

**MAUI PLANNING COMMISSION
REGULAR MINUTES
SEPTEMBER 13, 2011**

A. CALL TO ORDER

The regular meeting of the Maui Planning Commission was called to order by Chairperson Kent Hiranaga at approximately 9:00 a.m., Tuesday, September 13, 2011 Planning Conference Room, First Floor, Kalana Pakui Building, 250 South High Street, Wailuku, Maui.

A quorum of the Commission was present. (See Record of Attendance.)

Chair Hiranaga: Today is September 13, 2011. This is the Maui Planning Commission meeting. I'm calling it to order. All Commissioners are present. First, I'd like to open the floor to public testimony on any agenda item at this time. We'll go down this list. If you wish to defer to when the agenda item comes to the floor, you can so indicate. First person signed up is Craig Henderson.

The following individuals testified at the beginning of the meeting:

Mr. Craig Henderson - Item B-1, Costco Wholesale Corporation, SMA
Mr. Conrad Engelke - Item B-1, Costco Wholesale Corporation, SMA
Mr. Derek Darisay - Item B-1, Costco Wholesale Corporation, SMA
Mr. Ismael Fernando - Item B-1, Costco Wholesale Corporation, SMA
Mr. Andrew Marshall - Item B-1, Costco Wholesale Corporation, SMA
Mr. Nick Matichyn - Item B-1, Costco Wholesale Corporation, SMA
Mr. Brian Arakawa - Item B-1, Costco Wholesale Corporation, SMA
Mr. Robert Siarot - Item B-1, Costco Wholesale Corporation, SMA
Ms. Vanessa Hartley - Item B-1, Costco Wholesale Corporation, SMA
Ms. Renee Acang - Item B-1, Costco Wholesale Corporation, SMA
Mr. Keith Ogata - Item B-1, Costco Wholesale Corporation, SMA
Ms. Cynthia Kalalau - Item B-1, Costco Wholesale Corporation, SMA
Ms. Misty Oguma - Item B-1, Costco Wholesale Corporation, SMA
Ms. Chunaita Orobay - Item B-1, Costco Wholesale Corporation, SMA
Mr. Jaime Havron - Item B-1, Costco Wholesale Corporation, SMA
Ms. Pualani Kamaunu - Item B-1, Costco Wholesale Corporation, SMA
Ms. Clare Apana - Item B-1, Costco Wholesale Corporation, SMA
Ms. Darlene Felicilda - Item B-1, Costco Wholesale Corporation, SMA
Ms. Cody Madriaga-Hett - Item B-1, Costco Wholesale Corporation, SMA

Their testimony can be found under the item on which they testified on.

Chair Hiranaga: Anyone else wishes to provide testimony on any agenda item at this time? Seeing none, I'll close this portion of the public testimony. Next agenda item, Director, B-1, Public Hearings, Costco Wholesale Corporation. Maybe you could provide a little comment on the protocol we're gonna follow?

Mr. Spence: Okay, thank you, Mr. Chairman, Commissioners. We are into the public hearing portion of your agenda for various items. The first one is Costco Wholesale Corporation requesting an SMA Permit to expand. We have Danny Dias with us. He's going to give a little overview of it,

of the project and everything. There was a power point presentation by the, by the consultant. Since we have a petition to intervene, what we're going to do is, Danny is going to give us an overview. We will officially open up for any additional public testimony, we'll close testimony and then we'll go straight into dealing with the Petition to Intervene. Okay, so, Danny?

B. PUBLIC HEARINGS (Action to be taken after each public hearing.)

- 1. COSTCO WHOLESALE CORPORATION requesting a Special Management Area Use Permit for the Costco Warehouse Expansion Project consisting of an approximately 29,067 sq. ft. addition to the warehouse store and a 3,200 sq. ft. car wash on TMK: 3-8-079: 022; and a 4,939 sq. ft. ten-lane five-island self service gasoline fueling facility, addition of 128 parking stalls, and related improvements at 540 Haleakala Highway, TMK: 3-8-079: 022 and 013(por.), Kahului, Island of Maui. (SM1 2010/0009) (D. Dias)**

Mr. Danny Dias: Thanks Will. Good morning, Chair Hiranaga and Members of the Planning Commission. I'll be very brief with what I have to say. The project is fairly simple. I know the report is quite lengthy but essentially what Costco is doing is fairly simple. This, as you folks can probably tell is one of the most anticipated projects that we've had in the last few years. It involves a 29,000 square-foot expansion to the existing Costco warehouse. It includes a new fueling facility, new drive-thru carwash and an additional 128 parking stalls.

Although this is the first time that Costco specifically has been before this Commission, you Members should be fairly familiar with what's going on in the vicinity. About two or three months ago we did have the A&B Maui Business Park SMA Permit come before you which you did approve. But with respect to Costco for quite some time now they've been looking towards expanding or relocating their current site. To say it's a popular place to shop I think is definitely an understatement. As we heard from the General Manager, Jaime Havron, they estimate that there's about 91,000 cardholders on island right now. If you look at the population, if you take the adult population of this island you're looking at about 101, 102,000 people. So you're looking at about a 90 percent membership rate which goes to show why they need to expand. They have quite a large customer base and so expansion at this point is, is sort of a natural step. But up until this point Costco had really nowhere to expand and grow until A&B proposed the Maui Business Park. So what Costco is going to do is purchase Lots 1, 2, and 3 of the Maui Business Park North Project area and that's where their fueling facility and additional parking is going to go.

With respect to Community Plan and Zoning, both the existing site and expansion area are Community Planned for Light Industrial. And with respect to Zoning, the existing site is Zoned M-2, Heavy Industrial while the expansion area is Zoned, M-1 Light Industrial. Just for you folks know, the Planning Department is prepared to move forward with whatever way you folks go on this. On one hand we do have a list of potential hearing officers if you were to grant an intervention. On the other hand, we do have our recommendation if you wanna go forward with the project. So that sort of concludes just a short overview of what's going on here. Thanks.

Chair Hiranaga: So if there's no objection, we're going to file this Agenda Item B-1 and move -- oh I'm sorry, at this time I'll open the public hearing once more just for this agenda item which is B-1,

Costco Wholesale Corporation.

a) Public Hearing

The following testimony was received at the beginning of the meeting:

Mr. Craig Henderson: How you doing? Name's Craig Henderson, 2950 Ainalani Drive, Pukalani. If that's what I have to give. I, like most people in this room and everybody is for the expansion of Costco. I can't personally wait to -- the expansion of the prepared food section myself. What, what, the problem that I have is with the traffic along Dairy Road. The traffic has been there. The Maui Visitor's Bureau should be here. ...want the access road because of the traffic on Dairy Road and it's even a lot worse now. So instead of grumbling about traffic, I got a solution for it. We can move right along on this thing. I don't know if any of you, you may not even gone down Dairy during the afternoons. Probably work here and, you know, never had the opportunity to go down there during the busy times and that's when the traffic really takes place. I'd suggest that you possibly, you know, take a working vacation or a working lunch this Friday and go down to Costco and have a hot dog but take Dairy Road. This is where the problems really lays. Wanna take a left-turn at, off of Puunene, you'll notice there's just nothing but a solid ...(inaudible)... of cars. They just creep, creep, creep, creep along there and it takes almost like 20 light changes just to get Hana Highway trying to get to Costco and that's where the problem really lays. But I've got a solution thing if you'll allow me. If you get in your car and you drive down, and you creep, creep, creep, creep, creep, creep, creep, when you get to the fire station, you just hope that the alarms don't go off and the doors open and all the fire trucks come out ...(inaudible)... traffic isn't moving any which way. But a strange thing happens as you get down there and creep, creep, creep, it might 20 light changes to get down to the Hana Highway, but once you get past Savers all of a sudden it's like a road race, it just takes off on you. And if you have the opportunity or if you happen to have your car sitting there. At the Hana Highway on Dairy Road, if you look ahead down to Costco there's no cars. Where'd all the cars go? Well, some of the cars made a left turn, but if you notice what is causing the problem on Dairy Road is all the people that wanna make a right turn there. Just go down there to the intersection. A quarter of the cars going down Dairy Road are trying to make a right turn. And this is a problem that you've addressed two times before and solved the problem. It was at Haleakala Highway and entering Paia. Haleakala Highway up to about five years ago remember, the traffic used to back all the way back past Hansen Road and it was just gridlock just like it is on Dairy Road today but all of a sudden one of our Council people, Bob Carroll, from Hana no less, came up with the idea of putting a third, a right-turn lane there and all of a sudden the traffic has disappeared. Everybody can just whizz down and make a right turn as you go. The same thing that happens in Paia. To me that little road that goes around Paia now all the people that can go up Baldwin ...(inaudible)... and the traffic isn't so bad. Well, the same thing is happening at the intersection of Hana Highway and Dairy Road. If you look at it, so many of the cars going down there are trying to make a right turn. Do the same solution that you had there at the Haleakala Highway --

Chair Hiranaga: Please conclude your testimony.

Mr. Henderson: Oh, okay. So what my thing is is to make an access road around there. If you look at the road just before Costo, I mean, right before McDonalds that road that goes right in there it

goes all the way down to the dead end at Ballards Mortuary it's only a hundred feet to the Hana Highway.

Chair Hiranaga: Okay, thank you very much.

Mr. Henderson: And that solves your problem and Costco can move right along.

Chair Hiranaga: Thank you.

Mr. Henderson: Thank you.

Chair Hiranaga: Questions Commissioners? Seeing none, next individual is Conrad, I'm sorry, I can't -- Engelke? Please identify yourself and limit your testimony to three minutes. Thank you.

Mr. Conrad Engelke: Thank you. My name is Conrad Engelke. I live in Kahului, Maui. I'm here to support Costco and I hope they get what they want. But I also want to echo exactly what my concerns are also the traffic situation and the accessibility and it's -- mahalo. That's it. Thank you.

Chair Hiranaga: Questions Commissioners? Seeing none, thank you. Next individual is Derek Darisay.

Mr. Derek Darisay: Good morning. Derek Darisay from Lahaina. I'm not in opposition to the expansion, but need more information on the work going to be done Dairy Road traffic light ...(inaudible)... Thank you.

Chair Hiranaga: Questions Commissioners? Seeing none, thank you. Next individual is Ismael Fernando.

Mr. Ismael Fernando: Good morning. My name's Ismael Fernando from Kihei. I just came here to voice my concerns about Costco expansion during construction and after construction. I just wanted, you know, to get more information and details how it affects traffic because as we speak there's a huge problem in traffic in Kihei. Basically turning left on Dairy Road going to Kahului and turning left from Savers and McDonalds it's almost impossible to cross. It's like Russian roulette. And turning right you almost have to wait for the nicest guy just to let you out of the traffic. I just felt as, as of this time, I'm not sure if Dairy Road and Hana Highway is ready for the construction and maybe infrastructure has to be done first before ...(inaudible)... that's all thank you.

Chair Hiranaga: Questions Commissioners? Seeing none, thank you. Next individual is-- you have to help me, Marshall. Anarail?

Mr. Andrew Marshall: Andrew.

Chair Hiranaga: Andrew.

Mr. Marshall: Andrew Marshall.

Chair Hiranaga: Thank you.

Mr. Marshall: I live in Kula and I'm supporting this expansion of Costco. I've been a member since I moved here in ...(inaudible)... 96. Gas is expensive enough ...(inaudible)... as we know. Why it's more expensive than Hilo is ridiculous. Extra competition in the market if you've ever been to mainland and if you're a Costco member you know that Costco is very, very competitive on price for gas. That will certainly help the community. The extra jobs, which are good jobs, I notice the same people working at Costco now that were working there in '96 when I arrived. They're obviously not lazy, don't want to go anywhere else. It just that they have good jobs, good benefits. That's a definite advantage. The hotel that's across the road that's being built, one would have thought that the traffic issues was thought about at that time. So bearing in mind it's only members who are gonna use these facilities, I don't see how there's gonna be any more traffic unless they get more members which is likely, of course, because of the reduction of the price of gas if that happened, but it should only be a marginal effect from, from the existing roads in my opinion. Anyway, that's what I got to say. Thank you.

Chair Hiranaga: Questions Commissioners? Seeing none, thank you. Next individual is Claire Apana. Clair Apana. Not present. Next individual is Nick Matichyn. Thank you.

Mr. Nick Matichyn: Hi, I'm Nick Matichyn. I live in Kula and I'm in support of Costco's expansion. I've been in business here for 30 years and when Costco first opened it created quite a havoc with the business community. We were used to paying very high prices for all our goods, our meats, our paper goods, just across the board. Once Costco came in, the prices were sometimes 50 percent less which made the other vendors bring down their prices too to get everything into some kind of a norm, the new, the new norm. And I think whatever they're doing, they're doing it right. And probably all I have to say.

Chair Hiranaga: Thank you. Questions Commissioners? Commissioner Mardfin.

Mr. Mardfin: I'm sorry, did you say you're a businessman?

Mr. Matichyn: Yes, yeah, I've been in business here for 30 years.

Mr. Mardfin: What kind of business?

Mr. Matichyn: I roast coffee. I'm a coffee roaster. Maui Coffee Roaster on Corner of Hana Highway and Dairy Road.

Mr. Mardfin: Do they carry your product?

Mr. Matichyn: Yes, they carry my product. When, when they first came in, I was kind of a little skeptic, skeptical about them taking on my product. My first reaction was, "are you kidding me, they're gonna kill me." You know, I mean, why should I do that, I'm gonna cut my own throat. You follow? I'm going to take away my margin. I'm going to cut my own throat. After thinking about it for a little while, I said, they're my partner. They are not my competition. You know, in the past couple years I've been -- it has -- this year in particular has been the hardest year to try to stay in

business for us. You know, with shrinking margins in our coffee, with higher prices of everything, you know, it is like impossible for a small guy to stay in business, all right. I don't see them as a competition for me. I find that, I buy things from them. We buy maybe 40 percent of all our, our supplies from them because they're a little less money than everybody else. They keep on giving us new products that aren't available some place else. They keep up with the trends of people's wants like for instance for me, if something's very popular on the mainland, people come over here, they ask for it I can't get it usually through my vendor, I go to Costco and it's there. You know, so, so, they're a very strong, community-minded company I think.

Mr. Mardfin: Thank you very much.

Mr. Matichyn: Thank you.

Chair Hiranaga: Any other questions, Commissioners? Nick, nick another question.

Mr. Matichyn: Sorry, sorry.

Chair Hiranaga: Commissioner Lay.

Mr. Lay: Good morning, Nick.

Mr. Matichyn: Hi.

Mr. Lay: So you're at Maui Coffee Roasters right in that vicinity, unit?

Mr. Matichyn: Yeah, they're right across the street.

Mr. Lay: Right. So you've got a lot of traffic going on over there and we've had a testifier previously who said because of the traffic he notice that there was a decline. He presumed there would be a decline in his, I guess people stopping there. Do you see that happening or do you see because they're going slower you do have people stop by your place more often?

Mr. Matichyn: Okay, I'm on, right on Hana Highway. I have thousands of cars going past me every day. Trying to get into my location number one is a problem. You know, this was -- 20 years ago it was a problem because they could see my building but how do you get into it because we have no egress or ingress whatever it's called to come in. There's one on, on Dairy Road and one on Papa. So, we it's like they're coming to us because we're offering them a service that they want, you follow.

Mr. Lay: Right.

Mr. Matichyn: We're not convenient. It's like they have to go out of their way for us because we're offering them a service that they want. You follow?

Mr. Lay: Right.

Mr. Matichyn: We're not convenient. It's like they have to go out of their way for us. So I think for the local business that's what they have to do is give that service that they need. If somebody's afraid of Costco or afraid of any ...(inaudible)... store or something, what they need to do is just -- you know this is a 366-day a year job that you have when you're a business person. You know, there's no, there's no vacation. There's no anything. You have to pay attention.

Mr. Lay: Right.

Mr. Matichyn: And if you're not paying attention you're gonna be hurt. So, I -- as far as the traffic goes, yes there is a traffic problem there. When, when Kmart first opened there was a traffic problem there. Once they, once they made that intersection larger, remember there was just one traffic light there. You know, there wasn't much of a traffic problem, but when they opened up Pukalani it started getting more and more traffic coming in. What I've noticed in the afternoon going out of town on Hana Highway going Upcountry, I go up Papa Place to make a right-hand turn, I gotta wait there for ten minutes, you know, because everybody's going home. You know, traffic on this island and everywhere is traffic, you know, that's I think maybe part of the highway problem. You know, that's, that's a different department almost. You know. If the developers and the State and County Highway people aren't on the same page then ... there's another place up in Kula that's a problem. There's a subdivision going in across from Holy Ghost Church, you know, a whole bunch of houses going in. That's going to be a big problem too. So it doesn't matter where you are, it's a problem.

Mr. Lay: Okay, thank you.

Mr. Matichyn: Thank you.

Chair Hiranaga: Any other questions, Commissioners? Seeing none, thank you. Next individual is Brad Arakawa -- Brian Arakawa, excuse me.

Mr. Brian Arakawa: Good morning, Chair Hiraga, good morning. My name is Brian Arakawa not Brad.

Chair Hiranaga: I corrected myself.

Mr. Arakawa: Thank you. I'm from Lahaina. I have the luxury each and every day with the job that I do as General Manager of Dairy Road Partners to drive to Kihei and Wailuku, Kahului and obviously Lahaina. So I see the traffic. I see the traffic points, the traffic at different parts of the day and I agree with the gentleman who was here traffic is a part of what we have to deal with. But standing here, I'm in support of what Costco is doing with their expansion but if we can identify the traffic problem beforehand and make some corrections in the infrastructure that's one less area of traffic. And unlike some of these other areas like Wailuku Elementary driving through here this morning during school hours there's traffic. Costco will be traffic every moment they're open and that's not a bad thing if you're a business but it is if you're on the road in a car. I've been with the company five years so I'm very aware of Dairy Road movement of cars and what we do basically just to share with you is about a 180,000 gallons of fuel a month. That equates to about 1,200 cars a day. Costco is going to do about four to five times that in cars. So now you're taking that many

cars...put members aside, people will become members if they're not already. That's gonna create quite a bit of congestion through Dairy Road funneling into what is Haleakala Highway. To find a solution that's not my job, that's the greater powers that we have within the Department of Transportation, it's for them to address, but I just want to identify them. We did a study and hired a firm that I'll be providing information to each of you, I'll hand it out, you can review it, it's of the Costco in Iwilei. We basically took and ran numbers between 2 and 3 o'clock, 60 days in a row. Gas only customers, not just market customers because they are two very separate identifying parties that go to Costco. When people go for gas, they just go for gas. I would say markedly maybe 15 percent do both. So when they say the customer base is a--you come for a loaf of bread, you going put gas, no. It's the same thing with our businesses, if they come to the store, convenience store, they just come to store. They're not there for both. Gas is something you shop for all on its own. That's basically all I have to say. I will get that information to each of you, Commissioners. It's, it's noted out by days, counts, lanes, showing the Iwilei Costco traffic flows and should just give you a little bit of an idea. Again, that's Oahu, this is Maui, but you can already see what our roads are like. That's all I have, thank you.

Chair Hiranaga: Questions, Commissioners? Commissioner Mardfin?

Mr. Mardfin: Is a large part of your concern the fact that they'll be selling gas and that in competition with you?

Mr. Arakawa: Not at all. Competition is, basically it's the American way, if anything that may help us by making the fuel companies set a better price guide and then pass down to the customer. There is market share, we will lose a market share. Individually I believe more the other gas stations will lose much more market share than we do, but ...

Mr. Mardfin: Why do you think that?

Mr. Arakawa: Costco serves the residential primarily. A lot of the people from the mainland are members at their local Costcos but vacation time is very valuable. They're not gonna stand, or excuse me, sit in their car 15 to 20 minutes to top off their cars. They're not gonna do that. Every moment they can spend at the beach or at a bar actually is better for us. So I don't think the influx will be by the visitor, it will be by the resident.

Mr. Mardfin: May I ask another one, Mr. Chair?

Chair Hiranaga: Continue.

Mr. Mardfin: I read in the report that you used to sell a lot more gas. I think that's what I read that a few years ago you were selling more. To what do you attribute the drop?

Mr. Arakawa: Several things. You know, one is obviously there are more stations on the island. If you take Lahaina for an example, at one given time growing up there was three stations, now there's over eight. So you know, people coming into the market, again, helps keep price down so it's welcomed. Secondly, I think people are more sensible in their driving after this last fuel price scare. My children, themselves, we grew up putting \$5.00 in the tank and going for a cruise. Kids

don't do that any more. That's more sensible. And so are we, as adults. ...(inaudible)...

Mr. Mardfin: So, so, so it's a function of two things, more competition so you get a smaller market share and more conservation.

Mr. Arakawa: Yeah, sensible driving.

Mr. Mardfin: Thank you very much.

Mr. Arakawa: You're welcome.

Chair Hiranaga: Any other questions, Commissioners? Seeing none, thank you.

Mr. Arakawa: Thank you.

Chair Hiranaga: Next individual is Robert Siarot.

Mr. Robert Siarot: Morning, Commissioner, what's his name now, Kent and other Members of the Council and also the Director. My name is Bob Siarot. I am the former District Engineer from Maui County which includes Maui, Molokai and Lanai. I am -- I was responsible for the, the planning, budgeting, design, construction and maintenance of State Highways. But today I want to testify about the traffic that will be generated, traffic congestion that will be generated by Costco. In reading the report, SMA report, I'm a little skeptical about the generation during peak hours. My concern is that the major back flow will be from, on Haleakala Highway and Dairy Road and Hana Highway and Dairy Road. The reason being is normally when you time the traffic signals usually for a good conditions it's 90 seconds. But when you go to a major condition, it goes up to a 120 seconds. So there's a difference in timing between the two traffic signals. What happens is when people get out from the airport and after work going out towards Hana Highway they'll be a backup from Hana Highway to Haleakala Highway which in turn will, will restrict turning movements into Dairy Road from Costco, from Costco. Also, when the light turns green on, on Haleakala Highway what's going to happen is if it's a back up, it's going to hold the traffic back. That's the concern I have there. At Hana Highway there's several concerns. Because of the Costco gas that I assume is going to be cheaper than other stations, people from Upcountry and Paia will have to make a right turn into, into Dairy Road and onto Costco. Now there'll be a increase in that right turn and also, what's going to happen is it's going to back up the traffic onto --

Ms. Takayama-Corden: Three minutes.

Mr. Siarot: --at between Hana Highway and Haleakala Highway.

Chair Hiranaga: Bob, can you conclude your comments. I know we have your written testimony so if you could just make some closing remarks?

Mr. Siarot: Okay. I really am concerned about traffic in Dairy Road it's gonna impact the businesses especially Kmart because they'll be ...(inaudible)... From Hana Highway to Puunene because the amount of traffic the businesses on that side will have difficulty in, in exiting the highway. And of

course, that means lot of ...(inaudible)...

Chair Hiranaga: Okay, questions for the testifier? Seeing none, and he did submit written testimony. Next testifier is Vanessa Hartley.

Ms. Vanessa Hartley: Hi, Vanessa Hartley from Kula. I wanna make it really clear that I'm not against the expansion of Costco. My concern is the existing traffic on Dairy Road and Hana Highway as well as Haleakala Highway and Dairy Road. My question is why wouldn't we address the traffic situation before you expand? After you expand added existing traffic to the already -- the existing traffic and you're adding road construction on top of that. And it doesn't make sense and it's gonna be a huge mess. And I wanted to Andrew, he said there's not going to be any more traffic than what the members are, but what Brian was saying if you have discount gas you're gonna add more members and I do believe the food court is gonna go outside by the gas station and you do not have to be a member to go to the food court. So again, you're adding more traffic to the, to the situation that's already bad. So I'm just asking everyone involved please be a part of the solution and the problem. Thank you.

Chair Hiranaga: Questions for the testifier? Seeing none, thank you. Next testifier is Renee Acaig, Acang?

Ms. Renee Acang: Hi, I'm Renee. I'm just here in support --

Chair Hiranaga: Would you state your last name?

Ms. Acang: Acang.

Chair Hiranaga: For the record.

Ms. Acang: Renee Acang. I'm just here in support of my employer and to voice our concerns about traffic. I'm not against Costco expanding but it is, it hard already as it is going on Dairy Road and Hana Highway and if you guys could solve that problem that would make it a lot easier. That's it.

Chair Hiranaga: Questions for the testifier? Renee, there's a question from Commissioner Wakida.

Ms. Wakida: Did I hear you said, "on behalf of your employer?"

Ms. Acang: Yeah.

Ms. Wakida: Who's your employer?

Ms. Acaig: I work for Super Stop and I work for the hospital, but I'm here for Super Stop.

Ms. Wakida: Thank you.

Ms. Acang: Thank you.

Chair Hiranaga: Any other questions? Seeing none, next testifier is Keith Ogata.

Mr. Keith Ogata: Hi, Keith Ogata. Just ...(inaudible)... concerns about the traffic along Dairy Road and Haleakala Highway. Is it going to be fixed before Costco expansion? That's basically my concern, the traffic because it's hard to get out of Dairy Road to make a left or right either way or even crossing Hana Highway.

Chair Hiranaga: Thank you. Questions, Commissioners? Seeing none, thank you. Next individual is Cynthia Kalalau.

Ms. Cynthia Kalalau: My name is Cynthia Kalalau. I'm here on behalf of my employer, Super Stop. Just here concerning the traffic. I think you guys should fix the traffic before you guys even start building any more. That's it'.

Chair Hiranaga: Questions, Commissioners? Seeing none, thank you. Next testifier is Misty Oguma.

Ms. Misty Oguma: Good morning, I'm Misty Oguma and I'm a Makawao resident and on behalf on my employer, Dairy Road Partners. And I'm just concerned about the traffic. The traffic on Dairy Road is really, really bad. We have semi trucks going back and forth, fire trucks, and just to pull out of work, you know, it takes like about 15 to 20 minutes just to pull out of the parking lot. So if you can just get that fixed it would be a lot easier on us. Thank you.

Chair Hiranaga: Questions? Commissioner Freitas.

Mr. Freitas: You stated it takes you 15 to 20 minutes to pull, to pull out of Super Stop?

Ms. Oguma: Yes.

Mr. Freitas: You folks have that much traffic coming out of your, your, your -- 15 to 20 minutes?

Ms. Oguma: Yes.

Chair Hiranaga: Next testifier, I'm having a very difficult time reading your handwriting. Chunita, Chunita? Please state your name.

Ms. Chunita Orobay: Good morning, my name is Chunita Orobay.

Chair Hiranaga: Thank you.

Ms. Orobay: I just like to address the traffic at Dairy Road. That's it.

Chair Hiranaga: Questions, Commissioners? Seeing none, next individual is Jamie Havron.

Mr. Jaime Havron: Morning, Planning Commission and fellow members of Costco. My name's Jaime Havron and I am the General Manager at Costco. I have been employed with Costco for 28

years pretty much from the beginning. I started out with Costco at entry level which is basically a cart pusher and worked my way through the company. I've been on Maui for ten years. Go here two weeks before 9/11 and I've got an outstanding crew there that's excited about this Planning Commission. And what's the number one topic in the country right now, providing jobs. And I can tell you, I was in the building early this morning, all we do is try to get those cans out of Youngs Brothers and get 'em in the building so I can provide the goods for my community. We start early taking orders from our local businesses. I deliver and I gotta make sure I have product and in-stock product for all the mom and pop stores all over this island so they can sell 'em in their little convenience stores and I have to have the selves ready for at 10 o'clock so that when my members come in that all of you and the community come in and have what they need for their families.

I could tell you this that coming at 9/11 I saw devastation, you know, with the tourism and what happened. You know, only been here two weeks, my family on the mainland, but I tell you this much, my employees outstanding, commitment to the company, also the community. I learned quick how much people value Costco by telling me their stories and basically, it's my bread and butter. Even without the tourists, the local community is my bread and butter, okay.

You know, with this expansion, being in today I'm like where am I going to put all these stuff. The cans are coming in the Young Brothers. ...(inaudible)... know this that our Costco is one of the busiest in the world and in one of the smallest square footage footprints. And my number one request is, you know, been over to Oahu, whether it's Kapolei, Iwilei, why don't you carry this, why don't carry that? I, we need space. We need space to offer more goods and services to you. The deli that we can provide, a hearing aide center, and of course, the number one request is a gas station, okay.

I can tell you that this expansion there will be a presentation here has the potential offering of a 110 jobs probably by November 2013. Again, Costco again can provide good, solid paying jobs to this community. I, let's see here...I just like I said, I think that, that is what Costco can offer. It offered it to me, it offered it to a couple of employees that may be coming up and speaking to you and that I can better meet needs my community with all the goods and services that, that they deserve, okay, from all angles. We'd like to offer everything the company offers whether it's in, on Oahu, California to New York that we could offer it here to you folks.

Chair Hiranaga: Thank you. Questions, Commissioners? Commissioner Sablas.

Ms. Sablas: Aloha. Thank you for coming in Jamie. I was just curious because I am a member of Costco and I marvel at the amount of business that always go there. My question to you though, what is your policy if you have about giving back to the community? I say that because I work in the hotel and there isn't a single day that we don't receive some type of solicitation from our community be it a benefit or supporting ...(inaudible)... So do you have a policy on giving back to the community from Costco?

Mr. Havron: Well, we give. One thing we don't do is we don't advertise. You're not going to see us in the paper touting ourselves. It's just not our company philosophy. You know what, our character is is to do it every day and when nobody is looking, you know. We, a example, schools. We give out anywhere from 500 to 750 backpacks a year to a school. We adopt a school and it's

filled. We've given over 9,000 backpacks in ten years to over 12 schools, elementary schools that are much needed and we're going to be doing that very shortly. We do that once a year. We give to the Food Bank every day. The Food Bank comes and picks up from us. Am I answering your question on some of the things we do?

Ms. Sablas: Yes, yes, thank you.

Mr. Havron: You're welcome.

Chair Hiranaga: Questions? Commissioner Wakida.

Ms. Wakida: Thank you for coming. It's a good chance to pick your brain here since you're the, you're the boss. Can you give us, and I'm asking you for some, for some information that you may not be prepared to give, but can you give us an idea of the percent or the amount of locally grown or produced items that Costco carries?

Mr. Havron: I, I do not have a percent. I'm sorry, I can't answer that, but if you walk my aisles or my shelves, you will see, a great example is Nick here, okay, from Maui Roasters. My number one coffee item is his item that we sell. I sell no more coffee than his. If you walk my cooler shelves, you'll see the different local items I have, Portuguese sausage, all kinds of stuff that we sell.

Chair Hiranaga: Commissioners, we have a full agenda, let's try to keep our questions focused on the agenda item. Commissioner Mardfin.

Mr. Mardfin: Hello sir.

Mr. Havron: Good morning.

Mr. Mardfin: I, also am a member of Costco, but my question is it sometimes been raised that big box stores like Costco actually reduce employment in the community. You may hire a 115 people but the argument is sometimes made that you'll lose a 125 people to competitors that go out of business. You have any response to that?

Mr. Havron: Yes, I do actually. I've worked in many different communities and Costco, I would say about 40 percent of my goods I sell is supporting local businesses. You know, Nick had talked about we're not competitors, we're partners. And when I can partner with businesses and I can bring goods in less expensive. I'm basically paying the freight for them to get it here. So if I can help support their businesses, maintain jobs and possibly hire jobs, I think that's a good thing. I've seen that in many areas besides Maui that I've worked for the 28 years with the company. We're, we're here to, like again, when I started with the company, we--it started out for a wholesale only, okay, in the very beginning of the conception when it was Price Club in San Diego, California then it opened up to the public. So we, we started from an origin of supporting and selling to small business individuals and it just got so popular, we grew from there and started inviting the public.

Mr. Mardfin: My, my, I understand the partnering aspect, but you're -- I think the, the company that's here asking for at least a delay conceptual -- conceivably, your gas operation would drive

them out of business. They're one-fifth of what roughly I think my ballpark is about a fifth of what you sell. If that drives five companies out of business, then your 115 increase needs to be offset by the number of jobs that are lost elsewhere.

Mr. Havron: Well, we're trying to bring the best quality goods at the lowest prices just like milk, water and paper that you buy every day, you know what I mean? And if it brings a better price to the community, everybody benefits. I can't say, I'm not expert in who's gonna lose jobs. I just know when you have an average wage of \$23.00 an hour I paid out over twelve and a half million dollars in payroll. I'm a major employer in this community. I may even hire some of those people to come into my environment and offer them jobs if that happens. I'm not here to drive out business. I'm here to promote business and jobs for the community.

