

Da: July 14, 2025

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

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

Subject: Weekly Report on Strategic Objectives (July 07, 2025 – July 11, 2025)

### **ADC: 2023 Strategic Goals:**

**Increase Agricultural Productivity Land Acquisition & Development**

**Irrigation System Development & Maintenance**

**Improve Components of the Food System**

### **Current Week Highlights:**

#### **Strategic Milestones**

- ADC's July Newsletter was published
- Launching ADC Instagram and Facebook- please follow us 😊
- Hawaii Farm Bureau Federation's Hawaii State Fair on ADC land in Whitmore was a success
  - ADC presence well received at Fair able to communicate our initiatives to all who stopped by at table. Farmers, community, and other organizations.
  - 15,000 attendees over the 2-day event.
  - Captured 84 contact names to add to respective email lists.
  - Dignitaries who stopped by the booth included: Lieutenant Governor Sylvia Luke, Senator Donovan Dela Cruz, Senator Mike Gabbard, Chair of Senate Ag Committee, HDOA Chair & ADC Board Member Sharon Hurd, Deputy Director Dane Wicker, ADC BOD Vice Chair Jason Okuhama, ADC BOD Member Dean Okimoto, Ms. Denise Yamaguchi, Executive Director for the Food & Wine Festival and the Hawaii Agricultural Foundation
- Major progress on ADC file system (see attached presentation)
- Right of Entry for East Kauai Irrigation System with DLNR was executed
- ADC had a table at Kauai Farm Bureau's Annual meeting
- Executed an LOI for Oahu acquisition

#### **Areas Requiring Focus**

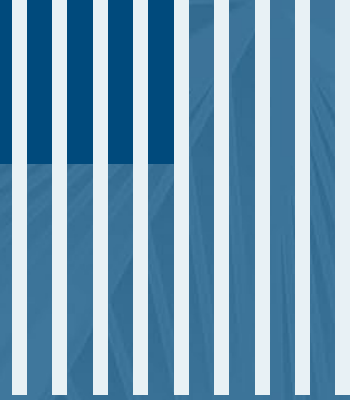
- Execute CIP Projects that positively affect Hawaii Food Production: \$111M (over half is in acquisition of land and water assets to preserve food production, and the balance is build out of manufacturing facilities to accommodate increased food production and shelf stable food production in the state.
- Irrigation: 5-year CIP plan to increase food production

### **Areas Requiring Focus (cont'd)**

- Capacity Building:
  - Kauai Water Workers: setting up interviews on Kauai
  - Paperwork for Governor's signature for Accountant IV, Contract Manager & Oahu Property Manager have been sent. Staff Temporarily Assigned for Accountant IV and Oahu Property Manager
  - Continuing Goal Setting with Staff for FY26
  - Drafted Scope of Work for Professional Services- office support
- Critically looking to reduce staff workloads: Setting goals for each quarter of FY26 with each staff member

### **Upcoming Conferences/Events:**

- July 16: ADC's new Accountant V starts
- July 17: HPP Summit, Oahu
- July 18: ADC BOD Meeting
- July 31: Legislative Proposals due to DBEDT from ADC
- August 7: Food Systems Policy Summit, Oahu
- August 12: ADC/WAM on Kauai
- August 14: E-Waste Recycling Day, Oahu
- August 21: ADC Board Meeting (In person, Kauai)
- August 25: ADC/WAM on Big Island; ADC Interviews with Kauai Water Workers
- August 26: Hawaii Conference of Planning Officers, Oahu
- August 31: ADC Budget Draft due to DBEDT
- September 8: Dam Safety Training, Oahu
- September 8-10: ADC/WAM Visit on Maui & Molokai
- September 10: Artificial Intelligence Conference, Oahu
- September 22-24: Hawaii Tourism Conference, Oahu



# ADC FILE MANAGEMENT SYSTEM





# Introductions

Hele Imua Program(DLIR)

