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Excused:

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Minutes of the Board of Agriculture March 27, 2024

A video recording of this meeting can be found online by visiting this website: https://hdoa.hawaii.gov/meetings-reports/

CALL TO ORDER – The meeting of the Board of Agriculture was called to order on March 27, 2024, at 9:05 am by Board of Agriculture Chairperson, Sharon Hurd. The meeting was conducted virtually via Zoom and in-person from:

> State of Hawaii, Department of Agriculture Plant Quarantine Branch 1849 Auiki Street

Members Present In-Person: Sharon Hurd, Chairperson, Board of Agriculture

Mary Alice Evans, Ex-Officio Member

Dr. Parwinder Grewal, Dean CTAHR, Ex Officio

Members Virtually Present: Roll call/alone

Ryan Kanaka'ole, Board of Land and Natural Resources, Ex Officio Member

Diane Lev. Hawaii Member Vincent Mina, Maui Member Randy Cabral, Member-at-Large

James Gomes, Member-at-Large

Fred Cowell. Kauai Member

En Young, Member-at-Large

Deputy Attorney General Present In-Person: DAG Bryan Yee

Others Present In-Person:

Others Virtually Present:<sup>1</sup>

Stephen Dalton, HDOA/IT

Marci Clingan, Chairperson's Office

Brandi Ah-Yo, HDOA/ARM Roy Hasegawa, HDOA/ARM

<sup>&</sup>lt;sup>1</sup> The identification of the public members is based on their sign-in name but are not verified.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17		Kori K, HDOA/ARMD Jonathan Henbest Darcy Oishi, HDOA/PPC Nakamotolr, HDOA/PPC Kelcie Nagata, Esq., Deputy Attorney General Shane Castillo AGR – Murai, Linda, HDOA/ARM Janet Grayson Tiffany Le HDOA PIO, HDOA/Chairperson's Office Rae Gee, HDOA/Chairperson's Office	
	II.	APPROVAL OF MINUTES FROM 2/27/2024 MEETING	
	Motion to Approve: Ley/Mina		
18 19 20	Vote:	Approved; Unanimously	
21	III.	INTRODUCTIONS	
22			
23 24	IV.	COMMUNICATIONS FROM DIVISIONS AND ADMINISTRATION	
25 26 27 28 29 30 31 32		A. AGRICULTURAL RESOURCE MANAGEMENT DIVISION	
		<ol> <li>Request to: 1) Rescind Prior Board Action Approving Conversion of General Lease Nos. S-5658 and S-5168; Akamai Landscape &amp; Maintenance Service, Inc., Lessee, and 2) Approve Extension of General Lease Nos. S-5658 and S-5168; TMKs: (1) 4-1-027:011 and (1) 4-1- 027:018, Lots 34 and 32, Waimanalo Farm Lots, Koolaupoko, Waimanalo, Island of Oahu, Hawaii</li> </ol>	
33 34	Roy Hasegawa, Property Manager, presented testimony as submitted.		
35 36 37	Motio	Motion to Approve: Evans/Kanaka'ole	
38 39	Discussion:		
40 41 42	Member Evans asked how much would the 25% of the rental of the new lease be in this particular case?		

1 Mr. Hasegawa responded that for general lease 5658 it would be \$3,063 and the general lease 5168 is about \$2,450.

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Member Gomes asked if we know what kind of nursery equipment will be replaced with a value of \$200,000? Also, are there any pictures of the three 5,000 square foot shade houses that he wants to replace. He added that he is curious to see what kind of condition they are in.

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9 Mr. Hasegawa said the pictures that are shown are not the shade houses to be replaced.

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The lessee was called forward to answer some questions, but the lessee was not present.

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Mr. Hasegawa agreed that we'll get back to Mr. Gomes on his request for some photos and a description of the equipment to be replaced.

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Member Evans added that she lives in Waimanalo and said both shade houses are in serious disrepair.

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Member Mina asked if these pictures are being taken by an iPhone where someone can edit and make it brighter?

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Mr. Hasegawa said these pictures were taken on an iPhone and they'll work on editing to make the picture brighter.

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Member Cabral asked if it is correct that these guys don't want to do a conversion which would give them a new long-term lease.

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Mr. Hasegawa responded that is correct.

