

Da: February 10, 2025

To: ADC Board of Directors & Attorney General's Office

From: Wendy Gady, Executive Director, Agribusiness Development Corporation (ADC)

Subject: Weekly Report (February 3, 2025 – February 7, 2025)

End-of-Week Debrief

1. Grant Submission Updates:

- 1/10/25: The *Growing Hawai'i Farm to School Pathways* (GFS) Submitted
 - i. Estimated size of grant \$500k
- NEW Deadline of 3/6/25: Working on submission for Hazard Mitigation Grant Program which DOES require 25% match: \$12M Wahiawa/Whitmore Opportunity Identified
- Waiting to hear regarding WaterSMART Grant submitted.
- Starting to actively rewrite DCIP for Spring 2025 submission using feedback & having weekly meetings including the ED, PMRF, and DBEDT Military & Community Liaison

2. Conference Attendance: None.

3. Collaborations:

- Chair Chang met with the Governor regarding WIS Acquisition; approved to move forward
 - i. HDOA BOD will vote in February on MOA- ADC BOD approved in November
 - ii. Due diligence for HDOA & ADC is complete
 - iii. PSAs with Sustainable Hawaii & Dole are actively being worked on with ADC AG
- 2/20/25: Ag Day at the Capitol- ADC tentatively will have 3 tables- featuring aquaculture feed mill, drone footage of the Waiahole Irrigation System with the manager and one of the water workers, and a map showing the ag footprint of ADC lands, and showing how little remains for licensing on Oahu based on the current applicant pool
- Statement of Qualifications for Special Counsel were due 2/10/25, AGs office to vet applications, panel of 3 will interview
- Drafting cost of compliance using draft permit for NPDES on Kauai
- Regular discussions with private sector on business plans for slaughterhouse, UHCDC has done some site selection work in the past- Business Case is being rewritten with industry feedback
- Regular Meetings with Kekaha Ag Association (KAA) in further understanding the systems, challenges & opportunities
- Drafting RFP for Kekaha Building Assessment of Condition
- Working with Hartung regarding Business Plan
- Mililani Tech Park transfer is in progress
- Working to close the Dole Well acquisition
- Working with HFBF & Stakeholders regarding bill and leg priority of repayment of Waiahole Irrigation System debt.

- Working with staff on drafting testimony regarding ADC Projects and routing through DBEDT or filing; answering questions regarding bills and ADC budget requests
- Collaborating with staff for a future organizational chart to balance the ADC BOD's priorities and execute projects
- ADC BOD PIG formed to draft Subsidiary Policies for fulfilling ADC Statute
- ADC BOD PIG formed to draft Solar Policies for ADC
- ADC BOD Value-Added PIG finishing report

Ongoing Projects:

- Central Oahu Ag & Food Hub Infrastructure
 - Off-Site Improvements*: not impacted by PLA-under \$1.5M; bid awarded in October, Notice to Proceed (NTP): 3/14/25; Complete Construction ETA: 1/28/26
 - Site Improvements & Sewer Lift Station*: Est. Construction award 8/25 (PLA)
 - Notice to Vacate*: Completed; a few relocating materials left
 - UHCDC Concept Development & Business Case*: Ongoing, requested presentation at Wahiawa Board Meeting in March to present
 - Demolishing Buildings*: Planning Stage for several phases
- DOE Regional Kitchen
 - Issue Letter of Authorization to Demolish Buildings*: 2/25
 - ADC Executes Lease with HDOE*: ETA 6/25
- Farm Field Days
 - Clearing of Land*: Complete
 - BOW Line*: Awarded
 - ADC BOD to determine Rent*: 4/25
- HPP RFP
 - RFP Responses due* 3/12
 - Award date*: 4/10
 - Contract*: 6/30
 - Notice to Proceed*: 7/1
- Small Animal Slaughterhouse
 - Business Plan being refined with Small Animal Industry*
 - \$4M currently budgeted for FY27*
- Wahiawa Dam and Irrigation System
 - ADC Completed Phase 2, surveys, ESA 1 & 2; est. \$350k for additional clean up*
 - LOIs*: Executed
 - PSAs*: Drafted heading to DLNR for review
 - \$10M released by B&F- \$5M for purchase; \$5M for Design*
- Wahiawa Pedestrian Bridge
 - ETA for Completion* 2/9/26
- Wahiawa Reclaimed Wastewater Systems
 - Phase i: Transmission waterline from the WWTP to GAL to transmit R-1 Water*