Administrative Background

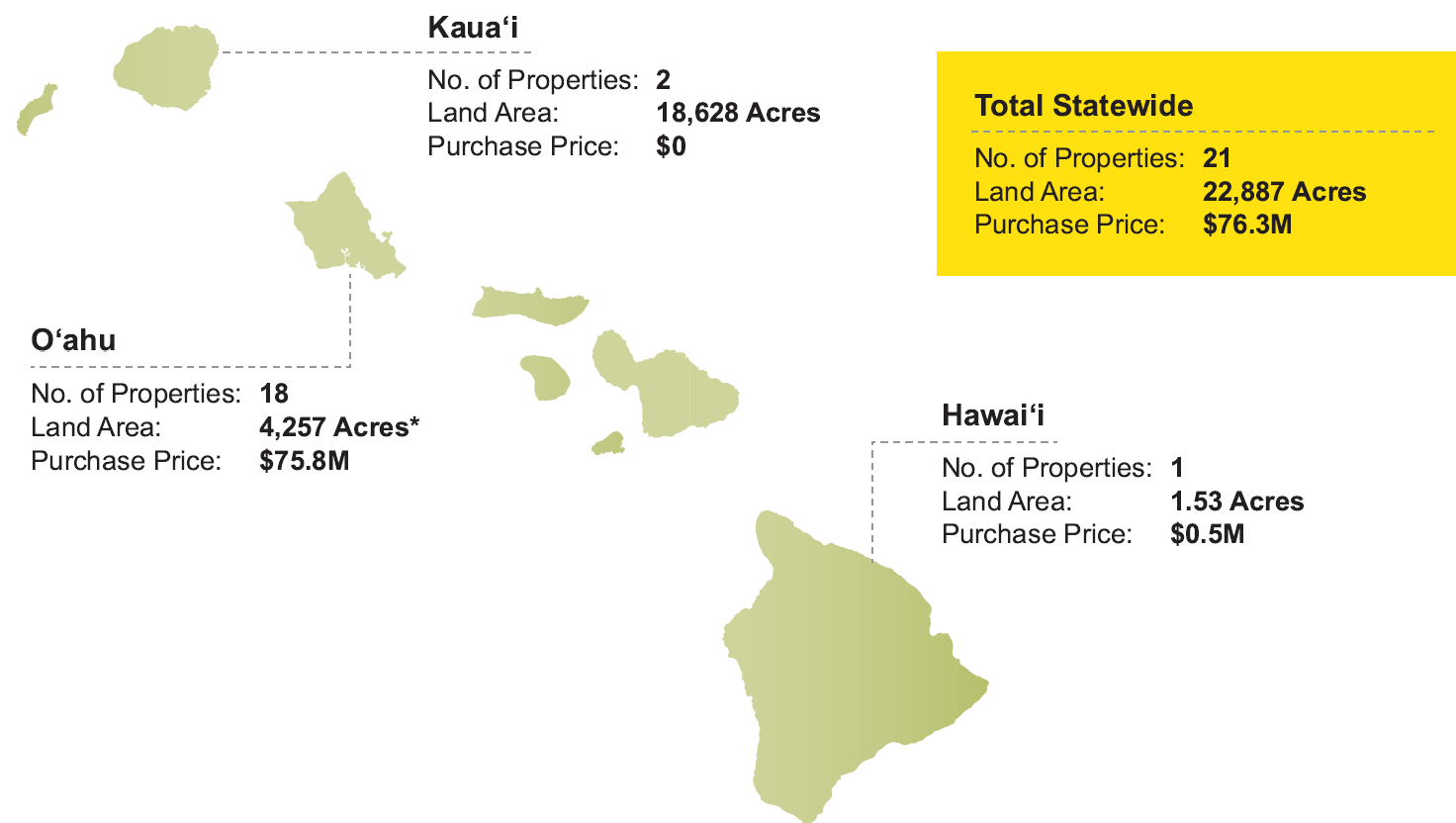
“Leave a place better then how you found it”



# Background

## The Agribusiness Development Corporation Lands

ADC's portfolio of properties includes nearly 23,000 acres of land and infrastructure. The lands around O'ahu's Waiāhole Water System and Kaua'i's Kekaha and Koke'e irrigation systems comprise the vast majority of the acreage. Except for a 1.5-acre parcel outside of Hilo on Hawai'i Island acquired in 2015, all of ADC's acquisitions since 2012 have centered around Central O'ahu, specifically Wahiawā. ADC has not acquired any property on Maui.



\*ADC's land area on O'ahu includes 4,009 acres purchased by the corporation and 248 acres set aside to ADC through executive orders by the Governor.

Source: Office of the Auditor

The Agribusiness Development Corporation was created by the State Legislature in 1994 (Act 264 SLH, codified in chapter 163D, Hawaii Revised Statutes).

