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M I N U T E S
LAND USE COMMITTEE
Council of the County of Maui
Council Chamber
October 18, 2007

APPROVED:


Committee Chair

1 **CONVENE:** **9:03 a.m.**

2 **PRESENT:** Councilmember Michael J. Molina, Chair
3 Councilmember Joseph Pontanilla, Vice-Chair
4 Councilmember Michelle Anderson, Member
5 Councilmember Gladys C. Baisa, Member
6 Councilmember Jo Anne Johnson, Member
7 (Arrive 2:40 p.m.)
8 Councilmember Danny A. Mateo, Member
9 (Arrive 9:05 a.m.; Leave 3:47 p.m.)
10 Councilmember Bill Kauakea Medeiros, Member
11 (Leave 2:40 p.m.)
12 Councilmember Michael P. Victorino, Member

13 **EXCUSED:** Councilmember G. Riki Hokama, Member.

14 **STAFF:** Tammy M. Frias, Committee Secretary
15 Carla M. Nakata, Legislative Attorney

16 **ADMIN.:** Colleen Suyama, Deputy Director, Department
17 of Planning
18 James A. Giroux, Deputy Corporation Counsel,
19 Department of the Corporation Counsel

20 **OTHERS:** Charles Jencks, Owner's Representative,
21 Honua'ula Partners, LLC
22 Gwen Ohashi Hiraga, Munekiyo & Hiraga, Inc.
23 (Applicant's entitlement consultant)
24 B. Martin Luna, Esq., Carlsmith Ball, LLC
25 (Applicant's attorney)

 Ivan Lay, Field Representative, Hawaii
 Carpenters Union
 Larry Whitford
 Wayne Nishiki
 James Williamson, President, Maui Meadows
 Homeowners Association
 Vernon Ta'a, Plumbers & Fitters Union Local
 675
 David Atias, Teacher, Kihei Charter School
 Tatiana Kealiinohomoku, Kihei Charter School
 Kiana Soloria, Kihei Charter Stem Academy
 Irene Bowie, Maui Tomorrow Foundation, Inc.
 William Kamai, Hawaii Carpenters Union Local
 745
 Perry Artates, Hawaii Operating Engineers
 Industry Stabilization Fund
 Jimmy Conniff
 Tom Tezak
 Jerome Akina

1 Richard Michaels
 Lucienne deNaie
 2 Daniel Kanahele
 Joycelynn Costa
 3 Kimokeo Kapahulehua
 Kaniloa Kamaunu
 4 Michael Duberstein
 Stephen West, International Longshore and
 5 Warehouse Union (ILWU)
 Rob Parsons
 6 Jack Lindholm
 Shannon S. Guillermo
 7 Angie Hoffman
 Amanda Mizner
 8 Jamie Fernandez
 Additional attendees (40)
 9

10 **PRESS:** Chris Hamilton, *The Maui News*
 AKAKU -- *Maui Community Television, Inc.*
 11

12 CHAIR MOLINA: ...(gavel)... The Land Use Committee meeting
 13 for October 18th, 2007, is now in session.

14 **ITEM NO. 38: CHANGE IN ZONING AND PROJECT DISTRICT PHASE I**
APPROVAL FOR "HONU'A'ULA/WAILEA 670"
 15 **RESIDENTIAL DEVELOPMENT (C.C. No. 01-334)**

16 CHAIR MOLINA: It is just after 9:00 a.m. Members, we are
 17 discussing Land Use Item 38, which is a Change in
 18 Zoning and Project District Phase I Approval for
 19 Honua'ula/Wailea 670 Residential Development.

20 For the record, we have in attendance Members
 21 Anderson, Baisa, Medeiros, Pontanilla, and Victorino
 22 and Molina. Excused are Members Mateo, Johnson, and
 23 Hokama.

24 At this point, Members, we will take -- first
 25 take public testimony before we proceed with our

1 continued discussions on this matter. And the Chair
2 would like to go over a few ground rules with the
3 members of the public who would like to testify.

4 You'll be given three minutes to testify with
5 one minute to conclude. Please state your name and
6 also any organization that you may be representing.

7 So we will proceed with that; but before we
8 do, the Chair would like to recognize Committee's
9 Staff who are here today. We have our Legislative
10 Analyst, Carla Nakata, and Committee Secretary,
11 Tammy Frias.

12 So first to testify we have Ivan Lay, to be
13 followed by Larry Whitford. Ivan Lay? Okay.

14 . . . **BEGIN PUBLIC TESTIMONY.** . . .

15 MR. LAY: Good morning, Council Members and Councilman --
16 Chairman. My name is Ivan Lay, and I'm a Field
17 Representative for the Carpenters Union. I can see
18 that we have a pretty small turnout today, but can
19 you imagine if we had to set the 700 homes with
20 their families here?

21 If we give three people to each home at that
22 700, that's 2,100 people here that would have homes
23 if this affordable bill goes through -- 2,100.

24 I'd like to talk about what -- what affordable
25 homes is all about. With Wailea 670, park

1 assessment fees, we already have \$24 million going
2 towards that. It's up from 21 million to 24 at this
3 point.

4 Towards the Little League Facility, we have
5 \$5 million going towards them; traffic impact, we
6 have 7 million going to traffic impact improvements
7 to help the flow go better.

8 Department of Education, we have 4,200,000
9 going towards education. Under the department --
10 under Piilani Highway improvements, 350,000.
11 Improvements to Piilani Highway from Kilohana Drive
12 to Wailea Iki Drive, \$5 million.

13 We're talking about over \$43 million in
14 improvements. We're also talking about a smart
15 development where the community is in mind. This
16 development will have parks, will have stores where
17 people can walk from their house to the store and
18 buy -- buy products.

19 We're talking about a light industrial area
20 where we can further have work -- workers working
21 there in the community. This is a smart
22 development. This is about affordable homes, too.

23 Where will our children go, and where will
24 their children go if there's no homes? Where will
25 they go? This is the first project that's

1 addressing this issue. If we shut this down, what
2 are we saying to every developer after this? We
3 don't need affordable homes here?

4 Our local folks are going to move away because
5 there's no houses. Prices are going to go up
6 because there's no houses. So if you think it's
7 expensive now, can you imagine in a couple years
8 when there's no houses being built, no affordable
9 homes being built, what the price will be then?

10 The price will be our children moving. Are we
11 going to keep our children here? Yes. And the way
12 to do that is start this affordable homes.

13 I'm also talking about work for our
14 carpenters, our electricians, our plumbers, our
15 maintenance people, people working in stores in that
16 area. This Project has to be passed. There's no
17 ifs about it. You're setting precedence of what's
18 to come. Again, I'm Ivan Lay with the Carpenters
19 Union. Thank you.

20 CHAIR MOLINA: Okay. Thank you, Mr. Lay. Committee
21 Members, questions for the testifier? Seeing none,
22 thank you, Mr. Lay.

23 COUNCILMEMBER ANDERSON: Chair?

24 CHAIR MOLINA: Oh, sorry. Member Anderson?

25 COUNCILMEMBER ANDERSON: Thank you for being here, Mr. Lay.

1 I'm just wondering if you realize that the
2 affordable housing that will be geared to people
3 making 100 percent or less of the median income,
4 which represents 70 percent of our population, is
5 not going to be in this Project. It's going to be
6 rental units, multi-family apartments in an
7 industrial area in North Kihei.

8 MR. LAY: This will probably be the first step towards what
9 our goal is. If we stop this step, where's our
10 goal? We have to take these steps and measures so
11 that we can --

12 COUNCILMEMBER ANDERSON: No, I'm just wondering if you're
13 aware of that because you were saying that this is
14 going to be affordable housing for our people.

15 MR. LAY: I'm -- I'm aware that this development is on
16 Maui. That, I'm aware of.

17 COUNCILMEMBER ANDERSON: Okay. Thank you very much.

18 CHAIR MOLINA: Okay, thank you. Members, any other
19 questions for the testifier? Seeing none, thank
20 you.

21 Before I proceed with our next testifier, the
22 Chair would like to welcome Mr. Mateo to our
23 proceedings today, as well as Mr. Giroux, from the
24 Corporation Counsel.

25 Next to testify, we have Larry Whitford,

1 followed by Wayne Nishiki.

2 MR. WHITFORD: Good morning, Mr. Chair --

3 CHAIR MOLINA: Good morning.

4 MR. WHITFORD: -- Members of the Council. My name is Larry
5 Whitford. I live at upper Waiehu. Been there all
6 my life. Been there on Royal Patent lands, land of
7 my fathers, the land of which was awarded during the
8 time of the Mahele.

9 The land was received by a man named
10 Kuinohookama, of which he got it from Kamehameha II,
11 of which he got it from his dad. That is a Royal
12 Patent. That is the chain.

13 I'm here to talk about Royal Patent. The
14 Royal Patent is permanent, made under permanent
15 laws, and it cannot be changed. I'm here on behalf
16 of the kanaka maolis.

17 We're not here -- I speak as -- to represent
18 all kanaka maolis, that we are not against
19 development. We are not against improvements in
20 Hawaii Nei. We are against using our land, the
21 Royal Patent.

22 In the history of permanent law and
23 constitutional law, a Royal Patent has never been
24 lost in appellate review in the U.S. Courts. As a
25 matter of fact, Summa Corporation versus California

1 (466, U.S. 198) the Supreme Court ruled forever that
2 the land patent would always win over any other form
3 of title.

4 Ko Hawaii Pae Aina laws (1846 statutes) the
5 Kahua Kanawai adopted for the Board of Commission to
6 quiet land titles (1844). The Royal Patent domain
7 was never transferred to the United States.

8 I have here a petition that was done in
9 one day locally. And it says, the undersigned of
10 this petition are informing all County of Maui
11 agencies, State of Hawaii agencies, United States of
12 America, and all other countries of the world,
13 including private developers, investors, doing
14 business in the Hawaiian archipelago in regards to
15 land and water must respect the Royal Patents of
16 this Hawaii archipelago.

17 Further said, the undersigned, the rights to
18 these Royal Patents belong to the heirs of the
19 original Royal Patent awardees, kanaka maoli Hawaii
20 nationals, and must be respected.

21 Any land or water issues within the Hawaii
22 archipelago must be made mute until a third-party
23 court of international justice may convene and hear
24 these respective cases. Further action by the
25 above-mentioned entities will cause him to be held

1 liable because of the jurisdictional --

2 MS. NAKATA: Three minutes.

3 MR. WHITFORD: -- trespass they create by entering these
4 respective cases into a foreign court system, U.S.,
5 State, and Hawaii court system. These names, 300,
6 was made this (inaudible), and will continue.

7 I have a book here, and I will read to you one
8 paragraph. Kanaka maoli, continue to protest today.
9 Kanaka maoli, in your term, would be native
10 Hawaiians. Kanaka maoli are working on State,
11 national, and international levels to have our
12 existence as a nation recognized. We continue to
13 protest any encroachment under our inherent rights,
14 culture --

15 MS. NAKATA: Four minutes.

16 MR. WHITFORD: -- identity, sovereignty, and our
17 relationship to the island's ocean and fresh waters
18 and all other natural resources and life forms of
19 Hawaii.

20 We insist as well on our rights to keep our
21 language and culture traditions and the land itself
22 alive. We have never relinquished our national
23 sovereignty. Kealoha Aina said on the day after the
24 annexation ceremony "E kupaa mau e hiki i. Ke
25 kanaka Hawaii hope loa, no ke Ea o ko kokou aina

1 aloha, August 13th, 1898. Always stand fast, down
2 to the very last Hawaiian person for the Sovereignty
3 of our beloved land." Thank you, ladies and
4 gentlemen.

5 CHAIR MOLINA: Thank you, Mr. Whitford. Committee Members,
6 questions for the testifier? Seeing none, mahalo --
7 wait.

8 COUNCILMEMBER ANDERSON: Chair?

9 CHAIR MOLINA: Excuse me, I'm sorry. Member Anderson?

10 COUNCILMEMBER ANDERSON: Mr. Whitford, the book that you
11 were reading from with the 1898 quote, could you
12 tell us what that is?

13 MR. WHITFORD: Okay, this is the names of our kupunas, the
14 anti -- it's called Ku'e, The Hui Aloha Aina
15 Anti-Annexation Petitions 1897, 1898, compiled by
16 Nalani Minton and Noenoe K. Silva.

17 COUNCILMEMBER ANDERSON: So that contains the names of the
18 kanaka maoli who signed the petition in 1898 against
19 annexation?

20 MR. WHITFORD: Annexation and --

21 COUNCILMEMBER ANDERSON: Or rather --

22 MR. WHITFORD: And what I have mentioned. Contains 40,000
23 names from the island of Hawaii, Maui, Oahu, and
24 Kauai, our kupunas.

25 COUNCILMEMBER ANDERSON: Forty thousand --

1 MR. WHITFORD: My grandparents are listed here also.

2 COUNCILMEMBER ANDERSON: So at the time that petition was
3 signed, 40,000 Hawaiians signed that petition. Do
4 you recall how many Hawaiians were in the islands at
5 that time, and what percent does that represent?

6 MR. WHITFORD: No, I don't at this time.

7 COUNCILMEMBER ANDERSON: I think it's a large percentage.

8 MR. WHITFORD: Yes, it is. And we will continue to have
9 petitions.

10 COUNCILMEMBER ANDERSON: Would you be able to leave that
11 with us just for the day and then I'll make sure I
12 get it back to you so that we could all look at it?

13 MR. WHITFORD: Yes. I'll hand it over to the Staff.

14 COUNCILMEMBER ANDERSON: Thank you very much.

15 CHAIR MOLINA: Okay. Thank you, Member Anderson.

16 Committee Members, any other questions for the
17 testifier? Seeing none, thank you for your
18 testimony, Mr. Whitford.

19 Next to testify, we have Wayne Nishiki and to
20 be followed by James Williamson. And the Chair
21 reminds everyone in the gallery if you have any cell
22 phones or pagers, please turn those off so as not to
23 disrupt our proceedings today. Thank you.

24 MR. NISHIKI: Good morning --

25 CHAIR MOLINA: Good morning.

1 MR. NISHIKI: -- Council Chairman Molina and the elected
2 officials. I was watching all of you enter this
3 room this morning and felt very honored that here
4 you are, our elected officials.

5 But you face a real important decision today,
6 as you discuss this Project. People have put you in
7 office because they demand now that you serve us.

8 There are approximately 19,500 people --
9 meters in central Maui and another 9,800 meters
10 Upcountry. And for the first time, many people now
11 are concerned about water.

12 I talk to people these days, and they say can
13 you believe, Wayne, that there is no water? We've
14 been told Upcountry that there is mandatory 10
15 percent cutback.

16 I know for a fact that in Central Maui, South
17 Maui, and along Paia, there are another
18 approximately 2,000 homes, I think Mr. Mateo
19 informed me yesterday, and you can get that figure
20 from him, of meters already given to people but are
21 now uninhabited. What will occur when these people
22 now demand water meters and waters now to be pumped?

23 I think you have a big responsibility as you
24 look at people here now living, not future
25 development. And I think that you need to demand

1 that any developer that is coming for any kind of
2 zoning show us where that water is going to come
3 from.

4 You've been told by the Water Director, and
5 thank God we've got a real responsible one now that
6 is concerned before the emergency happens, that he's
7 concerned about was it two years from now, you're
8 going to enter, perhaps, in an agreement to develop
9 more water sources; but right now, you have none.

10 I would hope that as you look at this
11 development, that you will ask that hard question of
12 where is that water coming from. I think we here in
13 Maui County, those of us that have been asked to cut
14 back, demand that you ask this important question
15 and that they show you that this water that is to be
16 developed has scientifically been shown by the
17 expert that they will be there.

18 And you got to go beyond that. You've got to
19 go beyond, that they develop this water source and
20 show you through pumping. Ask the Water Director
21 what is necessary --

22 MS. NAKATA: Three minutes.

23 MR. NISHIKI: -- that this water is going to be firm. And
24 the reason why I ask you this is because if you
25 don't and you allow development to occur, again,

1 those of us that are now being told to cut back are
2 going to be told again to cut back again.

3 You know, you've been given a generous
4 compensation, \$60,000. I was making pennies,
5 20,000, but that's not what counts. The people of
6 Maui County now are depending upon you to make good
7 decisions based on accountability.

8 And so I hope you feel honored as you sit here
9 today, as you listen to many of us testify, and I
10 hope that you will, from your heart and knowledge
11 given to you by all of us --

12 MS. NAKATA: Four minutes.

13 MR. NISHIKI: -- experiences that we've gone through and --
14 and are now going through here in Maui County. Make
15 a decision that is one that will not allow more
16 development here in Maui County until we can get
17 water and not be told time, after time that you've
18 got to cut back.

19 I think this is not responsible. I think many
20 of you never knew this was going to occur,
21 Mr. Molina, but now it's right in your face. We
22 have been told to cut back. There is not an excuse
23 anymore that you can give. So I please ask you
24 forget this development.

25 If you want to develop affordable housing, do

1 it yourself, this County. This way, when the County
2 does affordable housing, there is no profit; so
3 therefore, you can do it. At the same time, you can
4 give work to our construction industry.

5 MS. NAKATA: Five minutes.

6 MR. NISHIKI: But at least --

7 CHAIR MOLINA: Mr. Nishiki --

8 MR. NISHIKI: -- you'll be developing affordable housing,
9 and the water will be for those kinds of people that
10 need it. Thank you.

11 CHAIR MOLINA: Okay, thank you. Thank you, Mr. Nishiki.

12 Member Baisa, followed by Member Anderson.

13 COUNCILMEMBER BAISA: Thank you, Chair. And thank you very
14 much, Mr. Nishiki, for being here this morning. You
15 bring a tremendous amount of experience, having sat
16 behind these desks yourself for quite a while.

17 I certainly appreciate and understand your --
18 your point, and it certainly makes sense, that we
19 would want to be sure that we can provide the water
20 before we expand.

21 The one thing that bothers me, though, is you
22 know, as a recent arrival to the Council, I'm
23 concerned because this problem apparently has gone
24 on for generations.

25 You know, when I was a little kid, and I'm not

1 a little kid anymore, old lady, we had water
2 problems Upcountry. And yet for many, many years,
3 look at the development that has occurred, willy
4 nilly just all over the place. And nobody did
5 anything about it, and nobody prepared, and now we
6 come into office, and we're told now, you fix it.
7 Do you have any comments on that?

8 MR. NISHIKI: Yes. There has been very irresponsible
9 development. But now that you are put in this
10 position, Gladys, you should be proud. The people
11 of Maui County depend upon you now to try to fix
12 problems that now arise and are flat in front of
13 your face. This is your challenge.

14 We give you this challenge, and we ask you to
15 take that responsibility on behalf of all of us that
16 live here in Maui County, the children here who are
17 depending upon you to make and solve these problems.
18 And you should be honored, if you take this position
19 that you're in seriously, that you can help all of
20 us.

21 COUNCILMEMBER BAISA: Thank you very much.

22 MR. NISHIKI: You're welcome.

23 COUNCILMEMBER BAISA: And I certainly do, you know, see
24 this as an ultimate challenge, and I am very
25 seriously addressing this issue. You know, I know

1 that people might think we just sit here and don't
2 pay attention to what's being said, but let me tell
3 you, every word comes home because these are the
4 people that we have to represent. All of them.
5 Both sides of it.

6 And I think the difficulty is in trying to
7 weigh, you know, what wins out. And, of course, we
8 all know that what win -- wins out is doing the
9 right thing. And that's not easy to do.

10 And I know that you have a better
11 understanding than most because you've sat behind
12 this desk and had to make the difficult decisions,
13 but I want to be sure that we look at all sides of
14 an issue and that we're fair in our decision making.

15 And again, I want to thank you very much for
16 the time and attention you've given to this matter.

17 MR. NISHIKI: Thank you, Gladys. And -- and I wouldn't be
18 here, and all these people wouldn't be here if they
19 didn't care.

20 COUNCILMEMBER BAISA: I know.

21 MR. NISHIKI: And -- and you guys are lucky, you know?

22 People have put faith in you, you know? What a nice
23 position to be in, the servant of people in Maui
24 County. You're very fortunate.

25 CHAIR MOLINA: Okay. Thank you, Mr. Nishiki. Member

1 Anderson, you have a question for Mr. Nishiki?

2 COUNCILMEMBER ANDERSON: Yeah. Wayne, you're a person
3 that's out in the community, and I think you have a
4 pulse, not only on what's happening with our younger
5 generation not only through your kids, but probably
6 through your employees and the people that you work
7 with on a daily basis in your farmer's market.

8 And so I'm wondering, affordable prices for a
9 family of four for anything above 100 percent, which
10 would be a 101 percent to 160 percent of the -- of
11 Maui's median income would run from 388,000 to
12 564,000.

13 Is that something that the people who really
14 need housing can afford, in your estimate? And --
15 and what do you think is -- is a price that they can
16 afford?

17 MR. NISHIKI: I think that those of you that sit on this
18 table know that the visitor industry, the
19 agricultural industry, is probably paying us a wage
20 where many mommy and daddies have to work a job.
21 And I think the recent census also shows that
22 they've got to work, maybe, a job and a half if
23 you're a family of four.

24 This isn't cutting it for those of us that
25 want affordable housing. In this Project -- and,

1 God, I almost take offense as to where the rentals
2 are going, Gladys, and -- and those of you that are
3 elected -- that they want this Committee -- this
4 community up at 670 where the 670 acres are.

5 They don't want the rentals to be there. This
6 is where growing up, born and raised in Hawaii, I
7 was taught -- taught dignity. I was taught that as
8 long as you work hard, you can live and be where
9 anybody else can be.

10 So Michelle, it's not only affordability but
11 where these houses are being put. And I don't think
12 that, as a local boy born and raised in Hawaii, that
13 I should be treated this way, nor should any of our
14 people be treated in this manner because we are of a
15 lower earning income.

16 To address this Project, I don't like the fact
17 that we're being put on a position that this
18 affordable portion of this Project is truly
19 affordable.

20 And I think that you, as decision makers, need
21 to look at what a family of four earns here in Maui
22 and whether these units are affordable. For me, I
23 know, and people that I associate with, common
24 people with dignity, they can't afford it.

25 COUNCILMEMBER ANDERSON: Thank you, Wayne. Thank you,

1 Chair.

2 CHAIR MOLINA: Thank you, Member Anderson. Any other
3 questions for the testifier?

4 COUNCILMEMBER VICTORINO: Mr. Chair?

5 CHAIR MOLINA: Okay. Mr. Victorino?

6 MR. NISHIKI: Morning, Michael.

7 COUNCILMEMBER VICTORINO: Good morning, Wayne. Good to see
8 you here. You know, Wayne, you make a lot of valid
9 points. And yes, I am one of those who come from a
10 working class. My parents were working people. I'm
11 working people. My sons are working people. They
12 are our people.

13 And I've said many times in many areas, Wayne,
14 that when it comes to decisions, I'll only make
15 decisions that is good for the people of Maui
16 County. For the working people. For those people,
17 my children, your children, and grandchildren. And
18 we have grandchildren. We have grandchildren.

19 MR. NISHIKI: Ten of 'em.

20 COUNCILMEMBER VICTORINO: And we got to think ahead for
21 them, too. What I'm saying to you is this, Wayne.
22 This and all these other things that come before us,
23 I take very seriously. I do a lot of homework.
24 We've sat down and talked about things, haven't we,
25 Wayne?

1 MR. NISHIKI: Yes.

2 COUNCILMEMBER VICTORINO: And I want the people to know
3 that whatever we decide is going to be for the good
4 because those children are my children, just like
5 yours. Right, Wayne? And our grandchildren are out
6 there today.

7 But let me ask you this question, Wayne.
8 Looking at everything, do you feel at this point in
9 time that the "M" word, and I know that's the word
10 nobody wants to hear, or a slowdown for right now so
11 that we can get caught up for all the years that
12 hasn't been done -- and I won't blame anybody,
13 whether it's the Department, the Council, the Mayor
14 -- let's not point fingers, okay?

15 But it hasn't been done, has it, Wayne? All
16 these years, we've let it slide. We have let it
17 slide. Whomever was supposed to take care the
18 problem never was, right? So now we got to take
19 care the problem. And I'm one and willing to take
20 care of the problem for the people of Maui County.

21 But in your case, what would you suggest --
22 beyond this Project. This is just one of many that
23 will come before us. What do we need to do? Do we
24 need to partner with them, do we need to start doing
25 everything on ourselves and just make our people

1 somehow pay for this? What would you suggest?

2 Because you've been in this Chair, just like
3 me, and you've been here a lot longer than I have,
4 so you have more wisdom than I have.

5 Give me some suggestion and the rest of this
6 body some ideas that you would suggest, real
7 quickly, that you would see us do to make sure that
8 not only this Project but everything that will come
9 forward, what should we do per -- per your ideas? I
10 want to hear your ideas, sir.

11 MR. NISHIKI: Yeah. I -- I -- and I -- I -- I said it
12 earlier, Michael, that I want to make sure that
13 there is water.

14 But when you tell this community to cut back
15 and -- and they see, again, more construction going
16 on, that is not acceptable for people in Maui
17 County. We're not going to buy that, and we expect
18 you to be the leaders in -- in -- in helping us
19 solve this problem. So you need an infrastructure.

20 COUNCILMEMBER VICTORINO: Okay.

21 MR. NISHIKI: Which is water, big time, okay? Secondly, if
22 you're going to allow development to occur, then I
23 think that you need to look at this community and
24 what we're asking for, which is affordable housing.

25 And you've been through the disappointment in

1 Policy Committee with Maui Lani when you wanted to
2 put on some conditions, which I thought were
3 necessary.

4 COUNCILMEMBER VICTORINO: Mm-hmm.

5 MR. NISHIKI: Very good work that you've done with your
6 Committee Chair, Mr. Mateo. But as you can see,
7 some private developers just don't want to -- to do
8 it. And maybe the bottom line is they can't do it.

9 And that's the reason why if you're really
10 sincere about doing affordable housing, work with
11 this Administration, do affordable housing. Go
12 purchase the land, do whatever you have to, and
13 build affordable housing. You take care of one
14 thing. What you really want to do is build
15 affordable housing, be it rental or homeownership.

16 Secondly, I think you really need to get up
17 and look at why people can't build affordable
18 housing. And maybe it's time that government get
19 involved. You don't want to, time and time, hear
20 hey, government can't do it so that's why leave it
21 up to the private. No.

22 I think if you're sincere with this
23 Administration, I think you've got to -- despite
24 that you've given some harsh words to the Housing
25 Director recently about the program that Michael

1 initiated in down payment for affordable housing --
2 you got to give it your best shot because these
3 people depend upon you.

4 You can be the knight in shining armor, the
5 Joan of Arc, whatever, because you've been given the
6 power by the people of Maui County to do it. You've
7 got all the tools and all the expertise. Step
8 forward, be leaders, and help us here in Maui
9 County. We all love this place. I don't think any
10 of us wants to see another Honolulu here. But take
11 care of the housing needs.

12 There are many different directions you can go
13 on, but I think government needs to take the lead
14 because obviously, when you look at many of us here
15 that can't afford that live in a house where a
16 mommy, daddy, grandpa, and grandchildren live in
17 (end of tape 1A).

18 Any of us want this type of family situations,
19 where we're piled on top of each other. That's
20 what's happening. Go to Kahului, go to places up in
21 Lahaina. People are living on top of each other,
22 families, because they just can't afford it.

23 You guys have the power. The people have
24 voted you in. Take that with you and help us.
25 Truly help us. Like you said, Michael, many times

1 before when I was in, we didn't do a good job.
2 That's why you're faced with this headache, Gladys.
3 But you know what, go for it, you guys. Be brave.
4 Be brave.

5 COUNCILMEMBER VICTORINO: Thank -- thank you, Wayne.

6 MR. NISHIKI: Thank you.

7 COUNCILMEMBER VICTORINO: Appreciate it. Thank you,
8 Mr. Chair.

9 CHAIR MOLINA: Thank you, Mr. Nishiki. Any other questions
10 for Mr. Nishiki? Seeing none, thank you.

11 Next to testify, we have Vernon Ta'a, followed
12 by David Atias. Oh, excuse me, you know what, I
13 made -- I went a little bit out of order. I'm
14 sorry, it was James Williamson, followed by Vernon
15 Ta'a. My apologies, Mr. Ta'a.

16 MR. TA'A: No problem.

17 CHAIR MOLINA: Sorry.

18 MR. WILLIAMSON: Good morning.

19 CHAIR MOLINA: Good morning.

20 MR. WILLIAMSON: My name is Jim Williamson. I am President
21 of the Maui Meadows Homeowners Association.
22 Previously, we recommended that a condition be added
23 that the Wailea 670 Rezoning Application be denied
24 until the long-term availability of a reliable water
25 source is available.

1 Today, I will discuss the position of our
2 association on the need for an update of the Project
3 Environmental Impact Statement as a condition for
4 rezoning.

5 The EIS was last prepared in 1988 when the
6 Project owner was VMS; since then, the Project
7 ownership has changed three times. In 1988, the
8 Project concept was for two 18-hole golf courses,
9 one private and the other public. Now there's only
10 one 18-hole private course proposed.

11 The plans to widen Piilani Highway will
12 require 18 months of construction with heavy
13 blasting, reducing traffic to one lane, and
14 diverting traffic through our adjacent
15 neighborhoods.

16 The EIS listed no cultural sites and few
17 native plants. The current developer has not set
18 aside any appropriately sized area for preservation
19 of cultural sites and native habitat in addition --
20 in addition, the 2001 archaeological review
21 conducted only minor excavations at just 5 of the 24
22 sites identified.

23 The only proposal was for a mixed village
24 center, including a church. It also included a
25 resort lodge for the accommodation of some 500

1 living units. In addition, there would be 800 units
2 of related visitor lodging in the next year's
3 village center. The residential section would have
4 1,300 living units for a total of some 2,600 units.

5 The entire 1988 idea does not exist in the
6 present arrangement. By contrast, the current
7 proposal envisages 1,400 single-family units and
8 multi-family units, 80,000 square feet of commercial
9 space, and one private golf course.

10 The Wailea 670 Project and the luxury Makena
11 Resort would now add 2,500 units and a new hotel to
12 a dead-end road. Emergency evacuation proposed by
13 this Project would simply be resolved by installing
14 a warning siren.

15 The application for rezoning by the
16 developer --

17 MS. NAKATA: Three minutes.

18 MR. WILLIAMSON: -- proposes to use unproven local well
19 sources from potable -- for potable water supply
20 treated by reverse osmosis.

21 On the other hand, the 1988 version was to use
22 water directly from the established Iao Aquifer and
23 Upper Waiehu systems by connecting into the Maui
24 Meadows and Wailea distribution systems (inaudible).
25 Other impacts which come to mind include heavy

1 traffic on highways and streets and congestion of
2 beaches.

3 The changes since the 1988 EIS are
4 substantial, and we believe unquestionably require a
5 major revision to the document before further
6 consideration of the application for rezoning
7 proceeds. Thank you.

8 CHAIR MOLINA: Okay. Thank you, Mr. Williamson. County
9 Members, questions for the testifier? Member
10 Anderson?

11 COUNCILMEMBER ANDERSON: Mr. Williamson, thank you for
12 being here. So as I understand what you're saying
13 is that the 1988 EIS is now stale and needs -- needs
14 to have some kind of an update or a --

15 MR. WILLIAMSON: Yes.

16 COUNCILMEMBER ANDERSON: -- supplemental EIS done?

17 MR. WILLIAMSON: Supplemental EIS, yes.

18 COUNCILMEMBER ANDERSON: And that's according to the State
19 law?

20 MR. WILLIAMSON: Yes.

21 COUNCILMEMBER ANDERSON: All right, thank you. Thank you,
22 Chair.

23 CHAIR MOLINA: Okay. Thank you, Member Anderson.
24 Committee Members, any other questions for the
25 testifier? Seeing none, thank you, Mr. Williamson.

1 MR. WILLIAMSON: You're welcome.

2 CHAIR MOLINA: Next to testify, we have Vernon Ta'a, to be
3 followed by David Atias.

4 MR. TA'A: Good morning, Chair Molina and Members of the
5 Committee. Thank you for allowing us the
6 opportunity to testify once again on this very
7 important Project.

8 My name is Vernon Ta'a, and I'm speaking on
9 behalf of Mr. Reginald V. Castanares, Business
10 Manager and Financial Secretary of the Plumbers &
11 Fitters Union, Local 675. Our organization is in
12 strong support of this Project.

13 Our Members who live and have been born and
14 raised here, many of whom are born and raised here
15 in Maui, are involved in a trade that helps to put
16 in air conditioners in buildings like this, make
17 sure the air conditioners work.

18 We put in refrigeration in all the
19 supermarkets and make sure the food is -- is at the
20 correct temperature. We do and protect homes and --
21 and buildings for fire by establish ing, putting in
22 fire sprinklers. All this requires five years of
23 education and 10,000 hours of on-the-job training.

24 Our members look forward to continuing to live
25 here in Maui and look forward to houses that they

1 can afford. Affordable housing is relative to
2 whatever the market demands. No developer is going
3 to build any affordable housing if they cannot
4 afford to build a house. They have to have some
5 kind of reason to invest in -- in building houses,
6 build -- putting up buildings, wherever these
7 buildings are required.

8 We have a worldwide economy. Much of what we
9 have to purchase in the way of materials come
10 from -- come from out of state. The demand by China
11 is requiring that the cost of materials, the cost
12 of -- of supplies increase exponentially, depending
13 on where the product -- the -- the -- the buildings
14 are -- are -- are being built.

15 So it requires that our workers have to put in
16 the time and -- and be trained properly to -- to
17 make the kind of money to be able to afford these
18 houses. We are at the low level. Many of our
19 apprentices are at the low level of being able to
20 afford a 200, a \$300,000 home.

21 We are hoping that the County is aware of
22 this, and I know they are because they're working
23 hard to -- to assure that houses can be built for
24 our workers who live here on Maui, and we appreciate
25 that.

1 We recognize the -- the -- the heavy pressures
2 and the heavy decisions that you must make in -- in
3 making sure that this takes place. Plumbers depend
4 on --

5 MS. NAKATA: Three minutes.

6 MR. TA'A: -- water. Water is -- without water,
7 construction doesn't take place. And I cannot
8 believe that a developer would come into any -- any
9 community and invest hundreds and hundreds of
10 millions of dollars without considering what water
11 limits are.

12 And we -- we assume, and we are confident
13 that -- that these -- these things are looked at and
14 that the technology of today will allow us to even
15 look at ways to -- to develop and to secure more
16 water. Thank you.

17 CHAIR MOLINA: Okay. Thank you, Mr. Ta'a. Committee
18 Members, questions for the testifier? Excuse me.
19 Hang on, Mr. Ta'a. We have a question from Member
20 Mateo.

21 COUNCILMEMBER MATEO: Mr. Ta'a, good morning, and thank you
22 for --

23 MR. TA'A: Good morning.

24 COUNCILMEMBER MATEO: -- thank you for being here. What is
25 your membership on Maui?

1 MR. TA'A: We have about 700.

2 COUNCILMEMBER MATEO: You have 700. And -- and I'm -- I'm
3 going to assume, then, that you -- the Plumbers
4 Union did do a survey or a poll of your membership
5 in terms of those in need of affordable housing?

6 MR. TA'A: Yes. We -- we went even so far as to fill out
7 the -- the forms to -- to try and qualify for this
8 housing.

9 COUNCILMEMBER MATEO: Are you able to tell us the -- you
10 know, like, what -- what percentage of your
11 membership are those that are in need of housing?

12 MR. TA'A: Our apprentices, that's about 100 percent.
13 They're living -- they're living with family right
14 now.

15 COUNCILMEMBER MATEO: Okay.

16 MR. TA'A: Fortunately, a lot of our -- our -- our
17 retirees, who have been here on Maui years ago, were
18 able to afford the -- the houses that they're living
19 in; of course, the kids are all living, just like
20 everybody else in the State, living with the
21 parents. And our -- our -- our retirees will
22 help -- will help the -- our apprentices to qualify
23 for loans.

24 COUNCILMEMBER MATEO: Thank you. And Mr. Ta'a, lastly, can
25 you tell me what a plumber's apprentice earns?

- 1 MR. TA'A: A plumber apprentice, we have ten -- ten steps
2 to get to the -- the top level before they can apply
3 to take the test, a State test, to be a journeyman
4 plumber. A journeyman --
- 5 COUNCILMEMBER MATEO: They're on the bottom of the scale?
- 6 MR. TA'A: Yeah. The journeyman plumber, all of our
7 apprentices are -- are working to get to the
8 journeyman level because they can make around \$50 an
9 hour. That's the complete package with benefits.
- 10 COUNCILMEMBER MATEO: Do you know what the lower level
11 make, the entry level would make?
- 12 MR. TA'A: They're -- they're -- they're making about 30,
13 37 on the complete package.
- 14 COUNCILMEMBER MATEO: Okay. An hour?
- 15 MR. TA'A: An hour.
- 16 COUNCILMEMBER MATEO: Thank you very much, Mr. Ta'a.
- 17 MR. TA'A: Yeah.
- 18 COUNCILMEMBER MATEO: Thank you, Mr. Chair.
- 19 COUNCILMEMBER MEDEIROS: Chair?
- 20 CHAIR MOLINA: Thank you, Mr. Ta'a. Mr. Medeiros?
- 21 COUNCILMEMBER MEDEIROS: Mahalo, Chair. Is it Mr. Ka'a?
- 22 MR. TA'A: Ta'a.
- 23 COUNCILMEMBER MEDEIROS: Ta'a?
- 24 MR. TA'A: Yes.
- 25 COUNCILMEMBER MEDEIROS: Oh. Yeah, thank you for your

1 testimony. I understand, and you can clarify for
2 me, that -- is there any assistance from the Union
3 to help your members get affordable housing and some
4 kind of financial assistance for them to get
5 started?

6 MR. TA'A: No, not at present. We wish there was. We --
7 we do have an in-house federal credit union, but
8 we're not at the level where we can afford to give
9 out mortgages. So we depend on the conventional
10 market to assist our -- our members.

11 COUNCILMEMBER MEDEIROS: And has your union gathered your
12 members together to educate them on -- on the
13 possibilities of how they can afford and -- and get
14 affordable housing?

