

KULA AGRICULTURAL PARK COMMITTEE MEETING

Thursday, May 13, 2021

1:00pm – 2:00pm

Online via BlueJeans

Due to the COVID-19 pandemic, protecting the health and welfare of the Committee Members and the community is a priority. The meeting was held remotely, with Committee members and staff participating via an online meeting venue.

Meeting Minutes

Committee Attendees:

Barbara Barry, General Public
Jamie Davidson, Agricultural Trade Organization
JoAnn Inamasu, OED Director, Office of the Mayor
Jimmy Jones, Kula Agricultural Park Tenant
Bryan Otani, Tenant of Kula Ag Park
Councilmember Yuki Lei Sugimura, Maui County Council
Curtis Tom, Bank Community
Isla Young, General Public
Kyle Caires, UHMC-CTAHR

Staff:

Stephanie Chen, Deputy Corporation Counsel
Doreen Buenconsejo, OED, Committee Staff

Guests:

Carrie Campos
Francine Maielua
Ipo Mossman
William Greenleaf

A. Call to Order

The meeting was called to order by Chairman Bryan Otani at 1:04 p.m.

B. Public Testimony:

- Call for public testimony. No testimony presented. Public testimony closed.

C. Introductions:

- Barbara Barry – farmer in Haiku district, organic regenerative farming advocate

- Jamie Davidson – Pacific Biodiesel sunflower farm pilot project for CBD (remote from Eketahuna, New Zealand)
- Jimmy Jones – owner of Pukalani Plant Company, leaseholder of Lots 4&5, 3rd year member
- Councilmember Yuki Lei Sugimura – reappointed to KAP Committee (1-2-2023)
- Curtis Tom – with Bank of Hawaii, former Chair for Board of Water Supply (County of Kauai), Chair for MEDB Education Committee
- Isla Young – representative for MEDB STEMworks Program/Workforce Development (remote from Las Vegas, Nevada)
- Kyle Caires – UHMC CTAHR Program
- JoAnn Inamasu – Director, Office of Economic Development, Office of the Mayor

D. Election of Committee Vice-Chair:

- **Nominations for Committee Vice-Chair: Kyle Caires**
- Motion made by Councilmember Yuki Lei Sugimura to nominate Kyle Caires as Vice-Chair, JoAnn Inamasu seconded the motion
- The motion carried unanimously

E. Review and Approval of Meeting Minutes of February 11, 2021:

- Councilmember Yuki Lei Sugimura requested a correction be made to her new business update, adding Warren Watanabe
- Motion made by Councilmember Yuki Lei Sugimura to approve minutes, Kyle Caires seconded the motion.
- Motion approved unanimously with requested change.

F. New Business:

1. Maui County Council updates given by Councilmember Yuki Lei Sugimura:

Working with State Representative Kyle Yamashita for funding for the fencing of KAP. Farmers from the KAP visited her and Mayor regarding fencing and security.

HB200 is budgeted for \$2.8M in FY2022 to cover fencing of the KAP and the new Upcountry Maui Ag Park – Plans, Design, Construction, and Equipment for watershed protection and ungulate fencing for Maui County. Project may include plans for studies for barrier fencing placement and critical upcountry watersheds, ground and sites improvements, and equipment and pertinences.

Spoke to Lance DeSilva and John Medeiros of State Department of Land and Natural Resources. They are aware of this appropriation and Lance estimated \$1.6M for fencing of KAP.

There is a step by step process and will take some time for project to happen. Informed them to contact JoAnn Inamasu with more information regarding the process and written agreement between County and State.

Also, from that appropriation there will be extra funds and DLNR will decide what to do with that extra funds. Only a portion is for KAP fencing, as requested by the farmers.

Councilmember Yuki Lei Sugimura requested JoAnn to follow-up with County of Maui, Department of Finance and Lance of DLNR regarding funds. Councilmember Yuki Lei Sugimura mentioned during budget session all information will be presented before Council Committee to finalize.

