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2 3 Minutes of the Board of Agriculture 4 October 24, 2023 5 6 A video recording of this meeting can be found online by visiting this website: 7 https://hdoa.hawaii.gov/meetings-reports/ 8 9 CALL TO ORDER – The meeting of the Board of Agriculture was called to order on October 24, 2023, at 9:14 am by Board of Agriculture Chairperson, Sharon Hurd. The 10 meeting was conducted virtually via Zoom and in-person from: 11 12 13 State of Hawaii, Department of Agriculture 14 Plant Quarantine Branch 1849 Auiki Street 15 16 17 Members Present In-Person: Sharon Hurd, Chairperson, Board of Agriculture 18 19 Mary Alice Evans, Ex-Officio Member 20 21 Members Virtually Present: Roll call/alone 22 Russell Tsuji, Chairperson, Board of Land and Natural Resources, Ex Officio 23 Member Diane Ley, Hawaii Member 24 25 Vincent Mina, Maui Member James Gomes, Member-at-Large 26 27 28 Excused: 29 Dr. Ania Wieczorek, Interim Dean CTAHR, Ex Officio Member Fred Cowell, Kauai Member 30 Randy Cabral, Member-at-Large 31 En Young, Member-at-Large 32 33 Deputy Attorney General Present In-Person: DAG Bryan Yee (Late arrival) 34 35 Others Present In-Person: 36 Janelle Saneishi, Office of the Chair/HDOA 37 Marci Clingan, Office of the Chair/HDOA 38 Raenette Gee, Office of the Chair/HDOA 39 Stephen Dalton, IT/HDOA 40 41 Keith Otsuka, Commodities Branch/HDOA Roy Hasegawa, Agricultural Resource Management/HDOA 42

DRAFT (Unapproved)

- 1 Linda Murai, Agricultural Resource Management/HDOA 2
- Brandi Ah Yo, Agricultural Resource Management/HDOA
- 3 Kori Koike, Agricultural Resource Management/HDOA 4 Jonathan Ho, Plant Quarantine/HDOA
- 5 Noni Putnam, Plant Quarantine/HDOA
- 6 Chris Kishimoto, Plant Quarantine/HDOA
- 7 Lester Arita, Plant Quarantine/HDOA
- 8 9
- 10 Others Virtually Present:¹
- 11 AGR – Kau, Brian
- AGR Saiki, Kirk 12
- 13 Cathy Goeggel
- Haaheo Scranlan 14
- Jess Cole 15
- Ka'ikena Scranlan 16
- Kelcie Nagata. Esq. 17
- Lautaha 18
- 19 Mark Ladao
- 20 Mason
- 21 Nicole Galase
- 22 Noni Putnam
- 23 Romy
- 24 Rusty
- 25 Sunny
- Tania Sadarak Mahoni 26 Ted Yamamura
- 27
- 28 Jodi
- 29 Norm Goody Ann Goody 30
- HDOA 31
- 32 Chris Kishimoto
- 33 Leo Obaldo
- AGR Matsukawa Dean 34
- 35 Trish Kim
- 36 Lester Arita
- 37
- 38

39 Ш. APPROVAL OF MINUTES FROM 9/26/23 MEETING

- 41 Motion to Approve: Ley/Gomes
- 42

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¹ The identification of the public members is based on their sign-in name but are not verified.