15 MR. TA'A: Absolutely. This is one way we can help to
16 bring in new members and to keep the members that we
17 have. We do have classes on -- on -- and -- and
18 seminars on letting our -- our members know.

19 We -- most of our members, of course, are --
20 are -- are men in the family, but we have to get to
21 the wives. The wives make the -- they're the
22 bosses. They make the decision.

23 We go to the wives first and educate the wives
24 as to what the family is required. And we do that.
25 We educate them on what is required to -- to qualify

1 for loans in the -- in the housing market.

2 COUNCILMEMBER MEDEIROS: Yeah, you're -- you're absolutely
3 correct on the wives because many of us get stopped
4 at supermarkets and -- and pharmacies, and I was
5 talking to one of your members in Costco, and the
6 wife seemed to be the one in charge and with all the
7 information.

8 MR. TA'A: Yes, boss.

9 COUNCILMEMBER MEDEIROS: So -- so thank you for your --
10 your testimony.

11 MR. TA'A: Thank you.

12 CHAIR MOLINA: Thank you, Mr. Ta'a.

13 COUNCILMEMBER VICTORINO: Mr. Chair?

14 CHAIR MOLINA: Mr. Victorino?

15 COUNCILMEMBER VICTORINO: Mr. Ta'a, before you run off,
16 just so that we're clear and -- and -- and the
17 public's clear, you said a starting apprentice is
18 \$37 package. And I -- and I understand what package
19 means, but --

20 MR. TA'A: Yeah.

21 COUNCILMEMBER VICTORINO: -- maybe for the public and for
22 some of our -- our people out there, that's not \$37
23 an hour. Thirty seven dollars is the package.

24 MR. TA'A: Yeah.

25 COUNCILMEMBER VICTORINO: That's including all their

1 benefits. What would an hourly wage of an
2 apprentice --

3 MR. TA'A: Seventeen -- \$17 an hour.

4 COUNCILMEMBER VICTORINO: Seventeen dollars. Because I
5 think that's important because that's --

6 MR. TA'A: Yeah.

7 COUNCILMEMBER VICTORINO: When we looking at and you
8 looking into buying a house, that's what they look
9 at.

10 MR. TA'A: Right.

11 COUNCILMEMBER VICTORINO: They don't look at the \$37. And
12 I think people have to understand that your
13 apprentices -- so, now, if you go with the
14 journeyman, let's go right to the top.

15 MR. TA'A: Thirty five dollars an hour.

16 COUNCILMEMBER VICTORINO: Thirty five dollars an hour.

17 Okay. Thank you very much. I do appreciate that
18 clarification.

19 COUNCILMEMBER BAISA: Chair?

20 CHAIR MOLINA: Okay. Thank you, Mr. Victorino. Member
21 Baisa?

22 COUNCILMEMBER BAISA: Thank you, Chair, and good morning,
23 Mr. Ta'a.

24 MR. TA'A: Good morning.

25 COUNCILMEMBER BAISA: Nice to have you back here on Maui.

1 MR. TA'A: Thank you.

2 COUNCILMEMBER BAISA: My question is about, of course, the
3 need for housing among your members. We've heard
4 some remarks this morning about -- and they weren't
5 flattering remarks -- about rental housing.

6 Do you think that some of your members would
7 be interested in lower rental housing, as opposed to
8 purchasing a home?

9 MR. TA'A: We would like, first priority, to purchase a
10 home. We look to stay there and live here on Maui
11 forever and allow our children the opportunity to --
12 to live in that house. We would like a house.
13 That's our primary goal.

14 COUNCILMEMBER BAISA: So your primary requirement would be
15 homes for purchase?

16 MR. TA'A: Absolutely.

17 COUNCILMEMBER BAISA: Do you think there's any interest at
18 all in apartment or rental housing in the -- in the
19 meantime?

20 MR. TA'A: Last resort. If we're going to pay, we may as
21 well stay at home if our parents allow us to stay at
22 home, and I have two at home.

23 COUNCILMEMBER BAISA: We know. We all do.

24 MR. TA'A: Yeah.

25 COUNCILMEMBER BAISA: Thank you very much.

1 MR. TA'A: Okay.

2 CHAIR MOLINA: Okay. Thank you, Member Baisa. Any other
3 questions for Mr. Ta'a? Seeing none, thank you.

4 Next to testify, we have David Atias, followed
5 by Tatiana Kealiinohomoku.

6 MR. ATIAS: Aloha. My name is Dave Atias. I'm a teacher
7 at the Kihei Charter School. My -- I was brought
8 here today by 12 of my students.

9 And I -- as I was trying to decide how I was
10 going to go in testifying today, I thought about
11 should I come up here and -- and be confrontational
12 and shake my finger and -- and be condescending, and
13 I know more than you do, and -- and I decided I'm
14 not going to do that today.

15 Instead, I -- I'd like to share with you some
16 experiences I've had and then I'd like to include
17 everybody in the room in a mini lesson that I'm
18 going to do. You guys thought you were getting out
19 of work today, didn't you? No, not today.

20 I've -- I've been standing here and sitting
21 here listen ing to some of my fellow brothers and
22 unions. I've been in -- I've walked picket lines
23 for carpenters unions and sheet metal workers.
24 I've -- I've worked for unions, I've been to Labor
25 Day parades, so I understand exactly the things that

1 they're talking about in terms of jobs and housing.

2 And in my experiences in -- in being an
3 activist and working for affordable housing and jobs
4 and -- and smart, sustainable development, I have
5 seen some huge mistakes made in cities all over the
6 country, and they're shining examples of what things
7 that we shouldn't do.

8 And I've seen a lot of developers come in, and
9 their ties to the community is -- is -- the only
10 ties they have to the community is how much money
11 they can make out of their investment.

12 And most of them -- most of them, now, I'll be
13 honest with you, I've only been on this island three
14 months so I'm not going to say I know this for a
15 fact about the developments here -- but most -- a
16 lot of developers don't have real serious ties to
17 the community, and I hope that's not the case here,
18 not just with Wailea but Makena and all the other
19 developments that are going on.

20 Because since I've been here, I've noticed the
21 problems you've been having that we -- I'm sorry,
22 I'm a -- you represent me now, I'm a registered
23 voter -- that we've been having with water, as -- as
24 well as some other environmental issues as well.
25 And I've seen this happen countless times in other

1 cities not just in the U.S., all over the world.

2 But by the same token, I've also seen some
3 cities all over the world and in the U.S. that have
4 done some amazing things with their development that
5 have created good jobs, affordable housing,
6 sustainable development. I've seen that as well.
7 It can be done.

8 So now I would like to share with you my
9 little lesson that I'm going to do with -- with my
10 students. Today, we have two words of the day, and
11 the first one is vision. What is the vision that
12 not just the Committee, the Council here has, but
13 the vision that we all have for Maui.

14 Does it include -- is it going to be the
15 vision of a modern plantation, where the rich folks
16 live on one part of the island, and the working
17 class live on another part? Because that's what the
18 overtones of this development that I'm
19 understanding, that's what it is, and a lot of the
20 other ones, too.

21 And the second word is constitution. And not
22 the kind of constitution you usually talk about in
23 school. I'm talking about do the people on the
24 Council and do the people in this room and do the
25 people in Maui, do we have the constitution to be

1 able to stand up to developers and say you know
2 what, I know you got a lot of money, and you think
3 it's going to trickle down, but it never does.

4 Do you have the constitution to tell the
5 developers this isn't acceptable. If you come back
6 to us with something that's sustainable, that
7 doesn't wreck our environment, that actually helps
8 and enhances Maui for everybody, then you can come
9 back, and we'll work with you. Do we have the
10 constitution to tell people --

11 MS. NAKATA: Three minutes.

12 MR. ATIAS: -- with money that. And yes, there will be a
13 test on that later. Thank you.

14 CHAIR MOLINA: Okay. Thank you, Mr. Atias. Member
15 Anderson, followed by Member Mateo. And before we
16 recognize your questioning, I'd like to ask our
17 Akaku cameras to pan the gallery, and I'd like to
18 recognize our youngsters from Kihei Charter School.

19 AUDIENCE: Applause.

20 CHAIR MOLINA: Okay. Member Anderson.

21 COUNCILMEMBER ANDERSON: Thank you, Chair. Mr. Atias, you
22 said that your students brought you here today. So
23 did they ask you to bring the class here today? Was
24 it their -- you know, and what was their motivation?

25 MR. ATIAS: Indirectly, they did. Basically -- what's

1 going on is one of the -- the reason I was brought
2 in to -- to the Kihei Charter School was my vision,
3 I'll use the word in a sentence, my vision of
4 creating for our charter school a -- our own cable
5 access TV show, our own podcast that will hopefully
6 turn into a radio station, and a newspaper that
7 would be distributed throughout the community. And
8 we're starting the TV show first.

9 And I would -- I left the room. The people
10 who are doing the first show got into a room, and
11 they discussed what were the three stories they
12 wanted to report on. And the one -- one of them
13 that they came up with, without influence by me, was
14 the Makena development.

15 And when we heard about the -- I -- I heard
16 about the hearing today and so I said you guys want
17 to go? And they said yes, but it was their decision
18 to do a story on development, especially --
19 specifically Makena, but development in general is
20 what brought us here. So they brought me here
21 indirectly.

22 COUNCILMEMBER ANDERSON: That's great. We just love it
23 when the younger generation gets involved. It's so
24 important. Thank you for bringing them.

25 MR. ATIAS: Sure. You're welcome.

- 1 CHAIR MOLINA: Thank you, Member Anderson. Mr. Mateo?
- 2 COUNCILMEMBER MATEO: Chairman, thank you very much. Good
3 morning.
- 4 MR. ATIAS: Morning.
- 5 COUNCILMEMBER MATEO: Thank you for being here. My
6 question -- I do not mean to be facetious in any
7 way.
- 8 MR. ATIAS: No.
- 9 COUNCILMEMBER MATEO: You've been on Maui for three months.
- 10 MR. ATIAS: Yes.
- 11 COUNCILMEMBER MATEO: What brought you here? Why did you
12 come here?
- 13 MR. ATIAS: They did. A teaching job.
- 14 COUNCILMEMBER MATEO: Teaching. So you came from where?
- 15 MR. ATIAS: Rochester, New York.
- 16 COUNCILMEMBER MATEO: So part of our problem, as an island
17 community, is we are an island.
- 18 MR. ATIAS: Yes.
- 19 COUNCILMEMBER MATEO: And the more people keep coming in,
20 the -- the less and less we have. So our problem,
21 because we are part of the United States that allows
22 and provides the freedom for travel, allows anyone
23 to keep coming into a small state, where we become
24 compacted.
- 25 MR. ATIAS: Mm-hmm.

1 COUNCILMEMBER MATEO: So, you know, the priority is take
2 care of our people. Take care of our people that
3 live here.

4 MR. ATIAS: Absolutely.

5 COUNCILMEMBER MATEO: So I'm sure you understand the
6 difficulty and the balancing act we've got to
7 provide because of an open-door policy in an area
8 that has limited space, limited capacity.

9 MR. ATIAS: Yes.

10 COUNCILMEMBER MATEO: So can you comment on my awful
11 statement?

12 MR. ATIAS: No, that's not an awful statement. That's a
13 logical statement. And -- and not only does -- not
14 only does the State of Hawaii have that problem, but
15 -- that -- that issue -- that challenge, that
16 opportunity, but they also have -- but there's other
17 states, and there's other cities as well that has
18 that.

19 There are a lot of states and -- and counties
20 that think about doing innovative things -- and I'll
21 just throw one out there, like one state just
22 having -- California's been tinkering with universal
23 health care. And they're afraid that if they do
24 that, people are going to flock to their state
25 because oh, that would be wonderful. Wouldn't it be

1 great if we all had that.

2 And -- and that's an issue that if you're
3 going to do something, if you have that vision and
4 you have that constitution and you're going to do
5 something creative and innovative, something that
6 isn't normally done, are you going to risk that?

7 And within that creativity, and I -- I'd love
8 to say that I have every answer to every problem,
9 and I don't. There's plenty people in this room
10 smarter than I am, but a way you would set up this
11 development would be to -- to try and contain that.

12 And a way of containing that is the number of
13 units you build, whether it's rental or for
14 ownership. I mean, you -- you know that. We all
15 know that in this room. It's how you'd build that
16 development is what's going to encourage people
17 here.

18 If you were to ask me five months ago, Dave,
19 are you going to move to Hawaii? I would have
20 thought you were nuts. I'm here for these guys. I
21 came here for the job. And if -- if those jobs --
22 yes, if you have those kind of jobs here, you're
23 going to attract people.

24 COUNCILMEMBER MATEO: Yeah. Do you currently rent, or have
25 you purchased a home?

- 1 MR. ATIAS: I'm a teacher. I rent. (chuckled) I live
2 alone. I rent.
- 3 COUNCILMEMBER MATEO: Thank you very much.
- 4 MR. ATIAS: Yeah, you're welcome.
- 5 COUNCILMEMBER MATEO: And Chairman, thank you.
- 6 CHAIR MOLINA: Thank you, Member Mateo.
- 7 COUNCILMEMBER VICTORINO: Mr. Chair?
- 8 CHAIR MOLINA: Member Victorino?
- 9 COUNCILMEMBER VICTORINO: Thank you for being here. And
10 whether you're 3 months or 30 years, your knowledge
11 and wisdom is greatly appreciated.
- 12 MR. ATIAS: Thank you.
- 13 COUNCILMEMBER VICTORINO: And again, we're not making light
14 of what you've brought to the table and the vision
15 part.
- 16 MR. ATIAS: Oh, no.
- 17 COUNCILMEMBER VICTORINO: And also the constitution. But
18 you mentioned your students had three items or three
19 things they could -- or they were going to choose
20 from. What were the other two, just because I want
21 to know, what were the other two beyond this --
- 22 MR. ATIAS: Oh, the three stories, you mean?
- 23 COUNCILMEMBER VICTORINO: Yeah, the three stories. Yeah,
24 you said this was one.
- 25 MR. ATIAS: They're -- they're working on the development

1 at Makena, they're working on soldiers who fought in
2 Iraq and who are now on Maui.

3 COUNCILMEMBER VICTORINO: Mm-hmm.

4 MR. ATIAS: And the plight of the sea turtles here.

5 COUNCILMEMBER VICTORINO: Okay.

6 MR. ATIAS: Those were the three stories they chose.

7 COUNCILMEMBER VICTORINO: Okay. And going back to this
8 development and -- and -- and the whole reason we're
9 here --

10 MR. ATIAS: Mm-hmm.

11 COUNCILMEMBER VICTORINO: -- you mentioned the word
12 constitution, you know, what we're resolved to get
13 done for the people of Maui County, which we're a
14 part of.

15 MR. ATIAS: Sure.

16 COUNCILMEMBER VICTORINO: And I like -- I like the idea
17 that you brought up about the old plantation
18 mentality. Though those days were good, there was a
19 definite division between those who had and were in
20 charge and the rest of us.

21 MR. ATIAS: Right.

22 COUNCILMEMBER VICTORINO: Because I was the rest of us.

23 MR. ATIAS: Yes.

24 COUNCILMEMBER VICTORINO: And I agree with Mr. Nishiki that
25 I had pride, and I never let nobody tell me I could

1 not go where I wanted to go and be what I wanted to
2 be.

3 MR. ATIAS: Right.

4 COUNCILMEMBER VICTORINO: And I want these kids and
5 everybody else to understand that's what we're here
6 for.

7 MR. ATIAS: I agree. That's why I'm here.

8 COUNCILMEMBER VICTORINO: You know. The affordable housing
9 component, let me make one correction in all of this
10 so that everybody's clear. I want to be really
11 clear.

12 The affordable component that's going to -- or
13 was proposed to be built outside of the area was
14 done for the purpose of immediacy, in other words it
15 can be done right away, we don't have to wait three
16 or four years, and it was available land that could
17 be developed because the infrastructure was there.

18 It is away from the area, but that wasn't the
19 plan, but it seemed to evolve into that. It seems
20 to have evolved. And it was a suggestion by the
21 developer to one of our Members who asked the
22 question.

23 So I only defend the point to make sure that
24 we get the facts as facts, that that was done for
25 the -- for the purpose of immediacy. In other

1 words, we could do something right now. In the next
2 year or two, we could have housing, rentals
3 available for the people to move in, the working
4 people. Our people, okay?

5 So that's what that was. So just let's, you
6 know, make sure that's clear today that it wasn't
7 part of the original discussion. It was brought up
8 later, and that's what brought it forth is the
9 ability to do something now.

10 But let's put it in your -- in your term, your
11 vision, and what your students see, and you're
12 dealing with them every day. Do you ask your
13 students if in 15 years they find themselves living
14 here in Maui? Did you ever ask that question?

15 MR. ATIAS: That -- that has not come up in the
16 three months I've been here.

17 COUNCILMEMBER VICTORINO: Okay. The next time you get a
18 chance, ask them that question because I think
19 that's an important question to be asked of all
20 young people.

21 MR. ATIAS: Well, guess what we're talking about in the
22 van, guys?

23 COUNCILMEMBER VICTORINO: Yeah. Okay, that's good. And
24 the last thing, I'll close, Mr. Chair, with this.
25 Thank you very much. We need your manao or your

1 knowledge, your experience, like everybody else.

2 But like our -- my colleague said, we are
3 getting to a point is where do we shut the gates and
4 let the flood stop.

5 MR. ATIAS: Sure.

6 COUNCILMEMBER VICTORINO: And who do we shut out and keep
7 out, and who do we let in? We can't do that. We
8 don't have a magic wand.

9 MR. ATIAS: No. And as I spoke before to the other
10 Congressman's question was that it just -- and
11 again, we're back to vision and constitution. Can
12 you set up a way the development plan -- the
13 development in a way that takes care of that.

14 And again, I would love to say I got it right
15 here, here you go, you know, I -- I will come and
16 save the day. I don't have that. But I know that
17 there are places all over the world that are doing
18 that, that are trying to control the influx of
19 population that is migrating to their cities and
20 counties and states, and smarter people than I with
21 way more experience than I have been doing that.

22 And as a teacher, you can ask any good
23 teacher, they know, they will steal a good idea if
24 it's good. And they get credit for it, but they'll
25 steal the idea nonetheless. So that's part of the

1 vision as well. Where -- where can you steal good
2 ideas.

3 COUNCILMEMBER VICTORINO: Well, thank you very much, and I
4 hope we can work together to steal a lot of ideas to
5 make the County good.

6 MR. ATIAS: Anytime. Absolutely.

7 COUNCILMEMBER VICTORINO: Thank you. Thank you, Mr. Chair.

8 CHAIR MOLINA: Okay. Thank you, Member Victorino. Member
9 Medeiros?

10 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chair. Thank you for
11 coming forth with your testimony, and thank you for
12 allowing your students to participate in government.
13 I think that's important. Your students are what
14 grade levels?

15 MR. ATIAS: Middle school, 6th and 7th.

16 COUNCILMEMBER MEDEIROS: Middle school. Okay, because my
17 son is a middle school teacher in Kihei, and he kind
18 of keeps me apprised of the pulse of the community
19 down there.

20 MR. ATIAS: Mm-hmm.

21 COUNCILMEMBER MEDEIROS: Did you poll your students about
22 housing, whether they live in housing that they --
23 their parents own or rent?

24 MR. ATIAS: I've not, no.

25 COUNCILMEMBER MEDEIROS: You haven't. I -- I -- I'd be

1 interested in finding that out, if you would,
2 one day, okay?

3 MR. ATIAS: Sure.

4 COUNCILMEMBER MEDEIROS: Secondly, water has been
5 mentioned -- mentioned as an issue, and we know it
6 to be an issue on Maui.

7 MR. ATIAS: Right.

8 COUNCILMEMBER MEDEIROS: And you realize that this
9 developer, which was one of few that come forth to
10 develop their own water source, takes the burden off
11 the County and taxpayers.

12 And what I want to say is do you think,
13 because water is such an issue now, that in your
14 opinion, would it be good legislation to reduce or
15 restrict water features such as swimming pools,
16 water features that we find a lot in areas around
17 the County?

18 And when you look at where people -- local
19 people live, Paukukalo, Waiehu, Central Maui, Hana,
20 and Keanae, you don't find swimming pools in their
21 yards.

22 MR. ATIAS: Right.

23 COUNCILMEMBER MEDEIROS: So I was wondering what are your
24 thoughts on that in conserving and preserving water?

25 MR. ATIAS: Well, I -- I'm not sure if this directly

1 answers your question, but from -- as you were
2 forming it, the one thought that popped in my head
3 that I do have a serious issue with is private
4 citizens or corporations controlling water. I do
5 have a serious problem with that. That is a
6 resource that should be open to everyone. That is
7 something -- that is, in my opinion, one of the
8 reasons government exists, to control resources such
9 as that, that everybody -- that is vital to
10 everybody.

11 I'm not anti-swimming pool (end of tape 1B).
12 To be honest in terms of what we need in Maui and
13 what people need in Maui, swimming pools wouldn't be
14 in my top, I don't know, three or five.

15 It would be great if everybody had their own
16 swimming pool, but there are other priorities. I --
17 I would hope that wouldn't become a sticking point
18 with any legislation that could help us move
19 forward, but I do have a serious issue with private
20 individuals and corporations controlling a resource
21 like water.

22 COUNCILMEMBER MEDEIROS: Okay. Okay, and -- and I -- I
23 think you make a good point, and we all agree here
24 that water is a public trust --

25 MR. ATIAS: Yes.

1 COUNCILMEMBER MEDEIROS: -- that is managed by government.

2 But just to make a comment, you know, you say you
3 came from Rochester?

4 MR. ATIAS: Yes.

5 COUNCILMEMBER MEDEIROS: And I spent a lot of time in
6 Rochester, New York, while in the Air Force.

7 MR. ATIAS: Oh.

8 COUNCILMEMBER MEDEIROS: And it's a beautiful area.

9 MR. ATIAS: Yes, it is.

10 COUNCILMEMBER MEDEIROS: Upper state New York is very nice.

11 MR. ATIAS: It is.

12 COUNCILMEMBER MEDEIROS: And finally, when -- when you go
13 back with your students and you poll them about
14 their housing, because I'd be really interested in
15 finding out, you know, if they rent or if their
16 parents own the homes down there, because we're
17 trying to establish the importance of providing
18 affordable housing.

19 And I -- I need to say one thing about
20 affordable housing because we've been talking about
21 it, is that when a developer has to provide
22 affordable housing, there needs to be a plan and
23 agreement made between the developer and the County
24 of Maui through our Department of Housing to
25 determine what the breakdown of that housing will

1 be. So I don't think it's already set that the
2 housing is going to be at certain levels of cost,
3 and I wanted you to know that.

4 And the other thing is I agree with you that
5 we don't want to build communities that segregate.
6 We want to build communities that integrate.
7 However, I support when affordable housing, such as
8 the Project we're talking now, is outside of the
9 Project area. And the reason I support that is
10 because the property taxes that will be in that
11 Project area will be very high.

12 If the housing for affordable families is not
13 in that Project, is in another area where assessment
14 values, property values, tax bills will be lower, I
15 support that. Not that I want it to be separated,
16 but I want to be -- be sure that our working
17 families get -- get into these affordable housing
18 can stay in it, and they can afford the property
19 taxes.

20 MR. ATIAS: Well, all of you are bringing up points that
21 that we could sit over coffee and talk about for
22 hours. But by nature of what property tax is, it
23 creates defective segregation.

24 But what you're talking about, if we go by the
25 property tax system, people who can only afford to

1 live in that poorer area with lower assessments,
2 that's the only place they can go. So by the nature
3 of the system, you are segregating people. You --
4 there -- there's no choice.

5 COUNCILMEMBER MEDEIROS: But I want you to know the
6 rationale behind my, you know, perspective --

7 MR. ATIAS: Right. Sure. And --

8 COUNCILMEMBER MEDEIROS: -- that I want our local people to
9 be able to live there.

10 MR. ATIAS: Absolutely. And what you're saying make sense.
11 And I'm saying by the nature of the system, they
12 have no choice but to be segregated.

13 COUNCILMEMBER MEDEIROS: Right, right. Thank you for your
14 testimony and for being here with your students.

15 MR. ATIAS: Thank you.

16 CHAIR MOLINA: Thank you, Member Medeiros. And Mr. Atias,
17 thank you for coming out here.

18 MR. ATIAS: Thank you.

19 CHAIR MOLINA: I just want to pass on a message to you and
20 your children.

21 MR. ATIAS: Uh-oh.

22 CHAIR MOLINA: I can appreciate what you're doing. I was a
23 former civics teachers, and I loved bringing my
24 students outside of the classroom because there's a
25 whole lot more you can learn outside of the

1 classroom besides from a textbook.

2 And to the kids, my 7th grade students years
3 ago in the mid 1990s up in Makawao, they motivated a
4 former governor of the State of Hawaii,
5 Mr. Cayetano, and a former Mayor of Maui, Linda
6 Lingle, she is of course our governor now, to bring
7 a recycling center to Makawao, and it was driven by
8 the students. They did their petitions, they wrote
9 letters to the editors, they got their parents
10 involved.

11 So my message to you is continue what you're
12 doing and don't stop while you're in school.
13 Continue to try and make a difference in our
14 community when you become adults as well. Thank you
15 all for coming here. Thank you, Mr. Atias.

16 AUDIENCE: Applause.

17 CHAIR MOLINA: And speaking of students, next to testify we
18 have Tatiana Kealiinohomoku, and we have a request
19 from Tatiana to be accompanied by Kiana Soloria for
20 testimony this morning.

21 And typically, we allow just one person at a
22 time; however, the Chair is very flexible this
23 morning. Any objections to having the two
24 individuals come up and testify at the same time?

25 COUNCIL MEMBERS: No objections.

1 CHAIR MOLINA: Okay, please come up to the podium, Tatiana
2 and Kiana. And ladies, if you could just please
3 state your names for the record, and please feel
4 free and feel relaxed to address the Council
5 Committee Members.

6 MS. KEALIINOHOMOKU: Hi, my name is Tatiana Kealiinohomoku,
7 and this is Kiana Soloria. We are in 7th grade, and
8 we attend the Kihei Charter Stem Academy. The
9 reason we are here today is to speak out against the
10 development.

11 MS. SOLORIA: One -- one key problem is runoff. Runoff
12 causes an increase in the algae -- in algae problem,
13 and algae produces CO2, which suffocates the oxygen
14 in the ocean which kills marine animals.

15 CHAIR MOLINA: Girls, can you bring the mike closer to your
16 mouth? Yeah. There you go.

17 MS. KEALIINOHOMOKU: Another major issue is water. This
18 island already doesn't have enough water. Where are
19 we going to get the water to get -- to supply the
20 new homes?

21 MS. SOLORIA: In conclusion, today's developers should take
22 into consideration what impact their projects can
23 have on the environment, wildlife, culture, and
24 ecosystem.

25 CHAIR MOLINA: That's it? Okay. Thank you, girls.

1 Committee Members, questions for our young ladies?
2 Seeing none, thank you so much. Oh, excuse me, we
3 have a question from Councilmember Anderson.

4 COUNCILMEMBER ANDERSON: I just want to make -- make a
5 comment. Well done, young ladies. Just amazingly
6 well done. Thank you so much for coming.

7 CHAIR MOLINA: Okay, thank you. Any other questions?
8 Seeing none, thank you very much, young ladies. We
9 appreciate your testimony. Thank you.

10 I can remember being that age, and, whoa,
11 I'd -- I'd be terrified, too, having to look at you
12 guys. Next to testify we have Irene Bowie, followed
13 by William Kamai.

14 MS. BOWIE: Thank you. That's a hard act to follow. Good
15 morning, Council Members. My name is Irene Bowie,
16 and I'm the Executive Director with Maui Tomorrow
17 Foundation.

18 I ask you today to just once again consider
19 the facts of Wailea 670 Honua'ula. WCPT/GW Land
20 Associates bought the land for \$17.2 million back in
21 2000. They proposed a gated community and hired
22 former County Public Works Director Charlie Jencks
23 to be in the process of bringing their project
24 district plans forward to the Planning Commission
25 and -- and County Council for approval.

1 Recently, the Project was, quote,
2 "contributed," to the New York-based investment firm
3 D.E. Shaw Group as part of a new venture called
4 Honua'ula Partners, LLC, in a \$204.5 million deal
5 which closed in July of this year.

6 Lest anyone think that Honua'ula Partners is a
7 locally owned company, please know that D.E. Shaw
8 Group is a global investment and technology
9 development firm with approximately \$33 billion in
10 aggregate investment capital and offices in North
11 America, Europe, and Asia.

12 Their central focus is the, quote, "pursuit of
13 potentially attractive investment opportunities,"
14 end quote. I think that's hardly a company that's
15 looking to provide affordable housing in
16 communities.

17 Throughout this process, Wailea 670 has
18 presented the County Council with inadequate zoning
19 requests, no Department of Transportation comments
20 on traffic analysis, no baseline study or
21 preservation plan for environmentally sensitive
22 areas, no State-mandated provision for access trails
23 for native gathering rights, no details -- no real
24 details of the water delivery plan, and no
25 cumulative impact analysis on all South Maui

1 developments, especially on our overstressed beach
2 parks.

3 Please consider that long after the investors
4 have moved on to other investment opportunities,
5 Maui's residents will be dealing with this project's
6 additional burden of 1,400 more units, 3,000 more
7 cars, and 20 years of construction traffic on our
8 already overstressed infrastructure.

9 I ask you, Council Members, to please study
10 the cumulative impacts of all proposed South Maui
11 projects and not just listen to the spin about this
12 one development.

13 Please get all the legal information required
14 for this request, not just an inadequate zoning
15 application and an old and obsolete EIS.

16 Please consider who will actually buy these
17 proposed properties; and finally, please allow the
18 general plan process to decide what new developments
19 are allowed and where they will be located. Thank
20 you.

21 CHAIR MOLINA: Okay. Thank you, Ms. Bowie. Committee
22 Members, questions for the testifier? Seeing none,
23 thank you.

24 Next to testify, we have William Kamai,
25 followed by Perry Artates.

1 MR. KAMAI: Aloha and good morning, Council Members. My
2 name is Bill Kamai. I'm speaking on behalf of the
3 Hawaii Carpenters Union.

4 For us, a project like this means jobs. Like
5 Mr. Ta'a said regarding the Plumbers Union, we, too,
6 had a union meeting that we talked about affordable
7 housing for our members. And what apprenticeship
8 bracket would qualify for the minimum house? About
9 100 percent median income.

10 We, too, told them to attend our meeting, but
11 they -- they just left, but it was to let them know
12 what the process is for the jobs that they have now
13 and that a project like this that's a 20-year
14 build-out is music to our ears, where we know that
15 there is jobs in the future.

16 We need jobs to qualify for homes, period, any
17 home. It doesn't matter if it's an apartment,
18 doesn't matter if it's a rental. You got to be
19 working to qualify for these homes.

20 And koodles to you, Mr. Molina, too, for
21 initiating the first-time homeowners fund for the
22 County. You know, that can only help our membership
23 get into these homes.

24 With regards to the Workforce Housing Policy,
25 you guys took a lot of flak for it. This is the

1 first development that's coming up to bat following
2 the rules that you guys set. It's tough. I don't
3 know how you going make one profit from it, but
4 thank God somebody will at least try.

5 I'd just like to ask your support for this
6 Project. And in closing, I'd like to -- to just
7 comment on two things. With regards to the Royal
8 Patent and Land Court awards, keep fighting, yeah?
9 Keep doing what you doing.

10 And with regards to the Kihei Charter School,
11 it was the Carpenters Union that was approached to
12 help build that school, to help turn what was a
13 sound studio into what that Charter School is today.

14 We had help from Dorvin Leis who donated all
15 the toilets and urinals and asked his employees to
16 come in after work to set it up because they were
17 busy during the day, and Miyake Concrete for staying
18 late when I needed supplies to -- to provide the
19 drywallers. Drywallers was supplied by Abel Lee
20 Construction.

21 Betsill Brothers donated the -- the use of
22 their shovels and wheelbarrows for us to pour the
23 concrete; Rojac Construction for supplying us the
24 concrete.

25 But that's how that school got built. So when

1 you see these people, you thank them. Nobody knew
2 that, but that's how that school got built before
3 they moved over to Hope Chapel.

4 MS. NAKATA: Three minutes.

5 MR. KAMAI: That's all I got to say.

6 CHAIR MOLINA: Okay. Thank you, Mr. Kamai. Mr. Kamai, one
7 quick question before I open it up for the Members.
8 So -- and thank you for enlightening the rest of us.

9 I think sometimes we forget that, you know,
10 the laborers, construction people -- am -- am I
11 correct in saying that you folks donate a lot of
12 your time and labor to build, for example, the Kihei
13 Charter School and other types of facilities within
14 our communities? Can you cite other examples of
15 what our labor or construction unions, what they do
16 to donate time?

17 MR. KAMAI: We help with the -- the endless playground park
18 every Saturday down by the MACC Center. We help
19 build bus stops throughout the community Upcountry,
20 wherever we're asked. We helped build one ramp at
21 St. Joseph Church this past weekend, and it's all
22 free. It's all free.

23 CHAIR MOLINA: Mm-hmm. Okay.

24 MR. KAMAI: But, you know, our list pretty long, yeah,
25 of --

1 CHAIR MOLINA: Sure.

2 MR. KAMAI: -- to do -- to-do list.

3 CHAIR MOLINA: Okay. And thank you. That helps clear up,
4 maybe, the perception of some members of the public
5 that all you folks do is just like to go out work,
6 make money only for yourselves.

7 MR. KAMAI: Oh, that, too, but yeah. No.

8 CHAIR MOLINA: But that's not the case only because you
9 guys -- you know, I guess as you said, you guys
10 donate a lot of your labor and time --

11 MR. KAMAI: Yes, we do.

12 CHAIR MOLINA: -- back to the community. Thank you.

13 VICE-CHAIR PONTANILLA: Chair?

14 CHAIR MOLINA: Okay. We have Member Pontanilla, followed
15 by Member Anderson.

16 VICE-CHAIR PONTANILLA: Thank you. I'm glad you mentioned
17 all of those things, you know. I -- I didn't know
18 for myself that you guys helped the Kihei Charter
19 School, you know, get on their feet.

20 In regards to affordable housing, do you folks
21 volunteer your guys time in, you know, helping
22 Hawaiian Homes or some of the families that are
23 building homes as part of their responsibility
24 through Hawaiian Homelands?

25 MR. KAMAI: Yes, we did. Up in Wahikuli -- Waiohuli,

1 they -- there was some families that got in -- got
2 into a bind with self-help housing, and they needed
3 some help to get the houses livable so they could
4 move in, so we sent some volunteer help up there.

5 VICE-CHAIR PONTANILLA: Okay. Thank you. And thank you
6 for, you know, doing all this volunteer work.
7 Sometimes, you know, I -- I know some big companies
8 do support the County of Maui in -- in the sense
9 that they provide their equipment whenever we have
10 fires or disasters that happen in Maui County. And,
11 you know, it's not only Maui but also Molokai,
12 Lanai.

13 And, you know, with the unions themselves
14 supporting the community and the volunteer work that
15 you guys do, it's good to hear stories like this
16 because we don't know. We like to hear it. Thank
17 you.

18 MR. KAMAI: Yeah, nobody knew until -- until now. He just
19 reminded me.

20 CHAIR MOLINA: Thank you. Member Anderson?

21 COUNCILMEMBER ANDERSON: Thank you, Chair. Thank you,
22 Mr. Kamai, for being here. I'm just curious, the
23 comment you made about the Royal Patents. Are you
24 saying that you support those who are trying to
25 forward the effort to get legal recognition for the

1 status of Royal Patents here in Hawaii?

2 MR. KAMAI: Yes. From what I was told about it, I -- I
3 think it's very, very interesting. I don't think
4 this is the body where you could -- or makes the
5 decisions on it, but I wish them luck in their
6 endeavors.

7 COUNCILMEMBER ANDERSON: Okay, thank you very much.

8 CHAIR MOLINA: Thank you, Member Anderson. Mr. Medeiros?

9 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman, and mahalo,
10 Mr. Kamai, for being here. And I, too, join my
11 colleagues and for you enlightening us about the
12 Kihei Charter School. You know, I never knew that.

13 And -- and I have to say that our local media
14 sometimes does not give credit and publicize when
15 volunteer work is done a lot of times, so I think
16 I'm grateful to you for bringing up the different
17 projects. I was familiar with many of the projects
18 that you folks helped with.

19 Does the Carpenters Union also provide any
20 assistance with habitat?

21 MR. KAMAI: We were -- we were asked. I -- I know they've
22 moved some of the dates that -- that they told us
23 that they wanted to earlier, that was pushed back,
24 but it's something that we -- we more than willing
25 to help out with.

1 COUNCILMEMBER MEDEIROS: Okay. And like I asked Mr. Ta'a
2 of the Plumbers Union, do you -- and I think you
3 mentioned something to the effect of that, but does
4 the Carpenters Union have any program that they
5 not -- that you can educate your members, inform
6 them, help them to improve their financial status
7 and -- and credit levels so that they can qualify
8 better for housing, affordable housing?

9 MR. KAMAI: Yes, we do. It's not a program, per se, but
10 it's just at our monthly meetings for those who
11 attend, it's where we go over the qualifying
12 brackets in the different incomes.

13 COUNCILMEMBER MEDEIROS: Okay. Thank you, Mr. Kamai.
14 Mahalo, Mr. Chairman.

15 CHAIR MOLINA: Thank you, Member Medeiros.

16 COUNCILMEMBER VICTORINO: Mr. Chair?

17 CHAIR MOLINA: Mr. Victorino?

18 COUNCILMEMBER VICTORINO: Thank you, Mr. Molina. And thank
19 you, Mr. Kamai, for being here today. Again, you
20 share manao that a lot of us had forgotten, and I
21 want to also mention that you have been, and the
22 Carpenter Union has been very instrumental helping
23 the County Fair, the defunct now Hula Bowl, and many
24 other projects for which we work together to put
25 to -- put for this community's enjoyment, as well as

1 helping these groups raise money. So thank you very
2 much.

3 But the question I have for you is simply
4 this. How many members do you have here on Maui?

5 MR. KAMAI: Eight hundred.

6 COUNCILMEMBER VICTORINO: Eight hundred members. And of
7 those 800 members, your best estimate, how many of
8 them own homes, approximately? What percentage?