Mr. Mardfin: Thank you very much.

Chair Hiranaga: Commissioner Lay.

Mr. Lay: Just to give us some I guess idea on the percentage of people that do go to your store and shop from local or from the mainland. What are you looking at as far as your visitors that actually shop at Costco compared to our local people that shop there?

Mr. Havron: Well, it depends on the time of year. As you know right now with back to school on the mainland, it's a quiet time on island. All business owners you tighten the belt, okay. You know, September and October up until Thanksgiving and then boom, you know, we start taking off right after Thanksgiving and really come hard. You know, right up to Christmas, New Years peak time carries through till Easter. A little low in May. So it, it swings up and down. At a peak time, you know, tourism can add an extra, you know, 20 percent, you know, but again, I gave you what I've seen and 9/11 and 2008 with the financial collapse the Maui local community always keeps us afloat, okay. Not once laid off an employee in ten years not with 9/11 and not with the 2008 or even today, we've never laid off an employee at Costco Maui. I hope that answers your question.

Chair Hiranaga: Commissioner Wakida.

Ms. Wakida: Along this line, can you tell us what is the current local, approximate local membership?

Mr. Havron: Okay, cardholders I believe is 91,000 cardholders on island, people that have 'em in their pockets.

Ms. Wakida: Thank you.

Mr. Havron: And 46,000 memberships.

Chair Hiranaga: Questions, Commissioners? Seeing none, thank you. You have a question? You can ask your question? Thank you.

Mr. Mardfin: I may have left the impression that that it could drive the other -- I may have left the

impression that big box stores, Walmart and so forth actually decrease employment yet. The studies that I've read...I'm an economist...the studies that I've read show that it's the careful studies have shown that it's either a wash, your gain is somebody's loss, but you don't drive out more people than currently existed and there may be a, small positive increase. So I didn't wanna leave the impression that it will result in total decrease in employment.

Chair Hiranaga: Any other questions for the testifier? Seeing none, thank you.

Mr. Havron: Thank you very much. Have a good morning.

Chair Hiranaga: Next testifier is Richard Kellog. Not present, Richard Kellog. Next testifier, Pualani Kamauku. Correct if I misstated your name.

Ms. Pualani Kamaunu: Aloha Commissioners and my name is Pualani Kamaunu. I'm from Waihee and I'm here in regards to the Costco expansion and my concern is about the traffic congestion and we know that we have that here on, on Maui and I just wanted to share...and I know how bad the traffic can get on Dairy Road like what everyone else has been testifying to. One of the things that I noticed about Maui though compared to Oahu and the Big Island, Oahu's plan, when you look at their, their roads it, it seems their planned on a grid as well as the Big Island and for the last eight to nine years I was working off island either on Oahu or on the Big Island. So I had to drive a lot in that area so I really got to know. What I liked about Oahu is even though I went down the wrong road I could always keep going on that road and still end up where I need to be. I didn't have to backtrack. And it wasn't just...the problem that we're having here on Maui...and I could do the same thing on the Big Island too especially in Hilo. But on Maui, you only have one road into your place and one road out. The only place that I see that has been any kind of planning has been the Kahului area in regards to traffic and you can more or less go down certain roads and still end up wherever you need to be, you don't have to backtrack. But you can see on Hana Highway and Dairy Road area and especially going on Haleakala Highway, it is getting congested. And so you really don't have other ways to come out that particular area and so it becomes a concern my, for me. And so that's what I just wanted to say the concern is about, the additional traffic. And with the additional projects that are going on in Kahului, that's even going to add to it. And so I just wanted to say--I don't have anything against the expansion for Costco, it's just the traffic that's my concern. Thank you.

Chair Hiranaga: Questions, Commissioners? Seeing none, thank you. Next individual, Clare Apana.

Ms. Clare Apana: Clare Apana, Wailuku. I also would like to make a comment about the traffic. I am a Costco shopper. I'm very grateful to -- for the lower prices. I also go to Honolulu and work and have in the past used the Costco gas station there like on my way back to the airport to gas up and now I won't go there. It's just, you know, it's too much of a hassle to go in. Like I will go into the food part if I need to get, you know, if I'm doing a specific thing and I need to buy the food. I will go in there, but I, I will not go into the gas station part because I, I just find it too much to do for the few pennies more savings. And I can see that, you know, that we have the potential for the same thing to happen. I was reading the, the business park Final EIS and it said that they were going to connect Hookele Street and I just went...and then I heard from other people it's not going

to happen. So I just wanted to be sure that all of the possible ways to alleviate traffic in this area because I don't go to the testifier's gas station because it's too hard to get there to buy my gas. I mean, even though he's a local person, I wouldn't go there, it's too hard. And my fear is that I'm -- it's going to be too difficult to go to Costco to buy my food because it's just going to be too much to get through, then I'll say, well, I might as well just go, you know, over here. And I would be very sad because I really do enjoy being able to save money there. Thank you.

Chair Hiranaga: Questions, Commissioners? Seeing none, thank you. Is there anyone else that wishes to provide testimony on any agenda item at this time, please come forward and identify yourself?

Ms. Darlene Felicilda: Good morning everyone. My name is Darlene Felicilda and I just wanna give you, share a little bit about myself and the company I work for. I was born and raised on Maui. I grew up in Kuau, attended Paia Elementary and the Old Maui High School. I was fortunate enough to be hired as a part-time employee at Costco Wholesale back in November of 1995. During this tenure I was also employed with the Department of Education. As the months rolled along with my employment at Costco Wholesale it became apparent that Costco was where I belonged. I full-time position became available, I applied, and I was offered that full-time status. I have never had any regrets to this day in making this decision. Excuse me. I'm so nervous.

My position at Costco Wholesale consists of the following: I am a cashier and also the safety coordinator. However, I also help out at Member Service and with business deliveries which consist of pulling orders for businesses here on Maui, Molokai and Lanai. Throughout the past 16 years I have witnessed the growth of Costco Wholesale on our island. We currently have approximately 250 employees compared to the approximately 153 employees when we first opened. Our membership has grown and so have the needs and demands of our business. Employment has also increased with the outside business deliveries like DHX, B and B, Cody Express to name a few as they are contracted by businesses for deliveries while the mom and pop stores do businesses -- they come by and do their own pickups. They don't contract outside delivery companies. We have a husband and wife team that owns and service the vending machines in our building and it has now become like a full-time position for them to keep up with the needs and demands just for the vending machines alone.

Members continuously ask when and why we don't have a gas station, a deli or a hearing aide department and I hear this each and every day and all I can tell them is that hopefully soon. One day it's coming, hopefully soon. The answer can only be this, an expansion is needed to accommodate the growth of business and the needs and demands of the community. An expansion will give us more holding space, allow us to bring in more products, meet the demands of the community with more services added and the opportunity of employment within our businesses and our warehouse. An expansion is opportunity of better things to happen. Variety of products, shopping for tourist, employment, both full-time and part-time within our warehouse and employment with businesses who do business with Costco Wholesale. Thank you.

Chair Hiranaga: Questions? Seeing none, thank you. Anyone else wishes to testify, please come forward and identify yourself?

Ms. Cody Madriaga-Hett: Good morning. My name is Cody Madriaga-Hett. I've worked for Costco since 1993. This November I'll be a 18-year employee. I take care of 355 employees and their benefits, their payroll, worker's comp., and I'm just here to give you a little insight of what hiring a 100 plus more people what we are able to give to these new employees. Costco offers a bunch of benefits. We have our medical, dental and vision, the regular stuff and a part-time and a full-time employee, employee only will would pay \$12.00 a month for medical, dental and vision for their benefits. An employee with a family of five, the most they would pay is \$140 a month to care for their whole family. We offer 401K. Costco matches 50 percent of what we put in up to the \$1,000 per year. I can say at the age of 25 I was able to buy my own condo because I put a lot of money in my 401K when I started at 19 years old and I was able to by a condo on my own. We also offer things like jury duty. I tell my employees that if you are called out to jury duty you get paid more to be at jury duty because we pay all time spent at jury duty like you were working at Costco so have to go to jury duty. I also tell my--we also offer military benefits. We have five soldiers that work for us in the Hawaii Army National Guard and when they come home from their one-year deployment they get back whatever we were supposed to contribute to their 401K for that year, they get their raises like they never left and they also get to keep their, their current position which is basically the law anyway, but there is additional stuff that they get from Costco as a military, military soldier. Let's see, wage wise I could say that a full-time cashier who's worked there maybe five years makes about \$44,000 a year in addition to that, we also get bonuses every six months which range between \$2,500 to about \$4,000 and an assistant, the person who assists the cashier makes approximately \$40,000 a year and addition to the six-month bonus which is also between \$2,500 and \$4,000 twice a month. So that's my testimony and that's the kinds of things that we are able to offer our employees. Every day we thank that -- that we thank God that we all have jobs, good paying jobs that we're all able to still pay our mortgages, feed our children and be able to even survive here in Hawaii. So it's a great company to work for and lots of opportunity for those people, those hundred people that will be coming into our company. Thank you.

Chair Hiranaga: Questions? Commissioner Mardfin.

Mr. Mardfin: I have two quick questions. Do you have any idea what percent of your employees are full-time versus part-time?

Ms. Madriaga-Hett: I know it's always, I think it's currently 55, 55 full-time, 45 part-time. We always, it's, it's a Costco rule that we have to have more -- 52 percent at least full-time employees.

Mr. Mardfin: And my second question is are your employees unionized?

Ms. Madriaga-Hett: No. We are not.

Mr. Mardfin: Thank you very much.

Ms. Madriaga-Hett: You're welcome.

Chair Hiranaga: Any other questions, Commissioners? Seeing none, thank you.

Ms. Madriaga-Hett: Thank you.

This concludes the testimony received at the beginning of the meeting.

Chair Hiranaga: Anyone who has not testified wish to provide testimony at this time, please come forward. Seeing none, the public hearing is closed. So if there's no objection, we'll table this time, B-1, Costco Wholesale Corporation until we address Item C-1, Communication which is the Petition to Intervene. Seeing no objection, we'll move to Agenda Item C-1. Director.

Mr. Mardfin excused himself from the meeting at 10:00 a.m.

Mr. Spence: Thank you, Mr. Chairman. Communication Item No. C-1 is a Petition to Intervene by Mr. Lee Ohigashi or presenting Dairy Road Partners submitting a Petition to Intervene dated August 29, 2011 on the application of Costco Wholesale Corporation for an SMA Permit for the Costco warehouse expansion.

C. COMMUNICATIONS

- 1. MR. LEE A. OHIGASHI, attorney for DAIRY ROAD PARTNERS submitting a Petition to Intervene dated August 29, 2011 on the application by COSTCO WHOLESALE CORPORATION for a Special Management Area Use Permit for the Costco Warehouse Expansion Project consisting of an approximately 29,067 sq. ft. addition to the warehouse store and a 3,200 sq. ft. car wash on TMK: 3-8-079: 022; and a 4,939 sq. ft. ten-lane five-island self service gasoline fueling facility, addition of 128 parking stalls, and related improvements at 540 Haleakala Highway, TMK: 3-8-079: 022 and 013(por.), Kahului, Island of Maui. (SM1 2010/0009) (D. Dias)**

Chair Hiranaga: At this time we'll allow the Petitioner, Mr. Lee Ohigashi, to make a presentation.

Mr. Lee Ohigashi: Good morning, Mr. Chairman, Members of the Commission, the Director, Planning Director. We filed this Petition on August 29, 2011 identifying our basis for why we believe that we would be, we should be allowed to intervene in this matter. Essentially, we believe that the DRP will suffer some type of economic harm due to the environmental concerns that have been raised specifically traffic and the drainage issues. Essentially our, our, our petition shows that according to the Declaration of Glen Nakamura who has been there for -- since its inception is that since the time of the gas station being there they were pumping approximately 300,000 gallons per month. That 300,000 gallons per month was in large portion to, to some of the two types of customers essentially the tourists who top off their tank and the local residents who tend to fill up their tank. On Dairy Road as the congestion increase and arguably as other stations became more convenient towards, for everyone because of the congestion the amount of gallonage pumped is now a 180,000 gallons. We believe that additional congestion would take away from our consumer base and reduce our total amount of ability to sell gasoline. And the reason, and...we place that because those factors are clear factors that are provable in our case and it shows that we have a personal stake in this application as well as the traffic concerns that we have raised.

As such, the Commission's own rules, Chapter 205A as well as court cases indicate that intervention should be freely granted. We responded to a Memorandum filed by Costco's attorneys

in this matter and we note that they cite the contents of the petition that section of the rule that requires us to, requires us to file certain matters within the petition itself as a standard. However, we will point out that the standard that the Commission should take a look at is under 41, Section 12-201-41 and we cited, I admittedly mis--I mistyped it as 42(d), but it's actually 12-201-41 and we cite in there the basis for what the Commission can deny us. They find that there are parties that have the same interest. They can say that, they can say, well, they can say that there's another party here that have the same interest. Well, there's no other party that has the same interest. They can say that the issues that it will become unmanageable and inefficient. The Commission has permitted intervention in many other cases and has always managed to reach a decision one way or the other on all those cases. ...(inaudible)...can make that claim here. Especially since we're limiting it to the issues of the traffic, drainage it has to occur. And the third is that in the contested case format we won't be able to improve the record. Well we have already improved the record and we intend to do it more. If you take a look at what we've submitted and that was submitted along with Brian Arakawa's testimony, it was a study that they commissioned, that they did on their own. Admittedly DRP is not, don't have deep pockets to do a traffic study or to do an in-depth traffic study, but just taking a look at the Iwilei Costco it shows that out of the total amount of people who go and visit the gas station which is right next door to Costco, 15 percent of them are actually from or going to the Costco store. That means approximately 85 percent of them are going for gas alone. And we provided you our figures that indicate that if according the sources from Aloha Petroleum it appears that they will be providing about 800,000 to 1 million gallons a day. That would increase the total amount of cars going there for gas alone to 8,000 and 6,000 a day, and that's the impact we believe upon the area.

In addition to that, we've provided to the Commission, secured the assistance of Bob Siarot, the former Highway District Engineer. Who indicated in his written testimony that the mitigation matters does not seem to adequately address the project's concern. Given a chance in a contested case format we will be able to include the record by providing, by using the mechanism of cross-examination as well as ...(inaudible)... testimonies by actually having them review these matters more carefully and scrutinize those issues. So there is no reason for you to deny this intervention given that it should be freely given. I don't have anything to add except I reserve some time to rebut whatever ...

Chair Hiranaga: Yes, we'll allow you an opportunity to provide a rebuttal statement after the applicant makes their statement. Thank you.

Mr. Ohigashi: If there's any questions, I can answer or you're gonna wait to ...

Chair Hiranaga: We can ask questions now. Commissioners, any questions?

Mr. Lay: I have one.

Chair Hiranaga: Commissioner Lay.

Mr. Lay: On the gas issue of the cars coming to fill up gas, are you saying that this will be bring additional cars to that area further congesting that Dairy Road?

Mr. Ohigashi: Yes.

Mr. Lay: With all those gas stations there already on Dairy Road isn't that there already? These people coming to get gas are either going to you or if you're not, you know, if Costco does open up they would go them.

Mr. Ohigashi: Let me explain to you what I think, what our argument is. I wanna try to make it real clear. Dairy Road's congestion deals with many other cars. All kinds of different cars. People whatever purpose are, are on it, are on Dairy Road including people going to Costco and including, and we', we're, we're anticipating additional cars on Dairy Road going to Costco, the entire length of Dairy Road.

At this point in time, there are people who are, who the gas stations rely upon especially like someone like Dairy Road Partners who's been in business for over, well since 1985 so that was 27 almost 30 years right now who are regulars. As the congestion increases especially during the peak times when most people are driving around and trying to, and going to get gas, it becomes more and more inconvenient for the regular customers to even attempt for gas only to go on that road. There are customers that we can...in addition to that, the testimony by our, by some of our employees indicated that the come out time or the time to merge back into Dairy Road is sometimes up to 20 minutes. Seeing that type of, seeing that type of, seeing that type of delay that is happening is natural that the avoidance will take place. If the, if the delay becomes more and more and more we anticipate like our gallonage has shown the, there will be an economic harm and reduction of total ...(inaudible)... and that's our position.

Chair Hiranaga: Actually, counsel has now advised me it would be more efficient if we hold our questions till after the applicant completes his presentation and the petitioner can provide their rebuttal and then we'll open the floor to questions. Thank you. Does the applicant wish to make a statement?

Mr. Gary Slovin: Yes, Chair Gary Slovin on behalf of Costco. Chair and Members of the Commission, thank you for the opportunity to discuss this issue. I've been representing Costco from the very beginning. I was involved in the, I was involved in the first project in Salt Lake and have been representing Costco almost from the beginning of the company.

We believe that the Petition to Intervene should be denied. While--court cases talk about pre -- granting intervention. On the other hand, it's not an absolute. And there were reasons why there were standards set and part of the reason is that clearly when you allow intervention you're really allowing a party to come in and represent the public because that's basically what's involved. The, the Commission's responsibility as you well know is to represent the basic public interest. And so there, there are limits set. And in this case, and I think the public testimony has, has very verified this, the petition doesn't meet the standard and I would note that in the A&B case, there was an attempt to intervene on, there was a notice issue involved in that one. They were denied because they didn't file the notice in time. However, in the court hearing this morning, I was advised by Greg Garneau, the attorney for A&B that the Motion to Dismiss the appeal from your decision was granted and the Judge not only commented apparently on the notice issue but also noted that even if the notice had been given and the Petition to Intervene had been timely filed it wouldn't be a basis

for granting it because the interest of Dairy Partners is too remote and that could not show a sufficient harm.

I think this is essentially the, the same issue. In order to meet the standards, the party has to show that it's so directly and immediately effected that their interest is clearly distinguishable from that of the general public. Dairy Road Partners is more than 500 feet away. They're actually closer to the A&B area. The testimony has shown and we think the record already from what's been submitted to you shows that traffic, yes, is an issue. It's a general community-wide issue. It affects all the businesses including Costco. It doesn't affect Dairy Road Partners in a uniquely different way and they haven't shown that. Even their own testimony indicates to you that there are a lot of reasons why their business might have diminished.

Now the economic harm is not a basis for granting them intervention. That just focuses on their own individual attention with regard to economics and that isn't, you won't find that in the cases. The cases that they have cited on the facts have no comparability to this case whatsoever. Those cases typically involved the Land Use Commission, other cases the Sierra Club. One of those cases there's a 187,000 acres, a 167,000 acres involved, brand new uses, rezoning, boundary amendments. The Costco use is not one involving rezoning or a boundary amendment. It's in the SMA area and so they have to come to you to deal with the environmental issues and, and the other issues that are set out in the Statute. And you're responsible along with the County to protect the public interest and you're fully adequate to do that. This application has been reviewed by many agencies, there are many comments, you've had public input, and public testimony also from the, from the petitioner. There isn't anything that separates them and makes them unique and again, the economic harm isn't something to be considered.

On the other hand, if you wanted to focus on that it could be a wide range of reasons why a company's business can drop off. If you think about the gas business alone, their testifier already noted increasing competition. If it's increasing competition, yes, it may very well affect you and you've gotta compete differently. But since 1985 when they cite their first number, gas prices even on Maui have more than doubled, that affects people's consumption. In addition, and I do work with the automobile industry gas mileage in cars has, has also more than doubled. You put those factors together, it isn't surprising and there may be other, lot of other factors involved as well why the amount of gallonage should drop and there could be a lot of other reasons. Those aren't -- so they haven't even they really established that the traffic is gonna be the reason for that or the traffic is going to have a further impact on that or that they can present such unique insights into this. And apart from their own unique competitor interest and that competitor interest as we pointed out in our memo that isn't a basis of permitting them. As a matter of fact, that's probably a basis clearly for avoiding permitting them. That is not an issue you want to get involved with.

Allowing them in does complicate the procedures. There's no question about that. There are over a hundred jobs involved here. There's services involved, there are construction jobs. These are desperately needed in the State right now. So there's, there's a reason to move forward with it. There's no question that if this goes to a hearing officer and a classic contested case proceeding this could be delayed for a very long time and all of those aspects of, that we're talking about, all the benefits are delayed then that's the reason why there are standards set here that need to be met because you don't necessarily want to expand it unless there's something that they're gonna

contribute that's unique and I don't think they, they've been able to show that.

The issues that they're talking about are general public interest and the Maui agencies have... the traffic issues, the Maui agencies been dealing with these for years. I was involved in the first petition when, application when Costco first came to Maui. We also came to you for an expansion a number of years ago so the traffic issues have been dealt with by your agencies for, for decades. So to elongate the proceedings doesn't, doesn't really make sense. And as I said, the Court cases that they've cited dealing with a much different kind of case. Brand-new uses, very significant impacts, clearly the Supreme Court has given Life of the Land and Sierra Club a certain kind of special status in these very large cases. Again, we're talking about a use that's been in place, Costco now for over 15 years. They're talking about an expansion, we're not talking about a brand-new use. And the uses at Costco are well known. So again, and, and the Costco presentation will have a traffic study, you'll get information on, again, your own agencies have a significant amount of, of information and a significant amount of expertise in dealing with these issues. So is there a justification for expanding this out where it could possibly take a couple of years. We think there isn't a basis for it and we think the Judge's decision in the A&B case indicates that.

...primarily focused on the traffic for the ... but they mentioned couple other things, tank knowledge for example. Well, the tanks have to meet State and Federal requirements. The Costco tanks and I've been involved in the installation of tanks in the other places are state of the art. They meet not only, not only meet the latest standards, they exceed the latest standards. There's been testimony from Barghausen, John Ellingsen, Barghausen is going to demonstrate. So there's, there's nothing - the fact that DRP is in the gas business does not mean that they have an expertise on the latest issues with regard to, to tanks that the Costco experts don't already have.

There has to be a legitimate interest that's, that's injured. That interest is not their economics and their role as a competitor. That is not a basis of allowing them to intervene. I think one thing you can look at here in their presentation is if they were allowed in, would they be presenting to you accurate and helpful public knowledge that would be of assistance to you? I, I look at their description of Iwilei as an example of that, and, and I think it gives you some insight. There are five gas stations at Costco facilities in Hawaii. The one that would have the least comparability, the least comparability to Maui is Iwilei. Iwilei is unique in the company. I was involved in the siting of that gas station. It is across the street from the Costco. It is not on the same lot. Even the numbers they cited are not accurate, but aside from that it's completely different setup than you have here. If you really wanted a study a gas station in Hawaii that is, would be comparable you would go to one of the other four gas stations that are located onsite, completely different when it's onsite as opposed to offsite. So, and that's understandable because what they are trying to do in our view is simply delay these proceedings to delay the competitive aspect of this gas station coming to Maui. They're not going to be providing information that's gonna be helpful. I think the Iwilei example is really a good example of that. If they really wanted to help you, why didn't they go to a gas station that was more comparable. Iwilei clearly is not.

Even in the cases they cited, well, they're not comparable. We have not see a case where the Supreme Court has ruled on this kind of issue in a case anything like this. As I said there's been very large cases with very wide impacts. But even in, in those cases if you look at some of the language, there's language like this, "as issued by subsequent reformulation, the requirement of

a personal stake has come to be understood to require not only a distinct and palpable injury to the plaintiff but also a fairly traceable causal connection between the claimed injury and the challenged conduct.” The kind of comments they made about traffic do not, ...(inaudible)... they do not meet that standard and again, I don’t think those cases are helpful. The reason I mentioned.

The last comment I’ll make is I’ve been involved with Costco for many, many years. They are not a, as, as Jaime pointed out they’re a company that’s focused on small business. That’s how they started. I think if you took out of the study that was referred to, which showed it no worse, ...(inaudible)...and just focused on the Costco impacts, took out some of the other big boxes I think you’d see from my experience working with the company almost from its, its beginning that those impacts are actually positive because they provide so much assistance to, to small businesses. So for the reasons I’ve noted, I believe that to allow them in to intervene would make the process longer, it would take a lot a longer, would be more complicated and from their perspective what they’re going to do is try to cloud the issues not help them. Maybe I can understand that from the perspective they’re coming in, but it doesn’t help these proceedings. You have agencies that are charged with protecting your public interest, they’re experienced in all these issues, there are no unique issues here that they’re not very familiar with and they’re charged under the law to protect the public interest and I think that’s sufficient. Thank you.

Chair Hiranaga: Does the petitioner wish to have an opportunity provide a rebuttal?

Mr. Ohigashi: I just want to...first of all, before I forget I want to respond directly to Mr. Slovin an allegation that there may be other reasons for the reduction in my client’s business during this period of time and some of the factors he identified does have an impact but however, we believe that a large part of the impact deal with the traffic congestion on Dairy Road. And we know the fuel economy ...(inaudible - not speaking into the microphone)...going to pass out this --

Chair Hiranaga: Lee, if you’re gonna speak, you need to speak into the mic. If you wanna pass something out, you need to stop speaking.

Mr. Ohigashi: Okay, I’m gonna just pass out this history of fuel economy that was funded by the Pew Charitable Trust and it shows, essentially what it shows is that since 1985 the fuel economy of cars as well as trucks has remained relatively steady and in fact has declined somewhat for both of them and given the fact that the fuel for trucks, the use of trucks, the average fuel price--fuel consumption for trucks has -- well, it shows that essentially that both fuel economy has declined over the past years up until I believe in 2008. So essentially I guess because I live here all these years and I kind of know that the difference between the amount of passenger cars that we have and the high uses of trucks that we have in this area it shows that essentially the fuel economy over these, over these period of time has remained approximately level. And that’s what we’re talking about from 300,000 gallons in 1985 until, until the present, until the present where, you know, 180,000 gallons. So we know that fuel economy of the, of the cars hasn’t been stable during that time. Doesn’t have necessarily an effect on our purchase of gas. However, more importantly to the fact is that yes, no one has appealed a decision like this to get a specific ruling on this matter. However, each of what, what we’ve learned is, is that the Supreme Court not only states, deals with a particular case on a fact but also states principles. And in the Supreme Court, you know, the cases cited indicate that property interest is one of those interests that provide us standing. We

have a propriety property interest in this matter. It is clear from the case law and the principles they ...(inaudible)... that intervention should be freely given as well as the, as, as well as your Maui Planning Commission Rules and we believe that we satisfy that ...(inaudible)...

Now in regard to the A&B appeal, we are unaware of what the Judge's comments are and we admit that it was, there was a dismissal this morning. We have to wait till we get the actual Summary Judgement Order to determine what exactly the Judge has ruled. The questions turns is that we do not believe that's the end of the case because my client has instructed me that he will be appealing that case at this point. So therefore, our same arguments in regard to that particular case apply to your decision today. When that case is ferreted out and when the decisions is -- when it becomes clear that you can go forward, we would suggest that this is not the time to do so.

Now what we have done without the advantage as having a hearing on intervention and actually hearing what your rules say the Commission can weigh different...the Commission or the hearings officer in this case can make a decision and can, can weigh is that we have done is trying to present to you at least what we have or at least I was able to be put together within the proper time. We believe we made a prima facie case. We believe that we have sufficient statements in the record to show that there is an economic harm, a proprietary interest, a personal stake in this matter. That has been established by a good declaration.

Now there's been no contrary evidence shown provided to the Commission to say in any form, to state that we have not been economically harmed that there are other factors involved. There's been argument. We've provided to you that one of their arguments is wrong, fuel economy. That is in the record right now. The record shows economic harm. Whether--and there's no contrary evidence in the record to show that, to show that it's not. We believe that this is a prima facie to show that there is basis for us to intervene in this matter as well as there is no other contributing statements that have been, that your rules require that the Commission can find for not finding us intervene, for not allowing us to intervene. So if you want, I could stay up here or you can call us up for questions, it's whatever the Chair ...

Chair Hiranaga: Actually, we're gonna take a short recess and reconvene at 10:40, and then at that time we'll open the floor to questions from the Commissioners.

A recess was called at 10:30 a.m., and the meeting was reconvened at 10:40 a.m.

Chair Hiranaga: Questions? No questions? Commissioner Shibuya.

Mr. Shibuya: Just wanted just to, on the argument that Mr. Ohigashi for the petitioner has made in terms of fuel economy and efficiency and that has resulted in the reduction from 300,000 gallons of gasoline sold on Dairy Road and today it's about 180,000 gallons. Now we all know that the economy is not up to par as when they were doing 300,000 gallons of gasoline daily. We also know that because of the depressed type of and constrained type of economy many people are using the buses and in fact, I know that the bus ridership has increased and that is also carpooling and people are actually walking. I see more pedestrians. So there's--

Chair Hiranaga: Commissioner Shibuya, you have a question?

Mr. Shibuya: The question is, have you considered this in terms of your economy harm? Yes.

Chair Hiranaga: The petitioner.

Mr. Ohigashi: No, we haven't and let me explain to you the reason why. The reason why is our, our statement within the Declaration was that over a period of time, as the traffic increases it came down, you know, so we're, we're we are, we have seen a definite reduction based on the traffic increases over the period of years from 1985 to present. There are all kinds of factors that you have mentioned and additional factors that have may contributed to the reduction of gasoline today or next week or the future. But all our saying, our, our talk, our saying is our evidence that we have provided shows that over the period of time with the increase of traffic, the result has been less and less gasoline be pumped. And if the Commission permits us, that's what we would show at a contested case hearing to bring out those records to establish that particular fact. We're only, when I gave the fuel economy standards that was only to rebut an argument that Mr. Slovin had made that he said that he had worked with the cars and he noticed that it was a large amount of fuel economy and so with regard to the other factors in there, obviously that has a overall effect over maybe all, all of the stations on Maui, but we're, we're trying to focus in on what the traffic and the congestion does on that Dairy Road and I hope that answers your question.

Chair Hiranaga: Commissioner Wakida.

Ms. Wakida: I think it's a Tesoro station across from Kmart what year did that go in do you know?

Mr. Ohigashi: I don't, I don't know.

Ms. Wakida: It's been within the 10 years, right?

Mr. Ohigashi: Right.

Ms. Wakida: And did you notice a difference in your sales when that station went in?

Mr. Ohigashi: I, I cannot say. I didn't prepared the Declaration. What we tried to do was just try to gauge it on the total amount of traffic that we had. As I said, obviously there are, there are...you don't pump any gas...well, I won't say that, I'm going to say that, you know, obviously there are depressed points in our economy where it's affected the gasoline ...(inaudible)... but we're talking about an, an average over the time and the notice of increase of traffic within the area. We can tell you that, I can tell you that our records would have to be dug up make sure that we have, we can account for each year and we can show the different amount for each year, but overall this is Mr. Nakamura's rendition of whatever, what has occurred over that period of time. The specific impact of any particular event which is additional gas stations in, in that area or additional areas may be, may be pinpointed with that, with that kind of data, but again, we tried to prepare a prima facie case or, and a case sufficient enough to show that there was loss over a period of time since 1985. But the answer to your question is I don't have ...(inaudible)...

Chair Hiranaga: Commissioner Freitas.

Mr. Freitas: Yeah, Lee, one of your testifiers were a employee and she said that it takes 15 minutes to get out of your service station onto Dairy Road. What happens with these gas customers that are filling up, they're waiting 15 minutes to get on Dairy Road?

Mr. Ohigashi: Apparently that's what the testimony is. And they other question, the other thing is what we're saying is that--creates a line or preventing other customers from utilizing our...

Mr. Freitas: Well, Lee I use, I use Dairy Road every day. My business is in the area. And I, I tend to not agree with that. I think that's, that's exaggeration taking 15 minutes to pull out of there because I've purchased gas at that service station and it's never taken me 15 minute. Maybe one or two cars they let me out.

Mr. Ohigashi: I think the testimony was during certain period of time there is a line.

Chair Hiranaga: Commissioner Lay.

Mr. Lay: This is for the petitioner. To help us out with the data that you gave us on the Iwilei Costco, what's the closest gas station to their Costco gas station over there in Iwilei?

Mr. Ohigashi: I have no idea. What we did was something anybody, well, something a layman would do an attempt to provide some type of information to the Commission for the purposes of at least trying for such a purpose like this to indicate what are the traffic counts. We would have provided that type of information at the A&B --A&B had we reached that far because that, we were, we were showing that what is the total impacts of this development area on that particular intersection. It was not intended necessarily to skew the facts but it intended to give the Commission at least an idea of what's going on in the real world concerning those gas stations. We don't claim it to be a scientific study, we don't have the money for a scientific study, we're not Costco, we're not A&B. We're a gas station, service facility that is attempting to provide to the, to the Commission best information that we can. I mean, he spends his own money to try and get that information and that's, and that's the extent of it. But I don't have that.

