

**LANA`I PLANNING COMMISSION
SITE INSPECTION
JULY 15, 2009**

APPROVED 08-19-09

A. CALL TO ORDER

The site inspection of the Lana`i Planning Commission was called to order by Chair Sally Kaye at approximately 3:00 p.m., Wednesday, July 15, 2009, at the Maui Electric Company Miki Basin parking lot, Lana`i, Hawaii.

Ms. Sally Kaye: . . . July 15, 2009 site inspection is called to order. We're at Maui Electric Company and Miki Basin parking lot, and this is a site visit in support of State Land Use District Boundary Amendment from State Ag to State Urban, and Change in Zoning from County Ag to Heavy Industrial. A few rules, Leilani is taping this, so the less side conversation we have the better record we'll have. If you have questions that could be answered at the meeting, make a note of them and save them. If it's questions pertinent to our visit today, be near Leilani when you ask your question and one person speak at a time. Okay? Now John, you had something about the liability notice?

Mr. Michael Hopper: Michael Hopper. I'm the Commission's attorney. One thing to note is that it says indemnify and defend on the waivers. As far as the County is concerned, the County can't agree to indemnify or defend anybody from a suit unless they get Counsel approval ahead of time, so that's something that the County couldn't agree to even if it wanted to at this point. The rest of the waiver would be fine. People can waive claims themselves. So what we would have to do is change the waiver to cross of the words "to indemnify, defend and hold harmless" – you know, hold the lessee harmless – change that simply to "I hereby agree to hold the lessee harmless," rather than "indemnify and defend." And what we're doing now is changing the waiver so that indemnify and defend are crossed out. The rest of the waiver is fine. But because the County Counsel needs to approve any sort of indemnification which would basically mean if someone sued Castle & Cooke, the County would have to pay for a legal defense to pay those claims in the event of that lawsuit which is different that you just saying I'm not going to sue Castle & Cooke myself. So that's a big different. So if that waiver is changed like that, then everything is fine, then you can go ahead on the site.

B. SITE INSPECTION

- 1. CASTLE & COOKE RESORTS, LLC requesting a State Land Use District Boundary Amendment from State Agricultural District to State Urban District and a Change in Zoning from County Agricultural District to M-2 Heavy Industrial District for the Miki Basin Heavy Industrial area encompassing about 6 acres off of Miki Road, adjacent to the Maui Electric power site at TMK: 4-9-002: portion of 001, Miki Basin, Island of Lanai. (DBA 2008/0002) (CIZ 2008/0003) (J. Prutch)**

Ms. Kaye: Okay, who's in charge of this? John?

Mr. John Stubbart: No. The County? For our tour today?

Mr. Clayton Rombaoa: Yeah, I can point out some of the main areas here.

Ms. Kaye: This is Clay Rombaoa for Castle & Cooke. I'm sorry. Forgive me, let the record show that we have quorum with Commissioners Kaye, Castillo, Zigmond, Rabaino, Endrina, and de Jetley and Stanley Ruidas.

Mr. Stubbart: Sally?

Ms. Kaye: Yes.

Mr. Stubbart: I do have a little handout on some issues – water issue – that I'd like to pass out to the Commissioners.

Ms. Kaye: I would prefer you save it for tonight because not everybody is here. You can speak to them on the record.

Mr. Stubbart: Yeah.

Ms. Kaye: So why don't you just do that.

Mr. Stubbart: Okay. One of the things, relevant for out here then, there's a current project to install a temporary six-inch, high density, polyethylene pipe. This is not part of the Miki Basin zoning project. It's being done to provide a loop service to the Palawai customers and operational options when we're repairing leaks, and utilized in-house staff and pipe fitter from another project. So you see that right down here. So Commissioners, this has nothing to do with this property right here. It's a new plan.

Ms. Kaye: I'm sorry John. Can I ask who are your Palawai customers besides MECo?

Mr. Stubbart: MECo, farms, airport, ranchers.

Ms. Kaye: So Alton Aoki would be included in it?

Mr. Stubbart: Yeah.

Ms. Kaye: Okay.

Mr. Stubbart: The other stuff I'll give to the group at that point then.

Mr. Rombaoa: Just to –. Well thank you for coming. I know this has been a long coming tour. But anyway to give everyone a rough (inaudible), the MECo power plant – the five acre MECo is where those silos are, and there's a fence toward us, that's the property boundary. So the existing 13-acres that's already zoned heavy industrial is from that fence line up to possibly when this fence line ends. It's not exact, but that's the approximate distance. Now for this change in zone, for the six-acres, it's approximately from the end of the fence, and I walked further up, there's a stake that we had put up about six months ago, and it's still up there. So if you want, you can walk up there, and you can see approximately where the six acre area is. And there was one this morning when I came in, a stake, that went out that way to determine it's depth, but I don't see it. Maybe you guys have better eyes than I do, and you might be able to see it.

Ms. Kaye: Clay, can I ask you, is that building, the white building/beige building, that is on your property?

Mr. Rombaoa: That is correct. That's our storage.

Ms. Kaye: Okay.

Mr. Rombaoa: So as you can see, we use it as storage right now of left over materials or materials we use on future jobs. And I don't know how you want to handle it. I mean, this is pretty much – this is it right here. The drainage area that was mentioned, and Stanley concerned about is in the back there, behind the MECo plant. So if you guys want to walk there, we can do that.

Ms. Kaye: Stanley and Gerry, I think you guys had questions about that.

Mr. Rombaoa: Yeah, where it's really green, that's the drainage ditch. So, I mean, other than that, you guys can look. We can answer questions – myself, John, Ralph is here also if you guys need to, so you've got three resources here if you guys need to ask questions.

Mr. Stubbart: You want to walk the property?