9 MR. KAMAI: I'd say 30 percent own homes.

10 COUNCILMEMBER VICTORINO: Thirty percent, okay. And then
11 the -- the second question I have for you, and then
12 last question, Mr. Chair, is how many of them
13 actually, of your carpenters, live with family
14 because, really, even as much money as they make,
15 cannot afford to buy a home or even rent.

16 MR. KAMAI: It's that remaining 60 percent.

17 COUNCILMEMBER VICTORINO: So a big percentage, then?

18 MR. KAMAI: That's true.

19 COUNCILMEMBER VICTORINO: Okay. What's your hourly wage?

20 Let's go with entry level apprentice and then
21 journeyman.

22 MR. KAMAI: Look my math, it's not 60. The remaining
23 70 percent, I'm sorry.

24 COUNCILMEMBER VICTORINO: That's okay. I know what you
25 meant. That's okay.

1 MR. KAMAI: Hey, Charter School, you supposed to correct
2 me. Say that again, Mr. Victorino?

3 COUNCILMEMBER VICTORINO: Okay. Your apprentice, entry
4 level, what is their hourly wage? Not the package,
5 you know, I understand --

6 MR. KAMAI: Thirteen fifty-eight an hour.

7 COUNCILMEMBER VICTORINO: Thirteen fifty-eight. And then a
8 journeyman?

9 MR. KAMAI: I going whisper this total. No, it's 34.95 an
10 hour.

11 COUNCILMEMBER VICTORINO: It's not something to be ashamed
12 of because these people work hard, take many years
13 to get to that point. It's like teachers and all
14 that. It's a profession. You don't just
15 automatically qualify for a journeyman after
16 six months.

17 MR. KAMAI: That's true. It takes four years.

18 COUNCILMEMBER VICTORINO: Four years?

19 MR. KAMAI: Yeah.

20 COUNCILMEMBER VICTORINO: And, you know, like the Plumber &
21 Fitters and all the other trade unions, you don't
22 get to the top by just showing up. You have to
23 work, go to class, there's a lot involved.

24 So you are working people, and I think people
25 out there need to know that you put in time and

1 effort to make your profession a true profession.

2 So I thank you, Mr. Kamai. Thank you, Mr. Chair.

3 CHAIR MOLINA: Okay. Thank you, Member Victorino.

4 Members, any other questions for Mr. Kamai? Seeing

5 none, mahalo, Mr. Kamai.

6 MR. KAMAI: Thank you.

7 CHAIR MOLINA: Next to testify, we have Perry Artates, to

8 be followed by Jimmy Conniff.

9 MR. ARTATES: Good morning, Mr. Chairman, Council Members.

10 My name is Perry Artates. I represent the Hawaii

11 Operating Engineers Industry Stabilization Fund,

12 which is a labor management entity, but I'm here

13 today in testifying in -- well, I should say we,

14 whom I represent, which is our signatory

15 contractors, look forward to -- in support of

16 Honua'ula.

17 As was mentioned earlier by our different

18 trades, we have a lot of local contractors here,

19 too. I started off with Fong Construction back in

20 the '70s. There's Arisumi, there's Rojac, there's

21 Ilima, and of course you got the Goodfellows, you

22 got the Kiewits, you got the Hawaiian Dredging.

23 But my main purpose here today is basically to

24 refresh us that -- what was testified back in Kihei,

25 that we embrace the -- the military vets, the young

1 ones that graduated from high school that came back
2 that have the opportunity to work for the trades and
3 make a decent wage.

4 And when I say that, I think so I have some
5 fathers here along, as well as my son, that did go
6 and serve their country, and my short story is that
7 when they came back from the military serving their
8 term, five high school friends enlisted in the army,
9 navy, marine, and so forth, navy.

10 But when they came back home, they were, so to
11 speak, not programmed enough to accept society. I
12 was aware that -- where my son and -- and his
13 friends was, which was in Keanae somewhere drinking
14 and trying to get that whole horror off of their
15 mind.

16 I was notified by one of my daughters that you
17 have to go get Awakea. Excuse me, but that was my
18 son's name. But along with Awakea had, like I said,
19 some of our fathers here sons, too.

20 And when I went to embrace them, it was
21 like now I no wonder why America, when I traveled to
22 America, I see those vets holding those signs
23 because nobody really embraces them after the horror
24 that they have.

25 Anyway, I brought these boys back because I

1 was considered their uncle, and made them look into
2 an opportunity in working in the trades. And today,
3 some of these young men work for the Carpenters
4 Union, some work for Operating Engineers, some work
5 for the electrical union, some work for the
6 plumbers.

7 So I represent them also because we kind of
8 lost focus on these young men trying to make a
9 living here on Maui. To say what -- what they make
10 starting as an apprentice?

11 MS. NAKATA: Three minutes.

12 MR. ARTATES: They make \$16.31. My experience as a father,
13 I have eight children. I sent them all to the
14 mainland, whether it was school or to the military,
15 so that they could come home and appreciate what
16 home is.

17 And today, yeah, they don't live with dad.
18 They go out there, and they make their own living
19 because I wanted them to experience what it is to be
20 a working family.

21 So with that, we have the opportunity -- well,
22 not we, but I think so our young generation of
23 military vets has an opportunity to some day own an
24 affordable home. Thank you.

25 CHAIR MOLINA: Thank you, Mr. Artates. Committee Members,

1 questions for the testifier? Seeing none, mahalo
2 for your testimony.

3 Next to testify, we have Jimmy Conniff. And
4 after Mr. Conniff is through with his testimony,
5 Members, we're going to take a break; and when we
6 resume after the break, we'll have Tom Tezak to
7 testify. Good morning, Mr. Conniff.

8 MR. CONNIFF: Hey, good morning, Chairman and Members.
9 I've testified twice before back in July and
10 September. I'm just here again just so that in the
11 future if things don't go the way it -- it would
12 feel right for me, I don't have to say I didn't say
13 anything back then.

14 I'm opposed to the -- I -- I guess it's called
15 the Project or Application, excuse me. I heard the
16 man in the beginning talk about the \$43 million that
17 the -- that the island will receive in -- in taxes
18 and fees from the Project.

19 They're making an awful lot of money out of
20 profits. It seems to me like that that part isn't
21 brought up. I don't know what the amount of money
22 is in profits. It -- it -- so they have a motive,
23 and that's it, money and greed.

24 Seems to be question about who really owns the
25 land, according to the Royal Patents. I am not

1 Hawaiian, and I just hope the right thing is done
2 and that that is investigated so that if this
3 Project does go through, they're not building on
4 somebody else's property.

5 My home -- I do have a house, and I got it
6 maybe five years ago. And in it, my son lives and
7 my grandson. And we're very comfortable. We like
8 eating and living together. It's not a burden.
9 That's all of -- there's three of us so far.

10 The water thing I hear about, and I do believe
11 there is a shortage of water. And you -- I see it
12 in the news all over the world but here, we're very
13 limited.

14 In my own neighborhood, I have turned off my
15 sprinklers, water by hand. I see water running down
16 the street even in my own neighborhood. But out of
17 Wailea, especially at the end of Kihei Road, there
18 is a place, I don't know the name of the street
19 where it comes down, water's just running down there
20 in the mornings. In fact, some people, maybe every
21 once a month, lose control on that road on -- from
22 the water, and they end up in somebody else's yard
23 down at the bottom.

24 I don't really believe, when we talk about
25 affordable housing, that these homes will be

1 affordable. I was blessed, and it just fell into
2 place when my son and I bought the house we have
3 now. We -- you know, we don't really own it. We --
4 the finance company does, but we got it at a time
5 where we were able to get a 5.5 interest rate.

6 The price was high, everything that I had and
7 he had was put into the down payment. And, you
8 know, the homeowners do -- I don't know --
9 (inaudible) really think about that once someone
10 gets into one. It's something they don't tell you
11 about.

12 MS. NAKATA: Three minutes.

13 MR. CONNIFF: Anyway, you mentioned the "M" word is
14 moratorium. I used to live many years ago up at
15 Lake Tahoe, and they did that. This isn't Lake
16 Tahoe, but it's kind of a similar situation. It --
17 it's -- the aina is -- has to be looked after. And
18 that's all I got to say.

19 I'm just trying to make it so that when my
20 grandson has his grandchildren -- I said this before
21 -- that he doesn't say why doesn't -- why didn't
22 grandpa and the other people do something about this
23 back then. You know, it might look like Dubai then,
24 I don't know, so thanks, guys.

25 CHAIR MOLINA: Thank you, Mr. Conniff. And as a resident

1 of Upcountry Maui, I appreciate your efforts in
2 South Maui to conserve water.

3 MR. CONNIFF: I hope you get the water up there, too.

4 CHAIR MOLINA: Okay, thank you. Committee Members,
5 questions for Mr. Conniff? Seeing none, thank you,
6 Jimmy.

7 Okay, Members, we're going to take a recess;
8 and when we come back, we'll have Tom Tezak, to be
9 followed by Jerome Akina to testify. So Members,
10 let's return to the chambers at 10:45. Meeting in
11 recess. ...(gavel)...

12 **RECESS: 10:33 a.m.**

13 **RECONVENE: 10:51 a.m.**

14 CHAIR MOLINA: ...(gavel)... Land Use Committee meeting for
15 October 18th, 2007, is now back in session. Thank
16 you for that break, Members. We left off with
17 public testimony. And to testify now, we have Tom
18 Tezak, followed by Jerome Akina.

19 MR. TEZAK: Good morning, Members of the Council. My name
20 is Tom Tezak, and I'm a resident of South Kihei.
21 First of all, I -- I'd like just some random
22 comments. I've been up here and spoke on the
23 Project several times.

24 First of all, I think all you Council Members
25 have been severely shortchanged. Your raise was

1 nearly -- not nearly enough for what you do. The
2 sides of the fence we fall on, whatever -- it is --
3 I -- I respect every one of you, the ones that I --
4 I side with and side against. I think it's -- it's
5 an incredibly difficult job to sit here and go
6 through this day in and day out, so my hat's off to
7 all of you, and thank you very much for your time.

8 This week, in the -- in the Maui News, there
9 was just a headline, the first baby boomers to
10 retire. I -- I assume you all saw that. The baby
11 boomers will bring about 72 million retirees to the
12 retirement world, to the destination markets.

13 We are a destination market. Hopefully, all
14 72 million of them don't show up here. But we will
15 see them. I'm a Realtor. I sell real estate to
16 part of that market, and they are coming.

17 And we have now Canadians and the Americans,
18 and they're all showing up on our doorstep, and it
19 is a free country. It is the ability of people to
20 travel from state to state to do that, and we can't
21 just bury our heads in the sand. We have to
22 recognize that.

23 They're going to show up, and they're -- the
24 reality of it is, is they're going to have a lot of
25 money in their pockets, and they'll be able to

1 manipulate the market to a degree that the prices
2 will go up.

3 And if we don't provide product for them to
4 buy, they will buy what's available; that way,
5 taking away the product (end of tape 2A) buyers and
6 residents that live here, forcing them into a
7 situation to pay more and then -- then eliminating
8 all our lower-end properties that are buyable.

9 When that happens, investors will be here.
10 They'll buy the properties to use as rentals. As
11 they pay more for those -- for those properties that
12 they're going to rent, the rental rates go up.

13 So it is a vicious circle, and -- and it's a
14 spiral that we can't just bury our heads again in
15 the sand and think it's going to go away or do
16 moratorium. I -- I -- we will just create the -- a
17 bigger, greater monster by doing that.

18 Water's an issue. You know what, we need to
19 figure out how to solve that problem, I agree, but I
20 don't think that this developer should be saddled
21 with that. I think it's the County, the community.
22 We all need to work on that to -- to be water
23 restrictive, create new sources, gray water systems,
24 all of those things.

25 But to just shut everything down I think is

1 just -- boy, it's a scary thought when I look at it
2 when I'm out there on the street. Our market has
3 softened, there's a slowdown in the real estate
4 market today, but that happens. We're cyclical.

5 In a year, in two years, in three years,
6 they're all going to be -- there's going to be
7 buyers, and there's going to be money, and a lot of
8 it coming to our market. It's the most beautiful
9 place in the world. And they're going to come here
10 and want to live here just like I -- I want to live
11 here.

12 I moved here seven years ago, I worked seven
13 days a week for 17 months to try to make a family --
14 or a home for my family, and I've been successful.
15 You know, I hear people saying negative things about
16 making money. Well, you know, I'm an entrepreneur.
17 I work really hard.

18 MS. NAKATA: Three minutes.

19 MR. TEZAK: I choose to work seven days a week sometimes.
20 I don't think I should feel guilty for that. I
21 think I should -- I'm rewarded because I work hard.

22 And I -- I will say, I'd love to have a house
23 up in Honua'ula. I don't know if I'll be able to
24 afford it, but I would love to. That would be a
25 wonderful thing.

1 So I just think that we need to broaden our --
2 our reason and say, you know, we have to be planful.
3 We have to look at the reality of this and do the
4 right thing, provide affordable housing, provide
5 mid-level housing, and provide high-end housing
6 because if we don't provide high-end housing,
7 they're going to buy the mid-level housing, and it's
8 just going to cycle through the whole system.

9 And I just -- I think it's important to -- to
10 take a look at the bigger, greater picture so that
11 we understand how it's going to impact us when these
12 baby boomers show up at the airport because we're
13 not going to be able to tell them to go away.

14 So thank you very much for your time, I really
15 appreciate the opportunity to speak to you, and good
16 luck. Again, go for more raises, guys.

17 CHAIR MOLINA: Thank you, Mr. Tezak. Committee Members,
18 questions for the testifier? Seeing none, thank
19 you.

20 Next to testify, we have Jerome Akina,
21 followed by Richard Michaels.

22 MR. AKINA: Good morning, Board Members. Good morning to
23 everybody.

24 CHAIR MOLINA: Good morning.

25 MR. AKINA: What I've been hearing about 670 Wailea, when I

1 was a small, kid, I was 12 years old, and Maui
2 should be as it should be, but the only thing is I
3 know we need more houses, we need more lands or
4 whatevers, but I cannot understand -- I can
5 understand the people who developing needs the
6 money, but I cannot understand why it's in Kihei,
7 why it's in Wailea side.

8 Kihei is so small, you know. Now what -- how
9 much people we get on this island now? The more
10 people we get, the more crowded it gets, the more we
11 can hardly even cross the road, the more we can
12 hardly even see things. When they build in front of
13 us, they block our views, they close the beach
14 access, and there's no -- there's no more other than
15 that, except for protests like this.

16 And, you know, Maui has been building a lot
17 fast. I mean, real fast. Within one year of
18 timing, we see so much things around that we --
19 that's why we complaining about this. The more --
20 the more we complain, it's going to help. But I no
21 can see the more they building is what it is.

22 The building part, there's no more land no
23 more. The only land get that they should build is
24 behind the mountain, but I no think the Hana guys
25 would like that. I don't think so. That's why they

1 have to come on our side and build.

2 Well, Wailea is getting a lot smaller. Kihei
3 is smaller than Wailea. Now everything joined
4 together, I can hardly even cross the road now.
5 Guys like -- no like even stop while you at the
6 crosswalk. And this is for my own -- my own saying
7 because when I was a little kid back in early '80s,
8 had only one road, and that road will take you to
9 the King's Highway.

10 Now as a King's Highway now, no more King's
11 Highway. All we got is somebody else's highway over
12 our Hawaiian land. Now, we trying to stop this
13 building so we can go through, and we can see what
14 we can see.

15 And this is my first time, you know, so please
16 bear with me, and maybe more of this speaking or
17 more of this saying I'll keep coming back and
18 whatever words I get inside of me that I can share
19 with you guys. So for my own behalf of speaking,
20 this is what I had to say.

21 MS. NAKATA: Three minutes.

22 MR. AKINA: I thank you guys very much. And it's only one
23 short little words, what I put. So all that short
24 words what I put, if people can blend 'em in
25 together, help us out with the words, the more

1 bigger the words, the more better it is, the more
2 fight we can challenge. So other than that, that's
3 the only way, and that's the only thing I can say.
4 Thank you.

5 CHAIR MOLINA: Okay. Thank you, Mr. Akina. You did very
6 well for your first time, too.

7 COUNCILMEMBER VICTORINO: Mr. Chair?

8 CHAIR MOLINA: Okay. We have Mr. Medeiros, followed by
9 Mr. Victorino.

10 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. Mahalo,
11 Mr. Akina, for being here. I -- I know you
12 mentioned to me that this was going to be your first
13 time you testified at a public forum, and I think
14 you -- you did very well because you spoke from the
15 puuwai, from your heart, and it's always gratifying
16 to hear that kind of testimony.

17 So you're of the kamaaina family, the Akinas,
18 the fishermen, and the school bus --

19 MR. AKINA: Yes, sir.

20 COUNCILMEMBER MEDEIROS: -- families of Kihei?

21 MR. AKINA: Yes, sir.

22 COUNCILMEMBER MEDEIROS: Okay. And you live in Kihei, you
23 said?

24 MR. AKINA: Yes, sir.

25 COUNCILMEMBER MEDEIROS: I see. Okay. Have you been able

1 to get a home for yourself, or do you live with
2 family?

3 MR. AKINA: Well, I used to live with my mom them.

4 COUNCILMEMBER MEDEIROS: Okay.

5 MR. AKINA: But they're all deceased already.

6 COUNCILMEMBER MEDEIROS: I see. Okay.

7 MR. AKINA: I was staying with my sister, but I never do
8 good. But now I'm on my own. I'm surviving. But
9 the only thing is surviving is by hearing this,
10 that's not surviving.

11 COUNCILMEMBER MEDEIROS: Mm-hmm, mm-hmm.

12 MR. AKINA: That's fighting. You don't want to fight. You
13 want to survive somehow. Fighting is not good. If
14 the king and queens was here, there wouldn't be no
15 buildings. Nothing.

16 COUNCILMEMBER MEDEIROS: Okay. Yeah, Mr. Akina, thank you
17 so much for coming forth and, you know,
18 participating in government like this. We need more
19 kamaainas to come out and speak as you have done.

20 MR. AKINA: Yes.

21 COUNCILMEMBER MEDEIROS: Mahalo.

22 CHAIR MOLINA: Thank you. Thank you, Mr. Medeiros.
23 Mr. Victorino?

24 COUNCILMEMBER VICTORINO: Yes. And again, I will echo the
25 same thing. You know, for a first-timer, you did

1 very well because you speak from your heart, and
2 that's important.

3 MR. AKINA: Yes, sir.

4 COUNCILMEMBER VICTORINO: My question to you is this.

5 You've lived there, and you've seen the changes,
6 okay. If you were to tell this body today in your
7 best opinion what we should do, what would you tell
8 me? What would you tell me from your heart tell me
9 to do right now?

10 MR. AKINA: Well, there's not really much to do, but the
11 only thing to do is just keep going. Just keep
12 going forwards.

13 COUNCILMEMBER VICTORINO: When you say keep going forward,
14 stop building, build some more, be smart in how we
15 build? What -- what -- what would you tell me?

16 MR. AKINA: Well, to keep going forward is the building got
17 to stop so just keep going forward but no can no
18 more so with -- that's why we're trying to fight
19 this.

20 COUNCILMEMBER VICTORINO: Okay.

21 MR. AKINA: Actually, stopping is the problem. We got to
22 stop this sooner or later. My own opinion is if
23 never have this building going on, we would be not
24 like this in here.

25 Like what I said, to look forward is not by

1 forgive 'em, not by, you know, oh, let 'em go. No,
2 no, no, no, no. Not like that. It's just my
3 opinion is there's too much buildings going on so we
4 got to try stop them before they even put the
5 foundation inside.

6 COUNCILMEMBER VICTORINO: Okay, Mr. Akina. Thank you.

7 MR. AKINA: No can.

8 COUNCILMEMBER VICTORINO: And I appreciate your -- your --
9 your comments and -- and -- and your manao. Thank
10 you very much. Thank you, Chair.

11 CHAIR MOLINA: Thank you, Mr. Victorino. Committee
12 Members, any other questions for the testifier?
13 Seeing none, mahalo, Mr. Akina.

14 MR. AKINA: Thank you.

15 CHAIR MOLINA: Next to testify, we have Richard Michaels,
16 followed by Lucienne deNaie.

17 MR. MICHAELS: Good morning, Mr. Chairman. My name is
18 Richard Michaels, and I live in Makena. All of us
19 know that in the last six or seven weeks, the issue
20 that has occupied the front page of our newspaper
21 here in Maui has been the Hawaii Superferry.

22 And the issue with the Hawaii Superferry was
23 and is the identification of impacts that that ferry
24 would have on our island and taking mitigation steps
25 before the ferry begins to operate. This Council

1 endorsed that by asking for an EIS.

2 And what I would like to talk about this
3 morning is the fact that I consider that when you're
4 considering Wailea 670, you really are looking at a
5 very, very similar situation, identifying the
6 impacts before we create, in the words of Judge
7 Cardoza, irreparable harm.

8 So Wailea 670 needs to be considered by you in
9 the context of all of South Maui and all of the
10 building. We all know Makena Resort is waiting in
11 the wings to come in after 670 and ask you for their
12 entitlements.

13 So what about identifying the impacts? I've
14 been listening to a lot of the testimony when -- not
15 only the testimony here by public but also by
16 members of the departments.

17 Police. The police were asked how many new
18 police would be needed when this project is
19 complete, but they didn't really give an answer.
20 And they were asked, you know, when they would need
21 these police.

22 The Fire Department was asked the same
23 question, but we never really got the answers. Yes,
24 we'll need more firemen, we don't know how many, and
25 we don't know how -- how long along the 20-year

1 build-out it would take.

2 Beach access. We all know already that the
3 beaches -- the parking lots like Big Beach parking
4 lot is already overflowing onto the -- onto the
5 road. What's going to happen when not only Wailea
6 670 but Makena Resort is developed? How are people
7 going to get to those beaches? Where are they going
8 to park? What kind of roads are going to be
9 necessary?

10 We need to ask the questions ahead of time so
11 we know what kind of access and roads are necessary.
12 What about emergency evacuation? We all know -- I
13 live in Makena, and we all know that the cul-de-sac
14 that we live in is a disaster waiting to happen.

15 You know, and God forbid if this -- something
16 like that does happen, and there's a tragedy here.
17 Everybody's going to say, just like New Orleans,
18 that we all knew in advance that it was inadequate
19 and that it was going to happen someday.

20 We need to answer those questions. And, of
21 course, the issue that trumps all of 'em is water.
22 How can the County ask the residents of South
23 Maui --

24 MS. NAKATA: Three minutes.

25 MR. MICHAELS: -- to cut back on their water and at the

1 same time, approve more and more building?

2 So I'd like to actually answer -- Member
3 Victorino's been asking several testifiers about
4 what can we do? What do you suggest?

5 First of all, I think you have to consider all
6 of South Maui as you -- as you look at Wailea 670,
7 and one of the first things is the EIS. It's an
8 outdated -- you heard Mr. Wilkinson from Maui
9 Meadows say that it was a different project that the
10 EIS was done on.

11 What I'd like to add to that is that South
12 Maui is different. Wailea is different. There was
13 no Grand Wailea Hotel. There was no Four Seasons in
14 1988. There was no Kea Lani. South Maui is totally
15 different. We need either a new EIS or a
16 supplemental EIS to identify the impacts.

17 Another thing we need to do is consider the
18 general plan. The general plan is going to be
19 presented to you, and you are going to have the
20 opportunity to --

21 MS. NAKATA: Four minutes.

22 MR. MICHAELS: -- put your vision into what Maui should
23 look like in the future. We heard vision and
24 constitution here today.

25 So to close, I'd like to say that the Council

1 needs to have the constitution to take
2 responsibility for the total picture, to identify
3 the impacts and answer the questions that you all
4 have before the Project begins so that we don't
5 create irreparable harm. Thank you.

6 CHAIR MOLINA: Thank you, Mr. Michaels.

7 COUNCILMEMBER VICTORINO: Mr. Chair?

8 CHAIR MOLINA: Committee Members? Mr. Victorino?

9 COUNCILMEMBER VICTORINO: Yes. Thank you, Mr. Michaels.

10 And again, I appreciate your -- your manao, and
11 you've given me specific ideas, and I appreciate
12 that.

13 But let me make one small correction. It is
14 not only South Maui, but it's our communities in
15 Central Maui that also have cut back. So I don't
16 want to think that only South Maui suffers because
17 all of Central Maui is suffering now.

18 And it's not a suffering that we are not
19 willing to take on as a community. My yard is
20 brown. I'll take you right up there now for see my
21 yard, okay? I'm not afraid to tell you that I had
22 to cut back because it was the right thing to do.

23 As far as further development, you're right.
24 We have the show me the water bill, we have a lot of
25 things in front of us, and we're going to make sure

1 everybody does what is right. That we did it with
2 the Superferry, and we'll do it with every project,
3 but I will listen to all the facts from whomever
4 brings the facts to me, okay?

5 I appreciate what you do, I appreciate what
6 you do, and please, continue to bring it to us
7 because we need your help, along with the entire
8 community, to make whatever decisions we make for
9 your well-being and everybody in Maui County. Thank
10 you, Mr. Michaels.

11 MR. MICHAELS: Thank you.

12 CHAIR MOLINA: Thank you, Mr. Victorino. Committee
13 Members, any other questions for the testifier?
14 Member Anderson.

15 COUNCILMEMBER ANDERSON: Thank you, Chairman. Thank you,
16 Mr. Michaels, for coming. And I'm especially
17 interested in -- since you live in the Makena area
18 and you travel through Wailea, probably on a daily
19 basis, you see all the development that's going on
20 there now that really hasn't been taken into
21 consideration in this Project and certainly wasn't
22 taken into consideration in the EIS.

23 And -- and I am extremely concerned, being the
24 representative from South Maui, as to the cumulative
25 impacts because so much development that was not

1 envisioned when this Project was first given
2 community plan designation has now occurred.

3 And in the application that we got for this
4 Project, there was no assessment of the cumulative
5 impacts so I -- I just want your take on what you
6 think needs to be done in order to assess those
7 cumulative impacts, specifically to the Makena,
8 Wailea area.

9 MR. MICHAELS: Well, one of -- one of the things, as I
10 mentioned, is to do a new impact statement and to
11 have professionals take a look at exactly what the
12 cumulative effect is.

13 I mean, right now, before any of this happens,
14 we have traffic -- we have rush-hour traffic now
15 in -- in South Maui coming out of Wailea. All of
16 the traffic out of Wailea goes up Iki Drive and onto
17 Piilani Highway. And, of course, there's a light at
18 Kilohana, which is about a mile away.

19 Between 3 and 5 o'clock, that line goes all
20 the way back to Iki Drive. So those of us who are
21 going to Safeway or wherever we're going that needs
22 to get out, we either need to go a different
23 direction, or we need to plan to not be going from 3
24 to 5 o'clock.

25 When the construction traffic starts to access

1 Wailea 670, there's only one way to get to Wailea
2 670 is on Piilani Highway. And, of course, Piilani
3 Highway narrows to two lanes at Kilohana and runs
4 two lanes the last -- last mile.

5 I heard Mr. Jencks say that before one single
6 person occupies Wailea 670, they will widen Piilani
7 to four lanes. Well, one of the things I would
8 suggest is that you have Piilani widened to four
9 lanes before the construction begins.

10 They -- they said they're going to start with
11 their golf course. Do you know how much
12 earth-moving equipment is going to go back and forth
13 on Piilani Highway to -- to build a golf course?

14 There is a major condominium project that's
15 under construction right now in Wailea across from
16 the Grand Wailea. And for two years, they have
17 blocked at least one, and most of the time two
18 lanes, of the four-lane Wailea Alanui because of
19 access back and forth out of that project.

20 There's a flagman there every single day, so
21 they stop traffic. And, of course, now there's a
22 traffic light that stops traffic as well. So if
23 that was happening on a four-lane road, imagine what
24 the traffic's going to be like trying to get out of
25 Wailea on a two-lane road when all that

1 construction's going back and forth?

2 It's probably going to drive -- as I testified
3 when you were in Kihei -- it's probably going to
4 drive all the traffic through other sections of
5 Wailea and up Kilohana past the fire station, where
6 now everybody has to make a left turn at a traffic
7 light, which is going to back up traffic endlessly.
8 So one suggestion is widen Piilani to four lanes
9 before any construction begins.

10 COUNCILMEMBER ANDERSON: Okay, and then just one other
11 question, Chair. Again, because you live down
12 there, where would you suggest we -- we request an
13 evacuation route?

14 MR. MICHAELS: Well --

15 COUNCILMEMBER ANDERSON: Because I'm really concerned about
16 that.

17 MR. MICHAELS: Well, of course it -- it's -- it's really
18 going to depend on -- on -- on what kind of danger
19 is -- is there. If it's a tsunami, I mean,
20 obviously, an evacuation route that went up what
21 should have been the extension of Piilani Highway
22 would be very -- would be a safe way to go.

23 If it's wildfire going through all of that
24 undeveloped land, that's hard to say. I think
25 eventually, we're going to have to consider a route

1 of traffic that would go above Maui Meadows that
2 would be a highway the way Piilani was supposed to
3 be in the first place without a lot of traffic lights
4 that's really a highway and maybe off-ramps and --
5 and, you know, that kind -- not a freeway, but close
6 to it, that would give access where people are not
7 stopping at -- at -- going to the post office or
8 stopping at Safeway or whatever, and it'd give them
9 a fast route out of there.

10 The -- if Makena Resort is going to do
11 construction, another consideration is the same
12 route that we're talking about is that -- I mean,
13 how are they going to access their property? Are
14 they going to go through Wailea and through past the
15 Grand Wailea and all those fabulous hotels with all
16 those -- those, you know, wealthy tourists? I -- I
17 -- the Wailea Community Association is going to be
18 here pleading with you not to let the traffic go
19 through.

20 So they're going to need at least a dirt
21 construction road that would be the extension of
22 Piilani that would go above the Wailea Golf Courses
23 and then access Makena from -- from above.

24 Well, if they're going to do that, then why
25 not extend that somehow to make it an evacuation the

1 other way? If all of the traffic is going to go
2 north out of Wailea and Makena, nobody's going to
3 move.

4 COUNCILMEMBER ANDERSON: Yeah. And, you know, that
5 extension -- that extension is on the books and was
6 on the books way back in '88. And really, it -- it
7 was because of that extension that all of this
8 proposed expansion was based on.

9 MR. MICHAELS: Right.

10 COUNCILMEMBER ANDERSON: So I think that really is our only
11 option.

12 MR. MICHAELS: And if I could add one more thing about --
13 about traffic moving out of that area in a northerly
14 direction on either Piilani or South Kihei Road.

15 When there's an accident, the traffic just --
16 there's only those two routes, and the traffic just
17 backs up, and people get stuck sometimes for hours.
18 And that's when only a fraction of people are in
19 their cars going from point A to point B. Most
20 people are working, at home, at the beach, or
21 wherever they are.

22 If we have an emergency evacuation where
23 everybody is asked to leave at the same time, all
24 the tourists, all the workers, everybody at home,
25 it's impossible.

1 COUNCILMEMBER ANDERSON: Yeah. We -- we've been told by
2 Civil Defense that given the current situation,
3 without even anything new and the hundreds of units
4 that are ready to come on anytime now, that really
5 the only viable evacuation plan is to put on your
6 tennis shoes and run.

7 MR. MICHAELS: Indeed.

8 COUNCILMEMBER ANDERSON: And that's pretty sad. Thank you
9 very much.

10 MR. MICHAELS: Thank you.

11 CHAIR MOLINA: Thank you, Member Anderson. Committee
12 Members, any other questions for the testifier?
13 Mr. Medeiros?

14 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman, and thank
15 you, Mr. Michaels, for your testimony. I'm just
16 interested. You live in Makena?

17 MR. MICHAELS: Yes.

18 COUNCILMEMBER MEDEIROS: Do you live as part of a project,
19 or do you have an individual lot that you built a
20 home on?

21 MR. MICHAELS: I live in a condo.

22 COUNCILMEMBER MEDEIROS: In a condo, okay. And you
23 mentioned, you know, about an EIS and identifying
24 impacts that large projects have.

25 What is your opinion of the cumulative effect

1 of many individual homes in that area?

2 MR. MICHAELS: I think individual homes have less of an
3 effect than condominiums. I mean, there's less
4 density, less people per acre, so it depends on, you
5 know, I mean, the -- the kind of projects that are
6 built.

7 COUNCILMEMBER MEDEIROS: Right.

8 MR. MICHAELS: But I think that when you put 1,400 new
9 units in Wailea 670 and 1,100 new units in -- in
10 Makena Resort, if that's what happens, you're
11 basically tripling what Wailea is now. Because
12 that's -- that's about three times the number of
13 people, and it's not just the -- the tourists or the
14 second homeowners that go there, it's all the people
15 working the gardens and fixing the pools and so
16 forth and so on, so --

17 COUNCILMEMBER MEDEIROS: Right. And -- and so you chose to
18 live in South Maui for what reason?

19 MR. MICHAELS: It's gorgeous. It's beautiful.

20 COUNCILMEMBER MEDEIROS: Right.

21 MR. MICHAELS: I -- I came 20 years ago when I moved -- I
22 live at Makena Surf. When I moved in there, we were
23 at the end of the road. It was a dirt road, and
24 people thought we were out in the boondocks, which
25 we kind of were at that point.

1 The water was -- there was a waterline along
2 the road, and that's how we got our water, and it
3 was great.

4 COUNCILMEMBER MEDEIROS: So -- so you were there when --
5 right. That was before much of the major
6 development came through that South Maui area.

7 MR. MICHAELS: Yeah.

8 COUNCILMEMBER MEDEIROS: And -- and you noticed that back
9 then, that area was very dry.

10 MR. MICHAELS: Yes.

11 COUNCILMEMBER MEDEIROS: There were hardly any homes, and
12 local people didn't live there for those reasons and
13 then all of a sudden, we had this big boom of
14 everybody wanting to live in South Maui because of
15 the beaches and the sun and so forth.

16 So do you see that there's a cumulative effect
17 of people living where local people were smart
18 enough not to live because of the dry conditions?

19 MR. MICHAELS: Yes. Yes, I do. I -- I -- I definitely see
20 that. The -- the area is green because of
21 irrigation, and now we don't know whether we have
22 enough water to keep doing that.

23 COUNCILMEMBER MEDEIROS: And that's my point. People live
24 down there, they have swimming pools, they have
25 Jacuzzis, they have water features, and they -- they

1 have sprinkler systems, and they use County potable
2 water.

3 I don't think any people down there would use
4 R1 reclaimed water for their swimming pools. So
5 it -- it -- it's a cumulative effect on the County
6 just from how many people are down there even as
7 individuals.

8 MR. MICHAELS: Yes, well, that's, that's, I think, a very
9 good reason to consider very, very carefully how
10 much new construction you approve in that area.

11 COUNCILMEMBER MEDEIROS: Okay. Thank you, Mr. Michaels,
12 for your testimony. Mahalo, Mr. Chairman.

13 CHAIR MOLINA: Okay. Thank you, Member Medeiros. Thank
14 you, Mr. Michaels.

15 MR. MICHAELS: Thank you.

16 CHAIR MOLINA: Next to testify, we have Lucienne deNaie,
17 followed by Daniel Kanahale.

18 MS. deNAIE: Thank you, Chair Molina, and good morning,
19 almost afternoon, Members of the Board. My name is
20 Lucienne deNaie. I'm testifying as a private
21 citizen.

22 There's a lot of things that have been brought
23 up. I think essentially, many of your decisions in
24 the time ahead need to be based on the answers to
25 some questions, and these questions are looking at

1 the next 10 years and then up to the next 30 years.

2 One of the questions is who will get new water
3 when it's developed? I think the Council will need
4 to make clear whether if A&B participates in the
5 development of water, they are going to get
6 guaranteed shares because they alone are proposing
7 4,300 new units in the Kihei/Makena planning
8 district; and of these, about 2,000 are designated,
9 in other words they're in the community plan, the
10 others are proposed. Two thousand one hundred and
11 so of these would be affordable, and today's paper
12 said maybe even more. So you're looking at someone
13 who may be getting some water and may be wanting to
14 build affordable units. So how does this fit in the
15 mix?

16 The second question is, whose land are we
17 talking about when we talk about these developments?
18 These questions really need to be resolved and I
19 think in a manner that is not just brushing them
20 under the table, but looking deeply because if we
21 just side with the large corporations that are
22 buying up our land, I don't see how that actually
23 serves the people here of Maui, whether they're
24 young people, old people, or in between, whether
25 they're carpenters or whether they're people who,

1 you know, moved here ten years ago. It's like all
2 of us need to know the answers to this.

3 The third question is, who will really follow
4 through on promises to build affordable housing?
5 You guys are grappling with Maui Lani. Now, the
6 unions fought Maui Lani until they gave 'em
7 affordable housing. Some of you may remember. This
8 was in the '80s. This was at the Land Use
9 Commission.

10 They've been building a Maui Lani for
11 15 years. What's the problem with coming up now,
12 after 15 years of profit? How is our system
13 structured that we can't actually ask affordable
14 housing that -- that last in perpetuity, that isn't
15 limited to 10 years or 15 years? Because our -- our
16 teachers, our firemen and so forth, we don't want to
17 ask them to be limited to 15 years, if they can be
18 here. We -- we need to know that this housing is
19 going to remain affordable for people because we
20 want to stabilize our workforce.

21 The all -- the next question is, what has
22 really been already approved for South Maui? And
23 I'm sure all of you have seen online the 19,000-plus
24 units that are either being proposed, designated, or
25 approved.

1 So in the luxury area, we have about
2 1800 units between timeshares, condos, and single
3 family. In just the marketplace -- and I'm -- I'm
4 saying this is market price because it's in Kihei
5 and not in Wailea, although some of it may be luxury
6 as well --

7 MS. NAKATA: Three minutes.

8 MS. deNAIE: -- you have about 1700 units. Now, these are
9 already approved. I mean, this is not like a
10 question or anything. They just need their building
11 permits. They -- they've been through the zoning.
12 You're not going to revisit them.

13 Designated, you have, like, 4,700 units.
14 These are things that have some level of approval.
15 Half of those would be affordable.

