

**LANA'I PLANNING COMMISSION  
REGULAR MEETING  
DECEMBER 18, 2013**

**APPROVED 04-16-2014**

**A. CALL TO ORDER**

The regular meeting of the Lana'i Planning Commission (Commission) was called to order by Chair John Ornellas at approximately 5:30 p.m., Wednesday, December 18, 2013, in the Lana'i Senior Center, Lana'i City, Hawaii.

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

Mr. John Ornellas: Alright. I want to convene the Lana'i Planning Commission, December 18<sup>th</sup>, 2013, Wednesday. We're still waiting for more members, but we do have quorum so we will start. There we go. Okay, we're going to first start off with Item B, approval of the minutes of the November 20<sup>th</sup>, 2013 minutes.

**B. APPROVAL OF THE MINUTES OF THE NOVEMBER 20, 2013 MEETING**

Ms. Beverly Zigmond: Mr. Chair?

Mr. Ornellas: Yes Bev.

Ms. Zigmond: I had sent around some corrections to Leilani. They were just typos.

Mr. Ornellas: Leilani, did you get those? Okay, is there anything else? No?

Ms. Zigmond: So I'll move that they be, the minutes be approved with the corrections.

Mr. Ornellas: Alright. Can I have a second please? Somebody use a mic.

Ms. Joelle Aoki: Second.

Mr. Ornellas: Second by Joelle. Thank you. Any more conversation about the minutes? If not, all those in favor say aye? All those against? So move. Got that Leilani? Alright. Great. Thank you.

**It was moved by Commissioner Beverly Zigmond, seconded by Commissioner Joelle Aoki, then unanimously**

**VOTED: to approve the November 20, 2013 meeting minutes with the corrections.**

**(Assenting: J. Aoki, S. Barfield, K. Gima, S. Koanui Nefalar, B. Oshiro, B. Zigmond**

**Excused: S. Marlowe**

**Absent: P. Felipe)**

**C. UNFINISHED BUSINESS**

- 1. MR. KRISTOFER BAPTIST of LANA'I RESORTS, LLC requesting a County Special Use Permit to relocate and operate the Lana'i City Recycling Center, a HI 5 Recycling Redemption Center to the B-CT Country Town Business District at 907 Ninth Street, TMK: 4-9-005: 090, Lana'i City, Island of Lana'i. (CUP 2013/0004) ( J. Prutch) (Deferred from the November 20, 2013 meeting.) (Commissioners: Please bring the Department's report with you to this meeting. The report was included in your November 20, 2013 meeting packet.)**

**The Commission may take action on this request.**

Mr. Ornellas: Now we go back, go to C, unfinished business. And this is concerning – this is Mr. Kristofer Baptist of Lana'i Resort. Let me ask a question to the Planning Department. Why are we still using the word Lana'i Resorts. You've got, you've got some, some of the stuff in here under Pulama, and then you've got some of the stuff under Lana'i Resorts.

Ms. Lynn McCrory: The name of the company is Lana'i Resorts LLC and then we have DBA Pulama Lana'i. So either name works.

Mr. Ornellas: Okay, so nobody is going to bring up Castle & Cooke Resorts anymore is it? Okay, good. Sorry Gerry. Alright, so we go back to Mr. Kristofer Baptist of Lana'i Resorts, LLC (*Chair John Ornellas read the above project description into the record.*) Okay, I wanna read a letter from Chris Hart Associates. And this is to William Spence, Director, Department of Planning; subject, withdraw of County Special Use Permit (CUP) application to operate the proposed Lana'i City Recycling Redemption Center located at 907 Ninth Street.

*"Dear Mr. Spence, on behalf of the applicant, Pulama Lana'i, Chris Hart & Partners, respectfully request that the application for the County Special Use Permit for the above referenced project be withdrawn. The applicant is reassessing their options and for providing recycling service to the island, to the Lana'i community."*

Anybody have any questions they can call Jennifer Mayden. And if you want that number I can give it to you. So, and, Gerry you want the number? I am. I am going to do that right now. I want to open the floor up for – Well, I tell you what, let's get Pulama first and so that they can tell us why and then we can move into public testimony.

Ms. McCrory: Thank you Commissioners. I'm Lynn McCrory with Pulama Lana'i. After the last meeting we stopped for a minute and said this really is something that the community wants in this location. We'd already put almost \$40,000 into this location in terms of the time and expense for the planner, and our time and expense. And we're looking at additional pieces that would need to be done and said, you know, this is only a temporary permit. We really do want

it at Miki Basin and the commissioners all felt very strongly that that would not be an issue for the community to go down there. So why don't we just stop and put it at Miki Basin. So we went back to the Department of Health and we were able to work out with them that we could remain in the current location which is next to Central until the Miki Basin site is ready. And then once the Miki Basin site is ready everything will move down to that location. And that was our decision. Once we were okayed with Department of Health then that seemed to make the most sense, and we won't put any additional money up into the fleet yard. We'll put all the money into the baseyard. I'm sorry, into Miki Basin. And that was why. So, thank you for your comments and thoughts, and I think we'll end up with a much better answer over the long term of this.

Mr. Ornellas: Thank you Lynn. Alright, I now open the floor up to members of the community for public testimony. Gerry, you want to be the first? You need, you need a mic Gerry.

Mr. Gerry Rabaino: The recycling redemption center, I have two questions, if you don't mind, to Lynn that you guys are withdrawing so it's not going to be located within the baseyard. And, okay then you going to move it down to Miki Basin. Okay, what about the light-industrial area where the old power house is? Might be located there? No. Okay. So Miki Basin is? Okay, excellent. I'm going according to the agenda. The other one is –

Mr. Ornellas: The other one is – let's just stick with the and then we'll come back later and do the other one is.

Mr. Rabaino: Okay, sounds good.

Mr. Ornellas: Okay. Great. Thank you. Alberta you're next. Thank you.

Ms. Alberta de Jetley: Both Gerry and I were going to speak on another thing, but because this is up now I would like to speak on behalf of myself. You know when we were going through this and listening to the testimony that we, that you were receiving at the last meeting, it was very iffy. It was obvious that there were a great many concerns by the public, being voiced by the public. And I really want to thank Pulama Lana'i and Lynn and Ralph for re-looking this issue because previously, you know, we didn't have this kind of give and take relationship with the company. It was if they wanted to do something it was done their way. We didn't have a chance to stop them in their tracks and say, whoa, wait a minute, let's back up, we really don't want it done this way. So for myself, I really appreciate the efforts that they are making, Pulama Lana'i is making to work with us with the community to be sure that we are all on the same page working together rather than against each other. Thank you.

Mr. Ornellas: Thank you Alberta. And I'm sure Ralph appreciates, appreciates it too. Anybody else in the audience? Any more public testimony? Please come forward and –. Okay, I don't see a rush for a mic, so we'll end, we'll end the public testimony. Commissioners, any comments? Seeing none, we'll move on to the next since we don't have to do anything with this. It's withdrawn. Do you want us to approve the withdraw? Thank you for the – thank you Bev. I can hear you.

**D. PUBLIC HEARING**

1. **MR. KURT MATSUMOTO of Lana'i RESORTS, LLC requesting a Change of Zoning from Urban Reserve District to B-CT Country Town Business District to enable office use of the Old Lana'i Police Station/Courthouse Building located at 312 Eighth Street, TMK: 4-9-006: 004, Lana'i City, Island of Lana'i. (CIZ 2013/0007) (P. Fasi for J. Prutch)**

- a. **Public Hearing**
- b. **Action**

Mr. Ornellas: Next up is public hearing (*Chair John Ornellas read the above project description into the record.*) Mr. Fasi is in for Mr. Prutch.

