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MAUI PLANNING COMMISSION
COUNTY OF MAUI
JUNE 22, 2010

REGULAR MEETING

Held at the Planning Department Conference Room,
First Floor, Kalana Pakui Building, 250 South High
Street, Maui, Hawaii, commencing at 9:03 a.m., on June
22, 2010.

Reported by: Tonya McDade
Hawaii Certified Shorthand Reporter #447
Registered Professional Reporter
Certified Realtime Reporter
Certified Broadcast Captioner

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ATTENDANCE

COMMISSION MEMBERS PRESENT:

Jonathan Starr, Chair
Jack Freitas, Commissioner
Kent Hiranaga, Commissioner
Ward Mardfin, Commissioner
Lori Sablas, Commissioner
Warren Shibuya, Commissioner
Orlando Tagorda, Commissioner

STAFF PRESENT:

Kathleen Ross Aoki, Director, Department of Planning
Ann Cua, Deputy Director, Department of Planning
Clayton Yoshida, Current Division, Department of
Planning
Erin Wade, Planner, Department of Planning
Joe Prutch, Planner, Department of Planning
Michael Miyamoto, Department of Public Works
James Giroux, Deputy Corporation Counsel
Carolyn Takayama-Corden, Commission Secretary

VIDEOGRAPHER:

Kenny Hultquist, Akaku

PRESENT FOR ITEM B1, NEW BUSINESS:

Charles Jencks, Honua`ula Partners, LLC
Tom Schnell, PBR Hawaii
Gwen Ohashi Hiraga, Munekiyo & Hiraga
Aki Sinoto, Aki Sinoto Consulting
Kimokeo Kapahulehua, Hana Pono, LLC
John Ford, SWCA Environmental Consultants
Steve Dollar, Marine Research Consultants
Tom Nance, Tom Nance Water Resources Engineering
Keith Niiya, Austin, Tsutsumi & Associates, Inc.
Tom Holliday, The Hallstrom Group, Inc.
Barry Toyota and Lance Oyama, Wilson Okamoto

1 JUNE 22, 2010

2 TRANSCRIPT OF PROCEEDINGS

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4 CHAIR STARR: ...(gavel)... Good morning,
5 everyone. I thank everyone for coming. This is the
6 Maui Planning Commission. Today is June 22nd, 2010. I
7 wanna thank our Planners and our Commissioners for
8 making it in. We have with us Commissioner Jack
9 Freitas; Commissioner Orlando Tagorda; Commissioner Ward
10 Mardfin, all the way from Hana; James Giroux, he's our
11 Corporation Counsel, he represents the Commission; I'm
12 Jonathan Starr, I'm the Chair; Clayton Yoshida, who runs
13 the Current Division, is here representing the Director;
14 Commissioner Warren Shibuya; Commissioner Lori Sablas is
15 with us; Carolyn Takayama-Corden is the Secretary to the
16 Commission; Deputy Director Ann Cua is wearing her
17 planner hat today. And I'd like to welcome everyone
18 else.

19 Before we start with our agenda items, we'll
20 open up for public testimony on any agenda item. The
21 public is more than welcome to testify on any agenda
22 item. They can either testify before the agenda -- any
23 agenda items are called, which will be now, or at the
24 time when that agenda item is under deliberation, but
25 before action by the Commission.

1 We have some people signed up. And I'd like
2 to ask you to introduce yourself when you come up. And
3 we're very glad to have you. The first testifier will
4 be Mark Hyde, followed by Clayton Nishikawa. I ask that
5 testimony be kept as short as possible, three minutes is
6 a good limit. Please, Mr. Hyde.

7 MR. HYDE: Thank you very much. I'm a
8 resident of Wailea. I live here full-time. And I have
9 provided you a handout for today. And I've also
10 submitted in writing two offerings, if you will.

11 My concern is primarily with water with regard
12 to this project. And from a very simplistic point of
13 view, if you step back and take a breath and look at
14 it -- and I have a -- a chart that arrays, on the one
15 hand, the size of the project on one access, and the
16 certainty or uncertainty of the water source on the
17 other. And my point of view, if you triangulate the
18 two, you end up with a very high risk of water source
19 for this very large development.

20 And I've itemized, both in my submissions to
21 you and in my handout today, reasons why I am very
22 concerned about the water source for this project. It
23 is a private water source rather than a public source.
24 And that raises certain concerns in my mind when I think
25 of Molokai Water and other situations that the County's

1 faced. And because the Iao Aquifer is tapped out, there
2 is no ability for this project to fall back on a County
3 source at this time, nor is there any contingency plan
4 if the water source doesn't work out. And the water
5 source that they're resorting to is a brackish one.

6 The Kamaole Aquifer, although it is given a
7 sustainable yield calculation of 11 million gallons a
8 day, what the DEIS fails to say is that it is also rated
9 a level three, which is the lowest level of certainty
10 that can be applied to an aquifer. And, specifically,
11 the Commission says that this is a substantially
12 uncertain amount of water in this aquifer, it's
13 untested. And it's untested because there is a lack of
14 pumpage data, there's a lack of hydrologic data. And,
15 yet, that is to serve as a sole source of water for this
16 project.

17 And it is exacerbated by the fact that the
18 project is going to rely upon wells that are not drilled
19 necessarily and entirely beneath the project, which are
20 given correlative water rights, but it has resorted to
21 wells on offsite property which are subject to
22 extinction in the event that others drill into that
23 aquifer and absorb the capacity that's there.

24 Currently, there are 134 wells drilled into
25 the Kamaole Aquifer. And the aquifer is successfully

1 servicing the Wailea and the Makena golf courses. In
2 the summertime, data shows that those two entities use
3 over 5.5 million gallons a day. And in the last 10
4 years, 30 new wells have been drilled into that aquifer
5 by substantial properties, Kea Lani Hotel, Makena Surf,
6 Grand Champions, Kihei Akahi. I could go on.

7 MS. TAKAYAMA-CORDEN: Three minutes.

8 MR. HYDE: The point is, as the water is
9 absorbed and as there's no additional source at South
10 Maui, I believe there are gonna be additional wells
11 drilled into that aquifer. And when that happens, this
12 project is going to be at great risk. Is my time up?

13 CHAIR STARR: Yeah. Finish up, if you can.

14 MR. HYDE: I will. I have provided a list of
15 things that I think you should consider asking the
16 applicant to study and address for you so that you can
17 make a proper evaluation.

18 I'll add, in conclusion, that this project is
19 going to not exist in a snapshot of time, it's gonna be
20 a 100-year project. There needs to be some analysis of
21 an array of things that could happen in the future
22 taking into account climate change, best case/worst case
23 scenarios, to really evaluate and stress-test this
24 aquifer and the water source.

25 Thank you very much.

1 CHAIR STARR: Okay. Thank you, Mr. Hyde. Do
2 we have -- any Commissioners have questions?
3 Commissioner Mardfin. And please pull the mic up a
4 little, would you?

5 COMMISSIONER MARDFIN: Mark -- Mark. It's
6 Mark Hyde, is that correct?

7 MR. HYDE: Yes.

8 COMMISSIONER MARDFIN: What's your background
9 in this?

10 MR. HYDE: I'm a -- I'm a resident of Wailea
11 Golf Vistas. My house looks out over the third fairway
12 of the Wailea Golf Course. It is brilliant and green
13 and fed by the water of the Kamaole Aquifer
14 successfully. I'm retired. I haven't worked in seven
15 years. I don't have any financial interest in any of
16 this. My interest is in my community, both -- all of
17 Maui and specifically in my community of Wailea.

18 COMMISSIONER MARDFIN: But do you have a
19 hydrological background of any sort?

20 MR. HYDE: No.

21 COMMISSIONER MARDFIN: This is from reading
22 and learning?

23 MR. HYDE: Exactly.

24 COMMISSIONER MARDFIN: That's fine. I
25 understand.

1 MR. HYDE: My understanding of water is I turn
2 on the tap and I drink it.

3 COMMISSIONER MARDFIN: Okay. I was just
4 curious if you had some special expertise.

5 MR. HYDE: I don't.

6 COMMISSIONER MARDFIN: And so, as I read this,
7 you're basically arguing that what we ought to do is
8 just ask questions of the State, since it's an EIS, and
9 make sure that they answer these questions in their
10 final?

11 MR. HYDE: That's right.

12 COMMISSIONER MARDFIN: Thank you very much.

13 MR. HYDE: You're welcome.

14 CHAIR STARR: Okay. Thank you, Mr. Hyde.
15 Next will be Clayton Nishikawa, followed by Chad
16 Fukunaga. Please introduce yourself, Mr. Nishikawa, and
17 welcome.

18 MR. NISHIKAWA: Good morning, Maui Planning
19 Commission Members. Good morning, Chair Starr. My name
20 is Clayton Nishikawa. I'm an architect and a builder.
21 And I've lived on Maui for over 20 years. I've raised
22 three children here. And this is our home.

23 As someone who was born and raised here in
24 Hawaii, I, like you, Members of the Planning Commission,
25 often find conflicts with development demands on our

1 resources and finding the delicate balance with the
2 needs of our future. Maui is a very special and unique
3 place. And we can all agree that our resources are
4 limited and precious. But, lately, we have been losing
5 one of our most precious of resources, our people, those
6 who are our children, our friends and our families.
7 They're being displaced by loss of jobs, the high cost
8 of housing and the struggling economy compounded with
9 the bleak outlook for the future.

10 The Honua`ula project is a master-planned
11 community that respects the aspects of our culture while
12 also providing for and protecting the future with
13 sensible land planning and environmentally-responsible
14 stewardship. It will also provide the affordable
15 housing that Maui's families so desperately need.

16 In economic recessions, it is housing that
17 jump-starts the economy. Within our current economic
18 crisis on Maui, many developers are struggling to
19 survive. Maui needs your support of Honua`ula so that
20 it can move forward and provide the jobs, the economic
21 stimulus and housing for our families on Maui.

22 I support Honua`ula for its sustainable,
23 responsible development and the affordable housing
24 opportunities that it will offer which will help protect
25 our most precious resource, Maui's people. Thank you

1 for your consideration.

2 CHAIR STARR: Any questions? Thank you very
3 much, Mr. Nishikawa. Chad Fukunaga will be our next
4 testifier, followed by Gene Weaver.

5 MR. FUKUNAGA: Good morning, Commission
6 Members. Thank you for having me here today. My name
7 is Chad Fukunaga. I'm here to testify in favor of the
8 Mill Street Extension Project in Lahaina, switching
9 gears a little.

10 I'm an employee of Kaanapali Land Management
11 Corp. And my company is assisting the County of Maui,
12 (inaudible), to design and entitle the Mill Street
13 Extension Project, along with a core group of
14 consultants, including Munekiyo & Hiraga, for consulting
15 and preparation of the EA, Warren S. Unemori Engineering
16 for its surveying and civil engineering, Austin Tsutsumi
17 and Associates for traffic engineering. We originally
18 entered this project with a mindset of creating a mini
19 bypass, so to speak, to the Honoapiilani Highway. And
20 we came to realize that it wasn't -- we're not really
21 looking for a mini bypass, what we really need is a
22 regional roadway.

23 If you look at the Lahaina area, mauka and
24 makai of the Honoapiilani Highway, on the makai side you
25 have Front Street and you have Wainee Street as,

1 basically, a north/south connector roadway. If you look
2 on the mauka side, there is no connection over here.
3 Everything comes down Lahainaluna. So it makes sense to
4 have a regional roadway mauka of the highway to
5 transport traffic so that that traffic does not have to
6 flow onto Honoapiilani Highway.

7 So we looked at all our possible routes. And
8 we came to realize that there are certain bottlenecks.
9 And the major one being Kahoma Channel. There is an
10 existing crossing at Kahoma Channel, and that's at
11 Kahoma Bridge. And then the other, I guess, bottlenecks
12 was the Lahaina Regional Park and the Kahua Tract
13 Housing area.

14 So, finally, we -- we looked at all the
15 possibilities and -- and we came up on a route. And as
16 we looked at it more, it really didn't follow Mill
17 Street, the original Mill Street route as we had
18 originally thought. And it -- it ran more along Kahua
19 Street. So we have renamed the project Kahua Street
20 Extension and Improvements, because it's really more an
21 improvement of Kahua Street and extending that roadway.
22 So we now refer to the project as Kahua Street
23 Extension.

24 We had three community meetings. And as
25 expected, it was a mixed feedback. There was some

1 negative feedback such as taking away Front Street
2 parking, a concern of speeding in front of residences.
3 But, overall, we feel that the response was positive
4 such as allowing for regional traffic flow --

5 MS. TAKAYAMA-CORDEN: Three minutes.

6 MR. FUKUNAGA: -- and providing for bike
7 routes.

8 I'm also a member of the Lahaina Bypass Now.
9 I'm a board member. And Lahaina Bypass Now has been
10 successful at identifying and addressing traffic and
11 pedestrian concerns in West Maui. And then the group
12 has interacted well with the community and interfaced
13 well with State and County agencies. So I report to the
14 LBN Group and we discuss the project. And we take that
15 feedback and we input that back into the project, such
16 as providing for bike lanes and median strips and
17 pedestrian traffic crossing concerns. So the LBN Group
18 also supports this project.

19 So I'd like to close by saying we need to
20 reserve this -- this corridor now, because as -- as the
21 area gets developed, it gets harder and harder to create
22 this corridor. And as it is even today, it's -- it's
23 very difficult. There's many landowners to deal with.
24 There's businesses and residents that are affected by
25 it. So I would like to say, you know, please set aside

1 this corridor, please preserve this project.

2 CHAIR STARR: Thank you, Mr. Fukunaga. I have
3 a question. I -- is this related to the Item D2 or --

4 MR. FUKUNAGA: Yes. It's D2, yes.

5 CHAIR STARR: Oh, okay.

6 MR. FUKUNAGA: Yeah.

7 CHAIR STARR: Well, thank you very much.

8 Members, any questions?

9 (Silence.)

10 CHAIR STARR: Okay. Thank you very much --

11 MR. FUKUNAGA: Thank you.

12 CHAIR STARR: -- for your testimony. Next is
13 Mr. Gene Weaver, followed by Johanna Kamaunu.

14 MR. WEAVER: Aloha, planners and audience.
15 Thanks for letting me be part of -- of this -- what
16 we're doing here. I have two major concerns. Well,
17 first of all, my name is Gene Weaver. And I do live in
18 -- in Maui Meadows, which is the subdivision bordering
19 Honalua [sic] -- however you say it -- Wailea 670.

20 And my first thing I'd like to ask of you is
21 that -- is that you do your jobs well because we, the
22 community, needs your support in -- in us having our
23 lives be pono as well as the developers, and whatever
24 goes on, on this land.

25 So thank you so much.

1 I'd like to ask you to ask the tough questions
2 of the developers and make sure that -- that these --
3 that whatever is decided is followed through in the
4 years and years and years to come. This plan has a plan
5 to sell off its -- once it gets its approval to sell off
6 to other people and other developers, and who knows what
7 changes might come in those, who knows how many years
8 this project will go on and on for, before it's all --
9 and what -- and whatever is done now, we're gonna have
10 to live with.

11 So thank you for helping, being in your seats
12 to make this pono.

13 My two concerns are the buffer zone between
14 Maui Meadows and the multi-family units that are planned
15 for this project.

16 For years, the -- the Maui Meadows Board has
17 been asking for a 200-foot buffer zone, or more,
18 something creative in this -- in this space in between.
19 The developer's mandated by law to have this 50-foot --
20 plants along the edge of our subdivision, but 50 feet is
21 not very much when we're talking about, you know, 18,
22 17, 16-year buildout in lots and -- and -- and all the
23 things that are gonna happen there, especially when we
24 have on -- on June 1st, we saw the developer's plan and
25 -- or his concept. And on that concept was to put

1 multifamily dwellings right next to Maui Meadows, in the
2 lower portion along there. And so we're talking about
3 rural bumping up to urban and he's going to put his
4 highest density -- some of his high density right next
5 to the rural homes that are already there.

6 Now, along with that, the board, on June 1st,
7 did recommend, and will be recommending to you, that
8 whatever dwellings are going to be there be no longer --
9 no higher than 30 feet. On his conceptual plans, he --
10 he was asking for 50 feet, or showing that he wanted to
11 do 50-foot high -- high buildings. Now, we're talking
12 about residents who enjoy their lifestyle there, too.
13 We want this to be pono for the whole neighborhood, not
14 just his subdivision. His subdivision is there, but
15 there's already other things right there that are
16 already existing. So we got to make it pono for -- for
17 these things to be smooth --

18 MS. TAKAYAMA-CORDEN: Three minutes.

19 MR. WEAVER: -- between them. And so I want
20 you to really pay attention to that for me and for the
21 people who live -- all the neighbors that live around
22 me, because that is our view corridor. And this can be
23 done right with the right planning, you know, so that --
24 so it feels good. Because I -- I have to live there the
25 rest -- I choose to live there the rest of my life. And

1 I don't want to be looking at some big building. I
2 wanna see the natural environment around me that -- that
3 can be worked into this plan for everybody.

4 So I would really like to not see multifamily
5 dwellings put alongside Maui Meadows subdivision. And
6 I'd also really like to see the 30-foot height
7 restriction be put -- be mandated. And I would also
8 like to see other plans for buffer zones. Maybe
9 something a little more creative, maybe something a
10 little more spacious, so it'll feel good for the
11 neighborhood.

12 So thanks for doing your part. And I hope
13 I'll be very happy with the results here. Thank you.

14 CHAIR STARR: Thank you, Mr. Weaver. We have
15 a question from Commissioner Mardfin.

16 COMMISSIONER MARDFIN: I just want to check.
17 Have you made official comments in writing to the people
18 doing the EIS so your concerns can be addressed?

19 MR. WEAVER: I haven't, but I did to the Urban
20 County Review Board. And I'd be happy to make my
21 comments --

22 COMMISSIONER MARDFIN: I think --

23 MR. WEAVER: -- in writing.

24 COMMISSIONER MARDFIN: I'm not exactly sure of
25 the process, but I would make sure it goes to the people

1 doing the EIS so that they can -- your concerns can be
2 addressed --

3 MR. WEAVER: Thank you. I'll make sure I do
4 that.

5 COMMISSIONER MARDFIN: -- one way or the
6 other.

7 MR. WEAVER: Did everybody understand what --
8 what I'm asking? Thank you very much.

9 CHAIR STARR: Okay. And thank you. And
10 Commissioner Mardfin is -- is correct. I believe the
11 deadline has been extended, too, to make it easier for
12 you to get your comments --

13 MR. WEAVER: Until when?

14 CHAIR STARR: June 30th.

15 MS. CUA: 30th.

16 CHAIR STARR: June 30th. Okay. Thank you,
17 Mr. Weaver. I understand Johanna Kamaunu will waive
18 until the item is called. Our next testifier will be
19 Kaniloa Kamaunu, followed by Dick Mayer. Mr. Kamaunu,
20 welcome. Good to see you.

21 MR. KAMAUNU: Aloha. My name is Kaniloa
22 Kamaunu. I come from Waihee Valley. My concerns is, on
23 the EIS, HRS 7-1 talks about -- actually derives from
24 the 1859 law, which is Act of the Kuleana. So my
25 concern is, when they did the EIS, did they take into

1 consideration what vested rights are being infringed
2 upon for the Native Hawaiians, according to the law, in
3 the HRS 7-1? Will these things impact gathering rights?
4 Will these things impact if there are burials there?
5 How is the impact of the fishing in that area? Are they
6 looking to put up gates?

7 Now, if you look at the law, as far as HRS 7-1
8 is concerned, it states, where the landlords have
9 obtained, or may hereafter obtain, allodial titles their
10 lands, the people on each of their lands, shall not be
11 deprived of the right to take firewood, house timber,
12 aho cord, thatch, or ki leaf, from the land on which
13 they live, for their own private use, but they shall not
14 have the right to take such articles to sell for profit.
15 People should also have the right to drinking water,
16 running water, and the right-of-way. The springs of
17 water, running water and roads shall be free to all.
18 And all lands granted in fee simple.

19 So this is -- this is the HRS 7-1. Now, it's
20 exactly verbatim from 1859. The difference between this
21 HRS 7-1 refers to nonlineal descendants who have
22 purchased properties such as what Mr. Jencks is doing.
23 Okay. So there are kuleana lands, there are Land
24 Commission awards here. Is that being protected?
25 Because it cannot divest the rights that are awarded to

1 the land. And because the State is affording them to
2 use this law, they have to make sure that the EIS
3 encompasses this law. For us, as Native Hawaiians, we
4 have the rights to be on the property.

5 We have a lot of things going on where they
6 putting up gated communities. That's an infraction upon
7 our vested rights. As a Native Hawaiian, these rights
8 were given to me already. And to any native subject.

9 So my concern is, is there infringements upon
10 that? Does that EIS reflect such actions and concerns
11 because we know this area is not just -- you know what I
12 mean. What's been happening is a lot of things are
13 disappearing through construction. I know we had
14 someone talking about protecting our culture. We have
15 to -- we have to be reminded that the culture here is
16 Hawaiian. The iwi that we have here, Hawaiian. The
17 customs that we have here are Hawaiian. We may have
18 Tongans, Japanese --

19 MS. TAKAYAMA-CORDEN: Three minutes.

20 MR. KAMAUNU: -- Filipino, but it doesn't make
21 difference. The thing is, this is Hawaiian lands and
22 has Hawaiian rights. So in the EIS, are they being
23 protected? That is my concern.

24 Thank you.

25 CHAIR STARR: Mr. Kamaunu, Commissioner

1 Mardfin has a question.

2 COMMISSIONER MARDFIN: Have you had a chance
3 to read their EIS?

4 MR. KAMAUNU: No, I haven't.

5 COMMISSIONER MARDFIN: Okay. As we mentioned
6 earlier, there's a June 30th deadline for comments. It
7 is rather lengthy. There's a copy, I think, sitting
8 next door. To save you a little time, look at
9 Chapter -- Chapter 4 deals with things like
10 archaeological and cultural uses of the land. I would
11 urge you to start with that and then make your comments
12 in writing so that they can be addressed. It doesn't --
13 to the best of my knowledge, it doesn't deal with some
14 of the things you're raising. But if you raise some
15 comments, then they have to deal with it in the final
16 EIS.

17 MR. KAMAUNU: All right.

18 COMMISSIONER MARDFIN: So I urge you to do
19 that. But you have a deadline, short deadline.

20 MR. KAMAUNU: All right. Thank you.

21 COMMISSIONER MARDFIN: Thank you very much.

22 MR. KAMAUNU: Aloha.

23 CHAIR STARR: Okay. Thank you, Mr. Kamaunu.

24 Next will be Mr. Dick Mayer, followed by Noel

25 (inaudible). Mr. Mayer. Where's -- yeah, come on,

1 Dick.

2 MR. MAYER: Thank you, Council [sic] Members.
3 My name is Dick Mayer. I'd like to comment on several
4 things; water, cumulative impacts, traffic and housing.

5 First, let me start off with water.

6 And let me pass something out to the Members,
7 please.

8 I believe that the proposed water transmission
9 system for this project is illegal because it does not
10 comply with the Honua`ula Zoning Condition Number 1 and
11 the Upcountry Community Plan. The applicant should seek
12 a water transmission system that completely -- that
13 completely complies with County laws. All of that
14 should be exclusively discussed in the Final EIS. I
15 would hope that you would ask for that.

16 Here's what I'm basing that on: The Honua`ula
17 Zoning Condition Number 1 explicitly states that the
18 project must comply with all applicable community plans.
19 This is unusual. Usually they would say, comply with a
20 community plan, the community plan of that area. This
21 one even asks for all Community Plans, even those
22 outside of the district itself. And Condition Number 1
23 is stated below. And I will emphasize the key words
24 there. And particularly with regard to storage facility
25 and transmission lines and all applicable community

1 plans.

2 Going on, the Makawao-Pukalani-Kula Upcountry
3 Community Plan is very clear on this matter. The
4 relevant requirement is contained on Page 36 of the
5 Upcountry Plan.

6 Condition Number 4 -- Item Number 4 in the
7 Upcountry plan, restrict the use of any water developed
8 within or imported to the Upcountry region for
9 consumption within the Upcountry region with exception
10 provided for agricultural use. I was vice-chair of the
11 citizen advisory committee that put together the
12 Upcountry plan back in the nineties. We particularly
13 wrote this in and knew exactly what we were writing when
14 they did this. We have a water shortage Upcountry. And
15 we particularly said that even water imported into the
16 district should not be then exported out of the
17 district. The water transmission lines are not legally
18 allowed to pass through any part of the
19 Makawao-Pukalani-Kula Upcountry Plan and then back into
20 the Kihei-Makena South Community Plan. It now appears
21 that the Wailea 670 -- that Wailea 670 intends to send
22 water into and then illegally out of the Upcountry
23 District utilizing water transmission lines and two
24 810-foot-elevation water tanks which are located in the
25 Upcountry District.

1 According to the text of the DEIS, the
2 proposed potable water transmission line will go mauka
3 of the Maui Meadows subdivision, passing through the
4 Upcountry District and then uphill to an
5 810-foot-elevation water tank clearly within the
6 Upcountry District. The proposed water transmission
7 route would then pass through the Upcountry District and
8 illegally back into the South Maui District to serve the
9 non-agricultural Wailea 670 development. Similarly, the
10 non-potable water will pass out of the Upcountry
11 Community Plan District into the South. They're
12 planning to put it into another tank above the project.

13 MS. TAKAYAMA-CORDEN: Three minutes.

14 MR. MAYER: The County attorney previously
15 advised the County Council -- this is very critical --
16 that water being transmitted out of the Upcountry
17 District to this project would be illegal. That was in
18 County Council session, approximately year 2001. The
19 applicant is very aware of this ruling and has had
20 almost a decade, since 2001, to resolve this matter.
21 The DEIS completely fails to mention the relevant
22 sections of the Upcountry Community Plan, nor does it
23 indicate the actual location of the 810-foot elevation
24 water maps.

25 And it goes even further by misleading you.

1 On one of the maps, it indicates the South Maui District
2 and then includes, in color, portions of the Upcountry
3 District, marking them as Agricultural, as if they were
4 part of this South Maui District. So it is even
5 deceptive in that -- that regard.

6 Moving on to the other two items. With regard
7 to housing, the DEIS almost totally ignores the impact
8 of the 250 units located north of this project, but
9 which is an integral part of this whole development.
10 It's stated over and over again in the conditions giving
11 them zoning, that the 250 units need to be built. The
12 EIS that you have before you has not considered the
13 impact of those houses, schooling, water, traffic, none
14 of those important issues, wastewater, all the other
15 issues that are considered within the 670 acres are not
16 being considered for the integral and very important
17 part of this project housing.

18 CHAIR STARR: Mr. Mayer, please wrap up.

19 MR. MAYER: Okay. I'll -- the last item is
20 traffic. The traffic only looks at traffic in the
21 immediate vicinity of the project and does not consider
22 the effects on Piilani Highway, all the way north from
23 the project through Kihei, and the cumulative impact.
24 It talks about all the housing that's going to be built
25 in South Maui, but does not impact -- does not show what

1 the cumulative impact from this project will be, the 250
2 houses, included on that Piilani Highway. And that's a
3 major admission of the whole traffic study.

4 CHAIR STARR: Thank you. Members, any
5 questions? Commissioner Mardfin.

6 COMMISSIONER MARDFIN: Two. Two things. One,
7 I assume you heeded the comments I made to the previous
8 two speakers, that you'll get this in writing to the
9 people of the EIS so that they will be addressed in
10 your --

11 MR. MAYER: I certainly will.

12 COMMISSIONER MARDFIN: My second --

13 MR. MAYER: And I haven't read all 2,000
14 pages, but I've read --

15 COMMISSIONER MARDFIN: You read the parts that
16 were relevant.

17 MR. MAYER: I have parts right here. And
18 those documents, all three documents here.

19 COMMISSIONER MARDFIN: It's also available on
20 CD, if you need it.

21 MR. MAYER: I have the hard -- hard copy.

22 COMMISSIONER MARDFIN: Now I forgot what my
23 second question was. That's okay. Oh. Was there
24 anything else you wanted to say before -- you know,
25 because you were limited to time, is there any major

1 point that you've not been able to address?

2 MR. MAYER: Namely, that the EIS requirements
3 are cumulative impacts. And the traffic, the cumulative
4 impacts of all the traffic of this project, the 250
5 units, need to be discussed because it has major
6 implications for an already very crowded Piilani
7 Highway, and not just the intersections within one mile
8 of the project.

9 COMMISSIONER MARDFIN: Thank you very much.

10 CHAIR STARR: Okay. Thank you very much. The
11 next testifier will be Noel, followed by Claire Apana.

12 UNIDENTIFIED SPEAKER: I yield my time to Maui
13 Tomorrow people.

14 CHAIR STARR: Okay. Members, we were
15 approached by Ms. deNaie requesting if several people
16 who were going to be present at the meeting could yield
17 their time so that they could do one 10-minute
18 presentation. This is something we've done before. And
19 it's -- it's the same time. So if there is no
20 objection, I'd like to allow them to do that.

21 COMMISSIONER FREITAS: And how much is this --
22 how much time are we talking about here?

23 COMMISSIONER STARR: The presentation will be
24 less than 10 minutes, which will mean it will be shorter
25 than the equivalent testimony. Is that okay?

1 Ms. deNaie -- one of you come forward. I
2 don't know if you want to give that presentation now or
3 when the item is up. And if so --

4 MS. deNAIE: I'd prefer to do it now.

5 CHAIR STARR: Who are the -- who are the
6 testifiers who are going to yield? I understand Noel is
7 one.

8 MS. COCHRAN: Myself, my name is Elle Cochran.

9 CHAIR STARR: Okay. Is there --

10 MS. CHANG: I am, too.

11 CHAIR STARR: Is there a third --

12 MS. CHANG: Yeah. Amy Chang.

13 CHAIR STARR: Okay. Thank you. So Amy Chang,
14 Elle Cochran and Noel will yield their testimony.
15 Ms. deNaie, you have 10 minutes. And welcome.
16 Introduce yourself and who you are representing. And
17 let's close the lights down.

18 MS. deNAIE: Thank you very much, Chair. And
19 thank you very much, Members. I'm actually standing in
20 for Irene Bowie today. She's under the weather. She's
21 the Executive Director of Maui Tomorrow. And we are
22 very grateful for an opportunity to have a little bit
23 more time to explain some of the complexities that
24 you'll be dealing with in your comments.

25 First of all, there's the idea of process.

1 There are certain content requirements that are part of
2 this. And I will print out a handout and you folks will
3 have it, but I'll have to go after, you know, I testify.
4 It didn't print too well yesterday when I tried it.

5 The main point here is that this DEIS does not
6 acknowledge the environmental consequences or present
7 any opposing views in its discussion. You find these in
8 the comments section, but, in essence, everything is
9 okay, there's really nothing to mitigate, there's really
10 nothing to -- to make right. And that's not actually
11 accurate. And it is really required that it should talk
12 about the environmental consequences rather than just
13 say that there aren't any.

14 Also, they really need, in an EIS -- and I
15 hope you will ask for this -- to offer alternatives.
16 The only alternatives that are offered here are the no
17 action alternative, previous plans that were double the
18 size, two golf courses and 2,000 units. There is really
19 no discussion of different designs of this project, so
20 forth and so on, which there could be. And you deserve
21 to have that information.

22 Also, the maps. There should really be maps
23 of how, you know, the golf course maybe could be
24 minimized to take up less water, so forth and so on.
25 There are concerns here that are really -- should be

1 examined in the EIS, they're not. There's really not
2 even a discussion of whether a future golf course is
3 viable. They're closing down golf courses all over
4 Maui, including, you know, even ones that are relatively
5 private.

6 There's no discussion of a larger native
7 habitat area, even though there's a strong condition to
8 set aside 130 acres of fish and wildlife. State Fish
9 and Wildlife and Federal Fish and Wildlife agree. There
10 is no map that shows what that might look like. It's
11 just left out.

12 So there is no discussion of diminishing some
13 unit counts to conserve on water.

14 Huh-oh. Well, my pictures are not all showing
15 here.

16 I also wanna point out that the drainage
17 impacts are huge here. If you read the engineering
18 study, you will see that there is a plan to deal with
19 what new impacts will be created, but the existing
20 impacts are huge. And they're going to be the same.

21 Now, there is an unsupported statement that,
22 somehow, the golf course is going to absorb more than
23 all of the existing native and non-native foliage there.
24 There is really no proof of this. In fact, if that were
25 the case, we have three golf courses in Wailea, there

1 would be no drainage problems, but we have huge drainage
2 problems in Wailea. And that's why we have impaired
3 waters there. So, really, we need to look into this.

4 The other thing that's left out is the main
5 mitigation for the drainage is drainage basins, swales,
6 so forth and so on. These things actually require
7 maintenance, especially the retention basins. And
8 there's no statement about who is going to pay for this,
9 how it's going to be done.

10 I bring up, you know, the condos down by the
11 Grand Wailea and Outrigger just had to sue because there
12 was lack of maintenance, and it damaged areas of the
13 beach and so forth and so on. And no one was
14 responsible. They had to go to the Supreme Court. So
15 this is a very important thing to consider.

16 Kamaole Aquifer is -- supposedly, has a larger
17 sustainable yield, according to this EIS, than the 11
18 million gallons a day that it is now assigned. These
19 1,150 units have had varying water requirements assigned
20 to them. Currently, it is projected by the DEIS that
21 they will actually use less than 300 gallons a day per
22 unit. Now, it's not included -- we're not sure if the
23 spa and the private swimming pools and everything are
24 included in that, but it doesn't really seem a realistic
25 figure for potable water use.

1 Now, yes, they will have a separate irrigation
2 system for landscaping. People will not be watering
3 their yards. But if they have swimming pools or, you
4 know, spas, or this kind of thing, the whole clubhouse
5 area, it just doesn't seem realistic that those would be
6 the figures. In fact, in earlier estimations, the
7 figures were much higher for the potable use.

8 And there is no alternative plan given if
9 these wells, which are in a brackish aquifer -- every
10 one of their wells are brackish -- they're described as
11 good water. Well, good means it doesn't have chemicals
12 in it. It doesn't mean -- none of them would be
13 acceptable to the County, for instance. The County
14 would not take any of these wells. The chloride
15 contents are too high. So we really need to look at the
16 alternative plan.

17 What is the alternative plan? It may be to
18 try to undo the condition that says there's a private
19 water system there and go and get water from the
20 proposed Waiale Treatment Plant, but none of this is
21 ever mentioned or discussed. Cumulative impacts are
22 supposed to be part of the discussion. And they -- they
23 should be included at this stage. This is -- this is
24 where the rubber meets the road. This is the phase two
25 planning project district process.

1 Also, as Mr. Hyde referred to, there is a lot
2 of impact already going on in this aquifer. And the EIS
3 does not disclose that the 11-million-gallon figure is
4 unproven. In fact, it just says there's other studies,
5 and it never cites any specific information that say
6 there's more water. We really need hard facts here. We
7 need some proof.

8 And there's also a vague reference to a future
9 monitoring well to see how healthy this aquifer remains,
10 because all these other existing users have a right to
11 water. In fact, Wailea Resort wrote a letter in the
12 original EIS saying they were concerned about impacts to
13 their wells. These are all summarily dismissed in the
14 EIS. They really need to be evaluated in hard terms.