1 2	Vote: 6	S-0; Approved unanimously
3	III.	INTRODUCTIONS
4		
5	IV.	COMMUNICATIONS FROM DIVISIONS AND ADMINISTRATION
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8 9		A. AGRICULTURAL RESOURCE MANAGEMENT DIVISION
10		1. Request for Approval for the Transfer of Public Lands from the
11		Department of Land and Natural Resources to the Department of
12		Agriculture, Pursuant to Act 90, SLH 2003, Codified as Chapter 166E,
13		Hawaii Revised Statutes; TMK Nos.: (3) 9-6-002:055; (3) 2-4-006:012 and
14		013; (3) 2-4-007:037; (3) 9-5-006:001; (3) 9-5-013:001; (3) 3-5-001:001;
15		(3) 2-2-056:18; (3) 1-3-002:012 and 099; (3) 6-9-001:015; (3) 2-9-002:047;
16		(3) 9-4-003:014; (3) 9-3-003:035 and 036; (3) 2-3-030:001; (3) 2-3-
17		032:001; (3) 9-5-019:002 and 017; (3) 4-1-004:031; (3) 9-5-012:018; (3) 5-
18 19		6-001:001; (3) 5-7-001:015; (3) 6-2-001:005; (3) 9-6-002:005, 010 and 013; (3) 9-5-006:001; (3) 6-5-001:006; (3) 6-5-001:020; (3) 2-4-004:012,
20		013, 021 and 022; (3) 5-5-003:013 and 019; (3) 5-8-003:007; (3) 1-8-
21		010:038, 043, 044 and 046; (3) 4-5-011:006; (3) 4-4-013:011; (3) 6-4-
22		031:007, 009 and 010; (3) 5-8-002:003; (3) 5-8-002:005; (3) 5-8-002:006;
23		(3) 6-2-001:011; (3) 5-6-001:035; (3) 5-7-001:009; (3) 9-5-019:001; (3) 1-
24		2-008:001; (3) 4-4-010:013; (3) 4-4-003:003 and 047; (3) 9-6-002:013; (3)
25		9-5-012:002; (3) 9-6-012:004; (3) 6-6-001:002 and 077; (3) 5-8-001:002,
26		005 and 006; (3) 5-7-001:004; (3) 5-7-001:010; (2) 2-7-008:015; (2) 2-7-
27 28		015:026; (2) 1-4-007:009 and 017; (2) 1-6-005:008; (2) 1-6-005:021, 022 and 023; (2) 1-7-003:032; (2) 2-9-008:018 and 024; (2) 1-1-003:070; (2) 1-
20 29		1-003:059; (2) 2-9-001:008 and 011; (2) 2-9-006:021, 022, 023 and 024;
30		(2) 1-6-005:002; (2) 1-6-008:008; (4) 1-9-007:005, 007, 028, 029, 030 and
31		046; (4) 1-2-002:040; (4) 1-9-001:002; (4) 1-9-002:002; (4) 4-6-005:010;
32		(4) 2-3-007:013; Islands of Hawaii, Maui, and Kauai
33		
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35		Ah-Yo, Property Manager of the Agricultural Resource Management Division
36 37	presen	ited testimony as submitted.
38	Motion	to Approve: Gomes/Ley
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40	Discus	sion:
41		Galase from the Hawaii Cattlemen's Council said the council supports this action
42	and the	anks the board for considering it.

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2 Board Member Gomes said the transfer has been long overdue and wants to thank 3 DLNR and DOA for moving this along. He asked what TMKs were not transferred over 4 to DOA that met Act 90 and why? Ms. Ah-Yo said there were a number of TMKs that 5 are on the list but they weren't set up at this time for transfer because they were either landlocked or their parcel was really small. Board Member Gomes asked if there are 6 7 more TMKs to be transferred and what would be the timeframe? Ms. Ah-Yo replied that she is not aware of anymore and she is aware of only what is on the list. Board Member 8 9 Gomes added that Nobriga ranch, on the north shore of Maui, has three TMKs and he is wondering if those would be transferred or not. Linda Murai from the Agricultural 10 Resource Management Division stepped forward to respond to Board Member Gome's 11 12 guestion. She said their leases are on the purple list which is the list that DLNR seeks to 13 retain so they are not available for DOA to transfer. Board Member Gomes asked if he could have a copy of this list so he can follow-up on these. Chairperson Hurd added that 14 the lists that were deemed to be agricultural potential, included a number of categories 15 which DLNR approved to transfer. For the other groups, DLNR prefers to retain and are 16 17 all part of Act 90. DLNR and DOA have been discussing the next phase of which 18 parcels to look at. 19 20 Board Member Ley said thank you to staff for working through this. She asked if several 21 of these leases that are indicated as ag/residence are active in agriculture and some 22 have residence and others no residence? Ms. Murai said that the ag residence use is a 23 DLNR character of use. Those that have that designation have a dwelling on them, but 24 they are producing agriculture. 25 26 Vote: 6-0; Approved Unanimously 27 28 29 2. Request for Consent to Assignment of General Lease No. S-4456; Jules J. Gervais, Jr., and Soontaree Gervais, Lessee/Assignor, to Jungle Mist 30 Orchids, LLC., Assignee; TMK: (3) 2-4-049:012, Lot 28, Panaewa Farm Lots, 31 32 Waiakea, South Hilo, Island of Hawaii, Hawaii 33 34 Brandi Ah-Yo, Property Manager of the Agricultural Resource Management Division 35 presented testimony as submitted. 36 37 Motion to Approve: Gomes/Ley 38 39 Discussion: Board Member Ley asked if there is a structure still standing and who will be 40 responsible for the removal and disposal of the home? Ms. Ah-Yo said that was part of 41 42 the negotiation and a big part of the structure can be salvaged. They will try to redo the

43 damaged part and it'll be the responsibility of the buyer to take care of that.