Mr. Paul Fasi: Good evening commissioners. I'm Paul Fasi, senior planner, substituting for Joe Prutch. I'm going to be very brief in my remarks on this project. I think the consultant has a presentation that they'll give you and they'll cover it in more detail. I'll just cover the governmental regulatory requirements. The property is approximately 1,500 square feet in size. There are four historic one-story buildings on the site – the police station/courthouse, the jail cell, a single-family residents and a garage laundry building. The land use designations are the State Land Use District is Urban; the Lana'i Community Plan is Business Commercial; the County Zoning is Urban Reserve. It is not within the SMA. The proposed action involves a Change in Zoning request to enable the use of structures for the relocation of the County Council Offices and Administration use. I believe Council Services will be utilizing this office space.

The purpose and intent of the Business Country Town Business District is intended to establish development standards for business in the rural communities. Currently it's in Urban Reserve, and the intent of the Urban Reserve District is to accommodate and reserve of lands in the State Urban District for future development which is consistent with the community plan designation for these lands. As I just mentioned the community plan designation is Business Commercial, so it is in harmony with the community plan. Within the Business Country Town Business District the following uses are permitted – buildings and premises utilized and owned or operated by government agencies including community centers. Number six, business financial and professional offices.

I believe you were just handed a letter from Councilman Riki Hokama in regards to this particular project. The letter is dated December 18<sup>th</sup>. As of this afternoon we had no communication regarding this matter other than this one letter in opposition to the Change in Zoning. The department has no further comments. Any questions? If there are no questions, I'm going to turn it over to Mich Hirano of Munekiyo & Hiraga. They do have a presentation.

Mr. Ornellas: Go ahead Mich.

Mr. Mich Hirano: Thank you Paul, and good evening Chairperson Ornellas and commission members. My name is Mich Hirano with Munekiyo & Hiraga. We're representing the applicant Pulama Lana'i this afternoon. Lynn McCrory from Pulama Lana'i or Lana'i Resorts is here as well to answer any questions commissioners may have. I'd like to introduce Bryan Esmeralda, from our office, planning analyst. And Bryan will be doing the power point presentation just providing information, background information on the Change in Zoning application before you this afternoon, so thank you.

Mr. Bryan Esmeralda: Good evening commissioners. My name is Bryan Esmeralda, as Mich said, with Munekiyo & Hiraga, on behalf of the applicant, Pulama Lana'i to present the request for a Change of Zoning of the old Police Station Courthouse property.

Some project overview, the applicant is Pulama Lana'i who's represented today by Lynn McCrory. Planning consultants Munekiyo & Hiraga, represented by Mich and myself. The parcel is located at TMK: 2-4-9-006 parcel 4. And as Paul stated earlier it's a parcel approximately 1,500 square feet in size. And again we're here to seek favorable recommendation to the County Council for a Change in Zoning from Urban Reserve to Country Town Business.

I know you guys are all aware of this property, but just to give an overview, it's located here, directly across from here, across Dole Park from here, at the corner of Fraser Avenue and Eighth Street. So the property is located here. It's located amidst other commercial uses and other parcels that are also zoned Country Town Business. This is Pine Isle Market and the juice stand, I'm not really sure of the name, but it's located right next to the property. As you guys are aware, there's three levels of land use designations. State Community Plan and zoning and development of properties must conform to all levels of land use designations. So as Paul explained the State Land Use designation is Urban; the Community Plan designation is Commercial; and Maui County Zoning designation, Urban Reserve.

Urban Reserve is defined as a designation which protects the health, safety and welfare of the general public by accommodating reserve of lands in the State Urban District for future development which is consistent with the Community Plan designations for these lands. And as was previously stated the Community Plan designation for this property is Commercial. We're seeking a Change in Zoning to Country Town Business which is intended to establish development standards for businesses in the rural communities by preserving and maintaining the unique country town urban design characters of these communities in Maui County.

So the Change in Zoning request is intended to enable the future use of the property for either County Council use or retail use. At this time it's not confirmed yet, but it sounds like there's opposition to the County Council use. And the Change in Zoning is to ensure that either use is in conformity to all land use designations.

Also as Paul stated there's four structures currently on the property. The police station and courthouse which fronts Eighth Street; a single-family residence; the garage and laundry; and jail cell.

Again, I'm sure you guys are all aware of the property, but just to go through some site photos just to look at some existing conditions. This first photo is of the front of the police station and courthouse facing Eighth Street, and the rear of that structure. This is the front of single-family residence, and the rear of the structure. These are views of the jail cell, and the garage and laundry room structure. These structures, as Paul said, are historic. They were built in around 1935. Current zoning is Urban Reserve and we're seeking a Change in Zoning to Country Town Business to establish the appropriate zoning for either County Council use or retail use. At this time only minor improvements are anticipated for the structure, and they will not be initiated until after the Change in Zoning process is complete. And this project presents no environmental or infrastructure impacts.

Thank you guy for taking the time to hear our presentation, and Mich, myself and Lynn are open to take any questions you guys may have. Thank you.

Mr. Ornellas: Thank you.

Mr. Hirano: Thank you Bryan.

Mr. Ornellas: Anything else Mich? You okay?

Mr. Hirano: No, I think that in light of the letter which was just received by the Lanai Planning Commission that the uses that there are also alternative uses that can be achieved by the Change in Zoning to Country Town Business such as retail so the zoning is still applicable. And the request is still applicable because there were other uses that can be done for the property. As Urban Reserve it's very restrictive on what can be done. Thank you.

Mr. Ornellas: Thank you. I want to open up the – for public testimony on this particular item. Gerry?

Mr. Rabaino: Thank you Mr. Chair. For the record, I live at 1476 N. Hoalauna. Gerry Rabaino. Okay, exhibit 10, my concern is will the courthouse – when they do change over or accept whatever they proposed here, I would like to see that the jail house still remains as part of the history of this community. Okay? So not remodel or anything, maybe just spice it up and make it look pretty that's about it, but do not remove it, yeah? And I'm glad the handicap ramp is taken away.

The other part across is on page 7. If you look at that photograph on page 7, under exhibit 5, photo #3. What is that structure? It's still going to remain there or be removed? Which is the backside of the, or next, or behind the police house? Exhibit 5, photograph 3. Is that building, I guess it's a carport or not, but it is that still going be standing as adjacent to the police department. And that would be, what, considered as storage? Future storage. Okay.

Now across the street, if you turn the page, you know this is a small community so you hear all kinds of versions going on so this is the best time to bring it forth. Okay. Where Maui Soda use to be right behind the old Maui Electric which is now the juice station, that building behind there,

is that building still going to be standing and turned into –

Mr. Ornellas: Excuse me Gerry, that is not part of this project. Just the three buildings.

Mr. Rabaino: Just the three buildings on the Police –

Mr. Ornellas: Four buildings.

Mr. Rabaino: Okay, so if you going make that into commercial or retail? Commercial, okay. Okay. And, that's it. Thank you.

Mr. Ornellas: Thank you Gerry. Alberta?

Ms. de Jetley: Thank you for this opportunity to appear before you again. My name is Alberta de Jetley, and I'm speaking on behalf of the Lana'i Chamber of Commerce as its Chairperson. The Lana'i Chamber of Commerce supports the re-zoning of the old police station property from Urban Reserve District to BCT Country Town Business District. In our bylaws, under objectives, we state under item 4, in quotations, "to nurture the relationship between Lana'i's uniqueness, cultural and natural resources and businesses that enhance the values that set Lana'i apart from most areas of the Hawaiian Islands." The old police station building offers us a chance to create another small business or office complex, adding another brick in our foundation of building a thriving economy for future generations. I am presenting the Lana'i Planning Commission our business membership list as of today, and our community phone directory listing our chamber members' businesses and other businesses on Lana'i as of April 2013.