Administratively attached to the Hawaii Department of Business, Economic Development, and Tourism, we are governed by an eleven-member Board of Directors consisting of three ex-officio and eight private citizens appointed by the Governor.

“Aggressive and Dynamic” agribusiness development program to convert former plantation assets for use by new large-scale commercial enterprises



# Governance

Title 11, Chapter 163D, Hawaii Revised Statutes

State of Hawaii General Records Schedule (GRS 2002)

SA-1 Record and Retention Schedule DBEDT

Auditor's Summary Rep. 21 -01



# Problem

“We found that ADC has done little – if anything – to facilitate the development of agricultural enterprises to replace the economic loss created by the demise of the sugar and pineapple industries.”  
(Auditor’s Summary Rep. 21-01)

“We had difficulty pinpointing exactly why ADC struggles with managing the lands it has acquired since 2012, in part because the corporation’s recordkeeping and filing system are in disarray.”

# Auditor's Findings

- Assembly of all 83 tenant files
  - Tenant files haphazardly thrown together
- Missing Board Approvals to issue tenant contracts
- Missing updated Certificate of Insurance
- ADC does not have documented policies and procedure
- Lack of list of acquisitions and dispositions of Ag. Lands and status of its projects
- No system to collect status of contracts or projects from various staff to update project management tool





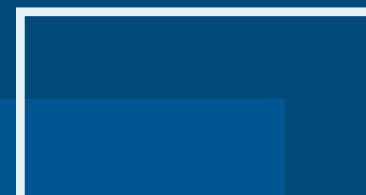
# Phases

Phase 1: Discover and Review

Phase 2: Organize and Prep

Phase 3: Archive and/or Retain

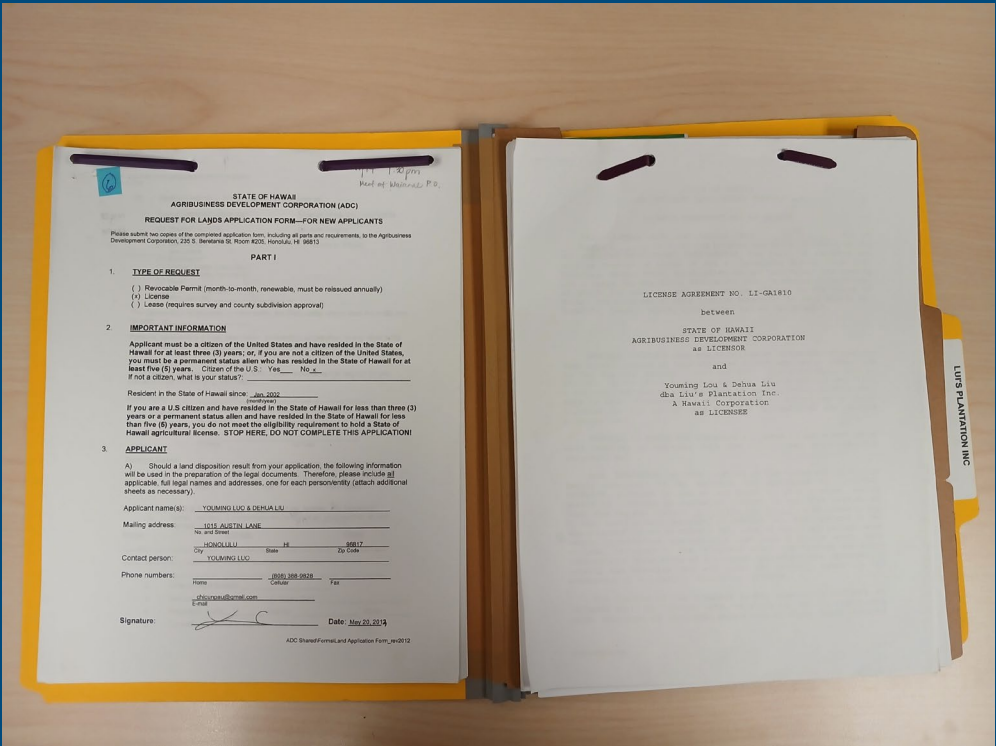
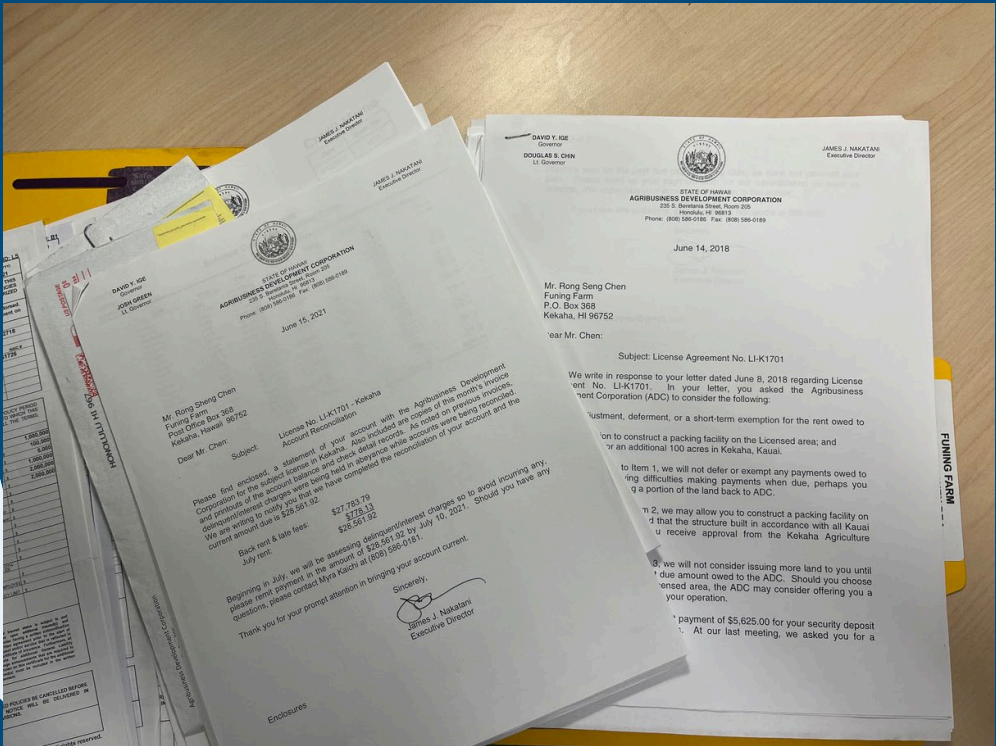
Phase 4: Establish General Retention Schedule



