CALL TO ORDER – The meeting of the Board of Agriculture was called to order on October 22, 2019 at 9:00 a.m. by Board of Agriculture Chairperson Phyllis Shimabukuro-Geiser, at the at the Plant Quarantine Conference Room, 1849 Auiki Street, Honolulu, Hawaii 96819.

Members Present:
- Phyllis Shimabukuro-Geiser, Chairperson, Board of Agriculture
- Suzanne Case, Chairperson, Board of Land and Natural Resources, Ex Officio Member
- Mary Alice Evans, Office of Planning, Department of Business Economic Development, Ex Officio Member
- Dr. Nicholas Comerford, Dean of the College of Tropical Agriculture & Human Resources University of Hawaii, Ex Officio Member
- Vincent Mina, Maui Member
- Diane Ley, Hawaii Member
- Randy Cabral, Member-At-Large
- Fred Cowell, Kauai Member
- Glenn Hong, Member-At-Large

Members Absent:
- Joe Tanaka, Member-At-Large

Others Present:
- Chris Kishimoto, HDOA/Plant Quarantine Branch (PQB)
- Janet Ashman, Hawaii Farm Bureau Federation
- Linda Rosehill, Rosehill & Associates
- Linda Murai, HDOA/ Agricultural Resource Management Division (ARM)
- Roy Hasegawa, HDOA/ARM
- Victoria Matsumura, HDOA/Pesticides Branch (PEST)
- Cathy Tarutani-Weissman, HDOA/PEST
- Scott Nishimoto, HDOA/PEST
- Bobby Farias, Hawaii Meats, LLC
- John McHugh, HDOA/PEST
- Jonathan Kam, HDOA/PQB
- Jennifer Waihee-Polk, Attorney General’s Office
- Micah Munekata, HDOA/Office of the Chair (CHR)
- Janelle Saneishi, HDOA/CHR
- Morris Atta, HDOA/CHR
- Trenton Yasui, HDOA/PQB
II. APPROVAL OF MINUTES FROM 8/27/19 MEETING

Motion: Mina/Comerford.

Board member Ley requested changes to page 3, line 35, “flood insurance” rather than “FEMA insurance”, and page 8 and 9 to make the “copepod” spelling change. Also, she asked to change Page 11, line 25, 31 to refer to “Atwood.”

Vote: Approved, 8-0 (Case abstain).

III. INTRODUCTIONS

IV. COMMUNICATIONS FROM DIVISIONS AND ADMINISTRATION

A. AGRICULTURAL RESOURCE MANAGEMENT DIVISION

1. Request for Consent to Assignment of General Lease No. S-6024; Fong Sourivong, Lessee/Assignor, Khamphou Khouthong, Assignee; TMK: 1st Div/5-6-006:052, Lot 24, Kahuku Agricultural Park, Koolauloa, Kahuku, Island of Oahu, Hawaii

Roy Hasegawa, HDOA/ARM, presented testimony as submitted. Staff recommends approval.

Motion: Cabral/Hong

Board member Evans asked why there is a residency requirement for three years for the assignment of an ag park lease. Mr. Hasegawa said it is part of Hawaii Administrative Rules. Board member Evans asked why there is a residency requirement in rules. Mr. Hasegawa said that he was unsure. Linda Murai, HDOA/ARM, said that ag park and non ag park programs are set aside for residents of Hawaii. It helps to reinforce the local people working here in Hawaii. Morris Atta, HDOA/CHR, said that this was a policy decision for local production from local farmers. It was meant to build that preference into the statutory scheme. This is policy that could be reviewed if desired. Board member Evans said that there are many experienced farmers from other states or countries and she said she is unsure why three years was selected. She said staff should consider why that number is there and if there can be adjustments.

Chairperson Shimabukuro-Geiser asked if there were any vacant lots in the current ag parks. Ms. Murai said that there are not many in the ag parks. Chairperson Shimabukuro-Geiser mentioned looking back on the history of that requirement and will
report back to the Board. Board member Ley asked if that applies to non ag park lands as well and to include that in the follow up.

Board member Hong asked if terms of lease are current. Mr. Hasegawa said yes.

Vote: Approved, 9-0.

2. Request for Acceptance of Annual Lease Rents as Determined by Independent Appraisal for Rent Reopenings and New Leases for Various Lots Located Statewide

Linda Murai, HDOA/ARM, presented testimony as submitted. Staff recommends approval.

Motion: Evans/Comerford

Board member Evans asked how the average increase of appraisals is reflected. Ms. Murai said that there is a wide variation across the department’s inventory.

Board member Case asked about the appraisal instructions. Ms. Murai said that the appraiser is required to appraise on raw land only. Board member Case asked if the appraisal is the same if improvements are made before the lease is started. Ms. Murai said yes. Board member Case asked whether the appraisal was for the highest and best use on agricultural use. Ms. Murai said yes.

Board member Evans thanked staff for summary.

Board member Cabral asked about a high increase in one of the appraised leases. Ms. Murai said that the Big Island Dairy lease had some history as it was a lease that came to HDOA from DLNR with a lower rental amount. The independent appraiser appraised the lease at the increased amount. Board member Cabral asked if someone is taking over the lease. Ms. Murai said she is unsure at this time.