16 So you got to ask yourself the question where
17 are we coming up with the affordable, how much of it
18 do we need and for whom, how will the shifts in the
19 housing market -- you know, people are going into
20 foreclosure on \$2 million houses now, so will some
21 of that become affordable to some level of family,
22 some of the folks that -- that Tom was talking about
23 who are going to be coming here as retirees?

24 It's a complicated mix. And I think the final
25 question is, is looking at all the different

1 developments that are proposed, including this one
2 that already had zoning, already had a chance to
3 build, it's had its zoning for ten years (end of
4 tape 2B) so forth and so on, how big should each of
5 them be --

6 MS. NAKATA: Four minutes.

7 MS. deNAIE: -- given all the conditions we have? So those
8 are the questions I hope that you will ponder.
9 Thank you.

10 CHAIR MOLINA: Okay. Thank you, Ms. DeNaie. Committee
11 Member, questions? Mr. Medeiros?

12 COUNCILMEMBER MEDEIROS: Thank you, Ms. deNaie, for being
13 here and -- and testifying. You did touch a little
14 bit on water, and I know that you -- you have a lot
15 of knowledge on water from throughout the years.

16 And we heard earlier from the schoolteacher of
17 South Maui's Charter School that he didn't agree
18 with the personal wells or private wells for water.
19 Now, you live in Huelo. How do people in Huelo get
20 their water?

21 MS. deNAIE: We either catch water on our roofs, use water
22 -- about a hundred people in our community get water
23 from an abandoned system from Hanehoi Stream that
24 has no treatment and meets no health standards, and
25 about 30 people, among four or five valleys, have

1 personal wells on their property that supplies their
2 personal family's need.

3 COUNCILMEMBER MEDEIROS: Okay. So you think that should be
4 available, then, to have private water wells so that
5 people can have water in areas such as Huelo. And I
6 have to say, after flying over that area recently on
7 the way to Hana, I -- I couldn't believe how many
8 homes are throughout that area now.

9 MS. deNAIE: That's true.

10 COUNCILMEMBER MEDEIROS: When we used to fly over there,
11 there was nothing but trees.

12 MS. deNAIE: That's right.

13 COUNCILMEMBER MEDEIROS: But now there's a lot of rooftops
14 all the way from Huelo to Haiku and so my concern is
15 there's water issues out there, too, and I just
16 wanted to know your opinion on private water wells
17 because we heard from one testifier that it
18 shouldn't be -- they shouldn't -- we shouldn't allow
19 private water wells.

20 MS. deNAIE: A developer supplying thousands of people with
21 a private well and a family having a private well
22 are two different uses, with all due respect,
23 Mr. Medeiros, and you need to realize that hundreds
24 of people in Kihei already have wells, and some of
25 them could be impacted by the Wailea 670 wells.

1 This is why environmental reviews should be
2 done because this was never considered in their
3 original EIS, so I hope you folks will want to see
4 that that information is available.

5 COUNCILMEMBER MEDEIROS: Okay. Thank -- thank you for that
6 information on the water issues. Thank you, Chair.

7 CHAIR MOLINA: Okay. Thank you, Mr. Medeiros. No other
8 questions for the testifier? Seeing none, thank
9 you, Ms. deNaie.

10 MS. deNAIE: Thank you.

11 CHAIR MOLINA: Next to testify, we have Daniel Kanahele,
12 followed by Joyclynn Costa.

13 MR. KANAHELE: Aloha ka kou, Council Members. My name is
14 Daniel Kanahele. I'm a resident of South Maui. I'd
15 like to preface my -- my testimony by saying that
16 Wailea 670 is not supported by the South Maui
17 community. Wailea 670 is not supported by the South
18 Maui community. Again, I say Wailea 670 is not
19 supported by the South Maui community.

20 For any of us who were in attendance at the
21 public hearing on September 10th in Kihei, you would
22 be clearly aware of this fact. Hundreds of people
23 were there, a good cross-section of the residents of
24 that area of the island, South Maui, a good
25 demographic, and the majority of the people who

1 testified were not in support of this application.

2 I think for many of us who live from Makena to
3 Kihei, Wailea 670 has become like the Superferry
4 development of Maui. Like the Superferry, it's
5 attracting a lot of attention, it's big; and if
6 approved, it's going to leave a very big footprint
7 in South Maui.

8 And just as this Council and other Councils
9 have requested an EIS be done for the Superferry,
10 the people have requested that an EIS be done for
11 Wailea 670, an updated, a supplemental EIS. This
12 one is old. It's more than 20 years old. Times
13 have changed.

14 In order for the Council to make an informed
15 decision, there has to be full disclosure. I feel
16 that there is a real adversarial environment here in
17 Maui today.

18 You know, a lot of people are upset and angry
19 because they feel overwhelmed by development without
20 infrastructure. They feel their rural lifestyle
21 slowly being eroded by overdevelopment. And because
22 of this, more and more people are looking closer and
23 closer at the Water Commission, the Planning
24 Commission, the Land Use Commission, the City -- the
25 City Council because they want to know what's

1 fueling this overdevelopment.

2 And I think people are beginning to wonder
3 why, you know, so much public time and money is
4 being spent on this one development, Wailea 670.
5 And I think part of the problem there is because the
6 applicant, this application, has a lot of -- lacks a
7 lot of things, and I -- I think it's not complete.

8 If the application was more complete, if basic
9 questions like where's the water is coming from, if
10 an updated EIS was done and things of that nature,
11 you -- we'd have the information to move forward
12 more quickly and spend less time on this, right?

13 MS. NAKATA: Three minutes.

14 MR. KANAHELE: Instead of having so many meetings. My --
15 my personal pet peeve is do we really need another
16 golf course in dry, dusty, drought-ridden Wailea.

17 I often pass by Wailea 670 on Piilani. I look
18 mauka, and I try to imagine this green golf course
19 with the water sprinklers going
20 chit-chit-chit-chit-chit-chit. Hundreds,
21 thousands, tens of thousands, millions of gallons of
22 water being used to water that, and I think is that
23 the best use of our water? Whether it's potable or
24 nonpotable, it's still water. Is that the best use
25 we can put to our water, that natural resource

1 that's so scarce these days?

2 I -- I'd like to conclude by ending with a
3 comment that was made by an 86-year-old resident of
4 South Maui in our -- the last public hearing, where
5 she came up. She said something to the effect, I
6 can't believe you're going to build yet another
7 development --

8 MS. NAKATA: Four minutes.

9 MR. KANAHELE: -- and golf course in Maui. That's insane.
10 And I have to agree. I think there's a little
11 bit -- a little bit of insanity for doing that.
12 Thank you very much.

13 CHAIR MOLINA: Okay. Thank you, Mr. Kanahale. Committee
14 Members, questions for the testifier? Seeing none,
15 thank you.

16 Next to of testify, Joycelynn Costa, followed
17 by Kimokeo Kapahulehua.

18 MS. COSTA: Good morning, ministers of public instruction
19 of the Kingdom of Hawaii. With all due respect,
20 Mr. Mateo, I do not consider myself in the United
21 States because both President Cleveland, as well as
22 President Clinton, had already -- they call it the
23 Apology Bill, but they've actually confessed that
24 the overthrow was illegal.

25 So from 1993 until 2007, I would like to see a

1 document stating that the overthrow was legal so
2 that the United States can then proceed legally
3 within our -- our metes and bounds, and the metes
4 and bounds are outside the waters as well. But I
5 have plenty aloha for you. And you know that.

6 As for our head in the sand, there was a
7 speaker here, and I think he was a Realtor, stating
8 that he had -- that you need to get your head out of
9 the sand. Then why do you continue to bury your
10 heads into the sand and ignore the fact that the
11 overthrow was illegal and not address it for what it
12 actually stands for, is Public Law 103-150, that
13 confession, as well as 1894 with Grover Cleveland,
14 as well as senators within the Congress of the --
15 the Americas.

16 Jobs. I appreciate what Mr. Kamai had said as
17 far as jobs. My father raised us on both
18 construction, as well as the old ways. I went --
19 I'm a graduate of Kamehameha School because we went
20 into the forest, we harvested ti leaves, and we
21 commercialized them to subsidize our tuition.

22 We also went down to the ocean. I was the
23 spotter for the fish. And my father would throw the
24 net, I would have to run down the hill, take the
25 fish out, run back up, and look for another spot.

1 And it wasn't for commercialization, it was so that
2 we could feed our neighborhood. And yet, he also
3 had to go out to construction.

4 Pretty much every development out in
5 Kaanapali, my father was there. He was with Fong
6 Construction, he was with Arisumi, he was in the --
7 in the Carpenters Union, he was with -- and I have
8 high regards and respect for every one of them.

9 Divide and conquer is what I see development
10 doing. What we need to do is come together as a
11 unit and a people and create the -- the development
12 we want, not what an outsider wants.

13 My father drops his tears today because he
14 realized that through the development that he had
15 supported his family with, once that bulldozer's
16 blade hit the -- hit the ground, he then destroyed a
17 family's identity when he pushed away their koas.

18 And anyone who has blood ties here will
19 understand that. Now that family doesn't know where
20 the canoe comes in. They don't know where --

21 MS. NAKATA: Three minutes.

22 MS. COSTA: -- the akule come in. The boom of -- of
23 being -- or the boom that we talk about in South
24 Maui isn't because of these construction workers.
25 It is because of a good sales pitch from Realtors

1 and developers.

2 There's a law that -- there are laws. This
3 one -- this case law that I'm reading is -- is from
4 1966. No mention of the mineral rights was
5 necessary in the Land Commission award since the
6 reservation would be as in fact it was contained in
7 the patents.

8 The reservation that we talk about now, which
9 is in pretty much every clause of someone's warranty
10 deed, reservation in favor of the State of Hawaii of
11 all mineral and metallic mines was done after 1900.

12 MS. NAKATA: Four minutes.

13 MS. COSTA: So I would like to remind you that if he's
14 going to be digging wells, he's digging it on a
15 Royal Patent, whose minerals are actually afforded
16 to the patentees.

17 And I'll leave you the case law, this is 1966,
18 that recognizes the Royal Patents, that recognizes
19 the reservations within the Royal Patents, and gives
20 a lot of good information as far as what our rights
21 actually are. And in here, it -- it recognizes the
22 Royal Patents as well.

23 CHAIR MOLINA: Okay. Thank you, Ms. Costa. Committee
24 Members, questions for the testifier? Member
25 Anderson?

1 COUNCILMEMBER ANDERSON: Ms. Costa, could you cite what
2 that case law is? Is that a Supreme Court case?

3 MS. COSTA: This here was in the Land Court.

4 COUNCILMEMBER ANDERSON: Land Court.

5 MS. COSTA: And this was In the Matter of the Application
6 Elizabeth Cockett Robinson. This talked about
7 rights.

8 And Mr. Jencks, I -- I know that -- that we
9 had requested for his title examination and chain of
10 title, proper chain of title because of the law of
11 172-11. And I requested to see what was -- what was
12 given so far, and I haven't seen a chain.

13 I've seen letters from a third party stating
14 he has that, but I haven't seen it. And I would --
15 I would hope, because I had put him as a man of his
16 honor and his word, that he would bring that
17 forthright.

18 And I hope that it would not be satisfactory
19 to this body until such time as he brings forth his
20 title examination, his chain of title, so you can
21 exactly know what he has.

22 Because as far as I can see right off the
23 get-go, a hundred acres isn't even insured. And it
24 was not insured until 2007, according to the
25 third-party's letter. So if that is the case, what

1 is actually in his application? I'm not sure.

2 COUNCILMEMBER ANDERSON: Are you saying that within the
3 warranty deed that was presented to this body, that
4 there's a hundred acres of that, that is excluded
5 because it's -- it cannot be insured?

6 MS. COSTA: Right off the get-go, it's in the -- it's in
7 the exclusions. And I went to -- I'm trying to do
8 my homework. I don't want to come up to the body
9 and give you false information. I went to Title
10 Guaranty, and I asked them, there's an exclusion in
11 Schedule B that affords -- it excludes, I -- I would
12 venture to say, the PASH rights, the traditional and
13 culture, you know, rights of -- of gathering, or
14 HRS.

15 So I went there, and I asked them what HRSs
16 are you referring to? He really couldn't give me a
17 concrete, only this HRS. Now, HRS 172-11 clearly
18 states that the titles are with the original
19 patentees.

20 So my question is, is that HRS also an
21 exclusion of this title -- I mean, of -- of his
22 warranty deed? And if that is so because his entire
23 warranty deed is based on Royal Patents, that would
24 mean they -- they don't have to insure any of it.

25 But don't take my word for it, you know. I'm

1 just bringing that question to you because I went to
2 Title Guaranty, and they couldn't give me an answer.
3 But it safeguards him, you know, it's a -- it's a
4 good -- it's a good thing for them because if this
5 ever comes up, they can skirt around it because they
6 can say well, that's an HRS, and it's in your
7 exclusion.

8 COUNCILMEMBER ANDERSON: When you say they, do you mean
9 Title Guaranty?

10 MS. COSTA: Title Guaranty. Schedule B, twice it states
11 it, that Hawaii Constitution and HRS, anything based
12 on Hawaiian culture, traditional rights. And a
13 Royal Patent is afforded to us in our rights.
14 That's our rights. That's not a privilege.

15 So if they're -- they're putting that in the
16 Schedule B and it somehow comes up, that might be an
17 outs for them to say well, that's -- we can't insure
18 it now.

19 COUNCILMEMBER ANDERSON: Okay. Thank you very much.

20 CHAIR MOLINA: Okay. Thank you, Member Anderson. Seeing
21 no other questions from the body, thank you,
22 Ms. Costa, for your testimony.

23 Next to testify, we have Kimokeo Kapahulehua,
24 followed by Kaniloa Kamaunu.

25 MR. KAPAHULEHUA: Good morning, Chairman, Mike Molina,

1 Council Members. My name is Kimokeo Kapahulehua.
2 I'm here to testify on behalf of the Wailea 670
3 Honua'ula.

4 First I want to just say that you Council
5 Members have done your work now, and you've -- the
6 other Council Members have done their work also
7 because some of the contingencies that we face with
8 the developer was put in ordinance by the Council
9 and the Administration. And so you have given this
10 developer a guideline of what is requested of the
11 people because you represent the people.

12 So first of all, the affordable housing, which
13 everybody wishes to have in the County of Maui, it's
14 not the first time that our County or our people
15 face because Elmer Carvalho had affordable housing
16 in Napili Hau.

17 I can see those houses came in parts at Maui
18 Land & Pine in the back of their deal, and there was
19 another affordable housing project in Kihei that was
20 done back there.

21 So affordable housing is working and -- and is
22 working yesterday and working today. And I
23 understand there's couple other affordable housing
24 package that you're doing right now with Lokahi
25 Pacific or partnership with -- with people about

1 affordable housing, so -- and that's all worked into
2 what we call the income of the working force.

3 And I want to share with you that this Spencer
4 project you talk about, four or five of my friends
5 are in the project, and there's more people that's
6 moving on the project said yesterday that we're
7 going to move in, Kimokeo, we're going to be paying
8 \$250,000.

9 So it's working, and it's -- it's -- it's
10 going through the guidelines of what you have set.
11 And the Affordable Housing Task Force came up with
12 some strict guidelines. And so as we go along in
13 looking at affordable housing, it is working.

14 And, now, you put this thing before him about
15 50 percent affordable housing and how it's going
16 build and how much going to cost and where it's
17 placed. So it's up to him now to fulfill the
18 guidelines of what you guys had made for him. And
19 you guys gave him guidelines.

20 And so I think that the -- going down the
21 contingencies, the developer has to be a responsible
22 developer and one who lives up to what they're going
23 to do. He doesn't -- it's going to be law. It's
24 not like whether or not he has to do this. It's the
25 law that he has to provide this.

1 Secondly, go back -- Michael was talking about
2 the working force. The working force in 1969,
3 Michael, I understand that we bought houses here,
4 19,700 from Hicks Home, three bedroom, two bath,
5 yeah?

6 My daughter just moved in Waiehu Kou, 240,000.
7 I think that's pretty high, compared to when I
8 started. But that's -- time changed, and this is
9 what it is today. And you've made it --

10 MS. NAKATA: Three minutes.

11 MR. KAPAHULEHUA: -- the way it is and so I think that you,
12 Council Members, have done the work of the people
13 and made guidelines for the developer. I'm asking
14 you that these guidelines you made to make the
15 decision that you had made the guidelines for, you
16 know. So I appreciate what you've done, and I thank
17 you so much. Mahalo.

18 CHAIR MOLINA: Thank you for your testimony. Committee
19 Members, questions for the testifier?

20 VICE-CHAIR PONTANILLA: I get.

21 CHAIR MOLINA: Mr. Pontanilla?

22 VICE-CHAIR PONTANILLA: Yeah, I -- I -- just a comment in
23 regards to what you mentioned about Spencer Homes.
24 As you know, you know, Spencer Homes was approved by
25 this body on the 201G at the that time, putting in

1 guidelines in regards to the affordable prices, and
2 the guidelines was between 225,000 to 275,000 for a
3 little -- I think it was like 200 homes.

4 And today when you look at that particular
5 subdivision, the guidelines that we have today makes
6 that project 100 percent affordable. Chairman,
7 five years, you know, times has changed. Thank you.

8 MR. KAPAHULEHUA: Yeah, the times -- the times has changed,
9 and -- and you've adjusted to this project and --
10 and -- on making guidelines, and the developer
11 before you is responsible developer and want to live
12 up to the guidelines you make, and you going to be
13 facing with this decision, and I support the
14 developer and what they're doing on South Maui.

15 And you gave them the guidelines, representing
16 us as the people, so we leave it up in that point.
17 Thank you so much.

18 CHAIR MOLINA: Okay. Thank you, Mr. Kapahulehua. Member
19 Baisa?

20 COUNCILMEMBER BAISA: Thank you, Chair. Thank you very
21 much, Bully, for being here. You're a local boy?

22 MR. KAPAHULEHUA: Yes, I am.

23 COUNCILMEMBER BAISA: I want to ask you a question. You
24 know, you're the kind of person that I'm thirsting
25 to hear from because you've been here for a long

1 time, you're invested here, this is your home, your
2 family's here, and I know that your roots are here
3 and so you have a real good appreciation of what the
4 community feels.

5 MR. KAPAHULEHUA: Yes.

6 COUNCILMEMBER BAISA: The -- you know, the grass root
7 community. We've had some talk today, and it's been
8 going on for a while now, about fulfilling the
9 affordable housing requirement, this 50 percent.

10 And the developer, of course, had put out a
11 proposal and said well, I can hurry up and build 250
12 apartment rental type units out of the Project, but
13 then there would also be a remaining 450 affordable
14 units that could be required -- that are required,
15 and there's been no decision about what will -- what
16 those will be and where they'll be built, and he has
17 made the statement that he would be willing to build
18 them wherever the Council requires him to do it.

19 Could you live with that? Do you think that
20 that's an acceptable solution, that some would be
21 built out of the Project and some would be built in
22 the Project?

23 MR. KAPAHULEHUA: Yeah, I think that, you know, I -- I give
24 you good example, Leialii had just been built, and
25 there's the Hawaiian homes out in Lahaina.

1 Everybody's been on Hawaiian homeland there is --
2 got more than two cars per family so they have cars
3 parked outside.

4 In the process of living up in Wailea area,
5 they probably not going to be allowed by the
6 association. In addition to that, I come from a
7 camp area in Kauai called Port Allen Camp. And
8 they're not going to let me go out there and huli
9 huli my pig or kalua my pig because they going be
10 screaming that I went kill the pig 2 o'clock in the
11 morning and that I'm hanging 'em up there to dry to
12 get the blood out of the pig and then do that.

13 They not going to allow that so I think if the
14 Council makes a guideline and tell him that -- you
15 know, where to build and how to build kind of
16 restricts our lifestyle. So I think it would be
17 great that there's some of the housing built away
18 from the Project.

19 And there is people today that live within the
20 projects like that, but I think you need to give our
21 people an opportunity either to be outside or
22 inside.

23 COUNCILMEMBER BAISA: And you wouldn't feel, if that
24 happened, like it was kind of an insult to your
25 dignity?

1 MR. KAPAHULEHUA: Yeah, I think it would be for me to be in
2 a project that I really don't want to be.

3 COUNCILMEMBER BAISA: I see. So you see it the other way,
4 you don't see it as if I allow -- if we build houses
5 out of the Project, that we would be putting you
6 down in some way?

7 MR. KAPAHULEHUA: No. I don't think you'll be putting down
8 in some way. I mean, earlier, that teacher told you
9 that we're segregated by the -- the tax assessment.
10 We're not segregated by the tax assessment. We are
11 segregated by the culture that we were brought up
12 with and the lifestyle because we choose that. We
13 chose that.

14 COUNCILMEMBER BAISA: Thank you very much. I really
15 appreciate your perspective.

16 MR. KAPAHULEHUA: Thank you very much. Mahalo.

17 CHAIR MOLINA: Okay, Ms. Baisa. Any other questions for
18 the testifier? Mr. Mateo?

19 COUNCILMEMBER MATEO: Thank you, Chairman. Kimoqueo, thank
20 you very much for your comments. I -- I just wanted
21 to make it real clear, though, however, that the
22 reference to affordable housing based on the
23 Residential Workforce Housing Policy, itself, does
24 in fact create a guideline for the development of,
25 it dictates the number, it dictates various other

1 entities, but it does not stand responsible for a
2 developer to do their due diligence in securing
3 water, in securing title, etc.

4 So these are two very different components.
5 There is, I think, no one as desperate for
6 affordable housing as me. I'd be the first one to
7 grab the pompoms and lead the cheer, but there's
8 also items that is necessary for all of us to
9 complete because as we've heard prior, if there is
10 no water, there is no development, including
11 affordable housing.

12 So, you know, these are -- we're just trying
13 to put all of the pieces to make the -- the puzzle
14 complete. So though the policy does dictate what is
15 required of the developer, it -- it also is the
16 developer's responsibility to meet the requirements
17 to get up to that stage so that affordables are
18 built.

19 And your -- and your comments -- and I agree
20 with you, your comment with the -- with the Hawaiian
21 home purchase of \$240,000. I think that is obscene
22 when there is no land cost and no infrastructure
23 cost to charge the kanaka maoli that kind of money
24 for property that is virtually theirs is an insult,
25 so thank you very much. Thank you, Chairman.

1 MR. KAPAHULEHUA: And --

2 CHAIR MOLINA: Okay, thank you.

3 MR. KAPAHULEHUA: And I think, Councilman Mateo, I think
4 that these missing links is -- is put together by
5 dialogue and by your -- what the guy called
6 constitution will put 'em in perspective in -- in
7 saying that, you know -- you know, that show me the
8 water bill that come in the newspaper, I think
9 that's great, and the developer is a responsible
10 developer, and I know that he will come forward.
11 And if not, then that's where the decisions will be
12 made. Thank you so much. Mahalo.

13 CHAIR MOLINA: Thank you, Mr. Kapahulehua. Thank you for
14 your testimony. Next to testify, we have Kaniloa
15 Kamaunu, followed by Michael Duberstein.

16 MR. KAMAUNU: Aloha, my name is Kaniloa Kamaunu. I come
17 from Waihee Valley. And the reason I'm here, of
18 course, is the same thing I was here for Monday, is
19 basically about the water because they're -- they're
20 looking at the sources being from our area.

21 When I over -- when I took a look at the
22 Council meeting on TV where -- or in fact when I
23 came Monday and the USG -- GS showed their -- their
24 findings, you know, it only supported what, you
25 know, for myself, I've been thinking and I've been

1 saying, that, you know, due to the over --
2 overpumping of Mokuahau, Iao, and now Waihee, that
3 the levels of the water has already been -- our
4 State to be depleted more and more.

5 And when we see the rise of the sediment
6 compared to the drinkable water, I don't understand
7 why this would be even a discussion. Basically,
8 their findings, and that's the finding that they
9 were asked to do, was to make -- to see what kind of
10 water we have. And basically, you looking at what
11 they already have their findings on, they need
12 water.

13 The recharge that they talked about when they
14 went over from 1926 to 2007 shows a decline of the
15 rechargeable water that was already presented, so --
16 and I think they made a mistake when I believe his
17 name was Steve, when he was interviewed later.

18 He talked about their measurements, I guess
19 the question came up from the Council about the
20 question of measuring of water to see what -- how
21 they based their findings for what water be
22 rechargeable and from the stream.

23 I don't know if you -- if you actually walked
24 that Waihee stream and even Iao; but in certain big
25 areas that aren't seen by the public, there is no

1 water. There is no water.

2 So his measurements to say that he takes it
3 from the top of the source to see what water is
4 being put out from that source and then goes down to
5 the bottom of the river to see what the difference
6 is and to theorize that the water is -- that amount
7 of water being lost from the top to the bottom is
8 being recharged is actually incorrect because if you
9 were to walk in those, it is diversions in several
10 of those areas that make his study inaccurate.

11 You have to be able to -- I mean, I know.
12 I -- I grew up there. I played in the stream. We
13 didn't have no Nintendo. Our playground was the
14 stream. We went there every day. I mean, in fact,
15 where it's a tourist spot was only us. Only us kids
16 from that area. We the ones that knew the area, and
17 we walked from the top of the mountain all the way
18 down to the ocean --

19 MS. NAKATA: Three minutes.

20 MR. KAMAUNU: -- with his kupuna. And right now,
21 they're -- you know, the water he's talking about I
22 believe is quite inaccurate.

23 And to put on revolving wells in the same
24 area, you know, you still digging in -- you still
25 digging in the same hole, you know what I mean, so

1 how -- how we going to take from something that's
2 already depleting, extend it down to someplace
3 that's the desert?

4 You buy a desert, you know what you get,
5 nothing. Because nothing live out in one desert.
6 They know that. And in fact, if you look at
7 researching that area, there was a water resource.
8 And if you look, there's a big, big (end of tape
9 3A) that used to have fresh water; but for some
10 reason, no more any more. Probably because of the
11 diversions.

12 But, you know, to me, common sense, man, is
13 you ain't got it here, don't take it from here
14 because according to the research that was given --

15 MS. NAKATA: Four minutes.

16 MR. KAMAUNU: -- there ain't much to take over, you know.

17 So, I mean, I -- you know, to give a false -- I
18 mean, not false, but inaccurate or incomplete report
19 is devastating.

20 CHAIR MOLINA: Okay. Thank you, Mr. Kamaunu.

21 Mr. Victorino?

22 COUNCILMEMBER VICTORINO: Thanks, yeah, Kani. I -- I do
23 appreciate you being here again. But just to make
24 one clarification on that.

25 Their studies were with the opportunities when

1 maintenance was being done to the ditch system for
2 which water was allowed to come down more naturally.
3 It wasn't being diverted, or it wasn't being diverted
4 in the manner it is on an everyday basis.

5 You're absolutely correct. If we had to do it
6 the way they -- it would have been, you wouldn't
7 have gotten no accurate reports. Even the reports,
8 if you listen to what they were saying, weren't as
9 accurate as they'd like because they didn't have a
10 long enough period of time to gauge.

11 So their reports are the best estimates they
12 could get when that streams were allowed to flow at
13 an almost natural state because when diversion
14 wasn't being done or high watermarks were being met.

15 So in that respect, they came up with their
16 best estimate. So it really was -- I don't want to
17 say inaccurate, but with what was available. We
18 need to do more studies and make more water
19 available so we -- we can see the recharge and all
20 that.

21 But you're right. We've changed. We've
22 allowed ourselves to change, and we now must look at
23 how we can stop the change and get back to where we
24 should be and make sure that we all take care of
25 what is really important, the people of Maui County.

1 And thank you, Kani, for keeping us aware,
2 keeping us abreast of what's happening down there.
3 I appreciate it. Much mahalo. Thank you,
4 Mr. Chair.

5 CHAIR MOLINA: Okay. Thank you, Mr. Victorino. Committee
6 Members, any other questions for the testifier?
7 Seeing none, mahalo.

8 Next to testify, we have Michael Duberstein,
9 followed by Stephen West.

10 MR. DUBERSTEIN: Aloha (inaudible). I am Michael J.
11 Duberstein. I live in Kihei in Keonekai Heights
12 which, if you know the history of Kihei, was built
13 as an affordable neighborhood in the late 1980s.

14 When we bought our home in Keonekai Heights in
15 1997, when the inspector came around, he said, do
16 you realize that your house was built with subpar
17 materials and inferior workmanship?

18 And we heard that there had been a different
19 crew working on that house every day. We replaced
20 the windows. Every window was of a different size.
21 Our bedroom floor slanted 3 inches from the front to
22 the rear.

23 I mean, that is not what I would hope is
24 affordable housing for the future here on Maui. You
25 can't have subpar and inferior be the touchstone.

1 Now, why do we, some of us keep turning up
2 like bad pennies at -- at these meetings? Well,
3 it's because we look to you, as Members of the
4 Council, to do things in terms of conditions for
5 these applications.

6 So the first time at the mass meeting that was
7 held here on this Project, I suggested that you and
8 Mr. Jencks work towards making it a green community,
9 doing all you could to making it a community that
10 we'd be proud of, you know, many green terms. I --
11 I don't want to repeat that, but I don't think
12 any -- I'm sure nothing's been done.

13 The second time at the big meeting in Kihei, I
14 suggested also the supplemental EIS. And I think
15 that is something that you can do before you go
16 forward. It's not can do, it's a condition you
17 should do before you go forward.

18 Now, what I want to do here today is a little
19 bit maybe out of order, Mr. Chairman, and that is to
20 ask my Member of the Council, Councilmember
21 Anderson, if she is satisfied yet with the water
22 requirements that are being proposed for this
23 Project. Are you?

24 CHAIR MOLINA: Mr. Duberstein, we'll -- when we get to the
25 discussion phase, Member Anderson will --

1 MR. DUBERSTEIN: Okay. I would like -- yeah, I would
2 like --

3 CHAIR MOLINA: She'll -- she'll keep that question in mind.

4 MR. DUBERSTEIN: Right. And finally, before I moved here,
5 I spent 25 years as the Director of Research for an
6 international union.

7 MS. NAKATA: Three minutes.

8 MR. DUBERSTEIN: I have seen the splits between organized
9 labor and our young people going back in the 1960s
10 and 1970s. And what I -- I'm having a hard time
11 here on Maui understanding is why, at meetings, do
12 all the labor people seem to sit in one area and
13 other people sit in other areas?

14 This is an ohana, and the labor movement,
15 working people, have to be integrated into the
16 community the same way. Nobody here -- and if we
17 say we're environmentalists, I mean, that's an
18 enigma, but nobody here is against working people.
19 What we -- what we are for is a working relationship
20 with organized labor --

21 MS. NAKATA: Four minutes.

22 MR. DUBERSTEIN: -- in the community. And I hope at the
23 next meeting we have that you'll see me sitting over
24 there with you members of the labor community and
25 that we have as many people as possible doing that

1 here and having a real hand-and-glove relationship.

2 CHAIR MOLINA: Okay. Thank you, Mr. Duberstein.

3 MR. DUBERSTEIN: So thank you for -- thank you for allowing
4 me to express something that's not specifically with
5 the Council, but I feel very serious --

6 CHAIR MOLINA: Okay, thank you.

7 MR. DUBERSTEIN: -- about the role of working people.

8 CHAIR MOLINA: Committee Members, questions for
9 Mr. Duberstein? Member Anderson?

10 COUNCILMEMBER ANDERSON: I guess I'm going to have to turn
11 this around on you, Mr. Duberstein. Given the fact
12 that we have no empirical data to substantiate a
13 reliable source of water to provide the development
14 with the needs -- which we're still not certain how
15 much that's going to be.

16 We know they need 1.5 million gallons of
17 potable water. There's only saline water available
18 and so therefore, they're going to have to
19 desalinize it, and it's going to take a considerable
20 more amount of untreated water in order to get the
21 treated 1.5 that they need, plus they need to do a
22 backup well for a million gallons a day.

23 So given the fact that we don't have any --
24 any kind of scientific data to support the -- the
25 assumption that they will be able to deliver that

1 amount of water, do you feel comfortable with the
2 proposal for water for this Project?

3 MR. DUBERSTEIN: Honestly, I don't, and it has nothing to
4 do with any other political feelings. I just see
5 living in a desert, which we all do in South Maui,
6 we can't go ahead and allocate the most precious of
7 all resources, water, to -- when it may come back to
8 you Council Members, and your legacy may be seen as
9 that Council which awarded water to a huge
10 development. I mean, one of two.

11 Because I can't see -- I mean, I -- I'm
12 questioning where is the water for the affordable
13 housing coming from? And I know we're -- we're
14 talking about North Kihei. But then we're also
15 talking about 1,100 affordable units that are going
16 to have to be allocated out of Makena Resort.

17 If they're going to be going in for 1,100 new
18 units, they're going to have to match up with 1,100
19 affordable units. Where are those affordable units
20 going to go? Are they also going to be in North
21 Kihei, and isn't the water resource there in that
22 area where -- in the industrial park for it?

23 So, I mean, I think that it's your key
24 decision. I mean, I am proud of who I voted for and
25 who I support, and I think this -- this and Member

1 Anderson's water bill will be the two things that
2 this Council will be remembered for most as I get
3 into my 70s and 80s and we can all look back. Thank
4 you.

5 CHAIR MOLINA: Yeah. Okay. Thank you for your testimony,
6 Mr. Duberstein. Next to testify, we have Stephen
7 West, followed by Rob Parsons.

8 MR. WEST: Aloha Chair, Council Members.

9 CHAIR MOLINA: Good morning.

10 MR. WEST: Stephen West. I'm here on behalf of Maui Island
11 Labor Alliance and the International Longshore
12 Warehouse Union.

13 I want to make this short because I've
14 testified a number of times, and I think you know
15 what our position is. I wanted to state one regret
16 was that a number of our members that showed up for
17 the Kihei meeting had to go home.

18 That meeting went till after midnight, and I
19 really appreciate all your hard work, but a number
20 of the members had to go to work the next day so
21 that's why you didn't hear from them.

22 So this is what this is. This is letters of
23 support for the Project on behalf of our working
24 brothers and sisters here on Maui. So I'm not going
25 to say any more, but alls I want to say is I really

1 support this project. Our members support it, we
2 want it to move forward.

3 The affordable housing component is extremely
4 important. You know what I said. Basically, we're
5 -- we're 4,000 homes shy right now, 4,000 homes shy,
6 and this is basically the tip of the iceberg. We
7 need more.

8 And as far as Member Anderson's water bill, I
9 do believe it's flawed. We brought up some issues
10 with -- with that regarding, you know, the 90-day
11 period. That definitely needs to be addressed. But
12 thank you very much for your time.

13 CHAIR MOLINA: Okay. Thank you, Mr. West. Committee

14 Members, questions for the testifier? Member Baisa?

15 COUNCILMEMBER BAISA: Thank you, Chair. Mr. West, that
16 looks about like a ream of paper. How many letters
17 do you have there?

18 MR. WEST: There's just over 300. I made it so everybody
19 could review it, so --

20 COUNCILMEMBER BAISA: Great. And how many members do you
21 represent that are here on Maui?

22 MR. WEST: Well, MILA is huge. ILWU is, you know, about
23 8,500, actually. I -- last -- last hearing, I
24 misspoke. I said we're about 12,000 -- 12 --
25 12,000, but we're about 8,500.

1 COUNCILMEMBER BAISA: That's a very substantial number.

2 MR. WEST: Mm-hmm.

3 COUNCILMEMBER BAISA: And I'm assuming, you know, judging
4 from that stack of letters, that you have a real
5 serious issue with affordable housing for those
6 folks?

7 MR. WEST: Extremely. You know, the part that kills me is
8 that our local Hawaiians, our local Filipinos, the
9 people who were born and raised here -- I'm a haole.
10 I'm -- I'm from the mainland. I've been here for
11 26 years, but still they're my brothers and sisters.
12 And to see them move away and to see them leave
13 their family, it kills me. I mean, why? Why?

14 I mean, we had apartments in -- in Kihei that
15 were affordable. Not this Council, but a Council
16 previous decided well, let's change it and make it
17 for profit. Don't do that again. Don't do that
18 again because now we're paying. People are moving
19 away.

20 I mean, I -- I can't -- I -- we had people
21 paying \$600 a month. Now if they're going to live
22 in the same place, this will be 8500. And, you
23 know, what's -- it's -- it's profit driven, yes.

24 COUNCILMEMBER BAISA: I'd like to ask you the same question
25 that I asked Bully, and that's in regard to the

1 perception of units being built out of the Project
2 and in the Project. Could you share your manao with
3 me?

4 MR. WEST: Yeah. I mean, I have no problem with that
5 because they're going to address the -- the need
6 right away. And as far as the apartment complex --
7 apartment part of it, outside of the Project, I have
8 no problem either because I don't want to pay higher
9 taxes. I mean, if I'm moving in there, I don't want
10 to pay higher taxes. Chances are that I won't be
11 able to.

12 I know the amount of people that are just
13 dying to get an affordable home. My wife and I
14 tried. We tried to get an -- we -- it wasn't even
15 affordable -- \$600,000 home. We fell out on escrow
16 because we couldn't do it. There's no way.

17 COUNCILMEMBER BAISA: I'm sure there -- you know, there are
18 many people just like you. They're in my family,
19 they're my friends, they're the people I know and
20 represent, and everybody's very concerned about
21 this.

22 One last thing and then I'll let you go, but
23 we have had to live with a water restriction
24 recently in Central and South Maui, and that has not
25 been a popular thing, and there's been quite a, you

1 know, bad reaction to it. People are saying, you
2 know, we don't like this.

3 You live in South Maui. How are you doing
4 with that, and are you -- are you okay with that?
5 And the reason I ask is, you know, as an Upcountry
6 person, water restrictions do not faze me. I've
7 lived with them all my life, to the extent of
8 turning the tap and having nothing come out. But I
9 know if you've always had a lot, it must be a shock.
10 How are you doing with it?

11 MR. WEST: I tell you what. We had family that lives in
12 California, and I made a bet with my wife that we
13 could reduce our water bill by 50 percent. I still
14 got to check it, but I'm pretty sure we did.

15 And what we did is we turn the shower on, we
16 lube up, you know, we clean ourselves, right, and we
17 turn that -- then we turn the faucet back on, and we
18 rinse. You know, we limited our water consumption
19 extremely. People can do it. People can do it.