Timeline: 2 ½ months

- February-April

# Phase 1: Discover and Review



- Documents Tracked:
- Approved Board Meeting Minutes
  - Application/Express of Interest
  - License/Lease
  - Certificate of Insurance
  - Right-of-Entry
  - Revocable Permit
  - Correspondence/Transmittals
    - Dated Newest at the Top
  - Copies
    - Any documents but typically leases and licenses



Timeline: 2 ½ months

- February-April

# Phase 1: Continued

State of Hawaii Requisition & Purchase Order form. Includes fields for Vendor, Item Description, Quantity, Unit Price, and Total Amount. The form is partially filled out with handwritten information.

STATE OF HAWAII  
REQUISITION & PURCHASE ORDER

DEPARTMENT OF AGRICULTURE AOC

NOTICE TO VENDORS

Vendor: LORIS B. SIMS, INC.  
4570 KALI, HI 96741

Item Description: 1000 B BAPTIST  
KAILUA, HI 96741

Quantity: 1000  
Unit Price: \$0.00  
Total Amount: \$0.00

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Item Description: 1000 B BAPTIST  
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Quantity: 1000  
Unit Price: \$0.00  
Total Amount: \$0.00

- Documents Tracked:
- Notice to Proceed
  - Invoices
  - Contractual Amendments
  - Correspondence/Transmittals
    - Dated Newest at the top