Board member Ley asked about the appeal process. Ms. Murai said that lessee could hire their own appraiser to present a rate. The State appraiser would then review that rate and if there was no middle ground reached then the State would hire another appraiser and the process could move forward. Board member Ley asked about who pays for that. Ms. Murai said the lessee would pay for their appraiser. Board member Ley asked about costs associated with appraisals. Ms. Murai said it depends on how much work is involved. Chairperson Shimabukuro-Geiser said that this is a part of the lease and it is identified as such.

Board member Mina asked if there are details attached to these appraisals. Ms. Murai said that they are available at the staff office.
Board member Hong asked if ACM Consultants is primarily used by HDOA. Ms. Murai said they have done a lot of the appraisals but that the appraisal contracts are subject to bidding. Board member Hong asked about a general matrix that is provided to the appraiser to determine things like percentage of gross. Ms. Murai said that the 1.5% is the standard, however some ag parks like Kahuku is 3%. This has to do with additional rent. When ag parks first opened, the lease rents were very reasonable. Having a percent rent, if the farmer did well business wise, that they would provide the State benefit. Board member Hong asked about the difference between some getting 0% and others getting different amounts. Ms. Murai said the appraiser comes up with this. Board member Hong asked if this was being done consistently. Ms. Murai explained the process of making lands available and how an appraisal plays into it.

Board member Comerford asked if appraisal determination is related to soil type and productivity. Ms. Murai said she would follow up. Chairperson Shimabukuro-Geiser asked about additional percent to Waianae Ag Park. Ms. Murai said it was 3%. Chairperson Shimabukuro-Geiser asked about how additional rents are calculated and asked for a report.

Staff clarified with the Board about what a deferral would do to the leases.

Board member Cabral said that some of these are high, but overall they may be reasonable.

Board member Mina said that he would move it forward but want to know the process further.

Board member Case said she would feel more comfortable with more information.

Vote: Approved, 7-2.

Chairperson Shimabukuro-Geiser asked for the more information at the next meeting.

Board member Comerford asked for a list of variables that the appraiser is using in making determination.

B. PLANT INDUSTRY DIVISION
Pesticides Branch

1. Request for: (1) Establishment of the External List of State Restricted Use Pesticides (“RUPs”) pursuant to section 4-66-32, Hawai‘i Administrative Rules (2019); (2) Compilation of the External List of RUPs from the Previous RUP List (under section 4-66-32, Hawai‘i Administrative Rules (2006)) and three active ingredients previously adopted as RUPs—Amicarbazone, Chlorantraniliprole, and Fludioxonil; and (3) Adoption of Chlorpyrifos and Cyantraniliprole for Classification as State RUPs.
John McHugh, HDOA/PEST, presented testimony as submitted. Staff recommends approval.

Motion: Evans/Hong

Vote: Approved, 9-0.

Plant Quarantine Branch

2. Resubmittal of Request to: (1) Allow the Importation of the Copepod, *Apocyclops panamensis*, an Unlisted Crustacean, by Special Permit, for Scientific Research, by Kampachi Farms, LLC.; and (2) Establish Permit Conditions for the Importation of the Copepod, *Apocyclops panamensis*, an Unlisted Crustacean, by Special Permit, for Scientific Research, by Kampachi Farms, LLC.

Jonathan Kam and Trenton Yasui, HDOA/PQB, presented testimony as submitted. Staff recommends approval.

Motion: Comerford/Ley

Board member Mina clarified with staff where the sump is located. He mentioned the potential for a cinder pit to be used.

Board member Comerford added that this will allow for organic matter.

Board member Case asked if they are confident with the conditions. Mr. Kam said that the treatment along with filtrated sump will make it hard for release and to get established. It is also a food source.

Board member Mina said that he would like to know what is coming out of the sump at some point. There is microbial material that can live in extreme environments. He mentioned that he would like staff to do some testing. Trenton Yasui, HDOA/PQB, said that staff could work with NELHA on that type of test. He mentioned that the right dosage will be used.

Board member Ley clarified with staff on the copepod and water.

Board member Hong asked about treatment chemical. Mr. Kam said it is a type of bleach, non-restricted use pesticide. Mr. McHugh, HDOA/PEST, came forward to clarify
the use of chemical. Board member Comerford said that the chemical dissipates within
a short time. Mr. Yasui said the sump is 200 yards from the ocean.

Vote: Approved, 9-0.

V. OLD BUSINESS

None.

VI. NEW BUSINESS

Board member Evans asked about alternative to non ag park lease auction and if it
should be for the highest bidder. She asked if that has been internally discussed for
establishing lease rentals. Chairperson Shimabukuro-Geiser said she will follow up.

Board member Mina asked about the potential for adding Hemp to the Board for an
update. Chair mentioned that the Board will be briefed upon further federal guidance
from USDA.

Chairperson Shimabukuro-Geiser mentioned to the Board that the Department provided
a preview of its strategic plan to the Agricultural Conference last week.

Board member Ley mentioned to potentially do that presentation before the Board to
keep members apprised. Chairperson Shimabukuro-Geiser mentioned that the HDOA
is still working to finalize its plan.

VII. ADJOURNMENT OF REGULAR MEETING

Motion to adjourn meeting: Ley/Evans.

Vote: Approved, 9-0.

Meeting adjourned at 10:10 AM.

Respectfully submitted,

Micah Munekata
Board Secretary