

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

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LAND
STATE PARKS

Testimony of
DAWN N. S. CHANG
Chairperson

Before the Senate Committees on
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM
and
AGRICULTURE AND ENVIRONMENT

Tuesday, January 30, 2024
1:01 PM

State Capitol, Conference Room 229 & Videoconference

In consideration of
SENATE BILL 2824
RELATING TO THE COUNTY OF MAUI

Senate Bill 2824 proposes to authorize the Director of Finance to issue general obligation bonds to the Agribusiness Development Corporation for the upgrade of South and West Maui's R-1 water delivery systems, and the upgrade of certain water reservoirs located in the forest watershed areas of South and West Maui. The bill also requires the Agribusiness Development Corporation to collaborate with the Department of Land and Natural Resources (Department), County of Maui, and private land owners, as necessary, and appropriates moneys. **The Department acknowledges the intent of this measure and offers the following comments.**

The Commission on Water Resource Management (Commission) supports the expansion and appropriate use of recycled wastewater in South and West Maui, which reduces the use of potable water for nonpotable demands, is resilient to drought, and prevents potential pollution of nearshore waters by reducing wastewater injection and ocean outfalls. Use of existing infrastructure, such as old pipelines, ditches, and reservoirs, may reduce construction costs and will serve to expand the distribution and storage of R-1 water. Pumping water up to higher elevations would allow for the implementation of a gravity-fed distribution system, which is ideal to support agriculture and provide water for fire suppression. Use of R-1 water also eliminates the need to amend established interim instream flow standards by reducing demands on stream (surface water) sources. Furthermore, R-1 water sourced from the County of Maui's Lahaina Wastewater Reclamation Facility (WWRF) would provide opportunities

for the County to recoup costs and support system maintenance through usage fees. The Department's Hawai'i Dam Safety Program should be consulted for all state-regulated dams and reservoirs.

While the Commission takes no position regarding the plans, designs, land acquisition, and upgrading of the nine (9) reservoirs identified in SECTION 2 of this bill, we offer the following comments:

Reservoirs most ideally located to support an R-1 distribution system across Lahaina:

- Field 140 Reservoir, at an elevation of 700 ft, is State-regulated with a high hazard classification and is owned by Maui Land and Pineapple Co. The condition is currently poor with enforcement pending/ongoing.
- Crater Reservoir (420 ft elevation) and Wahikuli Reservoir (560 ft elevation) are sited near each other in Kahoma above Lahaina town. The reservoirs are State-owned, but have been decommissioned. These reservoirs could be repurposed to meet dam safety standards.
- Makila Reservoir is privately-owned, at an elevation of 400 ft, and is located along the Makila Reservoir Ditch, which could serve as a right-of-way for a pipeline from Wahikuli Reservoir.
- Kaua'ula Reservoir is privately-owned, at an elevation of 780 ft, with an existing pump station that can move water up from Makila Reservoir.

Reservoirs that would be inappropriate to support an R-1 distribution system across Lahaina:

- Mahinahina Reservoir is owned by the County of Maui, is part of the Honokōhau Ditch system, and is used for potable water supply by the County. This reservoir is State-regulated with a high hazard classification. The condition is currently poor with enforcement pending/ongoing.
- Kahoma Reservoir is privately-owned, at an elevation of 1860 ft, and is State-regulated with a high hazard classification. The condition is currently poor with enforcement pending/ongoing. R-1 water would have to be pumped up a considerable elevation to utilize this reservoir.
- E-2 Reservoir is on the border between private and State-owned land, at an elevation of 1340 ft, and is currently abandoned. R-1 water would have to be pumped up a considerable elevation to utilize this reservoir.
- Ukumehame Reservoir is privately owned, at an elevation of 160 ft, and is State-regulated with a high hazard classification. The condition is currently unsatisfactory and is slated for decommissioning.

Thank you for the opportunity to comment on this measure.

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



WENDY L. GADY
Executive Director

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
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Honolulu, HI 96813
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**TESTIMONY OF WENDY L. GADY
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION**

**BEFORE THE SENATE COMMITTEES ON ENERGY, ECONOMIC
DEVELOPMENT, AND TOURISM AND AGRICULTURE AND ENVIRONMENT**

Tuesday, January 30, 2024
1:01 p.m.
Conference Room 229
& Videoconference

**SENATE BILL NO. 2824
RELATING TO THE COUNTY OF MAUI**

Chairs DeCoite and Gabbard, Vice Chairs Wakai and Richards and
Members of the joint Committees:

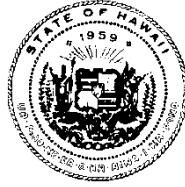
Thank you for the opportunity to testify on Senate Bill No. 2824 relating to
the County of Maui. The Agribusiness Development Corporation (ADC) submits
comments on this measure, which authorizes the Director of Finance to issue
general obligation bonds to the Agribusiness Development Corporation for the
upgrade of South and West Maui's R-1 water delivery systems, and the upgrade
of certain water reservoirs located in the forest watershed areas of South and
West Maui, and requires the Agribusiness Development Corporation to
collaborate with the Department of Land and Natural Resources, County of Maui,
and private landowners, as necessary.

There are limitations for the use of R-1 reclaimed water that need to be further examined. Recycled effluent is strictly monitored, and the supply is typically tied to a wastewater treatment plant, who needs to have a backup plan for alternate disposal if untreated or off-spec water is being produced. It is unclear if the intent of the bill is to place the responsibility of potentially disposing off-spec water, which could contain raw sewage, solely on ADC. While we would like to assist the County of Maui, DLNR and private landowners address these long-standing issues, ADC does not feel comfortable at this time with taking on the tremendous liability of being responsible to the end user.