Timeline: 2 months

- April-May

# Phase 2: Organize and Prep

Active Contract Log														
Department Name:		DBEDT												
Annual Report:		24-25												
Contract Information*										Period of Performance				
Authorized Statute 103(D 103)	Division // Office Name // Attach Agency	Procurement Officer N	Contract No.	Type: Goods/ Services/ Construction/	Method of Procurement	Contract Description	Declared Disaster Ready? Could the contract scope be used during a declared disaster? Y/N	Contractor Name	Notice of Award C	Awarded Amount	Funds added through Modification	Total Contract Amount	From (MM/DD)	To (MM/DD/YY)
103D	DBEDT-ADC	J. Nakatani	68622	CONSTRUCTION	IFB	Implement preventative maintenance program. Perform preventative maintenance on the Kawaiele Pump Station infrastructure, Flood gates, Flap gates, Electric power transmission lines, Cathodic Protection System.	Yes	Lords Electric LLC	3/13/2020	\$ 186,383.00	\$ 881,092.81	\$ 1,067,475.81	4/1/2020	3/31/2025
103D	DBEDT-ADC	W. Gady	71349	CONSTRUCTION	IFB	Complete a design build installation for Menehune Ditch Improvements.	Yes	ITC Water Management Inc.	5/17/2023	\$ 498,438.56	\$ -	\$ 498,438.56	5/17/2023	9/30/2023
103D	DBEDT-ADC	W. Gady	72828	SERVICES	PROFESSIONAL SERVICES	The Consultant will develop promotional website for ADC for ADC, provide outreach and relationship building with current user base, monitor news cycles for ADC, and develop content for up to six newsletters.	Yes	Becker Communication	1/29/2025	\$ 58,800.00	\$ -	\$ 58,800.00	1/29/2025	1/29/2026
103D	DBEDT-ADC	W. Gady	70744	SERVICES	IFB	Perform Christian crossing bridge improvements	Yes	Kaikor Construction Group	6/3/2022	\$ 413,225.85	\$ -	\$ 413,225.85	6/3/2022	11/29/2022
103D	DBEDT-ADC	W. Gady	70799	SERVICES	IFB	Asphalt paving for Kekaha bridge improvements	Yes	Jas S. Glover	4/29/2022	\$ 241,401.00	\$ -	\$ 241,401.00	7/1/2022	8/1/2022

Active Contracts: 54

Tenants	Application /Express of Interest	Board Meeting Approva	License/Lease /MOU/MO	Insuran	ROE	Revocable Permit	Correspondence/Transmitt
A & N Farm LLLP( liga1714 )	X	X	X				X
Andros Engineering Corporation	X	X	X	X		X	X
Antone J. Reis, Jr.( lika1409 )	X	X	X	X			X
Aurora S. Bunao and Arnold S. Bunao( lika2101 )	X	X	X	X			X
Baker Commodities	X	X	X				

Bi-Weekly Scrub with Project & Asset Manager

Active Tenants: 76





Timeline: 2 months  
• May-July

# Phase 3: Archive/Retain

**RECORDS MANAGEMENT BRANCH**

**State Records Center**  
729 B Kāko'i Street,  
  
Honolulu, Hawai'i 96819  
Phone: (808) 831-6770  
E-mail: [recordscenter@hawaii.gov](mailto:recordscenter@hawaii.gov)



**Business Hours:**  
Monday-Friday  
7:45 a.m. to 4:30 p.m.  
Closed Saturday, Sunday, and State Holidays

- Documents Sent for Retention:
- General Retention Schedule
    - Contract Files (GRS 3.C-1)
    - Tenant Invoices (GRS 3.A-5)
    - Reports-Plans-Surveys-Proposals (GRS 11.1A)
    - Land Rent (GRS 3.A-6)
    - Board Meeting Minutes (GRS 1.1 A)
    - ADC Budget Reports (GRS 3.D-1)
  - Retainment: 5 Years for Audit & Legal purposes
  - ARM-5 versus ARM-5a
  - Total Boxes moved: 35



Timeline: TBD

- Present-

# Phase 4: Retention Schedule

ARM 6 (10/2015)

STATE OF HAWAII RECORDS INVENTORY FORM

Complete ONE FORM for each group or set of records (also known as a record series) created or received by a program or unit. All records and data, regardless of format, should be inventoried by the records custodian. Please be as detailed as possible.

SECTION 1: GENERAL INFORMATION

1. Department/Division:

3. Name and Title of Person Preparing this Form:

Date:

5. Common title of group or set of records (series)/include form numbers:

6. Are the records created by? ☐ above agency ☐ another agency (specify)

7. Records are: ☐ originals ☐ duplicates. Originals are located at:

8. What information do these records contain? Do they contain personally identifiable information?

10. Are these records (including related business systems) considered critical/essential to your mission? ☐ Yes ☐ No ☐ Don't know

11. What is the activity level on these records? ☐ Active (Accessed frequently: daily or weekly) Volume: ☐ Semi-Active (Accessed as needed: monthly or less often) Volume: ☐ Inactive (Rarely accessed, requested or needed) Volume:

