WRITTEN TESTIMONY OF
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I am Bruce S. Plasch, Ph.D., an economist with a concentration in land use, including agriculture. I offer the following testimony:

Impact on Ranching

The Petition Area is made up of two parcels: one 44-acre parcel from Haleakala Ranch and one 32-acre parcel from Kaonoulu Ranch.

Withdrawing the Petition Area from ranching has not adversely affected either Haleakala Ranch's or Kaonoulu Ranch's cattle operations. The Petition Area has poor productivity because it is on the lower arid slopes of Haleakala. Haleakala Ranch grazes cattle on approximately 23,000 acres of land. Removal of 44 acres for Kihei High School is a negligible 0.2% of Haleakala Ranch's total grazing land. Kaonoulu Ranch grazes cattle on approximately 10,000 acres of land. Removal of 32 acres for Kihei High School is a negligible 0.3% of Kaonoulu Ranch's total grazing land.

Soils and Agriculture

The Petition Area is unsuitable for most commercial field crops due to poor soil quality and lack of water. For these reasons, the Petition Area was never farmed.

The Petition Area does not satisfy HRS §205-44 criteria for designation as important agricultural lands under the ALISH system. The Petition Area is not cultivated, has no water service, and most of the land is rated as poor by various agricultural productivity rating systems. The Land Study Bureau rated the Petition Area at the lowest quality "E."

Reclassification of the Property will reduce the availability of diversified agricultural land by approximately 77 acres. This small loss of poor agricultural land will not limit the growth of diversified agriculture since over 19,000 acres of high-quality farmland are available on Maui and over 170,000 acres are available statewide. Ample farmland is now available due to the contraction and closure of nearly all sugarcane and pineapple plantations in Hawaii.

Construction Expenditures and Related Sales

Total construction expenditures are expected to be approximately $170 million: $140 million for Phase I and $30 million for Phase II. This translates into average construction expenditures of about $62.2 million per year during the 2.25-year construction period of Phase I, and about $15 million per year during the 2-year construction period Phase II.

Indirect sales generated by construction are expected to average about $61 million per year for Phase I, and about $14.7 million per year for Phase II.

Employment and Payroll

Over the 2.25-year construction period, Phase I construction will provide an average of about 340 construction jobs and about 320 indirect jobs on Maui, and about 160 indirect jobs on Oahu, for a total of 820 jobs. Annual payroll for these jobs will total about $41.7 million. After completion of Phase I, Kihei High School will provide about 120 on-campus jobs, about 47 indirect Maui jobs, and about 23 indirect Oahu jobs. Annual payroll for these jobs will total about $8.4 million.

Over the 2-year construction period, Phase II construction will provide an average of about 82 construction jobs and about 80 indirect jobs on Maui, and about 40 indirect jobs on Oahu, for a total of 200 jobs. Annual payroll for these jobs will total about $10.1 million. After completion of full build-out, Kihei High School will provide about 206 on-campus jobs, about 81 indirect Maui jobs, and about 40 indirect Oahu jobs. Annual payroll for these jobs will total about $14.7 million.

Supported Population

Phase I construction is expected to support approximately 1,680 residents. Following completion of Phase I, the jobs generated by Kihei High School will support about 290 residents.

Phase II construction is expected to support approximately 400 residents. Following completion of Phase II, the jobs generated by Kihei High School will support about 500 residents.

Transportation Savings

Following completion of Phase I, Kihei High School will save residents and DOE employees approximately $1.01 million in annual transportation costs. In addition, students will save an estimated 108,000 hours per year in time commuting to high school in Kihei rather than to a high school in Central Maui.

Following completion of Phase II, Kihei High School will save residents and DOE employees approximately $2.08 million in annual transportation costs. In addition, students will save an estimated 223,000 hours per year in commute time.

Tax Revenue

Phase I construction activity will generate about $12.9 million in State tax revenue; Phase II construction will generate about $15.7 million in State tax revenue. After completion of Phase I, Kihei High School employees and related businesses will pay approximately $590,000 per year in State taxes, and $67,000 per year in County taxes. After

completion of Phase II, Kihei High School employees and related businesses will pay approximately $1 million per year in State taxes, and $116,000 per year in County taxes.