20 We asked Michelle about the County and how
21 much water is -- is going out versus billed and
22 whatnot, and I think we were around 15 percent -- 15
23 to 20 percent loss in the County's water. What's
24 the County doing? I mean, what is the County doing
25 to address the loss from the source to what's being

1 billed?

2 I mean, I try, but the County needs to make
3 those -- those requirements on itself. And I know
4 you can't do that, but it needs to be done. And,
5 you know, I -- I believe that, you know, if everyone
6 on this island really wanted to conserve water, we
7 could do it. I mean, we could -- we could make up
8 the difference no problem. I mean, I see sprinklers
9 going off during the daytime. Water at night.

10 COUNCILMEMBER BAISA: So there's water to be found if we
11 were serious about getting it. This morning when I
12 was driving in, I was listening to the radio, and
13 the Water Department had a commercial going on, a
14 little PSA, really, and they were saying if you were
15 to put the dye in your toilet tank and watch and see
16 if it comes in the bowl because more than 10 percent
17 of everybody's household water bill is wasted by the
18 toilet.

19 MR. WEST: Yeah.

20 COUNCILMEMBER BAISA: And it not being properly -- you
21 know, functioning properly. So, you know, I am
22 really big on conservation, and I think that that's
23 one of the answers and that it would help us in the
24 immediate response. You know, it's amazing how when
25 people are told to be careful, we immediately can

1 cut the usage.

2 MR. WEST: Yeah.

3 COUNCILMEMBER BAISA: And we can cut it a lot more, which
4 would give -- buy us a little bit of time to do
5 source development.

6 MR. WEST: Yeah.

7 COUNCILMEMBER BAISA: And so that's where I'm coming from.
8 But I think we all have to just, you know, accept
9 that it isn't going to be the way it was any more,
10 and we really need to pay attention to how we use
11 our water.

12 MR. WEST: Mm-hmm.

13 COUNCILMEMBER BAISA: So thank you very, very much.

14 MR. WEST: My pleasure.

15 CHAIR MOLINA: Okay. Thank you, Members. Member Anderson?

16 COUNCILMEMBER ANDERSON: Thank you, Chair. Mr. West, thank
17 you for being here.

18 MR. WEST: Mm-hmm.

19 COUNCILMEMBER ANDERSON: The 300 letters that you have for
20 us, are those from the 8,500 ILWU members?

21 MR. WEST: Those are from MILA, Maui Island Labor Alliance.
22 So MILA is -- you have many different labor unions
23 that are H -- HSTA, HSGA, you have the Plumbers
24 Union, the -- the -- you know, you have -- it -- the
25 list goes on. Basically, every legal

1 organization --

2 COUNCILMEMBER ANDERSON: So it's an alliance of all the
3 labor unions. And so can you give us an estimate of
4 how many members that might represent?

5 MR. WEST: More people than voted in this last -- in this
6 election.

7 COUNCILMEMBER ANDERSON: So --

8 MR. WEST: I would -- I would -- just a under --
9 underestimate, probably around 30,000.

10 COUNCILMEMBER ANDERSON: Okay. So of that 30,000, you have
11 300 letters for us.

12 MR. WEST: And we did this in less than a month. And, you
13 know, we did it -- you know, it's hard.

14 COUNCILMEMBER ANDERSON: Okay. Thank you very much.

15 CHAIR MOLINA: Okay, thank you. Mr. Pontanilla?

16 VICE-CHAIR PONTANILLA: Thank you, Chairman. Thank you,
17 Mr. West, for being here.

18 MR. WEST: Sure.

19 VICE-CHAIR PONTANILLA: Just for your information in
20 regards to water because you represent agriculture,
21 too, yeah?

22 MR. WEST: Yeah.

23 VICE-CHAIR PONTANILLA: That the Central Maui, we -- we do
24 have a -- an advisory committee in regards to the
25 water use here in Maui County, and I'd just like to

1 invite you to that meeting so that, you know, all of
2 us and -- and yourself and your members can
3 understand, you know, what the County goes through.

4 MR. WEST: Yeah.

5 VICE-CHAIR PONTANILLA: And right now, we're -- we are
6 reviewing five strategies in regards to how do we
7 provide water to this County.

8 So I would welcome you to attend the meeting
9 on November 13th at Maui Arts and Cultural Center,
10 if you could -- you know, if you could come.

11 MR. WEST: I'll be happy to be there.

12 VICE-CHAIR PONTANILLA: Because you represent agriculture
13 and -- and your union members, so thank you. Thank
14 you, Chair.

15 CHAIR MOLINA: Okay. Thank you, Mr. Pontanilla.
16 Mr. Mateo?

17 COUNCILMEMBER MATEO: Thank you, Chairman. Mr. West, thank
18 you very much. And I'd like to follow up on the
19 affordable housing need. Your -- the organization
20 MILA with your 30,000 members, perhaps food for
21 thought.

22 MR. WEST: Mm-hmm.

23 COUNCILMEMBER MATEO: Your next meeting? Perhaps you could
24 recommend or initiate discussion on the union in its
25 totality, either partnering with this County so you

1 can leave your legacy, not only the dependency on
2 one organization to provide affordable housing.

3 But if you want to make an impact on your
4 people, you got to -- you got to participate.
5 You've got to contribute as well. So perhaps a
6 discussion in what MILA can do in helping your
7 people primarily because your people are also our
8 people, but -- but that's part of the legacy that I
9 think unions need to take a look at.

10 MR. WEST: Yeah.

11 COUNCILMEMBER MATEO: How to better take care of your
12 membership because membership does not stop just
13 because they retire.

14 MR. WEST: Yeah. Right.

15 COUNCILMEMBER MATEO: So, you know, perhaps food for
16 thought for another discussion.

17 MR. WEST: Yeah. Danny, in fact you came to a meeting that
18 we invited you to with Alice Lee, and I heard that
19 very same speech from you.

20 And what I did is I went back to my division
21 director, the president of our union, and I was
22 given a list of reasons why we couldn't take union
23 funds and apply those towards affordable homes.

24 And a big part of that is because the
25 administrative rules that George Bush has put on our

1 unions has tied our hands behind our backs to help
2 our members. And I tell you, I'm pissed as hell
3 about it because we have the ability, but we can't
4 do it.

5 If we're going to do it, like our brothers in
6 the Carpenters Union, we have to go out, the sweat
7 on our back, to do it on our own time. That's the
8 only way that we can do it. And I -- God, I wish --
9 I wish that I could duplicate myself more to do it
10 because if I could do it myself, I would. No doubt
11 about it. Because I cannot stand to see these
12 people moving away. It kills me.

13 Because now we've -- we created a vacuum that
14 you have people that come and they don't -- they
15 don't appreciate the culture. They don't honor the
16 people and their culture and the things that I'm
17 trying to teach my daughter about, you know. If
18 this doesn't happen, they're gone. They're gone.
19 And what do we have? What do we have left?

20 COUNCILMEMBER MATEO: Yeah. Mr. West, I would -- I would
21 utilize the 30,000-plus members.

22 MR. WEST: Yeah, I agree.

23 COUNCILMEMBER MATEO: There -- there is unity in -- and
24 strength in -- in -- in, you know, big numbers like
25 this because this is just the start of it so I would

1 utilize your membership because even like taking --
2 taking a look at the letters you've submitted, 300
3 out of 8,000 -- well, no --

4 MR. WEST: How many people --

5 COUNCILMEMBER MATEO: Thirty thousand, yeah, and you
6 submitting 300 letters?

7 MR. WEST: Right. How many people vote in an election.

8 COUNCILMEMBER MATEO: Yeah, yeah.

9 MR. WEST: I ran in South Maui, and we had more members
10 than I got votes.

11 COUNCILMEMBER MATEO: Yeah. Thank you very much, Mr. West.
12 Thank you, Chairman.

13 CHAIR MOLINA: Thank you, Mr. Mateo.

14 MR. WEST: Thank you.

15 CHAIR MOLINA: Okay. Seeing no other requests for
16 questions, thank you, Mr. West, for your testimony.

17 Next to testify, we have Rob Parsons, followed
18 by Jack Lindholm.

19 VICE-CHAIR PONTANILLA: Chair, point of order?

20 CHAIR MOLINA: Mr. Pontanilla, state your point.

21 VICE-CHAIR PONTANILLA: How long you going be taking
22 testimony?

23 CHAIR MOLINA: Well, Mr. Lindholm is the last person to
24 have signed up.

25 VICE-CHAIR PONTANILLA: Fine. Thank you.

1 CHAIR MOLINA: And I think we can wrap up soon. Thank you.
2 Mr. Parsons?

3 MR. PARSONS: Good afternoon. Aloha, Chair and Members.
4 I'm Rob Parsons. I live in Haiku. And I wasn't
5 able to stay as late as some of you were for the
6 September 14th meeting either so I'm grateful for
7 the opportunity here to address you.

8 I have spoken to this Committee three times
9 this year, in January and March and July, and I'll
10 try not to repeat what I said then. I did bring you
11 my comments about traffic as someone who lived in
12 South Maui for four years and watched the traffic
13 grow very quickly after expansion of Piilani to four
14 lanes.

15 I also spoke about water. I also asked that
16 you look very carefully at the application and what
17 it contains, as far as conservation plans and
18 studies for native flora and fauna.

19 But I'd like to talk to -- talk to you about a
20 couple other things today. One of the things, very
21 briefly, is the mention of the affordable rentals in
22 North Kihei. I just think that that's the wrong
23 place, that it's an attempt to make, you know, a
24 luxury golf course development in a dry area of
25 South Maui immediately salable just by inclusion of

1 one thing of saying hey, we can, you know, do this
2 right away, but it's in a light industrial area,
3 it's by a major highway, it would be by the
4 confluence of the Upcountry highway if it's ever
5 built and so there could be endless construction
6 there.

7 I just think it's -- it's -- it's kind of
8 crumbs compared to what the developer stands to reap
9 if this is passed, as they would wish it to be, with
10 high-end development. Also, impacts of those
11 rentals in that area hasn't been considered in this
12 application.

13 And I have reviewed this application. I've
14 also reviewed the original EIS, and I concur with
15 some of the earlier comments that were made about
16 needing a supplemental EIS, and I'd like to talk to
17 you about that.

18 The original EIS described a project that
19 would use County water and sewer service. It
20 assumed that the State would be extending Piilani
21 Highway. It stated that the project area had no
22 significant archaeological or cultural sites. It
23 noted one species of native plant, we know there are
24 many more, and it specified a resort community with
25 two golf courses, one of them private and one of

1 them public.

2 And I know that you've discussed the golf
3 course issue and have tried to craft a condition so
4 there -- there would be one day of public play for
5 members of our community for an otherwise private
6 golf course.

7 And, you know, I think it was Mr. Kanahele
8 that -- that said his pet peeve is another golf
9 course in South Maui, and I certainly share that.
10 Why do we need a seventh golf course and one that's
11 not really available to members of our public? And
12 why -- why develop another golf course on one of the
13 driest areas of our island that will further strain
14 that aquifer?

15 I'm sympathetic to members of our construction
16 union and building trades --

17 MS. NAKATA: Three minutes.

18 MR. PARSONS: -- when they say they need the security of a
19 20-year build-out, but I would subscribe that let's
20 build things that the community really needs.

21 We need a medical center in South Maui; and in
22 West Maui, too, we need a South Maui High School.
23 We need true affordable housing. And -- and I would
24 hope that we can approve those jobs for our building
25 trade members.

1 I think more than anything, the elephant in
2 the room, though, is water. I've watched, over the
3 past few weeks, some of the suggestions that the
4 Administration has made to amend the water supply
5 for all of Central and South Maui, and it -- it's
6 disturbing to me.

7 We're talking about drilling new wells to add
8 3.7 million gallons a day, but it's more straws in
9 the same aquifers from Waihee to Iao to Waikapu.
10 We're talking about taking five -- pardon me, taking
11 9 million gallons of surface water --

12 MS. NAKATA: Four minutes.

13 MR. PARSONS: I'll just conclude that thought, if I may --
14 yet we know that that's going to contested case
15 hearing, and the way to replenish the aquifer is to
16 put water back in the streams so that it can
17 replenish.

18 The final thought that I had is -- is that
19 also, we're talking about closing down the Iao
20 Tunnel, which generates about 5 million gallons a
21 day. So we might be getting 3.7 more, but it's a
22 net loss of 1.3.

23 And as others have said, drilling a private
24 well in this area is certainly to have impacts in
25 that area so I would encourage you to ask your

1 Planning Department -- Member Victorino has been
2 asking what would we suggest that you could do, and
3 I would suggest that you ask your Planning
4 Department to review Hawaii Revised Statutes
5 11200-28 -- 26 and 28, which gives the criteria of
6 when a supplemental Environmental Impact Statement
7 is required.

8 MS. NAKATA: Five minutes.

9 MR. PARSONS: Thank you.

10 CHAIR MOLINA: Okay. Thank you, Mr. Parsons. Committee
11 Members, questions? Member Anderson?

12 COUNCILMEMBER ANDERSON: Thank you, Mr. Chairman. Rob, as
13 the previous environmental coordinator for the
14 County, I'm sure that you had occasion to spend time
15 along the South Maui shoreline, and there are a lot
16 of brackish wells that are used along that shoreline
17 to irrigate various properties, I think even some
18 County property.

19 But if -- if this proposal were to drill
20 wells, brackish-water wells and draw from the
21 Kamaole Aquifer, what impact do you think it would
22 have on the other brackish wells down gradient, not
23 just straight below at the Wailea courses but also,
24 you know, spread along the coastline down gradient,
25 as well as the wetlands? Can you speak to that?

1 MR. PARSONS: Sure. My experience in working with people
2 that are in the conservation community and have
3 monitored near-shore reef systems in this area, both
4 with the State and with other agencies such as
5 Hawaii Wildlife Fund and UH Grant, is that this is a
6 very sensitive area and has -- there have been a
7 number of changes that have been witnessed over the
8 past 10 and 15 years in particular. And I know that
9 Department of Aquatic Resources has brought some of
10 that information to you and is very troublesome.

11 And from a personal -- from my own personal
12 experience, I've spent a lot of time, particularly
13 when I lived four years in South Maui from 2001 to
14 2005 on weekends (end of tape 3B) in those waters
15 knows that there are dozens and dozens of places
16 where there's upwellings of fresh water because of
17 the -- the porosity of the volcanic swells in South
18 Maui.

19 So there's a lot of fresh water that reaches
20 the near-shore ocean waters and nourishes them and,
21 you know, that's -- that's a big part of the health
22 of the ecosystem.

23 And I'm not a water quality specialist; but as
24 someone who has paid attention to the ecosystem
25 and -- and environmental impacts of development, we

1 know that development mauka of these upwellings will
2 influence them.

3 And so if we're drawing a lot more water out
4 there that -- that's fresh water that doesn't blend
5 with the ocean water and, you know, it's -- the --
6 the ecosystem has evolved depending on that. So
7 we're changing the ecosystem.

8 COUNCILMEMBER ANDERSON: Okay. And then just one other
9 question. I appreciate that on-the-spot analysis.
10 I know it's not easy. But I -- I do have concerns
11 about what the effect might be along the shoreline.

12 And in regards to a supplemental EIS, Hawaii
13 Revised Statute Chapter 343 addresses this in their
14 Administrative Rules. And I'm just going to read
15 this and ask if this is what you were talking about.

16 A statement that is accepted with respect to a
17 particular action is usually qualified by the size,
18 scope, location, intensity, use, and timing of the
19 action, among other things.

20 A statement that is accepted with respect to a
21 particular action shall satisfy the requirements of
22 this chapter, and no other statement for that
23 proposed action shall be required to the extent that
24 the action has not changed substantially in size,
25 scope, intensity, use, location, or timing, among

1 other things.

2 If there is any change in any of these
3 characteristics which may have a significant effect,
4 the original statement that was changed shall no
5 longer be valid because an essentially different
6 action would be under consideration, and a
7 supplemental statement shall be prepared and
8 reviewed as provided by this chapter.

9 Is that the language that you were quoting to
10 us, or the chapter --

11 MR. PARSONS: No, it's not, but I wonder if I misspoke.

12 I -- the -- I think the citation I gave you,
13 11-200-28, I may have said HRS, but that's Hawaii
14 Administrative Rules, and that pertains to this
15 chapter that -- that you just read. So this is --
16 this section of the Administrative Rules elaborates
17 on -- on that chapter.

18 COUNCILMEMBER ANDERSON: Further -- well, I -- I am reading
19 from the Administrative Rules, 11-200-26.

20 MR. PARSONS: Okay. That's --

21 COUNCILMEMBER ANDERSON: And those are the Administrative
22 Rules for Chapter 343.

23 MR. PARSONS: Yeah. So I think what I tried to convey is
24 that it seems to me that you'd be doing your due
25 diligence as a body here to ask Planning Department

1 for their determination on whether they believe that
2 this should comply with a supplemental EIS.

3 And -- and I feel it should, but, you know, I
4 think that you should have a determination from the
5 body that was the original receiving agency of the
6 original EIS, which was Department of Planning.

7 COUNCILMEMBER ANDERSON: Well, maybe -- maybe the body will
8 ask that, but, you know, the -- the whole point in
9 an EIS is to give full disclosure about something.
10 And -- and if we had that full disclosure, we could
11 have probably deliberated on this months ago and
12 made a decision and so that's what's disturbing to
13 me, that we've spent so much taxpayer time and
14 money.

15 MR. PARSONS: Mm-hmm.

16 COUNCILMEMBER ANDERSON: Not to mention Council Member time
17 in trying to get answers so that we can make an
18 informed decision.

19 So I -- I would -- I would hope that in the
20 future, we would have full disclosure, Mr. Chairman,
21 not only in an adequate EIS but also in an
22 application that speaks to all the issues so that
23 we're not having to spend all this time trying to
24 get answers that we still don't even have. Thank
25 you, Mr. Parsons.

1 MR. PARSONS: Thank you.

2 CHAIR MOLINA: Okay. Thank you, Member Anderson.

3 Mr. Medeiros?

4 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman, and mahalo,

5 Mr. Parsons, for your testimony. I -- I just want

6 to clear something up, if you could help me.

7 You -- you said that we need true affordable

8 housing, and how would you describe true affordable

9 housing as far as empirical or industry statistics

10 on what it should cost?

11 MR. PARSONS: Well, I don't own a home. And like Mr. West,

12 you know, the outlook for myself and my wife is --

13 is not great, and I may never own a home on -- on

14 this beautiful island. And I've, you know, been

15 grateful that I've had 30 years to live here, and

16 they -- they've been great whether or not I

17 personally own a home here.

18 I -- I -- I've listened to a lot of the

19 testimony over the -- the past months from people

20 who have spoken about from their point of view what

21 it would take to get in a home, and I know we have a

22 set of criteria from HUD and from our own Housing

23 Department and that we've crafted, to the best of

24 our community's ability and the best of this

25 Council's ability, crafted legislation that will put

1 more people in our community in affordable homes.

2 And, you know, I -- I think that's laudable. I

3 just --

4 COUNCILMEMBER MEDEIROS: Yeah. My -- my question is you

5 made a statement that we need true affordable

6 housing, and I was wondering what does that mean? I

7 mean, do you have, like, a figure you're talking

8 about, a cost?

9 MR. PARSONS: No, I don't have a specific figure. Thank

10 you for the question. I -- I just don't feel that

11 rental apartments in North Kihei make this Project

12 salable just by saying we're going to do a portion

13 as -- as soon as we can and -- and picking a place

14 that's less than optimal.

15 Yeah. I mean, I -- I just believe in my heart

16 that we can do better for the people in our

17 community than what's being offered here.

18 COUNCILMEMBER MEDEIROS: And -- okay. And -- and, you

19 know, you said that because it would be close or in

20 proximity to an industrial area, but look how

21 successful -- we have housing in Central Maui at Iao

22 Parkside which borders the Wailuku industrial area,

23 Paukukalo Housing, which borders industrial area.

24 People on both sides of the industrial area

25 are appreciative that they have those homes, so why

1 wouldn't that be the same for South Maui?

2 MR. PARSONS: Well, let me say this. As we're looking at
3 the cumulative impacts of all of South Maui, I -- I
4 think it's to all of our -- it's to our -- our best
5 judgments here to -- to look at where -- first of
6 all, just -- just because this -- whatever we build
7 in South Maui will strain some portion of our
8 infrastructure, whether it be schools, roads,
9 waters, sewers --

10 COUNCILMEMBER MEDEIROS: Okay, that wasn't my question,
11 though. I'm addressing your statement that you felt
12 it wasn't an appropriate place to build affordable
13 housing next to an industrial area. And can you
14 tell me the reason you feel that way when I gave you
15 examples in Central Maui where that's successful?

16 MR. PARSONS: Sure. I think you gave good examples. And I
17 wouldn't say that there -- that the two are mutually
18 exclusive, but I -- I believe that as we look at
19 where these resources and our infrastructure needs
20 to happen, that we want to take the big view, rather
21 than to do something quickly and just say let's do
22 this now because we need it now. You know, I think
23 we may have other opportunities, let me put it that
24 way.

25 COUNCILMEMBER MEDEIROS: Okay. So it's not so much

1 location, you're now saying how it will affect
2 infrastructure?

3 MR. PARSONS: Well, I think the location is troublesome.
4 It's near -- it's near a big highway, there's
5 another big highway that would go in. It's -- it's
6 designated currently as light industrial, is my
7 understanding. And housing is -- or apartment
8 housing is one of the permitted uses in that zoning
9 district.

10 COUNCILMEMBER MEDEIROS: Right.

11 MR. PARSONS: Or designation, rather.

12 COUNCILMEMBER MEDEIROS: And -- and, you know, it's a
13 critical issue that we face in trying to provide for
14 affordable housing, and finding property is
15 difficult so I just wanted to get your ideas on your
16 perspectives. Thank you.

17 MR. PARSONS: Yeah, thank you.

18 CHAIR MOLINA: Thank you, Mr. Medeiros. Okay, seeing no
19 other questions from the body, thank you,
20 Mr. Parsons, for your testimony.

21 And the last person to have signed up for
22 testimony is Jack Lindholm. And if there's anybody
23 else that would like to testify, you have one last
24 opportunity to testify. Jack Lindholm. Okay.
25 Proceed, sir.

1 MR. LINDHOLM: Okay. Hello, everybody. I am from Oahu
2 originally. I -- my family ancestry --

3 UNIDENTIFIED SPEAKER: Talk in the Mike.

4 MR. LINDHOLM: Okay. My ancestors are from here, too. We
5 have ancestral land. But I moved to Maui, I have
6 family here. And about this issue, Wailea 670, it's
7 troublesome and worrisome to me.

8 The obvious must be reiterated that there is
9 inadequate County infrastructure and especially the
10 depleted water sources, as if we had to go any
11 further than that.

12 I saw a memorial on the back window of a
13 truck, you know how it's usually about someone who
14 died, but the memorial said in loving memory of Old
15 Hawaii Nei, destroyed by the American dream.

16 And that really spoke to me and is a powerful
17 statement that I've never seen before and the
18 timing, when I was considering coming to this to
19 make a testimony.

20 Oahu is an example of what happens when
21 communities are overrun by development and has
22 crowded roads and beaches, that's where I came from,
23 it's just a rat race and rampant crime, and this
24 song came to mind pave paradise, put up a parking
25 lot. Don't it always seem to go that you don't know

1 what you got till it's gone.

2 The cultural sites, the native plant habitats,
3 sacred limited Hawaiian land will be forever ruined
4 by overdevelopment. Our unique Hawaiian culture and
5 environmental offerings should be respected,
6 protected, and preserved forever.

7 Let's stop the madness and save what we have
8 left and stop overdevelopment. Let's focus on
9 innovation and cultural education. The world needs
10 this valuable resource, our unique identities as a
11 point of reference to give hope for the future.

12 The world needs the essence of that which is
13 Hawaiian. Let's put an end to the smothering and
14 trampling of our aloha spirit and say no to Wailea
15 670. And I think we just have to draw a line and
16 not cross it.

17 And that area, this side of the island, it's
18 like a sanctuary, and I just think it should be
19 protected and not overdeveloped. That's really all
20 I have to say.

21 CHAIR MOLINA: Okay. Thank you, Mr. Lindholm. Committee
22 Members, questions for the testifier? Seeing none,
23 thank you for your testimony.

24 MR. LINDHOLM: Okay, thank you.

25 CHAIR MOLINA: Okay. We have additional signups. We have

1 Shannon Guillermo, followed by Angie Hoffman.

2 MR. GUILLERMO: Aloha, and thank you for letting me speak.

3 My name is Shannon Guillermo. I spoke to you at the
4 last meeting. Born and raised here in Maui.

5 I was raised in Paia, and -- Paia and
6 Upcountry Makawao. My family is from Paia, second
7 generation. My grandparents taught me to live off
8 the land. They taught me to respect the land.

9 Our family owned a 76 Gas Station right on the
10 corner of Hana Highway and Baldwin Avenue. I got to
11 pump gas at a very young age and, you know, earn
12 the -- learn the value of a penny and earning a
13 dollar.

14 What that taught me, working with the
15 community, was I remember my dad always saying no
16 matter what they come in for, always give them full
17 service. Always show them aloha. Whether they're
18 paying for \$15 or 15 cents, you give them their
19 money's worth because you're making an honest
20 living.

21 I got to meet a lot of different people,
22 people that came in and wanted \$2 worth of gas,
23 excuse me, but wanted me to basically rebuild their
24 car, you know, and you still give 'em full service,
25 and that's the way it goes.

1 And I say that because it taught me that you
2 have to make an honest living. And there's a
3 difference between making a living and making a
4 killing. And what it comes down to right now is
5 we're chasing the dollar.

6 Whether it's \$2 or \$2,000 or 20,000 or
7 200,000, whatever number you want to put on it, it's
8 all about money. And what it comes down to with
9 that is our culture is being stolen from us. Our
10 roots and culture is being stolen, and money is
11 being put ahead of it.

12 Now, I understand the brothers and sisters
13 that work and -- and are trying to make an honest
14 living, but Council Member -- I'm not sure which one
15 it was -- he had asked about affordable housing. I
16 was in the back of the room so I couldn't see who
17 was asking the question.

18 I think that question needs to be asked to the
19 people because what's affordable to me isn't
20 affordable to the person next to me. Affordable
21 housing, you know, the -- because of the last
22 meeting we went to, we heard one of the people that
23 testified that said he did everything right. He was
24 on the list, he did his paperwork, he was qualified
25 for affordable housing, went the following week, and

1 all of a sudden, he's not on the list.

2 So it's a bigger problem than just getting
3 affordable housing. It's a bigger problem than just
4 getting water. There's a lot of issues that need to
5 be addressed. But the bottom line I feel for all of
6 this is to make sure that we do what's right for
7 Maui, just like the Council Member was speaking for
8 earlier.

9 And looking for what is best for Maui, you
10 have to ask the people of Maui because we can all
11 say we represent so-and-so and we're talking on
12 so-and-so's behalf, but it's all about the people.

13 And there needs -- there needs to be some --
14 everybody's giving, you know, the this is what I
15 think, this is what we think, this is all about me.
16 And it's not about me. It's about us because we all
17 work together, you know. It's a matter of give and
18 take.

19 So no matter -- what I'm trying to basically
20 get at, you know, rambling on about this whole
21 situation is there's so many variables in this
22 situation I think it needs to be A, taken to the
23 people, and not just the people that can show up
24 because obviously, people have to work; and B, ask
25 the people what exactly they want so we can get

1 specific guidelines for what they want to do.

2 Mr. Jencks does have guidelines --

3 MS. NAKATA: Three minutes.

4 MR. GUILLERMO: -- that he has to follow, but those
5 guidelines, once again, could be very vague, and
6 there's ways around the system or a way to -- ways
7 to twist it.

8 So I just feel that I -- I appreciate your
9 time that you've been taking to address this matter
10 and think about -- not that you're not thinking
11 about the people, but know that the people come
12 first because you can't get mana and you can't get
13 aloha from a concrete building. Thank you.

14 CHAIR MOLINA: All right. Thank you, Mr. Guillermo.
15 Committee Members, questions for the testifier?
16 Seeing none, mahalo for your testimony.

17 Next to testify, Angie Hoffman, to be followed
18 by Amanda Mizner.

19 MS. HOFFMAN: Aloha. I'm Angie Hoffman from Kihei, and I
20 work as a naturalist in the Ahihi-Kinohiwa Natural Area
21 Reserve down in South Maui and would like to address
22 a question that was kind of brought up earlier.

23 Did local people not want to live in places
24 like Makena and Wailea? Five hundred years ago,
25 thousands of people lived there. Palauea Village

1 below Wailea 670 has large archaeological village
2 remnants, hundreds of sites in the Wailea Golf
3 Course have been seen, and Makena also has thousands
4 of residents, as archeological sites will show.

5 Keoneoio Village also looks like a desert
6 today, but many, many people subsisted out there;
7 fish ponds, remnants of fish ponds are -- are down
8 there.

9 And in contrast to that, very few people lived
10 in Central Maui, Kahului, where we have built a city
11 for local families, it was best known historically
12 as battlegrounds, so just wanted to add that to the
13 question that was brought up earlier.

14 And then speaking from my personal experience,
15 when I grew up in South Maui, only local families
16 lived in Makena area. New developments and raised
17 taxes have forced them out.

18 I'd also like to add that my generation would
19 love a chance to live in that area. I find Makena a
20 very desirable place to live. It's changed a lot,
21 and to get it back in the direction where local
22 people could live there would take a lot of vision,
23 some tax reform; and if we don't do that, we should
24 just be honest that we have some communities where
25 local families cannot live.

1 So just to wrap that all up, I'd like to say
2 that I am against the rezoning of this Project. I
3 do not think it would be good for our Maui
4 community.

5 Earlier, someone said the affordable promises
6 this developer's making are crumbs in comparison to
7 the -- what is being sacrificed, and I agree with
8 that. So thank you for listening. Mahalo.

9 CHAIR MOLINA: Okay. Thank you, Angie. Committee Members,
10 questions for the testifier? Seeing none, thank you
11 for your testimony.

12 Next to testify, Amanda Mizner, followed by
13 Jamie Fernandez.

14 MS. MIZNER: Aloha, my name is Amanda. I'm pretty much up
15 here to say that I come to a lot of meetings with my
16 mom, and I sit and I listen. You know, I hear a lot
17 of people come up and talk so, you know, I think
18 there should be at least a couple of us that just
19 listen, you know.

20 I hear a group of people say -- a set of
21 people that say they're against the development
22 because they want to save our resources, our land,
23 our water, our ocean, and the last of our kanaka
24 maolis.

25 I hear another group of people that come up

1 and say, whether being of kanaka blood or locals,
2 you know, they need jobs and they need homes; and
3 without it, there's no way for them to survive here
4 in Hawaii.

5 There's nothing wrong with the way both of
6 these groups think because they are thinking about
7 their families, and they both want to stay here,
8 home where they're from. I'm talking about, you
9 know, locals born and raised here.

10 There's another group that I hear, and they
11 are for the Project, and they talk about, what is
12 it, they are for the Project because developing,
13 what is it, it's -- the Project is going to be good
14 because they're going to put native plants back into
15 the Project, or we need to do this Project because
16 of the more people that's coming. And whether we
17 local people like it or not, they're going to come,
18 and we should just adjust to it.

19 Why should we local people have to adjust to
20 it, being born and raised here? I have three
21 children. I have an 11-year old, a 9-year old, and
22 a daughter just made 7, and I have a fourth one on
23 the way.

24 My son, 11, he's the oldest. My kids, they --
25 they have no choice but to have adjust to it. They

1 go to Haiku School. They probably -- maybe a
2 handful in that school has kanaka blood. The rest
3 is foreigners, Europeans, Brazilians, Japanese, and
4 they make friends with these people, but they come
5 home crying that they are the last of their race in
6 this school.

7 My son, at the age of 8 -- now, let me tell
8 you the adjustments that they have to make. They
9 come home with American History for homework. They
10 come home and tell me they ate yogurt and bagels for
11 lunch. They come home at -- at the age of 8, my son
12 was 8, I caught him in the shower scrubbing his skin
13 because of the color of his skin --

14 MS. NAKATA: Three minutes.

15 MS. MIZNER: -- thinking it was wrong to be, and it's not
16 fair to them, to them -- for them to think that they
17 do not belong. And it's only going to get worse.

18 Why should we have to accommodate these
19 foreigners coming in here to our home. Like I
20 always tell my mom, you know, if we get one jigsaw
21 puzzle and your piece no fit, you not going cut 'em
22 up for make 'em fit. If you no fit, then you go
23 back to where you came from. Because we're set.

24 We kanaka maolis not stupid people. There was
25 a time in my life, maybe I thought maybe in the age

1 of 14, I've worked till recently. I stopped working
2 to start teaching my kids.

3 I take them to the mountain, and we -- me and
4 my husband teach them about native birds and plants.
5 We take them to the mountain to learn about what the
6 water can do for us and do for our ocean --

7 MS. NAKATA: Four minutes.

8 MS. MIZNER: -- and what it's going to give back to us so
9 they know because all they're being taught is
10 American History in school. So that brainwashes
11 them to think that they need the job, they need the
12 money to survive; if not, they have nothing. But
13 they have a lot.

14 They're rich in the land, they're rich in
15 water and ocean, and that's what they need to take
16 care of because money, we going throw away. It's
17 not a big deal to us. We -- what important is to us
18 is what we have and our resources.

19 Now, after -- after our resources is all -- is
20 thrown away and people that came here that had the
21 money to buy, they can now fly away, and we're left
22 here to pick up the pieces and say now what do we
23 have left. You know, we don't have the money. The
24 money wasn't important to us. It was our resources.
25 So now what do we have left to live?

1 MS. NAKATA: Five minutes.

2 CHAIR MOLINA: Excuse me. Amanda, sorry, I have to stop
3 your testimony at this point, yeah?

4 COUNCILMEMBER VICTORINO: Mr. Chair?

5 CHAIR MOLINA: Mr. Victorino, question for you?

6 COUNCILMEMBER VICTORINO: Amanda, thank you very much. And
7 I think, Amanda, you express a feeling that is
8 prevalent in our community.

9 I agree with you that many times I, like you,
10 feel that we are being shoved aside. I'm not
11 Hawaiian by blood quantum, nothing. My family is my
12 wife, my children, my grandchildren. And my
13 grandson sometimes feels the same way as your
14 children.

15 MS. MIZNER: Right.

16 COUNCILMEMBER VICTORINO: He goes to Iao School, and
17 there's more locals there, but he feels the same
18 way. And I agree with you that we need to take back
19 what is -- belongs to us --

20 MS. MIZNER: Mm-hmm.

21 COUNCILMEMBER VICTORINO: -- and make sure that we build it
22 for you --

23 MS. MIZNER: Right.

24 COUNCILMEMBER VICTORINO: -- and your family and your
25 children's children's children, right?

1 MS. MIZNER: Right. So I just saying, you know, enough
2 trying to accommodate for people that's coming in
3 that's not from here.

4 I always ask how does somebody come off the
5 plane and just acquire all this property and just
6 build and just -- just like that? You know, I
7 always wonder how?

8 You know, I just -- I just -- I think enough
9 of accommodating some -- the foreigners and start
10 looking at the people, whether they being of
11 Hawaiian blood or not.

12 There's -- there -- there is people that come,
13 foreigners, that respect and live the Hawaiian
14 culture a lot better than some Hawaiians, so -- and
15 that sometimes makes me ashamed, you know.

16 I know how to dance the hula, I know how to
17 cook Hawaiian food, and I know how to take care my
18 land, but I not going just let that be enough and
19 say I am kanaka. I'm up here today standing for my
20 home to save my home. So --

21 COUNCILMEMBER VICTORINO: Amanda, do you --

22 MS. MIZNER: -- who you want to accommodate? You want to
23 accommodate a foreigner --

24 COUNCILMEMBER VICTORINO: Yeah.

25 MS. MIZNER: -- or somebody that knows how to take care of

1 the land? We are the people of the Pacific. We
2 know what to do. We know how to live. Money is not
3 everything to us.

4 COUNCILMEMBER VICTORINO: Yeah. Amanda, do you own your
5 own home?

6 MS. MIZNER: I don't own a home. I could easily be up here
7 saying I'm for the Project, I -- because I don't own
8 a home, I need a home, you know, I can't afford
9 anything. I could easily be up here --

10 COUNCILMEMBER VICTORINO: Uh-huh.

11 MS. MIZNER: -- you know, saying that. And I don't come
12 from Kihei. It's not -- that's not my kuleana, but
13 I'm here to help them save what they have left. I
14 don't own a home. My home is the land and the water
15 and the ocean. That's going to take care of me.

16 COUNCILMEMBER VICTORINO: Okay, Amanda, thank you very
17 much. I do appreciate that.

18 MS. MIZNER: Mm-hmm.

19 COUNCILMEMBER VICTORINO: And keep up the good work.

20 MS. MIZNER: Yeah.

21 CHAIR MOLINA: Okay. Thank you, Mr. Victorino. Any other
22 questions? Seeing none, mahalo, Amanda.

23 Next to testify, we have Jamie Fernandez.

24 MS. FERNANDEZ: Aloha. My name is Jamie Fernandez, and I
25 wasn't prepared to speak today. This is my first

1 time, and I don't do well public speaking, but the
2 blood gets boiling as you sit and watch, and the
3 emotions rise.

4 I saw this gentleman with how many letters,
5 300 out of how many people in that -- 30,000 over
6 what course of time, and a young man in Kihei
7 presented, during his lunch period of 45 minutes,
8 500 signatures, and someone else who had a thousand
9 from the Kihei community? You know, I think that's
10 a really small percentage, you know.

11 I -- I'm born and raised here on Maui and yes,
12 I do own a home at this point, lucky enough, but
13 that was my own blood, sweat, and tears, pounding
14 hammer every weekend and building it on my own,
15 thirty-six five, 36,500 about -- about 20 years ago.
16 There is a will, there is a way. We just got to
17 think logical, we have to think futuristic, we have
18 to think of what's coming down the road.

19 Within my short life span, I've known Kihei as
20 being all keawe with Maui Intercontinental being the
21 biggest hotel out there. On the West side, it would
22 have been Sheraton, you know? Very few traffic
23 lights.

