

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



WENDY GADY
EXECUTIVE DIRECTOR

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
HUI HO'OU LU AINA MAHIAI

TESTIMONY OF WENDY L. GADY
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE HOUSE COMMITTEE ON WATER & LAND
March 20, 2025
9:30 a.m.
Conference Room 411 & Videoconference

SENATE BILL NO. 1541 SD1 HD1
RELATING TO THE WAI AHOLE WATER SYSTEM

Chair Hashem, Vice Chair Lamosao, and Members of the Committee:

Thank you for the opportunity to testify in **support** of Senate Bill No. 1541 SD1 HD1 which appropriates funds to the Agribusiness Development Corporation to fully pay off the bond debt service on the Waiahole water system and repair the adit 8 tunnel. This measure is critical for ensuring the continued operation and maintenance of a vital water infrastructure system that supports Hawai'i's agricultural industry and food security efforts.

The Waiahole Water System plays an essential role in supporting agriculture on O'ahu, particularly in Central and Leeward regions where water availability is a significant constraint. By delivering a reliable source of irrigation water, the system sustains local farming operations, promotes diversified agriculture, and contributes to Hawai'i's efforts to achieve food security and reduce dependence on imported goods.

To maximize the impact of the suggested appropriation, we recommend utilizing the following:

- **Regular Maintenance Schedules:** Establish a comprehensive maintenance and inspection schedule to ensure the system remains operational and avoids future disruptions.
- **Stakeholder Collaboration:** Engage with farmers, community organizations, and water resource experts to prioritize repairs and upgrades that address the most urgent needs.
- **Transparent Reporting:** Require periodic reporting on the use of funds and the progress of repairs to ensure accountability and public trust in the management of the system.
- **Explore Future Upgrades:** Consider incorporating advanced water management technologies and sustainability measures to further enhance the efficiency and environmental benefits of the system.

We support this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget. House Bill 781 is a critical investment in Hawai'i's agricultural infrastructure and future food security. By funding bond debt service and necessary tunnel repairs for the Waiahole water system, this measure will sustain the essential water resources that our farmers and communities rely upon. Thank you for your consideration of our testimony.



March 17, 2025

Representative Mark J. Hashem, Chair
Representative Rachele F. Lamosao, Vice Chair
House Committee on Water & Land

Support of SB 1541, S.D. 1, H.D. 1, Relating to the Waiahole Water System (Appropriates funds for the Waiahole Water System for bond debt service and tunnel repair. Effective 7/1/3000.)

WAL Hearing: Thursday, March 20, 2025, at 9:30 a.m.
State Capitol, Conference Room 411, Via Videoconference

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies. LURF's mission 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.

LURF appreciates the opportunity to express its **support of SB 1541, S.D. 1, H.D. 1**, and of the various agricultural stakeholder groups who defend the goals of viable agricultural operations and the conservation and protection of agriculture, including important agricultural lands in Hawaii.

SB 1541, S.D. 1, H.D. 1. The purpose of this bill is to provide additional funding for improvements to the Waiahole irrigation system.

LURF's Position. Since large amounts of prime agricultural lands and irrigation systems became available for conversion to diversified agriculture due to the plantation closures in the 1990s, the State has had the opportunity to strengthen and expand Hawaii's diversified agriculture industry. Agricultural lands, however, require significant quantities of water to support and maintain productivity. 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.

The Waiahole Water System, one of Hawaii's most important irrigation systems, is over a hundred years old, 23.5 miles long, and services thousands of acres of productive agricultural lands in central Oahu. The System is one of many irrigation systems throughout the State which are vital to Hawaii's agricultural industry.

Local farmers and ranchers who rely on irrigation systems, including the Waiahole System, to service their agricultural lands consider such resources critical to conduct their agricultural operations and to sustain their businesses. These agricultural stakeholders concur that SB 1541, S.D. 1, H.D. 1 will greatly assist them by providing funding necessary to fully pay off the bond debt service which was incurred by the agribusiness development corporation to procure and make improvements to the Waiahole Water System, and to now also make critical repairs to the System's adit 8 tunnel. Such action is vital to ensure that the increased cost of debt service payments are not passed on to local consumers through higher food prices.

This measure will also help to support and promote the long-term improvement of the State's agricultural industry; work toward the expansion of diversified agriculture; promote the agricultural self-sufficiency of the State; and protect water as an important resource.

For the above reasons, LURF **supports SB 1541, S.D. 1, H.D. 1**, and respectfully urges your favorable consideration.

