Minutes of the Board of Agriculture

ANNOUNCEMENT: Chairperson Phyllis Shimabukuro-Geiser explained that the Agenda contained an incorrect link to the Zoom meeting. Public testimony would be accepted; however, the Board’s decision-making and discussion would be deferred to another board meeting.

CALL TO ORDER — The meeting of the Board of Agriculture was called to order on June 23, 2020 at 9:07 a.m. by Board of Agriculture Chairperson, Phyllis Shimabukuro-Geiser. The meeting was conducted virtually via Zoom due to the current risk of exposure to COVID-19.

Members Virtually 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
- Glenn Hong, Member-At-Large
- Joe Tanaka, Member-At-Large

Others Virtually Present:
- Brian Kau, HDOA/ARMD
- Roy Hasegawa, HDOA/ARMD
- Linda Murai, HDOA/ARMD
- Joyce Wong, HDOA/ARMD
- Brandi Ah Yo, HDOA/ARMD
- Kirk Saiki, HDOA/ARMD
- Kevin Hoffman, HDOA/PI
- Dean Matsukawa, HDOA/ALD
- Christine Asing, HDOA/ALD
- Jillian Scheibe, HDOA/ALD
- Janelle Saneishi, HDOA/CHR
- Morris Atia, HDOA/CHR
- Earl Yamamoto, HDOA/CHR
- Bryan Yee, Attorney General’s Office
- Val Kato, Attorney General’s Office
II. APPROVAL OF MINUTES FROM 4/14/20 MEETING

No action.

III. INTRODUCTIONS

Chair explained that attendees wishing to testify should use the raise hand button on the Zoom screen. When recognized, they would be able to unmute; identify themselves and the organization that they represent; present their 2-minute testimony and mute themselves when done.

Chair thanked Board Member Glenn Hong, whose term ends on June 30, 2020.

IV. COMMUNICATIONS FROM DIVISIONS AND ADMINISTRATION

A. AGRICULTURAL LOAN DIVISION

1. Request for Approval of One (1) Emergency Loan to LBD Coffee, LLC and Leslie Drent, co-borrowers.

Christine Asing, HDOA/ALD presented testimony as submitted. Staff recommends approval.
Mr. Leslie Drent, Owner and Mr. Tai Erum, Operations Manager of LBD Coffee, LLC joined the meeting. Mr. Drent testified that although creditors have been patient, LBD is working to find funding to replace lost income. The loan would be used to pay 3 processors for value-added debt.

2. Request for Approval of One (1) Emergency Loan to Heavenly Hawaiian, Ltd., & The Other Farm, Ltd., co-borrowers.

Jillian Scheibe, HDOA/ALD presented testimony as submitted. Staff recommends approval.

Mr. David Bateman, owner of Heavenly Hawaiian Farms, testified that when tourism income disappeared, they pivoted their business and reached out to member/monthly customer lists to replace some of the lost income. The infusion of cash from the loan will bridge the company till the end of the year.

3. Request for Approval of One (1) Emergency Loan to ZBAR Ranch, LLC and Barney James Schutte, co-borrowers.

Jillian Scheibe, HDOA/ALD presented testimony as submitted. Staff recommends approval.

Ms. Cathy Goeggel, Animal Rights Hawaii opposed the loan, in strong opposition to loans to the livestock industry.

Sylvia Dolena, Pele Lani Farm LLC, submitted written testimony opposing the loan.

Chair announced that item B11 would be taken out of order and heard after item A4. Both items relate to the Dutch-Hawaiian Dairy Farms, LLC.

4. Request for Approval of One (1) Direct Farm Ownership/Improvement Loan and One (1) Direct Operating Loan to Dutch-Hawaiian Dairy Farms, LLC

Dean Matsukawa, HDOA/ALD presented testimony as submitted. Staff recommends approval.

Sylvia Dolena, Pele Lani Farm LLC, submitted written testimony opposing the loan.

B. AGRICULTURAL RESOURCE MANAGEMENT DIVISION


Brandi Ah Yo, HDOA/ARMD presented testimony as submitted. Staff recommends approval.
Mr. Cornel Kea and his father, Kees Kea joined the meeting. Cornel Kea addressed the Board stating that their original plan was to build a dairy farm in Ookala but it was cost prohibitive and did not materialize. Cloverleaf Dairy is a turnkey operation with utilities, milking facility, dwellings and cows. The operation is ongoing; however, the operation has not been able to recover from previous low milk prices. Cloverleaf Dairy owner, Mr. Boteilho, does not have anyone who would like to take over the operation. Cornel graduated from UH Hilo/Ag degree and went to Wisconsin to learn dairy farming. Under his father’s guidance he wants to make the dairy more efficient. In addition, they would also focus on value added products—cheesemaking and yogurt making to improve cashflow. They believe Hawaii dairies can be successful if not reliant on mainland sources for feed.

Ms. Cathy Goeggel, Animal Rights Hawaii, testified in opposition of the loan and the assignment of lease because the dairy industry is dangerous to the environment.