I'm going to remove my Chamber of Commerce hat and put on my personal Alberta de Jetley hat. We had, we have discussed this building extensively. It could creates enormous opportunities for us to maybe consider if some of you were at the meeting that Lynn had on the business or the visitor center that the company was proposing at the top of Dole Park. This building would make a terrific visitor information center. You could have an activity desk there. You could put the Lana'i Visitor's Bureau into that building. You could put the Lana'i Chambers of Commerce in to that building. It offers unlimited opportunities, and most importantly of all, it could create pedestrian flow, traffic flow, between the Lana'i Cultural and Heritage Center to the bottom of Dole Park. So if people stopping at the Cultural Center needed information on activities and tours and things to see on Lana'i, they could be directed down, across, down to the old police station and they would be walking by businesses. And when they get to that station they can look across the street and see the Lana'i Art Center and walk back up the other side of the street, or the park. So this building has tremendous potential and I'd like to see it personally re-zoned so that Pulama can consider other alternatives for it rather than just leaving it another 20 years empty. This is, this is our town. This is our future. And I would strongly recommend, I would strongly ask for your support in re-zoning this property. Thank you.

Mr. Ornellas: Thank you Alberta. Any other members of the community would like to get up?  
Mr. Green.

Ms. Zigmond: Mr. Chair, I have a comment for Alberta.

Mr. Ornellas: Alright, before you go Dave, Alberta we have a question for you.

Ms. Zigmond: It's not actually a question.

Ms. de Jetley: Yes?

Ms. Zigmond: It's more of a comment. Should we approve this it's – you know that it's not approving any endorsement of how that's going to be used.

Ms. de Jetley: Yes. We, we fully understand that anyone applying for that building will have to present a viable business plan. As, as being, you know, with my Chamber hat on, we would have to really work hard to find funding if we got into that building. But an entity like the Lana'i Visitors Bureau that's where they belong. They belong front and center as an important part of our community.

Mr. Ornellas: Thank you Alberta. Anybody else? Any commissioners, any other questions? I'm sorry. Go ahead Dave. I thought you were still on the board.

Mr. David Green: No. For the record, Dave Green. Thank you commissioners for the opportunity to testify. I would just say that I definitely support the request for Change in Zoning and finding alternative uses. I think the best way to preserve a historic facility like that is to re-purpose it. If it just sits there the way it has sat there ever since I've been on island it would be neglected and etcetera, etcetera. So I think it makes economic sense for the community. I think commercial uses are really important. And as I said, I think it's the best way to ensure it remains a part of our history. Thank you.

Mr. Ornellas: Thank you Dave.

Mr. Green: And I support the Chamber's use of the building.

Mr. Ornellas: Thank you Dave. Any, anybody else in the community would like to give testimony? Smile Ron. Come on Ron. You okay? Alright. Thank you very much. I'll close public testimony. Commission members, any comments?

Ms. Zigmond: Mr. Chair?

Mr. Ornellas: Go ahead Bev.

Ms. Zigmond: I have two questions and two corrections actually. I'll start with the questions. I'm just curious where did the idea come from that the County Council would move in there?

Ms. McCrory: Lynn McCrory, Pulama Lana'i. Actually, it's not the County Council. It was Riki Hokama's Office would move from the building inside Dole Park. And initially Kurt talked with

Riki about it, and as being here was a building that you would have more space to hold meetings with people. It would be open. It could be open to the public hold meetings in versus the very large Dole Park building. He did not have any objections at that time. Obviously he does at this point in time. So if he does not choose to take that facility, then absolutely let's set it up for retail and Commerce or whatever businesses that can go in there.

Ms. Zigmond: Okay. Thank you. And then on exhibit 3. Page 1 of exhibit 3, the executive summary. The first sentence says that this architectural assessment is being prepared, dot, dot, dot, in preparation for their anticipated demolition. Exhibit 3, page 1 at the top, the first sentence.

Ms. McCrory: This was written by Mason Architects back in August of 2006 when this was still owned by Castle & Cooke. But we wanted you to see that it was done – architectural assessment had been done. So it's very similar to have this report. But no, there's no plans for demolition.

Ms. Zigmond: Okay. Thank you. I thought that was kind of odd. So then one of the corrections is moot, because if it was done in 2006 we didn't have two sergeants. I mean, we had one sergeant and not two. I thought this was current so I was going to make that correction. But also when it talks about health care, surprisingly it mentions Lana'i Community Health Center and not Straub. And although I'm a patient of Lana'i Community Health Center, I think Straub would want to be mentioned in there.

Ms. McCrory: I think it's great that you got this going for a change. You're welcome.

Mr. Ornellas: Any other members? Yes, go ahead Stacie. Thank you.

Ms. Stacie Koanui Nefalar: What would you folks do with the jail house?

Ms. McCrory: Leave it there.

Ms. Koanui Nefalar: Will, will it be something with like have plaques in the front showing the old police station and what it was –so it's more museum-ish type of?

Ms. McCrory: Yes. It's more that you can't even imagine taking it down. And one of the ideas we had was let's put up a stockade up front and then tourists could take pictures. But we were laughing at that point. But it's too cute. It, it, it's such a part of history, you don't want to take that down. The only request we've had and I don't remember the community member who said it to me was would you take off the chain linked fence. It makes it look like a dog kennel. And I, I don't think we can do that. I mean, that's all part of the astonishment that someone was in jail and this was their yard that they could get a little exercise in. So I think that, that yard comment brings a smile to everyone's face when they hear it. So, no, the jail has to stay.

Mr. Ornellas: Thank you Stacie. Joelle?

Ms. Aoki: I have no comments at this time.

Mr. Ornellas: Shelly? You guys, you guys trying to hand off to one another. Okay, I knew there was something.

Ms. Aoki: I do have one comment. So I think on Beverly's inquiry about Lana'i Community Health Center. Straub was formerly Lana'i Community Health Center. Maybe it's why it was mentioned that way. Was it Lana'i Family Clinic?

Ms. Zigmond: It was Straub Family Clinic. It was never the Lana'i Community Clinic. No, Ron, we're talking Straub.

Ms. Aoki: We're talking about the clinic.

Mr. Ornellas: Alright, alright. Let's –

Ms. Zigmond: No. No, it was never that. It was Straub Family Clinic always.

Mr. Ornellas: Alright. It, it doesn't really matter.

Ms. Aoki: So just inquiring. This is not – this is just for an exhibit which was not your work, right? Okay, so we're not changing anything in that, right?

Ms. McCrory: No, we're not changing this. This was written with a particular date.

Ms. Aoki: So I do have a question in reference to the building. So you have, currently you have no plans set for the building on what your intentions are. Will you be holding community meetings in reference to that?

Ms. McCrory: Yes.

Ms. Aoki: Thank you.

Mr. Ornellas: Anyone else? Go ahead Stacie.

Ms. Koanui Nefalar: Is there any plans for maybe Riki's office to be moved? Is that why it came up that maybe something else is going to kind of scoot him out of his current location?

Ms. McCrory: Initially we looked at possibly a new bowling alley going in there. But the bowling alley is just kind of sitting in limbo. I guess the best way I can describe it is we did a survey. We handed out multiple surveys at the community informational meetings just to see what people thought. And we haven't handled them out in the last, I'd say, two. But prior to that the tally was 50% of the people wanted it in Dole Park, 50% of the people didn't want it in Dole Park. Of the 50 that did want it in Dole Park, most wanted a completely new building and some one or the other building renovated. When it's that mixed we're not going to do anything. We're

taking a look at other locations for the bowling alley. Whether it should be a part of that sports complex, where the, you know, the multi field, multi site, multi field, sports field. I'll get it out right. It may be down there. It maybe some where else. It maybe we don't do it.