15 The desal facility is going to put out brine.
16 Brine has salt in it, but it has other chemicals,
17 they're never mentioned. It's never mentioned how much
18 brackish water it's going to need to produce. It's more
19 brackish water than the potable water, sometimes as much
20 as three-to-one, but it's just mentioned that a
21 reasonable amount will be needed, but it's never
22 quantified.

23 We really need to see some alternatives to
24 these very energy-intensive desal and pumping stations
25 sort of things. This water is gonna be pumped all over

1 the place, including their wastewater.

2 And how affordable is this water going to be?
3 That's one of the conditions of rezoning, that the water
4 remain affordable for the affordable residents. We have
5 no facts and figures on what it's going to cost. These
6 should be in the DEIS. The water quality, well, here
7 they're claiming that, if they pump wells, the nitrogen
8 and phosphorous levels entering the ocean water are
9 going to decrease. But there's 20 wells already
10 existing in this area right below, and for the Makena
11 and Wailea Golf Course. And we've still had impaired
12 waters. So there is no proof that this theory is going
13 to work and no proof is given. There really needs to be
14 more information.

15 Also, there's a great deal of concern.
16 There's gonna be this sort of mix made for irrigation of
17 the reclaimed water from the plant, which is high in
18 phosphorous and nitrogen, and, also, higher in salt than
19 fresh potable water would be. And then the desal brine
20 is going to be mixed with that reclaimed water from the
21 sewage treatment plant. And this is gonna be used for
22 irrigation. Well, our native plant areas are surrounded
23 by irrigated areas. Right now, they're doing great on
24 their own. They have their own water source and they
25 have the balance they like. What's gonna happen if this

1 new chemical blend of water is used in this area? We
2 don't know. It should be discussed.

3 The cultural sites. There are many unrecorded
4 culture sites. The conclusion in the Draft EIS is that
5 some of them should be preserved, but this is a
6 premature conclusion. It's like most of them are not
7 recorded yet. Probably as many as are recorded are
8 still unrecorded. And, yet, there's a draft cultural
9 preservation plan. This isn't how the process works.

10 As you know, our State Historic Preservation
11 Office is in disarray, we have no local officer. So
12 your comments asking for complete archaeological
13 inventory survey would really be helpful here.

14 The preservation plan, also, as it is
15 currently standing, is based on the golf course design
16 and not the value of any of the cultural landscape. And
17 most sites have never been tested for any dateable
18 material.

19 This was prepared by some citizens. These are
20 some sites in the northern 480 acres. The Draft EIS
21 says there's one site there. Citizens hiked a gulch and
22 documented and GPS'd a dozen sites, most of which
23 probably would be termed cultural sites. It's not like
24 they have to be preserved. This golf course -- this
25 gulch is gonna be impacted by a golf course. But the

1 law says you have to record them first, you can't just
2 pretend they're not there.

3 I'm sorry. This picture disappeared. This
4 was the last Akoko. Akoko used to be a very common
5 plant, a culturally important plant. There was one left
6 at Wailea 670, it was documented in 2003. It was found
7 dead in the summer of 2007. No fencing or protection
8 was ever provided for this plant. It was known by the
9 Plant Survey. It's now extinct in this habitat.
10 Fortunately, some volunteers have gathered seeds, it
11 maybe could be reintroduced, but we need to look
12 intention here. Someone needs to care for this land and
13 the great treasures that exist there.

14 The Maui County Council put a condition asking
15 that up to 130 acres be preserved for rare and
16 endangered species. This includes an endangered moth,
17 threatened plant species that are very --

18 MS. TAKAYAMA-CORDEN: Ten minutes.

19 MS. deNAIE: -- rare and other -- other
20 wildlife. This is not even being considered in the
21 Draft EIS that the whole 130 acres could be preserved.
22 Instead, rare areas like this Pili Grass area are
23 considered to be future golf course and single-family
24 homes.

25 And I'm just gonna conclude. This is a map of

1 the plants that have been discovered here. Every one of
2 those circles is a population of plants. Not a single
3 plant, but a minimum of 10. The big circles are 60, 70,
4 80, 100. And the green area is what's gonna be
5 preserved. So as you can see, we really need that 130
6 acres. That would be the green line that you see here.
7 This green line would be 130 acres.

8 If this area was a preserve and the plants
9 could choose where their habitat was, we would have a
10 very successful outcome here. But, instead, we have the
11 forest described as a remnant. Well, all of our native
12 forests are remnants now in the dryland forests. So we
13 really can't say that this is any better or worse than
14 others. It's a -- it's a very remarkable biological
15 area. We're also concerned about roads.

16 CHAIR STARR: Ms. deNaie, please wrap up.

17 MS. deNAIE: Yes. And the stepping stone
18 trails. There are unrecorded sections of stepping stone
19 trails that are dismissed as unconnected. And they're
20 gonna be incorporated as golf course features instead of
21 really given the due that they deserve in a cultural
22 landscape. They hold stories of our past.

23 So thank you for doing due diligence here.
24 There are a lot of unanswered questions. I'll give you
25 a printed out handout so it will help you in your

1 deliberations.

2 CHAIR STARR: Okay. Thank you very much.

3 Wait a second. I have a question from Commissioner

4 Mardfin.

5 COMMISSIONER MARDFIN: It goes -- it needs to

6 be -- it doesn't need to be said that you're gonna get

7 these formal things through the -- what I wanted to ask

8 was, when I was going through this, I was -- I had in

9 hand this particular document, Project Kaeo -- which I

10 think you're familiar with.

11 MS. deNAIE: I'm very familiar with it, yes.

12 COMMISSIONER MARDFIN: And I was trying to

13 figure out if that overlaps this project. And I

14 couldn't tell for sure.

15 MS. deNAIE: If you go to the last section

16 that was written by Teresa Donham, she reviews all of

17 the archaeological projects in Wailea and Makena area

18 since the 1970s, since archaeological review began. And

19 she has a section in there on Wailea 670 -- which is

20 what it was called at that time -- and delineating their

21 archaeological review. So that's a very helpful thing

22 to read because it tells you, sort of, what is left

23 undone, even at the point where that report was written

24 in 2007. It's just -- it's an archaeologically rich

25 area that's being overlooked, just as the Wailea Golf

1 Course was. And she has reviews of those, too. So you
2 can see sort of what has been found in the surrounding
3 areas. So you might find that helpful.

4 COMMISSIONER MARDFIN: Wouldn't you expect
5 that if they were doing an EIS that they would be
6 referencing this document in their EIS, or was it
7 perhaps written before this came out?

8 MS. deNAIE: Not necessarily. I mean, it is
9 available in libraries and -- and, you know, I don't
10 know if the consultants have a copy of it. It is
11 available online. It would be nice if documents like
12 this were referenced, especially Teresa's portion, which
13 is a godsend, you know, coalescing 40 years worth of
14 archaeological work into a 100-page, you know, summary
15 done by a person who is -- really has a lot of
16 expertise. But, you know, we can only hope that people
17 use the -- the knowledge that's available as a
18 reference.

19 COMMISSIONER MARDFIN: Thank you very much.

20 CHAIR STARR: Okay. Thank you very much,
21 DeNaie. Our next testifier is Claire Apana. Please
22 come forward. Maybe you should close down that
23 computer.

24 MS. APANA: Good morning, Commissioners. My
25 name is Claire Apana. And I am one of the South Maui

1 representatives for Maui Cultural Lands. And a letter
2 was sent to SHPD by Daniel Kanahele on behalf of Maui
3 Cultural Lands. And in his letter, which I'm going to
4 give you a copy of -- because there's a lot of detailed
5 information about why the AIS is inadequate. If you
6 were there at -- at the County Council hearings, you
7 would remember that they said that, well, don't worry
8 about that AIS because it's going to Planning
9 Commission. So I hope you know that it has fallen upon
10 your shoulders.

11 I remember times talking to Ann and -- Ms. Cua
12 and -- and about how little we have as Hawaiian people
13 to preserve our cultural sites and our culture. Is
14 enough to give up -- have to give up an area like
15 Honua`ula and, at the same time, to have no protection.
16 And the very few things that we have, like the AIS,
17 comes in incomplete. And we are really -- you're the
18 last -- you're the last place. We're counting on you to
19 give us a fair shake.

20 You know, sometimes you can't stop something,
21 and we've experienced that many times, but it is
22 something to have people say, I really looked at this
23 and I'm sorry that we couldn't give you what you wanted,
24 but we looked at it and we know what's here. And I
25 don't know if any of you have gone out to Wailea 670.

1 It's a really important area. It's an important phase
2 of going past where we have gone with this development
3 -- with development in that area.

4 How many of you have gone out there and
5 actually walked on that land? How many of you have gone
6 out there and walked in the dry season in that land?

7 You know, I have learned that you have to look
8 at the land and ask the land, what is it that you want,
9 what is it that you -- we should do with you here. And
10 if you were to go on that land right now, you would say,
11 oh, my God, why are they going to put golf courses and
12 that many houses here and -- because it is dry. And
13 where is that -- where will the resources come from?

14 But I wanna talk about the AIS. In the AIS,
15 they say that, in the north section --

16 MS. TAKAYAMA-CORDEN: Three minutes.

17 MS. APANA: -- they found one feature. I have
18 a map for you. And I'd like to show you what -- what
19 citizens have found who are not --

20 MS. CUA: You want me to pass it to them?

21 MS. APANA: Please. Thank you.

22 What citizens have found in this area, there
23 is such a need for more to be done. If they could go --
24 if you -- in this area, there are all these marking
25 flags, but one site. I'm not sure what to make of that,

1 you know, but there has been a pattern where they say
2 there are this many sites and -- there are 20 sites and
3 then, the next time it comes, there's 40, you know. I
4 mean -- but if you were to look at that one site -- and
5 that's just done by people who are not professionals --
6 look at how many more sites there are, just on a quick
7 glance. I ask you to take my letter, take this letter,
8 and really look at it. I ask you to defer any decisions
9 until you can read the information about why this AIS is
10 not good.

11 And the -- the very last thing I wanted to say
12 is, we had a cultural axis. And it was incredible to
13 see the lineal descendants stand up and stand forth upon
14 this land. It was like seeing who would be the chiefs
15 now. And what would they say about this land that was
16 given to them to take care of? And I would ask this
17 Commission to find out what would they say and what do
18 they think about this land. If you could make that
19 opportunity, I think, to speak to them, to walk on the
20 land with them and hear their mana`o about this place.

21 And so I -- in conclusion, I -- I thank you so
22 much for your diligence. Please read my letter so that
23 you can understand just how much is being missed and why
24 this heartache -- this heartbreak continues on. Because
25 nobody ever really looks. And this is a huge area and a

1 huge development. Please take the time to do the very
2 best you can for the citizens and go out and look for
3 yourself. Thank you very much.

4 CHAIR STARR: Thank you. Commissioner
5 Mardfin.

6 COMMISSIONER MARDFIN: My understanding is
7 that we're not making a decision today on a FONSI. What
8 we're doing today is providing comments to the people.
9 This is a Draft EIS, presumably a draft AIS within it.
10 And we're to give them comments today, and your comments
11 have to be in by June 30th, and then they can respond to
12 those things. My understanding of the process is that
13 they will then do a Final EIS, they will come back to
14 the Commission and expect us to -- I presume they're
15 going to be hoping for a FONSI at that point, finding of
16 no significant impact.

17 It's at that point that, if they haven't done
18 their duty, if they haven't answered all the questions
19 satisfactorily, that they may not get that FONSI. If
20 they haven't done their work and answered all the
21 questions, even if there's some adverse effects, if they
22 can mitigate it, then that can sometimes allow things to
23 go through. But this is the beginning of the process.
24 You don't -- you should -- at this point we're -- we
25 wouldn't be delaying anything. We are just giving

1 comments today.

2 MS. APANA: I might just ask you, Mr. Mardfin,
3 how would you be able to make comments when you're not
4 given information?

5 CHAIR STARR: I -- I really don't need to
6 have --

7 MS. APANA: But, you know --

8 CHAIR STARR: -- a back and forth.

9 MS. APANA: -- I mean, that, actually, is just
10 my point, is that it's -- it's so incomplete that I
11 don't think you can even make the comment.

12 CHAIR STARR: Okay.

13 COMMISSIONER MARDFIN: That's reason for --
14 that's the reasoning for having a comment period.
15 That's the reason for your working with the people doing
16 the -- the EIS, so those questions can be answered. I
17 have been concerned in the past about having
18 insufficient information on things that come before us.
19 But we depend on the community to -- people that know
20 the area better than we to -- to use the comment period
21 so that there is information for us by the time we get
22 to the final step of seeing the Final EIS.

23 CHAIR STARR: Okay. Thank you very much,
24 Ms. Apana.

25 MS. APANA: Thank you very much.

1 CHAIR STARR: Do we have any other testimony?

2 Oh --

3 COMMISSIONER TAGORDA: That's okay,

4 Mr. Chairman.

5 CHAIR STARR: Commissioner Tagorda?

6 COMMISSIONER TAGORDA: I was gonna ask --

7 CHAIR STARR: Yeah, go ahead.

8 COMMISSIONER TAGORDA: Point of inquiry. I
9 just wanted to make sure that opinion expressed by
10 Commissioner Mardfin is his own opinion. And I don't
11 know if it's -- it applies to this testifier is correct.
12 So I need to ask the Corp Counsel if that's okay.

13 CHAIR STARR: Mr. Giroux.

14 MR. GIROUX: What's the question? That --

15 COMMISSIONER TAGORDA: It seems that -- it
16 seems that on the communication between the testifier
17 and Mr. -- Commissioner Mardfin, there was an advice
18 that he is giving the testifier what to do about the
19 Final EIS and this other EIS. I don't know if we are in
20 a position to advise them unless (inaudible) to listen
21 to their testimony.

22 MR. GIROUX: Yeah. I don't -- I don't -- I
23 think it's -- it's accurate that if the public comment
24 period is still open that the public, you know, they --
25 they're advised that there is another venue to -- to

1 address this issue, also, on -- on top of making public
2 comment to this committee. Because it's your -- it's
3 gonna be -- at the end of the day, it's gonna be your
4 comment, this body's comment. So you're going to
5 discuss it, and then you'll say your comment to that --
6 that body that needs to then address your comments. So
7 any comments made by a commissioner during testimony is
8 not part of that process. When we close down public
9 comment, you're gonna have an opportunity to discuss
10 what you feel needs to be addressed in that document.

11 COMMISSIONER TAGORDA: Thank you. Thank you.

12 CHAIR STARR: Okay. Thank you very much,
13 Ms. Apana. Is there any other members -- Ms. Johanna
14 Kamaunu, please come forward and share your mana`o. If
15 there is anyone else wanting to testify, please sign up
16 or let us know.

17 MS. KAMAUNU: Aloha. My name is Johanna
18 Kamaunu. I reside in Waihee. And as always, my issues
19 will always take me back to how these things may affect
20 us. And I have to at least make it known that my
21 concern is how the water issue will be addressed.

22 I don't see a backup plan in the EIS. That's
23 what has been mentioned before. And I concur with that.
24 And so, because of that, I wanted to bring your
25 attention to a couple letters that were sent earlier

1 from -- let's see. Which one should I start with?
2 March 13, 2006. This is when the mayor was Arakawa.
3 And in it, I guess Mr. Carroll is asking for comment on
4 this project. And they talk about the water. And the
5 thing that I'm concerned about in this is that he says,
6 the main sources of water from this system are
7 designated -- are the designated Iao Aquifer, the Waihee
8 Aquifer, the Iao Tunnel and the Iao Waikapu Ditch. The
9 Department will not issue reservations for future meters
10 until new sources are brought online.

11 I'm worried that the new water draft plan that
12 you have will be this answer to the new sources. And
13 after the U.S.G.S. report came out, about how much water
14 is coming out of Waihee Valley, and then after
15 Ms. Thielen's statement as to how much water will be
16 allowed to flow in that valley, 60 million gallons per
17 day. We have, at the river mouth, I believe it was, 12
18 million gallons per day measured out. They're going to
19 allow only 10 million gallons per day. Nothing's built
20 yet, but the water is to be diverted out of our valley.

21 Now, this wouldn't be so much of a problem for
22 me except that I don't have enough water coming to our
23 land for our lo`is. There isn't enough right now. We
24 barely get by. You know -- and I never really thought
25 about it, because our plants still grow; however, it has

1 compromised the quality of what's growing.

2 And I'd like to say that my reasons are more
3 important than anyone else's. For me it is. I can't
4 see beyond this project in Honua`ula. I'm looking to
5 the survival of my valley. And if the survival of my
6 valley is gonna be compromised because of this project,
7 then I have serious issues.

8 So, again, Mayor Tavares also comments in a
9 letter, gee, back in 2007, agreeing that no water is to
10 come from existing services. My concern, again, is once
11 the project gets online, once everything is up and
12 going --

13 MS. TAKAYAMA-CORDEN: Three minutes.

14 MS. KAMAUNU: -- is it possible that they'll
15 come back and say, oh, there's not enough water. Now
16 the County is responsible for this project, right? Does
17 that mean you're gonna come to Waihee and get some more
18 water? Already they took the two gallons -- two million
19 gallons per day that we were supposed to have now. How
20 much more you gonna take?

21 Where is that water coming from? And I am
22 gonna respond -- I am gonna make comment. But I just
23 wanted to make sure that we're not sitting by, thinking
24 that this is gonna be okay. And I know I'm kind of way
25 over on the other side of the island, but it's gonna

1 have an impact on us. And I want you to realize that.
2 It's gonna have an impact on us. And I can't let that
3 happen. Not without a fight, anyway. Thank you.

4 CHAIR STARR: Okay. Thank you very much,
5 Ms. Kamaunu. Our next testifier is Daniel Grantham.
6 Please come up to the microphone, Mr. Grantham.

7 MR. GRANTHAM: Good morning, Commissioners.
8 My name is Daniel Grantham. And I'm speaking on behalf
9 of the Maui group of the Sierra Club. I'm passing some
10 papers around here which kind of illustrates a
11 developing tradition of making promises that sometimes
12 are -- many times are not followed up on in developments
13 in South Maui.

14 The Draft EIS you're considering is lacking
15 lots of essential information. In the first place,
16 state and local authorities have set their own
17 standards, and did not require an environmental
18 assessment to be completed before the preparation of the
19 EIS. The EA would have provided more detailed
20 information to you, the decision-makers, about this
21 project's plans along with the comments of agencies and
22 individual citizens. It would have given everyone a
23 chance to help shape this plan in a better direction.
24 Instead, a brief EIS prep notice was issued which
25 promised that all information would be forthcoming in

1 the Draft EIS. There were no comments from agencies to
2 inform the public or decision-makers. This was all
3 compressed into this one phase, making a huge document,
4 the quick turnaround time to review.

5 The Sierra Club does appreciate that the
6 applicant honored its requests to extend the comment
7 deadline to June 30th. We submitted extensive comments
8 when the EIS prep notice came out.

9 Today, we want you to -- ask you to consider
10 one important point. The EIS process is supposed to
11 examine alternatives to the proposed action. Not just a
12 no action alternative, not just a plan proposed 25 years
13 ago of alternative, but real options that can mitigate
14 expected impacts. This document does not provide you
15 with that type of analysis. Instead, you will be
16 provided with lovely artist renditions of future homes
17 and roadways and bikeways and told that everything is
18 going to be carefully done.

19 Every project makes extensive promises.
20 Here's the brochures in front of you created for Wailea
21 when it was being developed. They promised a real
22 community for local residents and tourists, a car-free
23 environment where trams serve transportation needs, a
24 school and affordable housing, protection of the
25 environment and cultural resources, and a population of

1 50,000. We all know that this is not what happened.
2 Instead, we have a very lovely resort community and golf
3 courses where few of Maui's residents could afford to
4 live, and gated neighborhoods to make sure that few can
5 enter.

6 The oceans off Wailea have declined, but no
7 one knows why. Old Makena Road and its history
8 disappeared in the resort development. 300 burials had
9 to be displaced to build one hotel. Hundreds of
10 cultural sites were destroyed. This tropical landscape
11 created in a desert consumes more than half the water
12 from the Iao Aquifer.

13 Yes, Wailea is an economic engine. Yes,
14 Wailea 670 may become an economic engine. But the
15 question remains, is there a better way to plan these
16 types of places? Are there alternatives to golf course
17 design that require minimum grading and disturbance? Is
18 there a design for Wailea 670 --

19 MS. TAKAYAMA-CORDEN: Three minutes.

20 MR. GRANTHAM: -- that could protect up to 130
21 acres as habitat for the endangered Blackburn moth and
22 the rare and threatened native plants that already
23 flourish there?

24 This document needs to show you and us, the
25 public, these choices. It needs to have maps and

1 analyses that describe and truthfully evaluate these
2 choices. Please ask to have the information you need to
3 make good decisions. Promises sound great, but who will
4 be accountable to see that they are kept? Projects like
5 this require thoughtful alternatives to choose from and
6 good conditions to ensure that important resources are
7 protected.

8 Mahalo. I am speaking for the Sierra Club,
9 Maui group. Thank you.

10 CHAIR STARR: Okay. Thank you, Mr. Grantham.
11 Any questions?

12 (Silence.)

13 CHAIR STARR: Thank you. And I like your
14 handout. I've never seen that before.

15 MR. GRANTHAM: There should be 15 copies
16 there.

17 CHAIR STARR: Okay. Thank you. Any other
18 members of the public wishing to give testimony in this
19 opening segment of our meeting, please make yourself
20 known.

21 (Silence.)

22 CHAIR STARR: Not seeing any, before we start
23 our first agenda item, we'll take a 10-minute recess.

24 ...(gavel)...

25 (Recess, 10:11 a.m. to 10:25 a.m.)

1 CHAIR STARR: ...(gavel)... Maui Planning
2 Commission meeting of June 22nd, 2010, is back in order.
3 Before we proceed with a presentation, I'll ask one last
4 time. If there is any member of the public that would
5 like to give testimony on any agenda item, please make
6 yourself known.

7 (Silence.)

8 CHAIR STARR: Not seeing any, the initial
9 public testimony portion of the meeting is now complete.
10 I now ask Mr. Clayton Yoshida, Current Department
11 Administrator, to introduce our first item.

12 MR. YOSHIDA: Thank you, Mr. Chairman, Members
13 of the Commission. Under New Business, Item 1, we have
14 a request from Mr. Charles Jencks on behalf of Honua`ula
15 Partners, LLC, for review and comments on the Draft
16 Environmental Impact Statement submitted in support of
17 the Project District Phase II application for Honua`ula,
18 a master planned community consisting of single-family
19 and multifamily homes, village mixed use area with
20 supporting commercial, open space, recreation, and
21 related off-site improvements located on approximately
22 670 acres, at TMK: 2-1-008: 056 and 071, Wailea,
23 Kihei-Makena, Island of Maui.

24 Again, the Commission is the accepting
25 authority for the EIS. So at such time in the future,

1 when the Final EIS is presented by the applicant, the
2 Commission will be asked to accept the document. But
3 for today, it's only comments.

4 And the Staff who is handling this matter is
5 our Deputy Planning Director, Ann Cua.

6 MS. CUA: Good morning, Mr. Chair, Members of
7 the Commission. I'd just like to make a couple of
8 comments before I call the applicant up to do their
9 PowerPoint presentation, which is going to be
10 approximately 20 minutes.

11 As Clayton mentioned, this Draft EIS has been
12 submitted in support of a Project District Phase II
13 application. The Planning Department received the
14 Project District Phase II application on March 9th,
15 2010, along with the Draft EIS. The Draft -- or the EIS
16 is triggered because of the use of State and County
17 rights-of-way for roadway and/or other infrastructural
18 improvements. It's also triggered because of the
19 possible development of an onsite wastewater reclamation
20 facility.

21 In terms of procedural matters, the Draft EIS
22 was submitted again to the Department on March 9th,
23 2010. OEQC published the Draft EIS on April 23rd, 2010.
24 An EIS has a 45-day comment period, unlike an EA which
25 has a 30-day comment period. And that comment period

1 deadline was on June 7th, 2010; however, the applicant
2 had agreed and notified those receiving the EIS that
3 they agreed to extend the comment period. And so they
4 have extended it to June 30th, 2010. So we are within
5 the comment period right now.

6 So at this point, I'd like to call the
7 applicant to take you through the PowerPoint
8 presentation. After that, we could have questions and
9 answers and then go into your comments. We are gonna be
10 taking the Commission's comments today.

11 CHAIR STARR: Okay. Thank you very much,
12 Ms. Cua. Mr. Jencks, welcome.

13 MR. JENCKS: Good morning, Members of the
14 Commission, Mr. Chair, Members of the Administration.
15 Name is Charlie Jencks, I'm the owner's representative
16 for Honua`ula Partners, LLC. And what we're gonna do
17 this morning is just give you -- I'm gonna give you a
18 brief introduction on the PowerPoint. And then Mr. Tom
19 Schnell, who is to my left, will take over and explain
20 the details with regard to the EIS.

21 First of all, members of the project teams are
22 here today. We have a complete list of our members of
23 the project team that have been with us since I started,
24 which was in 2001.

25 Tom Schnell is here to my left. Tom is a

1 member of the team from PBR Hawaii and did the EIS, a
2 member of the team of PBR has been there quite a while
3 and has a breadth of experience in EIS development and
4 writing and research.

5 Aki Sinoto is here. Excuse me.

6 Gwen Hiraga is here to my immediate left.
7 Gwen has been with the team since I started. Gwen is
8 with the firm of Munekiyo & Hiraga. She is a principal
9 with that firm and has had experience with the County of
10 Maui in various administrative positions.

11 Mr. Aki Sinoto is here as well. If you have
12 questions with -- with regard to archaeological aspects
13 of the project or the AIS specifically, please feel free
14 to ask for Mr. Sinoto to give you any information he has
15 or clarify any points that have been made earlier today.

16 Also here is Mr. Kimokeo Kapahulehua. Kimokeo
17 and I have been friends for almost two decades. I asked
18 him to become a member of the project team in 2001 with
19 folks like Hokulani Holt-Padilla, Clifford Naoli and
20 others, Uncle Les, to name the project. So he has been
21 on board for as long as I have and has been a key member
22 of the -- of the cultural team for the project. And he
23 is with us today from Hana Pono. Hana Pono did the
24 Cultural Impact Assessment for the project. Hana Pono
25 also includes Mr. Kalei Kawaa, who has been also very

1 helpful in the cultural aspects of the project.

2 Mr. John Ford is here today from SWCA
3 Environmental Consultants. John can answer any
4 questions you may have with regard to the botanical or
5 wildlife issues, specifically those brought up by
6 Ms. deNaie with regard to native plants and the native
7 plant preserve area.

8 Steve Dollar, a highly respected marine
9 consultant, marine water, water quality. He's been
10 doing work in the area off-shore Wailea and Makena for a
11 number of years, certainly for us, and, also, Wailea
12 Resort and Makena Resort. He's very knowledge in the
13 area of marine resources and marine water quality. He
14 is here as well.

15 We have Tom Nance who is our hydrologist. If
16 you have questions with regard to the Kamaole Aquifer,
17 the projections made for the project, the source of the
18 water, the capability of the system that we're
19 developing, he'll be happy to answer your questions. I
20 can answer any questions relative to the conditions with
21 regard to the use of this water and how we've been
22 directed by the Council on a private water system.

23 With regard to traffic, we have Mr. Keith
24 Niiya from ATA. I think Austin Tsutsumi & Associates
25 have done every traffic report in South Maui that's of

1 any value, including those for the County of Maui, State
2 of Hawaii, Makena Resort, Wailea Resort and, certainly,
3 Honua`ula. So Keith is here to answer any questions you
4 may have with regard to traffic.

5 Some of you may be interested in the economic
6 aspects of the project. Mr. Tom Holliday from the
7 Hallstrom Group, who's with us today, he can also answer
8 any questions you may have with regard to economics.

9 And last but not last, we have Mr. Barry
10 Toyota and Lance Oyama from Wilson Okamoto Engineering,
11 the civil engineers for the project, drainage issues,
12 roadway, those kinds of issues. They would be happy to
13 answer any questions you may have.

14 Last, we have -- I hope we have someone here
15 from Brown & Caldwell. If not, I can cover that with
16 regard to the wastewater treatment plants and the
17 options that we're talking about with regard to Makena
18 Resort and using their plant or the onsite plant.

19 So it's just a little bit of background here.

20 Next slide.

21 The project, as you are probably aware, is
22 located above Wailea Resort. It's 670 acres. It has
23 been named Honua`ula since 2001. To the left of the
24 project is Maui Meadows. We share a common boundary.
25 On the mauka side, it is Ulupalakua Ranch. And to the

1 south, we have the Makena Resort property. And then on
2 the makai side, of course, Wailea Resort.

3 That -- if you can just go back one second.
4 The right-of-way that transits through the property is a
5 lot that was reserved by Ulupalakua Ranch. We have
6 access and easement rights over that, that corridor.
7 The State right-of-way for the Piilani Highway extends
8 into the property just about where you see the H. Right
9 there is the limit of State highway in the project. The
10 balance of it is owned by Ulupalakua Ranch.

11 Next.

12 We have two parcels totaling 670 acres.
13 Elevations vary from 320 to 710 feet above mean sea
14 level. Slopes 10 to 12 percent. And the existing uses
15 have been and are, it's vacant, open land. We've had
16 some cattle grazing on the property. Wailea Resort has
17 built a water tank, a one-and-a-half-million-gallon
18 water tank on the property that they're going to
19 dedicate to the County of Maui as soon as the
20 subdivision work is finalized.

21 Next.

22 Okay. The project today has zoning. It is in
23 compliance with the State Land Use designation of Urban,
24 which it had since the early nineties. It has been
25 consistent with two community plans. Certainly the most

1 current community plan identified it as Project District
2 9. The zoning which is approved in April of 2008 is in
3 the County ordinance as District -- excuse me -- as
4 Section 19.90A. So -- and then we are consistent as
5 well with the current Maui Island Plan. We are -- we
6 are contained within the Urban Growth Boundary as
7 projected by the -- by the Administration and the Maui
8 Island Plan.

9 And that includes -- we have consensus from
10 the General Plan Advisory Committee, the Maui Planning
11 Commission and the Planning Department on that boundary
12 alignment. These are some pictures from the property
13 toward the ocean, looking to the south to Puu Olai and
14 looking towards Haleakala Crater.

15 Some of the native plants that exist on the
16 site, as well as an east-west rock wall, post-contact
17 cattle wall. This is a Jeep trail that travels more or
18 less north to south in the Makena Resort direction on
19 the property.

20 The master plan is comprised of 670 acres.
21 You can see different colors on the map. And we're
22 gonna kind of run through those mixed uses for you as we
23 show you the details.

24 Up to 1,150 homes are permitted on the
25 project. This includes any ohanas. It's a maximum of

1 1,150 dwelling units. Single and multifamily housing
2 for a range of consumer groups. Workforce homes in
3 accordance with Chapter 2.96. We are required to build
4 450 onsite affordable homes in compliance with that
5 ordinance. Mixed uses and commercial uses. We have
6 100,000 gross square feet of (inaudible) commercial on
7 the property to serve the property. We have emphasized
8 smart growth principles by locating the commercial areas
9 close to residences and providing alternative routes and
10 open space in the project for those that live in the
11 property.

12 We have one 18-hole homeowner's golf course.
13 We have a clubhouse planned for the property. There's
14 about 12 miles of bicycle and pedestrian networks and
15 pathways on the project, as well as parks, open space,
16 native plant areas, buffer zones for adjacent properties
17 and the highway. And we also have a site for future
18 use. The fire station site is located adjacent to the
19 Piilani Highway Extension. It's a two-acre site that
20 will be dedicated to the County of Maui at 50 percent
21 buildout of the project.

22 The parcels you see on this map are those that
23 are single-family. And you will note that they're on
24 the mauka side of the project, up at the top, adjacent
25 to Ulupalakua Ranch, for the most part. The multifamily

1 are lower down. And that's simply because the land is
2 easier to build on and you have them -- you eliminate
3 the issues with regard to building heights and conflicts
4 with view.

5 The VMX District is a total of 53 acres. This
6 is the district within which all the commercial uses are
7 located. And those circles that you see on the map kind
8 of take time and distance. The smaller circles
9 surrounding those areas is a quarter mile, which is
10 about a five-minute walk, then you go up to a half mile.
11 So you can understand the distance and time
12 relationships between those uses and the property.

13 This category includes recreation and open
14 space and utility district which includes the golf
15 course areas, the gullies, the native plant preservation
16 areas of different types. We have conservation, native
17 plant preservation there that's highlighted. Then a
18 native plant conservation area that provides additional
19 protection of native plants, totaling about 143 acres on
20 the property.

21 This is the plan in total. Once again,
22 combining all those uses into one concept plan. On the
23 lower right, the purple area is the proposed onsite
24 wastewater treatment facility that would use gravity to
25 flow down to that plant for treatment, then transfer

1 back into the project for total irrigation use within
2 the project.

3 This table summarizes the land uses and the
4 categories, Single-Family, Multi-Family, Village Mixed
5 Use, and Recreation, Open Space/Utility gives you the
6 acreage numbers, 179, 149, et cetera, for a total of
7 670. And then unit counts within those various
8 districts. You can see Single-Family, 447 units;
9 Multi-Family, 57; and 646, for a total of 1,150 units in
10 the project.

11 Now Tom Schnell will take over and provide you
12 the details on the EIS. And once he's complete, any
13 questions you may have for me, I'd be happy to answer
14 them.

15 MR. SCHNELL: Good morning. My name's Tom
16 Schnell. I'm a planner with PBR Hawaii. I have a
17 master's degree in urban and regional planning. And I
18 have been preparing EIS documents for approximately 10
19 years, including several on Maui.

20 I'm gonna briefly go through the EIS contents.
21 You may have questions afterwards, but let me go through
22 the highlights. And some of it might be dry, some of it
23 might be a little more exciting, but let me get through
24 it.

25 I wanted to say a little bit about the

1 process. The EISPN public comment period was from March
2 8th, 2009 to April 7, 2009. Subsequent to that, we also
3 submitted a Final EA/EISPN for public comment. And that
4 was September 18th, 2009 to October 7th, 2009. Right
5 now, we've submitted the Draft EIS. And over 90 copies
6 have been distributed to various groups and agencies,
7 also, the libraries, Maui Community College, Kula, Kihei
8 Libraries. Public comment on the EIS was from April
9 30th -- sorry -- April 23rd to June 7th; however, we've
10 voluntarily extended the comment period to the end of
11 this month.

12 A little bit on the content. I'm very
13 familiar with the content requirements of an EIS. I've
14 done many EIS's. Let me just briefly go through the
15 content requirement as required by the EIS rules.

16 The EIS contains a summary sheet, it contains
17 a table of contents, it contains the statement of
18 purpose and need, it includes a project description, it
19 does include discussion of project alternatives. It
20 includes a description of the environmental setting,
21 impacts and proposed mitigation measures. It includes a
22 statement of the relationship of the proposed action to
23 land use plans, policies and controls to the affected
24 area. It also has a description of the relationship
25 between the local short-term uses of the environment and

1 long-term productivity, a description of irreversible
2 and irretrievable commitments of resources, discussion
3 of probable inverse environmental impacts which cannot
4 be avoided, mitigation measures, summary of unresolved
5 issues, a list identifying all government agencies and
6 other organizations and private individuals consulted,
7 and disclosures of persons and firms and agencies who
8 assisted in the preparation of the EIS. These are the
9 -- pretty much the outline of what's required for an EIS
10 per the EIS rules.