Mr. Gary Genske testified in support. He is a CPA specializing in dairy farms across the country and is also a dairy farmer with 45-years of experience. He personally knows the Kea family and has done the cash flow and to his knowledge, current owner, Boteilho, does not have any violations.

1. Request for Approval for the Transfer of Public Lands at Kula on the Island of Maui from the Department of Land and Natural Resources to the Department of Agriculture Pursuant to Act 90, SLH 2003, Codified as Chapter 166E, Hawaii Revised Statutes

Linda Mural, HDOA/ARMD presented testimony as submitted. Staff recommends approval.

No public comments.

2. Request for Acceptance of Annual Lease Rents as Determined by Independent Appraisal for Rent Reopenings and New Leases for TMK: (1) 4-1-009:269; (1) 4-1-027:004; (1) 8-5-034:001; (1) 8-5-034:003; (1) 8-5-034:004; (1) 8-5-034:006; (1) 8-5-034:008; (1) 8-5-034:010; (1) 8-5-034:011; (1) 8-5-034:012; (1) 8-5-034:015; (3) 1-2-006:019; (3) 2-1-016:001; (3) 2-4-049:011; (3) 5-8-002:002; (3) 5-9-001:004; (3) 5-9-003:002 & 004; (3) 5-9-004:001 & 008; (3) 1-5-116:001; (3) 1-5-116:003; (3) 1-5-116:007; (3) 1-5-116:011; (3) 1-5-116:012; (3) 1-5-116:013; (3) 1-5-116:015; (3) 1-5-116:017; (3) 1-5-116:018; (3) 1-5-116:020; (3) 1-5-116:034; (3) 1-5-116:062; (4) 1-9-002:001; (4) 1-9-002:013; (4) 1-9-002:019; (4) 1-9-002:020; (4) 1-9-002:045; (4) 1-9-003:006; (4) 1-9-003:010; (4) 4-1-001:007; (4) 4-1-001:012; (4) 4-1-009:005 & 006; (4) 4-4-002:031

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

No public comments.

3. Request for Consent to Assignment of General Lease No. S-4925; Lounareth Soulatha, Lessee/Assignor; to Mahiku Farm LLC, Assignee; TMK: 16 Div/4-1-
035:004, Lot 4, Waimanalo Agricultural Park, Koolaupoko, Waimanalo, Island of Oahu, Hawaii

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

No public comments.

4. Request for Consent to Assignment of General Lease No. S-9014, Thomas Decourcy, Lessee/Assignor; to Thomas Decourcy and Bradley Tsugio Sakamoto, Assignee; TMK: 2nd Div/5-2-001:022, Lot No. 13, Molokai Agricultural Park, Hoolehua-Apana, Island of Molokai, County of Maui, Hawaii

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

No public comments.

5. Request for Approval of Extension of Lease Term, General Lease No. S-5480, TMK: (4) 4-4-002:031; Lelan C. Nishek and Barbara M. Nishek, Lessee; Kapaa Homesteads, 2nd Series, Oloheha Kawaihau, Island of Kauai, Hawaii

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

No public comments

6. Request for Approval to Sublease between the Hamakua Agricultural Cooperative, Lessee/Sublessor, and Stanley Cypriano, Sublessee; General Lease No. S-5551, TMK: (3) 4-6-003:01,02,20(port), Lot Nos. 3,5,9,10,20,21,22,23, and General Lease No. S-5554, TMK: (3) 4-6-001:007,008,018(port), Lot No. 002, Honokaia Makai Tract, and Lauka-Kulihui, Hamakua, Island of Hawaii

Joyce Wong, HDOA/ARMD presented testimony as submitted. Staff recommends approval.

No public comments.

7. Request for Approval to Sublease between the Hamakua Agricultural Cooperative, Lessee/Sublessor, and Robert M. Bowman, Sublessee; General Lease No. S-5551, TMK: (3) 4-6-003:001, 002, 020(port), Lot No. 18B, Honokaia Makai Tract, Hamakua, Island of Hawaii

Joyce Wong, HDOA/ARMD presented testimony as submitted. Staff recommends approval.

No public comments.

Joyce Wong, HDOA/ARMD presented testimony as submitted. Staff recommends approval.

No public comments


Joyce Wong, HDOA/ARMD presented testimony as submitted. Staff recommends approval.

No public comments.


Brandi Ah Yo, HDOA/ARMD presented testimony as submitted. Staff recommends approval.

No public comments.

Board Member Joe Tanaka left the meeting at 10:18 a.m.


Brandi Ah Yo, HDOA/ARMD presented testimony as submitted. Staff recommends approval.

Mr. Scott Enright testified as a representative of Hawaii Beef Lease, LLC and Mr. Schutte. He stated that the LLC has the ability to capitalize the improvements needed to efficiently move more animals across the kill floor space and will provide a great opportunity for the Ag and Cattle industries.

Ms. Cathy Goeggel, Animal Rights Hawaii, testified in opposition of the transfer. Noted that Hamakua slaughterhouse has a difficult history and suggested an audit of the operation.