Mr. Ornellas: Okay. But hang on Ron. Hang on Ron. I already closed public testimony. I do have –. It does –. Even though the zoning does get change, it doesn't preclude Riki from moving in there. I mean, he can still move his office there.

Ms. McCrory: Well he could, but I think he had enough –. I don't think that would be the best move on his part.

Mr. Ornellas: Okay, but you're basically –. You being the landowner, I mean, if they wanted to move them in there, you could. You would let them if they had the –

Ms. McCrory: I don't know.

Mr. Ornellas: Okay.

Ms. McCrory: I don't know. I think what I'm hearing from the community, and not just from Alberta but from other people that have – if you remember Alberta put in the news paper to send e-mails if they had any positions on things. And I received a number of e-mails from people that said, no, really this should be retail. This could be a shop. It could be a real estate office. It could be – there was one with seamstress who thought this would be a good place. So, and there was one other one. So that's a lot of input for one location.

Mr. Ornellas: Alright. Great. Thank you. So members, any more questions? If not, then we'll – can I hear a motion to –? Go ahead. Paul, go ahead.

Mr. Fasi: Before you call for a motion I'd just like to bring your attention that the Urban Reserve District, the intent of the Urban Reserve District as I said earlier is to reserve the lands to be rezoned that's consistent with the community plan. So you want to be consistent with your community plan. And as a Business Country Town that would be in harmony with your community plan. That's the intent of the Urban Reserve District.

If you would look at exhibit 4 of your staff report. Exhibit 4 just shows that it's an odd piece of zoned property. Everything else around it is Business Country Town. So it's the proper thing to do as far as Change in Zoning. This is what the Planning Department likes to see. It likes to see consistency in its zoning. And getting consistency and compliance with your community plan.

The other thing I need to bring your attention is that you're making a recommendation to Council, so this still needs to be debated at the Council level. Councilman Hokama will have another opportunity to voice his concerns at that level. The department supports this Change in Zoning and we feel it's the proper thing to do. Thank you.

Mr. Ornellas: Paul? In the, in the description it says that the Maui County Council. Can that be taken out? I mean, is that something? I mean I think Riki had – that was his, that was his main focus was that the Maui County Council did not approve this.

Mr. Fasi: Well, I'm not sure if it had been debated on the Council floor yet. Let me defer to Clayton Yoshida first.

Mr. Clayton Yoshida: Well the record that is being developed here will be transmitted to the Council when they consider the Change in Zoning which includes Council member Hokama's letter as part of the record.

Mr. Ornellas: Alright. Thank you Paul. Any questions? Any more questions for Paul? No? Hearing none. Thank you Paul. Appreciate it.

Mr. Fasi: Thank you.

Mr. Ornellas: So if nobody has any other questions then let's move to the decision making. Can I have a motion to approve – approve this Change of Zoning from Urban Reserve District to Country, Business Country Town. I'm sorry. Yes, sir, I'm working through it. I'm working through it. Alright, changing the use from the old Lana'i Police Station Courthouse Building located at 312 Eighth Street. Can I hear a motion?

Ms. Shelly Barfield: I motion to move forward to change it from Urban Reserve to BCT.

Mr. Ornellas: Alright Shelly. Okay. Do I have a second? Do I have a second? Hearing none, then do we – can I hear a motion to disapprove? Or can I hear a motion to defer? That, that's the options. That's all I'm doing is just presenting options. So approve, disapprove, defer.

Ms. Zigmond: Mr. Chair, I'll second.

Mr. Ornellas: Second the approval? Alright, great. Anymore discussion? Hearing none, all in favor of the motion of approving this motion please raise your hand. No? Okay. We've got five yays, one no. Motion carries? Motion carries.

Mr. Hirano: Thank you very much commission.

**It was moved by Commissioner Shelly Barfield, seconded by Commissioner Beverly Zigmond, then**

**VOTED: to recommend approval of the change of zoning from Urban Reserve to B-CT Country Town Business District to the Maui County Council.**

**(Assenting: J. Aoki, S. Barfield, K. Gima, B. Oshiro, B. Zigmond**

**Dissenting: S. Koanui Nefalar**

**Excused: S. Marlowe**

**Absent:** P. Felipe)

**E. COMMUNICATIONS**

- 1. Continue the discussion on amending the Special Management Area Rules as suggested by the Chair (Deferred at the November 20, 2013 meeting).**

**Action and/or direction on any specific proposals will be taken at a subsequent meeting after those proposals have been agendized.**

Mr. Ornellas: Alright, let's move on to the next. And that is, that is Item E. And that is communications. *(Chair John Ornellas read the above project description into the record.)* I would like to bring up a couple items tonight and I would like to discuss the first item would be, let's discuss the issue of emergency SMA approvals which is it's done by the director without notification until the next regularly scheduled Lana'i Planning Commission meeting. And as we all know we can go two months without a meeting. I'm sure we're not going to have that in the next six or seven months, but it's happened in the past. What I'm looking for is within 48 hours. The director is to contact me, and I will contact the members, to notify each one of you that there is an emergency SMA being, being processed.

Ms. Zigmond: Mr. Chair?

Mr. Ornellas: Go ahead.

Ms. Zigmond: Question. I thought that what you had just said was sort of – it was going to be on the agenda because we talked about whether it was 24 hours or 48 hours, and whether it was e-mail or a phone call to you. We had a pretty hefty discussion so I was surprised to see that that wasn't on here nor was the minor permits.

Mr. Ornellas: Understood. But according to Corp Counsel we have to –. Can you rephrase that? No, I mean, I had talked to James, and there's a process that we have to follow and we really didn't follow it. So we're going back.

Mr. James Giroux: Well, as far as where we are right now because we're still formulating hypothetical changes to the rules, the reason it's on the agenda is basically to continue that discussion. So whatever we come up with today is something that, you know, five members agree to, it's basically that that okay is just telling the department that they can go and draft something. Then they'll probably, if you don't give the exact wording tonight, they'll probably have to bring that document back to you again for another okay. And then once they get that they can go and publish it for the Chapter 91 process. So it needs to be published. There's needs to be a hearing. The public needs to be able to testify, you know, about the language. And then you can take that as the action. That's when you're going to adopt those rules. Once they're adopted, then it goes over to the Mayor to get signed, and then it goes to the Clerks. Once it's filed, then it becomes law.

Ms. Zigmond: Right. I understand that. I just, I guess, maybe I should assume that you want us to do this in pieces instead of all at one time. Is that it?

Mr. Ornellas: Yeah. So we don't draw this out for the rest of the evening. There's just a couple that I want to talk about today. Do you have anything to add? No? Okay. So let's discuss – let's discuss 24 versus 48 hours. I mean, if the department gets a request from an applicant for an emergency SMA permit, notification right now states that he has to come to us within the next regularly scheduled meeting. What I'm looking for is 24 to 48 hours we have to be contacted. Either by me or by the department. They would call me, and then I would make sure all you know about it. Any objections to that? Go ahead Joelle.

Ms. Aoki: Mr. Chair, for clarification you're talking about minor?

Mr. Ornellas: I'm talking about emergency.

Ms. Aoki: Emergency. Thank you. I just want to make sure –

Mr. Ornellas: We haven't gotten that far.

Ms. Aoki: – I'm hearing you clearly.

Mr. Ornellas: This is an emergency.

Ms. Aoki: Thank you.

Mr. Ornellas: Any objections? So can we agree that we give this to the Department of Planning to draft legislation, draft wording for this and bring it back to us at our next meeting?