24 Now within the last, what, I would say
25 five years? How much time does it take just to get

1 from Olowalu to -- you know, just between that short
2 span from Front Street to the resort area? It's
3 forever. Bumper to bumper. It's crazy. And I can
4 see that happening on the Kihei side now with all of
5 this going on.

6 I just don't want Maui to be -- become
7 something in Bishop Museum what it once was, you
8 know like this, Eddie Kama'i captures the last whiffs
9 of Lahaina? I don't want this to happen any more on
10 the island. Let's start thinking about the future
11 and start listening.

12 We cannot let money, money, money be what
13 drives us because after a while, that money is gone,
14 we're stuck with what we have, cleaning up the mess
15 and surviving on crumbs, you know? We're not the
16 only future here. There's going to be more to come.

17 MS. NAKATA: Three minutes.

18 MS. FERNANDEZ: So I'm just asking you to think very
19 wisely. I know you have a tough job, but thank you
20 very much for your time.

21 CHAIR MOLINA: Okay. Thank you for your testimony, Jamie.
22 Committee Members, questions? Seeing none, mahalo
23 for your testimony.

24 Ms. Fernandez was the last person to sign up.
25 Seeing -- Committee Secretary, have there been any

1 additional signups?

2 MS. FRIAS: No, Mr. Chair.

3 CHAIR MOLINA: Okay. If there are no objections, Members,
4 the Chair will close public testimony for Land Use
5 38.

6 COUNCIL MEMBERS: No objections.

7 . . .**END OF PUBLIC TESTIMONY.** . . .

8 CHAIR MOLINA: All righty, Members. It is almost
9 1 o'clock. What we're going to do, we're going to
10 go ahead and take our afternoon break and then we're
11 going to return at 2 o'clock, 2:30, Members? Two
12 thirty?

13 All right. We shall be in recess till 2:30;
14 and when we do come back, we will continue our
15 deliberations on the proposed conditions for this
16 application. Meeting in recess until 2:30.
17 ...(gavel)...

18 **RECESS: 12:58 p.m.**

19 **RECONVENE: 2:40 p.m.**

20 CHAIR MOLINA: ...(gavel)... Land Use Committee meeting for
21 October 18th, 2007, is now back in session.
22 Members, it is 2:40. We have a couple of hours left
23 today for deliberations on our conditions.

24 The Chair does not anticipate a final decision
25 to occur today. We will try to go as far as we can

1 because we will be losing quorum by this late
2 afternoon, I (end of tape 4A) and go as far as we
3 can.

4 The Chair would like to just update everyone
5 on the conditions that have received consensus thus
6 far. And Staff, please feel to jump in and correct
7 me if I omit anything or need some corrections.

8 Planning Commission, Recommendation Condition
9 6, that received consensus which had to do with the
10 drainage report; Condition No. 7 from the Planning
11 Commission related to the Animal Management Plan;
12 Condition No. 8, which is animal intrusion;
13 Condition No. 9, which is the owl assessment;
14 Condition No. 10, relating to dust control;
15 Condition 12, related to the golf course; Condition
16 No. 16 -- Condition 16 and 17 related to wastewater,
17 and I have those at this point.

18 Staff, is there anything else I should mention
19 to the body that has received general consensus to
20 this point?

21 MS. NAKATA: I believe the Committee was asked to
22 reconsider its consensus on 16 and 17 by the
23 Wastewater Division.

24 CHAIR MOLINA: Okay. And if -- if memory serves me
25 right --

1 COUNCILMEMBER ANDERSON: Chair?

2 CHAIR MOLINA: -- I believe that was also mentioned as
3 well.

4 COUNCILMEMBER ANDERSON: Chair?

5 CHAIR MOLINA: Okay. Yes, Member Anderson?

6 COUNCILMEMBER ANDERSON: I'm sorry, but you were reading
7 those off faster than I could turn the pages.

8 CHAIR MOLINA: Oh.

9 COUNCILMEMBER ANDERSON: And I lost you after Condition 10.

10 CHAIR MOLINA: Oh, okay. Well, let me go ahead and just
11 read you the numbers, then, real quick. Six through
12 10, how's that? Six through 10, 12 and -- and
13 Condition 16 and 17 related to wastewater. There
14 was a -- I guess a request to reconsider those
15 conditions that had received initial consensus. So
16 that is where we are to this point on the Planning
17 Commission conditions.

18 MS. NAKATA: Mr. Chair, I believe we also had a tentative
19 consensus on Condition No. 15, the Planning
20 Commission's 15.

21 CHAIR MOLINA: Okay.

22 MS. NAKATA: With the revisions noted in the first column
23 of the matrix.

24 CHAIR MOLINA: Planning Condition No. 15 was also --
25 there's also initial consensus on that. And Staff,

1 what is that related to, just for the record?

2 MS. NAKATA: Dust control.

3 CHAIR MOLINA: Dust control again, okay. And we had dust
4 control Condition 10 as well. And there were two
5 conditions from the applicant that received
6 consensus, which was Conditions No. 2 from the
7 applicant related to outdoor lighting and I believe
8 also funding for civil defense, that is my
9 recollection.

10 Staff, is the Chair correct thus far as it
11 relates to the applicant -- applicant's conditions
12 that received consensus?

13 MS. NAKATA: Yes, Mr. Chair.

14 CHAIR MOLINA: Okay. Members, anything else to add?

15 COUNCILMEMBER ANDERSON: Chair?

16 CHAIR MOLINA: Member Anderson?

17 COUNCILMEMBER ANDERSON: When you say the applicant's
18 conditions?

19 CHAIR MOLINA: Mm-hmm.

20 COUNCILMEMBER ANDERSON: Do you mean --

21 CHAIR MOLINA: That's the one in the second column.

22 COUNCILMEMBER ANDERSON: Column two?

23 CHAIR MOLINA: Yeah, uh-huh.

24 COUNCILMEMBER ANDERSON: And so they're not really in
25 order?

1 CHAIR MOLINA: No. No, no. Yeah.

2 COUNCILMEMBER ANDERSON: So you know where Condition 2 --

3 CHAIR MOLINA: Yeah. I think you'd have to go back to page

4 13, the applicant's Condition No. 2. That's on page

5 13; and the applicant's Condition No. 9, that's on

6 page 14. Second column.

7 COUNCILMEMBER ANDERSON: Two. And nine, did you say?

8 CHAIR MOLINA: Two and nine, that's correct.

9 COUNCILMEMBER ANDERSON: And then Chair, I had one

10 question.

11 CHAIR MOLINA: Mm-hmm.

12 COUNCILMEMBER ANDERSON: If I could on -- geez.

13 COUNCILMEMBER VICTORINO: Chair?

14 CHAIR MOLINA: Mr. Victorino, you need some --

15 COUNCILMEMBER VICTORINO: Yeah, yeah.

16 CHAIR MOLINA: Okay.

17 COUNCILMEMBER VICTORINO: We're -- we're kind of

18 confused --

19 COUNCILMEMBER ANDERSON: On --

20 COUNCILMEMBER VICTORINO: -- the two of us.

21 CHAIR MOLINA: Okay. Members, why don't we just take a

22 brief recess and get everybody up -- up to speed.

23 COUNCILMEMBER ANDERSON: Wait, wait.

24 VICE-CHAIR PONTANILLA: Now, if you can go page by page?

25 CHAIR MOLINA: Yeah.

1 COUNCILMEMBER BAISA: Yeah.

2 CHAIR MOLINA: Okay. Can -- can I just address Member
3 Anderson's question first and then we'll go from
4 there? I know it's been about almost a month since
5 we met on this, so Member Anderson?

6 COUNCILMEMBER ANDERSON: Yes. We got to go slow. On
7 Condition 12 of the Planning Commission?

8 CHAIR MOLINA: Mm-hmm. Can you tell us the page number?

9 COUNCILMEMBER ANDERSON: That's on page 8.

10 CHAIR MOLINA: Okay. Page 8, Members.

11 COUNCILMEMBER ANDERSON: That WCPT/GW Land Associates, LLC,
12 shall execute a unilateral agreement with Department
13 of Parks and Recreation to set the terms and
14 conditions of nonprofit play and for use of the golf
15 course by the Junior Golf Program as represented by
16 the developer, I thought we revised that?

17 CHAIR MOLINA: Yeah. I know we added the amount of play
18 time, and I think it was one day, I believe. And I
19 guess there was a majority consensus, I know it
20 wasn't a 100 percent consensus. However, like every
21 condition, proposed condition here, it is subject to
22 any future amendment proposal as well.

23 COUNCILMEMBER ANDERSON: But you're saying that we came to
24 agreement on 12, and I think we came to agreement
25 with that change.

1 COUNCILMEMBER JOHNSON: Yup.

2 COUNCILMEMBER BAISA: Yes.

3 COUNCILMEMBER ANDERSON: So that change needs to be on
4 here.

5 CHAIR MOLINA: Staff?

6 MS. NAKATA: Mr. Chair, if Staff could just clarify that
7 the status is noted in the first column of the
8 Members' matrix. So it notes there on August 20th,
9 revisions to the Parks unilateral agreement was
10 requested, which were received -- well, the
11 Committee received a revised unilateral agreement
12 August 23rd. Consensus was reached on the July 27
13 version of the condition, which is noted in the
14 fourth column.

15 CHAIR MOLINA: Yeah. Yeah.

16 MS. NAKATA: And it was revised to integrate the statement
17 from the Planning Department regarding timing in the
18 last column.

19 CHAIR MOLINA: Okay. Members, Staff is reading off the
20 very first column where it says, Topic and Comments,
21 and that is the -- I guess the updates as to what
22 had happened with the -- the condition.

23 COUNCILMEMBER ANDERSON: Chair, I -- I read that, hoping
24 that the actual language would be there.

25 CHAIR MOLINA: Okay.

1 COUNCILMEMBER ANDERSON: But I don't see the language that
2 we revised anywhere.

3 CHAIR MOLINA: Staff will -- I guess, Staff, you'll be
4 providing us with an updated matrix sometime down
5 the road in the future to reflect that language
6 change?

7 MS. NAKATA: Could Staff please clarify, are you referring
8 to the revisions in the unilateral agreement or to
9 the condition? The revised UA incorporated, you
10 know, elements of play and so on, and -- and those
11 were -- the revised UA was distributed to the
12 Committee some time ago.

13 COUNCILMEMBER ANDERSON: But the thing is, Chair, is that
14 we're working off of this.

15 CHAIR MOLINA: Mm-hmm.

16 COUNCILMEMBER ANDERSON: And so we need to have the
17 language here in front of us so that we're not --

18 CHAIR MOLINA: Okay.

19 COUNCILMEMBER ANDERSON: You know, the UA is probably going
20 to change again after we finish these conditions,
21 but --

22 CHAIR MOLINA: Sure. Okay.

23 COUNCILMEMBER ANDERSON: -- you know, I think we need to
24 work from one document.

25 CHAIR MOLINA: Right.

1 COUNCILMEMBER ANDERSON: It's confusing, if not.

2 CHAIR MOLINA: We'll -- we'll make sure by -- by the time
3 we meet next that we get an updated --

4 COUNCILMEMBER ANDERSON: Thank you, Chair.

5 CHAIR MOLINA: -- matrix to reflect the -- all of the
6 changes.

7 COUNCILMEMBER ANDERSON: Thank you, Ms. Nakata.

8 CHAIR MOLINA: And -- and I -- I thank you all for your
9 patience because this is a very large document and a
10 lot of changes and so forth, so -- anyway.

11 COUNCILMEMBER VICTORINO: Mr. Chair?

12 CHAIR MOLINA: Mr. Victorino.

13 COUNCILMEMBER VICTORINO: And again, and I appreciate the
14 clarification you gave Ms. Anderson, but even some
15 of the other things, I thought there were other
16 changes that's not reflected in here, and --

17 CHAIR MOLINA: Yeah.

18 COUNCILMEMBER VICTORINO: Again, I hate working haphazardly
19 without everything in front of us.

20 CHAIR MOLINA: Yeah.

21 COUNCILMEMBER VICTORINO: And no offense to you, Chair.

22 CHAIR MOLINA: Yeah. No, no.

23 COUNCILMEMBER VICTORINO: You know, it's -- I mean, myself
24 and Mr. Pontanilla trying to find where you at, and
25 it's either column four, column one. We're -- we're

1 getting confused, at least I am. I -- I don't want
2 to talk for anybody else, so --

3 CHAIR MOLINA: Right. And -- and again, as I mentioned to
4 Member Anderson earlier, we'll get an updated matrix
5 for everyone, but what -- the -- the Chair's intent
6 was just to let the Members know which conditions
7 had received general consensus at this point, so
8 we'll -- we'll get into the specifics at a later
9 point maybe today or -- or sometime --

10 COUNCILMEMBER VICTORINO: But when you say --

11 CHAIR MOLINA: -- at our next recessed meeting.

12 COUNCILMEMBER VICTORINO: Chair, when you say condition or
13 consensus, we -- we have Maui Planning, we have the
14 revised draft, we have the Department's planning,
15 and then we get the Department's revised. So I
16 guess what I'm asking is specifically, which one of
17 these are we looking at, at this point in time?

18 CHAIR MOLINA: Yeah. At -- at this point, what I just
19 reported was the Maui Planning Commission's
20 recommendation.

21 COUNCILMEMBER VICTORINO: Maui Planning Commission.

22 CHAIR MOLINA: Yeah. Condition 12.

23 COUNCILMEMBER VICTORINO: So that's the far right?

24 CHAIR MOLINA: Well, it -- it could be both, the first --
25 the column and the -- what is it, the third column.

1 But in general, we're just going with the numbered
2 condition, and --

3 COUNCILMEMBER VICTORINO: Okay.

4 CHAIR MOLINA: -- hopefully, that makes a little bit more
5 sense to you.

6 COUNCILMEMBER VICTORINO: Thank you, Chair.

7 CHAIR MOLINA: Thank you. Mr. Pontanilla, you had a
8 comment, suggestion?

9 VICE-CHAIR PONTANILLA: If you going to go with this matrix
10 right now, then I can wait for my question. My
11 question is -- is in regards to some of the
12 testimony that we heard this morning.

13 CHAIR MOLINA: Okay. All right. When we -- what is --
14 okay, can -- can we -- let me just finish up here
15 and then we'll go ahead and -- the Chair's intent is
16 hopefully, we'd like to address some of the --
17 further address some of the other conditions that
18 did not receive consensus and -- and for -- the need
19 for further discussion on that.

20 So the Chair just went over the applicant's
21 conditions that received consensus, which was
22 numbers 2 and 9 on pages, I believe, 13 and 14, and
23 then the -- again, these are the -- now, these are
24 the conditions that received no consensus:

25 Planning Commission Conditions No. 1, related

1 to water; 2, traffic improvements; 3, traffic
2 contributions; 4, infrastructure improvements --

3 COUNCILMEMBER ANDERSON: Chair, you're going faster than we
4 can --

5 CHAIR MOLINA: Oh, I'm sorry, am I going too fast again?

6 Okay. Maybe I should just go by page number, then.

7 COUNCILMEMBER ANDERSON: Well, just --

8 COUNCILMEMBER BAISA: No. Slow down.

9 CHAIR MOLINA: Okay. Okay.

10 COUNCILMEMBER ANDERSON: Slow down a little.

11 COUNCILMEMBER VICTORINO: Go slow.

12 CHAIR MOLINA: Okay, 1, water; 2, on page 2 of your matrix,
13 related to traffic improvements; 3, traffic
14 contributions on page 3, first column; 4,
15 infrastructure improvements, page 4 of the matrix;
16 5, housing on page 5 of the matrix, and we're going
17 to jump over to 11, which is on page 7, related to
18 the Little League Field; Condition 13, on page 8,
19 related to the cultural resource plan; Condition 14,
20 which is on page 9 of the matrix, related to the
21 golf course water; Condition 18, which is related to
22 the Phase II, that's on page 11, Phase II Department
23 of Health conditions; and Condition 19, which is on
24 page 13, related to agreements with the County and
25 State for infrastructure improvements.

1 Staff, anything else I should make note of?
2 Is that -- that pretty much covers the gamut of
3 things to this point?

4 So we're looking at for the timing at least on
5 the Planning Commission Conditions three, six, nine
6 -- about ten at this point for final discussion and
7 with or without consensus.

8 So that's, sort of, where we're at, Members,
9 and of course if there's any other conditions that
10 you would -- you, as a body, would like to
11 incorporate or any amendments down the road.

12 So with that being said, does the Committee
13 have any preference as to which of the Planning
14 Commission Conditions that have no consensus they
15 would like to start with? Member Anderson?

16 COUNCILMEMBER ANDERSON: Chair? You know, at the close of
17 the last meeting, you asked the developer if he
18 would consider downsizing his project.

19 CHAIR MOLINA: Mm-hmm.

20 COUNCILMEMBER ANDERSON: And I think it would be important
21 for us to know that now --

22 CHAIR MOLINA: Okay.

23 COUNCILMEMBER ANDERSON: -- as we go forward with
24 conditions.

25 CHAIR MOLINA: That -- that's a very good request, Member

1 Anderson. If I could call up Mr. Jencks. And
2 Members, as a -- on a sidenote, our resource
3 personnel, the department heads, they are -- the
4 majority of 'em are at a -- I guess a Civil Defense
5 training, I believe.

6 And at this point, the Chair would ask that if
7 you have any future questions for our various
8 resource people, please either get them through
9 Staff or get them -- you need to get them on your
10 own at this point, okay?

11 Mr. Jencks, of course I asked you near the end
12 of the last meeting to consider a potential proposal
13 of downsizing the project in light of the concerns
14 related to water and any other infrastructure
15 matters.

16 MR. JENCKS: Mm-hmm.

17 CHAIR MOLINA: Can you give the Committee any comment and
18 what you have come up with since our last meeting on
19 that suggestion?

20 MR. JENCKS: Sure, Mr. Chair. Thank you for having me
21 down. I appreciate the question and the inquiry
22 from the Committee.

23 I took a look at your request and evaluated
24 that request against what I know today. And I'll
25 just kind of run through these issues for you and

1 try to explain them as fully as I can.

2 The first issue that -- that really comes to
3 the fore in terms of its significance not only to
4 the Project but also South Maui as a whole is the
5 traffic improvements that are required for the
6 Project. And the -- the most significant is, of
7 course, the improvement to Piilani Highway from
8 Kilohana to Wailea Iki Drive.

9 The Project has taken the responsibility for
10 the design and the construction of that improvement,
11 which is expected to be -- have a value of about
12 \$15 million. That improvement is a function of the
13 State Department of Transportation telling me and
14 other significant South Maui developers that that
15 improvement must be done.

16 Discussions with DOT on the number of units
17 that are the threshold for that requirement are --
18 are insignificant. State Department of
19 Transportation wants that improvement done no matter
20 what is built in this Project. So downsizing the
21 Project puts a larger burden, excuse me, on the
22 units in the Project that will pay for the
23 significant on-site and off-site improvements.

24 So reducing the unit count relative to that
25 significant improvement alone creates an untenable

1 burden on the Project. And that's in addition to
2 the other improvements that are required by the
3 County of Maui that came from the Department of
4 Planning with regard to improvements in Wailea,
5 intersections, signalization, other improvements
6 that are required.

7 Those also, with fewer units, is more -- more
8 difficult to cover in terms of cost. The reduction
9 in units wouldn't make any -- any difference in
10 terms of those improvements that are required
11 either.

12 So we have a static amount of improvements
13 that need to be done, not necessarily because this
14 Project is being built, but because they're
15 necessary today. And we've already talked about the
16 need to get Piilani Highway done as quickly as
17 possible. It's needed today.

18 The alternatives to Piilani Highway from the
19 State Department of Transportation are more onerous
20 than the one I have placed upon the Project today,
21 which is the -- the -- the -- the improvement of
22 Piilani Highway from Kilohana to Mokulele Highway up
23 to an urban standard. That would -- that would even
24 be worse.

25 Their key is that section of highway and

1 getting that done, and we volunteered to do that.
2 But once again, reducing the unit count creates an
3 untenable situation in terms of covering the cost in
4 the market segment of the Project.

5 I'd like to talk for a moment about the issue
6 of water, which we heard a lot about this morning.

7 CHAIR MOLINA: Okay.

8 COUNCILMEMBER ANDERSON: Chair?

9 CHAIR MOLINA: Can you (inaudible) Mr. Jencks (inaudible)
10 while answering questions from the body related to
11 the traffic improvement requirement. Member
12 Anderson?

13 COUNCILMEMBER ANDERSON: Thank you, Mr. Chairman. That
14 makes it much more manageable for us. Mr. Jencks,
15 the cost for improvement -- widening Piilani from
16 Kilohana to Wailea Iki is to be shared between
17 Wailea Resort, Wailea 670, and Makena Resort.

18 And so if you're saying the cost is 15 million
19 to do that widening, then your actual cost will be
20 one-third of that, or it's my understanding that
21 because DOT could not get a traffic impact analysis
22 that included all three -- all three Projects'
23 actual numbers at build-out, that they left it up to
24 you to work out the cost sharing with the other two
25 developers.

1 So could you tell us what you worked out, you
2 know, tentatively as how that 15 million is going to
3 be broken down first?

4 MR. JENCKS: I'd be happy to. Assuming the other Projects
5 go forward, and the other significant Project is, of
6 course, Makena Resort, the -- the proposed breakdown
7 in -- in fee structure is, as I recall, 40, 40, and
8 20.

9 Forty percent for Wailea 670, 40 percent for
10 Makena Resort, and the final 20 percent would be
11 Wailea Resort. And that's what I've seen in -- in a
12 draft agreement.

13 COUNCILMEMBER ANDERSON: And so in lieu of getting out my
14 calculator, how much of that 15 million is going
15 towards Wailea Resort?

16 MR. JENCKS: Well, 40 percent of 15 million, that's --

17 COUNCILMEMBER ANDERSON: You should -- I would think you'd
18 know that.

19 MR. JENCKS: Six million?

20 COUNCILMEMBER ANDERSON: Six million.

21 CHAIR MOLINA: Yeah, give or take a million.

22 COUNCILMEMBER ANDERSON: Okay. And so --

23 MR. JENCKS: That's -- that's the -- that's the
24 construction cost, doesn't include the design or
25 construction engineer, anything like that.

1 COUNCILMEMBER ANDERSON: And so of that 6 million, you're
2 anticipating spreading that cost to 700 market
3 units?

4 MR. JENCKS: My assumption at this point -- to answer your
5 question directly, my assumption at this point is
6 that I will be burdened with the entire 15 million,
7 okay, and that I will have to collect the
8 proportionate share from the other partners, okay?

9 In the end, if the other partners are fully
10 entitled, then they will then pay me their
11 respective share of 40 percent. That -- that has to
12 be my assumption today from a financial point of
13 view.

14 So the 6 million in the end someday when it --
15 all that is realized, the agreements are signed,
16 everybody gets their entitlement to use, the Project
17 is done, whatever that amount is, and we're
18 projecting 15 million today, it could be more, it
19 could be less, but I would venture to say more by
20 the time we get there, yes, that money would be
21 apportioned to the market-rate units in the Project,
22 whatever that number is.

23 COUNCILMEMBER ANDERSON: But Wailea Resort already has
24 their entitlements, and they're already building on
25 their entitlement, so I -- I guess there's no

1 question as to whether or not they are participating
2 in this, so there's that 20 percent.

3 And, you know, I would think that Makena
4 Resort would have to participate, whether they get
5 entitlements or not, because they've already built
6 out, and they are already expanding. So -- and you
7 just told us that DOT wants that done whether you do
8 your Project or not, and it needs to be done now.

9 So, you know, we're going on a lot of
10 assumptions here so to me, the -- the best
11 assumption to go at is what the best case scenario
12 is that you -- you have to deal with, and that's
13 \$6 million that needs to be, I guess, distributed
14 across the 700 market units.

15 And so if -- I guess I'll -- I'll yield,
16 Mr. Chair, and get out my calculator and see what
17 that is per unit. And I guess that another way you
18 could possibly amortize the cost is in the
19 membership fee that you're going to be charging each
20 one of these 700 market units for the golf course.

21 And -- and, you know, we -- we did see one
22 figure, that, you know, \$30,000, but you haven't
23 decided yet exactly how much it's going to be.
24 And -- and just for clarification for myself,
25 everybody who buys a market unit in the Wailea 670

1 Project, will they be obligated to buy a membership
2 to this private course?

3 MR. JENCKS: No.

4 COUNCILMEMBER ANDERSON: Will the -- the homes with the
5 golf frontage, will they be obligated?

6 MR. JENCKS: No.

7 COUNCILMEMBER ANDERSON: So nobody's going to be obligated?

8 MR. JENCKS: You mean as a condition of purchasing a home,
9 buy a membership?

10 COUNCILMEMBER ANDERSON: Yeah.

11 MR. JENCKS: No.

12 COUNCILMEMBER ANDERSON: But you said it's a homeowner's
13 golf course, so if you're not requiring them all to
14 participate in -- in the maintenance cost and the
15 upkeep of the golf course, then how can you, you
16 know, be assured that there's going to be enough
17 ownership in the golf course to make it viable?

18 MR. JENCKS: Any golf course you see that has any kind of
19 membership structure applied to it has a limit on
20 the number of members that can play on the golf
21 course at any one time and also members that can
22 belong to the club because of the amount of play you
23 have to plan for. That limitation is somewhere
24 around 300 to 350 memberships, okay.

25 COUNCILMEMBER ANDERSON: But --

1 MR. JENCKS: You simply cannot -- and we may -- and we may
2 end up having a membership that's -- that's golf
3 play, and we may end up having a membership that's
4 simply to use the facilities, the clubhouse,
5 whatever.

6 COUNCILMEMBER ANDERSON: But that's different from what
7 you've been telling us all along, Mr. Jencks.
8 You've been telling us that this is a homeowner's
9 golf course.

10 MR. JENCKS: It is a homeowner's golf course, but what I'm
11 trying to explain to you is that there's only so
12 much membership potential --

13 COUNCILMEMBER ANDERSON: Right, I get that.

14 MR. JENCKS: -- in the facility, okay? So yes, indeed it
15 is a homeowner's golf course.

16 COUNCILMEMBER ANDERSON: But that means say if the -- of
17 the 700 units in your market units in your Project,
18 say only 200 people buy in to the golf course as --
19 as private owners or private members to the golf
20 course, would you then go and open it up outside to
21 other people in Wailea who might want to have
22 ownership in this private golf course?

23 MR. JENCKS: At this point in time, it's for the -- it's
24 for the ownership in the property.

25 COUNCILMEMBER ANDERSON: So what would you do if only 200

1 people signed up for private membership?

2 MR. JENCKS: I think that, you know, that's speculation. I
3 don't think there will be a problem in this Project
4 getting the required number of memberships in the
5 golf club.

6 COUNCILMEMBER ANDERSON: All right. Thank you, Chair.

7 CHAIR MOLINA: Okay. Thank you, Member Anderson.

8 Committee Members, questions related to the traffic
9 improvement costs that the applicant has to bear,
10 the 15 million?

11 And just so I get it straight, Mr. Jencks, so
12 if you do get your entitlement, you're faced with 15
13 million, but you'll be getting, at this point, a
14 minimum of 3 million back from the Wailea -- Wailea
15 Resort folks and no guarantees with the Makena, the
16 6 million that they are supposed to, I guess, put --
17 put into this traffic improvements, am I correct?

18 MR. JENCKS: With one caveat. That agreement hasn't been
19 signed by the partnership yet. It's a draft
20 agreement.

21 CHAIR MOLINA: Okay.

22 MR. JENCKS: And those were the approximates, that -- as I
23 recall.

24 CHAIR MOLINA: All right, thank you. Members, any other
25 questions related to the 15 million expense?

1 Otherwise, I'll let Mr. Jencks continue with his
2 rationale or concern with regard to the downsizing
3 suggestion from the Chair. Okay, Mr. Jencks, you
4 can continue on.

5 MR. JENCKS: Thank you. The other issue is also
6 infrastructure -- there's two elements of -- of
7 infrastructure I'd like to talk to you about.

8 One is the fact that within the Project, we
9 have to build -- this Project doesn't have a State
10 highway or a County highway running through it. It
11 has a State highway that goes to the end of the
12 property, and one of the conditions you've asked me
13 to do is to extend that State highway up to a point
14 so we could connect with Kaukahi Street and -- and
15 -- the extension of Kaukahi Street and -- and Wailea
16 Resort to do a couple of things, one, civil defense
17 and better access into the property. And we said we
18 think that's a good idea. We'll do that.

19 Once again, however, I have a significant
20 amount of on-site infrastructure in the property
21 that has to be built to serve the residential units
22 we -- we build, the 700 affordable, the 700 market
23 rate.

24 That estimate for utility service, water,
25 sewer, and this is just the on-site system,

1 roadway, cable TV, drainage, the grading, is
2 \$150 million for 1,400 units, okay? Let's just call
3 it an even \$140 million for 1,400 units. That's a
4 hundred thousand dollars a unit in cost that has to
5 be assigned that has to go somewhere. Someone has
6 to pay that.

7 Now, that cost doesn't really change if you
8 reduce the number of units in the Project because I
9 still have to serve the Project. I still have to
10 build roads. I still have to build the utility
11 systems to serve the Project.

12 So that hundred thousand per unit certainly
13 can't go to the affordable units. It has to go to
14 the market rate. So instead of having a hundred
15 thousand, it's now \$200,000 per unit with
16 infrastructure cost that has to be assigned
17 somewhere. Somebody pays that bill, okay?

18 So reducing the unit count, once again,
19 doesn't help that ratio, it exacerbates that ratio
20 and makes it more difficult to make the Project
21 financially sound.

22 The other element of infrastructure I'd like
23 to talk to you about is the issue of water. I
24 heard -- I heard Ms. Anderson say she'd like
25 empirical evidence with regard to the water issue

1 and the source of water.

2 Well, I delivered to the Chairman's office
3 yesterday a letter, I don't know if you have it yet,
4 but that letter documents the current status of two
5 wells that were dug in the water source development
6 area north of Maui Meadows.

7 The wells were permitted by the State of
8 Hawaii, were drilled. Those two wells with a
9 nominal, nominal pumping period per day of 16 hours
10 a day, total for the two wells 700,000 gallons a
11 day, and the water is potable. There's no question,
12 ladies and gentlemen, the water is there, and the
13 water's there in significant enough quantity to
14 produce the water necessary for residential
15 development.

16 Now, I provided a letter documenting the depth
17 of the wells, the chloride counts, the pump test
18 values; and once again, these are nominal values.
19 You can pump more, but this is what we designed to
20 do. This is what we achieved on those two wells.
21 The water's there. However, you need to --

22 CHAIR MOLINA: Hang on. Can -- can I ask one quick
23 question, Member Anderson, of Staff? Staff is --
24 that document of Mr. Jencks delivered yesterday,
25 where is the -- is it located in Binder 8 towards

1 the back or towards the front?

2 COUNCILMEMBER ANDERSON: It's not in the binder.

3 CHAIR MOLINA: Has -- it has not been put in the binder
4 yet?

5 MS. NAKATA: Mr. Chair, Staff hasn't seen the letter.

6 CHAIR MOLINA: Okay. I know I did receive some copies in
7 my office. I haven't taken a look at it yet, but I
8 was just wondering if Staff --

9 MR. JENCKS: I can -- I have my copy. You can make a copy.

10 CHAIR MOLINA: Okay. Staff, you need a recess, short
11 recess to get Mr. Jencks' information and make
12 copies for the Members?

13 MS. NAKATA: We can have copies made while this discussion
14 is proceeding.

15 CHAIR MOLINA: Okay. Okay, Mr. Jencks, you can go ahead
16 and proceed. And I believe Mr. Anderson had a
17 question for you related to water.

18 COUNCILMEMBER ANDERSON: So Mr. Jencks, are you saying that
19 these are recently drilled wells that we haven't
20 heard about previously, and they are in -- are they
21 in the lower ranch water development area in your
22 agreement with Haleakala Ranch?

23 MR. JENCKS: These are wells that we -- we talked about
24 previously in this -- in this Committee meeting. I
25 also provided the maps that showed you where the

1 wells were located. Yes, these are those wells that
2 we permitted and drilled.

3 COUNCILMEMBER ANDERSON: These are new wells?

4 MR. JENCKS: New wells.

5 COUNCILMEMBER ANDERSON: Because -- in the Haleakala Ranch
6 water development area within the agreement you have
7 with Haleakala Ranch?

8 MR. JENCKS: Yes, they are.

9 COUNCILMEMBER ANDERSON: And so they would be below the
10 600-foot elevation?

11 MR. JENCKS: They're actually at the 575-foot elevation.

12 COUNCILMEMBER ANDERSON: Just under the Community Plan
13 District area, which is good. And so they -- they
14 have been drilled according to this agreement with
15 Haleakala Ranch?

16 MR. JENCKS: Yes.

17 COUNCILMEMBER ANDERSON: And when were they drilled?

18 MR. JENCKS: Just completed.

19 COUNCILMEMBER ANDERSON: So since we last met, you had
20 these --

21 MR. JENCKS: They were -- they have been underway for a
22 couple of months. These wells were designed to
23 County standard. We hired Beylik Well Drilling to
24 drill these wells, and they are -- it took 'em a
25 while to drill these well, but they're -- they're

1 straight. One is being reamed now for casing.

2 They're excellent wells.

3 COUNCILMEMBER ANDERSON: And have they been approved by DOH
4 yet as to quality and capacity?

5 MR. JENCKS: These are recent tests we just took and so
6 this information will be reported.

7 COUNCILMEMBER ANDERSON: Okay. I look forward to the
8 letter. So it's -- it's a letter from you, or is it
9 a letter from a licensed engineer that drilled the
10 wells and did the testing?

11 MR. JENCKS: The letter is a letter from me to the
12 Committee Chair reiterating information I received
13 from the Project hydrologist.

14 COUNCILMEMBER ANDERSON: And -- and you haven't gotten
15 anything in writing from the Project hydrologist
16 that we could see?

17 MR. JENCKS: Yes. Sure. I'd be glad to provide that.

18 COUNCILMEMBER ANDERSON: That would be good, if we could
19 see that.

20 CHAIR MOLINA: Okay. Thank you, Member Anderson.
21 Committee Members, any other questions for
22 Mr. Jencks related to water as it ties into the
23 downsizing suggestion?

24 MR. JENCKS: Mr. Chair, I -- I wanted to continue on.

25 CHAIR MOLINA: Okay, continue.

1 MR. JENCKS: The -- this Project has got a limited water
2 budget and much has been made about -- about the
3 limited water budget for the Project. Am I sure I
4 have enough water. Today -- and I -- and I've
5 provided testimony and I've provided, you know,
6 quantitative information to the Committee that
7 demonstrates I believe that I have enough water.

8 But this Project isn't being built with an
9 unlimited amounts -- amount of water to be had. It
10 has a water budget. I'm going to start residential
11 development. I've got to build affordable housing
12 (end of tape 4B) I can close on any market rate
13 housing. There's going to be a demand for that
14 water, and the water is going to be used to satisfy
15 that demand, but there's a limited amount.

16 I can't go to the tap with the County of Maui
17 everyday and turn it on and get more water. So in a
18 global sense, I am constrained anyway in the amount
19 of units that can be built on the property.

20 And, you know, in all honesty, I'm not going
21 to know until I get into this Project and find out
22 exactly what the water demand is; but the thing you
23 have to remember is, Members of the Committee, I've
24 got to build the affordable housing first before I
25 can build a lot of market-rate product, which means

1 that the affordable housing will get the water
2 first.

3 The second thing, it has to do with
4 construction timing. The way the affordable housing
5 agreement reads, and I'll read to you a section. It
6 says, in quote, Residential workforce housing units
7 shall be made available for occupancy either before
8 or concurrently with market-rate units at the same
9 ratio required of the development and etc., etc.,
10 etc.

11 When I build affordable housing, or when
12 anybody builds affordable housing in the economy
13 here in Maui County, they don't build it in onesies
14 and twosies. They build it in increments that are
15 financeable. A hundred units, preferably 200, and
16 you break that down into smaller phases.

17 A significant commitment needs to be made to
18 build those affordable housing units up front. You
19 got to fund it, you got to build it. But the key
20 is, the key is that until I can sell or close on a
21 market-rate unit, that stuff's got to be done. And
22 once again, it's not done by onesies and twosies.

23 If I'm building town homes, if I'm building
24 duplexes, any kind of attached product, Mr. Chair,
25 Members of the Committee, that stuff requires a

1 certificate of occupancy, and that's what it says
2 here.

3 I need to get a CO for that structure, which
4 means it's done before I can get any substantial
5 return on the market-rate product, okay? So that's
6 self-limiting as well.

7 It's a significant amount of risk that I'm
8 taking on a significant amount of affordable homes
9 that I'm putting off or placing against the
10 potential to recoup that subsidization from the
11 market rate side of the product -- from the Project.

12 The other part of that is that I don't know
13 what the market will do, but I have to make a
14 commitment to you, and I've made that commitment,
15 that we will stick with the 50 percent requirement,
16 regardless of any lawsuit, and build that
17 requirement on the Project.

18 I am self-limited. I don't know what the
19 market's going to do with market rate, but I
20 certainly know today what is needed for affordable
21 housing in Maui County. That places significant
22 risk on the property, on the Project. Limiting the
23 density, the total unit count works against that
24 financial feasibility.

25 CHAIR MOLINA: Okay. Mr. Jencks, are you done now?

1 MR. JENCKS: Yes. Thank you.

2 CHAIR MOLINA: Can I open the floor again? Okay. Member
3 Pontanilla, followed by Member Anderson.

4 VICE-CHAIR PONTANILLA: Thank you, Charlie, for some, you
5 know, financial information. You know, you
6 mentioned earlier that it's going to cost you
7 \$140 million just to do the infrastructure within
8 the subdivision, which are the roads, curb gutters,
9 underground utilities, and so forth.

10 The question that I have is in regards to
11 those affordables. If you got to build affordables
12 up front, how much it's going to cost you? You
13 know, in my mind already I have 140 million and
14 possibly \$50 million in -- out of concessions that
15 you need to come up, so I'm looking at almost
16 \$200 million. So as far as the affordables
17 themselves, how much will that entail in regards to
18 dollar?