1 2 3 4 5 6	Board Member Mina asked if Ms. Ah-Yo can define what the September 4, 2025 reopening means. Ms. Ah-Yo said that on September 4, 2025, an appraisal will be completed to reestablish what the annual lease rent will be for the upcoming period which will end in 2030.	
7 8	Vote: 6-0; Approved Unanimously	
9 10 11 12 13 14	 Request for Consent to Assignment of General Lease No. S-4640; Mya S. Paw`u and Sunny O Stewart, Lessee/Assignor to Elijah Scanlan, Assignee; TMK: (3) 2-4-049:023, Lot 9, Panaewa Farm Lots, Waiakea, South Hilo, Island of Hawaii, Hawaii 	
15 16 17	Brandi Ah-Yo, Property Manager of the Agricultural Resource Management Division presented testimony as submitted.	
17 18 19	Motion to Approve: Vincent/Ley	
20 21	Discussion:	
21 22 23 24 25 26 27 28 29 30	Board Member Mina asked if this gentleman is looking to continue with Ola Brew And if his intention is to live on the land? Ms. Ah-Yo said she believes so, yes and said he plans to sell a lot of his produce to Ola Brew. She said that Mr. Ka`ikena would like to come forth and speak. Mr. Ka`ikena said yes, he does plan to continue with Ola Brew and reside on the property. His bread-and-butter crop will be lychee and tangelo and he does plan on marketing to other restaurants. The first three years will probably not be showing profit because of the pruning. He mentioned that eventually vanilla will also be added.	
31 32	Board Member Gomes asked what condition the house is in? Mr. Ka'ikena said both of the structures need repairs but it is inhabitable.	
33 34 35	Vote: 6-0; Approved unanimously	
36 37 38 39 40	 Request for Acceptance of Annual Lease Rents as Determined by Independent Appraisal for Rent Reopenings and Vacant land for Various Lots Located on Oahu and Hawaii Islands; TMK Nos.: (1) 4-1-010:031; (1) 4- 1-027:011; (1) 4-1-027:018; (3) 2-4-049:011; (3) 5-5-003:012 	
41 42 43	Roy Hasegawa, Property Manager of the Agricultural Resource Management Division, presented testimony as submitted.	

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 - Motion to Approve: Gomes/Mina
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- 4 Discussion:

5 Board Member Evans asked if there are any observation or analysis on why one of the non-ag park parcels doubled in value? Did the amount of gross proceeds double? Mr. 6 7 Hasegawa called forward the appraiser, Ted Yamamura. Mr. Yamamura said rents are function of land sales. As to why the prior or current rents were at the rates that they 8 9 were, would be because of a number of factors. Based on the current comparable sales 10 and current rates of return, that's how we determine the new rent. As to how the prior 11 rents were set, it could have been a result of different land comparable and different 12 rates of return. Rates of return is what is expected or desired by the lessor. The higher 13 the rate or return, the greater the land rent. Board Member Evans expressed concern with using rate or return as one of the instructions to the appraiser because she 14 believes the base rents for farm parcels should be based on productivity to the farmer. 15 Basing the reopened, renewed lease rental on comparable sales, and lessor's desired 16 rate or return makes it much harder for farmers to be able to make a living on Oahu. 17 18 19 Board Member Tsuji asked Mr. Yamamura if the grade of the land is taken into 20 consideration? Mr. Yamamura said yes, it is. 21 22 Board Member Mina asked for clarification on Alvin Kawamoto and Akamai Landscape 23 and Maintenance's rents. Mr. Yamamura said the character of use changed from