Mr. Yoshida: Well, we can attempt to provide language at your next meeting, working with legal staff.

Mr. Ornellas: Okay, in my mind, not being a planner, shouldn't take that long. We're only changing –. Yes, sir, Paul, come. Grab a mic.

Mr. Fasi: Paul Fasi, senior planner. The SM5 Emergency Permits are temporary in nature, so just bear that in mind. They're not permanent. They're not meant to be permanent. They are a stop gap measure so you may want to consider time constraints on it. Emergency permits are temporary in nature.

Mr. Ornellas: Understood. Okay, but, if, if there is an emergency permit issued by the department and the Lana'i, Lana'i Planning Commission doesn't meet for two or three months, I mean, the – you know, we miss the window of, of a, of an opportunity to see what's going on.

Mr. Fasi: Sometimes emergency permits last for a longer period. Like, for example, the sand washes away the front of an apartment building and they got to put the geo tubes down. They

may be sitting there for a year as an emergency stop gap measure until they figure out the engineering and what needs to be done. But it's not permanent. So when I say temporary, it's not a matter of weeks. It could go months. It could go a year.

Mr. Ornellas: Okay, so what is the downside for the department notifying the Lana'i Planning Commission within 48 hours of an approval of an emergency SMA permit?

Mr. Fasi: When you say notifying the commission, do you mean the chairperson?

Mr. Ornellas: Yeah.

Mr. Fasi: And then the chairperson notifies –

Mr. Ornellas: And then the chairperson can notify the members.

Mr. Fasi: There's no downside. I don't see a downside to that.

Mr. Ornellas: Okay. Great. Thank you. Clayton. Okay, next item. Okay, so you're going to take care of that? Alright, great. I love it when things come together. Alright, so the second thing I want to talk about and James is gonna have to – and James will give us a little bit more history. This is a little bit more involved, and that is to change the requirements for a minor SMA permit. Right now, presently, a minor SMA permit that would be done, strictly by the department would be less than \$500,000. So anything, anything less than \$500,000 it is approved by the director, not the Lana'i Planning Commission. I want that changed. I want that – I want all. We're not Maui. So Maui has a lot of SMAs that goes through their process. We're not, we're not Maui. We are Lana'i, and we would want to see everything, SMA permit, that comes to this island. So on that note, James will give us a little bit of information about how Molokai is doing it. And, and also the correct route that we need to take.

Mr. Giroux: Yeah, the chair asked me to look into this. From my understanding is that Molokai does look at the minor permits. And under their rules, 12.302.1, it says that the commission will approve the minor permit. So, I mean, my suggestion would be that if you want to do it how Molokai does it, we would probably just look at their rules and see how it's structured. According to 205A, you know, it's the county that comes up its procedures on how to review emergency and minor permits. So it would be within your rule making authority to look at that.

Mr. Ornellas: Alright so then the Planning Department would then come back to us at our next meeting with a draft of what that, that ordinance is going to look like or the – did you call it an ordinance?

Mr. Giroux: It's, it's administrative rules. But once it's passed it basically works like a law, so it becomes, you know, administrative rules are, are treated like laws.

Ms. Zigmond: Mr. Chair?

Mr. Ornellas: Yes Bev.

Ms. Zigmond: May I refresh our collective memory on the discussion we had last time about this which there was some concern about us being overworked with all the minor permits, and, and we kind of had some discussion about – and I don't know if we still want to do this or not – but this is what I remember from that meeting was that we would have all minor permits come before us and at that point decide whether or not we wanted to review and make a decision on them. For instance, if it was tree trimming, you know, we would know that it was happening, but maybe we, you know, just let that one go by. We had some other options and I'm not saying anything for or against, just reminding us that we, we did, we said, we definitely want to see houses like the – yeah, like housing and various things. But I think, at a minimum we should be able to look at them all and decide whether or not we want to have a voice on that, or else just do them all.

Mr. Ornellas: Go ahead Lynn.

Ms. McCrory: Yeah, we were talking about exempted permits, not the minor permits. That there are a number of, yeah.

Mr. Ornellas: Okay.

Ms. Zigmond: Okay.

Mr. Ornellas: Is there any objections by the committee members on having the department come up, draft a language to this effect, so at the next meeting we can have a, see what it is. And the process would be they would present that to us. We will then fine tune it, and then the following month we'll have a public hearing and decision making. Okay? Any questions? You okay with that? I know it's a lot of work for you, but –

Mr. Yoshida: Well, I guess as staff for the commission, we do what the commission instructs us to do. But the department would not be in favor of this amendment as we feel that it's not in the interest of streamlining. This kind of goes in conflict with that. But if that's what the commission wants, then we will work to provide some language.

Mr. Ornellas: Thank you very much.

Ms. Zigmond: Mr. Chair, one question for Clayton. So what is the difference between Molokai doing it and us doing it? I mean, why can't we do it?

Mr. Yoshida: Well, I guess, you know, for Molokai, I mean they've been doing it, the minor permits, since they were created because they felt, you know, they were, you know they wanted to have home rule and make all the decisions.

Ms. Zigmond: We're just finally catching up with them. We want to make those decisions too.

Mr. Yoshida: Well, I guess it's, you know, which way, which direction you want to, you want to go. I mean, you have Maui on one end, you have Molokai on the other, and then you folks are kind of in between.

Mr. Ornellas: Paul?

Mr. Fasi: Paul Fasi. As a staff planner, and this, this notion that you want to look at every single exemption just because Molokai does it, does not make – sorry, the minors – does not make it the right decision to make. It slows the department down immensely. And the cost of government goes up because you gotta fly everyone here – one, two, three, four of us here on our time, over-time, plus the cost of the flight just to review these minor permits which the department traditionally has the jurisdiction to review. That's why we're planners. And you can chose to do it, but the applicant and the level of frustration that they're going to go through because it just slows everything down. And we're trying to go in the other direction, trying to streamline. And as a planner, not to say that these are insignificant, but frankly we've got bigger fish to fry than to look at every single minor and/or exemption. It just slows everything down. You cannot believe how slow things go when these things have to come before you. I would think that you would be of mind to look at the bigger more important issues than somebody wanting to build a retaining wall, etcetera, you know, what ever it may be.

Ms. Zigmond: Paul, I, I have to disagree with that, and we're not doing it because Molokai is doing it. We've talked about this for a long time. This is the only place we have to exert any control over what happens on this island. And a lot of stuff is happening on this island now, and we kind of want to at least be sort of in the driver's seat. And with all due respect to everybody's time, and, hey, I pay lots of taxes. I mean, I, I'd rather it go for other things, but, you know, I think we have the right to make that decision.

Mr. Fasi: I understand that. Clayton, how many minors did we process this year, approximately?

Mr. Ornellas: For Lana'i.

Mr. Yoshida: Well, I think that they've increased significantly with the activity of Pulama. Prior to that, you know, maybe there were like one or two, but – a year – but with all of these SMXs and I would direct you to the open projects list, you know, there's a lot more. You've seen a lot more than you did, than we had in years past.

Mr. Fasi: And I'd just like to say one more thing. I would think that Molokai should be following Lana'i's lead and not vice versa. You know, as a planner, had the decision making had been up to me, I would take that authority away from the Molokai Planning Commission. Thank you.

Mr. Ornellas: Lynn?