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Member Cabral asked when it comes time to the end of their lease, are they able to do a conversion at that point or is it out of the question now that they declined?

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Mr. Hasegawa said they can convert during the 5–10-year window towards the end of the lease.

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Member Cabral asked what is the incentive for someone to convert if they can convert at any time and get an extension and pay less of a fee?

- Mr. Hasegawa replied that it depends and on this particular case, there is still a
- 42 considerable amount of time left on the lease. They are adding 20 more years before
- 43 doing the conversion.

Member Cabral said he doesn't understand the reason why anybody would convert if there is no benefit to them.

Member Cabral stated that there is no incentive for somebody to convert if they can continue to get an extension and then get an additional 65 years when they reach a 5 to 10-year window. He added that he doesn't understand the logic.

Deputy Attorney General Yee added that the law does allow this conversion which creates an extension. The incentive to convert would be because they don't have any more time left on their original lease so they cannot extend the original lease past the 65-year lease. The other potential reason would be because they don't like the terms of the DLNR lease. If they don't like this, they can convert and change the terms under DOA.

Member Cabral said he understands but it still makes it easy for the lessee to avoid paying and just drag it down the line.

Member Parwinder asked if this will be the original date setup or if it is the new date that would set for 65 years from today?

Deputy Attorney General Yee stated that this approval does not give it an additional 65 years, it gives 20 additional years.

Vote: Approved; Unanimously

 Request for Consent to Assignment of General Lease No. S-4625; Kahakai Nursery, Inc. Lessee/Assignor; Shane Castillo, Assignee; TMK: (3) 1-5-116:022, Lot 22, Pahoa Agricultural Park, Puna District, Island of Hawaii, Hawaii

Brandi Ah-Yo, Property Manager, presented testimony as submitted.

Motion to Approve: Ley/Gomes

Discussion:

Member Mina asked if we could possibly have something that could honor the elders and their knowledge and experience to help and mentor the younger folks.

Ms. Ah-Yo said the current lessee will be a mentor to Shane Castillo who is taking it over and they have a good relationship.

1 Vote: Approved; Unanimously 2 3 4 3. Request for Consent to Assignment of General Lease No. S-4626; Pacific 5 Floral Exchange, Inc., Lessee/Assignor; Shane Castillo, Assignee; TMK: (3) 1-5-116:023, Lot 23, Pahoa Agricultural Park, Puna District, Island of 6 7 Hawaii, Hawaii 8 9 Brandi Ah-Yo, Property Manager, presented testimony as submitted. 10 11 Motion to Approve: Ley/Gomes 12 13 Discussion: Member Mina asked if he could ask Mr. Castillo to come forward. He asked Mr. Castillo 14 15 if his plant materials stay on island or do they ship out? 16 Mr. Castillo replied that they do on island sales, inter-island, national, international 17 inquires, Canada, Holland and several other places as well. 18 19 20 Member Mina asked if Mr. Castillo has any fire ants on their property. 21 22 Mr. Castillo replied that they spend a lot of money to treat them, and they have various 23 departments come out to check and monitor. He added they have a post and pre-24 harvest treatment that kills most of the fire ants. Pacific Floral Exchange has the only 25 hot water treatment available at its current commercial size in the State of Hawaii. 26 27 Member Mina asked where he gets approval to ship out. 28 29 Mr. Castillo said that USDA PQ has approved them for an extensive list of items that 30 can be shipped out. 31 Member Mina asked if there are any incidents of CRB on the property. 32 33 34 Mr. Castillo replied that currently at the Pahoa Aq Park there are no CRB detection. 35 36 Member Parwinder asked if the \$150,000 due to the current nursery Pacific Floral Exchange. 37 38 39 Ms. Ah-Yo said yes. 40 41 Member Evans asked if Pacific Floral Exchange will still be available to use to complete 42 the treatment as an exporter after Mr. Inouye exits the leases? 43