11 In addition to the EIS content requirements,
12 this -- this EIS also serves as the Project District
13 Phase II application. So packaged together with the EIS
14 are additional information that's required as part of
15 the Phase II application.

16 And one section that's really important is
17 discussion of compliance with the conditions of zoning.
18 There's an extensive discussion listing all of the -- I
19 think it's 30-plus conditions of zoning that came to the
20 Council, and how we're complying with each of those
21 conditions. So I do urge you to read that section,
22 please.

23 We also have design guidelines and building
24 elevations that were reviewed by the Urban Design Review
25 Board at the beginning of this month. And we have a

1 landscape master plan that was also reviewed by the
2 Urban Design Review Board.

3 Technical studies, I won't -- I won't go
4 through this whole list, but as -- it kind of summarizes
5 what Charlie was talking about before. We do have our
6 technical consultants that contributed to specific
7 studies to the EIS. The studies are all included as
8 appendices to the EIS. That's why the EIS, when
9 printed, is over three volumes.

10 Consultation: Charlie's been on this project
11 for over 10 years. He's met with many, many peoples
12 and -- and groups over that time in connection with the
13 project. State of Hawaii agencies, County of Maui
14 agencies, federal agencies and private organizations.

15 Just to point out a few of the private
16 organizations, Charlie has met with the Maui Meadows
17 Homeowners Association to talk about the buffer areas,
18 Kihei Community Association, Wailea Community
19 Association, also, Maui Tomorrow and the Sierra Club
20 Charlie has met with. And he's had extensive
21 discussions with Na Kupuna o Maui, too.

22 Okay. A little bit on the summary. I just
23 want to highlight some of the main areas that you've
24 heard testimony on before and just tell you how it's
25 included in the EIS.

1 On botanical resources, I think it's very
2 important to note that there are no federal, state or
3 endangered plant species on the area. There are many
4 native plants, but none of these are threatened or
5 endangered plant species.

6 Five vines of the candidate species of
7 Awikiwiki have been found on the site. 143 acres will
8 be set aside for native plant preservation. Of this 143
9 acres, 22 acres will be in a native plant conservation
10 -- sorry -- native plant preservation area. And this
11 will be set aside in an easement area to be preserved
12 perpetually. The native plant preservation area
13 includes the highest density of characteristic plant
14 species in the area, including all the Awikiwiki vines.

15 The native plant preservation is in compliance
16 with Condition 27, subject -- subject to the review of
17 the U.S. Fish and Wildlife Service, the U.S. Army Corps
18 of Engineers and DLNR. And they have the EIS and
19 they're considering the EIS at this point.

20 I think it's also important to note that no
21 efforts have been made by any -- sorry. No efforts have
22 been made by any federal, state or local government
23 agency or conservation organization to acquire or
24 protect any portion of the property.

25 This -- this slide highlights the areas that

1 are set aside for the long-term survival of native
2 plants.

3 Let me go back a little bit. This is the
4 native plant preservation area. This is the 22 acres.
5 These are the native plant conservation areas. The
6 difference between the conservation area and the
7 preservation area is that this portion is set aside in
8 easement. The conservation areas are not in an
9 easement, but they won't be graded and they'll be
10 preserved for native plants. But there's no grading.
11 So the only difference is that this is set aside as an
12 easement. There is also conservation areas along the
13 golf course here and down here.

14 This table just summarizes the various areas
15 of native plants. We talked about the native plant
16 preservation area, the native plant conservation areas.
17 In addition, there's the naturalized landscape which is
18 reintroduction of native plants to the landscape.
19 Natural gulches will be preserved as they are. And
20 out-planting areas for native plants, areas dedicated to
21 the propagation of native plants.

22 Regarding wildlife resources, we don't expect
23 any significant impacts to endangered species. There
24 has been evidence of the endangered Blackburn sphinx
25 moth on the property; however, this was limited to the

1 non-native plant species. I think it's called the
2 Nicotiana plant that they -- that they like to eat.

3 A single endangered Hawaiian Hoary Bat was
4 identified flying over the property, but there was no
5 evidence of roosting or foraging. No other federal,
6 state -- or state endangered or threatened animal
7 species were known to exist on the property -- or known
8 to nest. Excuse me.

9 A multi-species habitat conservation plan will
10 be prepared per the Endangered Species Act and in
11 collaboration with DLNR and U.S. Fish and Wildlife
12 Service. The species covered in this plan will include
13 the Blackburn Sphinx Moth, the Hawaiian Hoary Bat, water
14 birds attracted to features on the property, the Nene,
15 and the Awikiwiki vine.

16 If I could just pause for a minute. Does this
17 work?

18 MS. CUA: Yeah.

19 MR. SCHNELL: Yeah?

20 MS. CUA: Test.

21 MR. SCHNELL: Okay, thank -- thank you.

22 Regarding archaeological resources -- can you
23 hear me? Is it still working? Yeah? Okay. A
24 comprehensive Archaeological Inventory Survey has been
25 conducted, no burials have been found. There are 40

1 archaeological sites recorded within the property.
2 Permanent in-place preservation is recommended for 15
3 sites with an emphasis on preserving complexes of sites.
4 Many of these preserved sites are incorporated within
5 the native plant preservation, native plant conservation
6 areas. Data recovery is recommended for 18 sites. No
7 further work is recommended for seven sites.

8 There has been a Cultural Resources
9 Preservation Plan, which is an additional plan that was
10 required by the conditions of zoning. It's in addition
11 to a CIA and a Archaeological Inventory Survey. And
12 this Cultural Resources Preservation Plan recommends
13 short and long-term preservation measures, including
14 buffer zones.

15 The revised Archaeological Inventory Survey
16 has been submitted to Historic Preservation Division and
17 is pending approval. Contrary to what you may have
18 heard before, we are following all processes regarding
19 archaeological resources. And one of those processes is
20 submitting the Historic Preservation -- sorry -- the
21 Archaeological Inventory Survey to Historic
22 Preservation.

23 Regarding cultural resources, the Cultural
24 Impact Assessment concludes that there are no known
25 gathering practices or access concerns. The Cultural

1 Impact Assessment recommends cultural sites and native
2 plants be incorporated into Honua`ula, which we are
3 doing, mauka-makai trails to be incorporated into the
4 master plan, which have been incorporated. And the
5 Cultural Resources Preservation Plan incorporates the
6 findings of the Cultural Impact Assessment and the
7 Archaeological Inventory Survey.

8 This is a slide showing the trails network for
9 those various different types, levels and -- and degrees
10 of trails. There's a trail going this way. But the
11 main -- there's over 12 miles of trails. The goal of
12 the trails is to connect residential to shops, parks and
13 other areas that the residents want to be able to walk
14 to, to provide an alternative to driving. As I
15 mentioned, there's a scenic trail around the golf
16 course, there's a cultural nature trail around the
17 preservation area, and gulch trails to provide
18 mauka-makai connections.

19 Regarding roadways and traffic, it's projected
20 that traffic's gonna increase in the area even if
21 Honua`ula is not built. However, Honua`ula will pay for
22 and build significant traffic improvements that address
23 regional traffic growth as well as traffic specifically
24 related -- as well as traffic specifically related to
25 Honua`ula.

1 Some of the things that the project will be
2 doing is -- to address regional traffic is Piilani
3 Highway will be widened to four lanes from Kilohana
4 Drive to Wailea Ike Drive. The intersection of Wailea
5 Alanui and Wailea Ike Drive will be modified. There
6 will be signals at Piilani Highway and Okolani Drive,
7 we'll modify the Piilani Highway/Kilohana Drive
8 intersection. And we'll also provide a contribution of
9 \$5,000 per unit, totaling \$5.75 million, to the County
10 for traffic improvements.

11 Regarding the water system, the water system
12 will not use County water. It'll be a dual private
13 water system to provide potable and non-potable water.
14 For potable supply to be provided -- will be provided by
15 desalination of brackish groundwater. Non-potable water
16 will be used for all irrigation, including the golf
17 course and all residential lots.

18 The project has four existing wells, two
19 onsite and two north of Maui Meadows. Let me go back
20 here. The onsite wells are here. The offsite wells are
21 here north of Maui Meadows. I should note that the
22 offsite wells are within the Kihei Community Planned
23 region.

24 Regarding the water system, the regulatory
25 sustainable yield of the Kamaole Aquifer is set at 11

1 million gallons per day. Recent and more sophisticated
2 detailed studies, including by the U.S.G.S., indicate
3 that the regulatory sustainable yield significantly
4 underestimates the aquifer's actual sustainable yield.

5 Performance of existing wells also demonstrate
6 that the aquifer's actual sustainable yield is
7 underestimated. Current pumpage of the aquifer is about
8 four million gallons per day, a small fraction of the
9 aquifer's actual sustainable yield.

10 Locations and spacing of the project's wells
11 will provide operational flexibility to minimize
12 down-gradient impacts.

13 Wastewater system, there's two alternatives.
14 The first and preferred alternative would be to
15 transport wastewater to the Makena Wastewater Treatment
16 Plant for treatment and then return that to the property
17 for use as golf course irrigation. The Makena
18 Wastewater Treatment Plant is here, and our proposed
19 alignment is this way. Alternative 2 is an onsite
20 wastewater treatment plant which would be located in
21 this corner down here. All wastewater will be treated
22 to R-1 standards and used for golf course irrigation
23 under either alternative. There will be no injection
24 wells used to dispose of any wastewater.

25 Regarding drainage, this map shows the

1 location of proposed detention basins. There's 27
2 located throughout the project. With these detention
3 basins, there will be no increase in the rate of
4 stormwater leaving the property compared to existing
5 conditions. No adverse effect on groundwater,
6 downstream properties, or marine waters as the detention
7 basins will decrease nutrient and sediment loading to
8 the ocean.

9 Regarding energy efficiency and water
10 efficiency, Energy Star appliances and fixtures
11 throughout the project, solar water heating systems for
12 all residential units, that includes multi-family, which
13 exceeds the State's requirements, low-impact lighting,
14 energy-efficient building design.

15 Water efficiency: Non-potable water to be
16 treated for potable use; non-potable water for all
17 irrigation; recycled wastewater for golf course
18 irrigation; computer-monitored golf course irrigation;
19 climate-adapted plants for landscaping; no single-pass
20 cooling; and low-flow fixtures and devices.

21 The summary of benefits -- getting towards the
22 end here -- a master-planned community with a range of
23 housing types; workforce housing in accordance with the
24 County Code; homes near regional employment centers such
25 as Wailea Resort, making it easy for people to get back

1 and forth to work; significant regional traffic
2 improvements; preservation of natural and cultural
3 resources.

4 Regarding economic benefits, I think the most
5 significant slide in this -- in this whole series
6 here -- I have two slides, but this is -- the top number
7 is \$1.2 billion in direct capital investment into the
8 Maui economy during the 13-year buildout period. I
9 don't know any other source or industry that is bringing
10 that much money into the economy of Maui over this
11 amount of time.

12 Let me just skip through some of these.

13 There's 518 permanent full-time equivalent
14 jobs after completion, earning over \$19 million in wages
15 per year. 500 million in discretionary expenditures by
16 residents and guests. Over 81 million in County
17 property tax revenue during buildout and over \$7 million
18 annually thereafter. The project will pay in the range
19 of \$29 million in development fees and various fees.
20 The project will contribute five million for the South
21 Maui Community Park. Two acres of land will be
22 dedicated to the County for a new fire station. And
23 \$550,000 will be contributed to the County for a new
24 police station.

25 Major approvals needed: Compliance with

1 Chapter 343, that's one of the reasons why we're here
2 today; Project District Phase II and Phase III Permit
3 Approvals; National Pollutant Discharge Elimination
4 System Permit; Subdivision Approval; and grading and
5 building plans.

6 And just to wrap it up, as I summarized
7 before, at the beginning, the Draft EIS has been
8 prepared in compliance with all EIS rules and laws. The
9 Draft EIS process has allowed for public comments, and
10 the comment period has been extended to June 30th.
11 We're here for your comments. We welcome your comments
12 and questions. The Final EIS will include all written
13 comments received and written responses to those
14 comments.

15 And if I could just clarify one point that I
16 think Commissioner Mardfin made. This is -- we're here
17 for an EIS, which Ann kind of clarified is different, a
18 little different from an EA. The EA usually has a
19 30-day public comment period. And the end result of an
20 EA is what you call a finding of no significant impact,
21 a FONSI. But for an EIS, the process is somewhat
22 different. The comment period is longer, and the task
23 of the Commission is to find that the EIS is either
24 adequate or inadequate in disclosing specific impacts,
25 but it's not to say that the project will have no

1 significant impacts.

2 So for larger projects, applicants usually do an
3 EIS. And that's -- that's stating up front that we
4 acknowledge that there may be some impacts, but have
5 those impacts been adequately disclosed.

6 Thank you.

7 CHAIR STARR: Okay. Thank you, Mr. Schnell.
8 Can you put back the slide that shows the various
9 consultants who are on the project that might be here
10 today?

11 MR. SCHNELL: Sure.

12 CHAIR STARR: And now is an opportunity for
13 Members to ask questions of the applicant and all of
14 these different members of the project team. Who would
15 like to begin? Commissioner Mardfin.

16 COMMISSIONER MARDFIN: Thank you for
17 clarifying that. I was under a mis -- misconception of
18 what we were supposed to be doing and where we were
19 going with this, but let me still get it clarified. Is
20 it that we give you comments today on the EIS?

21 MR. SCHNELL: Correct.

22 COMMISSIONER MARDFIN: You'll still take
23 public comments up until June 30th on the EIS?

24 MR. SCHNELL: Yes.

25 COMMISSIONER MARDFIN: You will then be

1 preparing a Final EIS?

2 MR. SCHNELL: Yes.

3 COMMISSIONER MARDFIN: That will come back to
4 this body?

5 MR. SCHNELL: Yes.

6 COMMISSIONER MARDFIN: And even though you're
7 not gonna be asking for a FONSI, you're gonna be asking
8 for what?

9 MR. SCHNELL: We'll be asking for your
10 acceptance of the EIS. And as part of that acceptance,
11 I think your deliberation will be, have we adequately
12 responded to all of the comments.

13 COMMISSIONER MARDFIN: And then you ask for
14 Phase II approval?

15 MR. SCHNELL: Right. That's a separate
16 process through the County process. The EIS is a State
17 process, under State law, basically.

18 COMMISSIONER MARDFIN: Does Phase II come to
19 us?

20 MR. SCHNELL: Phase II will come to you.

21 COMMISSIONER MARDFIN: We have to approve it?

22 MR. SCHNELL: Yes.

23 COMMISSIONER MARDFIN: Or not approve it?

24 MR. SCHNELL: Yeah.

25 COMMISSIONER MARDFIN: Okay. Because that was

1 a little unclear in Volume 1, on Page -- give me a
2 second. Sorry. You had -- Page 14, you had a table
3 which said -- in the second line, it says Project
4 District Phase II, you just put Maui Planning
5 Department. That should also include Maui Planning
6 Commission?

7 MR. SCHNELL: That's correct. Yeah, I'm sorry
8 about that.

9 COMMISSIONER MARDFIN: No problem.

10 MR. SCHNELL: We can make that change.

11 COMMISSIONER MARDFIN: Thank you.

12 CHAIR STARR: I just want -- I had a comment
13 and possibly a question regarding the process. And to
14 try to clarify, a lot of times an applicant will provide
15 an environmental assessment. And to my understanding,
16 the environmental assessment, when it goes to the
17 reviewing agency, if it has no significant impacts, then
18 it's accepted with a finding of no significant impacts.
19 If there are impacts, then that creates a need for an
20 EIS, which is a more complete document. And in this
21 case, it went straight to an EIS. But what wasn't
22 stated is that if there are impacts, then the document
23 also should include mitigation measures. And if there
24 are -- is insignificant mitigation, then I'm not exactly
25 clear what the options to the accepting agency are. And

1 I ask Ms. Cua to respond to that.

2 MS. CUA: Well, as Tom mentioned, I was
3 actually gonna make that comment as well, about the
4 difference between the EA and the EIS in terms of, with
5 an EIS, you are being asked, at the final, to accept the
6 document. As Tom also mentioned, you know, it is a
7 disclosure document. And I think in the PowerPoint, one
8 of the -- on one of the slides, it mentions that there
9 are gonna be impacts that were not anticipated that
10 maybe are not gonna be able to -- to be addressed. And
11 that's where, through your -- through your permit, when
12 you issue -- when you review your Project District Phase
13 II application, you know, you're able to place
14 conditions on the project.

15 CHAIR STARR: So in a hypothetical case, say
16 there were a project that, you know, was going to, say,
17 pollute the air in a very terrible fashion, and there
18 was an EIS that talked in depth about how it was going
19 to pollute the air, and then an accepting agency was
20 looking at the document, and it was going to have severe
21 bad impacts in polluting the air, in that case, then is
22 it still correct, if the document's complete, for the
23 accepting agency to accept it, knowing that, you know,
24 there is this bad thing going to happen and -- but to
25 accept it without mitigation of that problem, knowing

1 that, at that point, it's created a tool to use during
2 other portions of the process?

3 MS. CUA: Well, first of all, I don't believe
4 an EIS document can just state that there's gonna be all
5 these impacts and not address either alternatives or
6 mitigation. So the document should, first of all, not
7 even go there. I mean, it has to address alternatives,
8 it has to address mitigation measures. The accepting
9 body has to decide if they feel that enough has been
10 disclosed, if -- if there's been alternatives.

11 I mean, they talked about their wastewater
12 treatment, they have a couple of alternatives there. Do
13 they feel that -- do you feel -- or anybody feels that
14 there were enough -- enough alternatives discussed or
15 mitigative measures offered to be in place to take care
16 of these impacts. But if there are still some that are
17 unresolved, then, yes, the document could be resolved --
18 I mean, could be accepted.

19 CHAIR STARR: Okay. Members, any other
20 questions on the process? Commissioner Tagorda.

21 COMMISSIONER TAGORDA: Yeah. This is for
22 Mr. Tom Schnell. Good morning, sir. Bear with me.

23 MR. SCHNELL: Good morning.

24 COMMISSIONER TAGORDA: Maybe this question
25 might be some kind of germane, but I'll try. You

1 mentioned that you have experience of 10 years in the
2 preparation of EIS.

3 MR. SCHNELL: Yes.

4 COMMISSIONER TAGORDA: And if someone
5 challenged your expertise and knowledge and based on the
6 information that you put in, in this EIS, Draft EIS,
7 would this -- can you stand scrutiny and probably --
8 what happen is we accept this Draft EIS, okay --

9 MR. SCHNELL: Uh-huh.

10 COMMISSIONER TAGORDA: -- as a valid EIS, and
11 then a group or someone brings it to court, what will
12 happen to the accepting authority, like the Planning
13 Commission, if that's been thrown out, they challenge
14 your expertise that the information you provided in the
15 EIS is inadequate or incomplete?

16 MR. SCHNELL: Well, let me first say, I've
17 never had an EIS that was not accepted. But my
18 understanding of the process is that after the EIS is
19 accepted, a notice is published in the OEQC Bulletin
20 specifying that it has been accepted. Then there's a
21 60-day challenge period where somebody can, basically,
22 challenge the decision of in this case the Planning
23 Commission to say we don't agree with your acceptance of
24 the EIS, and they would state their reasons. And that
25 goes to a court, I'm not exactly sure what court, but

1 the court would decide whether the case has merit or
2 whether maybe you didn't consider everything or maybe
3 the EIS should have included more information than was
4 presented.

5 COMMISSIONER TAGORDA: Okay. It's not more of
6 acceptance by this Commission, but it's about the
7 information which is incomplete or inadequate in that
8 Draft EIS. That's why it was -- it went to court.
9 Because I know one EIS about the airport that was thrown
10 out.

11 MR. SCHNELL: That could happen, right. I
12 mean, I try to do the best job that I do -- that I can.
13 Like I say, I've never had one that was challenged or
14 thrown out, although that could happen. And your review
15 would be to look at the EIS requirements and make sure
16 that, you know, what we're saying is accurate and that
17 it does meet all of those requirements.

18 COMMISSIONER TAGORDA: Thank you. Thank you.

19 CHAIR STARR: Yeah. And just -- I do want to
20 pass this on to Corp Counsel, but my understanding is,
21 is that there is not culpability on the part of the
22 accepting body as long as they're acting in good faith.
23 I mean, if they were acting out of business interests or
24 something like that, then there might be, yeah.
25 Mr. Giroux?

1 MR. GIROUX: Yeah. The courts would look at
2 the decision as an administrative decision. So they
3 would give you a lot of deference as far as in your
4 expertise. But if -- you know, if the document is just
5 completely absent of information that you should have
6 asked for, then the courts would just say, well, this is
7 deficient and they would send it -- they would -- your
8 decision to accept it would be nullified, the developer
9 would have to go back, augment that section, and then
10 bring it back to you to see if that has been cleared.
11 It's, basically, a remand process, not a -- not a 19.83
12 action where you're held liable for the destruction of
13 the environment. The document is reviewed by you, then
14 by the courts, and then, if it's insufficient, it would
15 come back to you again.

16 COMMISSIONER TAGORDA: Okay. Thank you.

17 CHAIR STARR: Okay. Now let's move on to
18 questions on the -- on the document. I do want to
19 comment, we will be breaking for lunch at 12:00. We
20 have a workshop from 1:00 to 2:00 on small towns and
21 economic viability by the PUMA Group, who are in town,
22 on a Wailuku project. And so if we don't finish by
23 noon, we would be continuing at 2:00.

24 Anyway, Members, who's got questions?
25 Commissioner Shibuya.

1 COMMISSIONER SHIBUYA: Okay.

2 CHAIR STARR: You've been quiet so far today.

3 COMMISSIONER SHIBUYA: Thank you very much.
4 My first thought, I will start off with your first item
5 here, would be groundwater resources. And I was
6 concerned in terms of the offsite wells and who owns
7 them and how is this total infrastructure operating. Is
8 it County-owned or being turned over to the County, or
9 it would be a private water provider? And how -- how
10 salty is the saltwater?

11 MR. SCHNELL: Okay. Let me try to answer some
12 of the easy questions and then I can --

13 CHAIR STARR: Take them one at a time.

14 MR. SCHNELL: Yeah, okay. It's a private
15 system. There's two wells onsite that are owned by
16 Honua`ula Partners. There are also two wells offsite
17 currently that are owned -- on land owned by Haleakala
18 Ranch. The whole system is envisioned to be a private
19 system.

20 And I need to bring Charlie up to maybe
21 explain some of the other aspects, and maybe our water
22 hydrologist, Tom Nance, to explain some of your other
23 more technical questions.

24 CHAIR STARR: Yeah. Mr. Jencks and maybe
25 Mr. Nance as well.

1 MR. JENCKS: Thank you, Mr. Schnell.

2 What Tom just told you is correct. There are
3 two wells onsite that are owned -- that were drilled in
4 the early nineties and tested extensively, owned by the
5 partnership. The two wells that are -- well, the source
6 for the domestic supply for the project will be -- will
7 be developed on land owned by Haleakala Ranch. Early on
8 in the permitting process, we tried to figure out how we
9 would serve this project with -- with municipal water
10 from the County of Maui. It was clear that that was not
11 ever going to happen in -- in the next decade. And we
12 decided to go with a private system.

13 We went to Haleakala Ranch and we have
14 reserved a water source development area which is about
15 1,000 feet wide, running from the northern edge of Maui
16 Meadows north nearly to the Kihei Wastewater Treatment
17 Plant, below the 600-foot elevation. So that Haleakala
18 Ranch owns that land, we have the right to develop water
19 in that water source development area. Two wells have
20 been drilled successfully, about 1,000 feet north, as I
21 recall, from Maui Meadows. The balance of the wells
22 would continue north in that water source development
23 area. The source has been established. Tom can, of
24 course, tell you more details about the quality and --
25 and the pumping process, but that source has been

1 identified, it has been reserved in agreement with
2 Haleakala Ranch. And we will continue that -- to
3 develop that source as needed for the project.

4 COMMISSIONER SHIBUYA: Okay.

5 CHAIR STARR: Before you continue, I just want
6 to comment that, right now, we're asking for -- we're
7 asking questions to get clarification, but any questions
8 or comments we make right now won't necessarily be added
9 into the document as comments. So if you ask a question
10 and you feel that either the question or the answer
11 should be asked as part of the process, be sure to write
12 it down and add it in later when we take the comments.
13 Commissioner Shibuya, please proceed.

14 MR. JENCKS: I would just add one comment.
15 And that is that, by condition, the project has to
16 develop a private water source for the project. We are
17 not allowed to use any municipal water in this project,
18 so it has to be a private system.

19 COMMISSIONER SHIBUYA: Okay. Thank you. And
20 is that well -- that's two wells and Haleakala Ranch, is
21 that located in the Kula District or is that located in
22 the Maalaea -- I mean Makena-Wailea area?

23 MR. JENCKS: They were both sited and survey
24 located in the Kihei-Makena Community Plan District.

25 COMMISSIONER SHIBUYA: Okay. And in terms of

1 capacity -- I'm going to get to design afterwards --
2 capacity for each of those four wells -- and these, I
3 assume, would be fresh water that you don't have to
4 treat, or, if you do treat, there will be minimum
5 treatment for drinking.

6 MR. JENCKS: It's our expectation -- well, Tom
7 can address the current chloride mix in the wells today,
8 but it's our expectation that these will -- these wells,
9 once used and pumped, will progressively get more
10 brackish. They are -- I think both of them today are
11 potable, meaning less than 250 milligrams per liter of
12 chloride. They will continue to get more brackish. And
13 that's why our domestic treatment center will rely on
14 reverse osmosis to create domestic water for the
15 project.

16 COMMISSIONER SHIBUYA: Okay. And I'll get to
17 the energy part later on.

18 MR. JENCKS: Sure.

19 COMMISSIONER SHIBUYA: Okay. In terms of the
20 size, now, because it starts getting brackish and salty,
21 that tells me that the lens is diminishing. And, yet,
22 you're saying that there is adequate supply of water.

23 MR. JENCKS: I'll have Mr. Nance come up and
24 address those concerns.

25 COMMISSIONER SHIBUYA: Okay.

1 CHAIR STARR: Please introduce yourself for
2 the record.

3 MR. NANCE: I'm Tom Nance of Tom Nance Water
4 Resource Engineering. I'm not sure what your question
5 is.

6 COMMISSIONER SHIBUYA: Okay. What I'm after
7 is, I assume that the wells would be fresh water, but,
8 as you draw on it, it becomes more salty or less
9 potable.

10 MR. NANCE: The wells are -- are not fresh
11 water. The two onsite wells, when they were initially
12 developed and through a short-term pump test, had
13 chloride levels that were right at the boundary between
14 potable, 250 milligrams free of chlorides. Since that
15 time they have been pumped, every once in a while we've
16 run tests on them, and the chlorides are actually closer
17 to 300 milligrams per liter. People use 250 milligrams
18 per liter as the drinking water standard. The reality
19 is we try to have chlorides at 160 or less because of
20 taste and other considerations.

21 The two offsite wells, chlorides are on the
22 order of about 350 milligrams per liter. As we do drill
23 wells further north of the two that are offsite, I'm
24 expecting to have chlorides in the 350 to 400 milligram
25 per liter range.

1 COMMISSIONER SHIBUYA: In your estimation,
2 will continued use and pumping increase the chloride
3 levels?

4 MR. NANCE: A modest increase to a stable
5 level almost always occurs with wells drawing from a
6 basal lens. The initial pump test which we do, which
7 can be from 12, 24, 72 hours, don't seem to come to --
8 unless you're pumping at a very, very small rate, they
9 don't seem to reflect what is gonna be the long-term
10 rate. So usually that stable, long-term rate is reached
11 three to six to nine months after the wells are put into
12 continuous service.

13 COMMISSIONER SHIBUYA: Okay. Now the
14 technical parts. The dimensions on each of the wells
15 and the depths and the amount of energy that you would
16 need to pump up, let's say, 700 gallons of water per
17 minute.

18 MR. NANCE: Okay. Nothing we're putting in is
19 700 gallons a minute.

20 COMMISSIONER SHIBUYA: Okay.

21 MR. NANCE: There's two wells onsite. They're
22 -- from memory, I don't know -- probably around
23 elevation 500. You can kill me with the numbers. They
24 -- they probably extend 20 to 30 feet below sea level.
25 They tap into a lens that has a head. The water level's

1 standing about four feet above sea level. They had
2 pumps installed in the early nineties at about 500
3 gallons per minute. My own personal view is that's
4 larger than would have been appropriate, particularly
5 for the spacing between those wells.

6 So well pumps get to the point where they need
7 to be replaced. And when they do, we'll use the track
8 record of what those two onsite wells have done and
9 probably put in pumps of a lesser capacity. My guess,
10 probably more in the 350 gallons a minute to 450 gallons
11 a minute range.

12 For the two offsite wells -- the first one,
13 closest to Maui Meadows, is around a -- 300 gallon per
14 minute is the recommendation for that well. And the
15 well that's further to the north, which produced
16 slightly fresher water, or less brackish water, with far
17 less drawdown, 450 gallons a minute is the
18 recommendation for that well. Wells that are drilled
19 further to the north are probably gonna be of that
20 magnitude, 450 gallons a minute.

21 COMMISSIONER SHIBUYA: And what depth is this?

22 MR. NANCE: They're all being drilled as
23 shallow as possible below sea level. So those wells
24 went in at about 575, 585-foot elevation. They're
25 drilled probably in the neighborhood of 25 to 30 feet

1 below sea level. We try to keep that as shallow as
2 possible, consistent with getting sustainable production
3 from the pumps.

4 COMMISSIONER SHIBUYA: And in terms of size,
5 dimensions?

6 MR. NANCE: The casings are 12-inch diameter.

7 COMMISSIONER SHIBUYA: And how much energy do
8 you estimate for this capacity to be used?

9 MR. NANCE: I'd have to calculate it. If you
10 have a calculator, I'll give you a bunch of numbers to
11 plug into a formula. You know, they're -- I'd really
12 have to calculate it.

13 COMMISSIONER SHIBUYA: Okay. If you can
14 provide us that later on.

15 MR. NANCE: Yeah.

16 COMMISSIONER SHIBUYA: Not right now.

17 MR. NANCE: I can spew some numbers and you
18 can calculate it for me.

19 CHAIR STARR: We'll have you come back a
20 little later with us.

21 MR. NANCE: Okay.

22 CHAIR STARR: Commissioner Tagorda.

23 COMMISSIONER TAGORDA: Excuse me, sir. This
24 is not a technical question; it's a layman's question
25 that I like you to answer. Somebody's concern is that

1 all these four wells at Kamaole, they're brackish,
2 they're salty. And I learn -- or I saw in that -- that
3 there's 11 mgd sustainable yield on the Kamaole Well --
4 Kamaole -- and now you -- we are pumping about 4 mgd.
5 But in that region, there's no much rain to charge this
6 aquifer. And there's so much wells done for the past
7 10, 20 years, if ever some of those brackish water or
8 wells gave out, what's your backup plan for your
9 project? I read about your reverse osmosis. How will
10 this help your project and do not rely on County water?

11 MR. NANCE: Let me first address the
12 sustainable yield, because that's been made a big issue
13 by people. In 1990, Water Commission, basically, was
14 under the gun to put a sustainable yield number for
15 every single aquifer in the State, which is quite a few.
16 Many of which had very little information to go on. It
17 was virtually an impossible task. They hired George
18 Yuen & Associates to do the job, which they had, for
19 every single aquifer, to come up with the sustainable
20 yield number.

21 The way you do that is to account for the
22 recharge to the aquifer. You have rainfall and, in some
23 cases, you have, also, fog drip. You'll account for
24 where that goes. A certain amount is lost to
25 evaporation, a certain amount becomes surface runoff,

1 the balance goes down and becomes groundwater recharge.

2 In 1990, given the task that they were faced,
3 George Yuen elected to do these recharge calculations
4 based on annualized average values of rainfall,
5 evaporation, guesstimates at runoff, to come up with the
6 remainder that would be groundwater recharge. For the
7 Kamaole Aquifer, the number of this recharge they came
8 up with was 25 millions gallons a day.

9 What happens when you do these recharge
10 calculations is that if you do them in a more detailed
11 way, what you do is you -- instead of using annualized
12 average numbers, you shorten up the time step because
13 the actual recharge occurs on an instantaneous daily
14 basis. So studies that have been done since this 1990
15 study -- one by Waimea Water Services -- used a time
16 step of one month, used monthly data. And instead of
17 coming up with this 25 million gallons a day of
18 recharge, they came up with a number that was 29. And
19 that's what happens. Every time you do a study where
20 you decrease the time step, the computer recharge
21 increases. Subsequent to that, the U.S.G.S. did what
22 is, today, the most detailed and sophisticated such
23 study. They did a daily time step, shortened the time
24 step again. And their number for the recharge is 37.4
25 million gallons a day. That's compared to the 25

1 million gallons a day on which the 11 million gallons a
2 day of recharge is based. So you have better
3 information today suggesting that that recharge amount
4 is, in fact, at least 50 percent higher than the number
5 developed in 1990.

6 There's also a pragmatic approach to this.
7 I've been doing this for 38 years throughout this state,
8 elsewhere in the Pacific and in Asia. If you look at
9 this 25 million gallons a day that the 1990 number is,
10 across the width of where most of the wells are
11 developed, 300, 400-foot elevation, the total width of
12 the aquifer is 11 miles. The 25 million gallons a day
13 then translates to an average of only 2.2 million
14 gallons a day per mile of lateral extent of the aquifer.

15 Where we have aquifers that are basal
16 groundwater -- that's this one -- where we don't have a
17 cap rock on the shoreline, meaning sedimentary formation
18 that inhibits the intrusion of seawater, also inhibits
19 the leakage of the fresh water. And the lavas are very
20 permeable. Where you have flows of only 2.2 million
21 gallons a day, you can't really develop irrigation wells
22 which would have a sustainable -- the chlorides would
23 probably be around 2,000 at the start, and you start
24 pumping, it'll raise to 4,000. We have many examples of
25 situations like that.

1 So, pragmatically, if you look at the
2 performance of the wells at Wailea Golf Course and you
3 look at the wells at Makena, the wells at Makena are
4 only from .4 to .6 miles from the shoreline. And those
5 at -- I mean, at Wailea. At Makena, they're about .6 to
6 .8 miles from the shoreline. Yet, they have sustainable
7 chlorides for decades at pumping rates that are fairly
8 substantial. That pragmatic evidence says the flow
9 isn't 2.2, it is, in fact, considerably more than that.

10 COMMISSIONER TAGORDA: Thank you.

11 CHAIR STARR: Commissioner Freitas.

12 COMMISSIONER FREITAS: Yes. A statement was
13 made that, being that it's a desalination water system,
14 you're gonna end up with a lot of salt sediment and
15 chemicals. And the statement was made, of course, with
16 no documentation, it just was thrown out there by one of
17 the testifiers. What are you gonna do with it? And how
18 much of the chemicals and salt -- how are you gonna
19 dispose of it?

