamber requests that you defer this measure indefinitely.

Thank you for the opportunity to testify.

**SB-2930**

Submitted on: 2/3/2018 10:13:27 PM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Sherry Pollack		Support	No

Comments:



THE SENATE  
THE TWENTY-NINTH LEGISLATURE  
REGULAR SESSION OF 2018

COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Senator Mike Gabbard, Chair  
Senator Gil Riviere, Vice Chair

COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY  
AFFAIRS

Senator Clarence K. Nishihara, Chair  
Senator Glenn Wakai, Vice Chair

TESTIMONY OF BENTON KEALII PANG, PH.D.

IN SUPPORT of SB 2930 RELATING TO UNDERGROUND STORAGE TANKS

Aloha mai! My name is Benton Kealii Pang. I am a member of the Hawaiian Civic Club of Honolulu, the first Hawaiian civic club established by Prince Jonah Kūhiō Kalanaiʻanaʻole in 1918, and I am the Ecosystems Committee Chair for the 25 clubs making up the Oʻahu Council of the Association of Hawaiian Civic Clubs. Our Hawaiian civic organizations support SB 2930 to protect the State's underground drinking water sources and surrounding environment by requiring the department of health to adopt rules for underground storage tanks, tanks systems, and related piping that conform with recent revisions to federal regulations and include additional requirements for certain field-constructed underground storage tanks including compliance with certain requirements in chapter 11-281, Hawaii Administrative Rules, or successor rules.

In November 2015, delegates for the Association of Hawaiian Civic Clubs passed a resolution at it's annual convention in Lahaina, Maui **REQUESTING THE U.S. NAVY TO EXPEDITE CORRECTIVE ACTIONS TO THE RED HILL FUEL STORAGE FACILITY AND SAFEGUARD OAHU'S DRINKING WATER.** Copies were sent to the heads of the State Department of Health, the Environmental Protection Agency, and the US Navy Pacific Region. I have attached the resolution and would like it filed for the record. Mahalo.

Aloha ʻĀina,

Benton Kealii Pang, Ph.D.  
Hawaiian Civic Club of Honolulu  
Chair, Ecosystems Committee-Oʻahu Council  
808-349-3636

**SB-2930**

Submitted on: 2/4/2018 7:23:32 AM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Melodie Aduja	OCC Legislative Priorities	Support	No

Comments:

**PRESENTATION OF THE  
OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES  
DEMOCRATIC PARTY OF HAWAII  
TO THE COMMITTEE ON AGRICULTURE AND ENVIRONMENT AND  
COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL,  
AND MILITARY AFFAIRS  
THE SENATE  
TWENTY-NINTH LEGISLATURE  
REGULAR SESSION OF 2018  
Monday, February 5, 2018  
1:35 p.m.**

Hawaii State Capitol, Conference Room 224

**RE: Testimony in Support** of SB 2930, RELATING TO UNDERGROUND STORAGE TANKS

To the Honorable Mike Gabbard, Chair; the Honorable Gil Riviere, Vice-Chair and Members of the Committee on Agriculture and Environment:

To the Honorable Clarence K. Nishihara, Chair; the Honorable Glenn Wakai, Vice-Chair and Members of the Committee on Public Safety, Intergovernmental, and Military Affairs:

Good afternoon. My name is Melodie Aduja. I serve as Chair of the Oahu County Committee (“OCC”) Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on Senate Bill No. 2930, relating to underground storage tanks and systems and environmental protection. The OCC Legislative Priorities Committee is in favor of Senate Bill No. 2930 and support its passage.

Senate Bill No. 2930, is in accord with the Platform of the Democratic Party of Hawai’i (“DPH”), 2016, as it requires, that on or before 9/1/2018, the Department of Health adopt rules for underground storage tanks and tank systems that conform with United States Environmental Protection Agency underground storage tank regulations codified in Title 40 Code of Federal Regulations, Part 280, and include additional requirements for field-constructed underground storage tanks and tank systems. Currently, under Chapter 11-281 of the Hawaii Administrative Rules, the Red Hill bulk fuel storage facility field-constructed underground storage tanks, tank systems, and related piping, are exempt from the requirements that must be met by owners and operators of other underground storage tanks or tank systems.

Specifically, the DPH Platform states that “[w]e support the protection of our ‘aina against destruction by corporate, government, or military usage and expect full restoration and reparation of environmental damage. To handle current and future demands of water, we must assess the current condition of our aquifers and take appropriate actions to secure our freshwater resources.” (Platform of the DPH, P. 8, Lines 422-425 (2016)).

Given that Senate Bill No. 2930 provides that underground storage tanks and systems meet Federal requirements for environmental protection purposes, it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

**/s/ Melodie Aduja**

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: [legislativepriorities@gmail.com](mailto:legislativepriorities@gmail.com), Tel.: (808) 258-8889



**SB-2930**

Submitted on: 2/4/2018 3:26:30 PM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Randy Ching		Support	No

Comments:

Chairs Gabbard and Nishihara, Vice Chairs Riviere and Wakai and members of the committees,

Please pass SB2930. 20 years is much too long to let the Navy fix these tanks. The tanks should be placed above ground, or have secondary containment within the next 5 years. The source of drinking water for over 500,000 people lies less than 100 feet below the Red Hill storage tanks.