Ms. McCrory: Yeah, I think what we overall talked about when this came up that if the minors would need to be approve, could we change the exempt to not being approved, except for

houses because that's obviously a much greater amount. But most of the exempted permits are regular maintenance permits – the golf cart path on the 17<sup>th</sup> hole, running electricity at the ranger's station, a drain raised in an area. And so what we had talked about as a possibility was that you would bring, the Planning Department would bring to you a listing of the various exempted permits that were applied for. You then would look at it and make a decision as to whether or not you wanted to see that. If, if we could do something along those lines, it does reduce the amount of time, because they don't have to write everything up. And that's – I mean, you can see what's written up. It's a huge amount of things. So if it's a golf cart repair, and we're dealing with, you know, \$25,000 or \$30,000, we can show you where it is, and you can make a decision like that. So that's what we were looking for from the exempted status.

Mr. Ornellas: Okay members, any questions? Lynn, we had a prime example last week, alright, the tent, down at the luau grounds. Now that was – first of all, the permit was wrong, right, the way it was created. The number, the TMK, was wrong. But it was a minor SMA permit, and all hell broke loose because this thing was being built without the correct permits. And so we got phone calls, you got phone calls, so these kind of issues we lose track, and we want to make sure that this community is tracking all this stuff that's going on. Otherwise, we lose control, and we don't know what's happening.

Ms. McCrory: And I fully understand that you have my sincerest apologizes. And we have Leann Saunter here who had responsibility in terms of how this all came about, discussed at the point we're doing it. I guess in the sense of I'm not objecting to what you're looking for a minor permit. That was, that was my statement at the last meeting. What I was looking for in the exempted is that most of them are maintenance. And it isn't a matter that with that situation they could be issued. Because they couldn't be issued until you made a decision whether or not you wanted to review them. In other words, if, if there was a list came to you at the next meeting and on it was repair of the golf course 17<sup>th</sup> Manele hole golf cart path. Next one was electrical power to the ranger station which is a ditch with lines run in. The next one after that was a tent permit that had to go up. You then could look at that. And if the fourth one was a house, as we had that wonderful house issue, then you could look at that list at a meeting, and you would say which one do I want to see? You can say, okay, I automatically I want to see the house. But I don't want to see golf cart, and I don't want to see this. So you would've made your decision. And if you go with this minor being approved by you, then there is really nothing the director can issue. But you would at least reduce the amount of work for what I call regular maintenance items.

Ms. Zigmond: So are you suggesting that they come, that list comes before. I mean, it would be like the open projects and such that we have right now, but nothing is being done with them. They're just, the application has been submitted, and then we get to look at it and say yes, no, yes, no, yes, no.

Ms. McCrory: And you would, you would – it might be a little more detailed than that list because you would have the recommendation from the Planning Department, approved, disapproved, or they won't issue it, or they approve, they would issue it. So I don't, I don't think you'd be missing anything. The director would not be issuing any permits without you seeing

it. And the same process could be done for the minor permits where on that same list, or on a second list, it would list and say – and maybe for the minor permits what you'd end up with is more information. Because let's say it is – Grading of a . . . (inaudible) . . . is a SMA minor permit. And that's a desal . . . (inaudible) . . . basin that's going to be coming up. You can make a decision whether you want to see that. And then at a minimum the planning department wouldn't have to write everything up, and that would eliminate some work ,but you would still see everything.

Mr. Yoshida: I think we have, we have presented for the November meeting, but we never got time to get to the item was proposed language that we had for the Molokai Planning Commission where, for exemptions, the application would be presented to – if the director determined that the proposed action fell within the list could be exempted, then we would bring the application to you and you could decide if you want to waive your review, or if you want to review it. If you want to review it, then, you know, you would be the authority on the exemption. So if another Waterous residence came in and you did want to review it because it was a big, big house with three pools, then, you know, you could do so. But if the Terrace Lift Station came in, repairs and maintenance, which took four months to process because Joe had to write a report. That, you folks could say, well – and it took all of five minutes to decide on that – then you could decide that, for the repair of the Terrace Lift Station, we waive our review and the department can process the exemption.

Ms. McCrory: That would give you –

Mr. Yoshida: So you have the control whether to waive or not waive your review.

Ms. McCrory: That would give you everything you would see and nothing would be processed without you seeing it, or at least having an indication of it. And it would, again, so you wouldn't have to read the Terrace's Lift Station one more time.

Mr. Ornellas: Members, any discussion? Any comments?

Ms. Zigmund: I feel, I feel okay with that as long as we have that list comes before us and then decide to review it or not review it. I'm okay. I'm personally okay with that.

Mr. Ornellas: Anybody else agree with that? Go ahead Stacie.

Ms. Koanui Nefalar: I agree. I want, I want to be to see and make the choice myself.

Mr. Ornellas: Go ahead Joelle.

Ms. Aoki: I agree.

Ms. Barfield: Sure. Indulge me.

Mr. Ornellas: Kelli?

Ms. Kelli Gima: I agree. I agree.

Mr. Ornellas: Okay. So Clayton, the next, the next meeting, will you have lit – literature as far as stating what we just agreed upon so that we, we can – well, that's for Molokai. I want a cleaner copy for us.

Ms. McCrory: And I think the only change would be you would add minor and exemption. It's like the third sentence from the bottom of this paragraph. And, also, . . . (inaudible) . . .

Mr. Ornellas: We gotta change the number too, so can you bring back something for us, at the next meeting? Thank you. So those are the only two that I want to work on tonight. Thank you very much members. Thank you staff.

***Commission requested the department to provide written language on two items as discussed.***

#### **F. DIRECTOR'S REPORT**

##### **1. Commissioners' Reports on the 2013 Hawaii Water Works Association (HWWA) Conference conducted on October 23-25, 2013 in Makena, Island of Maui.**

Mr. Ornellas: So, let's go on to F, Directors Report. (*Chair John Ornellas read the following project description in to the record.*) Stacie, do you want to –?

Ms. Koanui Nefalar: I felt it was informative and interesting. It kind of went over my head a little because I'm still leaving about water. But, it was good to hear, you know, and hear terminologies that they used, and meet people. So I, I enjoyed it. It was good.

Mr. Ornellas: Alright. And then I was the other fortunate one to go to this. And one thing that stuck out, John Stubbart has a lot of friends. Okay, alright. I got to meet some very interesting people from Kauai, the Big Island, Maui. I was very, very disappointed in the State of Hawaii. They are so far behind the island Lana'i when it comes to water. They made rules back in 1986 and they haven't even implemented, nor monitored what they were told to do back in the 80's. And this one lady, one wahine got up and started talking about that. Then after, I was with John, went up, and she said, yeah. I asked her, how come you guys ain't doing this? She said, yeah, I'm kind of embarrassed to go to conferences and say all these stuff and that we're not doing what we're suppose to be doing. And basically it's because of budget cuts. And so, they're trying, but they're failing miserably as far as the State of Hawaii. And the stuff that, the stuff that, that the water company here doing, John, is a heck of a lot better than what the State is doing. LWAC plays an important part in Lana'i, Lana'i's water so we will continue to do so. And of course, we have a meeting next week Friday and everybody's welcome to come to the Lana'i Chamber's Office at 11:30 if you want to listen. 11? Okay, they would be late if they showed by at 11:30. But there's a lot of information that, that's put out and discussed. And sometimes we yell at one another, but for the most part we get along. So that was that.

Now we go on to item #2, Lana'i – open Lana'i applications report.

**2. Open Lana'i Applications Report as distributed by the Planning Department with the December 18, 2013 agenda packet.**

Mr. Yoshida: Yes. We've circulated the list as of December 10<sup>th</sup>. If there are any questions from the members.

Ms. Zigmond: Mr. Chair?

Mr. Ornellas: Go ahead.

Ms. Zigmond: Clayton, I have three questions please. On the – can you tell us the status of the structure down at the luau grounds? Is that – will that be coming on here?

Mr. Yoshida: Yeah, that would be reported on the next print out. But – yeah, they can report now.