A Bill was created called KAP Revolving Fund for lease payments that the tenants make will go into this fund and OED will have jurisdiction on how the funds will be utilized for the KAP. According to County records, there is approximately \$30K collected annually from the KAP tenants for lease rents. If passed by the Council's Budget and Finance Committee and the full Council, it becomes an ordinance and all future lease payments will be allocated to this revolving fund.

Per JoAnn Inamasu, those funds will go towards repairs and smaller things to help to maintain the KAP. In the past, OED funds were utilized to help maintain KAP.

Questions from last meeting regarding axis deer grant money and for FY2021 grants for feral animal control from Maui Island?

- Every island received \$300K
- Four (4) Maui grants were issued:
 1. Living Pono Project, feral chicken relocation and egg donation - \$25K
 2. Living Pono Project Maui Deer Management and Venison Donation - \$138,966
 3. Administration non-profit Lokahi Pacific - Kula Hunting Club who is the feral animal control that operate 2-3 times a week. Purchased a ATV to navigate at the KAP - \$26,162
 4. Living Pono Project Feral animal control assessment study - \$98,800

These grants are managed by the County's Department of Housing and Human Concerns.

Questions on the floor:

Director JoAnn Inamasu asked in reference to the Bill that is present and not finalized, all funds will be with the State DLNR and they will execute the project from start to finish?

- o Per Councilmember Yuki Lei Sugimura, yes.
- o Per JoAnn Inamasu, she will review the HB200 and share the verbiage with the committee members at a later date. Funds will be held with the State and not County.

Member Barry inquired if the information was shared with Councilmembers Shane Sinenci and Gabe Johnson since they are part of the agricultural group and information should be shared with them directly.

- o Per Councilmember Sugimura, yes - it is public information under HB200 and agreed to inform them directly.

Member Davidson asked are those funds for the old and new KAP?

- o Per Councilmember Yuki Lei Sugimura, funds are for both parks.

Vice-Chair Kyle Caires asked if the fencing will be for the perimeter of each KAP?

- o Per Councilmember Yuki Lei Sugimura, yes.

2. Kula Ag Park updates given by JoAnn Inamasu:

The updated KAP Lease application was shared with the Members for review and approval by the Committee. Discussion amongst members regarding the applications and general questions regarding the Lease process.

Q: Member Barry - is there any protocol or public notice when a lease becomes available? It should be to all farmers rather than one particular party?

A: Corporation Counsel Chen - in general most leases have provisions where the lessee is allowed to assign the lot and/or sublease the lot. Each lease is specific to that tenant and treated as a case by case basis according to what the tenant had signed with the County.

Q: Member Barry - shared her concerns about ag lots that get absorbed by other tenants that seem to be accumulating ag lots and not utilizing them fully. It's seems impossible for anyone to have a chance to get into the ag park because things are done between existing tenants, is it fair?

A: Corporation Counsel Chen – directed Member Barry to the County of Maui, Code of Ordinances Title 22.04A.090 - The Right to Appeal and 22.04A.100 - Conditions and Restrictions in Leases.

Specifically, Provision G states a provision that allows the lessee to assign the lease for the remainder of the lease term to a person, provided that such a signing cannot hold any financial interest in five or more lots or sixty or more acres in the agricultural park at any time. This provision is required to be part of any new lease. Pursuant to the code, it is within the Committee to discuss code changes and make recommendations. If considered, it may be appropriate to email the Chair and place an agenda item for future discussion.

Q: Member Barry – commented on the proposed lease application. Rewording question #1 – Are you currently leasing any lots? Any person has financial interest in the lot without actually being on the lease, or is it required to be on the lease if you have any financial interest?

A: Corporation Counsel Chen - suggested to change verbiage to “Are you currently leasing any lots or have financial interest in any lots at the Kula Ag Park?” I will review it and make sure that gets properly added.