19 MR. JENCKS: I can give you a good example. If you're
20 looking at rental units and you use tax credit
21 financing, State, Federal, whatever's available to
22 help you, you know, keep the cost down, make it
23 financially feasible, my contribution to every one
24 of those units will be the value of the land. I got
25 to throw the land in for free, and that's roughly

1 \$60,000 a unit, okay?

2 I also have to contribute a hundred thousand
3 dollars a unit into the construction to make the
4 Project viable. So if I'm building a rental
5 project, I have to, out of pocket, give the land and
6 pay cash to have someone else help me build rental
7 units.

8 Now, if you take 250 units times 160,000, I
9 don't have my calculator here, but that's a lot of
10 money. Twenty million, \$22 million. That's out of
11 pocket so that I can get those rental units built,
12 in addition to all those other subsidized costs
13 that -- that we have to handle.

14 On the -- on the for sale product side, lots
15 or homes, it's going to be similar to that per unit.
16 And that cost, as you know, Joe, is -- you just keep
17 pushing it up to the next highest bracket till you
18 get out till the market rate product, and they're
19 going to pay the freight. I hope I -- that answers
20 your question.

21 VICE-CHAIR PONTANILLA: Yeah. I attended a seminar
22 yesterday, and -- and one of the issues that -- you
23 know, it was an affordable housing seminar, and one
24 of the things they talk about is that, you know,
25 nothing comes for free, and I believe that.

1 And, you know, when you look at cost today to
2 develop anything, you know, who in their right mind
3 going to provide you financing to lose money?

4 So the question that I have here, you know,
5 what is the (inaudible) -- well, I -- I cannot say
6 how much money you going to make on this particular
7 Project, but -- you know, I -- I really don't know.

8 You know, understanding financing, you know,
9 people don't want to lose money when they create
10 anything. And I hope that whatever profits that you
11 make, you know, it's sufficient for you to, well, I
12 -- I guess satisfy the banks, the people
13 that supporting this particular Project because it
14 plays a big part in trying to build any kind of
15 development. Who's going to lend you that kind of
16 money to develop.

17 MR. JENCKS: Was that -- was that a question?

18 VICE-CHAIR PONTANILLA: No, that's a comment.

19 MR. JENCKS: Okay. Well, you know, I've been -- I tell
20 you, just briefly, I've been asked that question a
21 number of times. I was asked that question by -- by
22 Richard Michaels of Maui Tomorrow when I made a
23 presentation to the Board.

24 He -- he asked me how much money I was going
25 to make on this Project. And I said, you know, if

1 you could tell me, I'd really like to know because
2 I've been in this process now -- it will be
3 seven years this coming February in this process
4 just getting through the ETU process, the
5 Entitlement to Use process.

6 And, you know, I was talking to Councilmember
7 Mateo about the term of this Project, how long it's
8 going to take. And I expressed to him, I said look,
9 I don't know how many economic cycles we're going to
10 go through. It could be two, it could be three, it
11 could be four.

12 So if somebody could tell me, if they got a
13 good crystal ball, how much money we're going to
14 make, I'd really love to hear it. But I tell you
15 what, so far, it's pretty much a nonprofit
16 organization.

17 CHAIR MOLINA: Okay. All right, thank you, Mr. Pontanilla.

18 Member Anderson, you had a question for Mr. Jencks?

19 COUNCILMEMBER ANDERSON: Yeah. Thank you. You know, you
20 said that the -- I guess the water is what is going
21 to be the limiting factor and -- and how much you
22 can build out. And you say now that you have two
23 wells producing 700,000 potable, which means you
24 don't have to desal it.

25 MR. JENCKS: The -- the water today is potable. I would

1 suspect -- and the hydrologist said as you pump it
2 down, it's probably going to go brackish, but we've
3 also said we would do reverse osmosis to clean it
4 up.

5 COUNCILMEMBER ANDERSON: And so if you have to go reverse
6 osmosis, you're going to need more water.

7 MR. JENCKS: That's correct.

8 COUNCILMEMBER ANDERSON: And -- and you also need a backup
9 well. So are -- are you going to be drilling more
10 wells?

11 MR. JENCKS: That -- that's a really good question. These
12 are -- these are two wells that we located
13 strategically based upon the hydrologic information
14 we had available to us, and they did really well.
15 These are good production wells.

16 The direct answer is yes, we will probably, in
17 the end, Council Member, reduce the pumpage from
18 each well, just like the USGS and the Department
19 talked about with regard to the system here in West
20 Maui, reduce that pumpage per well to a lower rate
21 and even it out, and we will have backup wells and
22 additional wells to get that supply we need. So we
23 can reduce the number of hours we pump per day, take
24 a smaller amount out of the -- out of the aquifer.
25 That's the ideal situation.

1 COUNCILMEMBER ANDERSON: And, you know, it's interesting
2 because at the same -- basically the same elevation,
3 just -- actually, at a -- at a higher elevation, the
4 exploratory well that DLNR did only produced 140,000
5 gallons a day.

6 So my question is, you know, in your agreement
7 with Haleakala Ranch for these -- this water
8 agreement, they're supposed to be getting some
9 excess water, and it says on page 3 that -- I'm not
10 going to read the whole thing, but it's under "Final
11 Zoning Approvals," it says that WCPT shall have the
12 right to reduce the number of single-family or
13 multi-family residential units comprising a part of
14 the Wailea 670 Project to below the number thereof
15 stated in said applications to such number as WCPT
16 shall deem to be appropriate.

17 So you obviously have that in there for a
18 reason, and -- and I'm just assuming it's -- it's
19 because of the water, if you're restricted by how
20 much water you can actually produce. Is that the
21 reasoning for that?

22 MR. JENCKS: My recollection of that clause is in there --
23 it's in there because we didn't know exactly what we
24 would end up with in terms of entitlement, and we
25 were representing the Haleakala Ranch at the time,

1 1,400 units. It could be less than that. We wanted
2 the ranch to understand it could be less than
3 1,400 units.

4 COUNCILMEMBER ANDERSON: But then you just told us this
5 morning, or just a few minutes ago, that it's not
6 economically feasible for you to reduce the number
7 of units.

8 So it seems to me like you could be in a
9 Catch-22 here because once you start, you've got to
10 put all that investment into the infrastructure.
11 And then if there -- if it turns out that there
12 isn't enough water and you have to reduce the number
13 of units, then again, you're going to have to, I
14 guess, increase the cost per unit in the market
15 share, not only to absorb the loss in the market
16 units but also to absorb increase cost for the
17 infrastructure of the less number of affordable
18 units that would go along with the less number of
19 market units.

20 So I -- I'm a little nervous for you, and
21 nervous for us, and I'd sure like to see that
22 water -- that letter and some kind of verification
23 from the Department of Health.

24 How soon will you be submitting your
25 information -- your engineer's report to the

1 Department of Health for their review?

2 MR. JENCKS: As soon as these wells are cased and the pumps
3 are installed, which is a ways down the line. We're
4 going to be drilling additional wells as well.

5 COUNCILMEMBER ANDERSON: You will?

6 MR. JENCKS: Mm-hmm.

7 COUNCILMEMBER ANDERSON: So that you could hopefully spread
8 out the pumpage and increase it at the same time?

9 MR. JENCKS: Yes, that's -- like I described.

10 COUNCILMEMBER ANDERSON: Yeah. And how long have you
11 pumped the wells that you've currently drilled?

12 MR. JENCKS: I don't -- I don't recall.

13 COUNCILMEMBER ANDERSON: You know, continue -- you know, in
14 order to get your 700,000 gallons per day per well
15 figure, was that, you know, pumping it one day,
16 pumping it three days in a row, pumping it, you
17 know, twenty-four seven for a week or what?

18 Because, you know, in order to get a
19 stabilized draw, you have to pump it for some period
20 of time, not just one day.

21 MR. JENCKS: Well, these were -- these were open bore hole
22 pump tests. And, in fact, what happens -- and by
23 the way, it's 700,000 gallons for both well, not
24 each.

25 COUNCILMEMBER ANDERSON: Oh, it's 700,000 total?

1 MR. JENCKS: It's cumulative. I said cumulative.

2 COUNCILMEMBER ANDERSON: Oh, I thought you said for each
3 well.

4 MR. JENCKS: Seven hundred thousand gallons for both wells.
5 Cumulative. These were open -- these were open bore
6 pump tests. And in reality, what generally happens
7 with a well of this quality, or wells of this
8 quality, the drawdown was -- in one well was I -- as
9 I recall, was three-tenths of a foot after the --
10 during the pump test, which is remarkable. That
11 indicates there was a significant amount of water in
12 that aquifer in that area, and the recovery was very
13 quick.

14 What happens in reality, once you case these
15 wells and you put in the steel casing and you
16 confine and -- and structure the inflow of water
17 into the well, that actually is reduced by about
18 50 percent. So the expectation, based upon
19 experience in this area, is that the wells will be
20 even better once they're cased.

21 So, you know, these are -- these are tests
22 that are -- done when you dig a well, you test it
23 right away, what have I got? I've got this chloride
24 level. One of the wells came in at 215, one of them
25 came in at 225.

1 The temperatures were not in the cold, they
2 were in the 70-degree range. They're reaming,
3 almost reamed out on one well they'll case it and
4 then I'll do additional testing, but the
5 indications, based upon industry standards, are that
6 these are good wells that you would invest money in
7 for production purposes.

8 COUNCILMEMBER ANDERSON: And so in your letter that we've
9 just gotten here, it shows that the length of time
10 that each well was pumped was 16 hours.

11 MR. JENCKS: No, that's not what it says. It says --

12 COUNCILMEMBER ANDERSON: Well, yes, it is. It says
13 projected supply at 300 gallons per minute, 16-hour
14 pump clearly. And then the other one, which is
15 288,000 gallons per day, and then the other well
16 projected supply at 450 gallons per minute, 16-hour
17 pump, 432,000 gallons per day clearly. Based upon a
18 nominal 16-hour pump rate, these wells will deliver
19 over 700 gallons per day for the Project.

20 So you're telling me that they didn't pump
21 them 16 hours?

22 MR. JENCKS: What I'm trying to explain to you is the
23 proper reading of the letter, and maybe I wasn't
24 quite clear enough, is that I'm saying projected
25 supply with the pump at 300 gallons per minute,

1 16-hour pump, is 288,000 gallons per day.

2 COUNCILMEMBER ANDERSON: Well, my question, Mr. Jencks, was
3 how long were these wells pumped in order to give
4 you that test amount?

5 MR. JENCKS: I could -- I could get you that information.
6 I don't --

7 COUNCILMEMBER ANDERSON: Oh, you don't know?

8 MR. JENCKS: No.

9 COUNCILMEMBER ANDERSON: Thank you, Chair.

10 CHAIR MOLINA: Okay. Thank you, Member Anderson. Members,
11 any other questions for Mr. Jencks? Member Baisa,
12 followed by Member Mateo.

13 COUNCILMEMBER BAISA: Thank you, Chair. Thank you very
14 much for this new information. This is very good.
15 As you can imagine, the majority of the questions
16 that we hear and the majority of the testimony we
17 hear is all about water in regards to this Project.

18 I hear very little about the many other
19 issues. I think people kind of feel like if we can
20 solve the water issue, then maybe we can work on the
21 rest.

22 What is the total need that you're going to
23 need on build-out in terms of production of water,
24 potable water? More or less.

25 MR. JENCKS: We're -- we're -- my commitment to the

1 Committee is a million-and-a-half gallons a day is
2 what I can take off of Haleakala Ranch.

3 I provided to the Committee information that
4 indicates you take 1,400 units, and you figure a
5 thousand gallons per day per unit, that's 1.4
6 million gallons a day; however -- and that's just a
7 straight-line projection.

8 COUNCILMEMBER BAISA: Right.

9 MR. JENCKS: You do know -- I mean, Councilmember Anderson
10 knows that some of the homes in Wailea use 2,000
11 gallons a day for -- for irrigation.

12 COUNCILMEMBER BAISA: Mm-hmm.

13 MR. JENCKS: And -- and -- and yet, and as I've provided
14 information to you, multi-family units use far less
15 per day.

16 COUNCILMEMBER BAISA: Right.

17 MR. JENCKS: You know, 400, 500 gallons per day of water
18 for domestic use, and they don't use it for
19 irrigation. They use nonpotable water for
20 irrigation, for example.

21 So I guess in -- in direct response, the 1.5
22 million gallons a day that we are able to take from
23 Haleakala Ranch property and our well field and
24 treat it, we'd have access to 1.5 million gallons a
25 day for domestic use.

1 I don't believe, based upon reality in South
2 Maui and some reasonable controls, which I think is
3 what everybody likes to see with regard to watering
4 lawns and -- and ornamental horticulture, you
5 shouldn't be using domestic water for that purpose,
6 I think that we can satisfy that demand with the 1.5
7 for the 1,400 units. I really believe that, based
8 upon what people are using today in South Maui.

9 COUNCILMEMBER BAISA: Are we thinking, then, about some
10 kind of CC&Rs or restrictions or whatever on the
11 people who live there?

12 MR. JENCKS: I would say you're probably going to see that
13 kind of restriction in some areas of the Project.
14 We have said, from the beginning, that this Project
15 -- we've got a limited amount of water here. We
16 can't -- I can't build -- this isn't Wailea. I'm
17 not intending to build Wailea. That's not what I
18 want to build.

19 So yes, I think in direct response, there
20 should be, there will be restrictions on what people
21 can use and what they can use it on. There's only
22 so much water.

23 COUNCILMEMBER BAISA: I think it's really important because
24 I hear over and over and over about how people are
25 chafing under restrictions, and it's mostly the

1 people that have never had to deal with it before.

2 And I think as we go forward here in Maui
3 County, that this is going to be the order of the
4 day, that we're going to have to change the way we
5 look at water.

6 MR. JENCKS: Mm-hmm.

7 COUNCILMEMBER BAISA: Otherwise, we're going to have to
8 say, you know, we either -- none of us can even plan
9 on living here. Our children can't live here
10 because we are going to need more water. Even if we
11 didn't build Wailea 670, we need water.

12 So I think we really have to address this
13 issue head-on. And I think that if we can prove to
14 the community that this Project can stand on its own
15 in water, that a lot of the concerns will go away.

16 And I think that's why I'm -- I'm very
17 interested in it, and I want to know all about it,
18 and I think we need to discuss it openly --

19 MR. JENCKS: Mm-hmm.

20 COUNCILMEMBER BAISA: -- so that the folks that are
21 watching us will know and hear and feel some comfort
22 level. Oh, and we need it, too, here, as councilors
23 having to make a decision.

24 MR. JENCKS: Well, you know, Gladys, there's considerable
25 risk in this process for all of us, financial and

1 political, certainly.

2 But I've said over and over to this Committee
3 that we do expect the water to be brackish, and we
4 do expect to have to provide reverse osmosis
5 treatment for this water for domestic use.

6 If a project in this County can do that, in my
7 mind, that's leadership because clearly, listening
8 to the Water Committee meetings and the -- you know,
9 the proposed ordinance, show me the water, the idea
10 of getting into the brackish lens, getting basal
11 water, if it is brackish, and treating it at a
12 reasonable cost so people can use it and still have
13 affordable housing and pay for affordable housing,
14 that's where we should be going. And if this
15 Project does that, it will be -- it will be an
16 example for everybody else.

17 COUNCILMEMBER BAISA: Well, I certainly can go there.

18 We've got to find a new way of, you know, getting
19 water. And, of course, for me, the other piece is
20 we've got to make good use of the water we have.

21 MR. JENCKS: Mm-hmm.

22 COUNCILMEMBER BAISA: I am totally stoked on we've got to
23 do something about conservation. So if we do both,
24 I think we can find a way to do what we need to do
25 here so that we can provide homes for people that

1 need them. Thank you.

2 MR. JENCKS: You're welcome.

3 CHAIR MOLINA: Thank you, Member Baisa. Mr. Mateo?

4 COUNCILMEMBER MATEO: Chairman, thank you very much.

5 Mr. Jencks, thank you. And I'd just like to follow
6 up on one of the questions that Ms. Baisa just
7 touched on.

8 Your understanding of limited water
9 availability and knowing that you will have
10 restrictive use of the water, does that also -- are
11 you kind of telling us that perhaps in the design of
12 the CC&Rs that there will be a restriction on
13 swimming pools?

14 MR. JENCKS: I hadn't frankly thought about that, but --

15 COUNCILMEMBER MATEO: Yeah, just -- just a -- just a
16 thought that, you know, she kind of, like, spurred
17 me.

18 MR. JENCKS: There won't be any waterfalls or koi ponds
19 with big --

20 COUNCILMEMBER MATEO: I hope not. But I wanted to ask you,
21 you know for the affordables, the -- the
22 250-apartment unit --

23 MR. JENCKS: Yes.

24 COUNCILMEMBER MATEO: -- that's going to be built away
25 from -- considering to be built outside of the

1 Project site, the access to water for these units
2 has nothing to do with these two wells?

3 MR. JENCKS: That's correct.

4 COUNCILMEMBER MATEO: It's going to be County water?

5 MR. JENCKS: That's correct. And if I may --

6 COUNCILMEMBER MATEO: Go ahead.

7 MR. JENCKS: -- Mr. Mateo, as a part of the large lot
8 subdivision that was done and finalized for the
9 property -- actually, it hasn't been final yet,
10 we're working on the civil plans, the property
11 received a 2-inch water meter from the County of
12 Maui that's been installed. And that -- that water
13 has been dedicated to that affordable housing
14 Project.

15 We may need more, but the other part of that
16 solution is that part of our civil plans for that
17 subdivision are the construction of a 1 million
18 gallon water tank at about the 220-foot elevation
19 above Ohukai.

20 There's already one above Ohukai that is
21 creating some problems with supply and pressure in
22 the Ohukai area, so we've agreed to build a 1
23 million gallon tank for the Department of Water
24 Supply farther south parallel to that -- that first
25 tank to supply that water. So I'll have -- so I'll

1 have storage and supply.

2 COUNCILMEMBER MATEO: Thank you.

3 MR. JENCKS: You're welcome.

4 COUNCILMEMBER MATEO: Thank you, Chairman.

5 CHAIR MOLINA: Thank you, Mr. Mateo. Member Johnson?

6 COUNCILMEMBER JOHNSON: Yes. And this morning, I was
7 listening to some of the things that were being, I
8 guess, given by testifiers and then also I recall
9 what Mr. Ing had said with regard to availability of
10 water.

11 And what you're saying right now is that you
12 do have water? Because that is not what, I guess,
13 Mr. Ing had indicated at our last meeting. He said
14 if it were, I guess, being looked at from the Water
15 Department side, he said that there would be no
16 water available right now.

17 MR. JENCKS: From the Department of Water Supply?

18 COUNCILMEMBER JOHNSON: Yes. He said that in our past
19 meeting.

20 MR. JENCKS: Yeah, that -- that's no surprise to me.

21 COUNCILMEMBER JOHNSON: Okay. With regard to the rentals,
22 though, I heard several of the people say they
23 didn't want rentals, they wanted their own homes.
24 And, I mean, these are people that are supporting
25 your Project, so how do you square the rental aspect

1 with what the demand is for union people and others
2 that might be living in those units?

3 MR. JENCKS: Well, I look at it a couple of ways, but I
4 prefer to look at it the way we approached the idea
5 of doing something before we get anything done
6 substantially in Wailea 670, building some product
7 to suit or address the specific housing need that
8 exists today in Maui County, and that is affordable
9 rentals.

10 The Workforce Housing Ordinance allows us to
11 build housing off site, but yet at a previous
12 meeting, I said to this Committee if this Committee
13 wants me to build all the housing on property,
14 that's exactly what I'll do.

15 However, if you like the idea of getting
16 something done and addressing a specific need that
17 exists today, yes -- listen, there are lots of
18 people here today who would rather have a house than
19 have to rent an apartment, but there are also quite
20 a few people who just don't want a house and would
21 rather rent. They don't want the -- they don't want
22 the responsibility, they -- maybe they don't have
23 the credit. There are a whole lot of reasons why
24 people don't want to go there.

25 So trying to address that need -- and I'm not

1 trying to segregate people, but hey, the land exists
2 today, the civil design work is underway and
3 reviewed by the County of Maui, it's something we
4 could -- we could achieve and address a specific
5 need. That was the idea, pure and simple. Yes,
6 there are people that want a house, yes, the other
7 450 units in the Project will provide homes for
8 people.

9 COUNCILMEMBER JOHNSON: Yeah. And -- and I do appreciate
10 that because I think that the most recent project we
11 had at Maui Lani was providing affordable rentals,
12 and it was really sad to see that they made a choice
13 to withdraw it.

14 MR. JENCKS: Mm-hmm.

15 COUNCILMEMBER JOHNSON: Mr. Chair, if we could get a
16 response in writing from the Water Director because
17 he was very clear about what he said about
18 availability of water for the Project that was
19 outside of the actual project area for Wailea 670.
20 I -- I really would like to have something in
21 writing from him.

22 CHAIR MOLINA: Okay. We'll try and get the Water Director
23 to respond to us in a letter. If not, we can see if
24 we can transpose the minutes of the last meeting.

25 COUNCILMEMBER JOHNSON: Mm-hmm.

1 CHAIR MOLINA: Staff, if that's possible. I don't know if
2 those minutes have been completed. That last
3 meeting occurred I think it was -- was it
4 September 18th or September 19th? Nineteenth?
5 Yeah.

6 So if we could -- I believe Mr. Ing was with
7 us for the first portion of that meeting so we'll --
8 we'll -- if we don't get a letter from him, we'll
9 try and transpose those minutes.

10 COUNCILMEMBER JOHNSON: Yeah, transcribe.

11 CHAIR MOLINA: Transcribe. Sorry. Thank you for that
12 correction.

13 COUNCILMEMBER JOHNSON: No, and -- and I know for certain
14 because that was one of the points that he had made.

15 With regard, Mr. Jencks, again, because there
16 is housing that is outside of your Project area
17 which has its own, I guess, impacts, issues,
18 whatever, how is that going to be addressed?

19 Because basically, when we look at an
20 Environmental Impact Statement, it looks at all
21 aspects of, I guess, components of a development.
22 Because this is outside the Project area, how are
23 you addressing that?

24 Because it -- it always puzzles me. When we
25 get a situation like this, I don't -- I don't know

1 how -- how that's being handled as a component of
2 your entire Project.

3 MR. JENCKS: Well, one real simplistic way to look at that
4 concern is if I have 1,400 units in the property and
5 I'm taking 250 and putting them someplace else in
6 North Kihei, then that lessens the impact for 670
7 because I have fewer units, okay?

8 COUNCILMEMBER JOHNSON: Mm-hmm.

9 MR. JENCKS: The -- the environmental documentation that
10 was done for Wailea 670 was for a community plan
11 amendment. An EIS was done for a community plan
12 amendment. That EIS was accepted and finalized by
13 OEQC and the Department of Planning. The community
14 plan amendment was approved back in the early '90s.

15 The -- the residential component built off
16 site, the 250 units, was a -- in an area that was
17 designated as light industrial in the community
18 plan, it was then zoned by Mr. Henry Rice of
19 Kaonoulu Ranch in the mid '90s, and an environmental
20 assessment -- well, I'm not sure what was done at
21 the time, but it has -- it was zoned for Light
22 Industrial.

23 And the Light Industrial district, as you
24 know, has -- it has a variety of uses that are
25 allowed and permitted. That Project went through an

1 extensive review.

2 I remember I was -- I think I was the Director
3 of Public Works at the time not only with -- with
4 the Council but also the State Land Use Commission
5 for urbanization and the change in zoning. It was
6 already analyzed as a Light Industrial District.

7 One of the nice things about the property in
8 terms of impact is that, you know, Rob Parsons said
9 well, it's -- gee, it's right next to a highway.
10 It's right next to the Kihei Upcountry roadway.
11 Gee, what a great place to live.

12 If I live Upcountry, I can get there like
13 that. If I have to go shopping, I can get onto
14 Piilani Highway like that. It's in a good spot.
15 You have employment, retail, housing in North Kihei,
16 and you're closer to town, you're closer to the new
17 four-lane Mokulele Highway. It's kind of an ideal
18 situation, I think, from a planner's perspective.

19 In terms of its evaluation, environmental
20 impact, once again, we had 1,400, now we have 1,400
21 less 250 in 670, which lessens the impact, and you
22 have 250 units and a piece of land that was
23 community planned and zoned by the Council for light
24 industrial use, and all of that was analyzed at the
25 time.

1 COUNCILMEMBER JOHNSON: Yeah. And -- and that -- I -- I
2 understand that, but I guess comprehensively when
3 I'm looking at it, I know you were originally
4 entitled to build, I think, the two golf courses and
5 the clubhouse, so that's what the entitlement is, is
6 that correct?

7 MR. JENCKS: You know, I've heard that term a number of
8 times, entitled. Let's be real careful here. The
9 community plan application described what it was
10 that at the time the ownership wanted to do on this
11 property.

12 If you look at the community plan, the
13 "entitlement" in quotes, end quote, that's in the
14 community plan basically describes Project District
15 9 and includes things like golf courses, housing,
16 VMX, public facilities, etc., which is consistent
17 with our proposal today.

18 I'm not sure how you describe that as
19 entitlement. It's just it -- it's giving us a
20 direction in terms of the community plan as to what
21 the community wanted built in the area. But it's
22 not -- I'm -- I don't know if that's entitlement
23 because I don't think it is. I mean --

24 COUNCILMEMBER JOHNSON: Yeah. And -- and Member Anderson,
25 I -- I think, has a comment, too. The one thing

1 that I just want to make certain of is in terms of
2 (end of tape 5A) when the Project was introduced
3 when it went through the environmental reviews and
4 it went through the -- I guess, the morphing into
5 what it currently is, what we look at sometimes is
6 projects, based on public comment, change over time.
7 The density has changed. Different factors exist
8 now that did not exist back when, I guess, the
9 review was done.

10 So what I would like to know, at least from my
11 perspective, is that whatever possible adverse or
12 even beneficial, I guess, components of this exist,
13 that we take all of it into consideration, as you
14 stated it, but it's something that I think at some
15 point in time it just needs to be looked at
16 comprehensively.

17 Because as I heard one of the testifiers say
18 this morning or question, the cumulative impacts of
19 a lot of smaller developments oftentimes have the
20 same kind of effect as one large development.

21 So I just want to make certain from a legal
22 perspective that we're doing our job and making sure
23 that it has all been addressed within the EA or the
24 EIS. Thank you, Mr. Jencks.

25 MR. JENCKS: Sure.

1 CHAIR MOLINA: Okay. Thank you, Member Johnson. Member
2 Anderson?

3 COUNCILMEMBER ANDERSON: Thank you, Chair. I -- I do think
4 that semantics sometimes cloud the issue. And the
5 term entitlement, as a former planner, I've always
6 seen entitlement and was trained to consider
7 entitlement when you receive zoning.

8 That allows you to go forward, do your
9 subdivision. You know, when you have your State
10 boundary classification in line with a community
11 plan designation and then the zoning, then you've --
12 you're lined up and entitled to subdivide and start
13 to build.

14 So a community plan designation is not
15 entitlement. And as a matter of fact, in our
16 Kihei/Makena Community Plan, it specifically says --
17 now I don't have the page. I thought I had the page
18 here. Oh, here we go. You know, this community
19 plan was adopted -- I believe it was adopted in
20 1998.

21 MR. JENCKS: Ninety-eight?

22 COUNCILMEMBER ANDERSON: And at that time, it was the first
23 community plan that made such a big issue of
24 infrastructure concurrency because back then, we had
25 infrastructure problems.

1 And so in the community plan, there is that
2 infrastructure concurrency provision all throughout
3 the plan. And it specifically says -- under policy
4 recommendations, it says that upon adoption of this
5 plan, it shall be required that adequate facilities
6 and infrastructure will be built concurrent with
7 future development along with or before it.

8 And this is the key sentence. The Land Use
9 designations on the community plan map are not an
10 assertion that infrastructure will be provided to
11 these areas but merely that it would be appropriate
12 to develop these areas as designated on the maps if
13 the necessary infrastructure and services are
14 available.

15 So I just want to make that clear because, you
16 know, just because it's in the community plan as a
17 designated future use doesn't mean that it's
18 appropriate to build out unless we have the
19 infrastructure in place.

20 And -- and I want to get back to the water
21 because Mr. Jencks had said previously that the most
22 water he can take from Haleakala Ranch lands is 1.5
23 million gallons per day.

24 But actually, in your agreement under rights
25 to water from WCPT wells, you know, Haleakala Ranch

1 is hoping that they can get some share of excess
2 water if there is any. But it does say that, under
3 your rights, because water from the WCPT wells may
4 require treatment in order to yield WCPT's maximum
5 water allocation, which is 1.5 million gallons, the
6 actual amount that WCPT extracts from the WCPT wells
7 could exceed 1.5 million gallons per day.

8 So I think it's very important that we're
9 careful about what we say, you know, that might be
10 construed other than what is already promised and
11 documented in writing. And -- and that's the reason
12 I'm concerned about us getting some real live pump
13 tests, Mr. Jencks, because, you know, back in -- in
14 August of '07, you told us -- excuse me. You told
15 us that with regard to the number of wells needed to
16 address the supply needs of the Project, five wells
17 pumping at 350 gallons per minute, plus one well for
18 standby for a total of six wells in the source area
19 will be able to address the total demands of the
20 Project.

21 So you have -- and, you know, it's kind of
22 hard to tell if in these five wells you're including
23 the two nonpotable wells that have already been
24 drilled for golf course irrigation.

25 And -- and so my concern is that you get us

1 some kind of verification because if you have a
2 total of 700,000 -- you know, a projected 700,000
3 gallons of nonpotable water from the two wells that
4 you have just now drilled and you need 1.5 nonpot --
5 potable, how -- and -- and you really haven't done
6 any lengthy pump test to, you know, stabilize the
7 draw so you get an idea, I'm wondering if you -- you
8 know, what's your next step?

9 Are you ready to just try to get those two
10 wells approved by DOH, go to them with construction
11 plans for approval, and -- and get approval from
12 them to finalize your construction improvements so
13 that you can draw the wells on a -- you know, a more
14 consistent basis so you can get a clearer idea of
15 what the capacity and the chlorides will be that
16 you'll have to adjust to?

17 So are you moving forward on that so that we
18 can have some anticipation? I mean, I'm really glad
19 to see that you've already drilled the wells, you've
20 got some idea of what the chloride levels are and
21 some idea of what the -- you know, the source
22 capacity that -- that's there, but that's only two
23 wells, and -- and you're a long ways off from 1.5
24 million, given the fact that you're going to have to
25 draw at least 25 percent more than that in order to

1 desalinize it and end up with the 1.5.

2 And -- and -- and so are you just going to do
3 this in increments, do these two wells, see if you
4 can get that passed through DOH, get a capacity
5 reading and a quality reading from them and approval
6 from them and then go forward, or are you going to
7 try to drill more wells so that you have assurances
8 that you're going to end up with 1.5 million before
9 you start investing all your money in
10 infrastructure?

11 MR. JENCKS: Well, going back a few minutes, you talked
12 about the five wells, 300 gallons per minute. That
13 did not include the two irrigation wells on
14 property.

15 COUNCILMEMBER ANDERSON: Okay.

16 MR. JENCKS: That did not.

17 COUNCILMEMBER ANDERSON: Okay.

18 MR. JENCKS: Those were -- the wells that -- at the time --
19 and -- and, you know, we -- we may be pretty close
20 to that projection. It could be five or six for
21 domestic use, and you're -- you're absolutely
22 correct. And I have said a number of times it's 1.5
23 million gallons a day net to the property after we
24 take out for treatment.

25 COUNCILMEMBER ANDERSON: Not gross?

1 MR. JENCKS: Right. It's net. Exactly. Correct. The
2 next step for us is to take the wells that we've
3 drilled, ream the holes, case them; and while we're
4 doing that, apply for the pump installation permit,
5 the long-term pump, electrical power coming to these
6 wells to get -- set them up.

7 In terms of drilling additional wells, that
8 will be done on a -- on an -- ideally, on a -- on a
9 schedule because it's -- it's a significant
10 investment and -- and a high capital cost, and --
11 and you -- I mean, you just don't drill wells and
12 let them sit there because you should be using them.

13 So the idea here is to drill these wells as we
14 need them, ideally. I would say probably the next
15 application will be two -- two wells dug in the same
16 area but moving down farther towards the R&T Park.
17 And while -- and while these are being completed,
18 we'll dig those wells and then case and then supply
19 and do it on an incremental basis.

20 COUNCILMEMBER ANDERSON: So you're not going to do it in
21 the -- you're not going to do additional wells in
22 the Haleakala lower ranch water development area?

23 MR. JENCKS: Yeah, that's in -- in -- in the source
24 development area moving down towards the R&T Park,
25 in that --

1 COUNCILMEMBER ANDERSON: Oh, but not near the R&T Park --

2 MR. JENCKS: No.

3 COUNCILMEMBER ANDERSON: -- just in that direction?

4 MR. JENCKS: Yeah.

5 COUNCILMEMBER ANDERSON: So, you know, do you have
6 confirmation? Because, you know, Mr. Chairman, we,
7 in -- in the County of Maui, are faced with the
8 problem of clustering too many wells in the Iao
9 Aquifer. And -- and so now we're having to invest
10 significant money in spreading out those wells just
11 to maintain the draw that we're taking right now in
12 hopes that we can lower the chlorides, stop the --
13 the narrowing of the transition zone because we
14 drilled too many wells too close together.

15 So in that same vein, you know, I would hope
16 that your hydrologist is advising you not to drill
17 too many wells close together because it's
18 essentially putting, you know, five straws in the
19 same cup, and there is only so much water that you
20 can draw in any one area.

21 So in that water development area, do you have
22 any assurances that you could put in five or six
23 wells that could all yield at least, you know, 350
24 gallons per minute?

25 CHAIR MOLINA: Mr. Jencks?

1 MR. JENCKS: I'm trying to -- I'm trying to remember the --
2 the -- the length of the water source development
3 area, but I think it's at least a mile long.

4 And the hydrologist -- and I've said here in
5 -- in the meetings that our plan is to dig a number
6 of wells and space the wells out so we don't get
7 ourselves in the same type of dilemma well, we have
8 a great well here, we'll just pump the living
9 bejesus out of it and solve our problem. That's not
10 the way you should be doing business.

11 COUNCILMEMBER ANDERSON: Right.

12 MR. JENCKS: The idea here is to dig these wells so they're
13 properly spaced at least, at least a thousand feet
14 apart. But once again, that is driven by -- the
15 spacing of the wells is driven by what you learn
16 when you dig these wells and you test them.

17 If you pump and you get a huge drawdown and it
18 doesn't recover for a day, you've got -- clearly,
19 you're in the wrong spot. But if you -- you pump
20 and you draw down minimal drawdown, quick recovery,
21 that's a significant source.

22 And it's fairly -- these guys know what
23 they're doing. They can project pretty much what
24 the end result's going to be.

25 COUNCILMEMBER ANDERSON: Okay. So when --

1 MR. JENCKS: So yeah, we're going to -- I don't think
2 there's any issue with having enough land to get the
3 number of wells we need to do exactly that you just
4 described.

5 COUNCILMEMBER ANDERSON: And -- and so, Charlie, when are
6 you going to be at the point of what you just said,
7 you know, have them cased so that you can do a
8 significant pump test to see how much it draws down
9 and how fast it takes to recover so that you know
10 and that we know that this is a reliable source that
11 you could at least get 700,000 gallons, you know,
12 and then -- and then you're not going to know how
13 much of that's going to end up being potable until
14 you've drawn it enough to see what the chlorides
15 are.

16 So when are we going to get to that point
17 where we have some assurance of what the actual
18 potable water you're going to be able to produce out
19 of those two wells?

20 MR. JENCKS: Well, at present time, we're -- we're reaming
21 the first well. We're almost to the bottom. We'll
22 be casing right away and then installing a pump and
23 then the second well comes right after that.

24 My goal is to get it done as quickly as
25 possible. I think, speaking directly to your point,

1 Council Member, based upon the work we've done
2 today, the tests we have in front of us today, these
3 are two very good production wells that justify
4 spending hundreds of thousands of dollars to case
5 and put pumps in.

6 So from a hydrological -- I'm not a
7 hydrologist, but our hydrologist tells us these are
8 good production wells.

9 COUNCILMEMBER ANDERSON: Well --

10 MR. JENCKS: The water's there, they will produce. I have
11 the source available to me. I have a source
12 development area where I can drill the number of
13 wells I need to balance out the pumping, as we've
14 just discussed. I don't think it's an issue of the
15 source being there. It is there.

16 COUNCILMEMBER ANDERSON: Well, Mr. Jencks, that's the
17 question is the time because as you said, we've been
18 seven years since this application was first
19 submitted, and it's only been in the last month that
20 you've drilled these two wells.

21 And so what we need to know is when you're
22 going to have them to the point where you can do
23 significant pumping to see how fast they recover,
24 how stable the draw can be, and what the chloride
25 levels are. And -- and that's my question.

1 How long -- you know, we really appreciate
2 that you went ahead and drilled the wells, but let's
3 take it another step further and find out what the
4 stabilized draw is, what the actual chloride levels
5 are, how -- how much it's reasonable to assume,
6 based on that data, you're going to be able to
7 produce in potable water from those two wells alone?

8 Because, you know, as I said, this is just one
9 step. And -- and until you take it to that next
10 level, we don't have any assurances how good these
11 wells are.

12 And DLNR, you know, when they first drilled
13 their well, one day's pumping looked okay; but by
14 the time they got done, the chloride levels were too
15 high, and the pumpage was not enough to -- to -- you
16 know, to support using the well for any kind of
17 long-term use.

18 CHAIR MOLINA: Okay.

19 COUNCILMEMBER ANDERSON: So that's -- that's what we want
20 to know.

21 CHAIR MOLINA: Okay.

22 COUNCILMEMBER ANDERSON: How much time you -- and, you
23 know, and you're not a hydrologist, I'm not a
24 hydrologist, but you're the project manager. And
25 I -- you know, if I was the project manager, I'd

1 want to know what the time frame is so that you can
2 tell your investors that we have an assured water
3 source.