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1 Mr. Castillo said yes, it's going to be available. 2 3 Vote: Approved; Unanimously 4 5 4. Request for Consent to Assignment of General Lease No. 4630; Pacific 6 7 Farms, Inc., Lessee/Assignor; Shane Castillo, Assignee; TMK: (3) 1-5-116:025, Lot 27, Pahoa Agricultural Park, Puna District, Island of Hawaii, 8 9 Hawaii 10 11 Brandi Ah-Yo, Property Manager, presented testimony as submitted. 12 13 Motion to Approve: Ley/Gomes 14 15 Discussion: 16 Member Mina asked if there are any issues and how the security is at the ag park. 17 Mr. Castillo replied that it's been getting bad, and that people are going on to the 18 19 property at night. They have an alarm system that prevents them from taking the 20 tractors and fertilizers. He added that for the most part, they plan on keeping everything 21 on one property and are making sure it has continued security. 22 23 Vote: Approved; Unanimously 24 25 26 5. Reguest for Consent to Assignment of General Lease S-4423; Melecio C. Alvarado and Arceli S. Alvarado, Lessee/Assignor; Plant Genesis Hawaii, 27 LLC., Assignee; TMK: (3) 1-5-116:009, Lot 9, Pahoa Agricultural Park, Puna 28 29 District, Island of Hawaii, Hawaii 30 Brandi Ah-Yo, Property Manager, presented testimony as submitted. 31 32 33 Motion to Approve: Gomes/Lev 34 35 Discussion: 36 Member Cabral asked if the past due rent and real property tax is going to be taken on by the new owner? 37 38 39 Ms. Ah-Yo replied yes, that's what they had agreed to. 40 41 Vote: Approved; Unanimously 42

1 2 3 4 5	6. Request for Approval of Sublease Between Hamakua Agricultural Cooperative, Lessee/Sublessor; and Sarah Purgus, Sublessee; General Lease No. S-7011, TMK: (3) 4-3-005:018 (por), Lot No. W10, Hamakua Agricultural Park, Phase II, Pohakuhaku and Kemau 1st, Hamakua District, Island of Hawaii, Hawaii
6 7 8	Brandi Ah-Yo, Property Manager, presented testimony as submitted.
9	Motion to Approve: Ley/Gomes
11 12 13	Discussion: Member Mina asked if this lot is next to her existing lot?
14 15	Ms. Ah-Yo replied that no, she is doing farming on her own personal property.
16 17	Member Mina asked if all those lots are filled at the ag park?
18 19 20 21 22	Ms. Ah-Yo said she believes most of them are filled in this area and she thinks there might be one or two left that need to be filled. In this case, if there are people that are interested in applying for a sublease, they would go through the coop. All applications go through them and then come to DOA.
23 24 25	Vote: Approved; Unanimously
26 27	V. OLD BUSINESS
28 29	A. Approval of October 24, 2023 Meeting Minutes
30 31 32	Chairperson Hurd said that there aren't enough members currently present that attended the October 24, 2023 meeting to approve the minutes.
33 34 35	Motion: Deferred to next meeting.
36 37	V. NEW BUSINESS
38 39 40	A. Presentation on Department Procedures and Policies Regarding Compost Movement
41 42 43	The board went into recess at 9:49 am The board returned from recess at 10:07 am

Board Member Gomes left the meeting at 10:07 am

Chairperson Hurd apologized and made a correction that Dr. Grewal Parwinder is the full-time, permanent Dean of CTAHR.

Darcy Oishi, Acting Plant Pest Control Branch Manager, apologized for being late.

Mr. Oishi said an interim rule to Chapter 4-72 was presented to the Plants and Animals Advisory Committee back in October. Based upon the Advisory Committee's determination was approved by Chair Hurd and went into effect. This allows the department to improve our surveillance of compost. Using this interim rule, we are now requiring treatment of compost before it leaves island. Plant Quarantine witnesses the treatment of the compost before it leaves. In addition to Plant Quarantine's inspection activities as it relates to interim rule 23-1, there's also some inspections conducted by the CRB response using canine material before it leaves island to ensure it is clean. There is much more functional, on-the-ground, eyes looking at compost before it leaves Oahu and heads to other islands. He adds that in some cases, as compost is arriving on the neighboring islands from the mainland, it remains unopened as it transits to their destination. That has been verified both by tracebacks and forward by the department in addition to conversations with compost suppliers. Compost is much more secure now than it was a year ago. The interim rule is good until October 2024, but hopefully the proposed rule changes that are being reviewed now should encompass some of these

rule.