- diversified agriculture to pasture. For the Akamai Landscape, there was a 3% increase in rental value. The rent on the second property or parcel declined however, the lease
- 26 states it's going to be the higher of the existing rent or new rent.
- 27
- Board Member Ley asked how do we approach the appraisal process and what the
- board's authority is versus staff? A big concern is the escalating cost of these rents.
- What is the existing lease requirements for the appraisal and how is it determined? What is the general standard in the system for how appraisals are done? What is the discretion of staff if it's not beard discretion? Reard Member Evens asked if this sould
- discretion of staff if it's not board discretion? Board Member Evans asked if this could
 be included in a future BOA meeting.
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- 35 Vote: 6-0; Approved Unanimously
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 Request for Acceptance for Annual Renewal of Revocable Permits for TMK Nos.: (1) 9-4-002:080; (1) 4-1-008:071 & 072; (2) 1-1-003:028; (2) 5-2-001:017; (3) 3-1-004:001; (3) 4-6-002:001; (3) 4-7-004:009; (3) 4-9-011:002; (3) 5-5-007:011; (4) 1-9-002:019; (4) 1-9-003:006; (4) 1-9-003:010; (4) 1-9-012:011; (4) 4-1-001:007; (4) 4-1-001:012; and (4) 4-1-009:005 & 006; Statewide

1 2 Roy Hasegawa, Property Manager of the Agricultural Resource Management Division, 3 presented testimony as submitted. 4 5 Motion to Approve: Gomes/Mina 6 7 Discussion: Board Member Gomes asked why are these TMK RPs not long-term leases? Mr. 8 9 Hasegawa said that staff is working with the permittees to turn them into long-term 10 leases, and some are landlocked. 11 12 Board Member Evans asked if Mr. Hasegawa can define what a landlock is. Mr. 13 Hasegawa said if the parcel is landlocked, there is no access to the property. To make it a long-term lease, it may require easements and other things that would hold up the 14 15 lease process. 16 17 Vote: 6-0; Approved unanimously 18 19 20 6. Request for Consent to Assignment of General Lease No. S-6001; Siaosi 21 Lautaha, Lessee/Assignor, to Romulo Aguinaldo and Rusty Arneson, 22 Assignee; TMK: (1) 5-6-006:029, Kahuku Agricultural Park, Lot 1, Koolauloa, 23 Kahuku, Island of Oahu, Hawaii 24 25 Roy Hasegawa, Property Manager of the Agricultural Resource Management Division, 26 presented testimony as submitted. 27 28 Motion to Approve: Gomes/Mina 29 30 Discussion: Board Member Mina asked if this operation or lease is near this existing operation? How 31 32 would you deal with an electric blackout so to avoid having your fish die? The 15 acres 33 will have solar panels so if electric goes out, the solar will provide needed power to the 34 pumps. We also have two 5KWA generators. 35 36 Vote: 6-0; Approved unanimously 37 38 39 7. Request to Approve Rental Offset, General Lease No. S-3143; Jerrie J. Louis, Lessee; TMK (4) 1-9-002:013, Hanapepe, Island of Kauai, Hawaii 40 41 42 Kori Koike, Property Manager of the Agricultural Resource Management Division 43 presented testimony as submitted.

1 2	Motion to Approve: Evans/Mina		
3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	Discussion: Board Member Gomes asked what was the expense amount from the receipts? Ms. Koike said that they went to Hanapepe to gather those receipts and that they exceeded the amount of his lease rent. She added that they did review them before we put this submittal together.		
	Board Member Gomes asked if all that land has been cleared so there will be no other clearing to do? Ms. Koike said she thinks there are some portions that need to be cleared. The grass does pop up aggressively, but the vast majority of the property is cleared and ready to be planted. Board Member Gomes asked what kind of deterrents has been added to avoid having these homeless encampments returning on this property? Ms. Koike responded that they were going to fence off the property. He has fee simple land adjacent to this property so they are present every day of the week. They have a strong community network so they lookout for pockets of potential encampments.		
	Board Member asked what kind of crops will they be planting? Ms. Koike said she thinks they have an assortment of ulu, avocados, and other trees. Ms. Koike said they have access to water.		
22 23 24	Vote: 6-0; Approved unanimously		
25 26 27	A. PLANT INDUSTRY DIVISION		
28	Plant Quarantine Branch		
29 30 31 32 33 34 35 36 37	 Subject: (1) Request for Review of the Petition from Tiffany Leilani Nerveza-Clark to Initiate Administrative Rule Making and Rule Amendment to Chapter 4-71, Hawaii Administrative Rules (HAR), to Change the List Placement of the hybrid Savannah cat, crosses of the Serval, <i>Felis (Leptailurus) serval</i> with the domestic cat, <i>Felis catus</i>, From the List of Prohibited Animals to the List of Conditionally Approved Animals to enable individual possession. 		
38 39 40	Jonathan Ho, Acting Plant Quarantine Branch Manager said the petitioner emailed this morning indicating that she will no longer be seeking to move forward with this petition. She will rehome her cats and she will no longer pursue this issue.		
41 42 43	Motion to Approve: None		