Thank you for your consideration of our testimony.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



DEAN MINAKAMI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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Statement of **DEAN MINAKAMI**

Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM AND SENATE COMMITTEE ON AGRICULTURE AND THE ENVIRONMENT

January 30, 2024 at 1:01 p.m.
State Capitol, Room 229

In consideration of **S.B. 2824** **RELATING TO THE COUNTY OF MAUI.**

HHFDC **supports** SB 2824, which authorizes the Director of Finance to issue general obligation bonds to make an appropriation to the Agribusiness Development Corporation (ADC) for the upgrade of South and West Maui's R-1 water delivery systems, and the upgrade of certain water reservoirs located in the forest watershed areas of South and West Maui.

HHFDC agrees that increasing the use of reclaimed water in the state will help residents to have an adequate supply of potable drinking water. On the island of Maui in particular, the lack of potable water is the primary factor limiting the development of new homes.

HHFDC suggests amending Section 4 of the bill to add the Department of Hawaiian Home Lands and HHFDC (both major State land owners) and the Hawaii Community Development Authority, which is working on a wastewater line and a reclaimed water line for the Pulehunui Community Development District in central Maui, as parties to collaborate with ADC.

Thank you for the opportunity to testify on this bill.

Council Chair
Alice L. Lee

Vice-Chair
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Tom Cook
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Director of Council Services
David M. Raatz, Jr., Esq.

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January 27, 2024

TO: The Honorable Lynn DeCoite, Chair, and
Members of Senate Committee on Energy, Economic Development, and
Tourism
The Honorable Lorraine R. Inouye, Chair, and
Senate Committee on Water and Land

FROM: Alice L. Lee
Council Chair 

SUBJECT: **HEARING OF JANUARY 30, 2024; TESTIMONY IN SUPPORT OF
SB 2824, RELATING TO THE COUNTY OF MAUI**

Thank you for the opportunity to testify in **support** of this important measure. Its purpose is to authorize the issuance of general obligation bonds to the Agribusiness Development Corporation to upgrade South and West Maui R-1 water delivery systems and water reservoirs in South and West Maui forest watershed areas.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I support this measure for the following reasons:

1. Increasing the use of reclaimed water for the irrigation of agricultural lands and landscaping and emergency wells will eliminate the use of underground injection control wells.
2. The usage of reclaimed water will mitigate potable drinking water shortages and the overuse of potable water for agricultural, landscaping, or firefighting purposes.
3. The bill is consistent with the Kihei-Makena Community Plan objective, "reduce the reliance on injection wells for wastewater disposal."
4. The bill is consistent with the West Maui Community Plan action 1.34, "expand recycled water storage and conveyance systems in West Maui to increase the reuse of recycled water."

For the foregoing reasons, I **support** this measure.

The Honorable Lynn DeCoite
The Honorable Lorraine R. Inouye
January 27, 2024
Page 2

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January 30, 2024

HEARING BEFORE THE
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

TESTIMONY ON SB 2824
RELATING TO COUNTY OF MAUI

Conference Room 229 & Videoconference
1:01 PM

Aloha Chairs DeCoite and Gabbard, Vice-Chairs Wakai and Richards, and Members of the Committees:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate, and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports SB 2824, which authorizes the Director of Finance to issue general obligation bonds to the Agribusiness Development Corporation for the upgrade of South and West Maui's R-1 water delivery systems, and the upgrade of certain water reservoirs located in the forest watershed areas of South and West Maui.

HFB strongly supports efforts to promote agricultural viability in Hawai'i and to increase our self-sufficiency, especially with regard to food production through diversified agriculture. However, this is no easy task, since although large tracts of land became available for farming with the closure of the plantations, the integrated agricultural systems that included among other things; agricultural research and development and capital investment capabilities, a dedicated and skilled labor force, employee housing, specialized agricultural equipment, irrigation access and management, marketing, and invasive species controls were no longer in place. One of the most critical needs of any farming venture is reliable access to water appropriate for irrigation.

HFB supports efforts that allow non-potable water sources to be utilized for non-potable irrigation purposes in order to improve the redundancy and reliability of irrigation system infrastructure in Hawaii. We agree that ideally, the use of non-potable water for irrigation, including the reuse of wastewater, is preferable to using groundwater withdrawn from Hawaii's irreplaceable principal source of drinking water. HFB appreciates the need to conserve groundwater for essential uses such as drinking, cooking, and bathing.

Thank you for the opportunity to testify on this important matter.

SB-2824

Submitted on: 1/28/2024 10:50:13 PM

Testimony for EET on 1/30/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Jacob Wiencek	Testifying for Hawaii Young Republicans	Support	Written Testimony Only

Comments:

Aloha Senators,

On behalf of Hawaii Young Republicans, we support this bill. Protecting our water resources is extremely important, especially on Maui. Clean water is extremely important for healthy environments and healthy human communities. Approve this bill!

SB-2824

Submitted on: 1/27/2024 11:47:11 AM

Testimony for EET on 1/30/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Sunny Savage	Individual	Support	Written Testimony Only

Comments:

In strong support

LATE

SB-2824

Submitted on: 1/30/2024 10:10:48 AM

Testimony for EET on 1/30/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
James Kimo Falconer	Individual	Support	Written Testimony Only

Comments:

Please support SB 2824. I realize this testimony is being submitted late, but wish to ask you to move the measure forward regardless.

Allowing R-1 water use in West Maui will be beneficial to allow for flexible use of valuable potable water. R-1 can be used to irrigate certain crops and pasture land which will also recharge our diminished aquifers and provide year-round greening of fallow land thus mitigating potential wildfires.

Mahalo for the opportunity to testify.