Member Mina asked if there are 2 shippers – Hawaiian Earth Products and Island Topsoil that are being shipped to our island.

concerns and exceed the requirements that are currently being covered by the interim

Mr. Oishi replied that there are more groups that ship but they are the largest producers of bulk compost. He added that there are two different methods. There are bulk compost shipments which usually go by 20 or 40 foot container from Oahu to other islands. The other is bag shipments. If it's going to a big box store, it is going to a third party and there are more people that sell bagged products than just Island Topsoil and Hawaiian Earth Products.

Member Mina asked if they go out in super sacks.

Mr. Oishi said no. A bulk shipment would be a full container. Hawaiian Earth prefers to use a treatment that involves fumigation while Island Topsoil prefers to use a steam treatment. He also said that studies have shown that the fumigants used leave more of the microfauna and microflora than the steam treatment.

Member Mina asked if they are testing the middle of the palette when you're putting the sensors in to sense whether the treatment is getting through to the compost bags.

Mr. Oishi responded that sensors would be placed in multiple locations within a load.

Member Mina said it is his understanding that this treatment cannot get through plastic and that doesn't penetrate moist soil.

Mr. Oishi said the wetting of the outside is to improve the seal to help ensure the gas remains and you shouldn't be adding in wet compost to begin with. The system requires that you fumigate until the sensor reads a minimum amount of chemical has been pushed through. Plastic and moisture content will slow the rate of absorption, but you will still reach that point. Plastic and moisture prolongs the amount of time that it needs to take to hit the minimum treatment requirements. It doesn't prevent you from reaching that number, but it slows it down. Introducing some holes will allow penetration of gas.

Member Mina said some bags of compost were bought and were brought to the department to have tested and the results included e-coli. It was thought to have been locally produced but it was produced on the mainland. He said he's wondering if there is an inspector at the site while these are being treated and if they are sticking sensors into the middle of the pile.

Mr. Oishi said they do witness the treatment.

Member Mina asked Mr. Oishi if he is confident that with the way treatment is being done, the treatment is getting through to the complete pallet, even when it is completely shrink wrapped.

Mr. Oishi replied that if he is referencing his personal confidence level as it relates to fumigation, he said yes, he is confident. He added that there are caveats and what happens post treatment can affect what happens. If the chain of custody is broken and the material is stored for an inordinate period, where and how it's stored can influence what happens. He added that has no efficacy of the fumigation. He said what he has seen as it relates to CRB is fresh material is not necessarily attractive to the beetle. Something happens to the aging process that makes it more attractive to the beetle. So, any time material is sitting for a prolonged period of time, post treatment especially, it is subject to attack by the beetle. He added that he thinks the microfauna that is present changes over time. Steam is more effective at killing a wider range of material on compost, but we do want microbial activity in your compost.

Member Mina said he wants to make sure that the efficacy of the sulfurylfluoride is such that we are hitting this at point A and not spreading it any further around the state.

1 Mr. Oishi added that he is more confident in the implementation of sulfurylfluoride 2 treatments than the steam treatments because you can have cold spots within a pile 3 that is being heated. 4 5 Mr. Oishi said he is not sure how operationally Plant Quarantine is handling bag compost to the detail that the board is asking. He isn't sure at what point and how close 6 7 it is to shipping that the material is fumigated. In the past, material that was present in a box store moved to another island because it wasn't selling, and we may not know that 8 9 that material has been shipped. He added that some composters are buying material and mixing, creating blends, and packaging. He said Plant Quarantine did witness 10 11 treatments as part of a test of bagged material with one of the companies that is 12 engaging in the fumigation, and they reached the desired concentrations of gas within 13 the compost material. 14 15 Mr. Mina said that people here are talking about this and are not confident that the 16 fumigants are getting through. He added that there is a need to have regional compost 17 sites on the island so we're not shipping across the islands. 18 19 Chairperson Hurd said that she thinks Vince is saying that they want to observe the 20 actual fumigation of those bagged compost pallets, and then test as to whether the gas

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Mr. Oishi said yes PQ may have that data.

232425

Member Mina suggested to take a pallet, fumigate, pull out one of the bags and see if the treatment is there.

has gone into the bag. She asked Mr. Oishi if we currently have that data.

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Chairperson Hurd said we'll note that and present it and not as a Director's Report or New Business.

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Motion to adjourn: Mina/Evans

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Vote: Approved; Unanimously

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The meeting was adjourned at 10:31am

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Respectfully submitted,

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42 Marci Clingan