Thank you for the opportunity to provide comments in support of this matter.



Hawaii Agriculture Research Center

94-340 Kunia Road, Waipahu, HI 96797

Ph: 808-621-1350/Fax: 808-621-1359

TESTIMONY BEFORE THE HOUSE COMMITTEE ON WATER AND LAND

SENATE BILL NO. 1541 SD1 HD1

--RELATING TO THE WAIAHOLE WATER SYSTEM

Thursday March 20, 2025

Chair Hashem, Vice Chair Lamosao and Members of the Committee:

My name is Robbie Melton. 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.

HARC strongly supports House Bill 781 relating to the Waiahole water system.

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. In the sugar era it produced some of the highest yields on record. Today we are a thriving research organization developing new crop varieties with traits like disease resistance and higher productivity. We focus on crops that will strengthen Hawaii's agricultural sustainability. Educating producers on new varieties and farming techniques is a cornerstone of HARC. Currently we conduct over 40 research projects at Kunia Station, and support 7 Go Farm graduates and two agriculture organizations onsite.

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 agricultural activity on this land as it receives very little rainfall.

HARC's agriculture water costs are nearly double what other agriculture areas pay due to the current debt of the Waiahole Irrigation system. As a user of this system, we feel it is appropriate and of value to the state to pay off this burdensome debt on the farmers in this region. The costs and savings of this action are well reported in the body of this proposed bill. HARC is a non-profit organization and does not have the financial means to support an alternative water system.

Paying off this debt as proposed in this bill will support local agricultural production and ease the financial burden of Hawaii's farmers.

Thank you for the opportunity to testify in support of Hawaii's agricultural needs.



MARCH 20, 2025

HOUSE COMMITTEE ON WATER & LAND COMMITTEE

TESTIMONY ON SB 1541, SD 1, HD 1

Chair Hashem, Vice Chair Lamosao and committee members:

Bayer is in support of SB 1541, SD 1, HD 1, which appropriates funds for bond debt service and tunnel repair.

The Waiahole Water System (WWS) is one of the most important agricultural infrastructure the State has invested in on Oahu. The WWS covers over 5,000 acres of prime and productive agricultural lands that serves many farm operations in central Oahu. The WWS is an aging system that was built in the early 1900's. It is a unique and valuable irrigation system that moves water by gravity through several siphons over 26 miles from the Koolau mountains to the central plains of Oahu. The State's purchase of the system in 1999 was one of the most important investments that will assure farming will continue on the central plains of Oahu.

Thank you for allowing us to testify in support of this measure.



March 18, 2025

Bayer U.S. LLC
P.O. Box 200
94-520 Kunia Rd.
Kunia, HI 96759

www.bayer.com



Email: communications@ulupono.com

HOUSE COMMITTEE ON WATER AND LAND
Thursday, March 20, 2025 — 9:30 a.m.

Ulupono Initiative supports SB 1541 SD 1 HD 1, Relating to the Waiahole Water System

Dear Chair Hashem and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy and clean transportation choices, and better management of freshwater resources.

Ulupono supports SB 1541 SD 1 HD 1, which appropriates funds for the Waiahole Water System for bond debt service and tunnel repair.

The Waiahole Water System is a cornerstone of agricultural sustainability on O'ahu, particularly in the Central and Leeward regions where water accessibility presents significant challenges. Specifically, this measure merits support for several compelling reasons:

- The system provides irreplaceable water security for agricultural operations. Without reliable irrigation water, our farming communities cannot sustain their operations or plan for future growth.
- The requested funding addresses critical infrastructure needs, particularly the repair of the adit 8 tunnel, through which all water from the Waiahole Water System must pass. This maintenance will prevent system deterioration and avoid more costly repairs in the future.
- Funding supports broader economic and environmental goals. The system's reliability directly impacts the livelihoods of local farmers and agricultural workers, contributing to rural economic vitality, and promotes Hawai'i's environmental stewardship priorities and commitment to sustainable resource management.
- The Waiahole Water System plays a crucial role in advancing Hawai'i's food security. As we work to reduce our dependence on imported food, maintaining reliable agricultural water infrastructure enables increased local food production capacity.

This worthy investment proposed in this bill represents a critical commitment to ensuring that the Waiahole Water System continues to serve our farming communities effectively while supporting our broader goals for agricultural sustainability and food security.