Mr. Lay: May I ask the Costco representative that same question?

Mr. Slovin: There's a gas station in the area. It was in business before the Costco gas station opened and it's still in business.

Mr. Lay: Approximately how far?

Mr. Slovin: I don't know exactly, it's within a couple of minutes. I use, personally I use it quite a bit. I don't use that Iwilei station, but I do use that station. I would say also that to say that your gas sales has gone down and there's been increase in traffic. One, hasn't been any kind of showing what the percentages are, but the fact that one thing happens and another thing happens and you've got a whole lot of other factors as a Commissioner pointed out that isn't a showing frankly of anything. It's really not enough to just an intervention.

Chair Hiranaga: Commissioner Wakida.

Ms. Wakida: My question is for the petitioner. We had several testifiers this morning talk about the intersection down on Hana Highway and Dairy Road and one said that the major traffic problem is where people are trying to turn right at once, and, and they get all backed up. And another testifier said yes, and also turning left and so that the traffic as it continues on down to Costco is, is manageable, is minimal. So the, the implication is therefore, that the traffic problem is not traffic going to Costco but traffic rather that's turning right and going other places. Do you have any response to that?

Mr. Ohigashi: I don't have a specific response for that but the purpose for our intervention is to establish what is the actual estimate of usage for Costco and to determine what impact that amount of usage would have on Dairy Road. For example, their figures sort of, right of the top of my head, it appears that something like between 300 and 400 cars, I'm just giving you an example of the total possible increase. We believe that given the amounts of gallons, it will be more like several thousand cars and given the percentage of additional cars we would, we believe it will be higher in use and we would like, but there's nothing in there to show that what impact those people, additional people coming from Kihei going down Dairy Road to go to Costco because that's the, that's the, that's the road that they use to go to Costco and parts of Kahului use Dairy Road to go to Costco and how much increase of those types of traffic would occur on Dairy Road? We think that the -- we believe that the impact of the facility as a whole is understated in their impact and we'd like to have an opportunity to show that and to see what kind of impact and what kind real mitigation measures can take place within the various intersections to try and correct that.

Ms. Wakida: Thank you.

Chair Hiranaga: Any other questions, Commissioners? Commissioner Shibuya.

Mr. Shibuya: I just wanted to establish the distance difference here in terms of the property owners. Maybe Mr. Ohigashi can clarify this for me. Your client apparently does that client own the property that is within our rules 500 feet from the property line of Costco?

Mr. Ohigashi: No. We, we're an owner within the rules but not necessarily within 500 feet of Costco.

Mr. Shibuya: Okay.

Mr. Ohigashi: However, we are within 500 feet again, of the A&B Subdivision which this is a portion of.

Mr. Shibuya: Okay, now does your owner or the person, the petitioner, actually own the property or does that person lease the property?

Mr. Ohigashi: He leases, we say in our petition he has a 35 long term year lease which, which under your definition of the Maui Planning Commission Rules is an owner.

Mr. Shibuya: Okay, thank you.

Chair Hiranaga: Commissioner Lay.

Mr. Lay: For our Costco representative. Just to help me get an idea on your elevation, the proposed area that this gas station is gonna be put at is, is it a higher elevation than that the Dairy Road, on Dairy Road?

Mr. Slovin: You'd have to ask the engineers. I don't know the elevation.

Ms. Diane Kodama: Diane Kodama, AECOM Civil. The existing Costco warehouse finished floor is 11.31 and the road is about a bit lower. I believe it's kind of elevated. It's about, about 9 --

Mr. Lay: Okay so you're not looking at backflow going back into your development as far as water drainage?

Ms. Kodama: Oh, no because we're draining into the channel that runs between the Costco lot.

Mr. Lay: Thank you.

Chair Hiranaga: Any other questions, Commissioners? At this time, I'll ask Corporation Counsel to give a brief overview of the process that's before us.

Mr. Giroux: Thanks, Chair. I guess what I want to do is just refocus as far as what because we've heard a lot of arguments and I've been listening to the questioning. I think the first matter that needs to be disposed of is as far as the intervenor goes is that is, is this gonna fit into one of two boxes? The intervenor by right or the intervenor by leave? And I, I just wanna read it again into the records so you understand what I'm talking about is that in your rules 12-201-41 it says, "all departments and agencies of the State and the County shall be admitted as parties upon timely application for intervention." So that, that hasn't been done. There's been no application by any agency or department.

Section B, "all persons who have a property interest in land subject to Commission action who lawfully reside in the said land or can demonstrate they will be so directly and immediately affected by the matter before the Commission that their interest in the proceeding is clearly distinguishable from that of the general public shall be admitted as parties upon timely application for the intervention." So I mean, I would for you to go through that and, and either eliminate some of these. I think it's been clear that they don't have a interest in the land that Costco is using. They don't reside there. I've heard one argue -- the argument is that they're trying to demonstrate that they will be so directly and immediately affected by the matter and I think for discussion purposes that has to be looked at, is do you see that as the traffic issue, do you see that as a economic issue? And are those issues distinguishable from the general public? And I think that in the issue of standing, you know, the--our Supreme Court has been really liberal.

However, you need to look at the Policies and Objectives of 205A which every two weeks we eat and breath over here, but to remind you that the purpose of the Coastal Zone Management Area is to protect coastal zone resources. Okay. In your training you've heard about the Topliss Case that traffic in and of itself isn't an issue to, to deny a permit. However, you have to look at what that

issue will bring up as far as its ecological effect because the, the purpose is to protect the resources of the management area. The Supreme Court has been very liberal in allowing nonprofit environmentalist groups in entering into these types of proceedings because of the, of the impact on the proposed project on the natural resources of the area. I don't think the Supreme Court has analyzed the CZMA as, as part of its analysis on what, what economic benefit or detriment may happen to the surrounding area. The, the purpose of the CZMA is to balance development with the preservation of our natural resources. So I think that has to be, you know, vetted out as far as the argument of whether or not somebody will be immediately affected by the project. It still has to be analyzed under the purview of 205A. Because I think that needs to be very clear. That gonna, that's gonna be a major issue whichever way you go I think that's gonna be a major issue in the future.

Now if you, if you do not reach a meeting of the minds, if you don't get five votes under Section B that this has to be done by right, then you also have to go to Section C, that says, "all other parties may apply to the Commission for leave to intervene as party." And that again, that same analysis is, when, when you're going to freely grant somebody intervention it still has to support the purposes of 205A. So I think that's very important in your discussion and question, your questioning. If this board doesn't reach the conclusion that they are an intervenor by right, I would like to hear more discussion if you're going to freely grant them intervention on what are they going to bring as far as part of their case in chief because they're raising issues that are of great technical weight and that's part of what a hearings officer or you would have to decide during your meeting or your hearing is not only is evidence being presented but what's the weight that you're gonna give it? I would like to know if traffic experts are going to be hired, reports are gonna be made to contradict what has already been presented as part of the report. I'd like to know if drainage experts are gonna be hired in order to contradict what has been given in the report. I would like to know if economists are going to be hired in order to support this immediate effect on the business. And also, are there going to be experts on, on tank stability. I think the issue was raised as whether or not these tanks are gonna be in the tsunami zone. Are they gonna be issue... are they gonna be getting experts to say that what is being presented as their proposal is not safe to the environment or is not the best that can be in the industry put into this project? This is what your rules are asking for when you're letting somebody in as an intervenor that they are going to add to the record, not going to add supposition, but they're gonna add fact and that's very important. So I'd just like that to be clear in the discussion. I'd like it to be clear on the record on these issues before any decision is made.

Chair Hiranaga: Okay, at this time I'll open the floor to a motion.

Mr. Freitas: I move that we deny the intervention.

Chair Hiranaga: Commissioner Freitas, motion to deny. Commissioner Shibuya.

Mr. Shibuya: I'll second it.

Chair Hiranaga: Second by Commissioner Shibuya. Discussion?

Mr. Shibuya: I'd like to start off.

Chair Hiranaga: Commissioner Shibuya.

Mr. Shibuya: Thank you. First of all, the intervenor's right and standings are really similar to the general public. He exceeds the area from Costco and that's the subject area of concern. Thus, the intervenor is really like of general public placing their opinions and their, their concerns. They're no different than the other testimonies that we heard this morning. I would say that being that this is actually a general public interest there is no difference in what this individual is coming out and complaining or arguing. I see that if you add more of their testimony it's not developing a full record of all the information. We have had this information and this is not the first time we're getting this information. So we're not, from what I heard there's no additional information that would substantially change or provide for impacts that are of concern. The problem here is that the impact is experienced by all of the people on Dairy Road as well as the Keolani and Haleakala Highway as well as Hana Highway. All the people, all the businesses are impacted similarly. So whether you have it today or tomorrow, the impact is the same.

The, the other aspect is is that the State Department of Transportation who is in charge of transportation has told us that they are gonna be, is going to be an access road being constructed to relieve some of that Dairy Road traffic. Adding this intervention I feel would be complicating and rendering this process inefficient. We're gonna be hashing the same information that we currently have. And I, I don't want to prolong this. If I'm gonna hear the same thing over or read the same thing over then I'd rather not do it. So therefore, I say, the property rights of the individual I failed to see that this individual is an individual that has been harmed. He has not substantiated to me or proven to me that his 300,000 gallons of gasoline that he had sold earlier and now is 180,000 is the cause of this traffic. Using that type of information and knowledge, I fail to see the value on it. So therefore, I'm going to move and support this denial of intervention.

Chair Hiranaga: Any other discussion? Seeing none, I'll call for the vote. All in favor of the motion to deny the request to intervene, please so indicate by raising your hand.

Mr. Spence: That's seven ayes.

Chair Hiranaga: Opposed? Motion carries.

It was moved by Mr. Freitas, seconded by Mr. Shibuya, then

**VOTED: To Deny the Petition to Intervene.
(Assenting - J. Freitas, W. Shibuya, D. Domingo, L. Sablas, I. Lay,
K. Ball, P. Wakida)
(Excused - W. Mardfin)**

Chair Hiranaga: We will now return Agenda Item B-1.

Mr. Giroux: Just as a procedural matter we'd like the attorney for the applicant to --

Chair Hiranaga: Mr. Slovin?

Mr. Slovin: Yes.

Mr. Giroux: Mr. Slovin, can you provide us with a draft of the Order?

Mr. Slovin: Yes.

Mr. Giroux: The Findings of Fact, Conclusion of Law and Order.

Mr. Slovin: Yes, we'll do that.

Mr. Giroux: And mail, well you can mail a draft to Mr. Ohigashi and then you can present to us and then we'll have a chance to finalize it. If you have any objections to the Findings of Fact, can you please let the Commission know.

Mr. Ohigashi: I'm just going to object --

Chair Hiranaga: Use the mic, use the mic.

Mr. Spence: Lee, you gotta use the mic.

Mr. Slovin: Yes, we will do that.

Mr. Ohigashi: I just wanted to state on the record we continue our objection. We will, we will file our objections to the Findings of Fact and Conclusion of Law, proposed findings and we will propose our own. The second thing that we would ask the Commission to do is not to take action until the Findings of Fact and Conclusions of Law have been entered. In this case, there is an opportunity for us to file an appeal. And that given that opportunity to file, file an appeal, if you, as in the A&B case we would object to any entry of any kind of order today until such time that we are able to determine and file...get a Findings of Fact and Conclusions of Law in this matter. That's what our objection is and that's what we will be requesting from the Commission.

Chair Hiranaga: So noted. Thank you. Shall we proceed, Counsel? Returning to Agenda Item B-1. Director.

Mr. Mardfin was back in attendance at 11:05 a.m.

Mr. Spence: Commissioners we're on Public Hearing Item B-1, Costco Wholesale Corporation requesting an SMA Permit for the expansion of the Costco warehouse approximately 29,067 square feet. With us today is Danny Dias who has already given a brief overview. We have a presentation by the applicant's consultant.

B. PUBLIC HEARINGS (Action to be taken after each public hearing.)

- 1. COSTCO WHOLESALE CORPORATION requesting a Special Management Area Use Permit for the Costco Warehouse Expansion Project consisting of an approximately 29,067 sq. ft. addition to the warehouse store and a 3,200 sq.**

ft. car wash on TMK: 3-8-079: 022; and a 4,939 sq. ft. ten-lane five-island self service gasoline fueling facility, addition of 128 parking stalls, and related improvements at 540 Haleakala Highway, TMK: 3-8-079: 022 and 013(por.), Kahului, Island of Maui. (SM1 2010/0009) (D. Dias)

Mr. Danny Dias: We'll just go right into the presentation.

Mr. Shibuya: Mr. Chair?

Chair Hiranaga: Yes.

Mr. Shibuya: I'd like to hear from Corporation Counsel in terms of the comment made by Mr. Ohigashi?

Mr. Giroux: Well, I believe, well this body has ruled, this agency it hasn't had any order from the Circuit Court to cease and desist so under the order of the Chair, we're gonna commence, finishing -- we're going to continue with the hearing.

Mr. Shibuya: Thank you very much.

Mr. Jack Frank: Good afternoon, or actually morning still. Mr. Chairman, Members of the Planning Commission, my name is Jack Frank. I'm the vice-president of Real Estate Development for Costco Wholesale. I was involved 18 years ago during the first SMA process in our efforts to locate the warehouse on Maui and it's nice to be back before you.

So as you know, before you we're, we're considering our application for Special Management Area Use Permit to expand our warehouse to grow our business, to add a gasoline, members only gasoline fueling facility as well as a members only car wash. Today, I wanted to just briefly introduce the team and just kinda take you through what, what our intentions are. I wanna provide just a general project overview to you as to what it is we're trying to accomplish and why as well as chronology of the detailed studies and analysis that we've been going through for gosh, quite a while. We made our formal SMA application almost to the day last October, I think it was October 7, but even prior to that we had applied for a previous application for, for SMA to expand the business. So there's been a tremendous amount of study, agency consultation, staff input and, and dialogue relative to evolving and developing the project specifics. With that, I'll introduce or hand the baton off to Chris Hart who will take you through land use. Mulvanny, Christine Lasley of Mulvanny Architecture will discuss the kind of project specifics, Diane will address civil engineering specifically grading, flooding, some of the concerns that were raised earlier. Keith of Austin Tsutsumi will talk about depth of the traffic analysis that we did to really understand any potential impacts and, and develop proposed mitigation. We share the same interests. For us to make this kind of investment in the community, the infrastructure has to work. We don't want to cause undo harm. We wanna be able to operate our business in a, in a, in a appropriate way and so, it's incumbent upon us to really understand and, and to mitigate for any impact that we might generate. With that John Ellingsen of Barghausen will present kind of the safety features that go into our gas station design. As Gary mentioned earlier in his testimony, Costco goes above and beyond to not only meet federal, state, local guidelines for gasoline design, we exceed them and

do it because it's the right thing to do. So John will, John will elaborate on that.

So way back when we opened in May of 1995. I pray that we've been a good, a good employer, a customer, a good, a good community citizen, a corporate citizen to, to Maui. Currently we have around 356 employees, slightly more full-time than part-time. What's interesting is that when you pay people well and you provide good benefits people don't leave. Costco offers, offers an opportunity to not only have a job but to grow a career in the, in the company and we see that in the, in the facts that the average tenure of all of those employees is nine years. The average wage in the warehouse is \$23.00 an hour. Our payroll is a little over a twelve and a half million dollars a year and there's about six million dollars of benefits associated with that. We believe that with this expansion, this will, this will give us the ability to add another 110 well-paying living wage jobs by the end of 2012.

Currently the building is 133,000 square feet. Our average warehouse in North America is closer to a 150,000, and as Jaime mentioned, we've been extremely constrained in our ability to operate our business the way our members have grown to expect it. So this is really the opportunity for us to show you what we're capable of and to grow the business and provide all of the goods and services that, that we can. It's extraordinary given the population of the island to know that there's over 90,000 people walking around with Costco cards in their wallets. That, that equates to about 45,000 members of which there can be multiple cardholders, but the penetration on the island is, is extraordinary and we feel blessed that we've been so well accepted, and of course, people pay money to shop with Costco so they vote with the wallets and our turnover rate, our renewal, our renewal rate has never been higher. We've been able to demonstrate great value and I think we've been able to demonstrate great trust in the kind of value that we bring to the marketplace.

So I mentioned a little bit about why we want to do this. This opportunity with, with A&B to, to acquire four acres to the east of us really does allow us to expand our building and to bring the full array of goods and services to, to Maui. We have historically considered other options. We looked at not only expanding the building, we looked at moving. We looked at finding alternative sites that would let us build a state-of-art facility with ample parking and good access, good lighting, sustainable building practices and at the end of the day, this particular proposal makes the most sense from a, for us, on a variety of reasons.

So as A&B chose to develop their subdivision, their light industrial subdivision that was directly adjacent to us, they proposed to us an acquisition or a sale on a acquisition of about four acres. They were to perform the subdivision, and of course, to create the legal lot, and of course, the zoning, the existing zoning and the community plan as Chris will elaborate on supports what it is we're trying to accomplish. We've been currently going through the SMA process for, for these improvements and our hope is at the end of the day that we'll be able to start our construction activities in January on the site. I think there's some things that we can do in the building between now and then. But onsite in earnest in January with the goal of being complete and fully operational by Summer of 2012.

So what do you, what do we get out of it? We're adding about 18,000 square feet of warehouse space which is basically sales floor area. The idea being to increase the selection and increase the quantity of merchandise. We'll have a new deli and larger chicken rotisserie machines, new

deli island, state-of-the-art refrigerated case also with an increased selection of ready prepared foods, larger dairy and produce coolers, larger and new point of sale coolers and freezers with an expanded quantity and selection of refrigerated products, a new exterior food service with full menu items. Right now we have a very abbreviated food service. It will be a wonderful addition I think as a community amenity to have the kind of food service situation that, that we're capable of. I mean, we designed it in such a way that we protect from prevailing winds and create a quite a wonderful community gathering place for, for our members. And with that, an optical department, state-of-the-art optical department, a digital photo center and a hear aides center. I'm going to turn it over at this point to Chris Hart to take you through the land use.

Mr. Chris Hart: Thank you, very much Jackie. Thanks. Good morning, Mr. Chair and Members of the Planning Commission. My name is Chris Hart, Chris Hart and Partners. I'd just like to say that there a couple more people here that I'd like to introduce. First of all, Kim Katz is also here as the Project Manager from Costco. She's present here in the audience. Also, Raymond Cabebe of our office, who has been the project planner and also David Sereda, who has been the landscape architect for Costco.

I would like to just begin in the context of this particular slide because I, I think that it's important that you see the characteristics of the kind of development that exist here. Maui County has practiced smart growth principles in the past and we continue to do that. The visitor industry is an example of the concentration of visitor or directed growth of visitor industry development in South Maui and West Maui. And here in Kahului we have the major service center for the Island of Maui which is--includes the airport and the harbor and basically we have the largest concentration of commercial and industrial facilities, you know, for our island.

Now the characteristic of basically the traffic that exist on this, on this west side of, of Hana Highway is different from the character of the traffic that exists on the east side of Hana Highway. And I think that it's really important that Costco in the context of its development has chosen the road less traveled being Haleakala Highway as its driveway access for the warehouse and also its driveway access for the fueling station. I think those are important factors. Next slide Raymond.

This shows the project site. Essentially the existing warehouse is about 17.5 acres. The fueling site is gonna be an additional 4.1 acres and this, of course, shows Maui Business Park, Phase 2.

The chronology I'm not going to go through a lot. We're gonna try to expedite this, but back in October of 2010 we made--we submitted our application and what I wanna say in the context of the application is that this is the SMA application for this project. And I want you to know that the individuals that have been, have been contributors are, are competent, subconsultant professionals in their field. And as far as the purpose of analyzing the potential impacts of a project such as this within the Special Management Area and taking those impacts and working with the agencies, these are 14 agencies that were consulted to work out the appropriate mitigation measures basically is very similar to the process that occurs in the context of an Environmental Assessment. Chapter 343 requires compliance with the significance criteria which are also the same criteria that are in the National Environmental Protection Act. Maui County decided to include those significant criteria in the Special Management Area Rules and Regulations of the Maui Planning Commission. So every, every applicant that goes through a major SMA Permit has to consider those significance

criteria and, and evaluate whatever development impact would be identified in the context of the development of a project and, and we have done that with this process. So I, I just want you to know that the public agencies and the consultants have addressed the impacts of this particular project.

Again, the chronology, on March 1st we went to the Urban Design Review Board. Also, on April 28th of this year we submitted our application for building permit. And in the context of the building permit, we've consulted with these agencies and on July 27th of this year we received authorization from the Planning Department to present to the Planning Commission here today on September 13th.

This is the location. Again, this is Kahului which is the major service center for Maui Island. Again, it shows the tax key, the existing 17.5-acre site, the 4.1-acre site that we're purchasing from A&B. And again, this shows the relationship of how this is developed. And I think also, Haleakala Highway and, you know, basically the intersection of Keolani Place and the continual of Haleakala Highway out to the intersection of, of Hana Highway. And again, the traffic characteristics on Dairy Road on the east side of Hana Highway are definitely from those that exist on the west side of Hana Highway.

Now this is the, the land use basic entitlement for the property. In this particular case we have consistency which is required by the SMA permit process and we also have conformity. This is the community plan which identifies the site as L-1, Light Industrial. It happens that this particular site, 17.5 acres is zoned M-2 Heavy Industrial, but the 4.1-acre site is zoned M-1, Light Industrial. Now this shows the Special Management Area map and you'll note that we're right on the fringe of the Special Management Area and that it continues down Hana Highway.

And these are some existing photos of the existing warehouse store. I won't go through those. I know all of you are good customers and you know what it looks like. This is the drainage channel that was mentioned by, by Diane Kodama, where the storm runoff will be directed into that which a piece of infrastructure that was constructed by A&B in order to allow them to develop Kahului Business Park, Phase 1 and 2. And then these are also previous photos of the 4.1-acre site which was the site of the central power plant and this identifies Haleakala Highway, this is the old power plant.

We went to the Urban Design Review Board on March 1, 2011. There was a review of the design by the landscape planning, architectural plans and related aspects. We also presented a comprehensive sign plan and sign variance request. In the context of Urban Design recommendations there was an, there was a request that we redesign the fuel station columns to have a similar character as the warehouse. The warehouse columns have a more tree-like organic form. You can see the character of how the, the fuel, fuel service facility was changed, the columns were changed. It's a more friendly atmosphere. Now there was also discussion of signage. This sign, of course, was allowed by the sign ordinance back in 1995, 1995, yes. And it was, we were allowed to build an entrance sign of a 127 square feet, but now the sign ordinance has changed and we needed to get a variance. It wasn't going to be allowed more than 64 square feet. So we got a variance of 58 square feet. So our sign now is a 122 square feet which is five square feet less than the original sign. So this is our new sign. Then also, at the time, we did a very what I would

consider a very generic ground sign but in the meantime there was a nice sign built by A&B near the--in front of the Crispy Kreme which basically invites people to Maui so the proposal was to aesthetically improve that sign so that it was more in keeping with the character of the "welcome to Maui" sign. So that's what we've done as far as, and we did receive approval of the Urban Design Review Board for our project. Okay, now I would like to introduce Christine Lasley, who's going to just...she is the architect and she will present the architecture.

Ms. Christine Lasley: Aloha Members of the Commission, my name is Christine Lasley and I'm Project Manager from Mulvanny G2 Architecture and I've worked with Costco for over 12 years. We're very excited to propose this project. It's a wonderful opportunity to enhance an existing facility that has already served the residents of Maui since 1995, and it's a project that has gone through many schemes from a complete building in a new location to several versions of additions proposed on different sides of the building. And the proposal that you're seeing today is a result of collaboration from many people and we feel that this is the best solution for the existing site that it's on now. So to walk you through quickly, the existing site really is comprised of this area here as noted by the line and you can see that it is quite constrained. There's always a, a problem with parking. There's always a problem with cars coming through the main drive aisle over here and what we've done is given several site enhancements that start with the drive entry access, to the east of the new parcels that are going to be obtained by Costco and then there are two driveway access here to service this portion of the site. We're also streamlining the front entry...removing parking here and extending the ...(inaudible)... to push cars further down into the driveway ...(inaudible)... to prevent further congestion in this area. In addition, we are also adding 151 stalls to the east. This is a bridge that is connecting the existing parking to the new parking here and it will, it's basically a drainage culvert cap that will cover over 300 feet, linear feet, allowing for free movement from one parcel to the other. So these are the things that we're doing to improve and enhance the site and make it a more friendly, flowing site. Other added site features that we'd like to point out is the five-island fuel facility which we'll describe in more detail, but it also has its own space for cuing. Costco has given up parking space here, we, we exceed the parking requirement but this area here is dedicated for cuing of all the cars expected to visit the site. We also have self-contained cuing for the carwash as well.

One thing to note, one thing to also note, Costco and our landscape architect will go into this is with all the added wonderful landscaping that's here, Costco is going to be drilling its own irrigation wells to service not only this site but the entire existing site as well. And one final thing regarding the site is Costco plans to install an electric car charger located near the main, main entry for those cars that are going to require car charging units.

Moving onto building enhancements. We wanted to promote an enhanced welcoming floor plan and we did this by rearranging portions of the building. The areas that you see in beige are all the improvements that Costco is doing within the building as Jack has touched on. New, a fish line, or a deli, fish prep area, bigger deli island. This is the produce cooler, the dairy cooler, these are the ...(inaudible)...point of sale coolers. Here you see the location of the new optical and photo center and the hearing aid center is planned to be right here. This area here is the 18,000 plus square feet of additional sales floor area and this area here is the new food, exterior food service. That's going to be relocated from this area outside to here with exterior food service seating in this area and this the screen wall that's going to be sheltering the people sitting in this area during the

prevailing winds. And there are doors here that open during very good weather so that we can make sure that, you know, it's not too hot in there and it's just an enjoyable place to be. It's basically a welcoming type of entry reminiscent to a lanai and some place that promotes that ...(inaudible)... feeling and to us it's a feeling that you get when you're in a place where you feel comfortable and where you can run into friends when they're eating lunch or somewhere you can take your families to where anyone can go both residents and tourists. So to convey this we gave attention to design qualities such as the use of warm natural earth tone colors, the use of high quality architectural metal panels that are reminiscent to board and batten sugar cane plantation structures which are also made from 80 percent recyclable materials. We use local brick masonry and use natural light such as high ceiling at the front entry and skylights that naturally light the interior of the building and the transparent windscreen here that shelters people sitting outside at the food service. And also that was touched on earlier, we use the column forms that are representative of tree shape. So what you see here is an artist rendition of the enhanced front entry canopy that's friendly and more appropriate to scale.

The next slide is the artist rendition of the, the fuel facility and the carwash. It also shares the same design elements as well as similar materials of the main store. And we are also adding to the design new landscaping which will be serviced by the new onsite irrigation well that will be drilled by Costco. And here to talk about the landscaping design in more detail is David Sereda from Chris Hart and Partners. Thank you.

Mr. David Sereda: Hi, good morning Commissioners, my name is David Sereda with Chris Hart and Partners and I'll be discussing the landscape improvements. There's three general things I'd like to mention, the parking lot trees, the screen planting and the irrigation well. The parking lot trees that we're proposing a total of 93 is the, the Milo tree which is a, meets the landscape permit application requirements for medium size shade canopy tree. It also has the advantage of being a native Hawaiian tree and can survive the conditions in Kahului. The screen planting along the adjacent right of way roads, the idea is to screen from view the parking lot and some of the asphalt paving areas of the fuel facility, but at the same time providing some visual aesthetics, appealing aesthetics for, from the road right of way for people traveling along these roadways with color and at the entryways and at the corner of these areas here. The loading area of the back of the Costco side near Dairy Road will also be screened with some higher landscape material along this edge to screen off that sort of more or less desirable element of the building. Actually go back.

The well proposed for the irrigation system is in here. Currently the water for the irrigation is coming off a County meter and we project that the irrigation demand will most likely double. As you can see, we're, you know, approximately doubling the size. The advantage is that it won't be potable water any more that we're doubling it, but it will be nonpotable water from the well and that's proposed to be here next to Dairy Road. The quality of water currently be used is, is roughly 10,000 gallons per day in irrigation and we project that it would probably double to about 20. These are some of the, the elevations from Haleakala Highway, along Haleakala Highway. You can see some of the screening elements from the roadway onto the site and the conditions of the, of the landscape improvements along those planter strips. That's it. Thank you.

Mr. Freitas: I get one question for him.

Chair Hiranaga: We're not taking questions.

Mr. Freitas: We're not?

Chair Hiranaga: ...(inaudible)...

Ms. Diane Kodama: I am Diane Kodama, civil for AECOM. This information on this slide shows the information that was provided in the application for drainage. We'll be retrofitting the existing inlets with filters to capture sediments and oil and additional runoff will be mitigated and coordinated with the Maui Business Park. As far as water we have two existing two, two-inch meters and as David and Christine had mentioned there will be a onsite well for irrigation. The sewer, the public wastewater system and our current lateral, sewer lateral will be able to handle additional demand and then traffic will be discussed later by Keith Niiya.

Okay, I want to explain the existing drainage system. Can we go to the existing...? Okay, the existing warehouse, the existing warehouse was originally designed to have drainlines flowing into, into the channel. So they collect in inlets and they all drain into the channel. The proposed addition will do the same system. We would be collecting it in inlets and draining two in-- the 42-inch which will be within the A&B Maui Business Park improvements. The Maui Business Park improvements...okay, now we can go to the ...okay, the increase in flow from the parking expansion would be handled in the A&B Maui Business Park in the 121-acre feet. basin. A&B has sized the basin using the EPA formula. The required volume that they're required to do is about nine and ten acre feet. They're building a basin that's 121-acre feet which will be able to handle all the improvements within the both of their, both of their north and south project areas and we're included in that north project area. The increase in flow from the Costco building and the building expansion and the fuel facility is about approximately 10.25 cfs. The existing drain lines with the Costco building addition will continue to run into the channel. So what -- with A&B's improvements we are, they're lessening the flow into the channel thereby reducing the HGL. This is a sample of what would be included in the inlets, the existing and the proposed to help filter out any pollutants and Costco will be maintaining this type of long-term best management practice and Keith Niiya will be talking about traffic.

Mr. Keith Niiya: Good morning, Maui Planning Commissioners. My name is Keith Niiya. I'm the Chief Traffic Engineer with Austin Tsutsumi Associates. We completed the traffic study for the Costco expansion project. In doing so because of the distinct characteristics of the, of the Costco development, mainly their business nature as well as being required to be members of the, of the Costco in order to purchase or do anything, we came up with specific trip generation rates based on information provided by Costco from other locations. And we're gonna go through the warehouse expansion, the gasoline addition and the carwash addition separately. I'll walk you through it. Next slide.

Okay, when you have an existing shopping center and you expand it and everything traffic doesn't grow in a linear line and neither does Costco and so what we did is we looked at data from nine other Costcos across the country that had an existing site that was expanded. And this also includes the data from the Hawaii Kai site back in Honolulu. What we got out of it is roughly about 3.2 percent increase in trips over existing and this came out to a next of a 105 new trips, net new

trips in the weekday p.m. and a 115 net new weekend midday peak trips. So this is only for the warehouse expansion itself. Now, the trip generation for the Costco gas, gasoline station, we looked at data from 25 gasoline, similar gasoline stations that Costco has but what we found is, and we also looked at the five existing Costco gasoline stations in Hawaii, Kauai, Kapolei, Waipo, Iwilei, and Kona on the Big Island, and what we found at those five existing sites is that the trip rate is higher than the 25. So for, what we did for this project is we used the trip rate that is associated with those five gasoline station. And what we came out with is roughly 200 net new weekday p.m. peak hour trips and 220 net new weekend midday p.m. -- oh, peak hour trips, sorry. Next slide.

Now the carwash, there are no carwashes at any of the Costcos in Hawaii so we had to go back and look at all the Costcos across the nation and there are three existing Costco carwashes at the time we did the study. Based upon those three locations, Costco, we got a trip rate for the carwash and what we found is, you know, every time you swipe your membership card it reads it in and what we found is 80 percent of the people who utilize the carwash also either buy gas or shop at the warehouse. So in order to determine what is the traffic on the roadways instead of just going to the warehouse or the carwash or the gasoline station we had to subtract out, you know, the 80 percent that was already there going to one of the other uses. And what that came out to is we generated roughly 20 net new p.m. peak hour trips due to the carwash and 30 net new trips from the, during the weekday or weekend midday peak hour trip. You combine all that trips together what this project would do is generate 325 trips during the p.m. peak hour traffic and 365 trips during the weekend midday peak hour traffic.