- ii. Phase 2: Interconnecting pipelines to integrate the R-1 waterline with the GAL irrigation system
 - iii. Phase 3: Lake in-take pump station at Lake Wilson
 - iv. Phase 2 & 3 plans and design have not been funded yet
 - Weekly preparations for ADC BOD Meeting 2/20/25
 - Please save the dates per Ingrid for CY25 Calendar of BOD, Standing Committee and Current PIG meetings.
 - Waimea Mediation Meetings and ongoing reporting.
 - Haleiwa-Wailua-Wahiawa Irrigation System Acquisition
 - Great deal of interest, enthusiasm and excitement for the future Small Animal Slaughterhouse in the ADC FY26 budget.
 - Continued work/reconciliation of PMRF Contract.
 - BMP inspections on Oahu & Kauai
4. Staffing and Operations:
- ADC has received 46 Expressions of Interest for the **next round** of applications.
 - Hiring updates:
 - i. Accountant IV position- interviews complete, offer being made
 - ii. Accountant V position- actively interviewing candidates
 - iii. Interviews scheduled for 1/3/25 with Kauai candidates for Kauai Property Manager and Kauai Water Systems Manager went extremely well.
 - iv. FPIN Manager- confirming UH Grant funding for 50% of salary is intact; have received 5 applications
 - Ongoing UHCDC work regarding the forage drying facility, Small Animal Slaughterhouse and FPINs projects, now being called the Entrepreneurial Product Innovation Network (EPIC)
 - The Waiahole System Team has implemented an aggressive maintenance program that is getting lots of complements from users- needing to rent 2 pieces of equipment in the new year to keep going.
 - Purchase of vehicles for Kauai Staff has started.
 - Ingrid & Lyle are working on an updated ADC inventory
5. Capital Improvements:
- The following Projects were submitted for DBEDT & Governor consideration for CIP Request (ADC Request/Governor's Decision):
 - i. State Postharvest Facility Construction, Oahu: \$6.3M/\$1.8M
 - ii. Small Animal Slaughterhouse, Oahu: \$4M/\$4M
 - iii. Food & Product Innovation Network: \$9.5M/\$350k
 - iv. Wahiawa Reservoir and Spillway Purchase: \$5.6M/0
 - v. Kekaha Irrigation System Improvements, Kekaha: \$6.47M/\$6.47M
 - vi. Wastewater Reclaimed Water Irrigation System, Wahiawa: \$4M/0
 - vii. Ag Infrastructure Oahu: \$9.2M/\$9.2M
 - viii. Commercial Land Purchase, Oahu: \$500k & \$4.5M/0
 - ix. Acquisition of Ag Lands, Waimea: \$1.3M/0
 - x. Purchase of Land Locked between State Owned Land: \$3M/0
 - xi. Galbraith Ag Lands Improvements: \$500k/0/0

- xii. Acquisition of Ag Lands, Waialua, Oahu: \$9.1M
- xiii. Land Acquisition for Water Security, Lihue: 0/\$3M
- xiv. Value-Added Product Development Center: 0/\$1.3M

6. Grants and Agreements:

- Working with DLNR on the ROE and transfer of the East Kauai Irrigation System and working on CIP use of funds.
- License for HIDOE (Oahu) is in active discussions.
- Meetings regarding the Waimea Watershed Agreement to determine the next steps.
- Extended contract with Spire to complete two outstanding items

7. Project Management:

- Continuing oversight into the HPP Solicitation
- Working with HDOA for JV of the \$5M for WIS acquisition
- Working with Dole, Sustainable Hawaii and DLNR on the WIS
- Staff are working to create a Land Portfolio by Year End.
- Staff are also reviewing an Accounting System Manual.

Events and Conferences

- 2/20: Ag Day at the Capitol

Upcoming Deadlines & Events

- I. 2/20/25: Ag Day at the Capitol, Tour of Egg Cracking Facility, LA
- II. 2/21: Tour of HPP Facility, LA
- III. 2/28: NEW BOD Meeting
- IV. 3/6/25: HIEMA Grant Due
- V. 3/20;/25: ADC BOD Meeting

Strategic Planning

1. Permitted Interaction Groups (PIGs):
 - Land & Distribution PIGs are complete.
2. Value-Added PIG is actively updating their report
3. Strategic Plan Updates:
 - The “Call to Action” at the Ag Leadership Conference collected a great deal of stakeholder input and will be incorporated into the Strategic Plan.
 - The Land and Distribution Service PIG reports and the future Value-Added PIG will also be included in the report.
 - Approximately \$70k remains in the budgeted amount for the Scope of Work with OPSD.
 - OPSD posted the RFP and the questions from the interested bidders included lots of feedback that the requested scope was well outside the budgeted amount.
 - We trimmed the scope of the RFP and returned to OPSD for posting. I’m still waiting for this to get posted for bidding.
 - RFP for PR Firm was posted- Mahalo Ken!
4. Working with staff to update/develop future monthly, and quarterly goals based on ED Goal PIG Report submitted for 12/6/24 meeting.
5. Working with Staff to draft future staffing needs based on current and upcoming initiatives

Projects: For a detailed overview of ongoing projects, please refer to the attached Gantt Chart.