Thank you for the opportunity to testify.

Randy Ching / Honolulu / makikirandy@yahoo.com

**SB-2930**

Submitted on: 2/4/2018 3:42:08 PM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Marisa Plemer		Oppose	No

Comments:

I submit testimony stating that twenty years is too long to complete work on underground military fuel storage tanks in Red Hill and throughout the Hawaiian Islands. This work should instead be completed within 5 years in above-ground or secondary containment. Thank you, Marisa Plemer, 59-008 Huelo St., Haleiwa HI 96712

**Chair Gabbard and Nishihara  
Vice Chair Riviere and Wakai  
Senate Committee on Agriculture and Environment  
Senate Committee on Public Safety, Intergovernmental, and Military Affairs**

**Monday February 5, 2018  
1:35 PM**

**TESTIMONY IN SUPPORT WITH AMENDMENTS OF SB2930 RELATING TO  
UNDERGROUND STORAGE TANKS**

Dear Chair Gabbard and Nishihara, Vice Chair Riviere and Wakai, Members of the Committees,

My name is Jun Shin. I am a Board Member At-Large for Young Progressives Demanding Action – Hawaii and a member of the Sierra Student Coalition at the University of Hawaii at Manoa and I am testifying in support with amendments for SB2930.

I support the action being taken by the legislature to regulate the military's fuel tanks in places like Red Hill and the efforts that are being to protect our drinking water, but the issue I have with this bill is that it will take 20 years before the Navy fixes these tanks. The amendment I would like to propose is that the Navy should either place these tanks above ground or have secondary containment done in the course of 5 years and not 20.

The health and wellbeing of my fellow citizens are at stake. We cannot wait 20 years, when the impacts of fuel tanks contaminating our water will be felt here and now so please, cut down the time in which this problem will be solved.

Thank you for your hard work and deliberations on this issue,

Jun Shin,  
Board Member At-Large  
Young Progressives Demanding Action – Hawaii  
Member  
Sierra Student Coalition at the University of Hawaii at Manoa  
1561 Kanunu St. #2106 Honolulu, HI 96814  
Cell: 808-255-6663  
Email: junshinbusiness729@gmail.com

**SB-2930**

Submitted on: 2/4/2018 4:29:48 PM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Alan B Burdick		Support	No

Comments:

The Navy has delayed for far too long in bringing these massive tanks up to a safe level. The State Department of Health has been derelict in its duties toward the people of the State. Both agencies must address this situation without further delay. I strongly support this bill.

**SB-2930**

Submitted on: 2/4/2018 4:36:46 PM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Nancy Davlantes		Support	No

Comments:



**Board of Directors: Senate Committee on Agriculture & Environment  
Senate Committee on Public Safety, Intergovernmental & Military Affairs  
Hawai'i Alliance for Progressive Action supports: SB 2930**

Gary L. Hooser  
President

Aloha Chair Gabbard, Chair Nishihara, and Committee Members,

Andrea N. Brower  
Ikaika M. Hussey  
Co-Vice Presidents

My name is Anne Frederick and I am the Executive Director for the Hawai'i Alliance for Progressive Action (HAPA). HAPA is a statewide environmental, social and economic justice organization. HAPA engages over 10,000 local residents annually through our work.

Kim Coco Iwamoto

I am writing you today in support for SB 2930, requiring Red Hill and other large-scale, antiquated field-constructed fuel tanks in Hawai'i to comply with federal requirements for standard tanks.

Treasurer

Freshwater is Hawai'i's most precious resource and it must be protected in the highest regard. The tanks at the Red Hill Bulk Fuel Storage Facility put our water quality at risk and threaten our public health. The facility was constructed in the 1940s and is the largest field-constructed underground storage tank system in the state, storing up to 187 million gallons of fuel just 100 feet above O'ahu's primary aquifer that supplies drinking water to over 600,000 residents from Hālawā to Hawai'i Kai.

Bart E. Dame  
Secretary

Paul Achitoff

Malia K. Chun

Because the tanks are field constructed, the Red Hill facility is exempt from many state and federal regulations on underground storage tanks. This exemption is detrimental to human health and the environment and should not exist for this facility, especially because of its location—the opposite should hold true, stricter regulations should be in place to protect our drinking water resource.

Laura Harrelson

Katie McMillan

Walter Ritte Jr.

Karen Shishido

Leslie Malu Shizue Miki

Kekaulike Prosper Tomich

I believe these tanks should be brought into to existing regulations because of the facility's long history of leaking fuel into the surrounding environment and its likelihood to continue to do so. Since the last major spill in 2014, the U.S. Navy has not done enough or acted with urgency to protect O'ahu's primary aquifer, further steps, such as implementing these stricter regulations, must be taken in the immediate future.