Brian Kau, HDOA/ARMD presented testimony as submitted. Staff recommends approval.

No public comment.

C. PLANT INDUSTRY DIVISION

Plant Quarantine Branch

1. Request to: (1) Allow the Importation of the Coronaviruses: Alphacoronavirus Strains NL63 and 229E, and Non-Select Agent Betacoronavirus Strains OC43 and HKU1, Viruses on the List of Restricted Microorganisms (Part A), for Laboratory Research by the University of Hawaii, by Emergency Permit;

   (2) Establish Permit Conditions for Importation of the Coronaviruses: Alphacoronavirus Strains NL63 and 229E, and Non-Select Agent Betacoronavirus Strains OC43 and HKU1, Viruses on the List of Restricted Microorganisms (Part A) for Laboratory Research by the University of Hawaii;

   (3) Allow the Importation of the Coronaviruses: SARS-CoV-2 Betacoronavirus Isolates USA-WA1/2020, Germany/BavPat1/2020, and USA CA3/2020, Viruses on the List of Restricted Microorganisms (Part A), for Laboratory Research by the University of Hawaii, by Emergency Permit; and

   (4) Establish Permit Conditions for Importation of the Coronaviruses: SARS-CoV-2 Betacoronavirus Isolates USA-WA1/2020, Germany/BavPat1/2020, and USA CA3/2020, Viruses on the List of Restricted Microorganisms (Part A) for Laboratory Research by the University of Hawaii.

Wil Leon-Guerrero, Microbiologist, HDOA/PQB presented testimony as submitted. Staff recommends approval of parts one and two with proposed BSL-2 permit conditions. Based upon recommendations and comments of the initial and revised request for SARS-COV-2 coronaviruses, staff recommends disapproval of parts three and four for an emergency permit.

Mr. Leon-Guerrero summarized the subcommittee review, as submitted.

Public Testimony:

1. Dr. Vivek Nerukar, D.M.L.T., M.Sc., Ph.D., Professor and Chair Department of Tropical Medicine, Medical Microbiology and Pharmacology (DMMMP); Director, John A. Burns School of Medicine (JABSOM), is the Applicant and spoke to address concerns of the import of SARS-COV-2, items 3 and 4. He added that any additional concerns can be addressed by adding additional conditions.
2. Mr. Ted Liu, Director of Referential Systems, Inc. and CEO of Senturion+LLC, Hawaii-based technology companies submitted written and oral testimony to support the application. He also requested that the Board consider approval of items 3 and 4 and add conditions to address concerns not addressed by JABSOM.

3. Ms. Saguna Verma, Associate Professor, DTMMP/UH presented written and oral testimony in strong support of permitting the importation of SARS-CoV-2 and other human coronaviruses.

4. Dr. Axel Lehrer, Assistant Professor, JABSOM submitted written and oral testimony in support of importation to support research by UH investigators.

5. Mr. Hubert Olipares, Biosafety Officer, UH Office of Research and Compliance submitted written and oral testimony regarding the inspection of the JABSOM Biocontainment Facility (JBF), Biosafety Level 3 (BSL3) and Animal Biosafety 3 (ABSL3)

6. Mr. Edward Ohlson, Director of Facilities, Management and Planning at JABSOM testified on the recertification and reliability of the BSL3 lab.

7. Mr. Wei-Kung Wang, M.D., Ph. D., Professor at the DTMMP/UH, submitted written and oral testimony in strong support for the approval of the importation permit of the SARS-CoV2 strains and other human common cold coronaviruses.

Written testimony in support of permitting the importation of SARS-CoV-2 and other coronaviruses was submitted by:

- Eileen Nakano, Ph.D., JBF Supervisor, Research Support, DTMMP/UH
- Daniel Strange, Ph.D. Candidate, DTMMP/UH
- Joseph DiCostanzo M.D.
- Wen-Yang Tsai, M.S., Ph.D., Assistant Professor, DTMMP/UH
- Tao Yan, Ph.D., Professor, UH College of Engineering
- Richard Yanagihara, M.D., M.P.H., Professor, Department of Pediatrics, Director, Pacific Center for Emerging Infectious Diseases Research, UH
- Daniel Jenkins PhD, PE
- Lauren L. Ching, Ph.D. Candidate, Nerukar Laboratory, DTTMP/UH
- Alanna Tsent, Ph.D. Candidate, Molecular Biosciences & Bioengineering, UH
- Jakub Hyvl, Assistant Professor, Dept of Chemistry, UH Manoa

Jerris R. Hedges, MD, Dean, JABSOM, submitted written comments in response to statements presented by Dr. Whelen.

V. OLD BUSINESS

None
VI. NEW BUSINESS

None

VII. ADJOURNMENT OF REGULAR MEETING

Discussion and decision making by the Board was deferred until the next meeting. Public comments will also be accepted at the next meeting. All comments and written testimony presented/received will be part of the record and considered at the next board meeting.

Meeting adjourned at 10:58 AM

Respectfully submitted,

Jan Ferrer

Board Secretary