This is a figure directly out of our traffic study so we got all this brand new trips and we distributed it to the existing roadway network and this is out of our traffic study. What I wanted to point out to you this is a blow up of the intersection of Dairy Road and Hana Highway and these are the trips that we distributed at this intersection. The Costco generated trips account for roughly 2.6 percent of the traffic, future traffic that we projected at this intersection and 3.6 percent during the weekend. So now,-- less than, you know, very small number. Next slide.

Okay, there was a lot of discussion I think in the, this morning about the congestion on Dairy Road primarily between Hana Highway and Puunene Avenue in lot of testifiers and what I've heard this morning. I wanted to show you what is being proposed or what roadway improvements are being proposed out there that are on the books. Let me get started. This is the Costco warehouse site, this is Kmart, this Walmart, this is Home Depot and this is the church on the corner of Puunene Avenue and Kuihelani Highway/Dairy Road intersection. Okay, the first improvement that's going to happen is this Hookele Street extension. By the zoning for the Maui Business Park they're required to install or construction the Hookele extension and construct it concurrently with the development of the first increment of the south project area and this is the south project area. Currently from what I understand is the plans for the Hookele Street extension is in with the County or -- and the State DOT for the review process. So you know, depending on when they get the comments back they'll go into construction. In fact from what I understand it even went out to bid.

The second improvement that's going to be developed out here is the airport access road and this is the roadway -- it got cut off -- but if you look at the terminal, the terminal to Kahului Airport is right here. This is the road that runs right in front of the baggage check-in and your baggage claim. So what it is is it's kinda coming in straight and running along the frontage of that area. Right now, if

you come in Keolani Place comes this way, it turns up and then it comes into running the frontage of the terminal. So with the airport access road what's gonna happen is it's gonna be a straight shot in. They're gonna turn around and come back out the airport access road. Keolani Place is actually gonna come in and it's gonna loop around and it's gonna intersect this new access road. So there's not gonna be any direct connection in the future, you know, from the terminal to Keolani Place. So what's gonna happen in the future when it is constructed? Is that all the airport traffic that right now is going on Keolani Place down Dairy Road all the way out to either South Maui or West Maui is now gonna be coming on the airport access road. Okay, it's gonna intersect here at Hana Highway. It's equally spaced distances between Hookele extension, airport access road, Dairy Road so that we can coordinate the signals better.

On this side, the south side, what's gonna happen is right now Dairy road tees in to this inter -- Puunene/Kuihelani intersection. What's gonna happen is this is now gonna be the leg for the airport access road. Dairy Road is gonna have -- is gonna come and make a turn pretty much where Pakaula Street is currently. There's a aerial or temporary traffic signal right about this location and this is the motorcycle shop. What's gonna happen, it's gonna turn and intersect the airport access road right adjacent to the Pakaula Street intersection. So again, in order -- if you're going from West Maui, in order to get to Dairy Road you have take this left turn in the future. Right now, the airport road is on the STIP, Statewide Transportation Improvement Program for DOT and it's slated to get Federal funding next fiscal year which is Federal Year, Federal Fiscal Year 2012 which begins October 1st of this year.

The other things I forgot to mention about this Hookele Street extension. Right now, if you were coming from East Maui or South or Upcountry Country and you wanted to go to South Maui, okay, way you're going right now is to come down Hana Highway, take this left turn onto Dairy Road and take this left turn onto Puunene Avenue to Mokulele, okay. There's a lot of, I heard one of the testimonies this morning about parallel roadways and being able to have redundancy and everything. Well, that's what Hookele Street extension is meant to be. What's going to happen when Hookele Street gets developed and everything, we're gonna have a signalized intersection with Hana Highway. People are gonna be able to come down from Upcountry and East Maui, take a left on Hookele, come across and then take a left back onto Puunene avoiding, you know, this other area. So again, traffic will decrease on Dairy Road. And like I said, the Hookele Street extension is part of the requirement of A&B for the South Maui project area -- South Maui project area.

Oh, and sorry, go back, one last thing that we do have in our traffic study that we mentioned about is the Hana Highway widening. State DOT does have it in the current STIP to widen Hana Highway to six lanes from Kaahumanu all the way to beyond the airport access road and that is slated to -- right now it's positioned for Federal Funding in 2016.

As part of our traffic study we came up with mitigative measures for the project in order to accommodate not only the base year traffic but also the project traffic. So none project related traffic, this is even if Costco doesn't get developed, this is what's gonna be needed in the future. So at the Hana Highway/Dairy Road intersection, what you're gonna have is right now there's a shared left, right turn lane. There's no exclusive right turn pocket. In the future due to the increased traffic that we're projecting to have this right turn, we're recommending to have it split out

to have -- adding this additional right turn lane. In the west bound direction what we're saying is you need to widen Hana Highway to three lanes. So add additional west bound through lane. And then as part of the Maui Business Park North Project area you would have to construct this intersection on Haleakala Highway. What they're gonna do is widen out Haleakala Highway to provide a left turn lane, dedicated left turn pocket into the North Project area, and then coming out you have a dedicated left turn lane, dedicated right turn lane. So these improvements are required even if Costco weren't to be developed.

Now as part of Costco, our recommendation is put in this double left turn lane. There was some testimony this morning that saying, you know, this thing gonna be all impacted south of Hana Highway as you go down there's a lot of congestion. What we saw in the previous slide is Hookele Street is gonna come, it's gonna get built and it's gonna relieve some of this left turn, right turn traffic. I mean, there was a lot of discussion about this right turn traffic backing up and cuing up. Well, because now you have an alternative to go Upcountry and East Maui, we feel that this left turn, right turn is gonna go down with the Hookele Street extension where by you have additional traffic -- additional capacity at the intersection. And it's gonna help alleviate the cuing and the process that's down -- and the congestion down in this side which will allow for this double left turn to come in. Now the only reason why I pause about the double left turn is, I know I talked to you about the airport access road, okay. And the airport access road coming in and being developed, what's going to happen is Keolani Place is pretty much, the traffic on Keolani Place is going to die. All the traffic that's headed towards the airport, to and from the airport is all going to be transferred to airport access road. So you know, although our traffic study says to put in this double left turn, you know, we're required to look at it and monitor the intersection as part of the Maui Business Park requirements. So we're going to monitor it and see what happens when the airport access road gets completed. But right now, you know, it operating okay. What's gonna -- what's gonna really push this into a double left is when this Maui Business Park, that north project area gets fully developed. You're gonna have a lot of traffic coming out and we have to take a look at that.

As far as signalization of this main driveway, we're recommending that it be signalized when warranted. Federal Highways Administration does publish the manual on Uniform Traffic Control Devices. That publication has a set of warrants included that state that if you don't meet the warrants, you should have installed the traffic signal at this inter -- at any intersection because it leads to other kinds of accidents such as rear ends and also people avoiding or disregarding the signal because they're sitting there and there's no cars on the road, they're just gonna go and not wait for the signal. So we have to meet the minimum requirement. And this intersection at the Costco driveway we do have enough traffic on the side street which is the left turn out to warrant the signal. Our counts and everything says it's okay. The problem is the through traffic on Haleakala Highway isn't high enough. Our report shows it's about 450 trips. You need about 700 trips in order to warrant, the through the traffic on Haleakala to warrant the signal. So again, we're gonna monitor it and then as part of the development, our anticipation is as part of the development the north project area there'll be enough traffic at a certain point in time that this signal would be warranted. Okay, I'll turn it over to John Ellingsen for the gas station.

Mr. John Ellingsen: Good morning, my name is John Ellingsen and I'm here this morning to discuss the fueling facility and some of the special safety features included in both the operation and design of the facility. I'll give you a little back ground first. I'm a senior planner with Barghausen

Consulting Engineers. We're a full-service engineering firm specializing petroleum system design for fueling facilities. Part of that work includes master design services for BP Global Alliance, Shell Oil projects, U.S. Soil Refining and Marketing Company, and of course, Costco Wholesale.

We started working with Costco back in 1997, a couple of years after their first facility was built in Tuscan, Arizona and since then we've assisted them in, in developing and opening 342 fueling facilities across the country including 26 in, in Canada. Five of those facilities are here in Hawaii and representing 80 percent of all the warehouses including a fueling facility. So it's something that's very important to Costco and we're real excited to finally be able to bring this, this project to, to Maui. What, what is Costco gasoline? It's unique. You may be familiar with the, the concept. I'll go through what makes it different and, and unique. It is a members only facility. It does require a membership card to utilize the facility. So it different than a normal fueling facility that, you know, obviously takes from the general public.

Transaction requires a debit or credit card, no cash is accepted. Again, the, the intent is to keep the members flowing through the facility. We're not providing any additional services for sale at the facility. It's only fuel purchases that, that they're making. There always attendants on duty at the facility and those attendants are specifically trained to work at the facility. They go through a testing process or training process and then have to pass a specific test before they're allowed to work at the facility. Those attendants are there primarily for the safety of the facility to assist members. Keep the facility clean and operational. Starting with the daily start up, they go through, they inspect all of the equipment to make sure that everything's functioning properly. If they identify any malfunctioning equipment they identify if it's something that they can replace themselves or they dispatch a certified technician to take care of that. As a membership only facility no gas prices are, are advertised at the facility. We are not reliant on tracking passerby trips on the adjacent right-of-way so we're able to reduce the amount of signage that we use. We mute the lighting that's, that's provided. It's not a bright, glaring facility that you might associate with a typical fueling facility that is trying to attract those passerby trips.

I'd like to go through the, the site plan. Site planning is obviously paramount in our, our mind as we're planning to put a fueling facility onto an existing warehouse site. We try to stay on the periphery of the property in order to stay outside of the general circulation of the overall warehouse property. That avoids any conflicts with the, the trips going into, into the warehouse and it separates the, the circulation for the fueling facility in one designated area. The other thing that we take a close look at is where parking is located. We don't want to isolate any parking between the facility and the warehouse so that members aren't having to walk through the facility in either direction. We are also unique in that we utilize a one-way flow for ...(inaudible).. again, this is an efficiency issue. We don't have cross traffic coming in in either direction. All vehicles are coming through and stacking in this, in this direction and then moving out of the facility and into the parking field or they can exit back out onto the adjacent right of way. The underground storage tank location is, is also very critical. We have three, 30,000 gallon tanks illustrated here and the delivery vehicle come, come down the right-of-way here, enter the site. There's a pullout area here so the truck does not need to be within the fueling facility itself. It does not block the drive aisle here. They're completely pulled out. They make a right-hand drop off the, off the truck into the gasoline tanks and then come back--apologize for the exact route, but they, they come back out this way and then back out onto the--and onto the right-of-way.

Here's a more detailed site plan. This was older iteration. This landscape area is actually taken out and there's approximately 148 feet of stacking that we're providing here. Our typical is a hundred feet. So we wanted to make sure that we were providing ample capacity here in the cue area to account for all vehicles coming into the site. In addition, we are building a five-island facility here, 20 fueling positions. What we found is that, that, that fifth island is not necessarily a driver for business but it helps us process the vehicles through the facility that much more efficiently. So we thought that that was a excellent idea here to provide that additional, additional island.

So with our system design and, and operation, obviously safety is, is paramount in our mind. All of the operation and the equipment that's utilized for the facility is of the latest technology and it meets or exceeds all Federal, State and local regulations. I'll just work through some of the features that we, that we have here. These are some of the operational features, again, the Costco Gasoline Program ...(inaudible)... employee. They go through a training session or sessions and go through tests prior to being able to work at the facility. Redundancy is, is important in our safety of the facility. We're always making sure that we're being monitored in several fashions either by the attendant or by the independent security company that Costco has hired. We also have direct connection to the emergency dispatch, the 911 phone so there isn't guess work, it's in a conspicuous place, it's well-marked and if there is an emergency that either member or the attendant can have direct access to, to 911. And again, video monitoring 24/7. Our monitoring system that is within the underground system which includes the tanks and the piping all include visual audible alarms and if there is an alarm condition regardless of the cause of that alarm the entire system shuts down and we the, the appropriate authorities come out to the site, the appropriate technicians come out to the site to address any issues that we might have. And then also in this, in this issue if there is a power loss at the site, the entire system shuts down because it, it is not being monitored at that point and it needs to be inspected.

So the key features of our UST...(inaudible).. product piping. Again, redundancy is, is very important. We are meeting, exceeding all Federal, State and local regulations as I indicated before. Both the, the fiberglass underground storage tanks and product piping are all double-walled. They're continuously monitored 24 hours a day, seven days a week. The UST installation and anchoring are per the Geotechnical engineer's recommendations for installation. However, we always take the most conservative approach and assume a completely submerged condition and provide over burden and deadmen to account for that condition regardless of what we might encounter in the field. We always provide flexible piping connections to prevent any rupture from ground movement. There's only a couple of connections in the entire system so it maintains that integrity. If there is a system shut down or there is any sort of unauthorized release, all the piping slopes back to the USTs and that's part of our overall grading design for the site to insure that any product that is in those pipes is going back to those tanks and being, being secured.

So again, and our monitoring system, automatic shutoff system control. There' conspicuous emergency shutoff switches located throughout the, throughout the facility. Our leak detection system is actually state, state of the art exceeding Federal regulations currently it's a 3 gallons per hour release rate that needs to be monitored essentially matching that of a mechanical leak detector. We go above and beyond that and take that to a .1 gallons per hour monitoring rate.

In addition to our underground system, our grading and storm, storm water design is, is critical to

insure environmental compliance and again, doing, doing the best that we can to be stewards of the environment. Costco is one of the only fueling facility operators that, that uses this particular petroleum-resistant sealer from Prevention Technologies. We actually install that in all of the concrete joints to insure that there are no areas that product could penetrate into the underlying soil. Our storm system's designed to County of Maui and State of Hawaii Best Management Practices that includes isolation of the area under the canopy and to redirect that into an oil/water separator which then goes into the downstream system. The remaining portions of the site are all handled as the rest of the parking field is with catch basin inserts which I believe had shown a earlier exhibit of that.

Another exciting element that we use at the site is in our spill cleanup kit is a product called FM186 which is an agent that actually denatures the hydrocarbons in the product and so it completely renders it safe. We're able to use that to cleanup incidental, incidental spills, any other spills that might, might occur in the under canopy area. We also use it to clean out the oil/water separator periodically together with, with the certified technician.

This is an isometric of our underground storage tank system. Again, they've gone through some of the special features of the, of the tank all being double-walled fiberglass reinforced plastic together with the product piping and you see the deadmen here and the straps that go over the tank. There's a, the concrete slab that's over the tank that provides additional overburden for those tanks to counteract any buoyancy. The dispensers are also sitting on sumps that are continuously monitored. If by chance there was, you know, like the event that a car ran into one of those dispensers it's equipped with shear valves so everything completely shuts off if that dispenser were to get knocked. Also with our, our dispenser hoses, if they, if someone forgot left the nozzle in their, in their port, those are double poppeted on both ends so any product would be retained in those, in those hoses, we'd have virtually no, no spill.

Chair Hiranaga: Okay, I'd like -- I apologize for breaking in, but we're kinda entering our lunch hour and some of the Commissioner have usually certain things they want to do during that time, so unless you're gonna conclude --

Mr. Ellingsen: I'm about to conclude in just, just a moment and then I'll be passing it back to Jack.

Chair Hiranaga: Better attention span after their--after lunch anyway.

Mr. Ellingsen: I appreciate that, thank you. So just quickly, as you may imagine, fueling facility design and operation is one of the most heavily regulated businesses as evidenced by the list of regulatory agencies, regulations and permits that we adhere to. Not all of these were applicable in the State of Hawaii but these are codes that we do design to for our entire system. So again, we are in many instances exceeding the regulations, but in most meeting all Federal, State and local reg. Next, and as another example of Costco providing a high value, high quality service just very quickly on the, on the carwash, again, a members-only facility designed to be the most environmentally efficient and friendly system that Costco provides. And another exciting product that Costco is looking at rolling out here in the near future.

Chair Hiranaga: Thank you.

Mr. Ellingsen: That will hand it over to Jack Frank.

Chair Hiranaga: Yeah, at this time we're going to recess for lunch and reconvene at 1:15.

Mr. Frank: Mr. Chairman, Mr. Chairman if I may, 30 seconds and we're done.

Chair Hiranaga: We'll be here this afternoon.

Mr. Frank: Thank you.

A recess was called at 12:13 p.m., and the meeting was reconvened at 1:15 p.m.

Chair Hiranaga: ...to order. Continuing with Agenda Item B-1, Costco Wholesale Corporation. You have 30 seconds.

Mr. Frank: I was hoping for 45 but that's okay, I can do it. Mr. Chairman, thank you. Jackie Frank, once again, of Costco Wholesale. We appreciate your indulgence this morning. It was a lot of information to cover. I hope you appreciate the, the depth and thoughtfulness with which we have gone through the various studies and analysis to support the application. I would like to take just a moment to thank you and to thank staff for the courtesy and the professionalism that we've been shown through this process. Staff is excellent. They've been a great collaborator, they challenged us and I think as a result, we have a better project. So I just wanted to say thank you on behalf of Costco to, to Staff. With that, we're available to answer any questions that you might have.

Chair Hiranaga: We're gonna reserve questions till after the staff analysis.

Mr. Dias: Okay, very briefly as far as the analysis is concerned. This project is consistent with the, the State Boundary District, it's community planned, and also with zoning. As we heard through testimony there are impacts but we do feel that those impacts can and will be mitigated particularly with the traffic improvements that are going to be put in by A&B when they do the Maui Business Park Subdivision along with the improvements that Costco is gonna do when, when they actually expand their existing facility. So with that, we are in support of this project.

Chair Hiranaga: Okay, I'll once again open the floor to public testimony. Is there anyone here that wishes to provide testimony at this time? Please come forward. Seeing none, the public hearing is closed. Now open the floor to questions from Commissioners. Commissioner Ball.

Mr. Ball: If you'd like me start, get everybody's mind rolling here. Let's see I actually have some questions Keith on the traffic side. Slide 38 I think it was, you talked about the current trips, maybe it was 39, previous to that, anyway there's the current trips, right that you were talking about --

Mr. Niiya: Right.

Mr. Ball: --that 200 or, or whatever 100 and something. What are the numbers--those are the additional numbers, what are the numbers that are current then?

Mr. Niiya: That are current right now?

Chair Hiranaga: Please identify yourself.

Mr. Niiya: Oh, Keith Niiya with Austin Tsutsumi Associates. Current numbers coming out of the driveway in the PM peak it's 536 trips coming out and 585 in the Saturday coming out. Going into Costco in the PM is 366 trips and 404 trips. If you want, it's Figure 4 of our Traffic Study.

Mr. Ball: And what is your definition of a trip?

Mr. Niiya: A definition of a trip is somebody coming from home going to the Costco, going back out, going back home.

Mr. Ball: I have a followup if no one else wants to continue.

Mr. Mardfin: I wanna follow too, but why don't you go first.

Chair Hiranaga: Typically we limit questions to two at a time to give other Commissioners an opportunity.

Mr. Mardfin: I thought the numbers you just gave the Commissioner were the additions or the baseline?

Mr. Niiya: Those were the existing trips going in and out of Costco today when we --

Mr. Mardfin: My--maybe my math is off, but I didn't get the number of additional trips to the warehouse, but you said it was 3.2 percent. Gasoline was at 220 depending on whether it was weekday or weekend. Carwash, you had a 100 and 160 but you needed it down to 20 and 32 or whatever --

Mr. Niiya: Correct.

Mr. Mardfin: --it would be because you're doing net, but even at that that's without...I don't know what the warehouse numbers were, I didn't, I wasn't quick enough to write it down, but you're talking 200 maybe 300 new ones.

Mr. Niiya: Three hundred twenty-five new trips during the PM peak and 365 during the Saturdays.

Mr. Mardfin: But 325 out of a base of 500 is, you know, like 60 percent not 3.2 percent.

Mr. Niiya: Well, the 3.2 percent only applies to the warehouse trips. That's why I had it divided up into different categories. The first one is the warehouse expansion.

Mr. Mardfin: Okay, here's the number I'm looking for a 105 and 115 and if you add a 105 plus -- a 105 plus 200 for the gas --

Mr. Niiya: Correct.

Mr. Mardfin: Plus 20 for the carwash, you're at 325.

Mr. Niiya: 325.

Mr. Mardfin: Additional.

Mr. Niiya: Additional.

Mr. Mardfin: Out of a base of how much?

Mr. Niiya: I think it was what, 500.

Mr. Mardfin: Well, that's 64, it's 65 percent increase.

Mr. Niiya: Well, you gotta remember 325 is the total trips so in and out, yeah.

Mr. Mardfin: Okay, you wanna divide by two?

Mr. Niiya: Yeah, I mean if you divide by two --

Mr. Mardfin: Okay, I'll divide by two.

Mr. Niiya: ...(inaudible)...560. Right. But what I'm saying is the 3.2 is the, is the increase in traffic just to the warehouse. So by expanding the warehouse...what they're proposing to do is expand the warehouse.

Mr. Mardfin: Yeah.

Mr. Niiya: If it was only the warehouse that is expanding then we would get a 105 new trips during the PM and a 115 during the weekend. Forget the gas station and the carwash. So only the warehouse expansion would increase by that much which is 3.2 percent.

Mr. Mardfin: Something's not making sense to me. I must be very confused about this because if you're starting from a base of 500 trips.

Mr. Niiya: Right.

Mr. Mardfin: And you're adding even half of what you said, a 160, you're -- that's a 32 percent increase not a 3.2 percent increase.

Mr. Niiya: Well, remember now the net new weekday trips, the 105 is in and out, right. So if you take 50 percent or half of it --

Mr. Mardfin: I'm just very confused about the math.

Chair Hiranaga: You want some time and come back to it?

Mr. Niiya: Sure.

Chair Hiranaga: We could ask other questions.

Mr. Niiya: Let me go take a look.

Mr. Mardfin: You understand what my --

Mr. Niiya: Yeah, I understand.

Mr. Mardfin: --the numbers aren't--the raw numbers don't make the percents that are being claimed.

Mr. Niiya: Yeah, okay.

Mr. Mardfin: So by order of magnitude at least on order of magnitude.

Mr. Niiya: Yeah, it looks like more like ...(inaudible)...

Chair Hiranaga: So Commissioner Mardfin hold that thought. Commissioner Shibuya.

Mr. Shibuya: It's just to ducktail off of the data that you have because I don't believe you added the Marriott ...(inaudible)...Hotel that's across the street and if you're debating whether to put a signalized traffic light there wouldn't that be a calming type of effect because it's something for you to think about because you now have traffic going in and out across the street and people doing left turns and right turns at that same intersection from the opposite side and that's, that's very confusing. Okay, so ...

Mr. Niiya: And I can answer that question pretty easily, if you look at warrants and traffic signal warrants there is, there is two parts to the warrant on volume. One is the minor street approach and one is the major street approach. In this case, the major street approach is Haleakala Highway. And the minor street approach, you take the higher of the two whether it's the airport hotel or you take Costco. In this it's gonna be Costco is the higher of the two. I mean, existing it's high. It's, it's gonna outweigh what's coming out of the airport. So you add the two approaches from Haleakala, the major road and that has to come out to about 700 trips during the peak hour and you look at the Costco side, the minor street approach and the minimum is a 100 trips, but in this case, it's over 400. So you have enough volume on the minor street approach. You don't have enough volume on the major street approach to meet the warrant and that's why I'm saying is when Maui Business Park North Project area increases and the traffic flows through the Costco intersection to get to the Maui Business Park then the through traffic will go up and therefore, you know, it's gonna warrant to trigger the signal. But basically you have to have the through traffic going back

and forth on Haleakala Highway in order for it to warrant.

Chair Hiranaga: Commissioner Ball.

Mr. Ball: So without the warrant then you can't just put up a light is what you're saying?

Mr. Niiya: Yeah, if you don't meet the signal warrants, METC says they don't recommend installing it.

Mr. Ball: You cannot think proactively and go like, okay we're going to build this thing out so put up the light now since ...(inaudible)...

Mr. Niiya: You know, ... we were proactive and everything when they did widen and put in the sidewalks and everything, all the underground conduits are in. We anticipated having the signal put in. All that needs to come in is now the standards and the signal--the poles and everything, but all the conduits are all sized, everything is redone so you don't have to trench across the roadway any more but we're trying to be as proactive as we can because we anticipated the signal.

Chair Hiranaga: Commissioner Wakida.

Ms. Wakida: I'm not sure who to direct this question to but it might be still you. Can you pull up a site plan? That one, yes. The road there along side the gas station. That's A&B's building that road is that correct?

Mr. Niiya: This road here, Haleakala Highway?

Ms. Wakida: No.

Mr. Niiya: Oh, this one here?

Ms. Wakida: Yes.

Mr. Niiya: Okay, that's gonna be--that's not constructed there today.

Ms. Wakida: Right.

Mr. Niiya: It's part of the Maui Business Park North Project area.

Ms. Wakida: Okay. So how are people supposed to get to the gas station? When is that road being built?

Mr. Niiya: I wouldn't know, but in order for--they would have to construct this roadway in order for us to get access, you know, to the gas station. Well, there's two ways of getting access to the gas station, one is through the main entrance off of Haleakala Highway which is here. There is a bridge that crosses over and you can get into the gas station from this side. The other way is to come Haleakala Highway and come onto the North Project access road and then there's two driveways

coming in off of here.

Ms. Wakida: Right.

Mr. Niiya: Right.

Ms. Wakida: So when is that road being built?

Mr. Niiya: You know, I can't speak for A&B as far as when that road is being built but my understand it's in for review by the County for permitting.

Chair Hiranaga: Commissioner Wakida, maybe a better question is will that road be in service prior to the opening of the gas station?

Mr. Niiya: Yes, yes.

Ms. Wakida: It will be.

Mr. Niiya: It will be.

Ms. Wakida: Okay.

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: Same map. This may not be your kuleana but when, when they were describing that I was a little unclear about what the traffic pattern is. Can--you pointed out that the light kept going back and forth but I couldn't see it. Suppose I'm on Haleakala Highway, I drive in, from there I make a right turn--no into the--I'm sorry into the gas station, excuse me.

Mr. Niiya: Okay, Okay. So --

Mr. Mardfin: I go in there I make right, what do I do there?

Mr. Niiya: You have to make a right turn, there's a, there's a isle that comes along here and then you have to make another right turn and then come into the storage area for the gas station.

Mr. Mardfin: And then when I leave?

Mr. Niiya: When you leave you have to come back and make a right turn and then either go left to get out of the driveway or you can right to go back to Costco.

Mr. Mardfin: Okay, so that little dohickey, it's not a very technical term, but the-- right there, that's an exit only from --

Mr. Niiya: That's an exit.

Mr. Mardfin: --the gas facility?

Mr. Niiya: Yes, correct.

Mr. Mardfin: And are they gonna...you're going to cross a lane of traffic because you're coming into the right. If we were in Britain this would be easy but we're in America, so you cross the lane of the traffic that's turning in right in order to get, make a left to get out of there.

Mr. Niiya: Yes.

Mr. Mardfin: And there are 18 cars backed up behind you plugging the exit.

Mr. Niiya: Well, you know, the gas station if, if you think about it, not everybody arrives at the same time and depending on the size of your car, how big your tank is, it takes different times to fill up. I mean, I've gone to the Iwilei gas station, I've gone to, you know, even the Waipio one and the Kapolei one and when you see people coming out it's like one or two cars. It's not 18 cars coming out all the time from all gas--from all --

Mr. Mardfin: I agree with you that they might not come out all at once, but they will have to negotiate potentially incoming cars to cross it.

Mr. Niiya: Correct.

Mr. Mardfin: To be able to turn either left or right.

Mr. Niiya: Correct.

Mr. Mardfin: Is there intended to be a signal there?

Mr. Niiya: No, there's not going to be a signal here. If you look at the volume, it's fairly low. In fact, this intersection probably have more volume, right/left than over here. If this one can operate, you know, without a signal, this one certainly can too. And you know, right now the way it is, is the guys coming out of the gas station stop, so the guys coming in would have the right of way.

Mr. Mardfin: It's the stop part that worries me 'cause that's how you could get backed up in there.

Mr. Niiya: Right, if anything though, if you think about it, what's going to happen is it's going cue back into Costco gas station and won't affect the County roadway. If they cannot, if they cannot get out they'll, they'll --

Mr. Mardfin: Yes, but it's still a problem. It won't affect the County traffic but it will be a problem.

Mr. Niiya: We don't think it's gonna be a problem, but you know, the cuing is all gonna happen within Costco's site if it does, if it does occur. Okay, I understand.

Mr. Mardfin: Okay.

Chair Hiranaga: Just clarification on Commissioner Wakida's question regarding the loop road. The entire loop road be in service or just the section fronting Costco?

Mr. Niiya: From what I understand, no, not the whole road. It's the part for Costco.

Chair Hiranaga: So they would have to turn left to get to the Haleakala Highway because there's no way to go. Turn right you'd go into a dead end.

Mr. Niiya: ...(inaudible)... go back out.

Chair Hiranaga: Or you could do a U-turn I guess. Right and ...

Mr. Niiya: Well, you know, there's another driveway right here at the end. Realistically they could take a right and come back in and make a U-turn, go back around. But you know, basically coming in off of Haleakala Highway, you think about it right now there's not too many cars headed back towards the airport. Most of the traffic comes back out towards Dairy Road currently so, you know, anticipation is, you know, guys coming out this way won't take the right, go all the way around this loop road to get out. They would come out, make the left turn and then make a left back to Haleakala Highway.

Chair Hiranaga: Thank you. Commissioner Shibuya.

Mr. Shibuya: I just wanted to make a suggestion after listening all this. That the exit for the gas station be flipped around 180 degrees so that now you have a mirror image, flip the whole gas station around where you have your holding area on your right and exiting on the left, okay.

Mr. Niiya: Okay --

Mr. Shibuya: And then the reason for that is you come down that street and you take a right and you're in the holding area and you can fill into those stalls. As you're driving down and turning in you can actually see the cues and where you would be driving into your waiting area. When you exit you're exiting in the same direction as your truck that refills it, and there's no crossing pattern. Okay, so all...I think, what I think we're driving at is safety and you said, 80 percent of those that fill in gas generally will shop there. So doesn't it make sense to have them facing and exiting toward the warehouse?

Mr. Niiya: --the 80 percent is actually for the carwash is what I said, 80 percent of the carwash would also shop and go to the gas station. The gas station is more around the 32, 33 percent is what, you know, is in our report and everything. Go shopping at the Costco warehouse or go to the carwash. The problem, and you know, the problem with flipping this and going the other way, I understand where you're coming from, but then the problem becomes if it is a successful gas station as such as Iwilei and everything, Iwilei actually cues back onto a city street or a county street. If we flop it the other way and it is a successful gas station which, you know, I know Costco hopes it is then if you're coming in this way there is a chance that it cues back on the county road.

So you know, I mean, I understand and everything but we'll take a look at it.

Mr. Shibuya: Okay. I'm more concerned of public safety. Also, I do wanna get back to you in terms of the Marriott. You know, in Hawaii especially on Maui we come to an intersection like this and we have a visual jan ken po and try to figure out who came first and we don't drive like L. A. which I came from L. A. We don't recognize the guy on the left and we just drive out. So here we're more courteous so we need to be aware that we need to ensure the intersection with the Marriott even though it's minor can be problematic. Thank you.

Mr. Niiya: Thank you.

Chair Hiranaga: Commissioner Ball, you have a question?

Mr. Ball: Back on Warren's point, if you got rid of that exit where it currently sits --

Mr. Niiya: This one?

Mr. Ball: --and maybe you moved it down a little bit so you could make the traffic actually go around towards the north if you will and come back around and then they have that whole storage lane there, egress, are you following me?

Mr. Niiya: Yes.

Mr. Ball: I think that would be...so say moving this driveway to one of these other aisles.

Chair Hiranaga: Commissioner Ball you need to use the mic please? You gotta turn it on.

Mr. Ball: If you drop this off here, right. So these cars now have to go back around this way and then they use this--oh, okay, ingress, egress so then they can all stack up here and no one's with your nice hedge here gonna be, you know, trapped or gonna be, have a collision here. And it solves the backing up onto this County road by creating this right here where they don't have to negotiate this, this leap of faith coming across the, the lane here.