12. Users of these records are: ☐ Staff ☐ Other state agencies ☐ Federal government ☐ Public

13. When are records closed out and become inactive? Example: biannually, annually, monthly, quarterly or daily:

2. Branch/Section:

4. Name of Department Records Officer:

9. For what purpose were these records created? ☐ Yes ☐ No ☐ Operation Plan (COOP)? ☐ Yes ☐ No ☐ Don't know

14. Inclusive dates for series: From: To:

15. Format(s) -- Check all that apply: ☐ Paper; ☐ Microfilm; ☐ Databases/Systems; ☐ PDF/Word/Etc.; ☐ Other, please describe:

16. Present Volume (Paper and Electronic) Cubic Feet (Boxes) and Date range: Volume chart to determine cubic feet: Letter/Legal size file drawer = 1.5/2.0 cubic feet Letter/Legal 36" long shelf unit = 2.4/3.0 cubic feet MB or GB (Electronic) and Date range:

17. Annual Accumulation Cubic Feet (Boxes) MB or GB (Electronic) 18. Records Arrangement ☐ Alphabetical ☐ Geographical ☐ Chronological ☐ Numerical By:

19. Physical location(s) of records (Building, City). If series includes electronic records, please indicate whether or not Information and Communications Services Division (ICSD) hosts your agency's records.

20. Are there other public agencies that create similar or related records? Can the same information be found elsewhere? If yes, please explain:

SECTION 2: COMPLIANCE AND LEGAL REQUIREMENTS

Are the records in this series subject to:

1. Legal or regulatory requirements? ☐ Yes ☐ No If yes, cite the law(s): List the requirements:

2. Specific retention requirements established by law or administrative need? ☐ Yes ☐ No If yes, how long should the records be kept and why:

3. Audit or other independent review? ☐ Yes ☐ No If yes, by whom: When are the audits conducted?

4. Exemptions to public use and inspection under State or Federal law? ☐ Yes ☐ No If yes, please cite law(s): How are records protected from unauthorized access or disclosure?

5. External concern or dispute resolution (now or in the foreseeable future)? ☐ Yes ☐ No If yes, please explain:

6. Current litigation, examination for discovery or an active public records request? ☐ Yes ☐ No If yes, please explain:

SECTION 3: RETENTION RECOMMENDATIONS

Based on record use, I prefer inactive files to be:

☐ Destroyed when no longer useful.

☐ Kept in office for years, then: ☐ Transferred to storage and destroy after years. ☐ Transferred to Archives for permanent retention. ☐ Destroyed in-house.

Records Management Branch, Archives Division, Dept. of Accounting and General Services, 729 Kakoi Street, Honolulu, HI 96819  
Need Assistance? Contact State Records Center at [recordscenter@hawaii.gov](mailto:recordscenter@hawaii.gov) or 831-6770

DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM

Approved Records Retention and Disposition Schedules (Forms SA-1)  
Compiled By The DAGS, Archives Division, Records Management Branch\*

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CREATIVE INDUSTRIES DIVISION.....	7

\*RECORDS SERIES ID is for Records Management Branch use only.

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM RECORD SERIES REPORT				
DEPARTMENT: 1705010000 BUSINESS DEVELOPMENT AND SUPPORT DIVISION				
Record Series ID	Description	Schedule Information	Retention	Disposition
170501-00001	LOAN PROGRAM RECORDS (APPROVED), 1971 – Present	SA-1 DATED 9/21/1995, ITEM 1	6 years after final settlement.	Return the following original documentation or its equivalent to borrower upon final pay off and release of collateral. a. Note; b. Borrowing Resolution; c. Continuing Guaranty; d. Financing Statement; e. Financing Statement Amendment; f. Security Agreement; g. Term Loan Agreement; h. Mortgage; i. Disclosure Statement; j. Right of Rescission; k. Hypothecation Agreement; l. Subordination; m. Consent to Assignment of Lease; n. Preferred Ship Mortgage; o. Life Insurance Policy; p. Assignment Insurance Policy; q. Hazard Insurance Policy – Business; r. Hazard Insurance Policy – Residence and Hull Insurance Policy. Destroy remainder of file six years after final settlement.
*RECORDS SERIES ID is for Records Management Branch use only.				1
Revised 08/2020				

- Collaborate with Records Management Team to create Retention Schedule
- ARM-6 once approved by DBEDT Comptroller and Records Management Officer transfers to SA-1



# Conclusion

The Work Still continues (Phases 2 Continuity)

Meeting timeline goals

Audit Readiness



THANK YOU  
ANY  
QUESTIONS?