Member Barry - suggested questions be added to the lease application:

- What percentage of land is being actively utilized for ag purposes?
- Is everything being used fully for whatever purpose they’re actually using their agreement to grow or grow nursery stock, produce an egg product or food?
- Are they planning to use regenerative farming, transitional farm, or organic?
- It’s important to pinpoint at the new KAP to have lots available for those that want to farm organically at a certain place in the park, upwind from all the chemical farmers.
Are they planning to use any restricted pesticides? Any information would be valuable for adjoining farmers to be notified within 24 hours.

Member Davidson, stated that in item #1D addresses pests and disease control plan.

Corporation Counsel Chen interjected and stated what is regulated by the State and County is preempted to a large degree from regulating anything. As long as the farms are using the pesticides appropriately as determined by the EPA and the State, we cannot really ask questions but it could be part of the Proposed Plan. We cannot insinuate that a certain method of farming is preferred or allowable so long as

it complies with State Law under Chapter 149 Hawaii Revised Statute and 165, The Right to Farm Act.

Member Barry stated that the new KAP should be open to organic farmers only because the possibility of contamination from drift is real.

Council Vice-Chair Kyle Caires, suggested to place these discussions regarding the lease application on the next agenda for review and discussion. Also, to keep in mind regarding drift organic pesticides and other compounds can easily affect one crop that affect another. Acidic, citric acid and those things could make other crops susceptible in the short term to wilt.

Member Barry, also stated under business entity applications, it doesn't state to attach a copy of liability insurance, state and county business licenses?

Director Inamasu, stated before a Lease could be approved for execution, the applicant must provide all documents including their Certificate of Liability Insurance.

Committee Vice-Chair Kyle Caires, asked if there is any time in the process that an applicant or leaseholder is presenting a document holding harmless to the County of Maui and the members of KAP, either individually or jointly liable for various activities? Is there a clause that they have to encounter and sign to protect the county or the committee members?

Director Inamasu, deferred to Deputy Corporation Counsel Chen because there is an indemnity clause that covers County.

Deputy Corporation Counsel Chen - stated yes that would be included in the lease agreement pursuant to the requirements of the lease agreement that the farmer would have to obtain adequate insurance and also agree to indemnify the County and its agents from damages. The Federal and State tax returns for the two years immediately preceding the application date is required. Director Inamasu was helpful to have everyone look over this and see when an applicant comes before the Committee with an application and a proposal that it's a significant amount of legwork that need to be done prior. The Committee will need to look into this further and suggest emailing the Chair Otani and Director Inamasu to place it on a future agenda.

Committee Vice-Chair Caires, stated while reviewing the revised draft application is there anything that prevents livestock or a lessee from

raising livestock, either as a benefit to their current crop or crop operation or a standalone endeavor?

Deputy Corporation Counsel Chen – will need to research and will have the Office of Economic Development send a copy to the Committee members.

Director Inamasu commented to answer a question from the last meeting that Member Barry asked regarding a soil testing at KAP. A pilot project testing of the soil will be conducted and will confirm with more information to all members.

Member Barry from the last agenda she asked about the survey from the tenants about equipment, KAP cleanup? She also requested information about the cooler storage for farmer usage?

Per Director Inamasu, the Kula Vacuuming Cooling Plant is located off property from the KAP and managed by the Maui County Farm Bureau. Will look into the survey further when Ka'eo returns.

2a. Review and Approval of the Kula Agricultural Park DRAFT Application:

Director JoAnn Inamasu requested the Committee's approval of the draft application as it stands with the intention of discussing financial interest issues that was presented by member Barbara Barry in the future agenda?

- Motion made by Committee Vice-Chair Caires to approve the KAP Draft Application.
- Councilmember Sugimura seconded the motion.
- Motion carried unanimously.

G. Announcements:

The next meeting is scheduled for Thursday, August 12, 2021 at 1:00pm online via BlueJeans Conferencing.

H. Adjournment:

The meeting was adjourned at 1:54 p.m. by Director JoAnn Inamasu (on behalf of Chair Otani).