Mr. Niiya: I think I would leave that one to, you know, our gasoline station expert and the how it's operated.

Mr. Frank: I'll take, I'll take a shot at it. Jackie Frank again. One of the reasons that we located the canopy at the right side, the east side of the site was so that if, if there were any onsite cuing it could be happen in, into the interior of the, of the layout, because we do not want to allow for any potential of cuing to back up into the public right-of-way. Now we also considered that the easterly drive or the westerly driveway on Haleakala is the more heavily used driveway. If people are coming eastbound, they're going to go into the site at that point because it takes you to the center of the parking field and also gives you the option to go into the, into the cue of the gas station at that point. So that the--basically you've got a clockwise traffic flow. We see the, the loop road that A&B is going to construct to the east as a very secondary access point for us. It is 200, couple hundred feet in depth so it builds, basically builds in a throat depth for--so you're driving in 200 feet before

you're having to make a decision to turn into the site. So the, the depth of that gives us a throat, we view it as, as really more of a secondary access point. Really more of an egress point than an, than an ingress point and we see, because we're members only in our fuel that a lot of our trips are internal and they will come from the parking lot as opposed to coming off the street. So, in terms of ranking the westerly driveway is much higher intensive use than the easterly loop road, ring road which is why it didn't, it didn't give us too much pause to have stop-controlled exit because we think there's sufficient gaps to allow for vehicles to either come to that stop sign and either go right, back into the lot or left, to exit the site. So we looked at both. We looked at it, certainly both ways. We think that all things considered, this is probably the, the one that makes the most sense operationally. We also looked at the, you've got the two access point off of the loop road and the reason why we aligned it at the perimeter as we did was to provide simple, straightforward truck circulation. If we were to pull that access drive, half, you know, mid-block down to the south, you know, a hundred feet or so, it really does reek havoc on the most direct access circulation for fuel trucks to do their, do their fuel drops. So that, that was why we tried to make it as, as clean as possible and operationally it appears, it appears to work for us.

Mr. Ball: Followup.

Chair Hiranaga: Commissioner Ball.

Mr. Ball: Rebuttal, rebuttal. What I keep seeing...I understand what you're saying but what I keep seeing is that people are gonna go to Costco, they're gonna fill their car up with items, they're gonna go to the gas station then they're gonna leave to go home. So they're gonna fill up their car, they're gonna go to the gas station and they're not gonna drive all the way back into the parking lot to go off the main driveway, they're gonna go off that access road and then be gone wherever, whichever direction they go. The problem is that little section there from where they have to stop and cross that road and then stop again, and then turn onto that road is short as it is in this rendering, you're gonna have problems with crossing over that because people are gonna come zooming into that, that driveway there. And then in the future when this place is developed, I mean, right now there's no traffic on that main road of whatever it's gonna be called the loop, but eventually there will be and so then people are gonna have to navigate first that first leap of faith and then they're gonna have to negotiate onto the loop road and I only see the possibility having one car maybe at the, at the entrance of the loop road stage and they're your other one is gonna be at the stop sign egressing the fuel area. So I think you need to look at that and I know it's counterintuitive to bring them all the way around and then kinda up the driveway again, but I mean, the current situation at the, at the, at the site now when you pull into Costco that first driveway if you're there, you're never getting out. You might as well go down and go to couple aisles down because people are coming right in there and they don't really have time enough to stop or they don't care at that point 'cause they're trying to get the best spot in the parking lot, but whatever, you're gonna solve that with that one. But this other one, it seems just there's not enough space to get out from that one to stop at the next one. Your car still seem to be sideways on that.

Mr. Frank: Yeah, I'm, I'm following you that that the suggestion is there could be congestion at that point and I think it's definitely, it's definitely worthy of study. I--actually, one of the rational of having the entrance to the gas station more centrally located is that people who do buy refrigerated product tend to shop before they gas up as opposed -- I'm sorry, yeah, it's the exact opposite. People who

buy refrigerated products tend to gas up before they shop. So, so, we could go either way. The advantage of this particular plan for us does allow even greater cue depths than, than it would if the canopy were to go at the western side of that access point. You know, another thought just looking at this, I mean, it's gotta function, if it doesn't function we all have problems. Another thought would be and I haven't even discussed this with Tim or John would be to have the northerly kind of east/west be out only and have the southerly east/west be in only. So you control your circulation that way. So I think there's some, there's some things that we can from looking at a flip of the canopy and maybe even looking at some refinements in circulation as you suggest. It's a valid point.

Mr. Ball: Okay.

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: Just a quick comment on that last thing. That sounds like a really good idea to explore about...certainly the fuel trucks go in but everybody else would have to go down, but can I speak to your traffic consultant again? Did you read this report by Robert Siarot?

Mr. Niiya: Yes, I did.

Mr. Mardfin: Do you have any comments on it?

Mr. Niiya: Basically if --

Chair Hiranaga: Please identify yourself.

Mr. Niiya: Oh, Keith Niiya with Austin Tsutsumi and Associates. I did receive it. I did take a look at it. Basically, you know, it summarizing what is in our traffic study and everything. Couple of things that he did not consider as part of, you know, his write up is that the improvements that are required at the Dairy Road/Hana Highway is required even without Costco's development. He lumped everything together and said, you know, this is what needs to be done. So he didn't take into look that even if Costco weren't built we still need widen as I did in my presentation, still need to widen Hana Highway and do some other improvements. Now if all that other development doesn't go then Hana Highway and Dairy Road doesn't have to be improved.

Mr. Mardfin: So you basically think that the concerns that he raised have been dealt with effectively --

Mr. Niiya: Yes, Yes.

Mr. Mardfin: --by your recommendations?

Mr. Niiya: Okay, yeah, I also covered with my presentation, okay, what's going to happen and he does bring up some points and everything, but what's going to happen is once this Hookele Street extension goes in, I was talking about traffic that's currently up West Maui or East Maui and Upcountry Maui going to South Maui would use Hookele extension and come back and this is going

to reduce the volume at this Haleakala/Dairy Road intersection.

Chair Hiranaga: Let me just interject. There's--you know where Hansen Road is?

Mr. Niiya: Yes, I do.

Chair Hiranaga: So that's where Upcountry people use to go to South Road. They don't go to Dairy Road unless they need gas.

Mr. Niiya: I understand. There is, there is Hansen Road and everything, but you know, when I drive it and everything, there's a lot--the pavement, well, I don't know if it the condition of the pavement is still the same but it was pretty bad. It's undulating, well you know, it's not straight connection. If you take a look at the volume that's going right now, and we can show it in our traffic study, this left turn in the morning is quite heavy and this right turn headed back is also heavy and the testifiers this morning stated that and also down here at Puunene Avenue there is a heavy left-turn, right-turn demand.

Chair Hiranaga: Commissioner Ball.

Mr. Ball: Your statement about the Federal funding for the future airport road, so after the Federal funding and when is the anticipated completion of that? Is that Federal funding and then you gotta do design and all that or ...

Mr. Niiya: Well, in order to get the Federal funding you have to have the design completed or substantially completed. They won't allow you to obligate the Federal funds if we just have an EIS. They have to see the plans, what you're gonna do, you have to come up with estimates of the construction costs. And once you get the Federal funding then we can go out, turn around and start advertising for the project. You know, it all depends on the process and State DOT, yeah.

Mr. Ball: And, and if I may?

Chair Hiranaga: Continue.

Mr. Ball: So at that intersection of future airport road and Hana Highway...

Mr. Niiya: Over here.

Mr. Ball: I'm assuming that there'll be right and left-hand turn lanes?

Mr. Niiya: Yes, actually currently the way --

Mr. Ball: ...both of them.

Mr. Niiya: Yeah, the way it's currently designed right now coming down Haleakala Highway what we call westbound there will be two left-turn lanes into Hookele Street. Coming back from airport access road I think is only a single left. But you know, again, it's in the EIS state right now so things

can change, yeah.

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: I have questions on a wholly different subject. I don't have any more for Keith. I would like to speak to somebody about water and particularly the well that's being conceived of. Other people may have traffic questions, but I don't. Okay, on the water, you're planning on digging a well for nonpotable water is that correct?

Mr. Sereda: David Sereda from Chris Hart and Partners, and that's correct.

Mr. Mardfin: And when would that be dug?

Mr. Sereda: I don't think a determination of when that would be dug has been made, but I would imagine it would be more towards the front end of the project.

Mr. Mardfin: What gives you assurance that there's water down below?

Mr. Sereda: You mean in terms of availability of water/

Mr. Mardfin: Yes.

Mr. Sereda: Well, as part of the, the well drilling process and I guess as part of the EIS as well, the proposals are submitted to the Department of Land and Natural Resources and so I would imagine that if there was concerns they would raise those issues. As part of the Well Permit I believe they're the accepting--they're the approving body at the State level.

Mr. Mardfin: And you put in the Well Permit request already?

Mr. Sereda: Not, yet. No.

Mr. Mardfin: Oh, so they may say, sorry there's no water or no, you can't take it or ...

Mr. Sereda: Well, in our discussions with the well contractor he has drilled wells in the area namely the pond, Kealia Pond ...(inaudible)... so he has drilled for water in that area before and ...(inaudible)... water.

Ms. Kim Katz: Hi, my name is Kim Katz with Costco Wholesale. A&B has an existing well onsite that's been recently closed so we know that there's groundwater in the area and we have spoken with the driller.

Chair Hiranaga: Commissioner Freitas, you have a question?

Mr. Freitas: Yes, that was gonna be my question when I wanted to ask the question was why they are not using the existing well because when did some work in that area the well was functioning a year ago and there is an existing well there.

Ms. Katz: Our water meters are tied over into the back corner the warehouse so we were hoping to tap into that existing location.

Mr. Freitas: Okay.

Chair Hiranaga: Commissioner Shibuya.

Mr. Shibuya: I just wanted to know if you had some idea in terms of the capacity of this well? No sense having the well and then having only couple gallons per hour.

Mr. Sereda: The well, you mean the proposed well or the existing?

Mr. Shibuya: Yes, whatever proposal you have.

Mr. Sereda: We've submitted the estimated demand flow for the irrigation to the drilling contractor and he's assured us that based on his experience in the area drilling wells that there would be sufficient flow.

Mr. Shibuya: Sufficient capacity.

Mr. Sereda: Yeah, correct.

Mr. Shibuya: Okay, thank you.

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: You said it's going to be nonpotable. Why is it nonpotable?

Mr. Sereda: It's untreated.

Mr. Mardfin: Are they going to use that water...is there a salinity content to it that makes it unacceptable?

Mr. Sereda: There is ...(inaudible)... salinity content, yeah.

Mr. Mardfin: And that's why you're not using it for the carwash?

Mr. Sereda: Correct.

Chair Hiranaga: Commissioner Shibuya.

Mr. Shibuya: Landscape question. You said Milo tree being planted around. Is that the same tree that you have currently or are you yanking those trees that you currently have and replacing them with Milo?

Mr. Sereda: Currently the trees are Autograph trees.

Mr. Shibuya: That's right.

Mr. Sereda: And no, we won't be replacing the existing trees. We'll just be adding the Milo tree.

Mr. Shibuya: And who's gonna maintain them?

Mr. Sereda: Costco, I would imagine.

Mr. Shibuya: You know, they're not plastic trees, you know, once they plant 'em they stay.

Mr. Sereda: Well, we chose the Milo because it's successful in terms of being a parking lot tree. It doesn't have intrusive roots, it's, it's pretty salt tolerant, wind tolerant, drought tolerant. It's a very hardy species.

Mr. Shibuya: That's correct and the Autograph is very invasive and very aggressive roots.

Mr. Sereda: ...and at the time those were planted the invasive species wasn't such a topic of conversation. Now of course, there's more awareness and so we don't use the autograph tree any more actually.

Mr. Shibuya: So are you planning to replace the misbehaving Autograph trees?

Mr. Sereda: At this time, no. There's no plan to do tree replacment.

Mr. Shibuya: Okay, thank you.

Chair Hiranaga: Commissioner Lay.

Mr. Lay: I have a question on the carwash filtration system with your drainage and reusable water.

Mr. Ellingsen: John Ellingsen, Barghausen.

Mr. Lay: I understand there's a 10 percent loss because of the evaporation and what's left on the car, but you're saying that you can reuse this water, right?

Mr. Ellingsen: There's a portion of the water that is being reused. That's correct. Approximately 23 gallons I believe is being reused per, per wash.

Mr. Lay: And it's being refiltered and then used again?

Mr. Ellingsen: That's correct. It goes through a reclaim system, sand filter and then through clarifiers and back through the system and it's caught through the track within the carwash.

Mr. Lay: Soap and all that stuff is taken out at that point?

Mr. Ellingsen: That's correct.

Mr. Lay: Interesting. Okay.

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: Back on the water issue. What assurance...is there a possibility that drilling is a well and taking water from them under underlying water will have an adverse impact on the water in the Kanaha Pond?

Mr. Sereda: David Sereda from Chris Hart and Partners again. The, the demand is, is fairly low. It's fairly reasonable at 20,000 gallons per day. I don't, you know, have an answer for whether or not there will be adverse effects on the pond. I know that the pond already dries out periodically and it has its own well I believe to keep it topped up. That's my understanding. Is that --

Mr. Mardfin: I don't know if that's correct or not, but thank you.

Chair Hiranaga: Just for clarification, you're using this nonpotable water for landscaping purposes which means you're gonna be applying it to the ground so the roots can absorb it and whatever the roots do not absorb it returns to the brackish water table?

Mr. Sereda: That's correct. It's usually what happens with groundwater recharge. The irrigation water it's not -- it's not being taken and consumed. It's being put back on the ground and a percentage of which would be going back into the groundwater.

Chair Hiranaga: Commissioner Shibuya.

Mr. Shibuya: I just wanted to make comments on John Ellingsen, I guess, the Senior Planner, petroleum storage. I just wanted to confirm with you that the containers are equal to or better than the Federal standards because the leaching problem if you do have it is problematic. We have some natural areas that we need to ensure and because of our quick draining areas we just don't want that to be polluting our coastal waters.

Mr. Ellingsen: John Ellingsen, Baughausen Engineers. ...(inaudible)... understood and yes, they do meet Federal standards.

Mr. Shibuya: They exceed it you're saying?

Mr. Ellingsen: The underground storage tanks meet Federal standards. That's correct.

Mr. Shibuya: Okay. And in terms of handling the vapors and leaks you have systems for that too?

Mr. Ellingsen: For vapor, there are stage 1 vapor recovery at the underground storage tanks to capture the displaced vapor from the tanks as we're filling, that's correct.

Mr. Shibuya: And then you condense that and return it --

Mr. Ellingsen: And that returns back to the underground storage tank, correct.

Mr. Shibuya: Right. And the leaks, you have the detectors to detect that.

Mr. Ellingsen: That is correct.

Mr. Shibuya: And I think you mention something like .1 gallons per hour monitoring standard?

Mr. Ellingsen: That is our monitoring standard. That is correct.

Mr. Shibuya: That's, that's exceptional.

Mr. Ellingsen: That exceeds the Federal standard that's correct.

Mr. Shibuya: Right, I think that's exception and I just want to highlight that as very acceptable with me.

Mr. Ellingsen: Excellent. Thank you.

Mr. Shibuya: Also, the draining of the storm water that you're collecting on the pavement area especially over the canopy and the fuel storage areas, I believe you heard you're gonna collect it and run it through a filter.

Mr. Ellingsen: The area under the canopy which is the fuel dispensing area is isolated from the rest of the drainage on the site and that is ran through a oil/water separator prior to release into the downstream system, correct.

Mr. Shibuya: Right, that's what I thought I heard. Okay, thank you very much.

Mr. Ellingsen: You're very welcome.

Mr. Shibuya: That's good. For us local viewers this is ho`oponopono. It's taking something and doing very good with it and I think you've taken the best right way of doing things. Thank you.

Mr. Ellingsen: Thank you.

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: You mentioned in your testimony and FM186.

Mr. Ellingsen: Yes, sir.

Mr. Mardfin: And you said it takes petroleum and makes it harmless and that strikes me as very -- I don't understand the chemistry of that.

Mr. Ellingsen: I'm not a chemist so I'm not about to claim that I'm an expert on the agent.

Mr. Mardfin: Okay.

Mr. Ellingsen: However, it has gone through testing to ensure that it is working out as, as it's advertised to and as Costco has been using it now for a number of years and, and all the tests have come back that it does denature the hydrocarbon and it is not--is no longer a hazard.

Mr. Mardfin: It's not drinkable.

Mr. Ellingsen: I, I, personally I would not drink it.

Mr. Mardfin: Okay. So there's something there it's just ...

Mr. Ellingsen: It is not, it is no longer classified as a hazardous material.

Mr. Mardfin: With respect to drainage that Commissioner Shibuya just mentioned, you're adding a, a cover...throughout the whole project you're expanding the covered areas is that correct?

Mr. Ellingsen: The pavement area, the impervious area, that's the correct.

Mr. Mardfin: Yeah, the impervious area.

Mr. Ellingsen: I, I believe that's correct. I shouldn't jump --

Mr. Mardfin: Maybe it should be somebody else I should be talking to.

Mr. Ellingsen: Yeah, absolutely.

Mr. Mardfin: Okay, so you're increasing the impervious area.

Ms. Kodama: Right.

Mr. Mardfin: So that means this extra water flow that's gonna go somewhere from rain and everything else?

Ms. Kodama: Right, it's going in...Diane Kodama, AECOM. It's going into the channel, but as we previously said on the slides, the whole North and South Maui Business Park project is decreasing the whole area into the channel.

Mr. Mardfin: What do you mean decreasing the whole area?

Ms. Kodama: With the, with the ponds that they're building. And this is part--the Lots 1, 2, 3 is part of the North Project area where the, where the parking expansion is.

Mr. Mardfin: So there would be actually less water going into the wastewater treatment system of the County?

Ms. Kodama: Oh, it's not going into the wastewater treatment system, it's going into the storm system. We don't have a new sewer connection.

Mr. Mardfin: And the storm system goes where? Water goes where?

Ms. Kodama: Into the channel that's in the middle of the site.

Mr. Mardfin: And from there where does it go to?

Ms. Kodama: It goes through a series of culverts and channels into the ocean.

Mr. Mardfin: So you're gonna be decreasing the flow into the ocean?

Ms. Kodama: Yes, it's gonna be held in the ponds, and it's gonna be cleaned out in the, in the ponds prior to.

Mr. Mardfin: Cleaned out in the ponds or --

Ms. Kodama: It's a water quality pond.

Chair Hiranaga: Commissioner Mardfin, were you present when we did the SMA for the Maui Business Park Phase 2 South Project?

Mr. Mardfin: I imagine so, but I have a weak memory from time to time.

Chair Hiranaga: If Diane or someone else would like to give us a quick recap because it's kind of the drainage plan is all interconnected and I remember some of it but not all of it.

Mr. Mardfin: Mr. Chairman, if it made you content, then I'm sure it will be fine with me because you home them to a higher standard than I do.

Chair Hiranaga: Well, I was gonna ask a question later on but if you want you can ask them for an overview. I think they're prepared to do that for some reason.

Ms. Kodama: Okay.

Mr. Terrence Arashiro: Terrence Arashiro with Austin, Tsutsumi and Associates. I think you were here, but ...

Mr. Mardfin: I probably was. I have a weak memory.

Mr. Arashiro: Me too, I don't remember exactly what I said, but I'll try to recap. I think this is the best slide that we have. And, so let me just go through it pretty quickly but the main thing I wanna highlight is right here is the main basins, existing basins that were, were built to accommodate the entire Maui Business Park, this entire here as is, I guess as is it was envisioned with additional capacity. So when this first phase here was done, right here, that was already sized for that with some additional capacity, right. Now if you look at the history of this area before any of this was built for the smaller storms, drain storms, this actually, this slide if you wanted to, you could extend it all the way up towards Hansen Road and all of that storm drainage would make its way down

here, would collect in this corner and then would come down Hana Highway and then create all the problems that used to have on I guess on Dairy Road or may still have at times. The State did some things. There's a double CON/SPAN culvert that was put here. This green light is awfully bright isn't it? But right there you have that CON/SPAN culvert that has capacity. That picks up storm drainage from this area right here. So this now got taken out of the equation and it's kinda stored in that. So along the way there's been improvement to create additional off site or additional site storage for runoff and when North Project area was conceived that concept was further developed and in the master plan, drainage master plan for the entire Maui Business Park additional basins were even added and some of additional -- well, right, right off site of Maui Business Park or this Phase right here, additional basins were added in order to increase overall capacity. So now what we have is a 100 percent containment of up to the 100-year, 24-hour storm so all the runoff that comes down from Hansen Road area won't even make it onto Hana Highway anymore. And so by doing that effectively we've taken out anticipated drainage that would have normally have come down here for the 50 and 100-year storm and now in effect we're able to let this water out albeit it's going be treated through filtration systems before it enters into the waterway here and eventually into Kalialinui channel and the ocean. So it's kind of a replacement if you will of capacity and, and a recognition that there should be or there is some credit based upon capacity that's available there. That's kind of the overview.

Mr. Mardfin: It's starting to ring a bell, but thank you for refreshing.

Chair Hiranaga: Any other questions? Commissioner Wakida.

Ms. Wakida: I'm -- but not for this gentleman, but if somebody else has a question?

Chair Hiranaga: No, go ahead.

Ms. Wakida: But I don't know who to address it. I have a question on your comment here on retrofitting for photovoltaic panels.

Mr. Frank: Jackie Frank.

Ms. Wakida: Thank you. It said that you have a structural engineer evaluating the roof structure for bearing tolerance. Am I to assume or are we to assume that the addition that you're proposing for Costco will be built with the tolerance for photovoltaic panels?

Mr. Frank: Quite possibly. We have to look at the entire footprint of the building because it takes about the entire footprint of the building to get the size of the array that we need to generate power for it to make sense. We did go back and do a retrofit analysis of the existing structure and we found that because the building obviously is 16 years old, well before we ever contemplating retrofitting rooftops with photovoltaic arrays that the structural capacity isn't there to support, to support the structure. It would be quite expensive to go back in and retrofit the entire structure to allow that to happen. Although -- so photovoltaic arrays are not a part of this particular proposal but we're constantly looking at how we might be able to make it happen. We've looked at a couple of options on site to do covered parking with photovoltaic panels on top of the parking. It's cost prohibitive. And the reason why you do renewable resources such as photovoltaic arrays is

because it makes sense, it's not an altruistic thing. You do it because it makes sense and it's cost effective. So we're gonna -- it's not a part of our project proposal but we're gonna continue to evaluate it. And if it does make sense, we would do it.

Ms. Wakida: Thank you.

Mr. Frank: Thank you.

Chair Hiranaga: Commissioner Shibuya.

Mr. Shibuya: I'm looking at lighting for protection of your property as well as to ensure that lighting is not bright enough that it will distract some of the endangered species. I'm also looking in terms of surveillance cameras. Will this fuel facility as well as some of the architecture around Costco be protected? I want you to succeed that's why.

Ms. Lasley: Understood. Christine Lasley, Mulvanny G2 Architecture. As far as the photovoltaics, typically we offer two and a half foot panels across the site. We do need that. We understand the sensitivity of Kanaha Pond that's north and the requirement was to make sure that the ...(inaudible)... dropped off to less than one at the perimeter and that's what we have done. We have provided shields at the perimeter site lighting. As for the lights at the gas station, we do have 10 point lights that beams directly to the keypad controls. We do have a camera system that is a 24/7 monitoring camera system that goes onto the -- that monitors each dispenser and then that footage is delivered back to the main warehouse where someone is viewing it and it is recorded. So they do, Costco does take great pride and care in making that that's a safe area to fill your car.

Mr. Shibuya: You're right. Because I'm looking not only to protect their property but also you have women drivers who want to fill during the night and then if anything should happen at least we have some recorded of that incident.

Ms. Lasley: Absolutely.

Mr. Shibuya: Yes, thank you.

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: Please, I have one more for you. This facility is only open during the hours of Costco is open, the gas fill up?

Ms. Lasley: The gas station and the carwash would open a little earlier and close a little later.

Mr. Mardfin: But they're not 24/7 operations?

Ms. Lasley: No.

Mr. Mardfin: How are you gonna, were you gonna do -- I don't know what, I've never been by when you've been closed, but how would you keep people from going in? But it would just be shut off.

Ms. Lasley: It would just be shut off and there would not be any sort of controls or anything for someone to manipulate it. And I'm not sure about what kind of security they're gonna offer in the subdivision but you're aren't able to use anything at the gas station and it's also still monitored by the surveillance.

Mr. Mardfin: Okay, thank you.

Chair Hiranaga: Any other questions, Commissioners? Commissioner Shibuya.

Mr. Shibuya: I like, I just want to make a comment that with sea level rising they've taken good steps in terms of securing the hazardous material as well as the petroleum products and I, I applaud that. I do have some second thoughts in terms of traffic.

Chair Hiranaga: Commissioner Shibuya, we are here to ask questions at this point not to discuss the application because we do not have a motion on the floor.

Mr. Shibuya: Okay.

Chair Hiranaga: Do we have questions for the applicant? Commissioner Mardfin.

Mr. Mardfin: I do, and it's to the gentleman from, who I'm looking at, I don't remember your name, I apologize. Could you go back to the screen that showed this underground tank and explain a little more clearly about what it is, you satisfied Commissioner Shibuya but I just --

Mr. Ellingsen: John Ellingsen, Barghausen Engineers.

Mr. Mardfin: That's, that's the one. Can you explain this a little bit to me?

Mr. Ellingsen: Sure. This is simply a side view of our, of our tank plan. It, it obviously shows the, you know, the tank wall opened up here. Essentially what we have is a double wall tank made of fiberglass reinforced plastic FRP that interstitial space between inner and outer wall are what, is monitored by our system. And that leads back to the control enclosure. This plan is a little bit off because it shows it in a different structure but it basically goes back to what's referred to as a Veeder Root TLS 350. That's our monitoring system that it's 24/7 continuously monitoring. And that same system is also applied to all the product piping as well as the sumps at the tank and sumps at the dispensers.

Mr. Mardfin: What is the I and J?

Mr. Ellingsen: It is the dead man anchor system and the J is the strap that goes over the tank. So the -- this is one configuration of a dead man anchor. You could also have this individual blocks but essentially what, what this does is it does not allow for the tank to become buoyant and rise up. The other factor that we used to control buoyancy on the tank is the overburden provided by the tank slab.

Mr. Mardfin: And what happens if the water table rises due to global warming?

Mr. Ellingsen: The buoyancy calculations take that into account. We, we do our calculations based on submerged condition regardless of what the field condition might be.

Mr. Mardfin: So in other words, it won't rise even if it's totally underwater?

Mr. Ellingsen: That's correct.

Mr. Mardfin: Has any consideration been given to what happens if there's an earthquake?

Mr. Ellingsen: These systems are installed in very earthquake prone areas. They're designed to I believe seismic zone 4 conditions. One of the other elements that I described earlier was the continuous run of piping. I believe we only have two connections, flexible piping to avoid any rupture if there is in fact, any earth movement. So there are a number of features that are provided to account for that.

Mr. Mardfin: Thank you.

Mr. Ellingsen: You're very welcome.

Chair Hiranaga: Questions, Commissioners? I have a couple questions. Could you explain the circulation pattern for the proposed location of your carwash and why you located on that site which is across the parking lot from the gas station?

Ms. Lasley: Christine Lasley, Mulvanny G2 Architecture. This is where we situated the carwash, and the cuing area for the carwash is this area here. What you see here really are the, is the overlay of parking stalls if we were to build each one separately. It was a temporary parking that would allow during the staging of construction that was a layer that was ...(inaudible).. But this is actually the cuing area for the carwash and cars would enter through here, here or you know, ...(inaudible)... it would file in through here and then they would exit and they would return back toward the parking field or they can make a turn this way and come back through here and go to the store, go to the gas station or exit the site.

Chair Hiranaga: Is it your experience that people wash their cars before they fill up for gas or do they gas up and then wash their cars?

Ms. Lasley: I believe it was 80 percent statistic that said that the people would wash their car and return to the warehouse to shop. That was the statistic that we had pulled up based on our carwashes that we have now.

Chair Hiranaga: Eight percent from the carwash?

Ms. Lasley: Yes.

Chair Hiranaga: So typically people gas their car up first and then go to the carwash and then go to the store is that the typical traffic pattern?

Ms. Lasley: I'd have to have an expert elaborate on that question.

Mr. Frank: Jackie Frank. That's my experience and it mostly has to do with the purpose of refrigerated food.

Chair Hiranaga: So you're comfortable with the traffic needing to either exit the site and return to the site from the gas station to the carwash or drive through the parking lot to get to the car wash?

Mr. Frank: Absolutely. I think the idea here was to have those services at the perimeter of the, of the lot so that the, so that the main field of parking is, is relatively intact rather than chop up the parking field with, with separate uses that might have cuing associated with it. This leaves, this leaves the larger parking fields intact.

Chair Hiranaga: Okay, thank you. Commissioner Mardfin.

Mr. Mardfin: As long as that photo is up, that picture is up, you're, you're expanding the main warehouse building. Currently there are handicap parking there. What's going to happen to the handicap parking?

Ms. Lasley: Good question. The handicap parking will be updated to meet the current ADA requirements. They will be distributed at an even distance from the point of entry of the store and they'll be located wherever you see the little white dots here. Those are all of the ADA stalls that are dedicated for, for disabled.

Mr. Mardfin: So in effect you're pushing...on average people are going to be farther from the warehouse. They're gonna be parking on average a little bit further -- not the ADA people, the other customers are gonna be located further from the warehouse than they currently are on average.

Ms. Lasley: By law there is no standard stall that can be closer than an ADA stall so in essence, they are, they are a little farther, but they are in the main field here. And people can access the parking when they drive through any of the drive aisle because of this concrete cover that connects the two sites.

Mr. Mardfin: I just notice when I drive there, very few people park across the canal side. You know, they'll circle for 30 minutes looking for one closer.

Ms. Lasley: I think because the access is just reduced to one bridge and then the rear access down at the end. But because of the Costco elected to cover over 300 linear feet of channel this is very good because it opens up one, two, three, four, four aisles worth and you can choose, you know, from a plethora of parking in this area.

Mr. Ball: ...(inaudible)...

Chair Hiranaga: Commissioner Ball?

Mr. Ball: ...(inaudible)...

Chair Hiranaga: Any other questions? Commissioner Wakida.

Ms. Wakida: As long as you have that slide up is there a car lane looking at that map on the right-hand side of the, of the canal, that's adjacent to the newly paved over part? See where I'm saying?

Ms. Lasley: The, the car lane continues from the main entry.

Ms. Wakida: No, on the other side. Okay, just on the other side is there a car lane that comes straight down there?

Ms. Lasley: No, there's not. It, it really opens up the aisles in this direction. There's no need for cars to travel this direction. The site is much more open when you have circulation coming down in this direction.

Ms. Wakida: But you will still have cars coming from the entrance off of Haleakala Highway straight down like they do now, right?

Ms. Lasley: Sure, they can come down here and turn into any one of the aisles down there and there's, there is a cross aisle here to allow for turning movements if they wanna move an aisle or turn around. So in this area here, there's a cross aisle.

Ms. Wakida: Are we anticipating a lot more mixing of cars traffic and people pushing baskets?

Ms. Lasley: It's enhanced. Right now there is only one existing bridge. I think, believe it's located here. So it would, this bridge would open up access for people pushing carts along this 300 linear foot worth of concrete path.

Ms. Wakida: Okay.

Chair Hiranaga: Any more questions, Commissioners? Commissioner Shibuya. I just wanna make a motion.

Chair Hiranaga: Actually I have a couple questions.

Mr. Shibuya: Okay, go ahead.

Chair Hiranaga: Drainage. I'm supposed to wait till everyone's done, right? Okay, so just to understand the master plan for the Maui Business Park drainage. You have these oversized sumps above Dairy Road which collects and retains 100 percent of the post -- pre and post development runoff for the unimproved industrial lots, proposed unimproved industrial lots is that correct?

Ms. Kodama: Right.

Chair Hiranaga: And so some of that credit for the over capacity is transferred to the North Phase and is being used by Costco?

Ms. Kodama: Right.

Chair Hiranaga: Now Costco is hardening a surface which will increase the runoff. Is that...then that increase due to the improvements is being applied to the credits for the above stream retention basins?

Ms. Kodama: Yes.