4 CHAIR MOLINA: Okay, Mr. Jencks, I'll let you ponder that
5 question. I know it's a pretty large question for
6 you to come up with, and I don't expect you to come
7 up with an immediate answer.

8 Segues into a -- Chair would like to call a
9 brief recess. And afterwards, the Chair's going to
10 make a recommendation for what -- how to proceed for
11 the last hour for today.

12 So Members, we'll take a ten-minute recess.

13 This meeting is in recess till 4:10. ...(gavel)...

14 **RECESS: 4:00 p.m.**

15 **RECONVENE: 4:18 p.m.**

16 CHAIR MOLINA: ...(gavel)... Land Use Committee meeting for
17 October 18th is now back in session. Thank you very
18 much, Members, for that break.

19 The Chair appreciates you taking the time to
20 go and look at your calendars. The Chair conferred
21 with you during the break with several of you about
22 your availability for a recessed meeting, and the
23 Chair's recommendation is Monday, 9:00 a.m., back
24 here in the chambers.

25 Now, I do realize some of you have some other

1 commitments so the Chair would prefer a full day, if
2 possible, a 9:00 to possibly 5:00 p.m. type of day,
3 and I'll ask all of you to try and be here as much
4 as you can.

5 I do know some of you have some prior
6 commitments, you may have to step out at certain
7 points, but we'll do the best we can with as many
8 Members available.

9 So that is the Chair's recommendation, a
10 recess of Monday, October 22nd, 9:00 a.m., here in
11 the chambers. So Members, that leaves us about an
12 hour --

13 COUNCILMEMBER ANDERSON: Chair?

14 CHAIR MOLINA: Member Anderson?

15 COUNCILMEMBER ANDERSON: I have a conflict. I have a
16 meeting at 1:30 that I really can't miss because it
17 has to do with preparing for my next Water Resource
18 Committee meeting, and I would hate to not be here
19 in the afternoon and lose my opportunity to present
20 conditions that I've been waiting weeks to do. So I
21 just want some assurances that I'll have that
22 opportunity.

23 CHAIR MOLINA: Sure. We'll -- we'll do the best we can to
24 accommodate you. But as the Chair stated earlier,
25 I'm looking at going to at least 5 o'clock. So

1 depending on how long your meeting is -- I'm sure
2 you're not looking at a three or four-hour --

3 COUNCILMEMBER ANDERSON: No.

4 CHAIR MOLINA: Okay, good. Yeah, so -- and if necessary,
5 if the Members have the energy for it, we could --
6 the Chair's ready to go even past 5 o'clock if need
7 be. Mr. Pontanilla?

8 VICE-CHAIR PONTANILLA: Thank you, Chair. I also made some
9 appointments from 9:00 to about 2 o'clock.

10 CHAIR MOLINA: Mm-hmm.

11 VICE-CHAIR PONTANILLA: And I'll be available from 2:00 on.

12 CHAIR MOLINA: From 2 o'clock on? Okay, thank you. All
13 right. So Member Johnson, thank you for coming in.
14 And the Chair apologizes, too. I didn't recognize
15 your official presence at the meeting.

16 COUNCILMEMBER JOHNSON: That's okay.

17 CHAIR MOLINA: You did come in earlier this afternoon.

18 COUNCILMEMBER JOHNSON: Yes, Mr. Chair. I checked my
19 calendar, and I will be available on Tuesday; but
20 Monday, I will not be available.

21 CHAIR MOLINA: Okay. Thank you. All righty, Members, for
22 the last hour for today, the Chair would like to
23 address two things, one being the applicant's
24 request on page -- I believe it was page 13 of your
25 matrix.

1 COUNCILMEMBER ANDERSON: Mr. Chairman?

2 CHAIR MOLINA: Yes?

3 COUNCILMEMBER ANDERSON: We -- on our recess, I had asked
4 Mr. Jencks a question. I'm hoping to get an answer.

5 CHAIR MOLINA: Oh. Well, let me ask. Mr. Jencks, are you
6 prepared to answer Member Anderson's question? I
7 know it was a very lengthy question, so I guess I'd
8 assume you --

9 COUNCILMEMBER ANDERSON: It was a simple question.

10 CHAIR MOLINA: -- might not be ready to answer that
11 question today; but if you are able to, you have the
12 microphone.

13 MR. JENCKS: During the recess? What was the question? I
14 don't recall.

15 COUNCILMEMBER VICTORINO: Before the recess.

16 COUNCILMEMBER ANDERSON: The question was, Mr. Jencks, how
17 long before you anticipate having the wells in a
18 condition where you can pump them long enough to get
19 a sustainable draw and an accurate chloride reading
20 which, according to our Director of Water Supply, he
21 likes to see pumping for a week?

22 MR. JENCKS: I'll give -- I'll transmit a construction
23 schedule for you.

24 CHAIR MOLINA: Okay.

25 COUNCILMEMBER ANDERSON: Thank you.

1 CHAIR MOLINA: Okay. Thank you, Member Anderson. So
2 Members, getting back to the matrix, page 13 related
3 to educational fees, a proposal from the applicant.

4 And the condition reads that WCPT/GW Land
5 Associates, LLC, its successors and permitted
6 assigned shall implement an agreement with the
7 Department of Education to pay school fees of \$3,000
8 per dwelling, consistent with the schedule provided
9 in the Findings of Fact, Conclusions of Law, and
10 Decision and Order Docket No. A93-689, Condition No.
11 8.

12 Mr. Jencks, I'll allow you to give comment on
13 this proposed condition that you're -- you're asking
14 for consideration of and then I'll open the floor
15 for questions.

16 MR. JENCKS: Sure. The -- if you go back and look at the
17 original Findings of Fact, Conclusions of Law, and
18 Decision and Order for the property that was
19 processed and approved by the State Land Use
20 Commission in the early '90s, there was a school fee
21 that was levied at that time, and my recollection it
22 was \$895 a unit, as I recall.

23 And the -- the decision and order set forth a
24 schedule on when you would pay moneys. You'd pay so
25 much at building permit and so much at close of

1 escrow as a way to pay these school fees. And that
2 was in the early '90s.

3 I made contact with the Department of
4 Education. And to be really honest, and I -- I
5 think I've discussed that -- this point here in the
6 chambers before, it's embarrassing for me to say
7 that I would pay \$895 a unit today when that levy
8 was made in the early '90s. There's no correlation
9 between 1990 and today.

10 And so I proposed to the State that we up it
11 to \$3,000 a unit. And the initial response was are
12 you sure you want to do that? And I said no, I
13 think that's the proper thing to do. And if you
14 send me a draft agreement, we'll take a look at
15 that; and when the -- when we get our approval,
16 we'll sign it, and we'll go forward on that basis.
17 And so they did.

18 As a matter of fact, we provided to you the
19 draft agreement we received from DOE to that effect
20 some time ago and so the point is we're paying 3,000
21 a unit on the same schedule as in the decision and
22 order, some at building permit issuance and the rest
23 at close of escrow on the unit from the original
24 allocation for the school fees.

25 CHAIR MOLINA: Okay. Thank you, Mr. Jencks. And so -- so

1 numbers wise, we're looking at how much?

2 MR. JENCKS: Four point two million.

3 CHAIR MOLINA: Four point two million, okay. Four point
4 two million for educational fees. Mr. Victorino?

5 COUNCILMEMBER VICTORINO: Well, I -- I think he answered
6 the question because that's exactly what I was going
7 to ask. We're basing this on the 1,400 no matter
8 where this ends up being built, as far as North
9 Ohukai or all in that Project, 1,400, 4 -- 4.2 mill?

10 MR. JENCKS: That's correct.

11 COUNCILMEMBER VICTORINO: Okay. I just wanted to clarify
12 that. Thank you, Charlie.

13 CHAIR MOLINA: Okay. Thank you, Mr. Victorino. Member
14 Johnson, followed by Member Anderson.

15 COUNCILMEMBER JOHNSON: Yes. I'm -- I'm curious, Charlie,
16 because this really isn't your, you know,
17 responsibility, but has the Department of Education
18 ever indicated -- because I know you're not the only
19 developer who they've taken money from. And, of
20 course, Kihei really is desperately in need of a
21 school.

22 And I know Mr. Dowling had done the turnkey
23 project, basically, before and had an arrangement,
24 but there is a limitation on class size that really
25 is part of the Department of Education policy which

1 limits the student-teacher ratio. And they, from my
2 understanding, and past Board of Education members
3 have neglected that.

4 You know, I've been told by Board of Education
5 members that look, you know, this is a requirement
6 by their own rules, and yet they ignore it. So have
7 they ever addressed that particular issue?

8 I know it's not your problem, but it still
9 troubles me when it's something that's required, and
10 it's not being complied with.

11 MR. JENCKS: They've never discussed it with me, and I've
12 never seen it discussed in any documents related to
13 this Project.

14 COUNCILMEMBER JOHNSON: Okay. Mr. Chair, could we send to
15 the Department of Education, even if it's just a
16 communication, to ask them the specific question
17 about the limitation on student to teacher ratio.
18 And if they have that as a set policy, which it's my
19 understanding because I've gotten this information
20 from more than one source, when they take the
21 developer's money, you know, how is that complying
22 with their own requirements?

23 You know, I mean, it's just -- it's
24 meaningless if he pays or other developers pay and
25 then the DOE does nothing to really comply or

1 convert that to something to bring them into
2 compliance and (inaudible) with their own rules. So
3 I'd really like to know that.

4 CHAIR MOLINA: Okay. Thank you, Member Johnson.

5 COUNCILMEMBER JOHNSON: Thank you.

6 CHAIR MOLINA: Staff will take that --

7 COUNCILMEMBER VICTORINO: Mr. Chair?

8 CHAIR MOLINA: -- under consideration and see what kind of
9 response we can get from the DOE in a somewhat
10 timely manner.

11 COUNCILMEMBER VICTORINO: Mr. Chair?

12 CHAIR MOLINA: Mr. Victorino?

13 COUNCILMEMBER VICTORINO: And -- and -- and I don't want to
14 belabor the point, but the moneys that they -- that
15 we refer to is for building the new school. The
16 assessment is usually to -- for the physical
17 features of the school.

18 What you're referring to, Ms. Johnson, has
19 never been complied with because A, we've always
20 been short of teachers, same thing like everything
21 else; and B, where schools grow quicker than we can
22 afford to put people in there, as far as instructors
23 are concerned.

24 I have had two -- two years of experience and
25 many more years of experience on the Advisory

1 Council and as well as PTA both on the State level
2 and the local level. It's been an ongoing problem.

3 I don't know if a letter is going to solve it
4 because that's the answer you're going to get. You
5 going send a letter, but that's the answer you're
6 basically going to get. We do not have enough
7 teachers to make the classroom ratios that we've
8 always asked for.

9 And now the -- the policy is set, but we -- if
10 you can't do it, you're -- you're stuck between a
11 rock and a hard place. And with special needs
12 thrown into the equation, and you understand that
13 more than anybody else, Mr. Molina, as our Chair,
14 that has also really strained our whole system. But
15 that's -- that's here nor there. And No -- No
16 Children Left Behind has also added to this whole
17 thing.

18 So you, as a teacher, know, just as well as I
19 do, that we have these policies, but it's not a --
20 it's not a structural policy as much as an
21 employment and faculty ratio problem. And that's
22 where it is.

23 So you can write a letter, and you can
24 probably hear what I just said as being part of it,
25 but I don't want to belabor a point, but that is

1 really where the problem lies, is we've always had
2 that tremendous challenge.

3 And the moneys we get from developers is to
4 help us build, maintain our schools, not so much for
5 the fact of hiring staff.

6 CHAIR MOLINA: Okay. Thank you, Mr. Victorino. I know you
7 served two years also as -- on the Board of
8 Education as well, so I think you've been quite
9 familiarized with the bureaucracy there. Member
10 Johnson, follow-up?

11 COUNCILMEMBER JOHNSON: Yes, and just to clarify.
12 Basically, when you look at classroom overcrowding,
13 what I'm referring to is the physical plant.
14 Ostensibly, the money that Mr. Jencks or other
15 developers would actually pay into the DOE is to
16 construct the physical plant so that you won't have
17 classroom overcrowding.

18 It's the actual limits on what -- you know,
19 student to teacher ratio is a component of it, but
20 what ends up happening is you have too many students
21 crowded into a really small classroom, but capital
22 improvement would reduce some of the overcrowding.

23 I -- I always realize that the moneys that
24 they pay are not going to be used specifically for
25 staffing operations, that's to be provided, you

1 know, through taxation, but I am specifically
2 referring to the component that results in
3 overcrowding in any school. In fact, that they
4 don't even have a school over there yet really
5 contributes to the problem.

6 So I know it's not Mr. Jencks' problem, but
7 I'm tired of the DOE just coming up and asking for
8 money when they have all these problems and yet not
9 addressing it intelligently because we're the people
10 that make the decisions.

11 It's just like when the police come and they
12 say well, we don't have enough police force. We
13 don't have enough firefighters. We don't have all
14 these other things, but it still doesn't make it
15 easy for us to make a decision.

16 And I -- I apologize, Mr. Jencks because this
17 is not something that is within your control, but I
18 think it's really disingenuous for the DOE to
19 continue to ask any developer, anyone for money when
20 they don't meet their needs, you know, and
21 particularly for the Kihei Community because the
22 kids, you know, other than the charter school, they
23 really have some serious needs. Thank you.

24 CHAIR MOLINA: Thank you, Member Johnson. Member Anderson?

25 COUNCILMEMBER ANDERSON: Thank you, Chair. Mr. Jencks,

1 back in 1994 when you got your decision and order
2 from the State Land Use Commission and they had
3 their DOE condition, that was previous to the DOE
4 coming up with an adopted impact fee. And so I'm
5 wondering if this \$3,000 per unit contribution is in
6 compliance with that new impact fee structure that
7 the DOE adopted?

8 MR. JENCKS: The DOE did get, through the legislature, some
9 help on -- on impact fees and land, getting land
10 from landowners as well for schools.

11 And my read of that is that before that can be
12 implemented, they have -- they have the legislation
13 in place, but there are things that the DOE has to
14 do. And one of the things that they have to do, my
15 understanding, is they have to go to every district,
16 and they have to meet with the district, like they'd
17 come to South Maui, I would guess, or West Maui, and
18 talk about the needs that are there in the community
19 before they can actually implement that legislation.
20 So I think that's a number of years away.

21 And in the end, we may be subject to that new
22 legislation; but as of today, (end of tape 5B) what
23 they've accepted and that -- that could change in
24 the future.

25 COUNCILMEMBER ANDERSON: So, Mr. Chair, if -- if Staff

1 could maybe direct us on the master agenda where we
2 might find the agreement from DOE with Mr. Jencks so
3 we could look at that? Because I -- I don't find it
4 in my files, and I know it did come in because I
5 recall seeing it at one time.

6 MR. JENCKS: Mr. Carroll was the Chair, I'm thinking,
7 before.

8 COUNCILMEMBER ANDERSON: Right. And then the other thing
9 is I -- I would like us to get a copy of that impact
10 fee legislation to see that -- how close we are.

11 I -- I recall a figure being -- but I don't
12 recall what the figure is. I recall a figure being
13 called out in their impact fee legislation, and --
14 and I -- I guess we could change the condition, but
15 I really don't think it's fair to the developer to
16 all of a sudden, you know, if three years,
17 four years down the road they finalize the
18 implementation of that legislation and it's greater
19 than \$3,000 per unit, say it's \$5,000 per unit, and
20 then retroactively apply it. That doesn't really
21 seem fair.

22 MR. JENCKS: The -- I think the bill -- my recollection is
23 that the bill says if there are agreements in place
24 when they finally formalize, that those agreements
25 will be upheld.

1 COUNCILMEMBER ANDERSON: Oh. Well, that contradicts what
2 you just said.

3 MR. JENCKS: I think -- no, it doesn't. I -- I -- I
4 described to you what their process is. They have a
5 lot of work to do before they can actually levy
6 these -- these -- these -- whether getting land or
7 fees. They have rules they got to do. I --

8 COUNCILMEMBER ANDERSON: Yeah, yeah, yeah. But you said --
9 you said that we may have to comply with that once
10 it's finalized, and --

11 MR. JENCKS: Well, if I don't get my approvals from this
12 Council and we go on a ways and this thing is --
13 then I may have to comply with it. But if I --

14 COUNCILMEMBER ANDERSON: I see.

15 MR. JENCKS: -- get my zoning done and get an agreement in
16 place, then I'm encumbered.

17 COUNCILMEMBER ANDERSON: So I'd like to see if we can get a
18 copy of that legislation just to see what it says.

19 CHAIR MOLINA: Okay. Staff, can you make note --

20 MS. NAKATA: Mr. Chair, as far as the DOE agreement goes,
21 there was a letter dated February 6th, '06, from
22 Duane Kashiwai, Public Works Manager, Facilities
23 Development Branch of the DOE, confirming their
24 expectation of receiving \$3,000 per unit, as well as
25 an October 3, 2006, letter from Charles Jencks to

1 the Land Use Committee, transmitting a draft copy,
2 an unsigned draft copy of an educational
3 contribution agreement.

4 CHAIR MOLINA: Okay. Thank you, Staff.

5 COUNCILMEMBER ANDERSON: So it's unsigned draft. There's
6 no finalized signed copy with DOE?

7 MS. NAKATA: Not that I'm aware of.

8 MR. JENCKS: That's correct.

9 COUNCILMEMBER ANDERSON: Well, that kind of leaves it,
10 like, way out there. Open ended. And how come they
11 haven't finalized it with you, Mr. Jencks?

12 MR. JENCKS: They sent it to me for review and comment, and
13 we're in this process. And if something changes
14 here, then I've got to revise the agreement.

15 COUNCILMEMBER ANDERSON: Well, I think we need something,
16 you know, rock solid to count on and so if we could
17 get a copy of the legislation to see what it says
18 and -- you know, and if there's anything in that
19 agreement, that draft agreement that says anything
20 about finalizing current legislation, then that
21 would prevail or something to that effect.

22 Because I don't think we should have a
23 condition that isn't tied to something that's secure
24 not just for, you know, the public in South Maui,
25 who's going to be counting on this money, but for

1 the developer also.

2 CHAIR MOLINA: Okay. Thank you, Member Anderson.

3 COUNCILMEMBER ANDERSON: And -- and, you know, I want to --

4 I also want to know, is there anything that requires

5 that money to be spent in South Maui, rather than

6 put into DOE's general fund for facilities and, you

7 know, wherever we are on the list.

8 CHAIR MOLINA: Let me follow up on that, Member Anderson,

9 with a question to Mr. Jencks.

10 In your discussions with the DOE, did you --

11 or did they ask you where you wanted these moneys

12 designated for, for high school, for middle school?

13 Were you given a choice?

14 MR. JENCKS: No, but I did say we wanted it spent in South

15 Maui.

16 CHAIR MOLINA: Okay. Because -- I ask that question

17 because I think in -- in an application years ago, I

18 don't recall who the applicant was, he had had a

19 preference for donating the -- the educational fees

20 towards a certain school.

21 So -- which, you know, sort of stemmed my

22 curiosity to ask you if you were given a choice

23 where you want those moneys to go. I -- I'm sure a

24 lot of folks in Kihei would like those moneys to go

25 towards a new high school.

1 MR. JENCKS: Absolutely.

2 CHAIR MOLINA: And -- but they didn't give you a choice,
3 they just said these moneys would go to a -- just to
4 their general R & M fund or any type of fund?

5 MR. JENCKS: My -- we did discuss that. My response to
6 them was I wanted the money to stay in South Maui,
7 to be used in -- for schools in South Maui.

8 CHAIR MOLINA: Okay. With no specific designation of a
9 school?

10 MR. JENCKS: No.

11 CHAIR MOLINA: A particular school, okay. All right, thank
12 you. Well, Members, can we -- do we have at
13 least -- well, to put it more simply, do we want to
14 accept the developer's offer of 3,000 per unit as a
15 --

16 UNIDENTIFIED SPEAKER: Start?

17 CHAIR MOLINA: As a start, I guess? Do I have at least
18 some general consensus on accepting this?

19 COUNCILMEMBER ANDERSON: Chair?

20 CHAIR MOLINA: Member Anderson?

21 COUNCILMEMBER ANDERSON: I think we need more information
22 if it's not a finalized agreement with DOE and there
23 is legislation that may require more and -- as this
24 has been a large selling point in South Maui, you
25 know, \$4.2 million towards the building of a high

1 school. And so I want to make sure that that money
2 is actually going to go --

3 CHAIR MOLINA: Is used towards that high school, yeah.

4 COUNCILMEMBER ANDERSON: Yeah, or at least some school in
5 South Maui. You know, I would think that the high
6 school would take priority over any school, but I
7 just feel like we need some kind of assurances, one
8 way or the other, if this is -- if this money is
9 actually -- if this is the amount of money that's
10 going to be coming and if it's going to be coming to
11 South Maui and if it can go towards the high school
12 which, you know, we're decades past due on.

13 And I know DOE is trying to finalize the
14 location, and everybody in South Maui is counting on
15 that going forward, and I think they're counting on
16 Mr. Jencks' contribution towards that, so if we
17 could find that out.

18 CHAIR MOLINA: Sure. Okay. Well, the Chair will at least
19 leave it in tentatively. And in the meantime, we'll
20 try and get clarification and specifics as requested
21 by Member Anderson to --

22 COUNCILMEMBER ANDERSON: Thank you.

23 CHAIR MOLINA: -- to ensure that if that is the feeling of
24 the body, that we want this money to go towards the
25 new high school, which I would guess -- at least for

1 me, I'll -- I'm in favor of directing those moneys
2 towards a high school which is much needed in South
3 Maui. Member Pontanilla?

4 VICE-CHAIR PONTANILLA: The comment that you made earlier
5 about a developer designating funds to a particular
6 school, yeah, I recall that. That was South Maui.

7 CHAIR MOLINA: Yeah. I think -- was it -- yeah, he -- I
8 believe that person wanted the money to remain in
9 South Maui and that --

10 VICE-CHAIR PONTANILLA: I think it was KSD.

11 CHAIR MOLINA: That's correct. Yeah, that brings -- brings
12 to --

13 COUNCILMEMBER ANDERSON: And they were told they couldn't?

14 CHAIR MOLINA: No, I think they -- they -- they -- they
15 reached an agreement with the DOE and so they were
16 in essence, I guess, given a choice.

17 And the developer, I believe, put in a
18 preference and designated those moneys for -- was it
19 South Maui, Mr. Pontanilla, not -- not West Maui?

20 VICE-CHAIR PONTANILLA: I think was South Maui.

21 CHAIR MOLINA: Was it South Maui?

22 VICE-CHAIR PONTANILLA: Yeah.

23 CHAIR MOLINA: Okay. Thank you. All righty, Members.

24 Member Baisa, you look like you had a question or a
25 comment.

1 COUNCILMEMBER BAISA: No, except that I certainly am in
2 agreement with trying to get that money for the high
3 school. Everybody that I talk to from Kihei, that
4 is their number one priority. They want that so
5 bad. So if we could nail that down, that would be
6 great.

7 CHAIR MOLINA: Okay, thank you. All right, Members, last
8 thing the Chair would like to discuss today is the
9 Condition No. 11 from the Planning Commission
10 related to the Little League field, and that is on
11 matrix page number 7.

12 And if we can refer to the third column with
13 the updating of that condition from the Planning
14 Department. And Chair apologizing for not
15 recognizing Deputy Director Suyama who's here with
16 us today.

17 The matter was discussed on August 1st and
18 August 10th, and no consensus was reached so I'd
19 like to spend some time discussing this particular
20 condition. If I could have Staff, if you could go
21 ahead and read the condition in the third column for
22 us?

23 MS. NAKATA: Condition No. 11. In lieu of the dedication
24 of a Little League field and related amenities as
25 originally specified in Ordinance No. 2171 (1992)

1 Exhibit B, Condition No. 8, and based on current
2 construction cost estimates for the Little League
3 field, approximately \$5 million shall be paid to the
4 County --

5 CHAIR MOLINA: Upon?

6 MS. NAKATA: -- upon Phase II project district approval for
7 the development of a South Maui Community Park.

8 CHAIR MOLINA: Okay. Thank you, Staff. And Deputy
9 Director, if you could again give us some additional
10 comment with regards to this condition.

11 MS. SUYAMA: The reason that we had recommended the
12 amendments to the condition was to reflect that
13 depending on when this Project comes in for Phase II
14 development, construction costs will be escalating.
15 So what we're saying is current construction cost
16 estimates, which is right now approximately
17 \$5 million.

18 So it's not like we're saying that it's a
19 specific amount. It's what is the construction cost
20 at the time that you're dedicating the money.

21 CHAIR MOLINA: Okay. Thank you, Deputy Director. Members,
22 questions on the proposed amended condition from the
23 Planning Commission?

24 And if we -- I know -- I -- I can't seem to
25 recall what the bone of contention was, why no

1 consensus was reached. Member Anderson?

2 COUNCILMEMBER ANDERSON: Jo-Ann's whispering. Maybe she
3 remembers. I -- I'm not certain if I remember, but
4 I do know that --

5 VICE-CHAIR PONTANILLA: Chair.

6 COUNCILMEMBER ANDERSON: -- that the -- the letter that we
7 received regarding this facility in April '06
8 estimated the value at 3.5, but it didn't say
9 anything about -- and I think -- I'm trying to find
10 the letter in here, and maybe Ms. Suyama can
11 remember, but, you know, the current condition on
12 the land is to build a Little League park on a six
13 acre -- or a Little League field on a six-acre park,
14 including dugouts, scoreboard, you know, all the
15 various amenities that would go along with a Little
16 League field, not just build the field itself.

17 So I -- I think -- is that \$5 million
18 including all the amenities, Ms. Suyama, and not
19 just the field?

20 CHAIR MOLINA: Deputy Director?

21 COUNCILMEMBER ANDERSON: And the cost of the land and all
22 that?

23 MS. SUYAMA: I really don't know. We got this from the
24 Parks Department originally when they supported the
25 deletion of the Little League field because they

1 wanted the moneys for the South Maui Community Park,
2 and I think it would be better to try to direct it
3 to the Parks Department, unless Mr. Jencks has that
4 answer.

5 CHAIR MOLINA: Mr. Jencks?

6 MR. JENCKS: If you look in your binder, you'll see a
7 letter dated August 14th, 2007. I'm not quite sure
8 what binder that's in, but there were some questions
9 asked of me.

10 They wanted a breakdown as to how this fee
11 structure worked. Excuse me. And I -- what I
12 responded to you was that the six acres basically
13 is, you know, 269,375 square feet.

14 I valued the land at \$12 a square foot; \$12 a
15 square foot times that number of square feet. And
16 then on the improvement side, incorporating all of
17 the required improvements in the condition, I came
18 up with an improvement value of \$6 a square foot.

19 Now, that \$6 a square foot isn't for just the
20 Little League area, but that's over the entire
21 square footage of the six acres. So what I'm
22 proposing to you is far more than the actual square
23 footage because the Little League field isn't six
24 acres.

25 COUNCILMEMBER ANDERSON: No.

1 MR. JENCKS: It's maybe an acre and a half. So what we're
2 giving you, or proposing to give you, is what we
3 feel is a very good value for A, the land; and B,
4 the value of the improvements.

5 COUNCILMEMBER ANDERSON: And so if I may, Mr. Chair?

6 CHAIR MOLINA: Proceed.

7 COUNCILMEMBER ANDERSON: Maybe this was one of the issues
8 of contention. You know, the way the condition
9 reads right now is that the first thing that they
10 were entitled to build, and this -- when I say
11 entitled, they got the zoning, they got phase I
12 approval, they got phase II approval, they got phase
13 III approval, and they got Urban Design Review Board
14 approval. So the only thing they needed next was a
15 grading permit and a building permit.

16 So what that entitled them to build was the
17 golf course -- two golf courses. And the condition
18 that currently runs with the land right now is that
19 the Little League field would be built and ready to
20 use at the same time the golf course was ready to
21 use. In other words, the Little League field had to
22 be operational the same day the golf course was
23 operational. And so that, to me, is an up-front
24 commitment.

25 And now with the way it reads right now that

1 it shall be paid to the County of Maui prior to
2 completion of the first development, I'm not really
3 sure -- well, let's just get it from you,
4 Mr. Jencks.

5 Does that mean that you're not paying this in
6 increments like a park assessment fee would be done
7 per unit, but you're going to be paying this up
8 front in one lump sum?

9 MR. JENCKS: It's a lump sum payment.

10 COUNCILMEMBER ANDERSON: Okay, good. Thank you. Thank
11 you, Chairman.

12 CHAIR MOLINA: Okay. Thank you, Member Anderson. Members,
13 any questions -- oh, Mr. Pontanilla, I'm sorry.

14 VICE-CHAIR PONTANILLA: Thank you. I -- I think we had
15 lengthy discussion probably last year sometime and
16 with the Parks Department also here because of
17 the -- we -- we talking about 45 acres, I think, for
18 that district park. And what was probably talked
19 was about the Little League field and probably 10
20 acres of that particular park being developed.

21 I -- I know I asked the question of Charlie,
22 you know, what would it take to grade the land up
23 to -- I think there's a gulch or a riverbed, up to
24 that point. And I -- I forget the number that
25 Charlie gave me, more in the range of, like,

1 \$10 million, I think it was.

2 In talking to the Parks, you know, rather than
3 just do the 10 acres, do the 10 acres but grade the
4 rest of the -- the land and the possibility of maybe
5 park credits in the future. Charlie?

6 CHAIR MOLINA: Mr. Jencks, does that spur your memory?

7 MR. JENCKS: Yes, it does, Mr. Chair. We did talk about --
8 actually, what -- what I -- what I did was I ran --
9 I ran an estimate of the -- the cost to construct
10 the first phase of the -- of the park, and that
11 estimate was something on the order of \$11 million.

12 The first phase would -- would allow for the
13 grading of that area and the construction of a -- of
14 a full-size softball field and soccer fields, the
15 pad for the gymnasium, the parking in place, a rest
16 room, utilities in place, and access. So you
17 would -- you would end up with a usable park in
18 South Maui and that was about \$11 million.

19 And then after a discussion with
20 Mr. Pontanilla, I went back and said look, what
21 would it cost to grade, to rough grade the balance
22 of the -- of the 45 acres, because that isn't the
23 entire 45 acres, over to the drainageway.

24 And my recollection, and I -- I have to go
25 back and check, was something on the order of about

1 \$5 million to do -- to just do that grading and
2 stabilize it to the -- to the grade that the Parks
3 would want for future development, master plan build
4 out of the park. That's -- I mean, that's what I --
5 I'll check it, but that's what I recall.

6 CHAIR MOLINA: Thank you, Mr. Jencks. Mr. Pontanilla?

7 VICE-CHAIR PONTANILLA: Yeah. And I bring it up because
8 you -- you know when we say we going to do a park,
9 sometimes, you know, we do the first phase quickly
10 and then the second phase takes us forever because
11 of, you know, constraints of funding.

12 And the possibility of having this particular
13 park, you know, be done, you know, you do the 10
14 acres, you grade the land, and it's ready for use.
15 All we need to do is plant the grass.

16 So that was my thinking at the time, but I --
17 I was hoping that since the Park Department is not
18 here to answer some questions, then I -- I -- I
19 would wait until such a time, or I'll follow up with
20 the Parks Department in regards to that type of
21 condition for this particular 40 -- I think it's
22 like 40 acres. The other five acres is across
23 the -- where the tennis courts is going to be.

24 CHAIR MOLINA: Okay. Thank you, Mr. Pontanilla, and thank
25 you for mentioning that. If you have -- if you can

1 on your own, Members, if you have -- need further
2 clarification from the Parks Department, please
3 contact the Department. Staff has been quite
4 overtaxed with a lot of other matters to look into.

5 So the Chair will basically leave this
6 condition as is for now, unless you have some
7 amendments that you would like to make at a future
8 time. Member Anderson?

9 COUNCILMEMBER ANDERSON: I just want to add a little
10 comment here. I believe the Budget Committee or the
11 Council put 4.5 million in the budget. Do you
12 remember that, Joe?

13 VICE-CHAIR PONTANILLA: Yeah.

14 COUNCILMEMBER ANDERSON: Was it 4.5?

15 VICE-CHAIR PONTANILLA: Mm-hmm.

16 COUNCILMEMBER ANDERSON: Towards the regional park? And
17 they're already down there working on it. I mean,
18 there is huge piles of fill, so I don't know that
19 they're really going to grade it. I think they're
20 just going to cover it over with fill, which is a
21 term of grading, I guess, but they're already
22 working on it.

23 So just to let people know that there is some
24 action going on right now. And hopefully, I don't
25 know how far that 4.5 million is going to go, but

1 that would be interesting for us to find out.

2 CHAIR MOLINA: An extra 5 million may not hurt either, too,
3 if that's the direction this Committee wants to take
4 with regards to this condition. So Mr. Jencks, any
5 other comments on this to make?

6 MR. JENCKS: No. I --

7 CHAIR MOLINA: As the --

8 MR. JENCKS: I think the grading work that you see underway
9 is right adjacent to Welakahao Street?

10 COUNCILMEMBER ANDERSON: Yeah.

11 MR. JENCKS: That is the recycling center work that's --

12 COUNCILMEMBER ANDERSON: They're doing it for the recycling
13 center?

14 MR. JENCKS: Yeah, yeah.

15 COUNCILMEMBER ANDERSON: And it's not going to -- it's not
16 going to affect the rest of the park?

17 MR. JENCKS: I don't believe it benefits the park, but I
18 don't think so.

19 COUNCILMEMBER ANDERSON: You know, I'm going to put in my
20 two cents here, since we're on the subject,
21 Mr. Chairman.

22 Our community plan calls for a 150-acre
23 regional park, and we're getting a 50-acre regional
24 park instead, and 5 acres of it have already been
25 taken away for the recycling center.

1 So -- and, you know, we sort of got a promise
2 that it wasn't going to be permanent, but I'll see
3 that -- I'll believe that when I see it.

4 So, you know, for an area as large as South
5 Maui and for all the recreational needs, we're
6 already 200 acres short. You know, as of 2005,
7 200-plus acres short in park space for -- for the
8 South Maui region.

9 So to only get a 45-acre regional park is
10 really cutting us short again, and I guess that's my
11 gripe of the day.

12 VICE-CHAIR PONTANILLA: Chair.

13 CHAIR MOLINA: Okay. Thank you, Member Anderson.

14 Mr. Pontanilla?

15 VICE-CHAIR PONTANILLA: Yeah, just for clarification. The
16 45 acres is a district park that is adjacent to the
17 school. And I think part of the construction where,
18 you know, the recycling center is going to go,
19 there's also going to be some tennis courts there.

20 The 150 acres in regards to the original park
21 is adjacent to, I guess, Goodfellows Construction
22 base yard on the mauka side of Piilani Highway.

23 As you recall probably four years ago, we
24 tried to do a land swap with Haleakala Ranch to, you
25 know, move the original park from the present

1 location, which is adjacent to Goodfellows' base
2 yard, to the north side of Elleair Golf Course. So
3 I -- I don't know where that is, but the 150 acres
4 is still there.

5 CHAIR MOLINA: Okay, thank you. Member Anderson?

6 COUNCILMEMBER ANDERSON: Yeah, I know that 150 acres is
7 still there, but we were told that the topography
8 makes it very expensive to develop and that that's
9 why they were using the 50 acres across the street.

10 And -- and if -- I mean, if you have more
11 information than I do, Mr. Pontanilla, I'd sure like
12 to know if there's still a possibility for a
13 150-acre regional park.

14 But when we looked at the -- and -- and I
15 think it was in Jo-Ann's committee last term, the
16 Parks Committee, we looked at the South Maui open
17 space and Parks plan, and we were told at that time
18 that the regional park was now going to be on that
19 50-acre parcel.

20 So maybe I need to talk to Mr. Pontanilla
21 about this and find out if he knows more about
22 what's going on in South Maui than I do.

23 VICE-CHAIR PONTANILLA: Yeah. Again, you know, this was,
24 like, three, four years ago --

25 COUNCILMEMBER ANDERSON: Oh. Well --

1 VICE-CHAIR PONTANILLA: -- that they were talking about the
2 land swap. I -- I think during the -- Apana's
3 Administration, I think, they tried to do it because
4 of what Member Anderson said, yeah, in regards to
5 the topography being unsuitable for a park.

6 And that's the reason why they were talking
7 about the land swap for the 150-acre park to be
8 located at the north end of Elleair Golf Course.

9 CHAIR MOLINA: Okay. All right. Thank you,
10 Mr. Pontanilla. Well, either way you look at it,
11 there's a definite need for more recreational
12 facilities in South Maui. So with a -- especially
13 with a Little League field, I think it's worthy of
14 consideration here.

15 Members, the Chair's decided I'm going to let
16 you off a little early today. We wanted to go to
17 maybe 5:30; but you know what, why don't we just
18 pack up and get ready for Monday. Expect a long
19 day, possibly early evening, and the Chair would
20 like to ask all of you, once again, get in your
21 amendments next week.

22 I'm hoping to reach resolution by the end of
23 the month or possibly at the end of next week, so
24 get your proposals in for the rest of the amendments
25 that we have yet to reach consensus on.

1 The Committee will move on with or without
2 consensus, so please work with the Chair and do your
3 best to get whatever you need to get in as it
4 relates to the proposed conditions for this
5 application.

6 So that being said, it is five minutes to the
7 hour of 5 o'clock. This meeting for October 18th,
8 2007, related to LU-38 is in recess until Monday
9 morning, October 22nd, 9:00 a.m., here in the
10 Council chambers. Meeting in recess. ...(gavel)...

11 **RECESS: 4:55 p.m.**

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C E R T I F I C A T E

STATE OF HAWAII)
) SS.
CITY AND COUNTY OF MAUI)

I, Wendy M. Watanabe, Certified Shorthand Reporter for the State of Hawaii, hereby certify that the proceedings were taken down by me in machine shorthand and was thereafter reduced to typewritten form under my supervision; that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings had in the foregoing matter.

I further certify that I am not attorney for any of the parties hereto, nor in any way concerned with the cause.

DATED this 12th day of November, 2007, in Honolulu, Hawaii.



Wendy M. Watanabe, ESR NO. 401
Notary Public, State of Hawaii
My Commission Expires: 04/07/2010