Ms. Zigmond: Okay. My other question then Clayton is were you able to find out who is Teresa Heitkamp and what is her request for comments about?

Mr. Yoshida: Yes. She had called the department to ask about sign design guidelines, commercial sign design guidelines, for Lana'i City. So we referred her to Erin Wade who's our small town planner, and she said, yeah, there's a Lana'i City Design Guideline document.

Ms. Zigmond: Okay. Just curious. And on the open project – thank you for checking on that – the open projects, Jeremiah Kaopuiki, can you speak to that one please?

Mr. Yoshida: Yeah. This is from the – I guess Sol is the applicant. The thing is to re, to do a re-fencing out in the conservation district, on the, I think, eastern side of the island. Yeah, they have an existing fence, but it's kind of worn down so Mr. Kaopuiki wants to re-do the fence on conservation land.

Ms. McCrory: I think it's kuleana property that he's fencing.

Mr. Ornellas: Since we're talking about open projects, can you explain a little bit about your open project down there?

Ms. McCrory: Let me start first.

Mr. Ornellas: Go for it.

Ms. McCrory: Let me first sincerely apologize to all of you. It was a big surprise when I got a call saying they're building a building down on the luau grounds. And I said, well, #1, where's

the luau grounds? #2, I'm on my way to Manele, I'll go look. And I got down there, and there was this, what looked like a building because the color of the tent is like plywood. So I'm looking at it and going "oh my god what are they doing?" I got down there, went up to the people and I said, can I see your permit? And I got this, well, there's a problem. TMK wasn't quite right and we don't have the authorized letter from the owner, and so it's in process. And I'm like you then can't keep this going. You must stop. You have no permit. After going then back and forth, and going back over there one more time, and getting phone calls and e-mails, and responding to all of them, it was stopped. The building permit was issued on Friday. And Leann Saunter here is with the entity that is responsible for the tent structure and it is a six month permit. It is not a permanent permit so that you understand that. And I'm going to let her explain how the word lied to – or two words, lied to – was pretty prevalent. So Leann.

Ms. Leann Saunter: First thank you for allowing me to speak and I also want to acknowledge what happened and apologize for any wrong doing in process of obtaining permits. I'm Leann Saunter, and I am the owner of Seaside Locks. We are a retail management company and we help resorts re-envision their retail programming. We are not a construction company, but we do do design. And I think that's probably how we got into the most trouble in this project and this process. The tent being not the original reason that we have worked with Lana'i Resorts. We were brought in about a year and a half ago, to start talking about retail programming and re-envisioning the retail for the resort. We normally come in and work with contractors like Lana'i Resort. We have a point person, Linda, who we were working with. And once again this is not been a short process. This has been, you know, we definitely want to be involved in things and doing things the right way. We are not – we work in some other islands, and really identify that each one is differently and we really want to become not only part of the resort, but a part of the community. And we're here for a five to 10 year contracts helping and consulting the retail components.

So originally when we were building the stores inside of the resort, permitting was the issue. On our end, we found out, I would say about three months ago that the permitting wasn't going to happen so the construction could not go inside of the building. Once again, this is working with our project manager from Lana'i Resorts. So then we were asked as a company to come up with like a plan B, or something that could be temporary until the construction and permits were in place to go ahead and start construction inside. We came up with the idea that we worked with other people to come up with the proposal. Part of the proposal that we gave to Lana'i – mostly to Lana'i Resorts, but also to the Four Seasons partner. Yeah. We, we were not, we were not given the privilege to work with Linda at Lana'i Resorts on this project because it didn't fall under her scope.

Ms. Zigmond: Can, can I stop you there? I'm, I'm confused. Who is Lana'i Resorts?

Ms. Saunter: The ownership. Yes. So we were working with them and their original project. But when plan B was asked of us, we no longer were working with them, we were working with the Four Seasons partners. We came up with the idea of the tent as a temporary structure. Once again, we are not contractors, so of course, we reached out. We are very thorough about doing references. We were lead to believe that within a four week period when we contacted

this contractor to see if this project could even happen, permitting we knew would be an issue, and we went to someone who we thought was an expert because this is not our expertise. We were very clearly told that the permitting was absolutely in place, and we take full responsibility for not actually seeing it. But there were multiple phone calls, multiple e-mails, multiple times that this came up with this contractor that had worked on this island. Not just –. He was from Honolulu. He was the President of the company. I was on a lot of these calls, and cc'd on a lot of these e-mails, as well as our Four Seasons partners. So it wasn't just us. Everyone was definitely misled, and I, I have to say between this short window of time that this was happening we take full responsibility for not actually seeing it. I think Lynn can definitely kind of state that we were completely shocked. I was not on island. I came over immediately. Not only to make sure that it had stopped and that we were dealing with the situation, but actually to make sure that this person was removed from the island. I – It's just unbelievable to us that something, somebody could be so negligent that actually has done work here before to – and, and quite arrogant at the same time to say that he really thought that we were told – he said, too, oh, I'll just do it later. That's how this work, and I didn't get the correct permitting. But we believe that he – he told many stories to us. He said first that he had applied for something, and then it wasn't. That's the story he told to Lynn. To us, when we finally were standing in front of him, he said, "you know, this is just the way things are. You guys don't know. This is just the way we do business, and we're going to start working on this again tomorrow." We had him removed from the island immediately. He is not affiliated with the project. And it is very disheartening because he is the president of the company. So we made it very clear that he needed to leave, everything needed to stop, and we needed to figure out what was the appropriate way to go about things.

And once again, this isn't our expertise. We will never be involved with permitting on anything, on the island again, nor probably any other place because of – this has just been devastating to us as a company and embarrassing. We have a very good reputation, so I apologize wholeheartedly, but nobody had anything else. This was not anybody else. This was our fault because we did not see it physically, but we were lied to. So thank you.

Mr. Ornellas: Thank you. Thank you. We appreciate that. Okay, go ahead Lynn.

Ms. McCrory: And just that, so that you understand that Pulama Lana'i accepts responsibility for this also because at the very end of this it was the contract that we had with Four Seasons that allowed them to choose how the permitting would be done. We understood from our end that the permitting would be done by the regular permitting entity sitting next to me. Then I know at that point all permits are done correctly. They chose to follow a different course. They don't get to choose anymore. So we've made that change as to how they will operate and how they will function. No permits can be issued. No permits can be drawn by any other company unless we have full knowledge, and we've approved and accepted that. So I think in terms of this instance being an incredible learning experience, it won't happen again. I think we put in the pieces that said this should never ever happen again. It can't. And, and I'm very sorry it did. This is not how we – I think you know by know this is not how to choose to do business with the community. So my sincerest apologies from all of us at Pulama Lana'i, and my commitment that you won't see this happening again.

Mr. Ornellas: So Four Seasons understand that Mich is, Mich is the guy.

Ms. McCrory: Mich is the one that does their tent permits now which is why it never occurred to us that –. I did two visits to the site that day I got the phone calls. In between I'm calling Mich, going, aren't you working on this tent permit? You know because I'm assuming Mich is working on it. And he's going through and he says we have a six month tent permit, but it ends. And I say have you got these dates in there because the dates that they're on, working on the facilities have to be in the permit. He goes no. And then we start talking about it, and he's telling me it's two structures. And I say, no it's one structure, and it's not 30 by 30, or 20 by 20, it's bigger than that. So then we – then what I understood that it wasn't Mich. Then it was, well, we I went back down there the second time, then I had higher ups because the lower downs had called half the world to come down because who knows when this lady was going to come back again. That's when I found out it was a completely different permitting company. And unfortunately it was a Honolulu permitting company so they don't – they follow their own rhythm. That's as nice as I can phrase that.