Chair Hiranaga: Now the current Costco was built in 1995.

Ms. Kodama: Right.

Chair Hiranaga: And their drainage capacity is sized to meet the County standard with is just post development and not pre development?

Ms. Kodama: I believe it was always you have to--whatever you --

Chair Hiranaga: Increase.

Ms. Kodama: --increase from pre to post you would have to, you would have to treat it. I mean, but you see when I had talked to...just to give you some background, if you don't have a flood hazard, you don't, you're not required to hold the flow because it's not a -- there's quantity and a quality, right? So the quantity, like if you're next to the ocean it doesn't make sense to put a retention basin right before you go to the ocean because you're abutting anybody, but you wanna clean it which is a quality issue, but because we're -- you're providing no adverse effects on downstream. But with the quantity that A&B is holding both issues are handled by that development.

Chair Hiranaga: Yeah, I guess for nonscientific basis there's a debatable position that increased fresh water entering the ocean does not impact coastal marine life. But I think that if you, you reach a point where too much fresh water entering a coastal marine area is not a good thing because ...(inaudible)... although you're treating it, you're increasing the surface runoff into the ocean that might have been absorbed --

Ms. Kodama: I understand.

Chair Hiranaga: --into the underground basins, the ...(inaudible)... so my question is so the current existing retention or drainage control plan is that a correct term for the existing Costco is to treat but not retain the increase --

Ms. Kodama: Right.

Chair Hiranaga: --in surface runoff.

Ms. Kodama: Yeah.

Chair Hiranaga: Created by the improvements.

Ms. Kodama: Right.

Chair Hiranaga: And the proposed plan for the improvements is to do the same just meet County Code?

Ms. Kodama: As far as our drainage plan is concerned?

Chair Hiranaga: For the --

Ms. Kodama: The whole A&B --

Chair Hiranaga: --the area, no --

Ms. Kodama: --well, actually they're holding a lot more.

Chair Hiranaga: No, for the area that Costco, whatever you call it, Phase 2 Costco.

Ms. Kodama: The 1, 2, 3. The lots 1, 2, 3 over here, they're purchasing.

Chair Hiranaga: Yeah, is their drainage control plan just meeting County Code which is the increase due to development?

Ms. Kodama: No, because it's all part of the North and South improvement plans. So the basins that A&B is building they're hold a lot more than they need to.

Chair Hiranaga: So A&B is giving you credit to retain pre and post development runoff in their upper basin?

Ms. Kodama: Right, because these lots 1, 2, 3 that are being paved is part of...the increase on this side for the addition because it was already paved is, is a .21 cfs increase.

Chair Hiranaga: So my question after all this is, is it possible for A&B to provide Costco credit so that they're runoff coming off of the existing project, not the proposed, but existing be applied to this retention basins upstream?

Ms. Kodama: I don't understand the question. Because the lots 1, 2, 3 are included within the North Project area it has been included in their calculations.

Chair Hiranaga: Right, I understand that.

Ms. Kodama: So in the existing, so we are connecting to their drain system that's running through the Costco property.

Chair Hiranaga: Right, but the capacity that's been calculated into the basins --

Ms. Kodama: Yeah.

Chair Hiranaga: Does not include any credits for the existing.

Ms. Kodama: Oh, you mean like the rest of Costco or in here?

Chair Hiranaga: Right.

Ms. Kodama: We haven't, we haven't dealt with it entirely like, you know, as a number but I know that they have a lot of -- by making these three basins, this channel, the water running through this channel has been significantly reduced.

Chair Hiranaga: I understand that but as the business park is developed --

Ms. Kodama: Yes.

Chair Hiranaga: --each parcel that is developed will have to have their own drainage plan, correct? Either onsite or they will use credits from the A&B system. But there is a limit to how much that system can retain.

Ms. Kodama: Right.

Chair Hiranaga: So each developed parcel will be taking credits off of that basin.

Ms. Kodama: I believe when they sized the pond, you have to analyze both the pre and post so it is sized for the increase.

Chair Hiranaga: So they're assuming the entire surface of Maui Business Park will be hardened?

Ms. Kodama: I think it--when you do your drainage calculations you assume a certain commercial, a certain C Value and ...(inaudible)... so they, they assume that it is built up. It's not, it is included in the basin, in that post development. So they're assuming that whole business park is built up from this dirt condition to your built up condition with you know, so much percentage paved and so much percent of ...(inaudible)... or you take into account for your slope and what's being landscaped so you have certain C Value in the whole area and they sized their basin according to that increase and have included additional beyond that.

Chair Hiranaga: This question maybe you can answer or Public Works can answer, but as each individual user comes to propose their improvements and I understand that now everything is in the SMA area, don't they have to also do their own individual drainage study?

Ms. Kodama: Yes, they will have to do their own.

Chair Hiranaga: So they may exceed the assumption that A&B used for that particular parcel.

Ms. Kodama: I'm not sure how that's gonna be treated. I don't know. I think it would be handled

on a case by case basis because if you see if a lot half of it is landscaping, half of it is building then I, I think DPW would make their determination whether it is like excessively, you know.

Chair Hiranaga: Right. Additional capacity needs to be provided.

Ms. Kodama: Right.

Chair Hiranaga: So my question is can the existing Costco receive credits from the proposed or existing master plan basin? Because I know that at some point those basins will reach a capacity. What ultimately what we're trying, well, I'm trying to do is reduce surface runoff into the ocean treated or untreated.

Mr. Arashiro: Terrence Arashiro, Austin Tsutsumi and Associates. I understand your question. The existing Costco site wasn't accounted for. Now, we do know that A&B's basins that they're building with the project areas, South project area has additional capacity but I don't think that there was ever discussion or negotiation between the two parties because that's an existing Costco site, yeah, to add in that amount. Now in terms of, if you will, a concept of how that imperviousness is treated, Diane was somewhat explaining it but basically in general terms it's like a 85 to 90, maybe 92 percent imperviousness percent of the site we attribute to imperviousness. So it's entirely possible for yeah, sites to be a little bit above that, maybe I don't know 100 percent, but it's also possible that it might be half of that. But we, we've come up with a standard that covered for North project area a certain percentage so our value that Diane was trying to describe is around like a 90 percent imperviousness that we incorporate which includes the roads, the actual sites, lots themselves. So we, we think that it's probably conservative or on the money.

Chair Hiranaga: Yeah, I understand that 90 percent coverage is probably on the high end. But my question is, is Costco willing to negotiate I guess with A&B to purchase the capacity for the credits for their existing predevelopment runoff from their current site? Because I'm sure A&B is gonna want compensation for that. They're not gonna say, yeah, we'll give you "x" amount of storage here.

Mr. Arashiro: Let's see, you know, I'm not, I'm not sure what the exact date on the channel is but it like precedes Costco. Is that right?

Unidentified Speaker: ...(inaudible)...

Mr. Arashiro: Yeah, so the, the channel itself, this, I don't think this actually answers your question but the channel itself from a quantity standpoint and the conveyance channels all the way downstream have the capacity, already taken into account that areas at Costco were gonna be developed as it is so there's capacity in that channel. Notwithstanding that, yeah, it's possible that the two could enter into discussions to address your, you know, going over and above, if you will, to provide some additional capacity credit off site.

Chair Hiranaga: I know you understand what I'm saying or asking. Putting it in words that everyone else may understand may not be as easy, but ultimately by doing that you -- if there's an attempt to reduce the amount of surface water treated or untreated entering the Pacific Ocean because

what your picture doesn't show is Costco is approximately a mile from the ocean and, you know, there's a very beautiful State beach park there Kanaha where windsurfing, diving, kiting and there's all kinds of activities occurring and as you harden surfaces more water, fresh water enters that area and I'm not sure that it is actually beneficial to the reef, reef growth in that area and it's a area that's eroding at approximately one foot a year and so, you know, we're trying to do whatever we can to preserve that area, but so, I, I guess hopefully maybe somehow we can urge Costco to enter into discussions with A&B to reserve that type of a capacity because I know at some point unless you've over capacitized your retention, it will meet a limit be it 40 years from now when everything is totally built out, but they'll say, oh, we sold this capacity to Costco in 19 -- in 2011. So that one last developer may have to increase their retention. So it's not an immediate outcome but it's something that may occur many, many years from now. I believe those were all my questions.

Mr. Shibuya: Mr. Chair?

Chair Hiranaga: Yes, Commissioner Shibuya?

Mr. Shibuya: Make a motion to accept.

Chair Hiranaga: Well, actually we need the staff recommendation.

Mr. Shibuya: Okay.

b) Action

Mr. Dias: Thank you, Chair. Before I go into the recommendation. Deputy Director McLean pointed out we want some language changes to Condition No. 21 just to kinda tighten it up a little. So what we suggest, this is an on the floor amendment, to change the wording of Condition No. 21 to read, that upon completion of the project the Haleakala Highway/Costco Driveway 1 intersection shall be monitored by the applicant on a biannual basis to determine if or when a traffic signal is warranted at this intersection. Results of said monitoring shall be submitted to the Planning Department and State Department of Transportation. If a traffic signal is warranted, the applicant shall coordinate design plans with the State DOT Highways Division to construct, to require the improvements at no cost to the State. And the reason why we're recommending that is, you know, as we heard from the traffic engineer, right now there's enough movements coming out of Costco but not necessarily enough movements going through Haleakala Highway so we wanna make sure that when the project is completed that it's not just a one-time monitoring thing that they continuously do it. So with that, the Department of Planning recommends approval of this project subject to, subject to 13 standard conditions and 8 project specific conditions.

Chair Hiranaga: I have a question for clarity. So the traffic, the traffic consultant said that there should be some improvements with or without the project and there should be some improvements with the project. So are any of those improvements going to be built or is that part of the six-lane road widening of Hana Highway or the State airport access. So there are no improvements that Costco is required to --

Mr. Dias: I believe most of the improvements were going to be done by A&B, but I can have the

traffic engineer come up and clarify that.

Mr. Niiya: Keith Niiya with Austin Tsutsumi and Associates. If, if you take a look at the conditions for Maui Business Park, okay, there's two types of improvements that are required. One is more of a regional basis such as the airport access road/Hana Highway widening. And the condition that State Land Use put on the site and I'll read directly, it says, "petitioner shall contribute petitioners fair share of the cost of regional transportation improvements in the area, as such, fair share shall be determined by the DOT based on appropriate transportation planning methodologies to establish a rational nexus." So you know, right now from what I understand A&B is in discussions with the State DOT on their pro rata share of the regional improvements. So that will take care of Hana Highway widening as well as the airport access road.

Chair Hiranaga: And just for clarity, these lots do they now exist? Has final subdivision approval been granted or are they in the application process?

Mr. Niiya: Which lots?

Chair Hiranaga: The sites for the proposed improvements by Costco?

Mr. Niiya: Final subdivision approval hasn't been granted yet, but I believe it's within a few months or so.

Chair Hiranaga: So those conditions that the LUC placed upon A&B would be satisfied in order to receive final subdivision approval?

Mr. Niiya: That's part of their approval. I, I think it gets kinda confusing because it's so back to back. You know, normally go to subdivision, it goes in and then, you know, two years later people actually come in to, to develop the lots. In this case, you know, it's you're, you know, talking a two or three-month time frame. But, but yes, A&B will have to do all the improvements required by the LUC prior to I believe, you know, anybody actually building those lots.

Chair Hiranaga: Commissioner Ball.

Mr. Ball: So then your time frame for this build is also subject to that then? A January date could be pushed back to whatever, right?

Mr. Niiya: Potentially, yes. You know, A&B has to, they have to complete their, their project first.

Mr. Ball: But meaning they have to put that road, that loop road in and all that --

Mr. Niiya: Well, at least a portion of it, yes. But I don't know specifically what, what their time frame is.

Mr. Ball: But it has to be --

Mr. Niiya: A substantial amount of improvements --

Chair Hiranaga: You could possibly ask Public Works that question.

Mr. Ball: ...(inaudible)...

Chair Hiranaga: Just for clarification that Hokulei Road, whatever that road is called, it's phased in? They don't have to build the entire length in order to get final subdivision approval for Maui Business Park Phase 2 South?

Ms. Dagdag-Andaya: Yeah, they bonded that portion, that Hookele extension, so that's part of their condition.

Chair Hiranaga: But they would construct it in phases or they would complete?

Ms. Dagdag-Andaya: It would be whole, yeah, the entire portion of it. In fact, we've already signed off on the construction plans for it and it's my understanding, I know Keith had mentioned earlier that they may have a contractor on board or at that stage as well. But I think a representative from A&B have more information that he could share.

Mr. Alan Arakawa: Good afternoon, my name is Alan Arakawa, senior vice-president at A&B Properties. Regarding Hookele, Hookele Street extension it is in our first increment. We do have a contractor on board actually already contracted. Once we secure all of our approvals we will be starting construction. We hope that's gonna be within the next 30 to 45 days, and we expect it completed in one phase, approximately 12 months' construction time. That's our plan.

Chair Hiranaga: Thank you. Commissioner Wakida.

Ms. Wakida: And at what stage is the new access road along Costco end?

Mr. Arakawa: We are also currently awaiting approvals. We hope to start that section also within 30 to 45 days. So we phased that construction as well. The second of the roadway fronting the Costco lots would be completed first. Construction of the balance of the loop road would continue and we'd expect that to be finished in about 12 months as well.

Ms. Wakida: And you expect to finish that before they start construction on the Costco project?

Mr. Arakawa: I'm not exactly sure when Costco would, Costco would start construction. We are shooting for completion of the roadway fronting the Costco lots in the Spring of next year. In fact, we have to prepare the lots for them to start construction but we are targeting completion of that section of the roadway in the Spring of next year.

Ms. Wakida: Thank you.

Mr. Frank: Mr. Chairman, Jackie Frank from Costco. Just to compliment Alan's testimony. The best of all possible worlds would be to not do it in a lineal fashion but to do it somewhat concurrent. Such that those improvements would have to be completed by our occupancy as opposed to having to be complete before we stick a shovel in the ground. That would be the most efficient way to

accomplish this and give you the protection, give us the protections we need in order to close but give you the protection to know that those improvements will be done or else we cannot open.

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: Alan, what's the status of the hotel across the street?

Mr. Arakawa: You know, I am not working directly on the project but as far as I know, the hotel is projected to be opened some time next summer. And as you can see, the construction has gone vertical now, even after vertical construction we've gotta outfit the hotel, so they're talking some time next summer.

Chair Hiranaga: I have another question about drainage. So you're proposing treatment and filtration of the runoff coming off the proposed project. But the existing filtration system you have for the existing Costco that was put in in 1995? Any thoughts of upgrading it?

Ms. Kodama: Diane Kodama, AECOM. I don't think it is, there is a filtration system right now. We are gonna retrofit the existing catch basins with the inserts.

Chair Hiranaga: So you will be putting in filtration systems?

Ms. Kodama: Yeah.

Chair Hiranaga: Very good. Thank you.

Mr. Ball: I have a question for Jackie again, kind of a general crystal ball type thing but more how you envision things are gonna happen here if the approval is given. That working on all aspects, the store, the gas station, the car wash, and hope to be completed when A&B completes its subdivision and then am I correct on that thought process?

Mr. Frank: So here's how, Jack Frank. Here's how we think about this. The way that the closing would happen would be that A&B would deliver the subdivision in its full and complete unappealable form. Once that, once we're comfortable with that, we would then close, take title. As was mentioned earlier, we're in for Building Department review and plan check on a lot of things. There are some things that we could do fairly soon to prepare the inside of the building for the, you know, kind of the logistical moves of an interior remodel. But the idea would be to get through the Christmas season. Obviously Christmas is a very busy time for us. We would like to, a) close, do some of the prep work, interior, get through Christmas and then start construction in earnest as soon, early in January as possible which is a little bit of a slower time for us and then work to complete the addition and complete the site improvements for the additional parking, landscaping, site lighting, etc., as well as the gas station and be done summer of 2012. That's the, that's the best of all worlds and that's really what we're working for.

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: Following up on that. We've had properties that have come before us for approvals

for things all ready to go and then two years later, we get a two-year time extension request and four years later we get a two-year time request. And the excuse is always, well, the economy's bad so we don't have the funding. What's your funding status?

Mr. Frank: I would encourage you to get a copy of our Annual Report. All is good. We're, we're serious. We're anxious. We fund out of...(inaudible)... We don't do any exterior financing. So we're not financing dependent.

Mr. Mardfin: Okay. Thank you, that's important.

Mr. Frank: Raring to go.

Mr. Mardfin: Thank you.

Mr. Frank: Thank you.

Chair Hiranaga: Any other questions, Commissioners? Commissioner Wakida.

Ms. Wakida: Just one last one to this gentleman again. You almost suggested a condition here for this about the improvements being done before Costco opened. However,-- but I don't see that in here as a condition that this road along side--this access road needs to be completed before you open. So if the access road is not completed and you are ready to open and you're, you're done, what happens then?

Mr. Frank: Alan, correct me if I'm wrong, but the teeth that we have with A&B is a development agreement that requires them to perform certain work, us to perform certain work by a date certain, by a certain time. So that's, that's our goal, that's our understanding that that work will be complete by the time that we need to occupy and to open.

Ms. Wakida: So you wouldn't be opening without the road being done?

Mr. Frank: That's correct or at least that southerly driveway, yes, ma'am.

Ms. Wakida: Okay.

Chair Hiranaga: Any other questions, Commissioners? Seeing none, I'll open the floor to a motion.

Mr. Shibuya: Chairman?

Chair Hiranaga: Commissioner Shibuya.

Mr. Shibuya: I move to accept all standard, 15 standard conditions as well as the 8 project specific conditions and the rewording of Condition No. 21 to include the inspection monitoring biannually the intersection, Intersection 1 I believe.

Mr. Freitas: Second.

Chair Hiranaga: Motion to approve by Commissioner Shibuya, seconded by Commissioner Freitas. Discussion? Commissioner Shibuya.

Mr. Shibuya: I see some very good features here and I commend the Costco developer and folks that have worked on this project. I see the caring for the environment. They have taken good care of the petroleum and hazardous material. The drainage runoff, they have ensured that water runoff is clean. They ensured that there'll be adequate parking. In fact they have 38 extra parking stalls. They've accommodated the local needs of restaurant and in terms of freezer as well as cooling types of products they've accommodated, to this expansion. They're also taking care of the Milo tree that's a new addition and I look forward to seeing something like this.

Chair Hiranaga: Any other discussion? If not, I'll call for the vote. All in favor so indicate by raising your hand.

Ms. McLean: That's unanimous, Mr. Chair.

It was moved by Mr. Shibuya, seconded by Mr. Freitas, then unanimously

VOTED: To Approve the Special Management Area Use Permit, as Recommended by the Department with Conditions as Discussed. (Assenting - W. Shibuya, J. Freitas, D. Domingo, L. Sablas, I. Lay, K. Ball, P. Wakida, W. Mardfin)

Chair Hiranaga: Motion carries. We'll recess and reconvene at five after three.

A recess was called at 2:53 p.m., and the meeting was reconvened at 3:05 p.m.

Chair Hiranaga: Okay, next, next agenda item is B-2. Direct, Deputy Director.

Ms. McLean: Thank you, Chair. This is a request made by Ulumalu Energy, LLC requesting an SMA Major Permit for a proposed 250 kW Feed in Tarriff ground mounted photovoltaic solar energy production system in the Ag District on Lower Ulumalu Road in Haiku. The applicant is represented by Rory Frampton.

- 2. MR. RORY FRAMPTON, Land Use Planner on behalf of ULUMALU ENERGY, LLC requesting a Special Management Area (SMA) Use Permit for the proposed Ulumalu Energy, LLC 250 kW Feed in Tariff ("FIT") ground mounted photovoltaic solar energy production system and associated improvements in the State Agricultural District at 100 Lower Ulumalu Road at TMK: 2-8-003: 006, Haiku, Island of Maui. (SM1 2011/0006) (K. Wollenhaupt)**

Chair Hiranaga: Okay, would the staff like to make an introduction?

Mr. Wollenhaupt: Good afternoon, Members of the Maui Planning Commission. The item before you today is indeed for a ground mounted solar voltaic energy production system euphemistically probably known in the common vernacular as a solar farm. Mr. Frampton and his team will be

going into details about the size, structure, interconnections with the MECO power authority and review of the potential impact and consequent mitigations as this is in the Special Management Area. As the Commission is aware the threshold for Major SMAs is now \$500,000. This project is estimated to come in at \$1.1 million hence the need for this review and a public hearing.

Just by way of background and I'm sure Mr. Frampton will discuss some of these details there have been some legislation at the State level and also at the County level that now allows such solar facilities to be in Agricultural lands. This location is on a moderate grade land known as Area C and therefore meets all the requirement from the State and from the local perspective. It also meets and is in compliance with the Haiku-Paia Community Plan. Therefore, I think it's best for Mr. Frampton to give his power point presentation that will explain the project in detail.

Mr. Rory Frampton: Thank you, Kurt. Rory Frampton. I'm a land use planner helping out Ulumalu Energy LLC. And before we get started I did wanna thank Kurt and the Planning Department for helping move this project along. It, it does not have the full range of impacts in terms of operational uses that let's say a Costco gas station has. It's much simpler and I think the Planning Department recognize that and, and helped moved the process along so it wasn't really that drawn out. So I did, did want to thank the Planning Department. The project team, the design and integration, the overall project itself is being done by HNU Energy LLC, and Dan O'Connell, the CEO of HNU Energy was earlier here today but he had to fly off to Honolulu because their firm is accepting an award as part of APEC Conference for being one of the better high tech companies in Hawaii. Chauncey Brown is here, the vice-president and the project manager. He can answer a lot of the technical questions related to the electrical hook ups and just how the system is gonna operate and how it's been designed. The civil engineer was Otomo Engineering. Helping out with the building permit was Faye Teshuya Otsuka. She's here today. The technical consultant for the project team was Eric Bryant from Extreme Resources and of course, I'm helping out with the land use planning and zoning aspects.

Their project's location is just near Opana Point. Opana Point and Pauwela Point are the two northern most points on the East Maui section of the island. The land generally slopes down in a northerly direction so if it goes, the makai direction at this, at this location makai is almost due north. So here we are looking from at the coastline here, the property's actually on a, the project site is right here. It's on a portion of a larger 330-acre parcel. This figure shows Hana Highway snaking through the upper reaches of the, of this figure. Again, from north or from south to north the property slopes down. There's several major gulches in the area. The entire area was previously cultivated in pineapple by Maui Land and Pine for the better part of the last century. The -- so the access from Lower Ulumalu Road which is opposite Upper Ulumalu Road off of Hana Highway. You drive down Lower Ulumalu Road which is a, a private roadway easement that's actually owned by the same owner as the larger 330-acre parcel. The coastline again is about 4,500 feet or about .85 miles from the project area and we're about a half mile from, from the highway. There's a lot of topography in the area. The road actually goes down into the gulch and comes up over a hill. When I say, the road, I mean Hana Highway right here and so there's a lot of, there's a, there's a pu`u here and there's some other hills that really block the view of the ocean from Hana Highway and I have some slides that will show that. This is just a picture of what the shoreline looks like. There are 100, 125 sea cliffs fronting the property. Again, so here's a photo with the shoreline on this side. This is, shows the tax map key. So here's the shoreline cliffs, here's where the project

site is and then between the project site and Hana Highway there's a number of larger parcels. These two rectangular parcels here are 20 acres each in size. So it gives you an idea of the scale. So there's 20-acre parcels, a couple 6-acre parcels, some larger parcel, you know, 10 and 12-acre parcels in the area. So just a handful of parcels between Hana Highway and the project site. But again, because of topography, the project site itself is not really visible by these abutting landowners except for a couple of the homes up here.

The project summary, this is a 250 kW or kilowatt solar energy facility. Just for the layperson, 250 kilowatts equals about the, about 50 homes, about the need for an average of 50 single family homes. It's ground-mounted which means it's not on top of a building. They're gonna have two pedestals or footings supporting these building block array panels. Each panel is 16 feet by 24 feet. On each panel or on each building block array there's 48 panels so that gives you total amount of panels of 4,236 actual little two by four panels, and I'll show you a picture of what that looks like. And this is part of Maui Electric Company Feed and Tariff Program or the FIT Program. It's a Tier 2. Tier 2 allows up to 250 kW and what the Feed and Tariff Program does, it's designed to encourage more renewable energy projects and they have preestablished rates and preestablished contract terms. So if you apply for this FIT Program you know ahead of time what your contracts are and what your rates are so it gives the perspective developer an idea ahead of time exactly what the numbers are gonna be, what the contracts are gonna be so it's a lot more, there's not a lot of guesswork and it makes it a lot more predictable so it's designed to encourage more renewable energy projects. And like that book, Final ... (inaudible) ... Point says, "provides an easy for individuals, small businesses, government entities or other developers to sell renewable energy to Maui Electric."

So this is a kinda of a zoom in of the area, again, with Hana Highway here and the project site up over here at the, at the lower end of Lower Ulumalu Road. What I first wanted to show was just where we're tapping into the existing lines. This yellow line here is, shows a portion of the high voltage line that actually services most of East Maui. It's a 23 kilovolt high voltage line. It runs right across here. It hits Hana Highway at pole 44. Also, along Hana Highway you have your distribution network or your low voltage lines, your 12 kv lines. So there's a series of lines running along Hana Highway for more for distribution. There's also the high voltage lines which cross this area. We originally thought in the initial discussions with MECO it was thought that the connection point was gonna be right off of this 23 kv line right where it crosses Lower Ulumalu Road about 900 feet down from Hana Highway. Through subsequent discussions with MECO they determined that it would be better to connect to the three-phase 12 kilovolt lines. The nearest point of adequacy of which is over here on pole 44 which is on Hana Highway. There is already a 12 kv line running toward, back towards this way but it's only a single phase so they need to increase it to a three-phase and what that means is two more lines, two more power lines and I'll show you photos of the poles on which these lines are gonna be placed. But these new lines will be place on the existing poles so they'll be taking two additional lines overhead on the existing lines and existing poles to where it intersects with Ulumalu Road. From that point on, all the way down to the project site there's already existing underground conduit. So from the point at which it crosses Ulumalu Road, it drops down into an underground conduit and then it takes it all the way to the project site. Once it's at the project site, it will be distributed through a combination of underground conduits as well as a few poles, overhead poles. So here's, here's the array. I have a, I think I have a better shot of that and just -- that was the main points I wanted to convey with that. Okay, here's the wiring. This is

a single-phase wiring diagram, but it just shows all the different panels lined up sloping downhill pointed back up in, in a -- towards the sun looking south basically. This is what each one of those building block arrays are. So each one of these larger panels it contains 48 smaller panels and this is what's gonna be sat upon the building block-- I mean, the racking or the support racking. This is a drawing of the racking. You see the columns that supports the racking details and this, this panel gets placed right on top of this racking detail and so there's gonna be 89 of these racks with the panels on top of them spread throughout the pasture site in this kind of a format. So there's one, two, three, there, four, five, six and on all the way up to 89.

This is looking southeast or kind of in a mauka direction across the property. It's an existing pasture area and they wanna keep it in pasture area. They're gonna keep the existing fences. There were horses in this pasture recently, but when you have these ground-mounted facilities they've determined that the best animal for grazing are sheep because the horses and the cows bump into the racks I guess, and I think goats jump on them. But, but the owner has, and I guess on Lanai I think they have sheep being successfully grazed in those facilities there but they are gonna do that here. The owner already has a herd of sheep that he's been grazing on his other pastures but he'll move in here and that will help, kinda maintain the land and agricultural use and it will also help maintain the land so you don't have to go in there and mow it a lot. So there'll be sort of a co-use of the property between the solar panels as well as the grazing sheep.

This is at the bottom edge of the property looking across the fence and this, this is the pasture at which it will be located and then beyond are just or the couple of the homes up on that hill that I mentioned that you could see that does have a visual impact of the project site.

This is at Ulumalu Road and Hana Highway. So Hana Highway's running across the screen and Ulumalu Road stop sign looking at Lower Ulumalu Road. So that's the access to the site and this is the hill that I talked about that blocks the view of the ocean or blocks the view of the, of the project site from the highway. This is just further up Ulumalu Road looking down towards the highway and again, you can see the prominence of the topography as you go down Lower Ulumalu Road this is the big hill that's up on your right-hand side.

I know there were concerns or typically are concerns about the visual impacts of, of connecting to the poles in the vicinity and also these slides also show kind of the existing infrastructure, the existing grid that's in the area. This is Ulumalu Road and coming down Ulumalu Road are some major transmission lines that go all the way up into Makawao. So Ulumalu road is an important part of MECO's grid. And as you get onto Hana Highway and you look toward Hana, you can see the service lines which run in this case on either side of Hana Highway, all heading down to this pole 44 which is where, pole 44 which is where the line, the high voltage lines come in and converge with the service lines and then from there on out, toward heading in the Hana direction you have both the service lines and the high voltage lines, high voltage lines on the top and service lines being on the bottom. The project site is gonna take these lines back, back towards Kahului direction. There's just another shot of pole 44. We'll be taking two more lines back that way, all the way back to this pole 41 which is right at Ulumalu Road and you can see the high voltage lines but they also had some single phase lines that distributed electricity to some of the homes in the area. That pole 41 which is right there will take the power to these poles by column 141 and 241 that's where the lines drop down into the conduits. And so there'll be two new lines bringing all the way down to this

area, drop -- it will drop down to the conduits and then in this photo I just -- the next photo I just turned around looked down the road, sorry for the lighting, actually that, can't really see it with the light ...(inaudible)... here, but this is Lower Ulumalu Road running all the way down. The project site is on the other side of these trees and what happens is the topography kind of flattens out and then it drops again where the project site is. So you don't really get a view of the project site until you're actually on the project when you get over that little hump and you're actually on the project. That's, that's the end of my slide show. I don't have a lot to speak about in terms of the impacts of this project. Once it's constructed, there's obviously, it just kinda sits there and generates electricity. There's no traffic, very little if any, maintenance. Now water, wastewater, sewage. So I will just point out that the --just so that you know the construction -- what will happen during construction is they'll come in onsite with an auger and drill holes for each of the footing and then they'll pour concrete and steel into those footings, into those holes to create the footings and then the racks will be mounted onto that. So there won't be any mass grading or disturbance to the land. So it's kinda very minimal impact. We're gonna take that dirt from those holes that come out, use that excess dirt and create a berm along the bottom of the property site to try to retain or detain some of the water and the runoff to aid in the overall decrease we hope in water running off the project site. That's about all I have and we'll just wait for questions from the Commission and we do have Chauncey here who can help with a lot of the technical aspects of what we've designed or what they've designed.

Chair Hiranaga: Okay, at this time, we're gonna have the staff analysis.

Mr. Wollenhaupt: With regards, as this is a project in the Special Management Area that would be looking at Page 29 to 33 there would be 12 analytical points here that has to do with No. 1, loss or destruction of any natural cultural resources. This is limited as was indicated previously by its low impact into the ground. Also as noted in the letters from the State Historic Preservation Division not only this property but the properties in general equating to approximately 555 acres I believe had a archaeological report from the State Historic Preservation Division, Exhibit 6 of your report based on the information above that being the analysis this project will have no effect to historic properties. However, in the event that historic properties, artifacts, skeletal remains, subsurface cultural deposits, remnants over 50 years of age are found all work will, of course, stop and the SHPD will be notified. It doesn't appear to curtail the range of beneficial uses of the environment including the agricultural use which is important in this case as the agricultural use will be continuing through the use of grazing. So we could say that that actually a positive use of the environment by limiting hopefully our fossil fuels through this project. It doesn't conflict with the County's or the State's long-term policies and it is consistent with the Haiku-Paia Community Plan. Importantly although the County and the State differs somewhat on their solar abilities to put these facilities in ag land, this project meets both the State and the County guidelines.

It will seem to assist the economy of our community in that it provides a renewable power source to the MECO grid benefitting not only hopefully the public at large but of course also the applicant. There will be a very limited effect on public facilities, streets, drainage, sewage, water systems and pedestrian walkways and as was indicated that the post development flows are going to be retained onsite in a detention basin that was in the drainage report in your staff report. It doesn't have any significant adverse effects, but it may have a positive effect on the environment looking cumulative this project as it's reducing the need for imported fossil fuels for any ...(inaudible)... production

hence the need for transportation to our ports and the need for burning them and this should help to reduce that. There were not any rare, endangered species that would be impacted in this report. Again, as indicated that it's congruent with the Paia-Haiku Community Plan. It does try to emphasize renewable resources. This project is not believed to affect the water quality, the air quality, ambient noise levels of the area. It will not be affecting the flood plains or the geographically hazardous lands, estuaries or coastal waters in a negative way as it is almost a mile back from the shoreline. It's not going to substantially alter the natural land forms and the existing public views as indicated from Hana Highway are virtually nonexistent and this project was notified to the adjacent neighbors. There were no objections to this project from the neighbors who if anyone would have an impact at least visually and it's not contrary to the objectives of Chapter 205A, Hawaii Revised Statutes. That would be our analysis of the impacts.

