

COUNCIL OF THE COUNTY OF MAUI
LAND USE COMMITTEE

September 6, 2002

Committee
Report No. 02-118

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Land Use Committee, having met on August 6, 2002 on Lanai (site inspection and meeting), makes reference to County Communication No. 02-100, from the Planning Director, transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE TO AMEND THE STATE LAND USE DISTRICT CLASSIFICATION FROM AGRICULTURE DISTRICT TO URBAN DISTRICT FOR PROPERTY SITUATED AT LANAI, HAWAII".

The purpose of the proposed bill is to enact a District Boundary Amendment (DBA), from State Agriculture to State Urban, for the Miki Basin Power Plant site, on approximately 5 acres of land located at Lanai, Hawaii (TMK: 4-9-002:050), as requested by Maui Electric Company, Ltd. (MECO).

2. A proposed bill entitled "A BILL FOR AN ORDINANCE TO CHANGE ZONING FROM INTERIM DISTRICT TO M-2 HEAVY INDUSTRIAL DISTRICT (CONDITIONAL ZONING) FOR PROPERTY SITUATED AT LANAI, HAWAII".

The purpose of the proposed bill is to enact a Change in Zoning (CIZ), from Interim to M-2 Heavy Industrial District, subject to conditions, for the Miki Basin Power Plant site, on approximately 5 acres of land located at Lanai, Hawaii (TMK: 4-9-002:050), as requested by MECO.

Your Committee notes that the Lanai Planning Commission, after reviewing the findings presented in two documents entitled "Maui Planning Department's Report for the Lanai Planning Commission Meeting on February

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20, 2002", voted to recommend approval of the proposed bills on February 20, 2002, subject to the following conditions:

1. That the applicant continue to comply with its Private Water System Agreement with the Department of Water Supply (entered into on March 24, 1995).
2. That Best Management Practices (BMP's) designed to minimize infiltration and runoff from daily operation shall be implemented in order to protect ground water quality.

Your Committee further notes that the recommendation of the Lanai Planning Commission was based upon the following findings:

1. The proposed application complies with the applicable standards for a State Land Use Commission District Boundary Amendment.
2. The proposed request meets the intent of the general plan and the objectives and policies of the Lanai Community Plan and corresponding map.
3. The proposed request meets the intent and purpose of the district being requested.
4. The application, if granted, would not adversely affect or interfere with public or private schools, parks, playgrounds, water systems, sewage and solid waste disposal, drainage, roadway, and transportation systems, or other public requirements, conveniences and improvements.
5. The application, if granted, would not adversely impact the social cultural, economic, environmental, and ecological character and quality of the surrounding area.

By correspondence dated July 9, 2002, the Chair of your Committee requested that the Planning Director transmit all Lanai Planning Commission meeting minutes relating to the proposed DBA and CIZ.

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By correspondence dated July 9, 2002, the Chair of your Committee requested that the Director of Water Supply transmit all Lanai Water Advisory Committee meeting minutes relating to the proposed DBA and CIZ.

By correspondence dated August 5, 2002, Munekiyo & Hiraga, Inc., on MECO's behalf, transmitted a booklet containing slides from a computer-generated slideshow presentation relating to the proposed DBA and CIZ.

At its site inspection, your Committee toured the Miki Basin Power Plant site and met with the Director of Public Works and Waste Management, the Planning Director, a Staff Planner from the Department of Planning, and a Deputy Corporation Counsel. Your Committee deferred consideration of the proposed bills pending another meeting later in the day.

At its meeting, your Committee met with the Director of Public Works and Waste Management; the Planning Director; a Staff Planner from the Department of Planning; a Deputy Corporation Counsel; Edward L. Reinhardt, MECO President; Stanley Kiyonaga, MECO Power Supply Manager; and Gerrit Cormany, President, Castle & Cooke Resorts, LLC. Lanai resident Ron McOmber testified in support of the proposed DBA and CIZ. Michael Munekiyo of Munekiyo & Hiraga, Inc., on MECO's behalf, presented a computer-generated slideshow providing the following information:

- Approval of the proposed DBA and CIZ will provide consistency between the State Land Use District classification (currently Agricultural), the Lanai Community Plan designation (Heavy Industrial), and County zoning (currently Interim). Approval would also provide MECO with "stability" with respect to land-use entitlements. The proposed DBA and CIZ were not requested because of any new uses.
- The Miki Basin Power Plant includes six one-mega-watt generators, two 2.2-mega-watt generators, two fuel-storage containers, an office/warehouse building, a control-room building, a switch-gear building, a switchyard, parking areas, and a storage facility.

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Mr. Reinhardt responded to your Committee's questions about potential risks to health and safety arising from the operation of the Miki Basin Power Plant. He said that the facility is designed to withstand hurricane winds or any other adverse weather, and that there is no indication of corrosion from chemicals formerly used on the subject property when it was in pineapple production.

Mr. Reinhardt and Mr. Kiyonaga responded to your Committee's questions about the possible future expansion of the Miki Basin Power Plant. They noted that major additions to capacity are not expected until about 2008.

Mr. Cormany informed your Committee that MECO and resort properties on Lanai are working together, and will continue to jointly explore means of fostering increased energy efficiency on the island, including through distributive generation.

Your Committee voted to recommend passage of the proposed bills and filing of the communication.

Your Committee is in receipt of an agreement entitled "Unilateral Agreement and Declaration for Conditional Zoning", executed by the applicant.

Your Land Use Committee RECOMMENDS the following:

1. That Bill No. _____ (2002), attached hereto, entitled "A BILL FOR AN ORDINANCE TO AMEND THE STATE LAND USE DISTRICT CLASSIFICATION FROM AGRICULTURE DISTRICT TO URBAN DISTRICT FOR PROPERTY SITUATED AT LANAI, HAWAII", PASS FIRST READING and BE ORDERED TO PRINT;
2. That Bill No. _____ (2002), attached hereto, entitled "A BILL FOR AN ORDINANCE TO CHANGE ZONING FROM INTERIM DISTRICT TO M-2 HEAVY INDUSTRIAL DISTRICT (CONDITIONAL ZONING) FOR PROPERTY SITUATED AT LANAI, HAWAII", PASS FIRST READING and BE ORDERED TO PRINT;

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3. That the County Clerk RECORD the Unilateral Agreement and Declaration for Conditional Zoning; and
4. That County Communication No. 02-100 be FILED.

Adoption of this report is respectfully requested.

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ALAN M. ARAKAWA **Chair**

DANNY A. MATEO **Member**

ROBERT CARROLL **Member**

MICHAEL J. MOLINA **Member**

G. RIKI HOKAMA **Member**

WAYNE K. NISHIKI **Member**

JO ANNE JOHNSON **Member**

CHARMAINE TAVARES **Member**

DAIN P. KANE **Member**