20 MR. NANCE: Okay. There's two different
21 questions there. We have the water pumped out of the
22 wells which is brackish. It will go through these
23 reverse osmosis membranes, pretty high pressure, and it
24 will produce, on one side, the product water, which will
25 be the drinking water, and, on the other side, what we

1 refer to as concentrate. It's about two to one. About
2 33 percent or so is concentrate, which takes the salts
3 removed from the potable side and puts it into the other
4 side. That water will be saltier, obviously, but still
5 of modest irrigation quality as long as it can be
6 diluted with wastewater that's returned. And, also, the
7 brackish groundwater that isn't needed for the potable
8 use is available for the irrigation use. So the
9 irrigation will include wastewater, the RO concentrate,
10 and the brackish groundwater, producing a brackish that
11 is still adequate for irrigation as long as you pick
12 your plant materials right. These are not gonna be
13 flowering ornamentals. They would not survive. But
14 grasses for turf grass -- if you pick the plant
15 materials correctly, you'll be okay.

16 With regard to the chemicals that are used,
17 you're talking primarily of when we're backwashing and
18 cleaning the filters and the like, that is contained and
19 neutralized and taken offsite. It's not put in the
20 ground. It's not reused for irrigation. It's dealt
21 with -- you know, it's treated and taken to a treatment
22 plant.

23 COMMISSIONER FREITAS: Thank you.

24 CHAIR STARR: Commissioner Mardfin.

25 COMMISSIONER MARDFIN: First, I'd like to

1 thank you, Mr. Chairman, for staying -- I think it's a
2 good idea to stay on one topic and pretty much exhaust
3 it instead of bringing traffic in and another question
4 right now. So I think we're doing this the right -- an
5 efficient way. You said the wells are in the Makena
6 Community Plan. Does the transmission lines go into the
7 Kula area, Kula Community Plan area?

8 MR. NANCE: The answer is yes, but it's really
9 a Charlie question.

10 CHAIR STARR: Mr. Jencks.

11 MR. JENCKS: Sure.

12 CHAIR STARR: And stay up, Mr. Nance. You're
13 not going anywhere.

14 MR. JENCKS: Don't go anywhere. I'm on
15 dangerous territory here.

16 That's correct. The wells are located in the
17 Kihei-Makena Community Plan because that's where the
18 source is developed, that's where the source comes from,
19 even though it's the same aquifer from the shoreline to
20 the top of the Haleakala.

21 COMMISSIONER MARDFIN: Uh-huh.

22 MR. JENCKS: The wells are in the Kihei-Makena
23 Community Plan District. The pipelines to transfer the
24 water, to transport the water to the project, go above
25 Maui Meadows, across the top of the project as shown on

1 the map. And those are in the Kula Community Plan
2 District.

3 COMMISSIONER MARDFIN: Did you consider
4 constraints in the Kula Community Plan that would limit
5 what you can do there?

6 MR. JENCKS: I -- I did very carefully. As a
7 matter of fact, if you -- I took the time to find the
8 actual meeting minutes that summarized the discussion
9 within the Community Plan Advisory Committee that met to
10 talk about -- at the time this was in the early --
11 there's Mr. Hiranaga trying to get in -- are you gonna
12 let him in -- to talk about this issue, and looked at
13 those meeting minutes. And the focus at that time --
14 and I even talked to some of the staff members who
15 staffed the CAC for the County of Maui, how did this
16 come up, what was the issue, what was the point of this
17 statement in the Kula Community Plan with regard to
18 water.

19 The focus was for Hawaiian Home Lands and
20 agriculture. If water's developed in that district,
21 make sure it's used for Hawaiian Home Lands and
22 agriculture. They never talked about pipelines, whether
23 they would be County pipelines or private pipelines,
24 transiting this area, simply transporting water. The
25 focus was Department of Hawaiian Home Lands for water,

1 if water source is developed, or brought in, and for
2 agriculture. Those are the two focal points.

3 And, in fact, Member Mardfin, if you look at
4 that policy statement and you reflect on what is
5 actually happening -- what was happening at the time, it
6 happens today, the County is in conflict with its own
7 policies. Water's brought in from the Haiku area,
8 treated at the Kamaole Treatment Plant, pumped up and
9 then taken back to Haiku, also used in Kula. So there's
10 a direct conflict today with current County practice.
11 Not only between Haiku and Kula, but, also, there's
12 similar statements that exist in community plans today
13 that talk about the Paia area using its own water when,
14 in fact, the Paia area is served by the Central Maui
15 system. So there are many conflicts in those documents
16 with the way water is -- is -- is sourced, treated and
17 transported today in Maui County.

18 So I looked at all of those policies, I looked
19 at how those policies related to what was actually going
20 to happen, what the initial -- what the original intent
21 was, and talked to the folks that were involved at the
22 time with regard to those policies. And I -- and I find
23 no conflict. I'm simply transporting water from point A
24 to point B. In fact, today, there are -- there are
25 conflicts in that plan in Kihei where the Department of

1 Water Supply has tank sites located in the -- in the --
2 in the Kula Community Planned District, water's
3 transported in the Central Maui line up to that tank and
4 then back into Kihei. So those conflicts exist and are
5 extant.

6 COMMISSIONER MARDFIN: Do you think it would
7 make sense in your Final EIS to have a discussion of
8 this issue?

9 MR. JENCKS: Absolutely. That's fine. Not a
10 problem.

11 COMMISSIONER MARDFIN: I -- if nobody minds, I
12 have another question for Mr. Nance, I believe.

13 CHAIR STARR: Yeah. And I asked Ms. Cua to
14 get the Upcountry Community Plan wording for us.

15 COMMISSIONER MARDFIN: I think I've asked this
16 question months ago and I -- or years ago, and I forget
17 the answer. How are the aquifers of East Maui, broadly
18 construed, done? Is it one general aquifer under the
19 whole Haleakala or there are many -- several different
20 aquifers, so tapping one doesn't affect another?

21 MR. NANCE: There are a number that are
22 hydrologically distinct. But there are also aquifer
23 lines drawn on a regulatory basis that don't mirror
24 hydrologic boundaries.

25 COMMISSIONER MARDFIN: Well, I'm concerned

1 about hydrology, not the legal boundaries.

2 MR. NANCE: For example, the Kamaole Aquifer,
3 on the south side, the rift zone of Haleakala is the
4 definition of the boundary of the Kamaole Aquifer. And
5 that's -- generally speaking, a hydrologic boundary
6 happens to coincide with a regulatory boundary. On the
7 north side, it's Waiakoa Gulch and then a property line
8 going up. It's free for water to move across there into
9 the aquifer, the adjacent aquifer, or not. But
10 boundaries were chosen, in part hydrologically, in part
11 politically, or whatever. But -- but even within this
12 aquifer, you know, in a lot of the comments you're
13 seeing, people assume that the Kamaole Aquifer is like
14 this single pot that you can draw from. And that if I
15 pump, for example, down in Wailea or Makena, I'm somehow
16 going to affect a well that we just did for (inaudible)
17 Ranch seven or eight miles to the north.

18 The reality is -- in basal groundwater --
19 these large aerial expanses that are designated as
20 single aquifer -- the reality is there's no way I could
21 pump at the south end and influence a well that's even
22 halfway across the aquifer. In basal groundwater, water
23 flows mauka to makai, discharge to the ocean. So you
24 look for mauka-makai conflicts, not lateral
25 distinctions. So people think of the Kamaole Aquifer as

1 one pot, and, if I'm pumping here, I'm affecting
2 anywhere in the aquifer. That's not really true.
3 That's not how it actually works. The reality is if you
4 really wanted to regulate this property, you would look
5 at a lot of mauka-makai corridors of flow and see if
6 you've got conflicts there.

7 COMMISSIONER MARDFIN: Thank you very much.
8 That makes it clearer to me.

9 CHAIR STARR: Mr. Nance, are there any
10 monitoring wells in Kamaole Aquifer?

11 MR. NANCE: I don't believe so, no.

12 CHAIR STARR: Are all the proposed wells
13 inside the Kamaole Aquifer?

14 MR. NANCE: Yes.

15 CHAIR STARR: What's the transition zone, the
16 salt transition zone level? And what's been its
17 movement over the last two decades?

18 MR. NANCE: Well, since we don't have any
19 monitor wells that would tell you that, the reality is I
20 can't answer that specifically. But if -- if you look
21 at the performance of the Wailea Golf Course wells and
22 Makena wells, that's the best indication for what has
23 happened over that period of time. And -- and there --
24 within the wells, there's great variation from one well
25 on the next. But over time, the wells have actually

1 been fairly stable. You know, for example, in the
2 Wailea wells, they've got nine operating wells, some of
3 them producing chlorides as low as 450, others producing
4 chlorides on the order of 1,100. Quite a little
5 variation, and not a gradual trend north to south, just
6 all over the place. And the same is true for the Makena
7 Golf Course wells. The best of their wells are
8 producing chlorides in the 450 to 500 range, but they
9 have several others that are over 1,000. But they've
10 been stable over time. So that would be the best
11 evidence that the aquifer itself has been relatively
12 stable over that time.

13 CHAIR STARR: Are there any wells that have
14 been in regular continuous use that are at the same type
15 of level as the wells envisioned for this project? And
16 if so, how have they performed?

17 MR. NANCE: I'm not sure I understand. At
18 this level?

19 CHAIR STARR: Yeah. I understand these wells
20 are higher, and that's why the chlorides are a little
21 lower than the golf course wells. Am I -- am I correct
22 with that?

23 MR. NANCE: The -- you're talking about the
24 wells for Honua`ula? Yeah, they're -- they're further
25 inland and they are fresher as a result.

1 CHAIR STARR: So is there anything to compare
2 them with, with a track history, any wells that have
3 been -- are being pumped at these kind of -- at the
4 levels, you know, the 200, 300-gallon levels?

5 MR. NANCE: Not that I'm aware of. Not with
6 that kind of track record.

7 CHAIR STARR: Okay. Commissioner Shibuya.

8 COMMISSIONER SHIBUYA: I'd like to follow up
9 with a few more questions. You say that these aquifers
10 are actually recharged. How are these, specifically,
11 four wells recharged?

12 MR. NANCE: The recharge occurs in the area
13 up-gradient from the wells, rainfall occurs.

14 COMMISSIONER SHIBUYA: That is in Kula?

15 MR. NANCE: Yes, it is. So the recharge is
16 occurring in the other planning area, yes. But it's up
17 mauka, goes all the way to the top of Haleakala.

18 COMMISSIONER SHIBUYA: Okay.

19 MR. NANCE: Rainfall occurs. A portion of
20 that rainfall infiltrates below the root zone, passes on
21 down, in some cases, that vertical travel is on the
22 order of thousands of feet, it reaches the groundwater,
23 and that groundwater moves toward the shoreline,
24 ultimately discharging at the shoreline or intercepted
25 and pumped by wells.

1 COMMISSIONER SHIBUYA: Okay. Up above in
2 Kula, as you know, there's no sewage system, there are
3 cesspools --

4 MR. NANCE: Right.

5 COMMISSIONER SHIBUYA: -- septic tanks.

6 MR. NANCE: Right.

7 COMMISSIONER SHIBUYA: They are building in
8 that area, but you have now -- this is one of the
9 recharge sources?

10 MR. NANCE: It -- it is, actually. It's --
11 it's a recharge source that we really haven't accounted
12 for. The recharge numbers that -- that we've been
13 talking about are purely weather-related phenomena. But
14 what is also happening in the aquifer is, as you say, up
15 mauka, if people are irrigating, a portion of that water
16 is going down. If they have their own individual
17 wastewater disposal systems, that water is going down.
18 About 10 million gallons a day is being imported into
19 this aquifer for Kihei, Wailea and Makena, and a
20 significant portion of that is also returning to the
21 groundwater as recharge. We haven't accounted for that
22 recharge in the calculations I referred to earlier.

23 COMMISSIONER SHIBUYA: Okay. Are you planning
24 to test for nitrogen and bacteria?

25 MR. NANCE: We -- we have already tested for

1 nitrogen and the drinking water wells for bacteria. We
2 actually chlorinate them, run them for a period of time,
3 until the chlorine is exhausted, and then test them.
4 And they are Coliform-free. People don't like to hear
5 it, but the cesspools up mauka in Kula, with a couple
6 thousand feet of movement downward through the
7 unsaturated lavas to reach groundwater, that acts as a
8 very effective trickling filter and purifies the
9 product. And what we see down below is, actually, well
10 treated.

11 COMMISSIONER SHIBUYA: Okay. Now, in terms of
12 the -- these minerals that you are mixing with the R-1
13 water, and using it for irrigation. Over time, they'd
14 tend to build up materials, would they not?

15 MR. NANCE: You said I'm mixing minerals with
16 the wastewater. I'm not sure what you're referring to.

17 COMMISSIONER SHIBUYA: I'm talking about
18 nitrogen, we're talking in terms of salinity, salts,
19 chlorides. These are not materials that dilute. They
20 -- well, you can dilute 'em, but they don't disappear,
21 they don't evaporate. Once you put 'em on the ground,
22 the moisture disappears, but the elements still remain
23 in the soil and they tend to build up. Would they not?

24 MR. NANCE: In -- in some places. But you
25 handle that with the way you irrigate. You know, when

1 -- when brackish water was first introduced as a source
2 of irrigation supply way back, Mauna Kea Golf Course, in
3 the sixties, and the dire predictions were, six months,
4 all the salts left behind in the soil, you're dead. And
5 it's 30, 40 years later and it's -- it's not that there
6 isn't a certain amount of buildup in the soil, but it
7 can flush through.

8 With regard to the nitrogens and so forth, a
9 certain amount is consumed by plant uptake, a certain
10 amount does, in fact, go down, get into the groundwater,
11 ultimately discharge at the shoreline.

12 COMMISSIONER SHIBUYA: Okay. For the
13 engineering part now. The wells have a time in which
14 the humans use it, and there's a cycle of heavy use and
15 low use. Are you accommodating this with reservoirs?
16 And what size, if you are?

17 MR. NANCE: You -- generally speaking, we --
18 are you talking about seasonal use more in the summer,
19 less in the winter?

20 COMMISSIONER SHIBUYA: That, too, as well as
21 more during the day than during the evening.

22 MR. NANCE: Yeah. The -- the variation of --
23 within-day use, we do handle with reservoirs. The
24 variation of seasonal use, 50 percent and higher in the
25 summer than -- than the annual average, we handle with

1 well pumping capacity. So, for example, the wells, we
2 may size them and, during the peak summertime, they may
3 be running 22, 23, 24 hours a day, and, in the
4 wintertime, they would be running eight, 10, 12 hours a
5 day. So we handle the seasonal variation with pumping
6 capacity, typically, and the within-day the use with
7 reservoir capacity.

8 COMMISSIONER SHIBUYA: Yeah. The concern I
9 have is because, during drought periods, Kula area will
10 have less water to recharge. And that's when you also
11 have a greater need for water, too. So then you have a
12 problem here.

13 MR. NANCE: Let me give you a little
14 perspective on how big the groundwater reservoir is
15 versus what we do for pumping. I just, on the back of a
16 napkin, this morning, coming on the airplane, made some
17 calculations with relatively conservative assumptions
18 for this 89-square-mile area called the Kamaole Aquifer.
19 By these assumptions, the total storage in the aquifer
20 is about 220 billion gallons. 220 billion. That is
21 equivalent to pumping 11 million gallons a day every
22 single day for the next 55-plus years. So groundwater
23 doesn't -- you have droughts two, three, four, five
24 years. The reality is the groundwater storage is so
25 huge that we don't see the kind of variation in

1 groundwater reservoirs that we see in surface water
2 discharge. So groundwater handles these cyclical
3 variations of weather phenomena substantially better
4 than surface water, obviously. The storage in that --
5 in the underground reservoir is huge.

6 CHAIR STARR: Commissioner Mardfin.

7 COMMISSIONER MARDFIN: I was gonna ask a
8 similar question, I think. Let me ask the question
9 first. How long does it take for rainfall to percolate
10 down into the lens, into the aquifer?

11 MR. NANCE: Depending on where it occurs and
12 the travel time, it typically would be from several
13 months to several years.

14 COMMISSIONER MARDFIN: So --

15 MR. NANCE: Talking about through, what I will
16 call, a (inaudible) zone to reach groundwater.

17 COMMISSIONER MARDFIN: Okay. So that relates
18 to the next question, which is, right now, most of
19 Hawaii's facing drought conditions. Even if that
20 continued for another three or four years, that wouldn't
21 have any -- based on what you've just said, that
22 wouldn't have any significant impact on this, is that
23 correct?

24 MR. NANCE: Well, I mean, out -- if it's --
25 it's a much longer term. You know, if we had taken a

1 turn where we're never gonna have the rainfall we saw
2 for the last 70 years, obviously, it would be an issue.
3 But if we're talking about the typical four or five,
4 eight-year cycles that we see, it wouldn't have much
5 impact.

6 COMMISSIONER MARDFIN: And most of the cycles
7 are?

8 MR. NANCE: Of that -- of that --

9 COMMISSIONER MARDFIN: Sort of like a solar --

10 MR. NANCE: I -- I don't know.

11 COMMISSIONER MARDFIN: Okay. Thank you.

12 CHAIR STARR: Mr. Nance, could you describe
13 the RO system and what chloride levels it will be
14 capable of operating with for feedstock and, also, what
15 costs -- costs will be per 1,000 to operate that?

16 MR. NANCE: RO is not my thing. So I can tell
17 you a little bit, but not everything that you would like
18 to hear. You know, RO is a high-pressure filtration
19 system. You -- you design it, the pressure and so
20 forth, based on what you think the feedstock salinity is
21 gonna be. It may have more than one stage. You can
22 take it to a certain level in one stage and take it
23 further in a second stage. That kind of stuff,
24 specifics of design, that -- that won't be done by me
25 because I really don't know.

1 As far as operating cost, I'm -- at this point
2 I'm, at least today, not in a position to tell you what
3 that might be.

4 CHAIR STARR: Mr. Jencks, could -- could you
5 add to that, specifics of the RO system?

6 MR. JENCKS: As to the cost per thousand
7 gallons? Not at this point in time.

8 CHAIR STARR: And to the maximum chlorides
9 that it'll be able to take?

10 MR. NANCE: The reality is the RO system can
11 be designed for any range. You know, you've got RO
12 systems going in at (inaudible), for example, that are
13 dealing with chlorides of 19,000, seawater, producing
14 chlorides of five or 10 as a product water. So it
15 depends on the design you do. The reality is, for that
16 seawater desal by RO, the pressure is about 700 PSI
17 through the filters. They're doing a polishing RO at
18 (inaudible) and Kukio Resorts where the feed water is a
19 chloride level 200 to 250. And they're using much lower
20 pressures, maybe 200 PSI, to do that. So you design the
21 RO for what the feed water source is and what the
22 product water is. And you have a complete range of
23 flexibility in those choices.

24 CHAIR STARR: So my -- what I'm hearing is
25 that no thought has been given to the design of the RO

1 system?

2 MR. NANCE: Well, we've --

3 CHAIR STARR: Let's ask -- Mr. Jencks had his
4 hand up, so --

5 MR. JENCKS: I would just add that, by
6 condition, with regard to the cost per thousand gallons,
7 the project is required by condition to, for the
8 affordable housing units, limit the fee for the water to
9 the current at-the-time municipal County rate. So we
10 can't pass along the full cost of reclaimed -- or --
11 excuse me -- RO water to the affordable units. The
12 market rate units will bear the cost substantially for
13 the treatment of the water. The affordable units we can
14 charge no more than the current County rate.

15 CHAIR STARR: Okay. I know that seawater RO
16 is running about \$12 per thousand gallons in direct
17 cost. Most of that is electricity. Also, it's usually
18 co-located with nuclear power plants because of the very
19 huge electrical demands. I know when we get to
20 comments, I -- I think that there should be, in the
21 final analysis, some -- some real constraints.

22 Anyway, I won't belabor that, but, Mr. Nance,
23 I'd like you to give a percentage to the likelihood that
24 these wells will either greatly increase in chloride,
25 say up to the 500 milligrams per liter level, or not be

1 able to supply the required amount with operational and
2 peaking factors put in. Can you give a percent of
3 likelihood that they will -- will or will not be able to
4 sustain this pumping considering that the aquifer is not
5 tested and doesn't have monitoring?

6 MR. NANCE: I think the likelihood of -- well,
7 first off, if we've got issues where chlorides are
8 rising, we'll put in more wells and -- and more widely
9 distribute the pumpage. And then, that way, we will
10 keep the chlorides within the level that we're expecting
11 them to be. We're not going to continue to pump a well
12 that has rising chlorides. We will better distribute
13 the pumpage so that doesn't happen.

14 CHAIR STARR: Why weren't more wells -- the
15 possibility of more wells put into the document?

16 MR. NANCE: It is.

17 CHAIR STARR: It is?

18 MR. NANCE: Uh-huh. And it's a possibility.
19 And that's what we'll do if we have to.

20 CHAIR STARR: Commissioner Mardfin.

21 COMMISSIONER MARDFIN: Where would you put the
22 additional wells?

23 MR. NANCE: They will go in the area that
24 Charlie referred to earlier, but they will be north
25 of --

1 COMMISSIONER MARDFIN: So offsite?

2 MR. NANCE: Going this way.

3 COMMISSIONER MARDFIN: Offsite?

4 MR. NANCE: Yeah.

5 COMMISSIONER MARDFIN: Thank you.

6 CHAIR STARR: Commissioner Mardfin.

7 COMMISSIONER MARDFIN: If they're offsite, how
8 would you get the permission to dig them?

9 MR. NANCE: How would I what?

10 COMMISSIONER MARDFIN: Get permission to drill
11 them. Are there agreements with other -- this probably
12 isn't for you. This is probably for Mr. Jencks. Sorry.

13 MR. JENCKS: The source development area
14 provides the drilling of additional wells. The maximum
15 deliverable from this source development area that Tom
16 is talking about, that I referenced, is 1.5 million
17 gallons a day. That's the maximum amount of domestic
18 water we can provide to the project. So we have a water
19 budget. All the wells that are necessary to achieve
20 that 1.5 million gallons a day of domestic source can be
21 drilled in that source development area.

22 COMMISSIONER MARDFIN: Okay. And that's
23 contractually a long-term lease to you or something?

24 MR. JENCKS: Yes. It's a -- it's a long-term
25 source development agreement with Haleakala Ranch in

1 perpetuity.

2 COMMISSIONER MARDFIN: Perpetuity?

3 MR. JENCKS: Yeah.

4 CHAIR STARR: Commissioner Shibuya.

5 COMMISSIONER SHIBUYA: Charlie, can you tell
6 me the capacity of this reservoir or reservoirs that you
7 plan to have to serve Honua`ula?

8 MR. JENCKS: I think Tom can --

9 MR. NANCE: I'll have to find my calculator.
10 First off, there will be four reservoirs. Okay. The
11 project is gonna be served in what we call two service
12 pressure zones. The upper part of the project is served
13 from reservoirs that are offsite at 810-foot elevation
14 or so, and then the balance of the project, the lower
15 two-thirds of the project, will be served by reservoirs
16 at about 640-foot elevation. So there will be, at each
17 location, one potable and one non-potable reservoir, at
18 640 and, again, at 810. Let me see if I can find out
19 what those isis are. Okay. At the lower surface zone,
20 the potable reservoir is half a million gallons a day
21 and the nonpotable is a million. And for the upper
22 zone, the offsite reservoir, the potable is 200,000
23 gallons and the nonpotable is half a million. Those are
24 just storage tanks.

25 COMMISSIONER SHIBUYA: That's it.

1 CHAIR STARR: Okay. This is a question for
2 Mr. Jencks. The history of very large private water
3 systems in Maui County and private water development has
4 been interesting. You know, the joint source
5 development project with Iao, where wells were drilled
6 with the consideration of there being 40-some-odd
7 million gallons a day available, and now, you know, 18
8 is -- is more the number. On Molokai, where a large
9 private water system was put in, and then the people in
10 the County were kind of held hostage when the owners
11 wanted to terminate their -- their private water system.
12 I'm curious what your plan is to give the County
13 confidence that, no matter what happens in the future,
14 whether, you know, there were different owners who may
15 not have -- I mean, you're -- you're certainly someone
16 who I know would stand up to making sure that
17 obligations are met, but, you know, at a certain point
18 in the future, you may not be here. The entity may be
19 taken over by a bankrupt -- a company that goes
20 bankrupt, whatever. What -- how will Maui County know
21 that it will not get stuck with a nonperforming system
22 if the entity controlling it in the future does not have
23 the financial strength or chooses to walk away from the
24 private water system and that private water system is
25 not functional to the point where the County could take

1 it over?

2 MR. JENCKS: Couple of responses to your
3 question. You've talked about a couple different water
4 systems. One was the one developed on Molokai. They
5 had a water system and a wastewater treatment system.
6 I, as the director of Public Works, years ago, went over
7 and looked at those systems. And neither of them were
8 things that I wanted to entertain taking over for a
9 variety of reasons; technology, regulatory influence at
10 the time, what-have-you. The other system you
11 referenced is the Central Maui agreement between Wailuku
12 Agribusiness, A&B and et cetera. And, I mean, I can't
13 speak to what drove that. I know that it exists today
14 and it is doing a fine job serving Central Maui and
15 South Maui and parts of the North Shore as well. And
16 that's a system that's maintained by the County. It was
17 developed and given to the County.

18 The system that we're proposing, in the
19 absence of the ability of the County of Maui to provide
20 domestic source for the Community Planned District --
21 which is, by the way, a provision of the Charter of this
22 County, that's their job -- we're developing a private
23 system. This system -- one of the conditions in the
24 zoning is that once this system is developed, if the
25 County wants it, we have to give it to them.

1 Now, they haven't expressed interest in taking
2 over the system. And I doubt they will. There is no
3 incentive for this project ownership, which, by the way,
4 is funded. We're not fearing foreclosure or any
5 financial crisis. It is funded and it is strongly
6 capitalized. The system will be developed and,
7 eventually, once it is developed and the project is
8 built out, it will be managed by a licensed -- and the
9 State requirements require a licensed manager to
10 maintain the system and operate it. It'll be owned by
11 the residents of the project.

12 CHAIR STARR: But what guarantee is there that
13 that will be maintained in perpetuity if the County
14 doesn't take it over? I mean, is there a willingness
15 to, say, bond it or to guarantee it in some way?

16 MR. JENCKS: The -- the source -- the -- based
17 upon my experience with other private systems in Maui
18 County, working with the State, their requirements, the
19 Department of Health, Clean Water Branch have specific
20 requirements for bonding, financial security. You have
21 to guarantee you can take care of the system in today's
22 world. It's a different world today than it was, let's
23 say, 15, 20 years ago when these systems that you see on
24 Molokai were developed. It's entirely different. So,
25 yeah, there are guarantees that have to be provided.

1 You have to demonstrate the ability to maintain the
2 system.

3 CHAIR STARR: Okay. So perhaps when we come
4 back later, you can tell us --

5 MR. JENCKS: I can provide -- sure.

6 CHAIR STARR: -- what those guarantees will be
7 so that the County and the people who live there will be
8 -- will be whole in perpetuity.

9 MR. JENCKS: That's fine.

10 CHAIR STARR: We're going to break for lunch.
11 We'll be back at 1:00 for a presentation on small towns.
12 That will finish at 2:00. We'll be back to this item
13 about 2:15. I would like to entertain a motion to that
14 effect, to defer to this item 'til 2:15.

15 COMMISSIONER FREITAS: So moved.

16 COMMISSIONER SHIBUYA: Second.

17 CHAIR STARR: All in favor, raise your hands.
18 All opposed. Okay, motion passes. We'll be back here
19 after lunch. Thank you.

20 (Recess, 12:00 p.m. to 1:03 p.m.)

21 CHAIR STARR: ...(gavel)... Welcome, everyone.
22 The Maui Planning Commission meeting of June 22nd, 2010
23 is back in order. I will ask Mr. Clayton Yoshida to
24 introduce the next item.

25 MR. YOSHIDA: Good afternoon, Mr. Chair,

1 Members of the Commission. We're on Item C, Workshop
2 conducted by the Progressive Urban Management Associates
3 Group, or PUMA, on Small Town Revitalization. I'd like
4 to call on our small town planner, Erin Wade, she
5 doesn't appear before you that often because she spends
6 most of her time with the Maui Redevelopment Agency and
7 the Cultural Resources Commission, to provide some
8 introductory remarks.

9 CHAIR STARR: Okay. Before we -- before we
10 proceed, I -- I do want to disclose that PUMA Group is
11 here on a study and market-based plan for Wailuku. I
12 contributed to that fund. Since we're not in a
13 decision-making capacity, I don't see a problem with
14 that, but I did wanna state that. And I'm a big fan of
15 Mr. Segal's. I first saw him in Colorado Springs at an
16 APA conference. And I was really enamored to see him
17 talk about planning from a market type approach. You
18 know, in other words, the economic drivers, and not just
19 from a map.

20 Please, Ms. Wade, please take it away.

21 MS. WADE: Sure. Thank you for that. My
22 name's Erin Wade. I'm a small town planner for the
23 County Planning Department. I have been working with
24 the MRA on a number of issues for Wailuku. But the
25 opportunity presented itself to do a market-based plan

1 for the Wailuku community. And given Mr. Starr's
2 connection with the firm and a whole slew of other
3 things that were just the right place at the right time,
4 we were able to set up a grant with the Tri-Isle
5 Resource and Conservation and Development Corporation.
6 And the grant is funded by the Maui Redevelopment
7 Agency, the Economic Development Administration grant
8 for -- that's helping with the parking structure and the
9 Office of Economic Development, as well as some private
10 donations.

11 Mr. Segal, who's here today, is from
12 Progressive Urban Management Associates. Their offices
13 are in Denver, Colorado. And he is a real estate
14 economist. The reason that we selected this company in
15 particular is they plan with a bias for making small
16 towns and downtowns work for local people first. Their
17 bias is not to plan for the visitor; it's to plan for
18 the people who utilize the small town in the community
19 first. So that was an important issue for us that we
20 wanted to pull these guys in.

21 And I will, basically, let him share with you
22 their approach. I think the most compelling piece of
23 their work is they not only provide a market profile
24 package, but then the second component of their work is
25 they provide a business plan for how to make it happen.

1 Because a lot of these small towns don't have any
2 overarching management structure, like a shopping center
3 or the like would have, there can be some organizational
4 challenges, financing challenges. They provide
5 solutions for that. So I will let Brad take it from
6 here.

7 MR. SEGAL: Wow. What a great introduction.
8 Thanks, Erin.

9 And thank you for taking time today. I have a
10 whole hodgepodge of stuff for you. So I was talking to
11 Jonathan about what -- what this group would like to
12 see. So I'm gonna talk a bit about global trends. I'm,
13 actually, doing a presentation tomorrow at the Wailuku
14 Main Street Association presentation. I'll be talking a
15 lot more about global trends tomorrow, so this is a
16 teaser. I am going to talk about market-based planning,
17 what that is and how that relates to other types of
18 planning. And then, lastly, I thought -- I thought you
19 folks might be interested in some of our initial results
20 in Wailuku. We've got some results of the community
21 survey and we met with our Wailuku task force earlier
22 today to talk about some initial recommendations. So I
23 won't go on forever, but probably 20, 25 minutes. And
24 then be happy to answer any questions.

25 And before I jump into it, let me tell you a

1 little bit more about myself. And Jonathan and Erin,
2 thank you for the kind introductions. I am from
3 Colorado. I did start -- I went to college thinking I'd
4 be an architect. And after a year and-a-half in the
5 studio, architecture studio, decided I didn't want to be
6 an architect, that it was just a little bit too much.
7 So I did get an undergraduate planning degree. I worked
8 as a city planner for a couple of years and found it
9 difficult to sort of communicate with developers and
10 others. I didn't know much about finance, didn't know
11 really much about marketing. So I went back to school,
12 went to business school, learned about finance and
13 marketing. And that's -- that's how we now really
14 approach these assignments as real estate economists.
15 And that's -- that's what we -- what we feel we are.
16 And what this allows us to do is to look at a small
17 town, to look at a downtown, really, as a real estate
18 asset. And that's our approach in market-based
19 planning, is to look at this real estate asset that we
20 call Downtown Wailuku, look at how this real estate
21 asset should be best positioned in this market, and then
22 come up with a strategy of how to manage and market that
23 asset.

24 So I'll start, I will just give you a taste of
25 these global trends. The global trends is something I'm

1 gonna talk again tomorrow at the Wailuku Main Street
2 presentation, but this came out of work that we did in
3 my hometown, in Denver, back in 2007. And we were part
4 of a team that did a downtown plan for our city. And as
5 the economists, we were charged for looking forward for
6 the next 20 years and try to project trends that were
7 gonna affect our city 20 years from now.

8 And oftentimes, when you hire an economist,
9 what they'll do is they'll look at what's happened in
10 real estate in the past, and they'll try to project that
11 in the future. And as we know, the economy changes so
12 quickly and the world changes so quickly that it's
13 almost impossible to -- to look at the future from
14 looking at what happened in the past. So to look at the
15 next 20 years of our city, what we did is we looked at
16 trends that are going on throughout the planet,
17 throughout the globe. A whole variety of trends that
18 are shaping cities. And then we brought those trends
19 back to our city. And that body of research really
20 helped craft our recommendations, in this case, for
21 Denver.

22 Now, since then, the last three years, we've
23 continued to refine these trends and we've continued to
24 apply these trends. And these -- these are something
25 that -- it's always in the back of our minds, in our

1 planning work, these things that are going on around the
2 world and how they're affecting things at home, and even
3 here, here in Maui.

4 So, again, I'm not gonna take a lot of time
5 with that today. I've got more on this tomorrow. But
6 in looking at things that are going on throughout the
7 United States and throughout the world, we looked at
8 several factors.

9 One is demographics. Profound demographic
10 changes going on throughout the United States,
11 throughout Hawaii. And our population, it's growing
12 both younger and older at the same time. And what that
13 is -- having growing younger and older at the same time,
14 that is beneficial for small towns, for downtowns. What
15 we're finding is the younger populations and the older
16 populations wanna live in a more walkable environment,
17 they wanna live closer to amenities like restaurants and
18 grocery stores, that type of thing. So demographic
19 trends we found very favorable to downtowns and small
20 towns.

21 Immigration. The United States is the -- is
22 one of only five countries in the world that accepts
23 immigrants as permanent residents. We're the only
24 growing major industrial country right now of the old
25 industrial powers, Europe, Japan, Russia -- their

1 populations are all declining. And it's extraordinary
2 impact on economy. That's what a lot of what is going
3 on in Europe right now, with the -- the problems, the
4 fiscal problems in Europe. A lot of that is
5 entitlements for a population that is actually
6 decreasing in size. It's a huge, huge problem for them.
7 We're growing, and immigration is the reason we're
8 growing. And we found in our research, Hawaii, one out
9 of five residents of Hawaii are immigrants. So you
10 share in that as well as the mainland.

11 And then, also, we looked at something called
12 the creative class. Creative class is something that a
13 gentleman by the named of Richard Florida authored a
14 book about -- about five years ago. And essentially
15 said our cities, our small towns, any area that we want
16 revitalize, there are creative people in the economy
17 that we want to pull in, younger people, entrepreneurs.