Cade Watanabe

Mahalo,

Anne Frederick, Executive Director  
Hawai'i Alliance for Progressive Action

**SB-2930**

Submitted on: 2/4/2018 5:25:14 PM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Sandra Fujita		Support	No

Comments:

I support SB2930.

**SB-2930**

Submitted on: 2/4/2018 5:57:56 PM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
David Dinner	Gentlewave Bodywork Referral Inc	Support	No

Comments:



**SB-2930**

Submitted on: 2/4/2018 6:03:05 PM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
janice palma-glennie		Support	No

Comments:

aloha, cleaning up this toxic mess is long overdue - 20 years overdue! please insist that the Navy put these above ground, or have secondary containment within the next 5 years.

mahalo for your strong support for this bill and/or one like it that takes care of this onerous problem. janice palma-glennie

**SB-2930**

Submitted on: 2/4/2018 7:07:30 PM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Michele Halligan		Support	No

Comments:

As a former Maui resident, I agree with the Hawaii Sierra Club that 20 years is WAY TOO LONG to let the Navy fix these tanks. The tanks should be placed above ground, or have secondary containment within the next 5 years.

Mahalo for your consideration.

**SB-2930**

Submitted on: 2/4/2018 7:25:07 PM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Morgan Bonnet		Support	No

Comments:

Dear Committee Members,

The tanks at Red Hill and other military field underground tanks elsewhere in the Hawaiian Islands urgently need to be regulated if public health is to be taken seriously. Regardless of technical difficulties, the tanks should be placed above ground, or have secondary containment. This should happen ASAP. 20 years isn't a reasonable amount of time. In fact, this is completely ridiculous. 5 years should be more than enough time.

Please support SB2930.

Mahalo,

Morgan

**SB-2930**

Submitted on: 2/4/2018 8:02:37 PM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Richard Furst		Support	No

Comments:

I am writing in support of SB2930, regarding revised regulations for underground storage tanks. While I am a strong supporter of stricter regulations for underground tanks, I believe that 20 years to WAY TOO LONG to let the Navy fix the Red Hill tanks. The tanks should be placed above ground, or have secondary containment within the next 5 years. Time is of the essence in protecting Honolulu's aquifers from another spill. Please strengthen the provisions of this measure and pass it into law.

**SB-2930**

Submitted on: 2/5/2018 8:56:28 AM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Philipp LaHaela Walter		Support	No

Comments:

It is unacceptable that the entire water supply of Oahu is put at risk by the military due to lacking regulation. I strongly urge you to support this bill.

Respectfully,

Philipp LaHaela Walter

**SENATE COMMITTEES ON AGRICULTURE AND ENVIRONMENT  
and PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS**

Monday 1:35 p.m., February 5, 2018 – Hawai'i State Capitol Conference Rm 224

**In STRONG SUPPORT of SB 2930** Relating to Underground Storage Tanks

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Aloha Chair Gabbard, Chair Nishihara and members of the Committees,  
Senate Bill 2930 would require that the Department of Health adopt rules for underground storage tanks and tank systems to conform with certain federal regulations. Section 2 of SB 2930 specifically details achievable and necessary requirements to protect Hawai'i's precious groundwater supply for current and future generations.

Make no mistake, passing SB 2930 is the most important legislative action that must be completed this session. As an island people, our freshwater system is the most precious resource we have – it must never be taken for granted. The way in which we manage our freshwater here in Hawai'i will dictate how long it lasts – it is not an unlimited resource.

The Red Hill bulk fuel storage facility has been allowed to contaminate Hawai'i's water supply for far too long. Our communities deserve better. We cannot wait 20 years to rectify this problem.

Please act now and pass SB2930, unamended.

Respectfully yours,



Lasha-Lynn H. Salbosa  
Honolulu, HI 96825

**SB-2930**

Submitted on: 2/4/2018 9:33:50 PM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Marion McHenry		Support	No

Comments:

This is long overdue, please pass this bill.

**SB-2930**

Submitted on: 2/4/2018 10:30:33 PM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Cory Harden		Support	No

Comments:

Aloha legislators,

Please act! Twenty years is way too long to leave our drinking water threatened.

mahalo, Cory Harden, Hilo



**SB-2930**

Submitted on: 2/5/2018 2:01:47 AM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
chi guyer	chi guyer	Support	No

Comments:

**SB-2930**

Submitted on: 2/4/2018 9:47:59 PM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Mitsuko Hayakawa		Support	No

Comments:

**SB-2930**

Submitted on: 2/5/2018 7:17:10 AM

Testimony for AEN on 2/5/2018 1:35:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Nathan Yuen		Support	No

Comments:

I support the intent of this bill to upgrade underground fuel storage tanks to ensure they do not leak and pollute the groundwater. But the time frame during which the tanks are to be upgraded is too long. The tanks need to be upgraded to be leak-free now or within the next few years. Attempts to put the upgrade date out a decade is not acceptable and places our drink water at risk. Thank you for this opportunity to testify on this important matter.