Respectfully,

Micah Munekata
Director of Government Affairs

Investing in a Sustainable Hawai'i

KUNIA VILLAGE TITLE HOLDING CORPORATION
PO BOX 100
KUNIA, HI 96759
808 228 0272

**TESTIMONY BEFORE THE HOUSE COMMITTEE
ON WATER, LAND AND AGRICULTURE**

SENATE BILL 1541 SD1 HD1

March 20, 2025

Chair Hashem and Members of the Committee:

My name is Stephanie Whalen. I am President of the Kunia Village Title Holding Corporation (KVTHC). I am testifying today on behalf of this entity. It consists of an agricultural housing and an agricultural business community. There are over 600 men, women and children residing here and/ or working in the 10 agricultural businesses or non-profits companies supporting agriculture. These are the people who help produce fresh fruits and vegetables for your table.

KVTHC strongly supports Senate Bill 1541SD1 Relating to the Waiahole Water System.

This bill provides very thorough information about the system, its uniqueness and value to the farmers and the overall community. Such a system would certainly cost many millions more dollars to construct today. It also appears to be one of the more **costly irrigation systems for farmers**. The cost is approaching that of the electrically pumped system in this area. Unfortunately, the water pumped from the aquifer in this area has been contaminated by various parties and its continuing use for irrigation is uncertain.

Consequently, the users of this system feel it is appropriate and of value to the state to pay off this burdensome debt on the farmers in this region. The costs and savings of this action are well reported in the body of this proposed bill. As with all businesses farming costs are ultimately borne by the ultimate users. In this case those that eat here: you, me, everyone in Hawaii. AND, we are all aware of the significant increase in imported foods recently whether canned, packaged or fresh.

Paying off this debt as proposed in this bill for local farmers who have already paid an amount that more than covers the principal is certainly an action worth your most serious attention.

In addition, the 100s of acres of the land served by the ditch on the west side of Kunia Road have already been set aside for agriculture in perpetuity through the state's important agricultural land provisions and via an agricultural easement. It seems contrary to the state's agricultural goals that conceivably some of the best and most dedicated farm land is subject to the highest water rates: about 2Xs the other irrigation systems by water that is delivered in a low cost gravity flow system.

Thank you for the opportunity to testify in support of Hawaii's agricultural needs.



P.O. Box 253, Kunia, Hawai'i 96759
Phone: (808) 848-2074; Fax: (808) 848-1921
e-mail info@hfbf.org; www.hfbf.org

March 20, 2025

HEARING BEFORE THE
HOUSE COMMITTEE ON WATER & LAND

TESTIMONY ON SB 1541, SD1, HD1
RELATING TO THE WAIHAOLE WATER SYSTEM

Conference Room 411 & Videoconference
9:30 AM

Aloha Chair Hashem, Vice-Chair Lamosao, and Members of the Committee:

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 1541, SD1, HD1, which appropriates funds for the Waiahole Water System for bond debt service and tunnel repair.

Since the demise of plantation operations across the islands, we have seen the erosion of irrigation systems. Ditches that carried water fell into disrepair, with significant leaks in the system and cracks in tunnels creating enough losses that there is no longer a significant flow of water. The Legislature continues to advocate for increased self-sufficiency and sustainability. Agriculture must play a key role in the process, and for there to be agriculture, water is essential.

The Waiahole Irrigation System was built about 100 years ago and continues to be a critical infrastructure system that provides water to thousands of acres of prime agricultural lands in central O'ahu. The central plains of O'ahu are one of the most highly productive and diversified agricultural regions in the State.

The State Agribusiness Development Corporation (ADC), recognizing the system's importance to the State's future sustainability, purchased the Waiahole Irrigation in 1989. The Waiahole Water System tunnels are aging and require critical repairs to ensure structural integrity and uninterrupted water delivery. Delayed maintenance risks costly failures that could disrupt water availability for agriculture. Addressing infrastructure needs proactively avoids emergency situations and escalated repair costs, ensuring the efficient and cost-effective management of state resources.

Supporting the bond debt service for the Waiahole Water System ensures its financial sustainability and reinforces the state's commitment to maintaining this essential resource for agricultural use.

SB 1541, SD1, HD1 is a necessary investment in Hawai'i's agricultural infrastructure, supporting agriculture and sustainable water resource management. HFB urges the committee to pass this measure to ensure the continued operation and reliability of the Waiahole Water System, a cornerstone of O'ahu's agricultural success.