1	Discussion: None
2 3	Vote: None
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6	2. Request (1) Allow the Importation of up to Three (3) Plains Zebras,
7	Equus burchelli (Equus quagga burchellii), Animals on the List of
8	Restricted Animals (Part B), by Permit, for Non-Commercial Use in an
9 10	Animal Sanctuary, by Three Ring Ranch, Inc.; and (2) Update Permit
10 11	Conditions for the Importation of up to Three (3) Plains Zebras, <i>Equus</i> burchelli (Equus quagga burchellii), Animals on the List of Restricted
12	Animals (Part B), by Permit, for Non-Commercial Use in an Animal
13	Sanctuary, by Three Ring Ranch, Inc.
14	
15	Noni Putnam, Land Vertebrate Specialist Plant Quarantine Branch presented testimony
16	as submitted.
17	Mation to Annroya, Evana/Mina
18 19	Motion to Approve: Evans/Mina
20	Discussion:
21	Board Member Evans clarified that her motion was to approve the permit to allow the
22	plain zebras to be imported. Board Member Mina confirmed that his motion stands.
23	
24	Ann Goody, said she'd like to call attention to the letters of support from veterinarians,
25	Hawaii County Council, and State Senator Dr. Tim Richards. She added that Dr.
26	Richards has been the veterinarian for this facility for almost 25 years. She added that
27 28	they are a sanctuary that provides lifetime care for animals in need. It provides opportunity for young people to gain experience that allows them to move forward in
20 29	their career. She added that they have been fully compliant with HDOA. She said in 25
30	plus years, they have never had an escape or a negative outcome with a human or
31	anything that could be considered of issue with the State of Hawaii.
32	
33	Board Member Gomes asked if there any other animals on your sanctuary the students
34	can look at and do the same study besides the zebra?
35	Ms. Goody replied that when students are here at the ranch, they have a broad scope of
36 37	animals that they learn about and work with. She added that we have lemurs and other animals which provide behavioral and physical research. 100% of students have gotten
38	into vet school.
39	
40	Mr. Gomes asked if it would be easier to ship the Zebra off to a state that already has
41	zebras rather than bring in three? Ms. Goody said the request is for up to three and it
42	would depend on what need is identified by the Global Federation of Animal
43	Sanctuaries.

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2 Board Member Ley asked if the permit is approved, how long does it stay valid? 3 Ms. Putnam said each request is case-by-case, but this permit is good for up to a year. 4 Mr. Ho added that the permits are good for a year. If she does not find a suitable animal 5 in time, reissuing the permit as is or waiting until she has the animal and then issuing the permit would not be unreasonable. They would work with the applicant to manage 6 7 the permit. 8 9 Board Member Goody asked if she lined up another person or sanctuary to possibly 10 secure a zebra from? Ms. Goody said she had to put down a name as a placeholder. 11 She was working to place animals, including a zebra from the zoo in Puerto Rico. 12 13 Board Member Ley asked if there is an estimate of the percentage of Hawaii resident 14 students versus out-of-state students that work there. Ms. Goody replied that they give 15 priority to Hawaii students and schools and they get an extra point. She added that 16 about 15% of incoming, pre-vet students are Hawaii residents. 17 18 Board Member Ley asked what the plan is if the transition doesn't go well. Ms. Goody 19 said they have extra pasture and the capability within our bedroom areas to divide it into 20 one to four bedroom units and then allow the animals to integrate together out in the 21 larger pasture areas. 22 23 Board Member Mina asked if there is a requirement for size per animal? Ms. Goody 24 said they far exceed the standards. The minimal areas are very small. 25 26 Board Member Mina asked what is being done regarding fly and feces management? 27 Ms. Goody said the manure is picked up by an organic coffee farmer every week. 28 Manure in the pasture naturally composts down. 29 30 Vote: 6-0; Approved with Reservations (Gomes and Ley) 31 32 V. 33 **OLD BUSINESS** 34 35 1. Update on Bell vs. Tomioka Case Regarding Shell Egg Business Operation 36 37 Keith Otsuka, Acting Manager with Quality Assurance Division presented update. 38 Discussion: 39 None. 40 41 42 43 VI. NEW BUSINESS

Board of Agriculture Meeting October 24, 2023 Page 11

1	None
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3	
4	Motion to adjourn: Mina/Evans
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6	The meeting was adjourned at 10:54 am
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8	Respectfully submitted,
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10	
11	
12	Marci Clingan
13	
14	