18 And when we're looking at Denver, we're
19 looking at the next 20 years. We said, well, who's the
20 next creative class, who are these next group of people.
21 And what we found is that it's going to be young
22 professional women who are gonna increasingly shape our
23 cities and our towns and where we live. About 60
24 percent of college enrollment now throughout the United
25 States is female. So the next professional class in the

1 United States is gonna be dominated more by female. And
2 to the extent that we want -- even a place like Wailuku,
3 if we want Wailuku to be the county seat, if we want
4 this to be the professional employment center, are we
5 creating a town that is friendly for young women? And
6 young women have different expectations. Most of the
7 people who plan cities, I mean, they look like me, you
8 know, they don't look like young professional women. So
9 --

10 Other things that are going on around the
11 world, traffic congestion. Probably not a problem on
12 Maui, right? That photo, by the way, that's Honolulu.
13 That's not Los Angeles or some other city. We're
14 finding traffic congestion -- and you have some of that
15 here, granted, it's mild, but it's also changing
16 behavior and where people wanna live. And it's another
17 force that's pushing people into downtowns, into small
18 towns.

19 We looked at trends in health care and
20 wellness. There's a whole movement throughout the
21 United States, including Hawaii, that urban living
22 really is more helpful for people, the fact that you can
23 actually walk in your daily life, bicycle. All of these
24 are trends that really are here to stay.

25 We also looked at tourism, which, of course,

1 has enormous impact on Maui and Hawaii. And the big
2 thing in tourism, too, big trends there, one, the
3 growing influence of international tourists. So is your
4 tourism infrastructure here, is it set up for different
5 nationalities that are going to start visiting you? My
6 understanding is there's been a strong Japanese
7 influence in Hawaii for a while, but, increasingly,
8 you're gonna see visitation from China, from India, from
9 these countries that are increasing in wealth.

10 The other impact on tourism is cultural
11 tourism. And that affects small towns. People are more
12 interested in authentic experience, historic places.
13 And the studies show that tourists will stay longer and
14 spend more money when there is something that is truly
15 authentic and -- and different.

16 And the final trends we looked at were more on
17 a global scale. We looked at what's going on in China
18 and India and the enormous amount of growth. And,
19 really, the big -- the big issue there is resource
20 consumption, just the amount of resources that other
21 countries around the world are consuming now. And what
22 that's gonna do is continue to put pressure on gasoline
23 prices, other commodities. Ultimately, we'll change our
24 way of life in the sense that it's just gonna be more
25 expensive to sustain, to stay in our automobiles and our

1 large houses, that type of thing. So another force that
2 we think will -- will help cities and -- and small
3 towns, any -- any denser living environment in the
4 future.

5 We looked at new technology advances,
6 sustainability, how lots of towns and counties and
7 states are now getting more active in the green
8 movement. All of that affecting how -- how we live and
9 how we design our cities and our towns.

10 So, again, I'm not gonna take much more time
11 on that. That's just a taste of what I'll be talking
12 about in more depth tomorrow at the Main Street
13 presentation. But the basic message here is just
14 looking globally, all of these trends, globally and,
15 also, within the United States and within Hawaii and
16 within Maui, these demographic lifestyle and global
17 trends are converging to make environments like Wailuku
18 really more marketable, more favorable for living and
19 working in the future.

20 Now, let me switch gears on you, talk a little
21 bit about market-based planning, because this is what
22 we're doing in Wailuku. And when I met Commissioner
23 Starr a couple years ago, it was in Colorado, and we
24 were talking about market-based planning, which is
25 something we do frequently on the mainland. And,

1 essentially, it is looking at a business district, as I
2 mentioned before, as a real estate asset, and how do we
3 best look at the business district as an asset, what's
4 its niche, how can it best be marketed, how can it best
5 be managed. So we determined the competitive advantages
6 and niches of the business district.

7 As Erin mentioned, our bias is to look at the
8 local market. So when we're looking at Wailuku, how can
9 Wailuku best perform and be related to the folks who
10 live in Maui? So first and foremost is the market
11 that's really gonna support this area and sustain this
12 area. And what market-based planning is, is really
13 understanding both the market and the organizational
14 side. So this -- this is -- this is a continuum of
15 plans, if you will. This is a way of describing
16 different types of plans that communities undertake.
17 And this is not APA approved or anything like this; this
18 is just from PUMA, from our little perspective in terms
19 of what are the underpinnings of different types of
20 plans that planners and planning commissions undertake.

21 And a comp plan, a comprehensive plan, which I
22 believe you have here in Maui. A comp plan tends to be
23 regulatory. It sets out the regulatory framework for
24 development in terms of zoning and land use, that type
25 of thing. A vision plan tends to be more design

1 oriented. A development plan is more market-based in
2 terms of what are the market underpinnings of supporting
3 different types of development. An action plan focuses
4 on implementation. And then this market-based plan that
5 we're talking about, what we're doing in Wailuku, really
6 merges those last two things. It's really about
7 understanding the market and looking at implementation.
8 So we figure out the what, what should the town do and
9 how should it be positioned, and then we look at the
10 how. And that's what a lot of communities really
11 struggle on, is how we carry out this stuff, how do we
12 use our resources, how do we organize ourselves. And
13 sometimes, if you got a lot of money, you can do a
14 master plan, which is really all those things wrapped
15 into one process.

16 The advantages of a market-based approach, we
17 have found that by really focusing on market
18 opportunities first and foremost, it can create focus
19 and consensus. So it tends to take a lot of the emotion
20 out of planning. Lots of times we'll start with parking
21 or we'll start with a design standard. And it can get
22 very, very emotional very quickly. But if we stop to
23 say, look, what are our markets, what are our market
24 opportunities, it tends to be a little bit more black
25 and white and it tends to diminish some of the

1 emotionalism around this.

2 These market-based plans tend to be less
3 costly than other types of plans. They're speedy, we
4 can get through it in about six months. Very flexible,
5 too, in terms of which direction the plan will go.
6 Because the market will dictate what direction it will
7 go in terms of implementation, it does establish a
8 context for some of these more controversial decisions.
9 So if we understand our niche in the market, sometimes
10 it can be easier to understand how to design, park,
11 regulate around that.

12 And then the plan itself, because of the
13 market information within it, it should be a tool to
14 attract investment. So this -- this market-based plan
15 is something that a potential developer, investor, will
16 -- will -- will look at the information, will help them
17 make investment decisions in terms of -- in terms of the
18 future.

19 So, in Wailuku, we have been working in
20 Wailuku since February on a market-based plan. We're
21 about two-thirds through our process. In terms of our
22 scope, the objectives of the Wailuku plan, very, very
23 consistent with the other market-based plans that we've
24 undertaken in other communities. We're looking at the
25 feasibility for development. We wanna create an

1 environment in Wailuku that will actually attract
2 investment, encourage people to open a business or to
3 develop a property. We're looking at -- there are a
4 variety of organizations involved with Wailuku, so we're
5 looking at the pros and cons of these organizations and
6 how do we best mobilize their resources. We are
7 providing recommendations, but not just giving you 50
8 things to do, we're also providing sequencing. So there
9 may be three or four things to do first and four or five
10 things to do next to actually move -- move the district
11 forward.

12 It's also very participatory. We've spent a
13 lot of time talking to property owners, business owners,
14 surveying consumers, a whole variety of research.

15 In terms of the product, there are really two
16 pieces of the market-based plan. The first is the
17 competitive analysis, which, essentially, is a market
18 analysis, but it's more refined in the sense that, well,
19 we're providing our recommendations on how Wailuku can
20 compete in this marketplace. So we have a market
21 profile, which is complete, we've done an inventory of
22 retail within the redevelopment area, we're working on a
23 retail leakage analysis, that will measure how many
24 dollars are falling down the hill, going to other places
25 and not staying in Wailuku. We've evaluated competitive

1 districts, a series of discussions with property and
2 business owners, and then, also, we conducted a
3 community survey.

4 And I'm gonna give you the results of the
5 community survey today. I think you'll find that pretty
6 interesting. We got more than 1,000 responses, 1,000
7 responses from different folks and their opinions on
8 Wailuku.

9 And then, as Erin mentioned, it's not just
10 market analysis, but, then, it's like, okay, what do we
11 do with this stuff, how -- how are we gonna use this to
12 actually make things happen in Wailuku. So the second
13 part of the market-based plan is a business plan. And
14 it really gets into implementation, tactics and tools,
15 niche strategy, how should Wailuku be positioned
16 vis-a-vis the rest of the island. And then organization
17 and finance. How do we organize the different groups,
18 are there financial tools that we should be using more
19 of that maybe we're not. And then we have specific
20 recommendations in the areas of business development,
21 parking, attracting new investment.

22 So the area that we're looking at in Wailuku
23 really is contiguous with the redevelopment area. This
24 is the area that the Maui Redevelopment authority looks
25 at. And it's Wailuku Town and Happy Valley on the

1 right. But we're not just looking at that area, we're
2 looking at the market that is accessible to that area.
3 So we're really looking at the entire basin of Wailuku
4 and Kahului, about -- about 50,000 people. So within
5 three miles of Wailuku, there's 45,000 people with
6 median household income of \$62,000 a year. That fact
7 alone was pretty surprising when we started talking
8 about that with Wailuku property and business owners.
9 Didn't really realize both, that there were so many
10 people and that incomes were that high. It is racially
11 diverse. Almost 20,000 jobs within three miles of the
12 center of Wailuku, including a substantial number of
13 jobs at the County and the State. Traffic count's about
14 10,000 vehicles up and down Main Street in the core of
15 Wailuku every day. That's healthy traffic, but that's
16 not traffic that'll sustain a brand name and franchise
17 type businesses. They're really looking for double to
18 triple those types of traffic counts. It creates, we
19 think, an opportunity for small local independent
20 businesses, though, to thrive here. And we'll talk a
21 little bit about that.

22 You've got incredible visitor attractions
23 nearby.

24 Also interesting to us is crime decreased
25 dramatically over the past year. There have been a

1 number of interventions and actions. The police has
2 been working with the community.

3 So when we look at a market perspective, a
4 market profile of the community, we're looking at a
5 whole number of things, not just demographics. We're
6 looking at traffic, we're looking at crime, a whole
7 variety of statistics.

8 In terms of the community survey, I mentioned
9 we had more than 1,000 responses where we asked people a
10 whole variety of questions about Wailuku. We
11 distributed this online and, also, in some of the shops
12 up and down Market Street. We got about 800 surveys
13 back online, about 200 that were done on paper.

14 More than half of the respondents actually
15 work in Wailuku. Majority of the people who filled
16 these out have lived in Maui more than 10 years, 57
17 percent female. We always get a majority female in
18 these surveys. It must be some sort of male thing. We
19 just -- surveys of males, I don't know. But your
20 concentration, actually, of males in this survey were
21 higher than what we usually see. Usually, we see a
22 higher female response on this type of survey.

23 An older demographic, majority of them were
24 more than 50. So we've done some cross tabs to
25 cross-tab out the younger responses from the older

1 responses.

2 Incomes from these survey respondents were
3 higher than your median incomes in the market area. So
4 almost three quarters of these respondents had incomes
5 more than \$50,000 a year.

6 We found that people -- people come down to
7 Wailuku a lot. So we asked, in addition to work, how
8 often do you come to -- to Wailuku. And 62 percent said
9 they're down here once a week or more. When we asked
10 them why they come down here, it's really, mostly, about
11 services. So it's about banks, it's about lawyers, it's
12 about doctors. I can't say that we've worked in a
13 business district that was so dominated initially by
14 services. Then you'll see, at the bottom of that list,
15 people -- only 11 percent of the trips are being
16 generated for shopping. And what that tells us is
17 there's a huge upside there. People are already here,
18 they're already familiar with Wailuku, but they're not
19 shopping, there are not a lot of stores, there's not a
20 lot of selection. Also, the restaurant patronage,
21 relatively low. Enormous business opportunities given
22 that people are already here so frequently for services.

23 We ask people, if you don't visit, why. Not
24 real surprising here on the first one, parking. A lot
25 of concern about finding parking. But then, the

1 majority said lack of diverse retail, some concern of
2 congestion, which could be related to the parking as
3 well in terms of circling around, trying to find a
4 space. And lack of restaurant options, very high on
5 that list.

6 We asked the same question in a more positive
7 way, what improvements would encourage you to visit
8 Wailuku more often. Well, parking again, top of the
9 list. But people just don't go somewhere to park, they
10 go somewhere because they want to do something. There
11 has to be some activity that's gonna bring them down
12 there. So we found that more than 60 percent would like
13 to see restaurants down here. That would bring them
14 down to Wailuku more often. More welcoming, safe
15 environment. Unique one-of-a-kind shops also registered
16 as reasons that would get people to come to Wailuku more
17 often.

18 We knew parking was a problem when we did the
19 survey, so we asked a bunch of questions related to
20 parking. This will also be helpful as you plan for a
21 potential parking structure in -- in the Central
22 Business District, in Wailuku. We asked people the
23 average time they parked down here. The most frequent
24 response was about one to two hours. So short-term was
25 the highest response area.

1 Interestingly, the second bullet there, I
2 think, is hopeful, that people are willing to walk from
3 their car. They're actually willing to walk a
4 reasonable distance. So a majority said they would walk
5 two to five minutes from their car to their destination.
6 Another quarter of the respondents said they would walk
7 more than five minutes. So, yes, we need parking, but
8 we don't necessarily need parking right in front of
9 every store.

10 And we asked people if they would be willing
11 to pay anything to park near their destination. And
12 it's sort of a split -- split verdict on that. But
13 given that we're asking people to pay for something
14 that's free today, you did have almost 40 percent who
15 said, yeah, if I can park close to my destination, I'd
16 be willing to consider it.

17 We also asked about living in Wailuku, would
18 people consider residing here all the time. And strong
19 response on this. More than half the respondents, yes,
20 would consider living, residing in Wailuku. We asked
21 them about a variety of housing types, single-family
22 homes, and there are a number of small bungalows in the
23 area that we suspect are affordable and would be
24 attractive to folks, but, then, also condominiums,
25 townhouses, live/work, a whole variety of housing types

1 that people had an interest in.

2 What sort of amenity would -- would you need
3 in order to really make a go of living in Wailuku.
4 Number one was grocery, along with it being clean and
5 safe.

6 So we've done all this research, we did all
7 this market research, what do we do with this. And this
8 gets into the second part of the market-based plan. One
9 is to do the market analysis, to understand the
10 opportunities, but then, secondly, what do you actually
11 do with that research, how do you apply it.

12 So in terms of conclusions, we really found --
13 hopefully, this slide summarizes what we would call the
14 niche for Wailuku in Maui. One, that we do have a local
15 market who has income and is already here. So people
16 are already coming here. They're either working here or
17 they're coming here for services, but there are already
18 a lot of people in Wailuku. In terms of an environment,
19 it's an opportunity to be niched as an authentic
20 environment that's really connected to the history of
21 the island. It needs to be inviting, which is clean,
22 safe, easier to park.

23 In terms of the retail mix and business
24 opportunities, we don't think we need to get
25 particularly wild here. We think there's an opportunity

1 to do it through the basics. A greater variety of
2 restaurants. There's some retail opportunities that our
3 retail leakage analysis will -- will reveal for us.
4 Diverse price points. We're finding all income levels
5 are interested in coming here. It can be a very
6 eclectic shopping experience. People like the diversity
7 and what's offered.

8 And then, lastly, can there be an experience
9 that would capture a cultural and arts experience that
10 is unique on this island that really would be oriented
11 to people who live here? So do we have an opportunity
12 with culture and entertainment? And the good thing
13 about culture and entertainment, anything we do after
14 5:00 is that parking is not a problem after 5:00. So
15 the existing infrastructure allows the real estate to be
16 activated later in the day. So can we do that with --
17 with restaurants and with culture, with arts?

18 In terms of different initiatives that we're
19 proposing -- and we provided a fair amount of detail
20 this morning to our task force on this, but we are
21 looking in four areas -- one is policy and regulatory
22 framework. Right now, it is sometimes problematic to
23 get -- to renovate a space in Wailuku. We've got modern
24 building codes that are being applied to older
25 buildings. We are providing some examples of historic

1 and older building codes that are already packaged, that
2 could be employed here. Also, some ideas on how the
3 different departments, Planning, Public Works, Fire,
4 Safety, how they can work together on the front end to
5 help folks navigate through -- through the permit
6 process with -- with a little bit less uncertainty and
7 more reliability. That's number one.

8 Number two, a variety of business development
9 recommendations. We're suggesting that the entire
10 downtown be positioned as an incubator so that it be an
11 area for local independent business concepts, people who
12 have some creativity, some innovation, if they wanna get
13 started, they'll be welcome here. Also, the notion of
14 an entertainment -- formal entertainment district on
15 Main and Market as a way to enliven the core of
16 downtown.

17 A variety of parking management
18 recommendations. Our sense is that the existing supply
19 of parking could be managed in different ways to ration
20 it out a little bit more -- a little bit more fair for
21 the businesses, for the residents and for the workers
22 down here. So we do have some parking management ideas.
23 And we're also suggesting, as part of the parking
24 structure feasibility that's being done, a more formal
25 parking management plan to make sure we are utilizing

1 the existing supply parking as best we can.

2 And then public realm. We have a variety of
3 recommendations on infrastructure, on clean and safe, on
4 making the environment more attractive down here.

5 So we go into some detail on these different
6 program initiatives.

7 And then the last -- last piece of this is
8 gonna be how. It's one thing to come up with a whole
9 menu of ideas, but how are we gonna make this happen.
10 So we are finishing a retail leakage analysis. We are
11 gonna -- that's gonna help us identify specific business
12 opportunities for people who -- who may wanna get
13 started down here.

14 A parking management plan is proposed. We
15 proposed that be initiated very quickly. We're
16 completing recommendations, particularly on the
17 organizational side. And we're making some
18 recommendations on how the different players, Main
19 Street, Redevelopment authority, the County, how they
20 could work more cohesively in making things happen.

21 So our group just looked at some of those
22 preliminary organizational ideas today and initially
23 were receptive. And then hoping to be back in September
24 to present the market-based plan for Wailuku to -- to
25 the community at that time.

1 So there you go. I -- there again, sort of a
2 hodgepodge, a little bit of global trends, a little bit
3 of market-based planning, and a little bit of what we're
4 up to in Wailuku. But at this point, I suppose I'd be
5 open to any questions on any of that stuff.

6 CHAIR STARR: Okay. Thank you. Who has got
7 some questions for Brad, also, for Erin Wade, our -- our
8 small town planner? And we also have Morgan Gerdel who
9 is responsible for the scope on the Wailuku parking, if
10 anyone has any questions on that. Anyone have anything?
11 Commissioner Hiranaga, please.

12 COMMISSIONER HIRANAGA: Hi.

13 MR. SEGAL: Hi.

14 COMMISSIONER HIRANAGA: Just reading in the
15 paper recently, the proposed Wailuku parking
16 structure -- and I don't know the details, if it's just
17 gonna be parking only or planning green area on the top
18 floor, or if they're planning on putting office
19 buildings in the top floor, but the proposed location,
20 which is the municipal parking lot, which is in the
21 middle of Wailuku Town, what's your feelings about a two
22 or three-story parking structure in that location?

23 MR. SEGAL: Well, I -- first of all, I think
24 that site is a tremendous civic opportunity site. It's
25 a tremendous opportunity for the community to leverage

1 CHAIR STARR: Yeah. Okay.

2 COMMISSIONER HIRANAGA: Yeah, I agree that, I
3 think, a parking management plan is very important
4 because I believe -- and I'm only guessing -- that a lot
5 of the stalls there are occupied by employees of the
6 surrounding businesses and those cars don't move the
7 entire day.

8 MR. SEGAL: Right. Yeah. Yeah. I mean, our
9 sense is -- well, first of all, they're very, very,
10 very, very few communities that provide 12-hour free
11 parking. So that is a very unusual asset that you're
12 providing right there. There are even fewer communities
13 that then don't try to allocate the 12-hour parking in
14 some way. So we are gonna recommend some strategies on
15 how to better allocate the 12-hour parking. If it
16 benefits the businesses that are down there, for
17 employees, that might make some sense. But, right now,
18 it's just sort of a free-for-all.

19 CHAIR STARR: I was gonna ask Mr. Gerdel to
20 come up and introduce himself and maybe give us a little
21 quick brief on what the status is regarding the
22 Department, and we'll go to more questions.

23 MR. GERDEL: Okay. My name is Morgan Gerdel.
24 I'm with Nishikawa Architects, and I'm the Project
25 Coordinator for the municipal parking lot project.

1 Right now, over the past year, I've been
2 meeting with stakeholders, getting input on the option
3 PC1, which was the preferred option back from 2004, for
4 the parking structure design. And we're currently
5 working with Public Works. They're working on making a
6 selection for an architect that can finalize the design
7 of the structure so we can also begin the EA process for
8 the parking structure.

9 CHAIR STARR: Commissioner Shibuya.

10 COMMISSIONER SHIBUYA: Yeah. I just have a
11 bias in terms of just putting structures up for cars.
12 I'd like to have a multiuse type of facility, not only
13 just to park the car and run away, but to perhaps have
14 meeting rooms or maybe even have renewable energy being
15 generated on the tops. You know, these are things that
16 I'd like to see, because we -- land is very limited
17 here. And if we don't start thinking outside the box
18 and start thinking in terms of sustaining ourselves,
19 we're gonna be in a big world of hurts.

20 MR. GERDEL: Right. I have received -- it's
21 been a comment -- a common comment I've gotten from
22 stakeholders to provide a renewable energy source on the
23 structure such as a PB system or wind. And there's
24 also, in the current scheme, a 20,000-square-foot
25 remnant parcel that could possibly be developed to a

1 mixed use type of development.

2 COMMISSIONER SHIBUYA: Okay.

3 CHAIR STARR: How about as far as
4 transportation hub in addition to parking? And maybe
5 you might say something, maybe Brad has something to add
6 on that, too.

7 MR. GERDEL: Okay. Yeah, I've also been in
8 discussion with the Department of Transportation,
9 talking about how a bus stop can tie into the design of
10 the parking structure, either actually incorporating a
11 bus stop or putting one within close walking distance so
12 it can function as a hub.

13 MR. SEGAL: And in long-range planning, from
14 our work, we think there's a great opportunity with the
15 County and the State to look at what we call
16 transportation demand management. And what that is, is
17 can we -- can we create ways to encourage people to --
18 to reduce the number of vehicles coming down here in the
19 -- in the first place. So carpools, vanpools, better
20 utilization of public transit. We've worked with a lot
21 of communities on the mainland that have a had a lot of
22 success in just reducing the number of vehicles by
23 creating incentives and -- and ways for their employees
24 to -- to reduce their reliance on one driver per
25 vehicle. So we think there are a lot of options for

1 you. And that -- that falls into parking management as
2 well, is just reducing the sheer number of cars that are
3 coming down here for a single purpose.

4 CHAIR STARR: Commissioner Shibuya.

5 COMMISSIONER SHIBUYA: Taking off from what
6 Commissioner Starr has mentioned, in terms of
7 transportation hub, in some countries they actually
8 design the hub first, then they build the facilities
9 around it. And that's more in terms of what I'd like to
10 see here, if it's possible. Move the people around and
11 allow them to go to the various destination points.

12 MR. SEGAL: Yeah. Well, and, unfortunately,
13 we're retrofitting all of our towns all across the
14 United States, because we -- we -- we were like that
15 until the -- you know, the forties and the fifties, all
16 of our towns had street cars, they had these elaborate
17 public transportation systems. We ripped those out and,
18 for the last 60 years, have been planning around cars.
19 And now -- which is interesting, too, I think your --
20 your planners know this, is the new administration in
21 Washington, they're rewriting all the different criteria
22 on federal transportation dollars. And the federal
23 transportation dollars now, at least for the next four
24 years, maybe well beyond, are going to be incentivizing
25 the type of transportation that you're talking about, of

1 hubs and decreasing the reliance on vehicles. It's
2 really a profound shift. And the amount of dollars at
3 stake really are amazing. A lot of people are focused
4 on the stimulus and what that did, but the rewriting of
5 the rules, the Federal Department of Transportation,
6 that's one area where the feds probably have the most
7 influence on how we plan cities, is in transportation.
8 The feds write the rules and then the states and the
9 counties, you know, have to follow suit. So, yeah, I'd
10 urge us all to keep our -- you know, really tuned in to
11 what's happening at the Department of Transportation,
12 because it could really benefit a place like Wailuku and
13 create the type of transportation hub that -- that
14 you're talking about.

15 CHAIR STARR: Commissioner Mardfin.

16 COMMISSIONER MARDFIN: I don't know if it
17 would be possible, but had any thought been given to
18 some sort of a small business hotel? I'm thinking about
19 maybe people coming in from Honolulu that have a couple
20 days work. I live in Hana, I'd come in for -- to spend
21 a day or two overnight in -- in this area for some
22 purpose, maybe entertainment or something else.

23 MR. SEGAL: It -- it -- yes. We have thought
24 about some sort of boutique hotel or -- or something of
25 that nature. What -- what we see -- and this is what

1 we're seeing in Wailuku -- what we've seen over the last
2 20 years in -- in a lot of cities and towns throughout
3 the mainland is -- is a pattern with downtown areas, a
4 development pattern. Then there's three stages to its.
5 The first stage starts with arts, entertainment,
6 restaurants, some of your -- your more pioneering uses.
7 Some of it is a little edgy and some of it is pretty
8 risky in terms of the entrepreneurs coming in. But you
9 start with an arts, entertainment emphasis. The next
10 phase after that is residential. And we've seen
11 residential, then, into downtown areas and even in
12 smaller markets because now people want to live around
13 these amenities, those amenities that are created by the
14 restaurants and the shops, and the vitality that's going
15 on. Then the actual third phase of all of this is
16 retail, when you get some of the conventional retail
17 that people wanna put up front in the first phase.

18 The notion of boutique hotel, I sort of lump
19 that into that second phase of development, it's in
20 there along with the residential. Once you have an
21 amenity base that people want to be near, where they can
22 walk outside, they have a choice of four or five, six,
23 seven different restaurants and -- and maybe there's a
24 couple shows, the theater, you know, those types of
25 things. So that's why, one reason, we're really focused

1 even in Wailuku on -- on that sort of first phase of
2 development and trying to get some of that initial
3 activity. Because we think it will drive market demand
4 for a boutique hotel and other types of uses like that.

5 CHAIR STARR: Brad, the plan you're doing is
6 related to a small portion of Wailuku. But I want to
7 ask you to go out on a limb and talk a little bit about
8 market-based for Maui in a bigger picture, and, also,
9 maybe, you know, possibilities or -- for some of the
10 other towns you -- you've seen here. I know you're not
11 that familiar with us, but sometimes it really is good
12 to have some eyes, you know, more familiar with
13 somewhere else. Could you tell us where you think, you
14 know, our greatest opportunity lies?

15 A Well, I -- unfortunately, I don't know enough
16 about the rest of the island. I have been in some of
17 the other towns, but only for hours, where I've spent
18 days and almost weeks now in -- in Wailuku. I do think
19 the market information that we obtained, particularly
20 from that survey, that 1,000 consumers, those are all
21 local people. So I think there's lots of information
22 that can be used not just by Wailuku, but -- not just in
23 Wailuku, but in other towns as well.

24 To me, the secret at making all the towns work
25 is having -- is offering something a little different in

1 each town. In my limited experience, you seem to have
2 that. Paia has sort of this bohemian thing going on
3 that -- that -- that seems to have worked. Some people
4 say it's worked too well. But, you know, it's got --
5 it's got this sort of -- you know, its flavor of the
6 moment kind of thing going on. Lahaina seems to be more
7 of a visitor destination and you've got, you know, a lot
8 of chain stores there that you'll find just about
9 everywhere. And I know there's some other small town
10 centers around the island.

11 I do think, though, that because of our view
12 of viewing around -- being fresh faces and viewing
13 around these other towns around the island, that's why
14 we thought Wailuku could really be sort of an authentic
15 experience that really is rooted in this island's
16 history and this area's history, and provide more of
17 that local entertainment, arts/culture event, because it
18 doesn't seem to exist in those other places.

19 Also, it's consistent with the actual history.
20 That's the other thing, is one thing we really pull on
21 when we do these market-based plans is the history of
22 the place. You know, why does the town exist and what
23 are some of the historical roots, and are those -- are
24 there any historical roots that we can capitalize on
25 today and -- and sort of help repackage it. So I -- I

1 don't know enough, you know, of how the different towns
2 would best work. I do think, actually, that they --
3 they are currently niched very differently from one
4 another. And I think that's very healthy, the fact that
5 you've got four or five small towns on this island that
6 each offer a fairly different experience in each town
7 that's unique, that's unusual.

8 CHAIR STARR: Commissioner Hiranaga.

9 COMMISSIONER HIRANAGA: When you look at Paia
10 and Makawao and Lahaina, it seems like the -- the
11 retailers take pride in their store operation. And my
12 experience has been with Wailuku and -- and I'm -- I
13 was, actually, born and raised in Wailuku, but I'm not
14 that connected to it anymore -- was that you had a lot
15 of absentee property owners on Market Street. And so
16 how do you get these property owners to join the parade?
17 Because all they want, basically, is to collect as much
18 rent as they can get and spend the least amount of
19 maintenance on their buildings, and they don't really
20 care who is in there as long as they pay their rent. I
21 think that's been a problem with Wailuku, Market Street.
22 I don't know if that's still the situation or not.

23 MR. SEGAL: There's definitely some of that in
24 Wailuku. And I think you're right. I think there is a
25 higher level of neglect in Wailuku than there is in

1 these other areas. However, these other areas are
2 economically working much better right now. They're
3 getting higher rents and they're getting higher traffic.
4 And my sense is if Wailuku was more prosperous, you
5 would see -- you would see more care.

6 Now, how do you get there? How do you get
7 there with a bunch of absentee owners? My philosophy --
8 and this is my experience, too -- this was my first job,
9 doing this stuff, back in the eight eighties. I did
10 this in Denver, in the old warehouse district there.
11 And we had a similar dynamic, we had about 50 percent of
12 our buildings there were actually institutionally-owned
13 or bank-owned. But what we did is we've -- this is what
14 I still recommend today. We focused on those owners and
15 those businesses that really were willing to buy into a
16 new vision and that were willing to work toward success
17 and try to create two, three, four, five successful
18 properties, two, three, four, five, six successful
19 businesses. And then what we found, it's pretty
20 contagious.

21 So I think a lot of communities make a mistake
22 where they're really trying to go after the absentee
23 owner and they're putting a lot of effort into it and
24 it's just negative energy. What we have found is let's
25 work with the people who are here, let's work with the

1 people who are open-minded. And you do have -- you do
2 have a number of property owners here, actually, who, I
3 think, are motivated to change.

4 I think our timing is good, for whatever
5 reason. There are a number of property owners that are
6 motivated to change. My sense is they're willing to
7 invest, whether it's through rent concessions, perhaps
8 even equity investment in their tenants, they're willing
9 to invest something. And, to me, that's the way to make
10 it happen, is to start sort of chiseling away, make
11 three, four, five, six, seven of them work. Then on
12 these absentee guys, either they -- they drive into
13 town, they say, woah, look what's going on and they get
14 with the program, or sometimes they sell out their
15 building, or sometimes they're just the last ones, you
16 know, to let go. So I don't -- I don't know if that
17 answers it, but that's the -- that's a strategy I found
18 that's worked.

19 COMMISSIONER HIRANAGA: I do wanna comment
20 that I have seen improvement on Market Street. It's
21 just whether these people who are putting more effort to
22 improve their properties can hold out long enough that
23 the others will join in. Because there's like these
24 little islands on Market Street, you can see it, and
25 then there's still the old stuff there.

1 MR. SEGAL: A couple other comments on this.
2 One is, hopefully, the market information from this work
3 can be eye-opening for some. I know it's -- it's been a
4 surprise to many of the merchants we are working with.
5 And sometime the tenants can drive the improvements if
6 they see enough upside.

7 And then again, you asked about the parking
8 structure earlier, I think well placed public investment
9 can help make some things happen. So if you're looking
10 at whether it's a parking structure or whatever you put
11 on that piece of ground, if it can leverage and if it
12 can create private sector investment, that could be a
13 way of jump-starting this stuff as well.

14 I think there are a lot of options. And in
15 some ways, in some ways, the timing may be really,
16 really good. Right now, with the economy being tough,
17 it's a good time to plan. And with people expecting,
18 you know, some sort of recovery, there's motivation now
19 to start working together. And sometimes, in tough
20 times, people are more motivated to work together than
21 in good times. And -- and certainly my sense is folks
22 have been receptive, at least to this process, and
23 pretty much on board in the direction we're going.

24 CHAIR STARR: We've got about 10 more minutes.
25 We were asked not to start 'til 2:15 before. So I'm

1 trying to think. Maybe you can talk a little bit about
2 some of the tools, you know, TIF or even TDRs and other
3 things that -- that work in improving small towns.

4 MR. SEGAL: Sure. Sure. And there's a whole
5 menu of tools that we've looked at for Wailuku. Some of
6 these are maybe a little contentious, so -- but, for
7 example, parking. Parking revenue is a real opportunity
8 here. And, again, those 12-hour spaces, there's really
9 no reason why we're not creating some revenue from that,
10 whether it's through a monthly permitting, you know, for
11 employees or -- or some sort of revenue enhancement. It
12 would also help you better manage the supply. But
13 parking is a potential source of revenue that a lot of
14 communities use to reinvest in improvements.

15 Tax increment financing, something called TIF,
16 that's an enormous tool that you have at your disposal
17 today, but it has not been used by the Redevelopment
18 authority. What TIF is, what tax and increment
19 financing is, it uses the future increase in value of
20 your redevelopment area, it uses the taxes from the
21 future increase in value to invest in improvements
22 today.

23 So how does that work? Let's say that the
24 value of the redevelopment area today is a million
25 dollars, we're getting taxes based on that million

1 dollars. And let's say, five years from now, the value
2 of that area is two million dollars. So we've increased
3 the value by a million dollars. Tax increment financing
4 allows us to take the taxes from that new value, that
5 increment, that increment of a million dollars and
6 reinvest it into the redevelopment area. Reinvest it
7 into the redevelopment area. It's a very, very powerful
8 tool that's been used commonly throughout the mainland.
9 It's also been used in Oahu, in Honolulu.

10 And it's available for you today. That's a
11 tool that we're gonna suggest for Wailuku. Now is a
12 good time to create tax increment financing base because
13 values are relatively low. And if we're gonna be
14 optimistic and we're gonna create new investment, now
15 would be a good time to lay the groundwork to capture
16 that. So tax increment financing is a great tool.

17 Capital improvement budget, the County already
18 has that.

19 Block grant funding, Wailuku qualifies for
20 community development block grants because of the
21 demographics right within the redevelopment area.

22 Facilities district. Hawaii statute allows
23 you to form community facilities districts to finance
24 infrastructure and different improvements. And what a
25 community facilities district is, is that is a special

1 assessment. It's where the property owners from the
2 County would agree that they want to -- let's say it's
3 new lighting. Say we want to do new lighting throughout
4 Wailuku. We agree to that. Let's say it's \$4 million
5 to install new lighting. We create a community
6 facilities district where there's an assessment that's
7 placed on all the properties and they pay that over 20
8 or 30 years. So it's a relatively inexpensive way to
9 pay for improvements that everybody wants. The key
10 there is all the property owners have to want it along
11 with the -- with the County.