Mr. Ornellas: Alright. Thank you for the explanation and thank you for coming and telling us this. Anybody else have – since we, we definitely killed that item? Can we continue on with the open projects? Any questions? Anymore questions? Do you have anything to say?

Mr. Yoshida: No.

Mr. Ornellas: Go ahead Joelle.

Ms. Aoki: I have question for Lynn and Ralph. Do you have –. Mich, Mich, excuse me. I said that last time so please forgive me. Yes I did. I want him to be Ralph. Forgive me. So does Pulama Lana'i or Four Seasons Resorts have someone specifically assigned to monitoring? Because, you know – and Lynn I accept your word, and thank you for giving us your word that this will never happen again, but I'm sure that this was out of your control, listening to, you know, your testimony. And so, and thank you for coming to share that with us. I appreciate that. You know, as a private business owner I know that's possible, you know, being mislead and experiencing similar situations. However is there someone that is, is allocated that specific duty now, moving forward, to keep an eye on everything going on because there's so much going on. It's totally impossible for everybody to know what's going on. I'd like to know if there's someone that's monitoring, just monitoring everything across the board.

Ms. McCrory: In terms of the hotels, both Koele and Manele, it's Linda . . . (inaudible) . . ., and she is responsible for everything. And we do that monthly community informational meeting. We just did one on Monday night that we're talking about what's happening at the hotels, what's going on, what we're changing, when the time lines are and sort forth. So we're just in the process of setting up January's meeting. I think it will be the 20<sup>th</sup>. I can't be sure, but that information will come out, and you're welcome to come to those meetings, and you can get all the information. But Linda is the ultimate responsibility. When I left that – when I left down there the first call I made was to Linda.

Ms. Aoki: What time and where? I'm sorry.

Ms. McCrory: I believe it's going to be January 20<sup>th</sup>, but you'll get the flyer and it starts at six o'clock. It will be at the ILWU Hall. And we will have, we have monthly meetings just to tell people about and I'm hoping one of these meetings we have some show and tell things that we can show you, samples of things that are going in to the renovations of the hotel because I know everyone won't be able to get down there. So we had a good meeting. We had probably, I think there were 30 people there. We had some new people from the Manele and Koele. The owners that come in only during the holidays, a number of them came. Plus a number of the regular people that we usually see at these meetings, so I would love to have you there.

Mr. Ornellas: Okay. Yes? You have something else Joelle?

Ms. Aoki: I have a question. And we had this conversation earlier but I don't think you had quite answered my question. There's some grubbing occurring behind or adjacent to those luau grounds where they're staging chassis. Is that part of the previous SMA permit that had approved? Trailers.

Ms. McCrory: Yes. They would be part of the room renovation.

Ms. Aoki: Thank you.

Ms. McCrory: The materials are coming in.

Ms. Aoki: Thank you.

Mr. Ornellas: I have one question. The reverse osmosis, the desal plant. Next meeting, can you guys give us a little bit of an update?

Ms. McCrory: Sure.

Mr. Ornellas: Can we put that on the agenda at the next meeting?

Mr. Yoshida: Well, we are processing the applications from Pulama for the desal facility and that will be coming before you.

Ms. McCrory: My guess is January/February that will come?

Mr. Yoshida: Well, I guess it will be February at earliest now. Again, Mr. Prutch is leaving us on the 16<sup>th</sup> of January, moving back to northern California, so it will be reassigned to another planner. But we are receiving comments. It's out for agency comments right now, and we are receiving comments, and forwarding the comments to the applicant so they can address agency comments.

Ms. McCrory: Do you want, something just a quick update as to where we are in the process?

How many wells are drilled or what some of those results might be?

Mr. Ornellas: That's, that's not on the agenda so –

Ms. McCrory: No, I'm saying what you're asking for.

Mr. Ornellas: Next time. Yeah, I want to know the Department of Health and how, you know,  
–

Ms. McCrory: We can do that.

Mr. Ornellas: Okay.

Ms. McCrory: . . . (inaudible) . . .

Mr. Ornellas: Not a, not a full blown.

Ms. McCrory: No, we won't do a full blown presentation because I'd rather wait.

Mr. Ornellas: Yeah, give us a readers digest version.

Ms. McCrory: Okay.

Mr. Ornellas: If John can do stuffs like that, readers digest.

Ms. McCrory: John, do readers digest?

**3. Agenda Items for the January 15, 2014 Lana'i Planning Commission meeting**

Mr. Ornellas: Okay, we have no more questions about the open projects, let's go on to the next. The next one the agenda items for the January 15<sup>th</sup> Planning Commission meeting. Please if you have more items as you think as we get closer, please email me and – at least copy me and send it on to Leilani and Clayton.

Everybody should, should've gotten the list, the schedule for the community plan schedule. Okay. As you can see we moved the, the February, early February meeting to May 28<sup>th</sup>, and that's the Senior Center. And then we have the two Saturdays. One's gonna be – the first one on the 25<sup>th</sup> is gonna be Hale Kupuna. The second one is March 15<sup>th</sup> at the ILWU. So, we should –. So January 8<sup>th</sup> is our first meeting so that will be the next time we meet. And it's a, and it's gonna be done here. So, yeah, we gotta talk to Long Range Planning to bring food. Yeah, they did the with CPAC. They brought food every – no, at every meeting. That's because Bev can't eat anything that we get, that we eat.

So anybody have any words about the schedule? So it's gonna be etched in stone unless something else happens. Alright. I do want to, I do want us, the Planning Department. I don't know if it's gonna go through you guys or it's gonna go through Long Range Planning, but I want to get the experts on sea level rise to give us a presentation again, here, for the community plan process. So either you – can you discuss that with Long Range Planning as far as getting a workshop for us to go through again? It would be Tara with the County, but there's a, there's a couple guys over –. There's Chip Fletcher, yes. UH.

Ms. McCrory: You want us to see about getting Chip in?

Mr. Ornellas: Well, I'd rather let the Planning Department go grab him, and then bring Tara and him over to give us a workshop on sea level rise. Because I want to get – I want us to go through that workshop before we get into the community plan process. Or before we talk about land use on the –. Alright, so anybody got? Yes sir?

**G. NEXT REGULAR MEETING DATE: JANUARY 15, 2014**

**H. ADJOURNMENT**

Mr. Yoshida: Yes. So that's it for calendar year 2013 judging from the decor in the room and the Christmas turkey, I want to wish all of you a happy and safe holiday seasons, and get lots of rest because you're going to go into intensive community plan update process come January 8<sup>th</sup>.

Mr. Ornellas: Thank you. Thank you staff for a great year. James, Clayton, Leilani, Paul, thank you for putting up with us for all these months. I did say James. So, can I hear a motion to stop this madness?

Ms. Aoki: I motion to adjourn.

Mr. Ornellas: Alright. Thank you all. Have a Merry Christmas.

There being no further discussion brought forward to the Commission, the meeting was adjourned at approximately 7:05 p.m.

Respectively submitted by,

LEILANI A. RAMORAN-QUEMADO  
Secretary to Boards and Commissions II

**RECORD OF ATTENDANCE**

**PRESENT:**

Joelle Aoki  
Shelly Barfield  
Kelli Gima  
Stacie Koanui Nefalar, Vice-Chair  
John Ornellas, Chair  
Bradford Oshiro  
Beverly Zigmond

**EXCUSED:**

Stuart Marlowe

**ABSENT:**

Priscilla Felipe

**OTHERS:**

Clayton Yoshida, Planning Program Administrator, Current Planning Division  
Paul Fasi, Staff Planner  
James Giroux, Deputy Corporation Counsel