

STATE OF HAWAI‘I
AGRIBUSINESS DEVELOPMENT CORPORATION (ADC)
MEMORANDUM

Date: January 5, 2026

To: ADC Board of Directors

From: Wendy Gady, Executive Director, Agribusiness Development Corporation

Subject: Weekly Report (December 29-26, 2025)

“To begin with the end in mind means to start with a clear understanding of your destination. It means to know where you’re going so that you better understand where you are now and so that the steps you take are always in the right direction.”—Steven Covey

My goal for 2026 is to be a better communicator with the board and staff. To communicate clearly top priorities and red/yellow/green light the things we are working on.

As the 2026 legislature year quickly approaches, the weekly reports will become more concise regarding top projects and legislation. Please reach out directly to me if you have questions, concerns or ideas. We are all on the same team and are entrusted with delivering many projects that significantly support agribusiness for the future.

Kauai:

1. Grove Farmland Acquisition (\$39M)
 - a. **Red Lights:**
 - i. Execute both a Letter of Intent and Purchase Sale Agreement.
 - ii. MOU with Department of Corrections & Rehabilitation
 - b. **Yellow Lights:**
 - i. Due Diligence Funding Released
 - ii. Survey
 - iii. Subdivision
 - c. **Green Lights:**
 - i. Ka Pa‘akai Completed
 - ii. Update ADC Letter of Interest and Application with BOD recommendations (Jan. Agenda)
 - iii. Update ADC Policies & Procedures with BOD recommendations (Feb. Agenda)
2. Kekaha Ag Processing CIP (\$2M)
 - a. **Green Lights:**
 - i. Consultant hired for baseline of building
3. Pacific Missile Range Facility
 - a. **Red Lights:**
 - i. Verify payment of FY2023 with NAVFAC
 - ii. Issue RFP for purchase of new pumps – specs to be completed 1/9

b. Yellow Lights:

- i. Request by PMRF to contract for operations and maintenance of pumps – currently ADC is not under any contract- BOD decision

c. Green Lights:

- i. NPDES Permit was issued- requirement of operating the pumps
 - 1. Special Counsel retained for contesting permit terms
 - a. 12/17 hearing was held virtually requesting stay of permit terms- awaiting decision by hearings officer
 - 2. Plan for compliance completed; sampling & monitoring started September 2025; new stricter compliance applies 1/1/26

Oahu:

i. High Pressure Packaging Facility

a. Green Lights:

- i. Issued Construction Contract, Construction Management Contract
- ii. Currently Procuring an Operate & Maintain Contract

ii. HDOE Centralized Kitchen

a. Red Lights:

- i. Request by HDOE for remediation of a small area
- ii. HECO timeline for infrastructure connection review

b. Yellow Lights:

- i. Finalizing license terms

c. Green Lights:

i. ADC BOD Chair appointed a Permitted Interaction Group to

- 1. Members: Board Member Cooke, Board Member Hong and Board Member Okuhama
- 2. *The purpose of this PIG is to ensure farmers are prepared for institutional purchasing requirements and to work closely with HDOE so that both farmers and HDOE understand expectations as the Wahiawa Central Kitchen comes online. The PIG will identify barriers and opportunities for farmers to participate in institutional purchasing markets, explore opportunities to expand the institutional food pipeline, and provide recommendations to the Board on policy or operational actions the Agribusiness Development Corporation may take to support HDOE's procurement objectives.*

ii. ADC Commodity Coordinator Scott Potter has procured a list of HDOE items needed in the upcoming year

- 1. Temporary Assigned Property Manager Alison Neustein, Scott & I are working on an agenda to host farmers meetings

iii. Small Animal Slaughterhouse on Oahu

a. Red Lights:

- i. Awaiting due diligence funds to be released- currently with B&F Director
 - 1. Next Steps: Governor's approval, ADC Project Manager to author contract and checklist for exemption from civil services, Directors

- office then reviews for all contracts over \$500k- 1–2-month minimum review cycle
 - a. Process repeated for each contract- survey, environmental assessment, purchase of land
 - b. **Yellow Lights:**
 - i. **Updating Job Tracker with timeline for project execution**
 - ii. **Green Lights:**
 - 1. Draft appraisal is under review by ADC Staff
- iv. Wahiawa Irrigation System Acquisition
 - a. **Red Lights:**
 - i. (Hawaii Department of Agriculture & Biosecurity's- HDAB budget) DAM Improvements estimated gap of \$31.5, \$16M in Governor's budget, additional \$16.5M required; \$21M CIP will lapse 6/30/25
 - ii. HDAB is submitting exemption paperwork for contractor
 - iii. PSA with Dole is outstanding
 - b. **Yellow Lights:**
 - i. **ADC request for \$950k for remediation work needed FY27/28**
 - ii. **Transition plan drafted- need for security moving forward**
 - c. **Green Lights:**
 - i. PSA executed Sustainable Hawaii, funds are encumbered and in escrow

ADC BOD Support:

1. Strategic Plan Updates from PIG Members
2. Preparation for 1/15/26 Meeting on Oahu at Plant Quarantine
3. Supporting ADC Administration Standing Committee and active PIGS: Strategic Plan Update, Solar, Maui Irrigation System, HDOE Support and ED Evaluation
4. Legislative Reports were submitted: Annual Report, Act 239 -Food Systems Working Group, HCR77 Ag Corridor Resolution and Act 237-Food and Product Innovation Network (see attached for reference)
5. Onboarding training completed with Hele Imua for potentially 2 interns

Administrative:

1. Preparation for WAM Briefing is scheduled for 01/12/26 10-1 & FIN Briefing for 01/16/26 9-12
2. Staff Meetings are held every Wednesday and Staff will be wearing new ADC Shirts on Wednesdays
3. Interviewing continues for Accountant IV, Oahu Property Manager & Kauai Water Worker

Upcoming Events:

1. 1/15: ADC BOD Meeting – Oahu, Plant Quarantine; ADC Climate Resilient Food & Product Innovation Network Manager on Maui

2. 1/21: Opening Day at the Legislature