12 And then business improvement district's, too,
13 another tool that we're using throughout the mainland.
14 It has been employed at Honolulu. And business
15 improvement district -- similar to the community
16 facilities district, the business improvement district
17 would create some sort of special assessment that the
18 property owners and businesses would pay into. But
19 that's more for marketing and promotions and activating
20 the district. So there are a whole array of different
21 financing tools that -- that are available to you
22 that -- the good news is we haven't used them yet, so
23 there may be some opportunity to jump-start some
24 development in Wailuku as well.

25 CHAIR STARR: Okay. Any other questions,

1 comments? Commissioner Hiranaga.

2 COMMISSIONER HIRANAGA: I'd just like to make
3 one comment, since we seem to have all the powers that
4 be, that matter. In the Wailuku redevelopment area, I
5 think if you build a parking structure, and only a
6 parking structure in that location between Church Street
7 and Market, Vineyard and Main, you're gonna destroy the
8 connectivity of that city block and you're gonna create
9 a black hole. Because people, basically, have to walk
10 around this black hole to get to the other streets. I
11 know, I'm sure, there's fiscal restraints, but I'm
12 hoping that you guys will push for some type of
13 multiuse, mixed use versus just a three, four,
14 five-story parking structure. I think that will be a
15 big mistake.

16 CHAIR STARR: Commissioner Freitas.

17 COMMISSIONER FREITAS: Yeah, I have a
18 question. On this assessments, say for new lighting, if
19 one of the -- say one of the merchants say, "I don't
20 want it," can you still go ahead with that because the
21 majority want it and assess 'em?

22 MR. SEGAL: Yeah. I believe both the
23 community facilities district and business improvement
24 district requires a majority of the property owners to
25 vote for it. But if they do, it becomes mandatory for

1 everyone.

2 COMMISSIONER FREITAS: Thank you.

3 CHAIR STARR: Erin, you want to wrap up with
4 just, you know, anything, or any comments about what's
5 going on around the County with this stuff?

6 MS. WADE: Sure. Well, when these guys come
7 in town, we keep them very busy. This is their third
8 trip. And from here, we're actually going to a meeting
9 about the creation of a new entertainment district in
10 Wailuku, at the corner of Market and Main, utilizing
11 some of Market Street. We're talking with property
12 owners, business owners, and the arts community, the
13 MAPA is involved, the Iao Theater is involved, Manao
14 Radio has been participating. So we're -- we have focus
15 groups, basically, throughout the rest of the trip that
16 -- where they're gonna be meeting.

17 Tomorrow is a very busy day. We meet with the
18 Mayor early in the morning, and then, from there, we'll
19 go to the Wailuku Main Street Association forum. Brad
20 is the keynote speaker at that meeting. And then there
21 will be breakout sessions where people can discuss all
22 different issues in small towns that are relevant for
23 talking about market-based planning. And it's,
24 basically, those four things that Brad outlined that are
25 the four keys to marketing and market planning.

1 And then after that, we actually have a
2 development review session. This is gonna be an
3 in-house interagency meeting where we're gonna have
4 Fire, and Water, Development Services Administration,
5 Planning, Zoning, are all gonna participate in a
6 conversation about what can we really do in Wailuku,
7 since -- since we have the Wailuku Zoning and
8 Development Code, which allows for so much opportunity
9 and flexibility, how could we really utilize this to
10 expedite the review and permitting process.

11 And at this time what we're realizing is we
12 have the Planning Code, but we haven't helped any of the
13 other agencies by providing them codes or any guidelines
14 to go by. You know, we helped ourself with the planning
15 document, and it's -- it's been working quite well, but
16 when someone applies for a variance at the MRA and it's
17 granted, it sort of leaves Building Department and Fire
18 hanging a little bit. They don't know how to treat
19 those types of variances. So we're gonna be talking
20 about what tools they need in order to assist people in
21 rehabilitating existing and older structures.

22 And then the following day we have several
23 more meetings, this is the Thursday, with property
24 owners and actually going to their properties and
25 talking about the marketability of their properties and

1 the ways that they might best utilize what they have
2 today and how to contribute it back to Wailuku. So he's
3 gonna be a busy guy this week.

4 CHAIR STARR: Well, thank you very much, both,
5 for coming here and for all the good work. And we'll
6 watch Wailuku become a better place. Thank you.

7 MS. WADE: Thanks for having us.

8 CHAIR STARR: We're gonna take a recess.
9 We're scheduled to begin at 2:15.

10 (Recess, 2:00 p.m. to 2:16 p.m.)

11 CHAIR STARR: ...(gavel)... Good afternoon,
12 everyone. We'll call back to order the Maui Planning
13 Commission meeting of June 22nd. The item before us is
14 the comments on the Draft EIS for the Honua`ula project
15 in South Maui. We're first taking questions, to the
16 maximum extent possible, on water system and then,
17 perhaps, we'll go to wastewater and drainage and so on.

18 But on water, which is where we left off, any
19 Members of the Commission who would like to proceed with
20 additional questions, now would be a good time. Anyone?

21 (Silence.)

22 CHAIR STARR: Okay. I wanna do a follow-up to
23 Mr. Jencks. And before the break, we had asked what
24 mechanism could be employed to give solace to the people
25 of Maui and people who will buy into this community that

1 the water system, if it's not taken over by the County,
2 will be maintained viable in perpetuity.

3 MR. JENCKS: Thank you, Mr. Chair. I was on
4 the right track when we -- we talked earlier. I told
5 you that the Department of Health, Clean Water Branch
6 will do nearly all of the review of the system design.
7 That'll be done by not only the civil engineering side
8 of the project, but, also, Mr. Nance's office, which
9 includes, you know, reviewing the -- the water chemical
10 process, the analyses of the water and the design of the
11 system. I had recent experience with a -- by the way,
12 this would be a PUC-regulated system. So it will have
13 to go through not only approval of the Department of
14 Heath, Clean Water Branch, but, also, the public utility
15 system to secure the rates and make sure there are
16 adequate, you know, money set aside for maintenance and
17 the operation of the system.

18 We did look at the State guidelines. These
19 come from the Department of Health. These are Chapter
20 11-20, Hawaii Administrative Rules. And I'm gonna
21 reference Section 11-20-29.5, talks about a public water
22 system with adequate financial capacity has at least the
23 following items. And it gives you a list of the things
24 you have to submit. And we'd be more than happy to
25 submit this as -- to you so you could read it in detail,

1 but it requires you to not only demonstrate that you can
2 maintain the system adequately and over time, but also
3 requires you to demonstrate financial capability and
4 feasibility as well as a part of your submittal. So
5 it's a very complete process. Adequate budget controls,
6 including periodic performance review, incoming cash
7 reserves adequate to pay annual operating expenses.

8 This is not -- when you -- when you think
9 about this system in the context of Molokai, it's apples
10 and crates of grapefruit. It's a different environment,
11 a different place of doing business and a different
12 regulatory authority. So in addition to that, the State
13 will also require redundancy in terms of the system, in
14 terms of the source, so that we have adequate supply at
15 all times to serve the residents of the project.

16 So I'd be happy to provide this to you. And
17 you can review it in detail

18 CHAIR STARR: Okay. Thank you. Members, any
19 more questions specifically on water?

20 (Silence.)

21 CHAIR STARR: Okay. How about on sewage?
22 Anyone with anything on sewage on wastewater?

23 (Silence.)

24 CHAIR STARR: I have one, which is, have you
25 done an analysis of what the fees will be like for

1 wastewater and, I guess, also, for water?

2 MR. JENCKS: Once again, we haven't gotten to
3 that point yet, because we don't know the actual
4 definition of the system. However, the condition does
5 require that the -- the sewer treatment fees charged to
6 residents in the project for the affordable homes cannot
7 exceed the current County rates at the time. So we're
8 restricted on what we can charge the affordable homes
9 for sewer treatment plants.

10 CHAIR STARR: Does that apply for water, also?

11 MR. JENCKS: Yes, it does.

12 CHAIR STARR: And for market-based, there's no
13 -- there's no --

14 MR. JENCKS: There's no restriction on market.

15 CHAIR STARR: Commissioner Tagorda.

16 COMMISSIONER TAGORDA: Mr. Jencks, I just like
17 to have a long question about your wastewater treatment
18 plant. It says, on the DEIS, it's still an unresolved
19 issue with Makena. So you don't know yet if you can be
20 connected with Makena water -- wastewater treatment
21 plant, or you are going to make your own wastewater
22 treatment plant?

23 MR. JENCKS: We've proposed two alternatives,
24 and one is using the Makena plant. The Makena plant
25 currently has the capacity of about 720,000 gallons a

1 day, of which we're using about 100,000. The owner of
2 the Makena plant wants us to use that capacity and buy
3 that capacity from him to pay down his capital costs.

4 The unresolved issue, Commissioner, is the
5 issue of the land control between the boundary of Wailea
6 670 and the plant. As you are probably aware, Makena
7 Resort is going through a foreclosure process. The
8 current high bidder and owner is the trustee. So that
9 is the issue that needs to be resolved. They
10 understand -- the bank understands -- the trustee
11 understands that this would be an issue that we would
12 like to discuss with the new owner over time.

13 Our alternative -- backup alternative is a --
14 is a membrane bioreactor onsite that would accomplish
15 the same thing, treat the water to an R-1 process and
16 reuse it onsite. So we have two options. The
17 unresolved issue is the land control because of the
18 foreclosure process of the resort.

19 COMMISSIONER TAGORDA: If ever you will build
20 your own private wastewater treatment plant, what place
21 are you gonna use in that Honua`ula project, what area?

22 MR. JENCKS: Where would it be located?

23 COMMISSIONER TAGORDA: Yeah. Where would it
24 be located at?

25 MR. JENCKS: It's in the very southern,

1 westernmost part of the plan. Right there. It's about
2 a five-acre parcel. All the water in the project with
3 gravity flow down to the bottom, down to the plant for
4 treatment, and then pumped back for irrigation purposes.

5 COMMISSIONER TAGORDA: Thank you.

6 MR. JENCKS: We -- by condition, we had to
7 develop and submit to the -- let's see -- to the
8 Department of Health, the Department of Water Supply,
9 and DLNR, a sewage disposal analyses and analyze both of
10 these options for us. He did that. And we, basically,
11 did and -- and we received zero comments. They felt
12 comfortable with what we were proposing either onsite or
13 offsite. No -- no agency concern with regard to our
14 proposals.

15 CHAIR STARR: Any other questions?

16 Commissioner Shibuya.

17 COMMISSIONER SHIBUYA: My point here is in
18 terms of sustainability. And that's the ability to
19 provide for the needs of Maui's current and future
20 population without damaging the ability of future
21 generations to provide for themselves. I'm -- I'm just
22 gonna ask you if you could provide us, I guess, in later
23 documents, the energy that is needed for your water as
24 well as your sewage treatment as well as pumping that
25 water, R-1 water, back up from the treatment plant in

1 Makena.

2 MR. JENCKS: Sure.

3 COMMISSIONER SHIBUYA: Yeah.

4 MR. JENCKS: Be happy to.

5 COMMISSIONER SHIBUYA: That type of thing, so
6 that we can take a look at the total energy use of that
7 project. And then whatever you're gonna do in terms of
8 photovoltaic or wind, or however you're gonna generate
9 that renewable energy, what is that delta that is
10 remaining that MECO has to provide?

11 MR. JENCKS: Be happy to provide that.

12 COMMISSIONER SHIBUYA: Okay.

13 CHAIR STARR: Commissioner Shibuya, we --
14 right now, we're asking questions. I mean, we could
15 open it up to actually giving comments or -- at this
16 time, but if you want that to be a comment, just make a
17 note of it because we'll get to that point.

18 COMMISSIONER SHIBUYA: Okay.

19 CHAIR STARR: Hopefully, in a few -- quite
20 shortly.

21 COMMISSIONER SHIBUYA: Sure.

22 CHAIR STARR: Any other questions, water,
23 wastewater?

24 (Silence.)

25 CHAIR STARR: I have one -- one more. And I

1 think this is more toward -- toward Ms. Cua, which is
2 say, you know, the EIS is accepted with, you know, a
3 certain system in place, using certain wells and RO or
4 something, and say, for whatever reason, later, it's
5 decided that a different type of system will be used,
6 say, whatever, rain catch or, you know, desalinating
7 ocean water or, you know, some other completely
8 different system, what happens, then, in terms of the
9 entitlements when the EIS is approved with one -- you
10 know, one type of system with its impacts in mitigation,
11 but there's a need to change it?

12 MS. CUA: Well, a couple of things come to
13 mind on various issues, not only limited to this issue.
14 Sometimes in an EIS or an EA, they -- part of the
15 disclosure is they may do one thing or the other, yeah.
16 And so, obviously, it's all in the -- in the document.
17 If -- if they are disclosed, I would think -- maybe I'm
18 gonna need help on this -- I mean, I, obviously, don't
19 have as much experience with EIS's as Tom, and you have
20 an attorney here, but I would think if they're
21 disclosing what they possibly could do in terms of, you
22 know, even having contact with various governmental
23 agencies in terms of infrastructure, and through further
24 continued discussion as we go along the way and the EIS
25 is done, some other alternative comes up that is gonna

1 meet, you know, it -- it's all in keeping with working
2 with that particular department. I don't think it -- it
3 compromises or jeopardizes the EA or EIS process. I
4 mean, that is my comment.

5 You wanna add or help me out, James?

6 CHAIR STARR: Mr. Giroux.

7 MR. GIROUX: Thank you, Chair. Well, right
8 now, if -- at the earliest possible time, what you want
9 to do is look at possible alternatives. You know, you
10 want to ask -- if there are alternatives out there that
11 you think could be possibilities, you want answers to
12 that. In -- in the world of technology, where, you
13 know, we didn't understand that we could get cell
14 phones, you know -- I mean, technology changes so fast
15 that the project, you know, is about to go forward and,
16 all of a sudden, a new technology comes forward that has
17 never been looked at in the EIS, the rules allow what's
18 called a supplemental EIS process. Whereas the -- you
19 know, the departments may -- while they're looking at
20 the permitting process and they're looking at this
21 development, may have to go back and look at where in
22 the process they are and does that require a
23 supplemental EIS at that point. And -- but that's going
24 to depend on, first of all, the technology, is it
25 available, and, second of all, how far in the process

1 you are, and what entitlements are necessary because the
2 -- like the wastewater in and of itself is a trigger.
3 So if it's a complete change in your whole wastewater
4 processing, then that in and of itself would make one
5 heavily weigh to the side of there possibly should be a
6 supplemental EIS. So the departments and the County and
7 everybody else, the State, they're gonna have to be
8 looking at that and seeing, you know, is there a major
9 change in these major components that would trigger a
10 necessity for a supplemental EIS.

11 MS. CUA: And in the case of -- if I could
12 comment? In the case of wastewater, they're telling you
13 there could be two alternatives right now.

14 CHAIR STARR: But if, instead, it was some
15 complete third thing that was completely different --

16 MS. CUA: Right.

17 CHAIR STARR: -- then it might be seen to
18 trigger a supplemental.

19 MS. CUA: You know, it might. It's really
20 hard to envision what that could be. And I think
21 whatever -- whatever the situation is at that time, on
22 whatever issue, we really need to look at, well, what
23 was the facts that was presented and how far off are we.
24 I've really never seen that problem, but it could
25 happen.

1 CHAIR STARR: I know there was a case in North
2 Beach where one of the projects was changing to a
3 different type of energy system that were gonna generate
4 all their energy onsite, and then they were going to
5 desalinate water and have injection wells for the brine,
6 and none of that was seen. I know there was some
7 spirited discussion over that a few years back, whether
8 that should have triggered the supplemental.

9 Anyway, I apologize for taking time here.

10 Drainage, anyone have questions on drainage?
11 Commissioner Hiranaga, you're usually -- Commissioner
12 Mardfin.

13 COMMISSIONER MARDFIN: During the testimony we
14 had earlier, Lucienne raised some issues about drainage
15 impacts. In particular, I think, the comment was
16 made -- or maybe it was by Dick -- that golf course
17 might not be able to take all the drainage, who pays
18 for, how do we ensure that it'll get paid for, if people
19 don't wanna pay their fees and that sort of thing.
20 There's a question buried in there somewhere.

21 MR. JENCKS: That's okay. It's a really good
22 question. This project has, what, 26-some-odd detention
23 basins located within it. It has a golf course that
24 will function as a part of the drainage system. But it
25 also has -- all the roads on the project are private

1 roads -- tend to be private roads. And the reason that
2 is, is because we can build them to a non-urban standard
3 with grass swales instead of hard curb and gutter, which
4 create other -- other issues. All of that will be
5 maintained by a master association. And the master
6 association is, of course, funded by the developer
7 through at least 50 percent of the buildout of the
8 project. How those fees are allocated is based upon
9 Hawaii state law, controlled by the Department of
10 Commerce and Consumer Affairs. Typically, larger units
11 pay more than smaller units. Affordable homes will pay
12 less than larger market-rate homes. But the direct
13 answer is it will be paid for by the master association.
14 So all the residents will contribute and pay.

15 COMMISSIONER MARDFIN: You said that's up to
16 50 percent of the buildout. What about when 100 percent
17 of the buildout occurs?

18 MR. JENCKS: The point there was the developer
19 will pay for this until you get to 50 percent, then you
20 can start assigning those costs to the associations.

21 COMMISSIONER MARDFIN: And what if the
22 association says, too expensive, we don't wanna pay for
23 it?

24 MR. JENCKS: Well, to buy there, they have to
25 agree to pay.

1 COMMISSIONER MARDFIN: Can I ask one -- this
2 is off topic. Is this a gated community?

3 MR. JENCKS: No, it is not a gated community.

4 CHAIR STARR: Drainage. I -- I see there's a
5 lot of retention basins. And I'd like to know what --
6 how many CFS those will -- those will absorb compared to
7 the pre and post-development runoff. The runoff after
8 -- I understand that, in the document, it says that the
9 runoff will not be increased, but, right now, the runoff
10 that comes off the site is coming out of dryland forest,
11 so it's very, very pure. Whereas once it's houses with
12 lawn chemicals, that runoff will not be the same benign
13 stuff. Once it goes into the -- into the drainage
14 system, it's gonna be fed right into the nearshore
15 waters. So I'm trying to understand more about the
16 retention and what filtration there will be in the
17 drainage system. So you have your civil here?

18 MR. JENCKS: Yes, I do. I will have Lance and
19 Barry come up to answer that question.

20 MR. OYAMA: My name is Lance Oyama from Wilson
21 Okamoto. You asking about the existing conditions of
22 flows coming down and what the project's gonna increase
23 CFS. The existing conditions within the site, you have
24 an existing flow of 2,195 CFS.

25 CHAIR STARR: Is that 100 year or 50?

1 MR. OYAMA: This is based upon
2 100-year/24-hour storm.

3 CHAIR STARR: Okay.

4 MR. OYAMA: And your post-development, after
5 you develop the project site, you come up with 3,114
6 CFS, 100-year storm, 24 hours. And what we did for the
7 retention basin, in order to hold that flow, that 2,000
8 flow, going through the site, we built this retention
9 basin -- or detention basin to hold the additional
10 volume from the additional runoff. That's how we came
11 out with the 26 retention basin. And that volume is --
12 the volume is 182 for your predevelopment acre feet.
13 That's the volume of water. You get one acre of land --
14 you get 182 acres of land, one foot of water, just to
15 give you an idea what it is. And your post-development,
16 the volume is 259 acres. So you have a net or
17 additional volume of 76 acre feet. And that 76 acre
18 feet, with the 26 retention basin, will hold that water.

19 CHAIR STARR: In other words, it will hold the
20 increased water?

21 MR. OYAMA: Yes.

22 CHAIR STARR: It's about nine -- almost 1,000
23 cubic feet per second?

24 MR. OYAMA: Yes.

25 CHAIR STARR: What's being done to filter or

1 delay the runoff into the ocean of the 2,200 cubic feet
2 per second of water that will still be flowing, but now
3 has residue of lawn chemicals and all the -- and
4 petrochemicals and all of that in it?

5 MR. OYAMA: Yes. On the site, the
6 subdivision, you have all this retention basin. And it
7 will go into retention basin and all the sediment will
8 go down to the bottom of the catchment basin. And then
9 you have an overflow. So the overflow, and, also, we
10 have an outlet that has filters, rock, gravel around the
11 perforated pipe, so it will filter out the runoff, and,
12 also, all the debris, and the silt will go down in the
13 bottom. And you have almost like clean water coming out
14 of the basins. So you're kind of filtering it out in
15 the basin itself, yeah, the basin itself.

16 And, also, on site, there are several
17 different filter systems they can put in the catch
18 basins. So you can filter out the runoff during that,
19 yeah.

20 CHAIR STARR: Are those gonna be mandated to
21 be included in the project specific plans?

22 MR. OYAMA: In accordance with the -- with the
23 city and County drainage standards, yeah, we can do
24 that. Yeah.

25 CHAIR STARR: Okay. So the first --

1 MR. OYAMA: Also, the basin itself is -- is a
2 -- is a pretty good filtering system, too, so we can
3 combine those two, if we needed to.

4 CHAIR STARR: So do I have this right, that
5 100 percent of the first flush -- I -- I don't think
6 that's the right term. That's more of a wine term,
7 olive oil term or something, but the -- you know, the
8 first -- the stuff that would tend to have a lot of --
9 whether it's lawn chemicals or automotive runoff, will
10 be -- will be settled in an event. Will that be for 100
11 percent of the properties?

12 MR. OYAMA: On the site, yes. All the -- all
13 the runoff that goes into the site, generated from the
14 site, will go to the basin. Will go to the basin or
15 some kind of return system.

16 CHAIR STARR: It won't go straight into the
17 ditch, the pipes?

18 MR. OYAMA: All the existing ones from the
19 mauka side will go to the drainage and just go through
20 the site. And the runoff from the site itself, from the
21 roadways and swales, will all go to the basin or some
22 kind of -- like Charlie was saying about the site
23 swales, the bioswales, you know, percolating through
24 that. So all the combination will filter it out
25 somehow.

1 CHAIR STARR: Okay. Thank you. Commissioner
2 Shibuya.

3 COMMISSIONER SHIBUYA: I just have a concern
4 in terms of, when you do have these retention things,
5 the possibility -- or the risk increases for flooding of
6 the residences or any of the facilities. Will this be
7 of concern?

8 MR. OYAMA: The basins will be located on the
9 lower side of all the subdivisions. And all the
10 drainage system that collects all the runoff will be
11 sized to flow all into a deep basin. So the basin will
12 be on the low side, you know, so it won't flood out the
13 subdivision.

14 COMMISSIONER SHIBUYA: Yeah. And usually the
15 first -- the flush, or whatever the stormwaters come
16 through, usually is a lot of debris, not only organic
17 matter, but you do have the silt and things of this
18 nature, which tends to not make it too effective. Had
19 this been added into your calculations or ways in which
20 you design to eliminate organic matter clogging up the
21 drains?

22 MR. OYAMA: Yes. As far as, you know, during
23 construction, you know, they have to clean up
24 everything, and it gets into the system, they have to
25 clean it out. And -- and like I was saying, there is

1 some filtering system that you can put in the catch
2 basins that can also filter out the organic things and
3 whatnot. Yes.

4 COMMISSIONER SHIBUYA: Okay. Onsite, too,
5 from the rain gutters, from these impermeable
6 structures, are you planning to have some kind of
7 catchment, ground catchment, in addition to this
8 retention area? Not really?

9 MR. OYAMA: No.

10 COMMISSIONER SHIBUYA: Okay. And in terms of
11 filtering parking lots and roadways, they tend to have
12 hydrocarbons, pollutions. How are you mitigating or
13 minimizing that pollution effect?

14 MR. OYAMA: Again, there's a filter system
15 that -- structure that you can put in the catch basin
16 that collects the --

17 COMMISSIONER SHIBUYA: So that will be
18 designed into it? Not -- you're just not giving me a
19 lecture in terms of how it can be done, but it will be
20 done?

21 MR. OYAMA: Yeah.

22 COMMISSIONER SHIBUYA: Oh, okay. Thank you.

23 CHAIR STARR: Okay. Members, anything else on
24 drainage in terms of questions? Where would we like to
25 go next?

1 COMMISSIONER SHIBUYA: I'd like to go noise.

2 CHAIR STARR: Okay. Commissioner Shibuya.

3 COMMISSIONER SHIBUYA: I have a question in
4 terms of noise and how the developer tends to work this
5 issue. Because as we increase the number of occupants
6 of the 1,100 type of residences in this area, traffic
7 noise would be of concern, not only within the
8 development, but along Piilani Highway, but, also, noise
9 in trails that surround the area and go between many of
10 the residences and along the golf courses.

11 First, let's -- let's stay with the highway,
12 Piilani Highway, and then move into the development
13 area. What kind of noise abatements are we talking
14 about when we get to full buildout? Let's say your
15 responsibility, does that diminish and end after you get
16 50 percent sellout or buyout?

17 MR. JENCKS: Hardly. I would -- well, two
18 issues. And you, more or less, compartmentalized. The
19 first is the Piilani Highway you're talking about.

20 COMMISSIONER SHIBUYA: Yes.

21 MR. JENCKS: The Piilani Highway, of course
22 the widening of that, which is a requirement of the
23 project, is a separate project. It has a -- an initial
24 Draft Environmental Assessment that's been done by
25 Gwen's office. The highway widening will require

1 modification from the existing two lanes to four lanes.
2 Okay. That will require moving the traffic towards the
3 Maui Meadows neighborhood and towards the Wailea
4 neighborhood that exists on both sides. The federal
5 requirements will mandate that sound walls, where
6 necessary, be erected to protect those homes from the
7 additional noise.

8 I think one of the important things to
9 remember here is that the Piilani Highway widening needs
10 to take place with or without this project. That's
11 gonna happen in any case. It just so happens that I'm
12 responsible for it. So it's my job to make sure that it
13 gets done. So the sound walls will be built as a part
14 of that improvement to mitigate and address that noise
15 intrusion issue on the highway widening.

16 Within the project, we -- the EIS does contain
17 a noise element. And I don't know, Tom, are you
18 comfortable talking about that at this point?

19 MR. SCHNELL: I can talk about it generally, a
20 little bit, from what's in the EIS.

21 CHAIR STARR: Use the mic.

22 MR. SCHNELL: I have the section of the EIS
23 open. It's Page 110 -- or it's, actually, 111, where it
24 starts. So we did commission a noise study. And that
25 was Yoichi Ebisu who did the noise study.

1 Unfortunately, he's not here today, but we do have a
2 study. As -- Charlie's correct that the highway needs
3 to be widened. And if the highway is widened, there
4 will be noise impacts to the homes along -- particularly
5 Maui Meadows. But, also, I remember that as you're
6 going through that section of Piilani Highway, there's a
7 large cut in -- in the -- for the highway grading. So
8 that in itself acts as some sort of a sound barrier.
9 Now that cut will be wider.

10 But let me just give you the -- the facts that
11 we have in the EIS. Right -- right now, there --
12 there's two residences in Maui Meadows that are impacted
13 by highway noise that exceed the State Department of
14 Transportation and the Federal Highway Administration's
15 guidelines for noise. Okay. Under existing conditions,
16 the change would be, if the highway is widened, there
17 will be 13 residences due to regional increases in
18 traffic, even if Piilani Highway is not widened. So if
19 the highway is not widened, there will be more traffic
20 and the noise will go up regardless. If highway -- if
21 Piilani Highway is widened, there will be 14 residences
22 that would exceed the guidelines. It's 14 residences if
23 Piilani is widened and Honua`ula is not built. Okay.
24 If Honua`ula is built, there will be 16 residences that
25 will be impacted by noise. So it's a net of two

1 additional residences. Did that follow?

2 COMMISSIONER SHIBUYA: I understand. My
3 concern is relating with not so much the engineered
4 expected type of impact, but, also, after you have this
5 problem, you've already widened the highway, you have
6 the noise, now you come in and you say, oh, by the way,
7 the noise level seems to be exceeding in certain areas
8 that we didn't expect. Are you planning to come back
9 and reassess, and, if it is higher in certain areas,
10 take mitigative steps, measures?

11 MR. SCHNELL: Are you talking about
12 perhaps noise impacts just from human habitation of the
13 site, something along those lines?

14 COMMISSIONER SHIBUYA: Not necessarily. Just
15 you have increased traffic. These were engineered or
16 expected impacts, but the actual, I'm talking about
17 actual impacts, that occurs maybe 10 years, six years
18 after completion of the project, and maybe you're 75
19 percent sold out, the noise level is kind of excessive
20 in certain areas that would -- we did not expect. Will
21 the developer come back and measure it and then take
22 mitigative steps to minimize it?

23 MR. SCHNELL: Well, I know that the noise
24 studies considered -- the noise study was done in
25 conjunction with the traffic study. So there -- there's

1 a correlation between how much traffic over what
2 periods. And there's three phases of the traffic study,
3 you know, at 33 percent or at 66 percent, 99 percent.

4 COMMISSIONER SHIBUYA: I understand.

5 MR. SCHNELL: Along those lines.

6 COMMISSIONER SHIBUYA: I understand.

7 MR. SCHNELL: And then there's a sophisticated
8 modeling software that models those noise impacts. And
9 that's the technology at this point to be able to do
10 that.

11 COMMISSIONER SHIBUYA: Okay.

12 MR. SCHNELL: It's pretty accurate.

13 COMMISSIONER SHIBUYA: I'm very aware of that
14 kind of a reality there, because I walk along and visit
15 some friends in Kahekili Highway. You have some
16 mitigating barriers there, huge walls, but it's still
17 noisy. It's very annoying trying to watch TV or even
18 have a conversation with them. Unfortunately, that's
19 where they live. These barriers don't seem to work, or
20 maybe my ear is bad, but -- I do need a hearing aid,
21 that's true, but the noise, the background noise is very
22 loud.

23 MR. SCHNELL: Well, I know it will comply with
24 all of the noise requirements from the Department --
25 State Department of Transportation and the Federal

1 Highway Administration that has established those
2 standards.

3 CHAIR STARR: I'm sure, too, if you wanna ask
4 for protective levels, when we get to those --

5 COMMISSIONER SHIBUYA: Yeah. Yeah.

6 CHAIR STARR: -- you're welcome to. Members,
7 anything else on noise and other, I would guess, roadway
8 -- roadway type stuff?

9 COMMISSIONER SHIBUYA: If not, then go to
10 trails and on the golf course.

11 CHAIR STARR: Okay. Before we do roadways, I
12 have one.

13 COMMISSIONER SHIBUYA: Go ahead.

14 CHAIR STARR: I guess it's for Mr. Jencks.
15 What is in the plan for Piilani Highway beyond -- I
16 guess it's actually pointing toward my house in
17 Kipahulu.

18 MR. JENCKS: We're not going there. Okay.
19 The highway right now ends right here. If you turn --
20 oh, right there -- you turn down to go into Wailea, the
21 Shops of Wailea. One of our conditions is to extend the
22 highway up to this point right here, which is the
23 extension of Kaukahi Street up by Diamond Resort up into
24 the property. The State highway right-of-way ends about
25 right here. So this portion is State-owned, the balance

1 of it is owned, as I was saying earlier, by Ulupalakua
2 Ranch. We have to -- we have to improve from the
3 current terminus to this point here to allow additional
4 access into the property, but, also, to allow additional
5 access out of the Wailea-Makena area out and up and then
6 out in an emergency situation. So we have to improve
7 that access.

8 The balance of the right-of-way, Mr. Starr,
9 will remain unimproved with the exception of utility
10 crossings and roadway crossings.

11 CHAIR STARR: Well, there is no current plan
12 to bring it back down into Makena or to connect up to --

13 MR. JENCKS: Not with this project. I can
14 tell you that, from the State Department of
15 Transportation's point of view, the roadway, they're
16 going to build from (inaudible) up to Haliimaile
17 Junction on the highway is the -- is the Upcountry
18 access route. They don't have any plans to extend this
19 road farther east to Makena or Kula at this point in
20 time because they're focusing on that preferred
21 alignment.

22 CHAIR STARR: Okay. Thank you. Commissioner
23 Shibuya, you had some --

24 COMMISSIONER SHIBUYA: Yeah. I was just
25 wondering, now, from the highway on into your

1 development, what type of mitigations are you planning
2 to have, besides swales, for noise?

3 MR. JENCKS: Well --

4 COMMISSIONER SHIBUYA: Slower traffic?

5 MR. JENCKS: That would be the ideal
6 situation.

7 COMMISSIONER SHIBUYA: Yeah.

8 MR. JENCKS: There -- along -- in the zoning
9 conditions, in 1998, you'll find provisions for not only
10 buffers adjacent to Maui Meadows -- which, by the way,
11 is 100 feet wide, the buffer along Maui Meadows -- but
12 also buffers along the right-of-way for the Piilani
13 Highway. So we have an adequate, and I think it's a
14 minimum of 25 feet in buffer between the highway
15 right-of-way and any adjacent dwelling units. So that
16 -- I mean, that's the primary and best way with either,
17 you know, topographic features or landscaping to buffer
18 the noise from those residences.

19 CHAIR STARR: Okay. Other areas of
20 questioning? Commissioner Mardfin?

21 COMMISSIONER MARDFIN: If we're dealing with
22 traffic, I was gonna bring this up at a later point, but
23 the 250 houses that are not gonna be built onsite have
24 traffic considerations, runoff considerations, all sorts
25 of other things -- and I don't know whether we should

1 bring this up as a separate topic or kind of shoehorn it
2 in now, but will your Final EIS deal with traffic
3 impacts and other sorts of considerations for those
4 extra 250 homes?

5 MR. JENCKS: Directly to your point,
6 Mr. Mardfin, the traffic impacts for the Kaonoulu Light
7 Industrial Subdivision, which is at the north end of
8 Kihei, which straddles the Kihei-Upcountry Highway, the
9 traffic impact assessment report that was done for the
10 large lot subdivision that broke out the parcel for the
11 affordable housing project itself, as well as the other
12 uses, accounted for those traffic impacts. And the
13 design of the improvements account not only on Piilani
14 Highway, but the design of the highway up through the
15 middle of the property accounts for the signalization
16 and the traffic capacity needed to serve those units

17 COMMISSIONER MARDFIN: So you're saying this
18 EIS does in fact include those extra --

19 MR. JENCKS: This EIS does not. That's a
20 separate project. But it has been evaluated by State
21 DOT and approved.

22 COMMISSIONER MARDFIN: Thank you.

23 CHAIR STARR: Next area, Members. I want to
24 ask about the multi-family that's going in next to Maui
25 Meadows. I know there's some concern about much more

1 dense and possibly view blocking from the multi-family
2 that's next to Maui Meadows. Is there -- and I don't
3 think the site lines for Maui Meadows have been
4 addressed.

5 MR. JENCKS: If I may, Mr. Chair, we did --
6 early on in the project, we were made -- we were -- we
7 were contacted by some of the folks in Maui Meadows
8 that -- as you climb up the hill and you gain elevation,
9 all of that area in the higher area, I would say half of
10 that boundary up, is all single-family in the project.
11 This section shows you the width of the 100-foot buffer
12 with a 50-foot landscape buffer adjacent to Maui
13 Meadows. And then, on the other side, including the
14 setback to a residential unit in the project, what the
15 difference is between a unit in Maui Meadows and the
16 first unit in the project, which is quite a distance,
17 when you consider the setbacks and the 100-foot width of
18 the buffer.