Chair Hiranaga: Thank you very much. At this time, I'd like to open the public hearing.

a) Public Hearing

Chair Hiranaga: Anyone here wishes to provide testimony regarding this agenda item please come forward. Seeing none, the public hearing is now closed. Open the floor to questions from Commissioners. Commissioner Wakida.

Ms. Wakida: My question is for Mr. Brown or Ms. Brown? Mr. Brown.

Mr. Chauncey Brown: Hi, good afternoon, my name is Chauncey Brown. I'm the vice-president of HNU Energy.

Ms. Wakida: Okay, I have a question about the grid capacity that you're gonna be hooking up to with MECO. Do you know what the current capacity is?

Mr. Brown: Yes, the current capacity in that area is less than 5 percent and that is a percentage that we've seen also increased quite substantially in the past six years we've been in business. When we first started up six years ago, the grid capacity was allowed ...(inaudible)... 1 percent. It changed to 10 percent about three years ago and this past year they boosted that up to 15 percent. This particular line we really, we're selective in our area that we choose. One of our goals is to use old pineapple land because we feel that area's already been used and ...(inaudible)... and then also find areas where there's a lot of grid use in that area. This particular line runs the power all the way out to Hana and all the way through Makawao and to Kula area so it's a really good line that has a lot of saturation left on it, has a lot of ability on it and a lot of the homes in that area too that have decided to go solar are doing off grid systems in that location as well. So I do not see this as impacting anyone in the future from being able to add systems on as well.

Ms. Wakida: Okay, because that was my question. So there'll be plenty of room left in that grid for future homes?

Mr. Brown: Absolutely and we work hand in hand, we're working the ...(inaudible)... battery projects in Kihei-Wailea doing the energy storage systems that are going to help a lot with the distribution on the grids. You know, Hawaii's goal is to be 70 percent renewables by the year 2030, if we do

that everyone's going to have to make a lot of strides forward. In this particular area there's not really a big push. The only real dense areas on this island that are extremely saturated are Kaanapali-Lahaina area and that Napili-Kaanapali area a lot of that have to do with ...(inaudible)... generators the hotels have out there. That all accounts for part of the renewables around those areas. You know, so when a hotel has a 2-megawatt generator that goes onto the grid as well. So a lot of those are going through. The client on this project, MECO can come back and ask for a additional studies. The studies for the inner-connect studies MECO will tell you right off the bat go upwards of a \$100,000. The inner-connect study that's required on this is going to be \$3,500 ...(inaudible)... study that's required on it and really those studies are what opens up the area for other people in that region as well because he'll be footing the bill for a study to be conducted by a third party as far as what the grid saturation is in that region and how that impacts him.

Ms. Wakida: Yeah, my--that was my only concern was that this project didn't totally max out the grid and then no one else gets to get on it.

Mr. Brown: Absolutely.

Ms. Wakida: Thank you.

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: I don't quite know how to ask this, so you're gonna, you're gonna have the solar that's gonna get the electricity, you're gonna put it into the system. It's not gonna go back to the main Maui Electric center it's gonna go straight out towards Hana?

Mr. Brown: It goes to the customers on the basin. You have to look at the electricity line just kind of just like water pipes. Wherever there's a hole in the pipe or there's a need, the electricity will go out through that as long as the line has distribution ...(inaudible)... This is approximately 50 homes worth of power. So we're not talking about a very large portion. So what's gonna happen is it's gonna be used up upstream of that and then it will, it should not go back to the grid whatsoever unless there's just no one taking demand of the power at that time.

Mr. Mardfin: So as it go -- Maui Electric will have monitors to know how much is being fed in?

Mr. Brown: Absolutely. We do a series of what they call, SCADA monitoring system and so what happens is that the radio communications that's supplied by MECO so that they have control and they have use of our area. If at any point in time they do have something, MECO has something that's called curtailing and so if the wind farms or if the solar farm or if any of those are producing too much power for them they do have remote disconnects on us where they can simply shut down the system at that point in time. That's all using the communication devices that are supplied by MECO to work in hand with us.

Mr. Mardfin: Yes, and they're -- so that's -- if there were overcapacity. But they know how much is going in so they would, from the Central Maui they would send less power, if -- you're on line during the daytime they're going to send less power out then by the amount that you're adding in.

Mr. Brown: That is correct.

Mr. Mardfin: And they just monitor it.

Mr. Brown: Correct.

Mr. Mardfin: And at night when you're not, I presume you're operating at night by moonlight, the --they would increase -- I know, I know there's a variance and consumption over the day, but they would just pick up in the nighttime. So you're basically a daytime supplement?

Mr. Brown: Absolutely.

Mr. Mardfin: And how do you know that 250 kW they said, your presentation was 250 is the maximum that you can generate to meet the program requirements.

Mr. Brown: Correct. The program has, currently there are, there are two tiers that are available. Tier 1 which is up to 20 kW, 19.99 and Tier 2 which is 20 kW to 250 kW. There's a going to be Tier 3 that is going to be coming on line. We don't know when that is going to be, but that's going to be your large scale projects. This project here is being tapped out specifically by the inverter that's being use. The power that is created with this is DC power. It's actually a 296 kW DC power system but the inverter is rated at 250 kW. It simply caps it out, but that's the maximum amount of power that can ever flow through that device. The reason why you, you have a large DC rate than an AC rate is 'cause you get losses --

Mr. Mardfin: Okay.

Mr. Brown: You know, cleanliness, the wiring, the heat, there are different elements there.

Mr. Mardfin: And so your peak production capacity is 250.

Mr. Brown: That's correct.

Mr. Mardfin: And because that you just can't send more out than that and as the day goes, as in the early morning and late afternoon you just send out less but they'll monitor how much it is and so they'll take this all into account.

Mr. Brown: Absolutely.

Mr. Mardfin: That's a series. I'll ask more later, if somebody else will want to jump in.

Chair Hiranaga: Any other questions, Commissioners? Commissioner Wakida.

Ms. Wakida: If somebody throws a rock through one panel what happens to the whole grid? Or if one panel fails for some reason?

Mr. Brown: What happens is if you have the, the combiner boxes on this are 24 string. So each

string consists of 12 panels on this particular system. The solar panels have conjunction boxes on the back of them and contains bypass ...(inaudible)... so if you lose one particular panel, it's not like Christmas lights where you lose the whole entire string. You simply loss that one. Now every string that's within that combiner box so the 24 strings that are in there will all show 11 panels at that point in time as opposed to 12 panels and our monitoring devices actually have remote monitoring devices to each combiner box. So I'm able to check the voltage and current off of each one of these. I went with a really sophisticated monitoring system so I can check for that exact same thing. I can say with the thousands of solar panels I've installed I've had two failures ever. So it's not a real high failure item. Once it's installed it's a nonmoving part and there's not really a full lot that could be done. It's also one of the reasons why we really like to have cattle out there or sheep out there is because they throw rocks the same way lawnmowers do.

Chair Hiranaga: Commissioner Shibuya.

Mr. Shibuya: Chauncey, what's your wattage per panel or module?

Mr. Brown: These panels here are very unique panels, they're made of cadmium telluride the same manufacture--these are Abound Solar and there's also First Solar. Extremely high use in Europe right now. These are 70 watt panels, but cadmium telluride gives you something that silicon doesn't. It's got a very high angle of incidence. So you actually get about 15, 10 to 15 percent more power off of these panels that you do off of the normal panel simply 'cause they give you more power early in the morning, late at night and also with cloud cover which we all know that Haiku does get a significant amount of cloud cover. These panels were selected basically for the region, what they're doing and also Abound and First Solar are both one, they're number one in the United States in manufacturing the green technology. They've got full recycle plan process. If anything happens to their over the life span they fully recycle and return you with new panels. So everything is being handled by the manufacturer. We're the sole distributor of them in Hawaii and we've got ...(inaudible)... 200 set up with the. We've really been putting a lot of these systems into the Wailuku Districts, Upcountry and Haiku areas because of their great performance quality, but it does mean you have more smaller panels to install.

Mr. Shibuya: That's right. And in fact, do you have Fresno lens or do you have --

Mr. Brown: These ones do not have Fresno lens. You know, we have worked, and we've got several patents involving concentrated solar and Fresno lens and working with that technology. It's a great technology but the problem with it is if you have concentrated solar, it must be on a two-access tracker. You usually get no more than two degrees of offset from the sun at any point in time. The saying in Haiku that everything in Haiku returns to the earth and, you know, things with multiple access of moving parts is not something I would recommend within a mile of the shoreline. So the ...(inaudible)... a great system to be, you know, the West Maui's or Upcountry or somewhere where you're not next to the shoreline line. Couldn't foresee using that in this particular situation. Every technology has its proper space.

Mr. Shibuya: Yeah, I just was interested why you used the 70 watt modules versus those that are available now is 255s to maybe 310 watt type panel. Minimize your footprint but you have the space so why not go, go 70 watts. I'm concerned in the sense that you are putting them on

pedestals that are pretty low but of course they're, they're not on single axis, moving, sun tracker type system like La Ola where they actually put sheep under them but the problem is every three seconds or so that thing is adjusting so the sheep gets spooked. So the sheep were supposed to design to cut the grass or keep the grass down, they avoid the panels by the way. And so they're eating all around the fence areas but not in the panels where you have the business area to be cleaned.

Mr. Brown: No, I've been over to the Lanai site several times and I have witnessed the red sheep running around out there, and yeah, they stick right to the perimeter the entire time. You know, it's another reason why we, you know, we decided to go with the fixed tracking system or something that doesn't track a fixed, you know, racking system on the solution for many of the reasons that you brought up. We're able to stay, you know, the top of our pedestals at the lowest highest is 3-foot, 10-inches and because it's a pedestal mount, we can go up to six feet on those without having to change the grade in the land or being able to serve what the land is underneath. It does give you at the smallest portion from the baseline of the panels to the ground there's still three-foot of space in there for grazing purposes. Nothing moves. All the wires run internally to it, so it's a really nice way to go about things.

Mr. Shibuya: Yeah, I'm concerned and I don't want to monopolize this but I'm concerned that we need to use dual uses or have multiple uses of our land spaces. Our footprint should not only be to collect energy from radiant energy but to grow some of our, our products or maybe have another industry of growing orchids or some ferns or however in the greenhouse that's slightly below these things --

Mr. Brown: Yes.

Mr. Shibuya: --and use it for two things rather than just one item.

Mr. Brown: Absolutely. And this land is really intended for that. As you see with the aisle ways on this we, we have a minimum of 15-foot spacing between the aisles. That's for shading, but it's also for of maintenance, you know, a standard aisle way is usually eight feet wide so you can get a truck and still have an area where you can grow, you can go through there, there are a lot of concepts and ideas that have been tossed around on this including aqua culture going through some of the areas.

Mr. Shibuya: Yes.

Mr. Brown: You know, I think that there's a lot more that's gonna be run on this property. The landowner on there has pigs and sheep and chicken and any, I mean, he grows a multitude of different agriculture and has a lot of different animals on site. So he seems like he, he really is willing to go the distance to try to make best use of his land.

Mr. Shibuya: Okay, that's interesting. I'll, I'll defer to other Commissioners.

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: I think I know the answer but you don't have any battery backup on this or any onsite storage? You just feed into the system and ...

Mr. Brown: That is correct. For this system, there is no battery backup required on this for the FIT systems. I believe that when they go into the next tier, it's probably going to be a requirement. It really is, even any of the wind projects that are coming on line that are larger than a megawatt in size ...(inaudible)... or the 2.78 are requiring that they have battery backup as storage. Tier 2 doesn't require that at this point in time. But we are on the very cutting edge. You know, we installed one of the first battery backup systems on the island as far as working just with energy storage, time shifting ...(inaudible)... we did that MEDB about three years ago. That was the second system. First one, was at NASA. So we have a lot of expertise in that. It is something that the property owner is considering in the future, you know, if the things come through especially if the power company desires it 'cause there's a lot of different areas on the mainland and other European countries where they do time of day, day use and there are simply charges at different times.

Mr. Mardfin: Right.

Mr. Brown: And at one point in time, in fact it's brought on that would be a really good solution for that.

Mr. Mardfin: Good. Thank you.

Chair Hiranaga: Any other questions, Commissioners? Seeing none --

Mr. Mardfin: Yes, one more question.

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: But it's probably not for you. It's probably for Rory I would guess.

Mr. Brown: Thank you.

Mr. Mardfin: Rory, on the archaeological survey, I know it's not terribly near this project, but there was one site 4085, it's at the top of your list on Page 3 of the archaeological report, and 4085 says, Manawai Gulch site type, complex of retaining walls and petroglyphs, then it says, site destroyed. And reading into this thing it says, it was supposed to have been in 1995, and then they looked for it and they couldn't find it. How does somebody go in and destroy petroglyphs and not have it caught until after-the-fact?

Mr. Frampton: The Manawai Gulch...so the gulch that's in the...there's two gulches within the--two major gulches within the subject property, the 330 acres Manawaiao and Holumalu. Manawai Gulch is over here, it's off the screen and it runs down, just this is Opana Point right here, so it runs down just to the east side of Opana Point. The question of, how a site gets impacted it was probably...back when this property was surveyed it was under one ownership. It actually used to be owned by Amfac and then it was purchased by a fellow who actually owned Korean Airlines, and

it was a ...(inaudible)... but the company was called Arosi Hawaii and it was about 600 some odd acres. They did a survey of the area. Mind you, the area was still being farmed for pineapple and those are just big gulches and there were some owners on the other side of the gulch that my understanding was they were coming down and they did some work in the gulch and some of the dirt or something must of came down and destroyed it. It was either that -- that's what was surmised or it could have been a natural occurrence because these gulches do from time to time have big flows. So, but it was really in an area where, you know, it got documented one time and then years later they went back to find it, they couldn't find it.

Mr. Mardfin: It just struck me as a crime that stuff like that happened and it was fairly recently. I mean, 1995, they could it and then, you know, if it's 1895 and you can't find it that's one thing, but 1995...

Mr. Frampton: Yeah, they probably didn't mark it or do that type of stuff.

Mr. Mardfin: Thank you. I know that has nothing to do with your owner.

Chair Hiranaga: Commissioner Shibuya.

Mr. Shibuya: Just another question in terms of security for the property as well as the PV farm. What is envisioned to protect them? Maybe some alarm system and/or surveillance cameras and/or miniature lights or something, I don't know. What would you have?

Mr. Frampton: Or all of the above or --

Mr. Shibuya: Or none of the above.

Mr. Frampton: Or none of the above. That's of discussion that's been ongoing. And why I don't I let Chauncey just elaborate on a few things there 'cause there's a couple concerns, one is theft.

Mr. Shibuya: Yes.

Mr. Frampton: And then of course, the other is vandalism. Theft is easier to detour through how you affix the panels to actually the racks to make it very difficult to remove, but let me let Chauncey just elaborate a little on some of those discussions.

Mr. Shibuya: Right, because you're using 70 watt modules, that's a deterrent right a way.

Mr. Wollenhaupt: That must be an engineering joke.

Mr. Shibuya: It is. Well, normally you get 255 or 300 watt-type panels. So if you're gonna steal, you still a 300 one not, not a 75.

Mr. Brown: Absolutely. Security measures on the property there are four bolts that secure down each panel. Two of the four bolts will be security type of bolts that as we install them or put them they actually snap off in place. So if you wanna remove them, you have to drill them out. That's

gonna number one, take a lot of time for someone; number two, it's gonna take a lot of time to ...(inaudible)... if I need to. The second thing is is we're doing a perimeter security alarm that has a breach through. We were looking into doing security lights thing like that but we've got sheep that are ...(inaudible)... take that out. There is a main gate to the property and that gate is going to be changed out with a heavier duty gate itself and there's gonna be an internal fence for this property inside the regular one pretty much to keep the sheep a lot closer and that's the one that's going to have the perimeter security alarm on it. Other than that, there's the landowner for this property or at least the executive partner from the land company owns it, lives at the house that's located, I don't have a pointer but, right there. So he's very close to the property as well. He also has...so there's, there's someone that's there. It will be a locked and gated area as far as how to get down to it and then there's going to be exterior security alarms as well as the security bolts. You would really have to want those 70-watt panels to take them off.

Mr. Shibuya: I know, but people are not really educated so these are the ones that are gonna do this kind of stuff.

Mr. Brown: Absolutely.

Mr. Shibuya: And this is...I feel very disappointed if something like this would happen because this is a very good project and helps everyone and to do some mischievous things like this or behavioral type of problems then all of us suffer from it and I do want to protect your property and your investment because it's a, it's a good project.

Mr. Brown: Thank you very much.

Mr. Shibuya: Yeah.

Chair Hiranaga: Any other questions, Commissioners? I have a question. Is there any concern about reflection of sunlight in the southerly direction because these panels are oriented to the south I assume which is mauka. And so you have existing homes either makai or mauka up on the highway that right now enjoy ocean views, is there a reflection issue, light reflection issue?

Mr. Brown: So I have had reflection issues in the past off of ...(inaudible)...panels. These ...(inaudible)... panels in particular have an anti-reflective coating on the top of them, kind of like your, your shower glass, you know, the snowed finishes on it. It's just got a wavy type finish that's on the very top of that and that prevents the reflection of the light. Even in the clients where we did not use those particular type of panels, if you do have a glare it's a very, very short time because the sun's always moving off of that as in a few minutes. I don't see there being any real reflection problems that you're gonna have off of this using that type of glass. I haven't noticed anything. But we are taking measures that we can prevent that. When you're looking up, there are only very few homes that you could see actually from the sites at the heights where they are going through that could possibly be impacted if there to be reflections ...(inaudible)...

Chair Hiranaga: Why was... was a primary factor in selecting this site is because the owner currently owns the parcel was that a factor in selecting this location?

Mr. Brown: It was somewhat a factor in the site, but we did look over literally hundreds of sites as well. A lot of the cattle and grazing areas that you have all throughout the islands are very easily rented and leased out for use of this project. We've worked with several others. Actually we went out to this site, we checked it, we did the solar analysis and conducted that over several months and determined that this site in general was just an extremely good site that he has right on his property and there wasn't really a reason to ...(inaudible)... elsewhere for it. We did go into MECO and spoke with their engineers in there and found out where the grid was, you know, had a lot of capacity and could use some help on there and this is one of the areas that was highlighted for us, and those were all factors in selecting it. Same thing goes with selection of panels is basically because we have so much area we use a less efficient panel but it gives you more efficiency during hours of operation. So there are a lot of factors that played into it.

Chair Hiranaga: Commissioner Shibuya.

Mr. Shibuya: I see this as a great, great opportunity to have a return on investment for the owner here. MECO has been since I've put up my photovoltaic system in 2004-2005 has increased the price every year 10 percent so, you know, folks if you don't hurry up you could be paying an extraordinary price in the next ten years because it's not going to be 10 percent every year. It's probably gonna be an accelerated rate beyond the 10 percent, but that's just my thoughts, but how do you feel about it?

Mr. Brown: Well, just to add to that. There were a lot of studies that were put out by the State of Hawaii and if you take the prices on Oahu which is substantially less than here, but if you take from 1983 until 2006, which is before it went really crazy with the prices we saw an average increase of 5 ½ percent per year. In the past year, we've seen an 18 percent price hike. We're at 39.2 cents per kilowatt hour right now. Two years ago, we were less than 20 cents. On a home investment that's on here, your return of investment is less than four years which is greater than a 30 percent annual return of investment over the 20-year life span. It's really -- commercial business even better. A fixed system isn't necessarily as good as what you're gonna get on a commercial or residential but if anyone in here has a residential home and doesn't have PV, you should really strive for it. I mean, even if you're in an area that's in saturation, they seem to be upping those levels every year. So if you let an installer know that you're interested, he'll simply let you know. I mean, even Kaanapali and Napili jumped up 5 percent January of this year and there was about a four-month open window for people to get ...(inaudible)... in there. Businesses we see the systems pay off usually 2 ½ years, homes 3 ½ years. A fixed system takes about 7, 7 ½ years because what they do is MECO's locking you into a rate such as this product, project where it's about 25 cents a kilowatt hour. MECO is then turning around and selling it for 39 ½. And that's a locked-in rate. There is no escalator on it. It's a locked-in rate for 20 years so the return isn't as much. If you take a 4.9 percent escalator off of what our rates started at last year, at the end of 20 years your rates are gonna be a \$1.19. per kilowatt hour. So that's, that's foretelling what the future has if you just ...(inaudible)...

Chair Hiranaga: Commissioner Freitas.

Mr. Freitas: Yeah, I have a question. You know, with all of these systems going in even with the windmill, why is the rates continuously going up, they should be coming down because they're not

burning fossil fuels. Their rates are less. It's costing them less to produce kilowatt hours. Is there a law that they gotta sell it at a certain rate or what, what's the reason why our rates has not come down with, with the windmills up on the mountain, windmills going up in Ulupalakua and everybody having these systems and selling the electricity back to MECO?

Mr. Brown: I don't really know the answer to that. That's definitely a question that you'd have to ask the folks at MECO... HECO and MECO. You know, the cost of fossil fuels is a derivative of your electricity and when you're looking at that, you know, Hawaii is said...we're using about 85 percent of power is consumed using fossil fuel. Second highest of the, of the states is Florida at 11 percent. After that, there's not a single state that the double digits. So we are so directly tied to that rate of fuel and it's transported. It's not only just burning it, but it's transporting it, it's moving it around and bringing it through. So there's many different ways that's brought in. I believe that MECO, you know, there aren't many place in the country, in fact there are none that I know of in the mainland where your distribution source or company or your production company is the same as your distribution company. Hawaii's very, very unique in the fact that your electric company is also, not only produces energy but also distributes it. That doesn't happen anywhere else and I believe that that affects the rates throughout. You know, when you have more competition, you'll have better prices.

Chair Hiranaga: Commissioner Freitas, I believe a couple of meetings ago when we had the wind farm and the Ulupalakua area we had the Director of whatever department that is for the County on energy and he said it's unrealistic to hope that rates will go down. What it does is slow the increase in the rates.

Mr. Freitas: I wasn't here at that meeting.

Chair Hiranaga: I believe you were not. Any other questions, Commissioners? Seeing none, we'll have the staff recommendation.

a) Action

Mr. Wollenhaupt: The Planning Department recommends that the Commission adopt the Department's report and 12 standard conditions and 3 additional project specific conditions prepared for today's meeting as the Findings of Fact, Conclusions of Law, Decision and Order and authorize the Director of Planning to transmit the said written Decision and Order on behalf of the Planning Commission.

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: I move we approve the Special Management Area Use Permit for this project with -- and accept the statements that our Planner just made about adopting the recommendations with standard conditions.

Mr. Lay: Second.

Chair Hiranaga: Motion to approve by Commissioner Mardfin, seconded by Commissioner Lay.

Any discussion? One comment from the Chair. I guess for me if this project was located outside of the SMA area it would be a slam dunk. But there will be people above this project that will be experiencing a reflection issue daily and they're gonna wonder where did that big light come from on that two-acre site below us. And it's unfortunately they're outside the 500-foot notification radius but that would be my only concern is that it's in the SMA area. But I probably won't need to vote on this particular application. Any other discussion? Seeing none, I'll call for the vote. All in favor, so indicate by raising your hand.

Ms. McLean: That's eight ayes, Mr. Chair.

Chair Hiranaga: Motion carries.

It was moved by Mr. Mardfin, seconded by Mr. Lay, then unanimously

**VOTED: To Approve the Special Management Area Use Permit, as Recommended by the Department with Conditions.
(Assenting - W. Mardfin, I. Lay, D. Domingo, L. Sablas, J. Freitas, K. Ball, P. Wakida, W. Shibuya)**

Mr. Frampton: Thank you very much, Commissioners.

Chair Hiranaga: We'll take a five-minute break and reconvene at 4:05.

A recess was called 3:55 p.m., and the meeting was reconvened at 4:06 p.m.

Chair Hiranaga: Next agenda item is Mr. Mike Beason, Deputy Director.

Ms. McLean: Thank you, Chair. Mr. Beason is a consultant for Verizon Wireless requesting a County Special Use Permit for a 35-foot cell tower monopole and antennas located on Waiale Road in Wailuku. The Staff Planner is Candace Thackerson.

- 3. MR. MIKE BEASON, consultant for VERIZON WIRELESS requesting a County Special Use Permit for the installation and operation of a thirty-five ft. (35') cell tower monopole and antennas to be disguised as a palm tree located at Kihei Gardens and Landscaping, Waiale Road, TMK: 3-5-002: 017, Wailuku, Island of Maui. (CUP 2010/0007) (C. Thackerson)**

Ms. Thackerson: Good afternoon, Commissioners. I'll try to keep this somewhat brief. This item's under your review because the subject property is located within the County Agricultural District and the proposed use of telecommunications and broadcasting antennas are listed as a special use in the County Ag District according to the Maui County Code. The parcel does not lay within the Special Management Area and therefore, a County Special Use Permit is required only.

The parcel is zoned Agricultural for the State Land Use District, Wailuku-Kahului Community Plan and County zoning. The surrounding uses include the Maui Lani Village mixed use to the north and east as well as Agricultural land to the south and west. The entire parcel measures approximately

24.9 acres and is located on the corner of Kuikahi Drive and Waiale Road in Wailuku which is currently owned by Kihei Gardens and Landscaping and they use the parcel for an outdoor nursery. So here I have listed the land use designations and the surrounding uses, but more importantly I included a nice, little location map and site plan there which I think is better than the one you have in your staff report. Sometimes it's nice to see it blown up.

The proposed action include the installation of a 35-foot monopole with 12 panel antennas and an outdoor equipment cabinet enclosed within a 20 x 30 fenced area. It might get to a maximum of 40 feet with the addition of the branches. The antennas and a support structure will be painted to blend with the surrounding landscape and the antennas will be camouflaged with faux palm branches. I have some elevations here. Oh, so here's some current site photos of the current site of what it looks like. And I included some elevations so you can see the little faux palm tree that it's going to be looking like. The outdoor equipment will include cabinets and emergency generator that will be secured and screened by a six-foot tall chainlink fence with dark green slats. The owner of the property, Kihei Gardens and Landscaping intends to surround the fenced area with potted plants from their nursery as well as put palms trees. They have palm trees so they're gonna kinda put them near the area so that it blends in. The proposed project will encompass a total of 600 square feet on the parcel and set back approximately 68 feet from the road. And I have another elevation there. I also have a photo simulation so there it is before and there it is after with the little palm tree.

The project is consistent with the State Land Use regulations as well as the Countywide Policy Plan and the Wailuku-Kahului Community Plan both of which promote adequate infrastructure and improvements to accommodate planned development. According to County zoning the proposed project is allowed subject to approval of a County Special Use Permit. The project was reviewed by eight government agencies as well as Maui Electric Company. There were no significant comments besides the Maui Police Department's request to include standard conditions to protect the Emergency Service communications from radio system interference and coordination with the Maui Police Department. More ever, the State Historic Preservation District, Department has reviewed and accepted the applicant's archaeological monitoring plan for the proposed project. So I will, later on in the recommendation amend Condition 10 to reflect that as well. We've received no letters of objection to date and it's been properly noticed as well. So overall, the Department feels that the -- let's see, that this will have a positive impact from the community's wireless communication network and increase public safety with enhanced communication capabilities especially with Maui Lani going in there and Waikapu Gardens, you've got a lot of increased users over there. So they do need some cell reception. Questions?

Chair Hiranaga: We're gonna reserve questions till later. At this time, we'll allow the applicant to make a presentation if he so wishes.

Mr. Mike Beason: Only if you have any questions.

Chair Hiranaga: You need to speak into the mic, please and identify yourself?

Mr. Beason: Of course. Good afternoon, my name is Mike Beason representing Verizon Wireless. I think Candace has done a good job of showing the plans and the photographs that we've

provided. If you have any questions, happy to answer them on the project.

Chair Hiranaga: Alright, we'll defer questions till later.

a) Public Hearing

Chair Hiranaga: At this time, I'll open the public hearing. Is there anyone here that wishes to provide testimony at this time, please come forward? Seeing none, the public hearing closed. Open the floor to questions from the Commissioners. Commissioner Ward.

Mr. Mardfin: How far is this from a private home or a school or a hospital or any place where there are people?

Ms. Thackerson: I believe Kihei Gardens is near there that area. I'm not sure exactly what there --

Chair Hiranaga: Waikapu Gardens?

Ms. Thackerson: Yes, well there's also -- oh, not Kihei Gardens. What's the gardens -- Kehalani Gardens is near there, but I'm not sure exactly what the distance is from the exact lot. Maybe the applicant knows.

Mr. Mardfin: Are we talking a mile or are we talking a half a mile or are we talking four and a half feet?

Ms. Thackerson: Let's go to the site a map and take a look.

Mr. Mardfin: Okay.

Ms. Thackerson: Okay, so, hello, okay, sorry, sorry, it's kind of loud. I might be able to wing this because I live near there. Let's see here, Honoapiilani Highway and we've got --

Unidentified Speaker: Waiko.

Ms. Thackerson: Yeah, so we've got the Waiale Road. I don't believe there's anything near the parcel now. There is proposed -- it's all zoned for the Maui Lani Mixed Use Village Use so there's the potential that residential and office buildings can go into the neighboring parcel, but I believe currently it's undeveloped.

Mr. Mardfin: If they were to build would they be within say, a quarter of a mile of this place?

Ms. Thackerson: Yes.

Mr. Mardfin: Would they be within a hundred yards of it?

Ms. Thackerson: That would be 300 feet?

Mr. Mardfin: Yeah.

Ms. Thackerson: They're 68 feet set back from the road so there's potential that yes it can be.

Mr. Mardfin: Okay.

Ms. Thackerson: It was --

Mr. Mardfin: I just wanted to know.

Chair Hiranaga: Commissioner Shibuya.

Mr. Shibuya: I was just wondering because the 12 antennas is problematic for me. Having one is even more problematic but the height is 35 feet and you're talking about palm fronds that could go to 40 feet. I'd probably try to reverse that and say, 45 feet for the antennas and palm fronds and you know, provide around it. That's correct. To keep the distance as far away from your craniums as possible. Young minds, young brains, you know, probably more susceptible to getting meningioma, that's a cancer. Okay, thank you.

Chair Hiranaga: So was there a question there?

Mr. Shibuya: It was just a feedback from Commissioner Mardfin's comments and questions.

Chair Hiranaga: Thank you. Commissioner Mardfin.

Mr. Mardfin: Could I have Mr. Beason at the microphone a moment?

Ms. Thackerson: Yeah.

Mr. Mardfin: My recollection is when we last met or maybe before that when you were in Hana with the --

Mr. Beason: Correct.

Mr. Mardfin: --out in the ranch pasture. It sounds like that is much more distant that this is likely to be to inhabited places. Is that more or less correct?

Mr. Beason: Yeah, that cell site is located quite a ways up the hill.

Mr. Mardfin: Yeah.

Mr. Beason: That was designed in mid-'90's.

Mr. Mardfin: Okay. What's the status of scientific thought regarding radiation coming from these things and affecting human beings?

Mr. Beason: The antennas are governed by FCC, and the Verizon's Wireless's license is directly related 0-- you know, they have to meet all the FCC guidelines for health and safety. And you know, they go a great distance to making sure that they meet the health and safety rules.

Mr. Mardfin: Okay, I'm just not sure those are sufficient. 'Cause I, I mean, I've seen recent evidence that even using your cell phone is a potential danger, but that doesn't mean we don't use it. Thank you.

Chair Hiranaga: Commissioner Sablas.

Ms. Sablas: My question is for Mr. Beason. Is this the first type, first time you're gonna build something like this on Maui or do you have--have you built something like this before elsewhere?

Mr. Beason: The palm pole design?

Ms. Sablas: Yes.