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

LARRY JEFTS FARMS, LLC
PO BOX 27
KUNIA, HAWAII 96759
(808) 688-2892

SB1541sd1,hd1 Relating to The Waiahole Water System
House WAL Hearing – 9:30 AM
Thursday, March 20, 2025

Testimony By: Larry Jeffs
Position: Support

Chair Hashem, Vice Chair Lamosao, and Members of the House WAL Committee:

I am Larry Jeffs, owner and operator of Larry Jeffs Farms, LLC. We have more than 42 years of Hawaii farm experience on Molokai and Oahu. Our family farms grow about 1 million pounds weekly of import replacement produce. I am a volunteer director, serving as Chair of the West Oahu Soil and Water Conservation District (SWCD). I have also served as an officer of the Hawaii Farm Bureau for many years.

Consistent access to affordable water is vital; water is the lifeblood of my farms. Without such access, there would be no farms.

Funding to pay off the bond debt is a high priority for Central and Leeward Oahu agriculture, of which the Waiahole Water system provides irrigation water to 5,866 acres. Relief from the bond debt costs helps mitigate the cost of water to farmers.

During the days of plantation agriculture, plantations repaired and maintained irrigation systems, not only for their use, but these systems were often beneficial to surrounding farmers and, at times, residential areas. When plantations closed, irrigation systems fell into disrepair and still need repair. Repairs to the adit 8 tunnel are at a critical point of deferred maintenance. All of the Waiahole water must pass through the adit 8 tunnel.

Your favorable consideration of SB1541sd1,hd1 is appreciated. Thank you for the opportunity to testify on this bill.



HAWAII CROP IMPROVEMENT ASSOCIATION

SB1541 SD1 HD1 – In Support
Relating to the Waiahole Water System

House Committee on Water & Land

Date: Thursday, March 20, 2025
Time: 9:30 AM
Place: Conference Room 411

Aloha Chair Hashem, Vice Chair Lamosao, and Members of the Committee:

The Hawaii Crop Improvement Association (HCIA) appreciates the opportunity to provide testimony **in support of SB1541 SD1 HD1**, which appropriates funds for the Waiahole Water System for bond debt service and tunnel repair.

The Waiahole Irrigation System (WIS) is one of the most important infrastructure investments on Oahu. A product of the sugar plantation era, the system was built in the early 1900s, moving water by gravity through several siphons over 26 miles from the Ko‘olau mountains to the central plains of Oahu. The WIS provides water to over 5,000 acres of productive agricultural lands on central Oahu, serving about a dozen agricultural users.

Due to its age, the WIS has and will need ongoing capital improvement and maintenance. This bill would retire existing debts, allowing the Agribusiness Development Corporation to focus on its users and help keep Oahu’s agriculture industry viable into the future. It would also address much needed repairs while maximizing the efficiency of the current system.

Mahalo for the opportunity to testify on this measure.

The Hawaii Crop Improvement Association is a Hawaii-based non-profit organization that promotes modern agriculture to help farmers and communities succeed. Through education, collaboration, and advocacy, we work to ensure a safe and sustainable food supply, support responsible farming practices, and build a healthy economy.

Mililani Agricultural Park, LLC

Physical Address: 94-840 Lanikuhana Avenue, Mililani, HI 96789

Mailing Address: P.O. Box 892774, Mililani, HI 96789

Phone: 808-677-8779

March 19, 2025

House Committee on Water & Land Committee

Testimony In Support of SB 1541, SD 1, HD 1

Relating to Waiahole Water System; Bond Debt Service; Tunnel Repair;
Appropriations

Chair Hashem, Vice Chair Lamosao and committee members:

My name is Wayne Ogasawara, farmer and owner of Mililani Agricultural Park, LLC and has farmed the lands for the past 26 years using the Waiahole Ditch water. This land has been dedicated as Important Agricultural Lands and will remain in agriculture forever!

I am in support of SB 1541, SD 1, HD 1, which appropriates funds for the Waiahole Water System for bond debt service and tunnel repair.

Myself and my 25 other farmer tenants are users of this precious Waiahole water and have seen the price of its water increase from about \$.30 (thirty cents) to its current price of almost \$1.00 per one thousand gallons. In 2024 we paid \$78,000.00 for this water. Needless to say this has been a great financial burden to shoulder for us farmers. In addition to the cost of water, increases in medical insurance, fertilizer, chemicals, labor and farm security it is becoming even tougher to survive as a farmer.

Your support of SB 1541, SD 1, HD 1 SB 1541 will insure that our children and grandchildren will have a viable farm/orchard to enjoy and prosper and help keep Hawaii's agriculture strong!

Thank you for the opportunity to testify in support of Hawaii's agriculture future.