19 On the lower portion of the property, I would
20 say the lower -- maybe the lower third where we do have
21 multi-family adjacent to Maui Meadows, it's fairly flat.
22 The elevation pans down to the highway. When we -- when
23 the project was reviewed by the Urban Design Review
24 Board, they requested -- and we'll be happy to comply
25 with -- a two-story restriction. Keeping in mind -- and

1 this is the area we're talking about. Here's the
2 boundary. We have single-family all up this side of
3 Maui Meadows. And from about here down, we have
4 multi-family adjacent to Maui Meadows. When you
5 consider the 100-foot setback and the fact that we're
6 agreeing to a two-story, 30-foot limitation, we think we
7 can address their concerns. Keeping in mind that the
8 topography is different here, here, than it is up along
9 here, which is much steeper and much -- a much bigger
10 issue. That's why we left the single-family up in the
11 upper part and the multi-family down below.

12 CHAIR STARR: Okay, Members. Could you put
13 your list of consultants on here again? Just in case
14 that jogs anyone's mind for something they want to ask
15 before we go to comments. And while you're doing that,
16 Commissioner Shibuya.

17 COMMISSIONER SHIBUYA: Renewable energy. You
18 mentioned 80 percent for sewer, water heating capability
19 per unit.

20 MR. SCHNELL: 80 percent?

21 COMMISSIONER SHIBUYA: Yes, you would be
22 providing 80 percent of the hot water that is required.

23 MR. SCHNELL: 100 percent.

24 COMMISSIONER SHIBUYA: 100 percent?

25 MR. JENCKS: Yes.

1 COMMISSIONER SHIBUYA: It does say 80 percent
2 in here.

3 MR. SCHNELL: What page are you referring to?

4 COMMISSIONER SHIBUYA: I don't know, but I saw
5 that in here. I read it last night.

6 MR. JENCKS: The current state law,
7 incidentally, effective January of this year, requires
8 solar water heating for every single-family dwelling
9 built in the State of Hawaii. And our commitment is
10 that we will add all the multi-family to that
11 requirement as well. So every unit in the project will
12 have solar water heater, not just the single-family.

13 COMMISSIONER SHIBUYA: Okay. Thank you.

14 CHAIR STARR: Commissioner --

15 COMMISSIONER SHIBUYA: In terms of electrical
16 power -- can we go there?

17 CHAIR STARR: Go ahead.

18 COMMISSIONER SHIBUYA: Okay. Renewable
19 energy. That was an option, but that's not a
20 requirement. Is that still the same? Are you planning
21 to generate some renewable energy on property?

22 MR. JENCKS: We -- we have -- you know, we've
23 talked to Maui Electric about this. Maui Electric,
24 basically, has no comments on the project at this point.
25 They have made contact. And we are committing to allow

1 them to expand the substation that's on property, I was
2 telling you earlier, for a battery facility that they
3 would like to build adjacent to the makai boundary.

4 With regard to photovoltaic, I think that's
5 something that we're gonna look at. It -- it will have
6 to be considered in the context of the plan as -- as it
7 evolves. It is certainly something we would consider.
8 The problem is, at present, the grid is -- there's a lot
9 of discussion about how much capacity is there. But the
10 batteries will help with that, we think. I think it's
11 something we are interested in, but it's a future
12 consideration.

13 COMMISSIONER SHIBUYA: Yes. The batteries are
14 essential, especially for any renewable energy systems.
15 Thank you.

16 CHAIR STARR: Commissioner Mardfin.

17 COMMISSIONER MARDFIN: On Page 30, you refer
18 to energy efficiency and you talk about Energy Star. Is
19 there some difference between the LEED certification and
20 Energy Star?

21 MR. JENCKS: Yeah, there is. I don't know if
22 I could -- I think the LEED is a -- is an energy
23 conservation certification process that relates to type
24 of construction and methods and materials.

25 COMMISSIONER MARDFIN: Okay.

1 MR. JENCKS: The Energy Star is a -- is an
2 energy branding process where certain appliances are
3 Energy Star compliant in terms of their efficiency and
4 electric use.

5 COMMISSIONER MARDFIN: Do you have any
6 intention of doing LEED certification at any level?

7 MR. JENCKS: You know, we're looking at that
8 in the context of -- of the -- of the larger structures,
9 like the clubhouse, and, also, the commercial area which
10 is about, we're estimating, 75,000 square feet,
11 certainly. Not quite sure where that will take us in
12 terms of the multi-family or single-family. A lot of
13 the single-family in the project will be sold as lots.
14 So if you sell the lot to someone, you kind of lose that
15 control. On the multi-family side, you have more
16 control and you -- you -- you do have the ability to
17 influence the contractor to maybe achieve some level of
18 LEED compliance. At this point, it's a little early for
19 us, but I think we would probably end up there.

20 COMMISSIONER MARDFIN: When you finish -- when
21 you come to us with the Final EIS, would that be fleshed
22 out here?

23 MR. JENCKS: We could take a shot at it.
24 Sure.

25 COMMISSIONER MARDFIN: Thank you.

1 CHAIR STARR: Any other questions before we go
2 to our comments? Commissioner Mardfin.

3 COMMISSIONER MARDFIN: Yeah. We kind of short
4 -- short-circuited trails, which -- which my fellow
5 Commissioner wanted to do and I, also, wanna do. Can
6 you show us on that map there -- you refer to stepping
7 stones trails. Could you show me roughly where at least
8 some of them are?

9 MR. JENCKS: There is one large component of
10 the stepping stone trails, and it's right here on this
11 map.

12 COMMISSIONER MARDFIN: Now, then you refer in
13 here to mauka-makai trails and you talk about gulches.
14 Is that different from where the stepping stone trails
15 are?

16 MR. JENCKS: The stepping stone trail that
17 we're talking about here is an archaeological site that
18 will be preserved.

19 COMMISSIONER MARDFIN: So that wouldn't be
20 used?

21 MR. JENCKS: It will not be used.

22 COMMISSIONER MARDFIN: Where are the
23 mauka-makai gulches that you're gonna use?

24 MR. JENCKS: Wanna go to that exhibit?

25 MR. SCHNELL: Sure.

1 MR. JENCKS: There are a series of mauka-makai
2 gulches that, principally, are in the northern
3 two-thirds of the project, of Maui Meadows South. These
4 are the gulches that run mauka-makai. Here you go.
5 These are the gulches that run mauka-makai. These
6 gulches are all interconnected with trail systems.
7 There aren't many down here in the southern -- southern
8 third, most of them in the northern part of the project.
9 All those -- all those gulches -- not in the gulch per
10 se, because they're very rugged and in size --

11 COMMISSIONER MARDFIN: That's what I was
12 concerned about.

13 MR. JENCKS: They would be on the shoulders of
14 the gulch.

15 COMMISSIONER MARDFIN: Ah.

16 MR. JENCKS: Okay. With adequate setback so
17 you can -- you're not in a situation where you're
18 falling into the gulch.

19 COMMISSIONER MARDFIN: Or a flash flood?

20 MR. JENCKS: Right. So these trails would be
21 outside -- we're illustrating in the gulch, but to show
22 you the corridor, it would be outside the gulch. The
23 system also has -- if you look at the road sections that
24 are provided in the EIS, all of the road systems either
25 have an on-road or an off-road. The primary collector

1 system has an off-road, in many cases,
2 pedestrian/bicycle pathway system. So a combination of
3 that, the mauka-makai system, and the system that runs
4 adjacent to the golf course on the makai side can get
5 you pretty much anywhere you wanna go on the project.

6 There is a -- this wall that's located right
7 here transits the property from mauka to makai. It's a
8 cattle wall. That wall also has a trail system that
9 goes up through the top to make that mauka-makai
10 connection, the traditional connection. There's also a
11 trail system in the native plants preservation area.

12 COMMISSIONER MARDFIN: Okay. Now I asked --

13 MR. JENCKS: All connected.

14 COMMISSIONER MARDFIN: I asked you earlier if
15 it was a gated community, you said no. Are there any
16 gated portions of this?

17 MR. JENCKS: This is our position on that.
18 And I'm glad you asked the question because I wanna make
19 it really clear. This project does not have a gate at
20 Piilani Highway -- at the end of the Piilani Highway,
21 nor does it have a gate at the end of the extended
22 Piilani Highway. But what I have said -- I think this
23 question came up when we were before you for the SMA
24 Permit for the Wailea Ike Drive intersection
25 improvements. If someone comes in and wants to buy a

1 parcel to build single-family homes, if he wants to, or
2 the people who buy want to gate, they should have that
3 right. That's not our proposal, but they should have
4 the right to gate if they so choose. But the project
5 itself will not be gated.

6 COMMISSIONER MARDFIN: Earlier -- earlier this
7 morning, we had some testimony by a Hawaiian gentleman
8 who was concerned about mauka-makai access and whether
9 any of that would be curtailed. And you've pointed out
10 several places where they could go. Are there existing
11 places that people use that would not be available?

12 MR. JENCKS: Not that we're aware of. There
13 has been some discussion about the old Kamaole Trail.
14 This trail system and our proposal was reviewed by Na
15 Hele, which is a State agency, and they could find no
16 evidence of an existing mauka-makai trail. The system
17 that we're proposing will make that connection, not only
18 to the -- to the native plant preservation area and the
19 cultural sites that are extant within that area, but
20 also the mauka end of the project.

21 COMMISSIONER MARDFIN: And I presume the
22 gentleman that testified this morning will get you his
23 comments and suggestions?

24 MR. JENCKS: Sure. Right.

25 COMMISSIONER MARDFIN: So you'll be able to

1 comment on that and clarify that, I presume. Thank you.

2 CHAIR STARR: Okay. Members, other -- yeah,
3 Commissioner Mardfin.

4 COMMISSIONER MARDFIN: Yeah. I'd like to deal
5 with archaeology.

6 MR. JENCKS: I'll have Mr. Sinoto come up.

7 COMMISSIONER MARDFIN: Okay.

8 MR. SINOTO: Aloha, Commissioners. My name is
9 Aki Sinoto, I'm with Aki Sinoto Consulting.

10 COMMISSIONER MARDFIN: Aloha. There was a
11 bunch of -- were you here this morning when people
12 testified?

13 MR. SINOTO: Yes.

14 COMMISSIONER MARDFIN: Okay. Well, then
15 you're -- some of them were saying the architectural
16 study was incomplete, inadequate, there were people that
17 suggested that there were a lot of sites that were not
18 recorded, particularly in the mauka portion, I believe.
19 Could you address some of those comments that were made?

20 MR. SINOTO: Sure. Those are, actually,
21 long-standing comments regarding the archaeology for
22 this parcel. And that's sort of mentioned -- also
23 mentioned in the CRPP and, also, in the AIS. We don't
24 categorically deny that there ever in the past were any
25 sites there, but, looking at the different land use

1 patterns over time, during, especially, the historic
2 branching period, the period before World War II where
3 there was military activity and so forth, that really
4 modified the northern two-thirds portion of this
5 property. And even if you look at the aerials, you can
6 tell that the northern two-thirds is really devoid of
7 vegetation, high-cover vegetation, except for the gulch
8 areas and, in certain areas, where there's an
9 accumulation of kiawe trees.

10 But past that wall that Charlie mentioned, in
11 the southern third, you see the whole area is green
12 except for the locations where the a`a flows go through.
13 And so what we've stated is that mostly due to the
14 differential land use patterns over time -- and this is
15 over a period of probably a couple of centuries --
16 the -- whatever was on the northern side have been
17 severely disturbed, damaged, wiped out. And for that
18 reason, the only site that we could recommend for
19 inclusion was this one, Site 29, overhang shelter.

20 But one thing you have to remember is, in a
21 dry gulch area, overhang shelters are natural features.
22 I mean, they occur all over the dry Maui gullies. The
23 thing that makes them specifically important to record
24 and to record as archaeological sites is some evidence
25 of past human usage. And in the case of Site 29, we had

1 broken pieces of sea urchin shell on the surface. And
2 we know that sea urchins don't occur up in that area, so
3 it has to be something that's brought in by man. For
4 that reason, we gave that -- we designated that as a
5 site.

6 The 13 sites that presented this morning in
7 the first PowerPoint, this is the first time I've seen
8 it, so I can't really comment as to whether they're
9 really sites or not. I would like to have an
10 opportunity to take a look at it. But one thing -- I
11 noticed the majority of the sites were overhang
12 shelters. Some of them, from the photo, looked like
13 they were really too small for human habitation. And,
14 also, the fact that they're in gulches, I -- I kind of
15 doubt that a lot of those were used for habitation.
16 Because if water's running in the gulches, especially
17 during storms, and in the past when water wasn't
18 retained as much in the mauka source areas, I think they
19 wouldn't be having habitation sites within the gulch.
20 There's certainly enough plateau areas outside of the
21 gulches where people can inhabit. And that indeed is
22 the pattern for the whole Makena region, is usually in
23 the low-lying areas, they have other activities taking
24 place, if the rainfall allows it, and the housing and
25 habitation areas occur on the top of knolls in the

1 higher areas.

2 So for that reason, we did point out that
3 there's a remarkable disparity in the density of sites
4 from the northern two-thirds and the southern third.
5 And, in fact, it was so much so that when we originally
6 did our survey, in 2000, the State only required that we
7 look at the southern third.

8 And our -- our work was, actually, the fourth
9 work to take place there. Surveys in the project area
10 started in 1972 for the Piilani Highway extension. And
11 this was done by a state archaeologist, Beth Walton.
12 And within our project area, there were six sites that
13 were recorded.

14 In 1979, the first developer had the first
15 survey done by another firm. And interestingly enough,
16 they only went up to the southern wall, thinking that
17 that was the terminus of the project area. So they
18 never even looked within the southern third, and they
19 said there was nothing there. And the State agreed with
20 their findings.

21 And in 1988, a second firm conducted a little
22 bit more in-depth study using informant information and
23 pretty much looked over the whole area. And by this
24 time, they knew the result of Walton's study. So they
25 made an effort to look for Walton's site, but, when they

1 saw the right-of-way that was the center line that was
2 bulldozed for the Piilani extension, they concluded that
3 all of Walton's sites must have been destroyed by the
4 bulldozer.

5 So when we did our -- oh, and -- and a little
6 bit after that, in 1985, I did the first survey within
7 the project area, but, actually, it's right at the
8 southern boundary. I did it for Wailea, when they did
9 the gravel haul road. And -- and during that process,
10 we found four sites. Most of 'em were wall segments,
11 lateral wall segments. And it was one C-shaped
12 enclosure right near the boundary with Makena Resort.

13 So after that, the year 2000, we went in, and
14 our initial focus was to relocate Walton's sites. And
15 we -- we succeeded in finding four of the six sites that
16 were recorded by Walton. The three that -- the two that
17 we didn't find were pretty marginal. There were like
18 four stone alignments. And so we did our best to try
19 and locate it, but, in those days, they didn't have GPS
20 system, maps or Dead Reckoning sketch maps. So we
21 didn't succeed in finding two sites. But in terms of
22 the importance, we considered those to be relatively
23 marginal. But -- but it -- instead, we found a total of
24 25 new sites there.

25 I know the speaker this morning mentioned that

1 our Archaeological Inventory Survey was inadequate, but
2 I beg to differ with that because in terms of the
3 numbers -- number of years that we've studied this
4 parcel -- and, you know, if you go out there today
5 during drought conditions, the vegetation's down and you
6 can really have good visibility. So being able to study
7 an area over that length of time through different
8 seasons, I think, really gives us a high rate of site
9 recovery.

10 And the other thing is, even with the historic
11 preservation review process, I -- I don't think there's
12 any firm out there that could claim 100 percent recovery
13 rates when we're working out in the bush. And that's
14 the reason the process goes through different phases.
15 The initial one is inventory, where you're expected to
16 do your best in recovering 100 percent, but most times
17 you don't. But you have another phase where, if the
18 data from the inventory survey merits it, we can go
19 ahead and do data recovery work. And even after that,
20 you would go in and do monitoring work during
21 construction. And a lot of times, unfortunately, that's
22 the only way we find buried sites, because we can't, you
23 know, do a subsurface testing over a really large area
24 during the preliminary surveys.

25 So that's -- that's where we are right now.

1 We've supplemented our previous inventory survey
2 submissions, so we have three reports. But our most
3 current submission actually compiles the results of our
4 first two surveys, although the review letter from SHPD,
5 based on our 2001 amendment, which looked at the
6 northern site, stated that we didn't have to do a whole
7 new report. They said just give us supplemental pages,
8 you know, for our comments. But we -- because the
9 personnel have changed, they have all new people there,
10 we decided the best way to handle it is to give them a
11 complete report under a single cover that looked at the
12 whole -- although the area is 670 acres, our survey
13 covered the whole 700 acres, including the alignment.

14 The only place that we didn't really look
15 at -- and it's -- to me, it's okay -- is the substation,
16 because within the fence of the substation, everything
17 has been modified.

18 COMMISSIONER MARDFIN: Before we -- the Final
19 EIS is compiled, would you be -- is it likely that you
20 would be working with some of the people that have
21 testified today and have identified sites themselves and
22 coordinate and go back and re-check some areas?

23 MR. SINOTO: I certainly hope so. That's --
24 that's the one thing that's a little bit frustrating and
25 disappointing to me. Because we've -- we've sent out

1 invitations for help in this regard, especially in terms
2 of the cultural aspects. It's not often that a
3 developer will send out public notices that say help us
4 do this preservation plan. And during that time, we
5 sent out maybe -- is it 20? How many questionnaires did
6 we send out? About 30 questionnaires were sent out.
7 Well, after the public notice period, which we extended
8 a couple times, we got some interest, response from
9 interested parties. So to the interested parties, we
10 sent out questionnaires, asking about their knowledge of
11 any cultural practices in the area, their knowledge of
12 any lineal descendants from the area so forth. Out of
13 the 30 that we sent out, we probably got 11 responses.
14 Although, some of the people that showed interest
15 combined their responses within different organizations.

16 So we looked at those comments. And we found
17 a couple to be the most comprehensive. And it was --
18 they were real representative of the other comments. So
19 that's the particular response that we discussed in our
20 appendix. So you will see that in the appendix of the
21 Cultural Resources Preservation Plan, which is also an
22 appendix in the EIS document.

23 COMMISSIONER MARDFIN: Thank you very much.

24 CHAIR STARR: Okay. Members, other questions
25 before we go on to comments? Commissioner Sablas, then

1 Commissioner Mardfin.

2 COMMISSIONER SABLAS: I had a question for
3 you, Mr. Sinoto. You said you did the survey that
4 covered the 700 acres. How many days did that involve?

5 MR. SINOTO: In terms of -- it's hard to
6 really put a number of days on it because, like I said,
7 the initial -- the two surveys in the -- in 2000, and,
8 also, in 2001, all together probably took maybe a span
9 of about two months of time. But from that period on,
10 up until we revised the report in 2008, we've been going
11 out there repeatedly during dry seasons and so forth.
12 And then as our GPS technology got better, we went out
13 there in 2003 to do GPS point surveys for all the sites
14 that we had recorded. So, again, it's really hard to
15 put a continuous number of days, but we've -- we've been
16 out there at least for eight years over this continuous
17 period of time.

18 COMMISSIONER SABLAS: Earlier, you mentioned
19 Theresa Dunham's report and that it wasn't attached to
20 the draft. Do you want to respond to that?

21 MR. SINOTO: Sure. One of the guidelines for
22 archaeological reports is that we -- we should always
23 try to go to the primary source of the reference. If
24 the -- the Keau document that I think Lucienne was
25 referring to is actually a compilation of data from

1 previous researchers. And I think, if you look, some of
2 my reports are referenced in there. So if you look at
3 what's referenced in there, and what's on our reference
4 list, you see a lot of the same reports being
5 referenced. And because I didn't feel that there was
6 really any new pertinent information included in that
7 report, we didn't -- we didn't look at it. I mean, we
8 looked at it, but we didn't include it as part of our
9 reference list because we also looked at reports that
10 were reviewed by that document, so that those would be
11 the primary information sources.

12 And, also, I think, when -- when -- I think
13 it's admirable that people do synthetic work such as
14 that, because that's what we really need. And,
15 actually, that's, I think, the responsibility of the
16 State Historic Preservation Division. I think if they
17 had the professional staff they used to have 10 years
18 ago, that's what they should be doing. They should be
19 coming out with regional synthetic information and they
20 should actually be providing us with regional research
21 designs. So I applaud, you know, works like that, but,
22 at the same time, there's synthetic works, there are a
23 compilation of other research.

24 So if we can include the primary sources that
25 are used in compilation works like that, I think it's --

1 it's -- it's the same thing, pretty much. And we -- we
2 can go firsthand to the original research.

3 COMMISSIONER SABLAS: I have one more
4 question. I had heard earlier that there were no human
5 burials found, but I remember reading somewhere that
6 they had eight burials found.

7 MR. SINOTO: I don't think that's in our area.

8 COMMISSIONER SABLAS: Oh. I can -- just maybe
9 correct me, then. On Page 19 of the report, it says,
10 following a review of previous reports completed to the
11 year 2000, how complete -- compile the listing of
12 minimally 77 permanent habitation features, 192
13 temporary --

14 MR. SINOTO: Oh.

15 COMMISSIONER SABLAS: -- habitation features,
16 282 agriculture features, eight human burials, 23 ritual
17 features, 11 (inaudible) in coastal Honua`ula, from
18 Keauhou to (inaudible).

19 MR. SINOTO: Yeah. I -- I can clarify that
20 for you. That's where the name of the project may be a
21 little confusing, because it's the same as the name for
22 the district. So that Han's compilation of data is --
23 most of the archaeological studies that took place in
24 the whole of Honua`ula District. And those -- those
25 numbers represent sites that were researched by previous

1 researchers that Han put together and came up with those
2 numbers. So if he says there were so many burials
3 doesn't mean it's in our section of Paiahu, Palauea or
4 Keauhou. In fact, a lot of those studies were done on
5 the coast because, before a certain date, most of the
6 archaeological studies concentrated on coastal areas.
7 Also, they concentrated on the coastal areas in the
8 northern part of Honua`ula District, the moku of
9 Honua`ula.

10 COMMISSIONER SABLAS: Could you point out to
11 that area where this was done?

12 MR. SINOTO: If we have a -- if we have a map
13 of Maui, or --

14 COMMISSIONER SABLAS: Okay. It's not within
15 that?

16 MR. SINOTO: No, it's not. Yeah, Han's
17 compilation talks about the whole district, not -- our
18 project area is given the name Honua`ula.

19 COMMISSIONER SABLAS: Right.

20 MR. SINOTO: But Honua`ula includes 19 other
21 ahupua`a, from Paiahu all the way down to Kanaio. So
22 he's talking about any work that was done during the
23 recent contract archaeology phase, and he's compiled all
24 those numbers from that. It's not about our specific
25 study.

1 COMMISSIONER SABLAS: Okay. Thanks.

2 CHAIR STARR: Okay. We're gonna take a
3 10-minute break. Before we do that, I wanna ask
4 Commissioners to start putting together lists of
5 comments that you have. And to save time, I'd like to
6 go around and each Commissioner will have an opportunity
7 to add their -- to add their comments. And we will have
8 one more opportunity for questions before we do that.
9 Once those questions are done, we do have to allow
10 members of the public who have not testified, if they
11 want to testify on this agenda item, and then we'll go
12 to comments. And, Ms. Cua.

13 MS. CUA: If I could just ask a quick
14 question. If you're gonna do it that way, with all the
15 Members giving their comments, I think if -- we're
16 compiling the Commission's comments. And so I would --
17 I would assume, as a Member is commenting, if another
18 Member disagrees, you'll have that discussion, and we
19 will end up with comments from the Commission. So if
20 Lori's giving comments -- I mean -- I'm sorry -- if
21 Commissioner Sablas is giving comments, and nobody says
22 anything, then it's probably a Commission comment. You
23 following me? We just need to make sure that --

24 CHAIR STARR: Yeah. We will have that
25 discussion.

1 MS. CUA: Okay.

2 CHAIR STARR: And if a majority feels that a
3 comment should not be included, then that would stand.

4 MS. CUA: Thank you.

5 CHAIR STARR: Anyway, we will take a 10-minute
6 recess.

7 (Recess, 3:27 p.m. to 3:37 p.m.)

8 CHAIR STARR: Maui Planning Commission meeting
9 of June 22nd, we're back in order. Continuing with
10 opportunities for questions on the Draft EIS. Members,
11 anyone else have questions? Commissioner Shibuya.

12 COMMISSIONER SHIBUYA: I just want to have a
13 clarification here. On the hot water system that I had
14 mentioned, it is all residential units will be equipped
15 with the primary hot water system at least as energy
16 efficient as a conventional solar panel hot water
17 system, sized to meet at least 80 percent of the hot
18 water demand for the unit. And that's on Page 30. And
19 on the other part, it says that the system will meet and
20 be sized to meet at least 80 percent of the hot water
21 demand for the unit. And that means all of the
22 residential units; not 80 percent of the units. So I
23 stand corrected. And I just want to note on the record
24 that it is all of the units having this solar panel hot
25 water system.

1 CHAIR STARR: Mr. Jencks. I think we went
2 through it already.

3 MR. JENCKS: Sorry?

4 CHAIR STARR: He was just clarifying that it
5 is 100 percent of the units will have --

6 MR. JENCKS: That's correct. And that's
7 consistent -- that's, actually, consistent with the
8 condition of approval from the Council.

9 CHAIR STARR: I have a question for you,
10 Mr. Jencks. And please, you know, excuse me if it's,
11 you know, completely out of the blue. I -- I heard a
12 rumor going around that the project might be -- might be
13 for sale. Is there any truth to that?

14 MR. JENCKS: I would probably be the first to
15 know that. And, no, it's not.

16 CHAIR STARR: Thank you. Commissioner
17 Tagorda.

18 COMMISSIONER TAGORDA: Mr. Jencks, before you
19 sit down, I get one concern. You know, that 250
20 affordable units that will be built offsite at
21 Honua`ula, which is about, what, 13 acres?

22 MR. JENCKS: Yes, that's correct.

23 COMMISSIONER TAGORDA: What is -- I guess, if
24 I can request you to include more information about the
25 units, how they gonna be built, the landscape,

1 construction materials to be used, in that affordable
2 housing unit.

3 MR. JENCKS: Yes.

4 COMMISSIONER TAGORDA: Are they gonna -- the
5 roof style. There's not enough information in that
6 Draft EIS.

7 MR. JENCKS: Well, I can certainly provide to
8 you the information we have on the product, the site
9 plan, elevations of the structures. It's not a part of
10 this EIS, but I'd be happy to provide that to you as a
11 separate document.

12 COMMISSIONER TAGORDA: Okay. Follow-up
13 question. Is -- these units that's affordable are gonna
14 be the same design with the Honua`ula units in terms of
15 construction?

16 MR. JENCKS: I would say yes. 125 of the
17 units are going to be owner-occupied, for sale, and 125
18 of the units will be rental units.

19 COMMISSIONER TAGORDA: Yeah, I understand
20 that. I read that. But I was just looking at the --
21 the facade, how the thing looks like. Is it gonna be
22 just a box because it's outside of Honua`ula?

23 MR. JENCKS: No. I will share with you the
24 elevations.

25 COMMISSIONER TAGORDA: Thank you. And one

1 other concern, before you sit down, is the sequencing of
2 these units to be built, since we know that affordable
3 houses are really undersupplied in Maui County. And I
4 don't know exactly. Are you going to build these
5 affordable housing units on that Honua`ula project?

6 MR. JENCKS: The -- just this last August, I
7 finally received a bonded Subdivision Approval for that
8 88-acre parcel, which allowed me to create the four
9 large lots and, finally, sell a lot and transfer
10 interest to Honua`ula Partners, okay, for the
11 construction of the units. The civil plans have been
12 approved and -- and I have posted a bond, a
13 22-million-dollar bond to complete those improvements.
14 We are in the process of recruiting a builder for the
15 units, the 250 units. Those units have to be completed
16 before I can occupy any units on the project. So I am
17 -- I have a lot of incentive to make sure those units
18 are completed first. I have to do that by condition
19 before I can build any units on the project. So I have
20 to get that done.

21 COMMISSIONER TAGORDA: Thank you. Thank you,
22 Mr. Chair.

23 CHAIR STARR: Okay. Commissioners, any more
24 questions? Last chance. Commissioner Shibuya.

25 COMMISSIONER SHIBUYA: More for clarification.

1 On Page -- it starts on Page 143, and it talks about the
2 school impact fee currently at \$3,000 per residential
3 unit, payable to the State, Condition Number 22. On
4 Page 144, it specifically says the enrollment and impact
5 would be to Maui High School, whereas you do have a
6 Kihei High School coming up in that area. Would you
7 not?

8 MR. JENCKS: Yes.

9 COMMISSIONER SHIBUYA: So --

10 MR. JENCKS: That's the plan.

11 COMMISSIONER SHIBUYA: Is that a correction?

12 MR. JENCKS: That's the plan.

13 COMMISSIONER SHIBUYA: Oh. Is there an intent
14 to change that to Maui High School -- or to Kihei, or is
15 it gonna still stay at Maui High School?

16 MR. JENCKS: Well, the issue is what is
17 available today. The Maui -- the South Maui high school
18 is something that's proposed. There is no timeframe.
19 They haven't acquired the land. That's a ways in the
20 future. We're dealing with today.

21 COMMISSIONER SHIBUYA: Okay.

22 MR. JENCKS: Certainly those students would
23 end up at the high school when it's built. I assume it
24 will be built.

25 COMMISSIONER SHIBUYA: Okay. And in terms of

1 those students that are attending Baldwin High School,
2 do they get any credit?

3 MR. JENCKS: Do they get any credit?

4 COMMISSIONER SHIBUYA: That's right.

5 MR. JENCKS: No. We will -- we will pay a DOE
6 fee for every unit that is built in the project. And
7 that money, hopefully, will stay in South Maui. And
8 it's -- you're correct, Commissioner, it's \$3,000 a
9 unit. That fee may increase and the condition that has
10 been given the project says we have to pay the minimum
11 of 3,000, or, if the actual DOE fee that's agreed upon
12 is more, we have to pay the larger fee. But, at a
13 minimum, it's \$3,000 a unit.

14 COMMISSIONER SHIBUYA: That's correct.

15 MR. JENCKS: Right.

16 COMMISSIONER SHIBUYA: So I'm asking why not
17 include Baldwin High School if the students, I mean,
18 attend Baldwin High School instead of Maui High School?
19 You don't have Kihei High School.

20 MR. JENCKS: They're not in the district. All
21 these kids that are in Kihei, I presume, would be going
22 to Maui High School.

23 COMMISSIONER SHIBUYA: And they have district
24 exemptions.

25 CHAIR STARR: Commissioner Tagorda -- okay.

1 Any more questions? Commissioner Mardfin.

2 COMMISSIONER MARDFIN: This might be for the
3 gentleman that wrote the EIS, but what was the purpose
4 in having Appendix K in there that deals with the cost
5 benefit analysis of the public sector? Is that a
6 requirement of the EIS to have that?

7 MR. SCHNELL: Typically, we have that in so
8 you have a public cost benefit analysis, so County
9 officials will know what the bottom line is for the
10 project.

11 COMMISSIONER MARDFIN: Okay. I had -- the
12 reason I asked, I had a little discussion with your
13 consultant outside. It was kind of technical issues
14 that I didn't want to take the Commission's time. But
15 we discussed a couple of issues with regards to that.

16 MR. SCHNELL: Okay.

17 COMMISSIONER MARDFIN: That'll be fine.

18 CHAIR STARR: Okay. Members, last chance,
19 last call. Okay. I'm gonna open up for any members of
20 the public who have not testified today on this item and
21 who would like to offer testimony, now would be the
22 time. Please make yourself known. Not seeing any,
23 public testimony is now closed.

24 We're ready to give comments. What I'd like
25 to do is go around to Commissioners. I -- after some

1 thought, I think it's better if we each give a few,
2 maybe three to five, at most, comments and we go around
3 -- we go around the table as whoever wants to issue
4 comments. When we have all the comments, then if anyone
5 has an objection to any of them, we can discuss that.
6 But who would like to -- who would like to begin the
7 process? Who has got a list that they would like to go?
8 Commissioner Shibuya, are you ready?

9 COMMISSIONER SHIBUYA: No. Go ahead.
10 Somebody else.

11 CHAIR STARR: I mean, if no one else, I'll
12 start, but I'd prefer -- Commissioner Mardfin.

13 COMMISSIONER MARDFIN: Oh, I've got a bunch.

14 CHAIR STARR: Let's have a handful.

15 COMMISSIONER MARDFIN: One is, I think the
16 Final EIS, maybe as an appendix, should include the 250
17 homes building offsite. It's one thing to say it's
18 already been done and it's there, but I think the
19 comment we got this morning that this is not counting
20 that, and yet it's part of the project, is a valid one.
21 And so if we saw -- as I say, it could be a separate
22 appendix. Or bring in the EIS that you used for doing
23 that, that would be a fine way to deal with it. I don't
24 know how you want to deal with it, but I think --

25 CHAIR STARR: I'm going to ask that comments

1 be kind of shorter, to the point. If you want to add
2 discussion afterward, we'll -- please give us a
3 five-word --

4 COMMISSIONER MARDFIN: Okay. Another short --
5 this is a real short one.

6 CHAIR STARR: Okay.

7 COMMISSIONER MARDFIN: Some of the references
8 in your document don't have a corresponding reference in
9 the Reference section. And I can -- if you're
10 interested after the fact, I can tell you which ones.

11 CHAIR STARR: Next.

12 COMMISSIONER MARDFIN: A big one is under
13 Alternatives. And I think you need to have a lot more
14 alternatives, including, at a minimum -- the suggestion
15 that was given earlier today by Lucienne that a whole --
16 instead of 23 acres for nature preserve, a real
17 alternative for 170 acres as a -- as a preserve and how
18 you would deal with that kind of a thing. That's a true
19 alternative, besides no project or two golf courses. I
20 know it's hard, but I think that's important that the
21 Commission look at real alternatives, not strawman
22 alternatives.

23 And I'll pass the rest.

24 CHAIR STARR: Okay, next. Commissioner
25 Shibuya.

1 COMMISSIONER SHIBUYA: Okay. I'd like to add
2 in, at least, accommodations for bus transportation for
3 workers within that affordable house areas. Also, noise
4 abatement measures, mitigation along Piilani Highway as
5 well as within the development.

6 Also, would like to ensure that we have energy
7 production. And you've talked about energy efficiencies
8 and conservation, but nothing in terms of energy
9 development or energy production generation. And I
10 encourage the addition of the substation to include
11 batteries.

12 Also, in terms of telecommunications, perhaps
13 some way accommodations can be made so that residents
14 and businesses within the area can have
15 telecommunications that's more accessible to them.
16 Thank you.

17 CHAIR STARR: Okay. Commissioner Tagorda,
18 you're next.

19 COMMISSIONER TAGORDA: Yeah, Mr. -- I wasn't
20 gonna speak again, but when I hear these conditions
21 being imposed or being offered in this Commission, I
22 wonder if all of us have read the one to 35 conditions
23 imposed by Maui County Council on Ordinance Number 3554.
24 And some are conditions be -- some conditions below
25 those conditions, they are enormous. And I don't know

1 why this developer is still here trying to get our
2 approval for our acceptance of the EIS. I think we
3 pushing these people away to develop a very nice place
4 for generations to come. I -- I was really shaking my
5 head when I read some of this one to 35 conditions that
6 was imposed in this development. So many, wow. Come
7 on.