Mr. Beason: Yeah, I've done a similar design an SMA area on Kauai that I thought worked pretty well. I have a proposal, an application in for a similar design here on Maui that's being reviewed right now, and that's the opposite side of Wailuku from the project almost equal distance. I have gone to a great length to try to convince Verizon that this is the right thing to do as opposed to just having a manmade feature out in the Ag District and I think it works fairly well. Some people notice it. Some people don't. But it just helps to kind of create a softer edge to a manmade object out there. And they've been willing to go with it. It costs more for them. Obviously because there's a lot more going on and then the structure itself. But they...I think it's the right way to go in trying to camouflage or at least semi-disguise something. It's still a manmade structure. You can't--it's very hard to make it look exactly like a tree but it does help.

Mr. Mardfin: Mr. Chairman?

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: What is the tree camouflage made out of?

Mr. Beason: It's a fiberglass, I think pole. Plastic fiberglass with a metal inlay for the actual structure and then it's, it's a plastic leaf basically and I don't know exactly what form of, of the leaf is, but ...

Mr. Mardfin: Is, is the idea that this will be zero maintenance or very low maintenance?

Mr. Beason: Yes, it is.

Mr. Mardfin: Has it been, have these materials been used in that way before so that we have a pretty good idea of?

Mr. Beason: Yeah, the camouflage tree has been around for a while now. And I think it's coming

into Hawaii as a way to try to, to, to camouflage these structures in different locations.

Mr. Mardfin: It stands up to high wind, lightening, rain?

Mr. Beason: Yeah, yeah, it has to be meet all the structure, the same structural requirements. But you know, the sun is the sun. I think there will be degradation over time.

Mr. Mardfin: Yeah.

Mr. Beason: Just because that's so intense, right.

Mr. Mardfin: So intense. Yeah, thank you.

Chair Hiranaga: Commissioner Lay.

Mr. Lay: Okay, I have to ask. You've already put one up already, right?

Mr. Beason: Yes.

Mr. Lay: What about your bird problem? How do you, how do you take care of the bird problem?

Mr. Beason: Verizon submits information to the U.S. Fish and Wildlife on every structure that they do and they review it as in the area of where it is. Usually with the birds, the concern of a bird strike is on a very tall structure and I'm not an expert in it, but my understanding is their kind of a tree top they like to go past the tree top level. So when you're in that same zone of a tree top which I think this is pretty close to that they don't see it as a big problem. That there would be a bird strike.

Chair Hiranaga: Commissioner Lay.

Mr. Lay: Including nesting?

Mr. Beason: Nesting is a question that's often asked of us when we go out to site and co-locate at another site because they have seen that happen in the mainland with, with large birds, you know, your eagles, your hawks. I haven't seen that happen here. The birds that we're worried about the endangered birds tend to ground nest in the high and then fly down to the ocean and that's where they're worried is that transition. But you know, it is a possibility, right.

Chair Hiranaga: Commissioner Ball.

Mr. Ball: With the needed maintenance on it, do you have a schedule for that or you just kinda lookup there and, you know, well, I guess it's time to paint the palm frond or change out the palm frond?

Mr. Beason: I don't know what our maintenance schedule is on the palm fronds. But yeah, they, there is a cell tech that stops by the site once a month to look at everything and whether it's knocking down weeds or you know taking care of anything at the site. So there is somebody there once a month looking at it.

Chair Hiranaga: Commissioner Shibuya.

Mr. Shibuya: Mike, can you tell me if you have repairmen go up and repair the, the senders up there while it's still on?

Mr. Beason: They do in some cases if, if an antenna failed, they would do night work and do --

Mr. Shibuya: Shut down.

Mr. Beason: --turn it off or lower the power depending on the antenna they're replacing.

Mr. Shibuya: Okay, see that's -- that's the reason why for this emission problem. If there was no problem, then you wouldn't have to shut down or power down, right?

Mr. Beason: Well, that's--it's all part of the FCC Rules for health and safety, right.

Mr. Shibuya: That's right. That's right.

Mr. Beason: And you wouldn't go unplug something or disconnect something that was electrically connected, right?

Mr. Shibuya: Well, distribution line guys work live.

Mr. Beason; Yeah, I've seen some footage of that. It's pretty amazing.

Mr. Shibuya: Yes, they run a DC back feed and they stopped at 12 kW, kV line power, yeah.

Mr. Beason: That is all part of the, the Federal regulations on how ...

Mr. Shibuya: Okay, I just wanted to make a point that other Commissioners understand here that there are some dangers and that if we try to use visual as a criteria for acceptance of something being lower then we endanger ourselves and we have even power lines that are placed even higher, taller and we have many more throughout Maui. Look at Kehalani Highway, look at Kaahumanu. I mean, Maui is a pole island. So, this is my point what are we quibbling about 40 feet or 35 feet? This thing should go 60 feet.

Mr. Beason: The radio engineer would love to go taller. The design rules from the Planning standpoint and the siting location requires this to be at the height that it is and that's as to why it's designed that way so that we're not requesting a variance. If we sited...there's other places that on other properties it could be sited taller. In this case that this is the height we can use following the guidelines.

Mr. Shibuya: Because it's in a residential area?

Mr. Beason: It's an Ag property.

Mr. Shibuya: I understand.

Mr. Beason: Right, yeah.

Chair Hiranaga: Commissioner Wakida.

Ms. Wakida: I'm looking at your picture, you're a-3.

Mr. Beason: Okay.

Ms. Wakida: And it shows four antennas, correct?

Mr. Beason: Yes.

Ms. Wakida: But you're gonna have 12?

Mr. Beason: Yeah, antennas are done in sectors, parts of a circle, and they transmit receive in that direction. It's a directional antenna, that's how it's been called. So the idea is that then you can communicate in groups of people, groups of areas until there's three, three sets of four antennas for each sector.

Ms. Wakida: Well, we're not getting a very good picture of how this really looks then because the drawing here only gives this one...

Mr. Beason: But that's, it would be as like a building when you look at one side of a building that's what you would look at on a one side of a building.

Ms. Wakida: And these fronds come out in the midst of it?

Mr. Beason: Yes.

Chair Hiranaga: Any other questions, Commissioners? Commissioner Wakida.

Ms. Wakida: You said you did one on Kauai that looks like this but you don't have a picture of it?

Mr. Beason: I think we used that...we might have used that one in the photo sim. I can't remember where, which palm tree this comes from. Oahu has several different palm trees. So we've taken a photograph and then blended it in, superimposed it so...

Chair Hiranaga: There is a tree antenna in Kapalua, Pineapple Hill. See if you can find it. Any other questions, Commissioners? Seeing none, thank you. Ready for the Department's recommendation?

b) Action

Ms. Thackerson: The Department would like to first off, amend Condition No. 10 as I stated earlier

to read, "The applicant will develop the property in compliance with the approved monitoring plan accepted by the State Historic Preservation Department by letter dated February 25, 2011." Then it will read, "However," and then the following will read, "in the event historic remains are inadvertently encountered," continuing on with the condition.

Also, Condition No. 3, the Department would like to amend Condition No.3, removing the word, "named" from the phrase, "County of Maui as an additional named insured." That's been a...yes, thank you, James. That's been a recent change to our standard condition to reflect I guess some insurance policy issues with having the word, "named" so we're gonna remove that.

Other than that, in consideration of the foregoing, the Planning Department recommends that the Maui Planning Commission adopt the Planning Department's report and recommendation prepared for the September 13, 2011 meeting as its Findings of Fact, Conclusion of Law and Decision and Order to authorize the Director of Planning to transmit said written Decision and Order on behalf of the Planning Commission.

Chair Hiranaga: Thank you. Open the floor to a motion.

Mr. Ball: Motion to approve as stated by the Planner.

Chair Hiranaga: As recommended by the Planning Department.

Mr. Ball: With their changes.

Chair Hiranaga: Motion to approve by Commissioner Ball. Is there a second?

Ms. Wakida: Second.

Chair Hiranaga: Second by Commissioner Wakida. Discussion? Commissioner Shibuya.

Mr. Shibuya: I find this a needed necessary evil here, and I'm unfortunately gonna have to vote against it because you're just putting it at 35 feet. I would prefer it going up 60 feet keeping it as far away from the human life and public safety is a main issue with me not so much as visual concerns and convenience of communicating. Communications would be even more enhanced at that height. So therefore, I'm gonna have to go against it. I like the idea of camouflaging it but put it higher.

Chair Hiranaga: Any other discussion? Seeing none, I'll call for the vote. All in favor so indicate by raising your hand.

Ms. McLean: Five ayes, Mr. Chair.

Chair Hiranaga: Let's see those hands once more.

Ms. McLean: Six.

Chair Hiranaga: Opposed.

Ms. McLean: Two noes.

Chair Hiranaga: Motion carries.

It was moved by Mr. Ball, seconded by Ms. Wakida, then

**VOTED: To Approve the County Special Use Permit, as Recommended by the Department with Conditions.
(Assenting - K. Ball, D. Domingo, L. Sablas, J. Freitas, I. Lay, W. Mardfin)
(Dissenting - P. Wakida, W. Shibuya)**

Ms. Thackerson: Thank you.

Chair Hiranaga: Okay, next agenda item is D, Acceptance of Action Minutes of August 23, 2001, Regular Minutes of May 24, 2011 and August 9, 2011.

D. ACCEPTANCE OF THE ACTION MINUTES OF THE AUGUST 23, 2011 MEETING AND REGULAR MINUTES OF THE MAY 24, 2011 AND THE AUGUST 9, 2011 MEETINGS

Chair Hiranaga: May I have a motion to accept these minutes?

Ms. Domingo: So moved.

Chair Hiranaga: Moved by Commissioner Domingo, seconded by --

Mr. Ball: Second.

Chair Hiranaga: --seconded by Commissioner Ball. Any discussion? Seeing none, all in favor of accepting these minutes so indicate by raising your hand.

Ms. McLean: Eight ayes, Mr. Chair.

Chair Hiranaga: Motion carries.

It was moved by Ms. Domingo, seconded by Mr. Ball, then

**VOTED: To Accept the Action Minutes of the August 23, 2011 Meeting, and Regular Minutes of the May 24, 2011 and August 9, 2011 Meetings.
(Assenting - D. Domingo, K. Ball, L. Sablas, J. Freitas, I. Lay, P. Wakida, W. Shibuya, W. Mardfin)**

Chair Hiranaga: Next agenda item is E-1, Director's Report. Deputy Director.

Ms. McLean: Thank you, Chair. We have two notifications from the Planning Director. The first is a two-year time extension on the SMA permit condition to initiate construction of the Kihei Hanalei Condominium, a four-unit condo in Kihei. This is notification that Director intends to process the request administratively. The request is for the Commission to acknowledge receipt. The Staff Planner is Anna Benesovska.

E. DIRECTOR'S REPORT

- 1. Planning Director notifying the Maui Planning Commission pursuant to Section 12-202-17(e) of the Maui Planning Commission's SMA Rules of his intent to process the time extension request administratively on the following:**
 - a. MR. MIKE DEZAHD requesting a 2-year time extension on the Special Management Area Use Permit condition to initiate construction of the Kihei Hanalei Condo., a 4-unit condo. for property at TMK: 3-9-005: 019, Kihei, Island of Maui. (SM1 2004/0037) (A. Benesovska)**

Ms. Anna Benesovska: Good afternoon, Commissioners. My name is Anna Benesovska. I am the planner assigned to this project. As stated, the request is to waive your review allow the Planning Director to process this time extension request administratively. This is a two-year time extension and it's a third time extension for this project. The Special Management Area Permit was originally granted in 2004, and it's for a construction of a two-story condominium building containing four, two-bedroom units on a vacant 10,545 square foot parcel located at 2585 Iliili Road, Kihei. The reason for this time extension is financial difficulties. The owner has put the parcel on a real estate market and it has been there pending for a period of two years. Now a perspective buyer has expressed an interest in acquiring the subject parcel, but it should be noted that the approval of the time extension is a prerequisite for the sale and transfer of the subject parcel to the perspective buyer. Should the time extension be granted, a separate request to transfer the SMA permit from the permittee to the new owner will be submitted for review and approval and the initiation of construction by new owner is expected to occur within the two-year period.

Chair Hiranaga: Does the applicant wish to make a statement?

Ms. Benesovska: No, the applicant does not wish to make a statement.

Chair Hiranaga: Does the staff have any additional analysis?

Ms. Benesovska: Additional information is available. It's, there are exhibits included in your handouts. Maybe one thing to note is that the plans, proposed plans are capturing 100 percent post project runoff for the project.

Chair Hiranaga: At this time, I'll open the floor to public testimony. Is there anyone here that wishes to testify regarding this agenda item? Seeing none, public testimony is closed. Questions from Commissioners? Commissioner Ward Mardfin.

Mr. Mardfin: What assurance do we have that this perspective buyer will in fact move forward with

this project?

Ms. Benesovska: That's a very good question. Would the applicant be willing to step and answer?

Mr. Glenn Tadaki: Good afternoon, Chairperson Hiranaga, Members of the Maui Planning Commission. My name is Glenn Tadaki responding to Commissioner Mardfin's question. The question you pose is a good question. I honestly cannot answer that question. I am not the perspective buyer and I would assume that he would do his do his best to try and initiate construction prior to the two-year deadline as this is the representation that we're making, but I cannot vouch safe that he will actually do that although I anticipate that he will do so or set forth his best effort to do.

Chair Hiranaga: Commissioner Wakida.

Ms. Wakida: I'm sorry, what did you say your name was?

Mr. Tadaki: Glenn Tadaki with Chris Hart and Partners.

Ms. Wakida: So you're representing the owner is that correct?

Mr. Tadaki: Correct.

Chair Hiranaga: Any other questions, Commissioners? Just clarification, Anna, you stated that the drainage system is designed to capture 100 percent of post and pre and post development?

Ms. Benesovska: Yes.

Chair Hiranaga: Surface runoff because I'm looking at this drainage report which is prepared by Otomo Engineering dated November 2004, and it says, to accommodate the increase. So I'm not sure if --

Ms. Benesovska: Can we Mr. Stacey Otomo address?

Chair Hiranaga: Yeah.

Ms. Benesovska: Okay.

Mr. Stacey Otomo: Good afternoon, Chair Hiranaga and Members of the Planning Commission. My name is Stacey Otomo. To answer your question, Commissioner Hiranaga, the owner submitted a letter I believe to the Planning Department on one of the subsequent time extensions committing to handling 100 percent of the runoff.

Chair Hiranaga: Okay, that was previous request for an extension in 2009.

Mr. Otomo: Yes. I'm not sure what the date was but there was a commitment letter issued by the owner.

Chair Hiranaga: So staff if you could just confirm that that letter exists? Thank you. Any other questions from Commissioners? Commissioner Wakida.

Ms. Wakida: Well, to follow up on this drainage issue, one of the concerns I have is this applicant's been asking for extension after extension and things change. And in light of the recent Kihei flooding has this made any change in the drainage plans for that area?

Mr. Otomo: The subject parcel is on Iliili Road and it's on the higher section of land. There's no existing drainageways that traverse through or close to this property. So in terms of the regional flooding because the project would be handling more runoff than it is obligated to do so, it is actually improving somewhat the conditions that exist right now. However, albeit, you know, it is a small parcel.

Ms. Wakida: Okay, thank you.

Chair Hiranaga: Any other questions, Commissioners? You wish to speak, Anna?

Ms. Benesovska: Can I just make a quick statement that the letter indeed does exist. It's a letter dated June 26, 2009 committing the, the owner to capture the stated runoff and it's Exhibit C in your handout.

Chair Hiranaga: Thank you. Any other questions? Commissioner Shibuya.

Mr. Shibuya: What assurances do we have as a Commission do we have that all these conditions will be met by the new buyer? How can we hold their feet to the fire?

Ms. Benesovska: So a separate request if the buyer decides to purchase the property, a separate request to transfer the ownership of the permit or the transfer the permit to the new owner will be filed. And in that request, the owner has to comply with the conditions as stated in the original permit. So -- or any other conditions that came through any of the time extension reviews prior. So I believe we have a good assurance in, at least in that.

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: I have a question for our Planner. Suppose we, we approve, well decide not to review this time extension request, in other words, so that the Planning Department will probably administratively grant it, then they come in with a -- will the property be sold at that point or will the perspective buyer then come in to request a transfer of ownership?

Ms. Benesovska: I suppose that once the property is purchased then we would transfer the ownership, the permit.

Mr. Mardfin: Transfer the permit?

Ms. Benesovska: Yeah. That's I'm supposing, I don't know if the Deputy has other comments on that?

Ms. McLean: That actually would have to be decided between the current owner and the perspective buyer. Certainly they could have an agreement that if for some reason, it could be a condition of sale for the transfer to be accepted by the Commission. Because the, the applicant doesn't necessarily have to be the owner of the property. So new buyer could request the transfer and if it's granted then they could proceed with the sale. That would be a private --

Mr. Mardfin: If it's not granted, they wouldn't?

Ms. McLean: That would be a private arrangement between the current owner and the perspective buyer. At some point, the current -- if the perspective buyer wants to develop the property they would have to come for the transfer request. That doesn't necessarily have to happen after the sale, it could happen before the sale.

Mr. Mardfin: And it doesn't necessarily have to be approved or there could be additional constraints put on it, conditions put on it?

Ms. McLean: During the transfer.

Mr. Mardfin: During the transfer of the permit.

Ms. McLean: During the consideration of the transfer.

Mr. Mardfin: Okay, thank you.

Chair Hiranaga: Commissioner Shibuya.

Mr. Shibuya: If this body did not approve it, when would this permit expire?

Ms. Benesovska: August 31, 2011. So it has.

Mr. Shibuya: Already expired.

Ms. Benesovska: However, the applicant on behalf of the owner came in in the allowed time frame to submit their time extension request which 90 days I believe so.

Mr. Shibuya: Okay. And so where has it been since June 27th?

Ms. Benesovska: I'm sorry, I don't follow your question.

Mr. Shibuya: Okay, they've made a request to extend in June 2011 and we're getting September 13.

Ms. Benesovska: Correct.

Mr. Shibuya: What happened?

Ms. Benesovska: Well, there's some back and forth communications with the applicant and the applicant's owner. We have to make sure that engineers can attend the Maui Planning Commission hearing so there's timing and scheduling that goes into ...(inaudible)... so it took us a couple months to, to process that.

Mr. Shibuya: Is this normal?

Ms. Benesovska: I would say that's fairly normal.

Chair Hiranaga: I think this particular item is rather timely considering we have a down economy. If we had an up economy it would have probably taken longer to get on the agenda.

Mr. Shibuya: Is that what it is? Okay, thank you.

Chair Hiranaga: Any other questions, Commissioners? Seeing none, ready for the Department's recommendation. I guess you're gonna recommend waiver. Why don't you say that for the record?

Ms. Benesovska: Yes, sir.

Chair Hiranaga: Why don't you say it?

Ms. Benesovska: The Department recommends the Maui Planning Commission to waive its review and allow the Director to process the two-year time extension administratively.

Chair Hiranaga: Thank you. Floor is open for a motion?

Mr. Ball: I don't understand the waive review part of this?

Chair Hiranaga: Commissioner Ball, you have a question?

Mr. Ball: Yes, I do. I'm not a 100 percent on the waived review --

Chair Hiranaga: Process?

Mr. Ball: Yeah.

Chair Hiranaga: Yeah, I think Deputy Director could answer it for us?

Ms. McLean: That's in your rules. That time extensions that the Commission has the opportunity to retain the review authority or to waive its review and allow it to be approved administratively.

Chair Hiranaga: It was a rule that we adopted recently to kind of expedite the process. So if the Commission had no concerns, we really didn't have to deal with it, put it on the agenda and the Director administratively take care of the request. Now if you do not agree to grant the waiver then they would have to come back to the Commission for a, a extension request which would be another agenda item that would be calendared in the future.

Ms. McLean: And you'd have a full staff report and recommendation.

Mr. Ball: And that would be another four months from now --

Chair Hiranaga: And, and we've, we've done that before. We've not granted the waiver or the administrative waiver and asked for it to come back to us because passage of time or whatever. You have that right to make a motion to not grant the waiver and request that it be brought back to the Commission. Commissioner Freitas.

Mr. Freitas: I move that we grant the waive review.

Ms. Domingo: Second.

Chair Hiranaga: Well, it's that we grant -- we waive the right to review the extension request.

Mr. Freitas: ...(inaudible)...

Chair Hiranaga: Okay. Motion by Commissioner Freitas, seconded by Commissioner Domingo, any discussion? Commissioner Wakida.

Ms. Wakida: I'm gonna vote in favor of the motion. However, I -- this is their third extension. They came on when the economy was good. All they want to do is build four units. I've -- I would like to recommend that the Planning Commission that this be the last time that they extend this two years and the next time they need to come back and be ready to build, start over again.

Chair Hiranaga: So proposing an amendment to the motion?

Ms. Wakida: No, I'm not. I'm just making a, a personal recommendation.

Chair Hiranaga: I believe you will still be on the Commission when it returns in two years if it returns.

Ms. Wakida: Yeah, I, I will still be here.

Chair Hiranaga: If it returns. Commissioner Mardfin.

Mr. Mardfin: I'm somewhat reluctantly gonna vote in favor of the waiver, waive of the review but I will have some very sharp questions when they, if and when I'm still on the board if when they come in for a change of title. I, I don't like this whole situation but I don't think stalling on the review by reviewing it is the way to deal with it.

Chair Hiranaga: Thank you, any other discussion? Seeing none, I'll call for the vote. All in favor of the motion, please so indicate by raising your hand.

Ms. McLean: Seven ayes.

Chair Hiranaga: Opposed.

Ms. McLean: One no.

Chair Hiranaga: Motion carries.

It was moved by Mr. Freitas, seconded by Ms. Domingo, then

**VOTED: To Acknowledge Receipt of the Request and Waive Its Review of the Time Extension Request.
(Assenting - J. Freitas, D. Domingo, L. Sablas, I. Lay, K. Ball, P. Wakida, W. Mardfin)
(Dissenting - W. Shibuya)**

Chair Hiranaga: The next agenda item is Director's Report, E-1(b), BN01 Investment, LLC and Pacific Rim Land, Inc. Deputy Director.

Ms. McLean: Thank you, Chair. This is another notification of the Director to process a time extension request administratively on a two-year time extension for an SMA permit to initiate construction for a four-unit, single-family condominium at 201 Makena Road. The Planner is Candace Thackerson.

- b. BN01 INVESTMENT, LLC and PACIFIC RIM LAND, INC. requesting a 2-year time extension on the Special Management Area Use Permit condition to initiate construction of a four (4) unit single family condominium and related improvements at 201 Makena Road, TMK: 2-1-007: 066, Makena, Island of Maui. (SM1 2001/0017) (C. Thackerson)**

Ms. Candace Thackerson: Hello again. As stated, this is to waive review of the SMA permit so we can grant their time extension request. This is the first time extension request for this permit. It might seem surprising to some of you because the SM1 permits is dated 2001/0017 so I'll just clear that up right now. When we title SM1 permits it gets the date from the year that they applied. However, the permit was not approved until May 27, 2008. Okay, so they have only had their permit for, since, since then. So it's expired and now they're coming in for their time extension request because May 27, 2008, some drastic changes occurred in the economy, right after that and during that time. However, the applicant, I guess based upon your questions from the last one, they do intend to move forward and they have actually filed for a building permit applications as of January 2011 for retaining walls, the first structure, the swimming pool and they have turned in grading plans and the project civil engineering and grading plans are currently under review by our County's DSA. So they have all their permits under review and they're ready to go, it's just by the time they got around to doing it, they ran out of time so they would like two more years to initiate construction. And the drainage drainage plan will capture a 100 percent of pre and post development runoff.

Chair Hiranaga: Thank you. Does the applicant wish to make a statement?

Mr. Charles Jencks: Good afternoon, my name is Charlie Jencks. I'm here representing the ownership. If you have any questions, feel free to ask them and I'll give you the best answer I can.

Chair Hiranaga: We're gonna reserve questions till later. So is there additional staff analysis at this time?

Ms. Thackerson: No.

Chair Hiranaga: No. Okay, I'll open the floor to public testimony. Is there anyone here that wishes to provide testimony at this time regarding this agenda item? Seeing none, public testimony is closed. Open the floor to questions from the Commissioners. Commissioner Mardfin.

Mr. Mardfin: Would you repeat what you said about 'cause I'm, I was reading something? What you said about they applied for this thing back in -- when did they first apply?

Ms. Thackerson: They applied for the permit in 2001.

Mr. Mardfin: And it was granted in 2001.

Ms. Thackerson: No, it was granted in 2008.

Mr. Mardfin: So it took seven years to get to us because they were having to do --

Ms. Thackerson: Clayton has his hand raised.

Chair Hiranaga: Staff Planner Yoshida.

Mr. Yoshida: Yes, Commissioner Mardfin. At that time, the applicant came in for concurrent processing so they were in for a community plan amendment and change in zoning and a district boundary amendment and it took six years for the Council to -- from 2002 to -- from the time we transmitted in 2002 to 2008 when they acted on those land use approvals. So we could not find consistency which is one of the SMA tests until these land use changes were granted. And so that's why there is this long time frame because it took a while to get the land use changes through the County Council.

Mr. Mardfin: So this is not the fault of the applicant. The applicant is...this is the first time extension. The applicant's ready to proceed.

Ms. Thackerson: And they've turned in grading and building permits that are currently --

Mr. Mardfin: They've, they've been actively pursuing this, that's all the questions I have.

Chair Hiranaga: Questions, Commissioners? Just for clarification, you've stated that the applicant is now willing to retain 100 percent of pre and post development surface runoff?

Ms. Thackerson: Yes.

Chair Hiranaga: And they'll provide a letter for the record?

Ms. Thackerson: I can have them provide a letter for the record definitely and include that with their time extension.

Chair Hiranaga: Thank you. Commissioner Shibuya.

Mr. Shibuya: Is the applicant considering using energy conserving type features as well as energy, renewable energy generating systems?

Mr. Jencks: That--Commissioner, that was one of the conditions on the SMA, and yes we are.

Mr. Shibuya: Yes, thank you.

Chair Hiranaga: Any other questions, Commissioners? Seeing none, I guess you could just state the Department's recommendation.

Ms. Thackerson: The Department recommends that the Planning Commission waive review of the SMA permit and allow the Planning Director to process the time extension request administratively.

Chair Hiranaga: Do we have a motion?

Mr. Freitas: So move.

Chair Hiranaga: Commissioner Freitas.

Mr. Shibuya: Second.

Mr. Freitas: Move to waive the time extension.

Chair Hiranaga: Review.

Mr. Freitas: Review.

Mr. Shibuya: Second.

Chair Hiranaga: Seconded by Commissioner Shibuya. Any discussion? Commissioner Mardfin.

Mr. Mardfin: Just really quick. This meets the criteria that we ought to be approving for these things unlike the previous one.

Chair Hiranaga: Any other discussion? Seeing none, I'll call for the vote. All in favor, so indicate by raising your hand.

Ms. McLean: Eight ayes, Mr. Chair.

Chair Hiranaga: Motion carries.

Ms. Thackerson: Thank you.

It was moved by Freitas, seconded by Mr. Shibuya, then

**VOTED: To Acknowledge Receipt of the Request and Waive Its Review of the Time Extension Request.
(Assenting - J. Freitas, W. Shibuya, D. Domingo, L. Sablas, I. Lay, K. Ball, P. Wakida, W. Mardfin)**

Chair Hiranaga: Next agenda item is E-2, Approval fo the 2012 Meeting Schedule.

2. Approval of 2012 Meeting Schedule

Chair Hiranaga: Is there any discussion?

Mr. Ball: Move for approval.

Ms. Domingo: Second.

Chair Hiranaga: Moved by Commissioner Ball, seconded by Commissioner to approve the 2012 Planning Commission Schedule. Any discussion? Seeing none, I'll call for the vote. All in favor, say aye. Opposed? Motion carries.

It was moved by Mr. Ball, seconded by Ms. Domingo, then

**VOTED: To Approve the Proposed 2012 Meeting Schedule.
(Assenting - K. Ball, D. Domingo, L. Sablas, J. Freitas, L. Lay, P. Wakida, W. Shibuya, W. Mardfin)**

Chair Hiranaga: Next agenda item is Planning Commission Projects and Issues.

3. Planning Commission Projects/Issues

a. Revising the SMA Boundaries

Chair Hiranaga: Any new items? Seeing none, no objection, we'll move to No. 4, EA/EIS Report, SMA Minor Permit, SMA Exemptions Report.

4. EA/EIS Report

5. SMA Minor Permit Report

6. SMA Exemptions Report

Mr. Shibuya: Mr. Chair?

Chair Hiranaga: Commissioner Shibuya.

Mr. Shibuya: I did have a question on SMX 2010/0110, Kamaole 1 Beach, restoration beachfront land. It's also as SMX 2011/0377, Kamaole 1 Beach Park. It's on Page 12 of 13 and there's one on Page 4 of 13. What's going on? How many restorations do we need?

Chair Hiranaga: If staff is not prepared to answer this question, hopefully you will have an answer at the next meeting.

Mr. Shibuya: Right.

Chair Hiranaga: If you want a more timely response I urge Commissioners to send your request via email to the Department prior to the meeting so they have time to prepare a response. Is there any other issues regarding these reports? Seeing none, if there's no objection -- it appears Deputy Director has an answer for you.

Ms. McLean: Thank you, Chair. Commissioner Shibuya, the 2010 SMX was submitted by the parks Department and the 2011 SMX, where did that go --

Mr. Shibuya: Page 4. No. 12 of 13.

Ms. McLean: --was submitted by the Department of Planning. It's the same project. It was not initiated in 2010 and the scope was modified with the Planning Department working cooperatively with the Parks Department. So we amended the scope and added some conditions and was basically superceded the one with the other.

Mr. Shibuya: Okay, was that adding sand?

Ms. McLean: No. The project involves vegetation encroachments from private land into the beach park reserve, into the County land, and so the project is to remove -- there is vegetation and actually there's some structural encroachments as well. So it appears as if the public beach lands are actually private which is the not the case. And so, the project will cut back the vegetation, remove vegetation where appropriate, replant with natives when appropriate and just restore that public beach reserve to public use.

Mr. Shibuya: Okay, thank you.

Ms. McLean: You're welcome.

Chair Hiranaga: Any other questions regarding these reports? Seeing none, moving onto discussion of future Maui Planning Commission Agendas. Staff Planner, Yoshida.

7. Discussion of Future Maui Planning Commission Agendas

a. September 27, 2011 meeting agenda items

Mr. Yoshida: Yes, Mr. Chairman, I have circulated a memo, the major item is the contested case hearing on the SMA Appeal by the Waipio Bay Benevolent Association, LLC., on the David C. Bolles, three-lot subdivision, Huelo.

Chair Hiranaga: And the communication that was deferred due to a noticing issue?

Mr. Yoshida: Yes, the one that was deferred from the July 19th.

Chair Hiranaga: Any discussion?

Mr. Ball: Is that the only items on the agenda?

Mr. Yoshida: We anticipate if there is a full-on contested case hearing that that would take up the brunt of meeting.

Chair Hiranaga: Commissioner Mardfin.

Mr. Mardfin: I believe there were some deadlines that the Chairman gave them last time. Have they been complied with or are they not yet due?

Mr. Yoshida: Yeah, I believe there is a written order that was reviewed by the Chair and signed by the Chair and distributed to the parties regarding submittal of exhibit and witness lists, exhibits and the like.

Mr. Mardfin: Where basically it should have been due by now or are they due in say a week?

Mr. Yoshida: I guess today is the deadline for submittal of witness, exhibits lists, exhibits.

Mr. Mardfin: Thank you.

Chair Hiranaga: Any other discussion? Seeing none, the next regular meeting is scheduled for September 27, 2011. If there is no objection, this meeting is adjourned.

F. NEXT REGULAR MEETING DATE: SEPTEMBER 27, 2011

G. ADJOURNMENT

The meeting was adjourned at 5:02 p.m.

Submitted by,

CAROLYN J. TAKAYAMA-CORDEN
Secretary to Boards and Commissions II

RECORD OF ATTENDANCE

Present

Keone Ball
Donna Domingo
Jack Freitas
Kent Hiranaga, Chairperson
Ivan Lay
Ward Mardfin (excused 10:00 a.m. - 11:05 a.m.)
Lori Sablas
Warren Shibuya, Vice Chairperson
Penny Wakida

Others

William Spence, Planning Department (9:00 a.m. - 12:13 p.m.)
Michele McLean, Planning Department (1:15 p.m. - 5:02 p.m.)
James Giroux, Department of the Corporation Counsel
Rowena Dagdag-Andaya, Department of Public Works