8 CHAIR STARR: Okay. Is that -- is that a
9 comment?

10 COMMISSIONER TAGORDA: Yeah, that's my
11 comment.

12 CHAIR STARR: Okay. It's a comment. Okay.
13 You know, just to note, we're not adding conditions.
14 We're just adding things to be examined in order to have
15 a complete document.

16 Members, I've got a few here.

17 First of all, examine the need for monitor
18 well before production wells are utilized in Kamaole
19 Aquifer. Second is provide well data for all known
20 wells in Kamaole, including chlorides and water levels,
21 examine level of the transition zone for the aquifer.
22 And the next would be a map of the water infrastructure,
23 and, also, showing Community Plan boundaries and any
24 impacts related thereto.

25 Commissioner -- let's let them catch up. Hold

1 on. Are you ready, Tom?

2 MR. SCHNELL: Yeah.

3 CHAIR STARR: Okay. Commissioner Shibuya.

4 COMMISSIONER SHIBUYA: I just forgot one item,
5 is the easements for a mass transit station, there would
6 be a terminus there to accommodate for transportation
7 throughout the various destination points on Maui.

8 CHAIR STARR: Commissioner Freitas.

9 COMMISSIONER FREITAS: Yes, I'd like to make a
10 comment. I believe this developer has gone beyond their
11 requirements. They asked for 100-foot embankment, they
12 got it. They asked for bring, what they call, height
13 down to 30 feet, they gave it to 'em. I think they have
14 just went beyond what any developer would do to -- to
15 say -- to develop a project. I -- I commend him.

16 CHAIR STARR: Okay. Thank you. Commissioner
17 Mardfin.

18 COMMISSIONER MARDFIN: During our discussion
19 this morning and this afternoon, you guys have answered
20 a lot of questions we had. And a lot of that
21 discussion, maybe, could be included in your final
22 report. I'm thinking about things like the trails,
23 where you showed me, more clearly, where the trail
24 system would be if that were elaborated on.

25 CHAIR STARR: Please make it specific points.

1 Not that they can do it.

2 COMMISSIONER MARDFIN: That's what I thought I
3 was doing with the trails.

4 CHAIR STARR: Yeah.

5 COMMISSIONER MARDFIN: Speaking about where
6 the trail system is. I think the same thing about the
7 LEED certification. I think the same thing about the
8 archaeology. And, in particular, if -- if you're --
9 Mr. -- your -- your archaeologist can work with some of
10 the people that have made comments that would help
11 improve things.

12 CHAIR STARR: Okay. I've got a few more. The
13 cost -- the design and cost of the -- for operation of
14 the reverse osmosis system, cost analysis to consumers,
15 to the market-price housing for the water. And then
16 what mechanisms will be -- can be put in place to -- in
17 case the water system fails or the operating entity
18 becomes unable to operate it or maintain it.

19 Any more? Commissioner Shibuya.

20 COMMISSIONER SHIBUYA: I would like to know
21 the -- the total energy required for Honua`ula project,
22 specifically with the water delivery and the sewer water
23 treatment and the landscaping as well as the home use
24 requirements. And if you have proposed renewable energy
25 generation, I wanna know the delta to that so that we

1 know what MECO has to provide for this development.

2 CHAIR STARR: Okay. I have a couple more.
3 I'd like a map showing the potential gated community
4 areas. In other words, those portions that might be
5 gated communities. And I'd like an examination of the
6 impacts of having those areas gated communities. And
7 I'd like a description of the filtering of runoff and
8 the -- the effects of -- of filtering or not filtering
9 all runoff, surface runoff.

10 Members, any addition? That's the end of my
11 list. I would like to ask if anyone heard anything that
12 they have a specific problem with for being examined?
13 Commissioner Hiranaga.

14 COMMISSIONER HIRANAGA: The request to
15 estimate electrical consumption on the single-family
16 dwellings, I think the applicant mentioned that a lot of
17 these single-family residences will be vacant lots, they
18 really have no control over floor area. So, I mean, it
19 seems like kind of a futile exercise to estimate if it's
20 a 2,000-square-foot house, a 3,000-square-foot house, a
21 4,000-square-foot house, a 5,000-square-foot house.
22 Maybe you could narrow the scope to common elements or
23 -- or like the golf course clubhouse, something that the
24 developer really has control over what's being proposed,
25 commercial center. But if you're trying to estimate

1 usage on single-family residences, where there's a lot
2 of vacant lots, I don't know what value that information
3 will have.

4 CHAIR STARR: Could I ask Mr. Gerdel [sic] to
5 comment on a way of providing some data without making
6 it -- making it either meaningless or -- or kind of out
7 of -- out of the picture.

8 MR. SCHNELL: I'm looking for our civil
9 engineer, Barry. No?

10 I guess I could suggest maybe an average
11 demand over a period of time, like an average annual
12 demand. Or what I could suggest is we could meet with
13 MECO and see what their requirements would be, you know,
14 because they must have some methodology for planning new
15 developments. So we could do that.

16 CHAIR STARR: Yeah. Sort of an average demand
17 and -- and what -- you know, what it's expected to use.
18 Does that work for everyone? And for the project as a
19 whole?

20 MR. SCHNELL: Yeah.

21 CHAIR STARR: Okay. Any others? Commissioner
22 Hiranaga.

23 COMMISSIONER HIRANAGA: This is more of a
24 clarification. I quite -- I didn't quite understand the
25 comment from the applicant where the question was posed

1 about gated communities. And he said the two main
2 access points would not be gated, but individuals could
3 gate themselves. And I took that as being gating their
4 driveways, but -- but you're actually saying that
5 certain phases could then have a community association
6 that votes to gate their section of the community? This
7 is more clarification.

8 MR. JENCKS: Tom, if you could put up the
9 concept plan. Early on in my experience with this
10 project, there was -- matter of fact, it was the first
11 year I was involved. At the time the Mayor was Kimo
12 Apana. And there was some discussion about gating the
13 project at this point on Piilani Highway. And that was
14 our only access point into the project. And my -- when
15 I took over the management of the project, I made it
16 really clear that that was a nonstarter. We were not
17 gonna make any headway with the public if that's what
18 you intended to do. So the idea of gating on -- gating
19 off 670 acres went away. And that's still our position
20 today.

21 To address your specific question, if you
22 take -- for example, this is the -- this is the
23 collector road. It's -- it's -- it's a major collector
24 that serves the majority of the project. These are
25 builder parcels adjacent to that road. This one here.

1 This one over -- these are small -- this is about a
2 five-acre piece. If you -- if you bought that parcel
3 and you wanted to put a gate, if you subdivided it into
4 one-acre lots, or five acre lots or half-acre lots,
5 what-have-you, whatever the zoning allows, you could
6 make that decision. But it's not something that we're
7 gonna dictate in the project. Which is much the same as
8 you find in Maui Lani, you find it in Central. I mean,
9 it's everywhere. If those people make that decision or,
10 as a homeowner's association, they might want to decide
11 to do that. We're just saying that they have that
12 right -- they should have that right to make that
13 decision.

14 CHAIR STARR: Commissioner Hiranaga.

15 COMMISSIONER HIRANAGA: I apologize I missed
16 the morning portion of this presentation. So you are
17 actually contemplating bulk sales to other developers to
18 finish out sections of your project, like -- like Maui
19 Lani?

20 MR. JENCKS: Yeah. The -- the -- the
21 multi-family product, which is -- we have -- I believe
22 it's in your -- in the document, we have a series of
23 product profiles, it includes single-family dwellings,
24 duplex dwellings, and, also, multistory attached
25 product. The direct answer is some of the parcels will

1 be sold, some of them will be retained by the
2 partnership to develop as lot sales. Certainly the
3 multi-family, there are people that are very good at
4 that. They would have to come in and they would have to
5 build per our standard and our design guidelines, if
6 they chose to do that.

7 CHAIR STARR: I'd like to comment. I was very
8 surprised this morning because, some several years ago,
9 during the process, I remembered some comments that this
10 project -- I don't know if it was so-called Wailea 670
11 at the time or the name had been changed -- was not to
12 be gated. And it had received some kudos to that. And
13 I had thought that meant that it would not be gated. I
14 was kind of surprised to hear today that large sections
15 of it may indeed be gated. And so I -- you know, I'm
16 interested to see which portions.

17 MR. JENCKS: Just for clarification, I'm not
18 saying that large portions of this project will be
19 gated. I made it clear that we're not gonna gate off
20 this entire property. That's not our intent at all.
21 But to make it also clear, if a builder parcel is sold
22 to someone and they choose to gate it, or the
23 association that lives there chooses to gate, that's
24 their decision.

25 CHAIR STARR: Okay. Okay. Members, are we

1 all good with this? Okay. Thank you. We look forward
2 to a completed document and wish you all the luck. And
3 thank you.

4 I do want to add one comment. I thought that
5 this was one of the better documents, one of the better
6 draft documents we've seen in terms of completeness.

7 COMMISSIONER MARDFIN: I agree.

8 MR. SCHNELL: Thank you very much for your
9 comments. Much appreciated.

10 MR. JENCKS: Thank you.

11 CHAIR STARR: Thank you. Okay. We're going
12 to take just about a two-minute recess just to figure
13 out what our next item is.

14 (Recess, 4:05 p.m. to 4:11 p.m.)

15 CHAIR STARR: Okay. Maui Planning Commission
16 meeting is back in session, June 22nd, 2010. Take it
17 away, Ms. Cua.

18 MS. CUA: Okay, Mr. Chair. We're now on Item
19 D, Communications. D(1), Ms. Gwen Ohashi Hiraga,
20 Project Manager from Munekiyo & Hiraga, Inc., on behalf
21 of Maui Beach Resort Limited Partnership submitting the
22 2010 annual report on the disbursement of funds in the
23 settlement agreement with intervenor Charles Fox, III,
24 pursuant to Condition Number 32 of the Special
25 Management Area Use Permit and Step 2 Planned

1 Development Approval for the proposed Honua Kai Resort,
2 North Beach Park, and related improvement at Tax Map Key
3 4-4-014:006 and 008, and 4-4-001:10. And the Planner on
4 this matter is Joe Prutch.

5 MR. PRUTCH: Good afternoon, Chair,
6 Commissioners. For this annual report, I would just
7 like to bring Gwen from Munekiyo & Hiraga. And
8 (inaudible) is here from Honua Kai. He will be able to
9 give you the report on the funds from the Honua Kai
10 project.

11 CHAIR STARR: Thank you, Mr. Prutch.
12 Ms. Hiraga, thank you for your patience today.

13 MS. HIRAGA: Thank you.

14 So the first communication item deals with the
15 Annual Expenditures Report prepared for the Charles D.
16 Fox Settlement Agreement. And, basically, this is the
17 same report that you received last year, no changes.
18 And all of the funds, the \$500,000, have been disbursed
19 and paid out, with the last payment being made in March
20 of 2009. We are requesting the Commission's
21 consideration in relieving the applicant, Intrawest, of
22 providing further annual reports as the obligation under
23 this settlement agreement has been fulfilled. You would
24 be getting the same report every year now. There is
25 nothing new to report.

1 CHAIR STARR: Okay. Members, any questions?

2 (Silence.)

3 CHAIR STARR: I have a question. And, you
4 know, excuse me if I vent a little bit on this, and I
5 know it's not directly your kuleana, but several months
6 ago, I received a glossy political mailer related to
7 district voting as a ballot issue. And it seemed to
8 come from one of the entities that's receiving -- that's
9 received funds from this. And I'm curious whether
10 there's any possible knowledge about -- about this and
11 maybe a comment from Corp Counsel regarding the -- the
12 ability of the --

13 MS. HIRAGA: For this --

14 CHAIR STARR: The -- I forget. The benefit
15 society -- what is --

16 MS. HIRAGA: I know what you're talking about.
17 I received one in the mail as well. Funds have not been
18 expended from this Charles Fox Settlement Agreement.
19 The entire 500,000 pretty much went to Lahainaluna
20 Foundation, and the foundation released funds to
21 different schools. It is not from this particular
22 report that we're on.

23 CHAIR STARR: Uh-huh. Oh, okay. So it's not
24 from this -- it's definitely not from that first --

25 MS. HIRAGA: No.

1 CHAIR STARR: -- item?

2 MS. HIRAGA: It's not. It is not.

3 CHAIR STARR: Okay. Members, any comments or
4 questions? Okay. Thank you, Ms. Hiraga. Next.

5 MS. HIRAGA: Go to the next one?

6 CHAIR STARR: Do we -- I mean --

7 COMMISSIONER SHIBUYA: Make a motion?

8 CHAIR STARR: Yeah, a motion would be in order
9 to acknowledge receipt. I guess we have to.

10 MS. HIRAGA: And to relieve us from providing
11 further reports because it's not going to change. All
12 the monies have been expended.

13 CHAIR STARR: Oh, they have?

14 MS. HIRAGA: Yeah.

15 CHAIR STARR: So there will not be any
16 additional funds?

17 MS. HIRAGA: No.

18 CHAIR STARR: If anyone wishes to --

19 COMMISSIONER SHIBUYA: Move to accept --

20 CHAIR STARR: Wait. Before we do that, if
21 there's any member of the public wishing to give
22 testimony on that, please make yourself known. Not
23 seeing, any public testimony is closed. Go ahead,
24 Commissioner Shibuya.

25 COMMISSIONER SHIBUYA: Okay. I just move to

1 accept this report and, also, to relieve the -- the
2 applicant from further reports.

3 CHAIR STARR: Okay. Is there a second?

4 COMMISSIONER SABLAS: Second.

5 CHAIR STARR: We have a motion by Commissioner
6 Shibuya, seconded by Commissioner Sablas. Motion is --

7 MS. CUA: To acknowledge receipt of the 2010
8 Annual Report and to release the applicant from further
9 reports.

10 CHAIR STARR: Okay. All in favor, please
11 raise your hand. All opposed?

12 MS. CUA: Five ayes. Motion carries.

13 CHAIR STARR: Thank you. Next item.

14 MS. CUA: Item D(2), Ms. Gwen Ohashi Hiraga,
15 Project Manager from Munekiyo & Hiraga, Inc., on behalf
16 of Maui Beach Resort Limited Partnership submitting the
17 20,000 -- excuse me, 2010 annual report on the
18 disbursement of funds in the settlement agreement with
19 intervenor West Maui Preservation Association, pursuant
20 to Condition 32 of the SMA Permit and Step 2 Planned
21 Development Approval for the Honua Kai Resort, North
22 Beach Park, and related improvements. Same tax map key
23 numbers. And Planner's Joe Prutch again. I believe
24 Gwen will be addressing this annual report as well.

25 MS. HIRAGA: Yes. Okay. For this report,

1 again, this is a report on expenditures from the WMPA
2 Settlement Agreement. And just to real quickly go
3 through the items. Item Number 1 remains unchanged from
4 last year. There is still a balance of \$30,000 for this
5 particular purpose. Item 2, the Mill Street Extension
6 project, additional funds were expended and we have the
7 breakdowns. So that's the change that you see for April
8 2009 to March 2010.

9 Also, at the last Planning Commission meeting
10 last year, when you reviewed the report, the Commission
11 did request for a more detailed -- or a little report on
12 the status of this project. So it's attached to this
13 report as Exhibit A. If you need, I'll -- Commissioner
14 Starr asked for that information last year.

15 With regard to, again, still on Item 1, and
16 this is Item 1(c), the \$250,000, is -- the entire amount
17 remains. Item Number 2, which relates to the Community
18 Benefit Fund, the change on this item is only the amount
19 from resales. So it will be reflected in Item 2(b).
20 That's the only change from last year's report. And
21 there were approximately 12 resales within the project
22 for an amount of \$30,000.

23 I'm sorry.

24 The rest of the report, like I said, is the
25 same as last year. So your Exhibit A provides the

1 details, more detailed information on Mill Street. And
2 the testifier at this morning's portion of the meeting,
3 Chad Fukunaga, he is assisting the County, and so is my
4 office, assisting the Department of Public Works with
5 this project.

6 Now, in terms of the report on the actual
7 provisions and disbursement of funds, and, again, in
8 response to the Commission's request last year, if you
9 would refer to Exhibit B, the developer, the applicant
10 is requesting that the remaining 30,000 from the traffic
11 light synchronization project, you know, remain, and for
12 continued monitoring and adjustments to the light
13 synchronization as needed.

14 With regard to the second item on the Mill
15 Street, developer would like to use the remaining funds,
16 the entire amount, for continuation of this County
17 project.

18 And the last item is the 250,000. The
19 developer is recommending that the money be used for
20 surveying and archaeological pedestrian reconnaissance
21 work related to the bypass. And this would be the area
22 north of Keawe Street. So the Commission can make a
23 determination pretty much on these three items that we
24 are presenting.

25 And, again, this is in response to the

1 Commission's request of last year.

2 CHAIR STARR: Do I have it right that what
3 you're proposing is that the balance due of
4 approximately one-and-a-half million dollars will be
5 paid out to these funds at this time to be used for
6 these purposes?

7 MS. HIRAGA: In terms of the -- I think it'll
8 be built out. As the billings occur, they get paid. So
9 any invoicing is paid -- it's not the entire 1.5 million
10 will be put into escrow. It's as the payments are
11 received and work is incurred.

12 CHAIR STARR: So, in other words, this amount,
13 this million and-a-half has not been billed -- has not
14 been billed by the entities yet?

15 MS. HIRAGA: No. Because the work has not
16 been completed.

17 CHAIR STARR: So what are we being asked to do
18 other than acknowledge this?

19 MS. HIRAGA: I guess -- yeah, you can
20 acknowledge it, but this is in response to last year's
21 question. And the Commission, as I had noted, you know,
22 could redirect monies. And so you had asked for a
23 recommendation on how the monies should be spent. So
24 for Item 1, which is the remaining 30,000 for light
25 synchronization, we would like to continue. The

1 developer would like to continue doing monitoring and
2 adjustments as needed. And with Item 2(b), the 1.1 --
3 the 1.216952, we would like to continue the project on
4 behalf of the County. And the third item, of the
5 250,000, we would like the Commission's, I guess,
6 concurrence or agreement that the funds be used to do
7 work related specifically to the bypass north of Keawe
8 Street. And the funds would be used for surveying and
9 archaeological work.

10 CHAIR STARR: Okay. Commissioner Sablas.

11 COMMISSIONER SABLAS: I just have a question
12 for Corp Counsel, maybe, as clarification. I do serve
13 on the Lahaina -- the Board of the Lahaina Bypass Now,
14 strictly as a volunteer member, not paid position for
15 the community. And I don't know if this would be a
16 conflict for me to vote on this issue because --

17 MR. GIROUX: Is the motion to allocate money
18 to that organization?

19 COMMISSIONER SABLAS: No.

20 CHAIR STARR: No.

21 MR. GIROUX: Then I wouldn't see a conflict.

22 CHAIR STARR: Yeah. The Chair comments that
23 it's good you disclosed it, but it doesn't -- I don't
24 think that's a problem.

25 COMMISSIONER SABLAS: Okay.

1 CHAIR STARR: But disclosing is good. I have
2 a question. Now, I think this is the one -- and this --
3 without talking about the plus or minus points of this,
4 it seems that there was a political mailer sent from the
5 North Beach West Maui Benefit Fund, Inc. And I'm
6 wondering whether this is the same fund which received
7 \$650,000 under this program?

8 MS. HIRAGA: In response to your question,
9 Chair Starr, the North Beach organization that's
10 referenced that sent out the mailer did not receive any
11 funds from the Honua Kai Community Benefit Fund. So it
12 is not from this particular fund.

13 CHAIR STARR: Okay. That's a different entity
14 from the West Maui Community Benefit Fund?

15 MS. HIRAGA: Yes. They did not receive any
16 funds from this particular project's Community Benefit
17 Fund to fund that brochure.

18 CHAIR STARR: Okay. Thank you. Commissioner
19 Mardfin.

20 COMMISSIONER MARDFIN: What was the \$650,000
21 used for?

22 MS. HIRAGA: What -- may I ask what --

23 COMMISSIONER MARDFIN: Is that what we are
24 talking about? Are we talking about the West Maui
25 Community Fund?

1 CHAIR STARR: Yes.

2 MS. HIRAGA: Yes.

3 COMMISSIONER MARDFIN: What was the \$650,000
4 used for?

5 MS. HIRAGA: I think the Commission, every
6 year -- the Commission asks that question every year,
7 how has WMPA and the Community Benefit Fund expended
8 their money. I do not have that information. And the
9 Commission has asked year after year.

10 COMMISSIONER MARDFIN: I apologize for asking.
11 The reason --

12 MS. HIRAGA: No, that's okay.

13 COMMISSIONER MARDFIN: The reason I ask this
14 time -- the reason I ask this time is you just said they
15 didn't use any of that money for this flyer.

16 MS. HIRAGA: So you want to know --

17 COMMISSIONER MARDFIN: And money is fungible.
18 That is, you can kind of move it around however you
19 like. I'm kind of curious -- you know, if what you did
20 spend the 650,000 on -- would have had funding from
21 somewhere else, but you kind of did the -- the walnut
22 switch. The only way to know is to know what the
23 650,000 was spent for.

24 CHAIR STARR: She didn't do it.

25 COMMISSIONER MARDFIN: No, I'm not saying you

1 did. I'm just saying we need to know how the \$650,000
2 was spent to sort of be assured that it wasn't used for
3 the mailer.

4 MS. HIRAGA: You want to respond?

5 CHAIR STARR: Mr. Luna, good to see you today.

6 MR. LUNA: Good afternoon, Chairman Starr and
7 Members of the Commission. I couldn't resist, after
8 sitting there all morning. So we -- frankly, we don't
9 really know where the funds came from. We know for
10 sure, though, it wasn't from the West Maui -- I mean the
11 Honua Kai West Maui Community Fund because that -- that
12 fund is managed by five directors. The five are -- or
13 were Dr. Iaconetti, Eric Gerlach, who is from Intrawest,
14 so Maui Beach Resort, Sharon Matten, who was with the
15 intervenors, West Maui Preservation Association, Auntie
16 Patty Nishiyama, and Bruno Arioshi who was a longtime
17 principal at Lahainaluna High School. And they did not
18 disburse funds for that particular project. We only
19 have heard third-hand, maybe. So we're not sure where
20 that money came from.

21 CHAIR STARR: Okay. Thank you. I guess that
22 puts that at rest. Perhaps if there is any member of
23 the public wishing to give testimony on this, please
24 make yourself known. Not seeing any, testimony is
25 closed. Members, we've had a request --

1 COMMISSIONER MARDFIN: Mr. Chairman?

2 CHAIR STARR: Yeah.

3 COMMISSIONER MARDFIN: Are we supposed to
4 acknowledge receipt of this?

5 CHAIR STARR: Yeah. We've had a request to
6 acknowledge this and, also, to -- there are three
7 allocations that we were requested to -- to potentially
8 approve, if we feel like doing so. That would be the
9 traffic light sequencing, Mill Street expansion and
10 design fees for Lahaina Bypass. So if -- whatever the
11 pleasure of the Commission, please, someone make a
12 motion. Yeah, Ms. Cua.

13 MS. CUA: If I understood Gwen correctly, on
14 those three line items, there was, basically, no changes
15 to the first and second line item in terms of the use,
16 the third line item, it would still be used for Lahaina
17 Bypass Road. But I think you made a little -- you gave
18 a little bit more specificity, that it would be towards
19 -- used towards that portion of the project north of
20 Keawe Street for surveying and archaeological work. Did
21 you need that as part of the motion or it's enough to
22 say Lower Honoapiilani Road widening as listed in this
23 report?

24 MS. HIRAGA: 250,000 specifically in the
25 Settlement Agreement called for work north of Keawe

1 Street. So that's why the developer, you know, is
2 recommending that these funds be used for the
3 archaeological work, for -- related to the bypass. It
4 was very specific in terms of the settlement agreement.

5 CHAIR STARR: Okay. Would any Member like to
6 make a motion? Any motion? It can be anything you
7 like. Commissioner Mardfin.

8 COMMISSIONER MARDFIN: I move we acknowledge
9 receipt of the request and -- I will do it in two
10 pieces.

11 CHAIR STARR: Okay. Is there a second?

12 COMMISSIONER MARDFIN: Receive the report.

13 CHAIR STARR: Okay. Is there a second?

14 COMMISSIONER SHIBUYA: I'll second.

15 CHAIR STARR: Okay. Moved by Commissioner
16 Mardfin, seconded by Commissioner Shibuya, to --

17 MS. CUA: To accept the -- acknowledge receipt
18 of the 2010 annual report.

19 CHAIR STARR: Okay. Discussion?

20 (Silence.)

21 CHAIR STARR: All in favor, please raise their
22 hands. All opposed. Okay.

23 COMMISSIONER MARDFIN: Five-zero.

24 MS. CUA: I'm sorry. Yeah, five-zero.

25 COMMISSIONER SHIBUYA: And one absent.

1 COMMISSIONER FREITAS: Yeah, I abstain. Yeah,
2 I don't understand it.

3 CHAIR STARR: That's the same as a vote,
4 though. It passes. Is there an additional motion?

5 COMMISSIONER MARDFIN: I move we accept the
6 recommendation that we heard earlier about using the
7 remaining funds.

8 CHAIR STARR: A second?

9 COMMISSIONER SHIBUYA: I'll second it again.

10 CHAIR STARR: Okay. The motion is, Ms. Cua?

11 MS. CUA: To -- to accept the statements made
12 by Ms. Hiraga for the use of the balance of funds
13 totaling \$1,496,952, as specified.

14 CHAIR STARR: Okay. Commissioner Mardfin.

15 COMMISSIONER MARDFIN: I have a question.
16 That would be, what would the alternative uses be?

17 MS. HIRAGA: We don't have any alternative
18 uses right now. I mean, the Commission --

19 COMMISSIONER MARDFIN: Just thought I would
20 ask.

21 MS. HIRAGA: It came up last year because, at
22 that time, Commissioner Starr wanted to, you know, some
23 -- he said to come up with something specific because,
24 you know, for a couple of years we show it as zero
25 expenditure, zero expenditure. So we actually talked to

1 -- I guess it was one person from Lahaina Bypass Now and
2 others that, you know -- and, again, the Settlement
3 Agreement condition is very specific. It had to be for
4 studies related to the Lahaina Bypass north of Keawe
5 Street. So there was discussion with the Department of
6 Transportation as well.

7 COMMISSIONER MARDFIN: Thank you.

8 CHAIR STARR: Okay. Ready to vote? All in
9 favor, please raise their hands. All opposed.

10 MS. CUA: Five ayes.

11 CHAIR STARR: Okay. Thank you very much,
12 Ms. Hiraga.

13 MS. HIRAGA: Thank you.

14 CHAIR STARR: Mr. Luna, your patience is
15 exceptional.

16 We're on a roll here. We're gonna get done
17 early. Ms. Cua.

18 MS. CUA: Your next item is the acceptance of
19 the action minutes of the June 8th, 2010 meeting and
20 regular minutes of the May 25th, 2010 meeting.

21 CHAIR STARR: Anyone wish to make a motion in
22 that regard?

23 COMMISSIONER SHIBUYA: I move to accept.

24 CHAIR STARR: Is there a second?

25 COMMISSIONER MARDFIN: Second.

1 CHAIR STARR: Any comments or corrections?

2 COMMISSIONER TAGORDA: Corrections, Mr. Chair.

3 CHAIR STARR: Commissioner Tagorda.

4 COMMISSIONER TAGORDA: On action minutes of
5 June 8th, 2010, if you notice, under B, Mr. Shibuya,
6 Commissioner Shibuya's name was printed twice, or
7 there's assenting votes for Mr. Shibuya -- well,
8 Commissioner Shibuya twice, and my name was omitted.
9 And it happened one, two, three, four, five times. Can
10 we make correction before we accept the minutes?

11 CHAIR STARR: Okay. Can we add a serial
12 correction to that?

13 COMMISSIONER SHIBUYA: Sure.

14 CHAIR STARR: Okay. Good eye in spotting
15 that. Thank you.

16 COMMISSIONER TAGORDA: Or else this vote's
17 gonna be void.

18 COMMISSIONER SHIBUYA: I didn't even notice
19 it.

20 CHAIR STARR: Okay. Can we get -- can we add
21 that as part of the main motion? Is that acceptable?

22 COMMISSIONER SHIBUYA: That's acceptable.

23 CHAIR STARR: Okay. So let's vote on the
24 motion as -- as corrected. All in favor, please raise
25 their hand. All opposed. Okay.

1 MS. CUA: Five ayes.

2 CHAIR STARR: Five ayes. Good. Next.

3 MS. CUA: The next item is the -- well,
4 Planning Commission Projects/Issues from the Commission.

5 CHAIR STARR: Moving right along.

6 MS. CUA: Discussion of the future Planning
7 Commission agenda items. And for the July -- well,
8 first of all, there is three weeks until the next
9 Planning Commission meeting on July 13th. And so far,
10 we have two communication items, one unfinished business
11 item, and contested case hearing on an SMA appeal.

12 CHAIR STARR: Should be a full meeting filled
13 with frolic and fun.

14 I have -- I have a comment about the second
15 July meeting, which would -- we'll have a -- a
16 presentation, that looks like a three-hour presentation
17 in the afternoon, on shoreline issues. Part of it will
18 be Chip Fletcher from Sea Grant, who's been under
19 contract with the County to redo the erosion, transects,
20 and the shoreline maps. And I believe he also has a
21 presentation on blue line study which is being done
22 statewide to show potential inundation zones, both for
23 tsunami and in case of sea level rise. And Sea Grant
24 has some other -- some other stuff as well. Then there
25 will also be portions from Mr. Bucca about runoff and

1 regulation. There will be presentation on reef health.
2 Russell Sparks will be here as well as Doland Ebersol
3 from the State on -- that's on State legislative matters
4 relating to -- relating to shoreline. And Richardson's
5 School of Law is -- the Island Climate Change Adaptation
6 Policy Group will be giving some comments. So that'll
7 be coming up at the end of July. Okay. Everyone good
8 with that? Okay. Anyone have any special questions
9 about shoreline stuff, you know, that's -- that would be
10 a good time for us all to ask them.

11 Yeah, Commissioner Shibuya.

12 COMMISSIONER SHIBUYA: Yeah, a question
13 related to the Sea Grant. Did the Council ever approve
14 extending their monies on the budget?

15 CHAIR STARR: They approved half of the
16 funding, but it looks like it will probably be workable
17 to maintain the position. The Sea Grant Maui rep will
18 be going on maternity leave, which will, you know, kind
19 of take that into account. So I -- to my
20 understanding -- and maybe Ms. Cua can correct me -- but
21 I think it's okay.

22 MS. CUA: Yes. The -- the -- the statement
23 that you gave is pretty much accurate.

24 COMMISSIONER SHIBUYA: Thank you.

25 CHAIR STARR: So thanks for everyone who put

1 in any comments on that.

2 COMMISSIONER SHIBUYA: I did.

3 CHAIR STARR: Okay. E-I, E-I-S, E-I-O
4 reports. Old McDonald. Anyone have any comments?
5 Yeah, on this -- we'll take the whole package, if anyone
6 has got any questions, comments. Commissioner Mardfin.

7 COMMISSIONER MARDFIN: I have two things.

8 CHAIR STARR: Yeah.

9 COMMISSIONER MARDFIN: One, I would like to
10 thank Clayton and the Department for providing this --

11 CHAIR STARR: Yes.

12 COMMISSIONER MARDFIN: -- document with
13 respect to the (inaudible) we had last month. That was
14 very helpful to me. And I have a question about -- not
15 about -- well, there are two items for Hana Beachfront
16 Association, which is the Gary Stice property, one is on
17 Page 1 of 8, under Open SMA assessments. And the first
18 one is the very first one up there, SMX-20060305, and
19 there's a related one on Page 2 of 8, about three
20 quarters of the way down, SMX-20080321 Hana Beachfront
21 Association. Now, my understanding was the first one
22 was an original plan. And in the Director's Report, he
23 had said that they assumed that this one was obsolete
24 when they submitted the second one. But there are two
25 things there and they're both listed as open. Given our

1 decision from last time, shouldn't these be removed from
2 this printout because they are no longer SMA exempt
3 issues, since we determined that he needed an SMA major?

4 MS. CUA: I would probably have to ask -- it
5 does sound correct to me, but maybe Clayton can --

6 MR. YOSHIDA: Yes, that's correct.

7 MS. CUA: We'll get them removed from the
8 list.

9 CHAIR STARR: If there's any problem, just get
10 back to us. Any others?

11 COMMISSIONER MARDFIN: By the way, if you need
12 to check with Corp Counsel, that might not be a bad
13 idea.

14 COMMISSIONER HIRANAGA: He is indisposed right
15 now.

16 CHAIR STARR: I have a few here. And, once
17 again, I thank you for a previous comment on the last
18 ones. This is on the exemptions, James Neese, Adams,
19 Larry, and Lahaina Yacht Club. And the only reason I'm
20 asking a question is because there's no -- there's no
21 information. So maybe if we could improve that, I -- I
22 wouldn't have to waste staff time.

23 MS. CUA: Chair, we have discussed it in
24 management meeting. We're gonna try and make sure that
25 these reports are -- are -- are a little bit more

1 complete. They're getting better, but, yeah, we're
2 gonna try and make sure they're complete so we don't
3 have to generate another report to you for another
4 meeting.

5 CHAIR STARR: Thank you. And I feel bad for
6 creating extra work. Commissioner Freitas.

7 COMMISSIONER FREITAS: No.

8 CHAIR STARR: Oh, okay. So short of those --
9 of those three items, and the Hana Beachfront, is
10 everyone satisfied with these reports?

11 COMMISSIONER SHIBUYA: Yes.

12 CHAIR STARR: May I have a motion to -- to let
13 them let that water flow under the bridge, so to speak?

14 COMMISSIONER MARDFIN: So moved.

15 COMMISSIONER TAGORDA: I second.

16 CHAIR STARR: Okay. Moved by Commissioner
17 Mardfin, seconded by Commissioner Tagorda to --

18 MS. CUA: Accept the reports.

19 CHAIR STARR: Yeah, with -- except for those
20 items we discussed. Okay. All in favor, please raise
21 their hands. All opposed.

22 MS. CUA: Motion carried, six ayes.

23 CHAIR STARR: Okay. And that takes us to the
24 next meeting date, be there or be square. If you can't
25 make it, let us know. And anyone with any -- the ones

1 with ideas for either site visits or for other programs
2 or anything we can do to improve our system, please let
3 me know, or Mr. Yoshida or Ms. Cua, or someone, and we
4 can discuss that in the future. Thank you. I'm amazed
5 we got done early. Good work, everyone. Great job.

6 ...(gavel)...

7 (Meeting adjourned at 4:44 p.m.)

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I, TONYA MCDADE, Certified Court Reporter of the State of Hawaii, #447, Registered Professional Reporter, Certified Realtime Reporter, Certified Broadcast Captioner, do hereby certify that the proceedings contained herein were taken by me in machine shorthand and thereafter was reduced to print by means of computer-aided transcription; and that the foregoing represents, to the best of my ability, a true and accurate transcript of the proceedings had in the foregoing matter.

I further certify that I am not an attorney nor an employee of any of the parties hereto, nor in any way concerned with the cause.

DATED this 19th day of July, 2010.

Tonya McDade
Certified Shorthand Reporter #447
Registered Professional Reporter
Certified Realtime Reporter
Certified Broadcast Reporter