Mr. Rombaoa: You can walk up the top of the hill.

Mr. Stubbart: It's best site overview.

(The Lana`i Planning Commissioners assembled at the top of the hill.)

Ms. Kaye: If you have questions that's pertinent to the site visit, can we get it on the record?

Mr. Rombaoa: This is the approximate limit of the six-acre area right here. And if you go out – I don't see it – but if you go out about 1,000 feet that way, there was another pipe, another lat, down that way, but I don't see it now. So it's about 1,000 feet that way.

Ms. Darlene Endrina: Could you re-explain since there's the recorder now, what you were saying about, you know, why it's on the slope versus just where it's all flat.

Mr. Rombaoa: Yeah, I'm not sure when the Community Plan was preformed back in – the last was 1997 – and they designated this area as heavy industrial area. I suspect they just took that as too deep. Therefore, they didn't take into account the terrain and everything. So, that's my guess. I'm not sure.

Ms. Alberta de Jetley: If you had your druthers and could just extend all that, would you rather do that or is this already carved in stone?

Mr. Rombaoa: This is what's carved in stone right now. We have, further down the road, there's like a third expansion of this heavy industrial area. And obviously, it will push back that way. But that's way down the road.

Ms. de Jetley: How much space do we lose because of the slope?

Mr. Rombaoa: I'm thinking right here, maybe –. We could easily grade it to make it work. It's one option. Or like you said, we could avoid it, and not use it, and the potential space lot could be about maybe a couple of acres. I thinking an acre lot. But again, we would have to look at the whole thing when we plan it out, how we carve it up. We could have a graduate slope and they could work certain types of heavy industrial use. So it all depends. I mean, we don't want to rule it out at this point as unusable.

This is the limit. When we put that fence up – so that's approximately a limit of 13.

Ms. Kaye: So, Clay, where is the drainage basin that Stan and Gerry have questions about at the meeting?

Mr. Rombaoa: The drainage ditch is that nicely lushed green line limit there.

Mr. Stanley Ruidas: That's the ditch that ends up in a big basin over the hill.

Mr. Rombaoa: Yeah. If you go up behind the MECo plant, you'll see the ditch, and it's just

going to disperse and percolates through. I mean, the water goes away. It percolates down into the ground.

Mr. Gerald Rabaino: In other words, that's the old pineapple drainage.

Mr. Rombaoa: Yeah, for irrigation projects, back in the days.

Mr. Rabaino: Is that going to be when you guys do the drainage back there – there's a lot of green – you're going to have it all cemented like you have the down at the (inaudible).

Mr. Rombaoa: Not necessarily. Again, when we go through the planning and design, we may put some percolation pond stations. It could be eliminated. Again, that will be determined when we go through the subdivision. We'll have a little more detail.

Ms. Kaye: Actually, where that basin is is not on this acreage correct?

Mr. Rombaoa: You mean that ditch? I believe it is.

Ms. Kaye: It is.

Mr. Rombaoa: When I saw the limit on that side, it was further beyond that ditch.

Ms. Kaye: So you wouldn't be able to do anything to it because it's within this acreage – correct – without getting permits?

Mr. Rombaoa: I'm thinking it would be.

Ms. Kaye: I'm sorry.

Mr. Stubbart: It's through the property.

Ms. Kaye: You're talking about the light green or the dark green?

Mr. Rombaoa: The darker green.

Ms. Kaye: That's more than six acres. Your stake is right at the end.

Mr. Rombaoa: Can you see it?

Ms. Kaye: I can see the stake from here.

Mr. Joseph Prutch: You can see the stake?

Mr. Rombaoa: Where's the stake? Well, if it's out, then we won't touch it. It's hard to see it right now.

Ms. Kaye: Let me see how can I describe it? There's some bushes, and then there's light green and then there's a dark brown swatch, and the stake is right there, right through there. Now that looks like it's way past.

Mr. Stubbart: You see that long grass – it's right past the container?

Ms. Kaye: Yeah.

Mr. Stubbart: And you see that long grass, it kind of like makes a line all the way down –

Ms. Kaye: Then it is.

Mr. Stubbart: Is it past that line?

Ms. Kaye: No. Well, it's right on it. It looks to me like it's right on the edge.

Mr. Stubbart: Okay, it's part –

Ms. Kaye: So Clay, help me out here visually. The 14 acres is bound on the airport side by the fence. Is that right?

Mr. Rombaoa: 14 acres down by the airport side.

Ms. Kaye: By the fence on the airport side. Right behind all of your line of containers. Is that the end of your 14 acres?

Mr. Rombaoa: No.

Ms. Kaye: Okay, so where's –?

Ms. Rombaoa: It's further back.

Ms. Kaye: Where the junk is. The pile of junk.

Mr. Rombaoa: Yeah. It goes way back. Because here's –

Ms. Kaye: That's right. This is only 2.4 acres then.

Mr. Rombaoa: Yeah. Exactly. So it goes further back. A lot further back. It's just a fence line – not the new one – but the existing one. So here's the drainage ditch. So the drainage ditch is within the overall 20.

Mr. Rabaino: So if you look at that ironwood tree standing all alone over there, is that more or less the indication of where the part of the expansion of the basin, the project? See the ironwood tree right there, the single one? You have the other grass over there. Okay, you're moving forward this way, right – what you're talking about Miki Basin. Now when you swing this way, from there through that fence line by MECo and the drainage and the stand pipe where they fill up water, going down to the ironwood tree, we could encompass more or less the area.

Ms. Kaye: Okay Commissioners, other questions? Ron? Pat? Archie?

Ms. Endrina: Are we going to go down the drainage?

Mr. Stubbart: We can. The way to get down there is to go down, go past the MECo power plant, and you'll see the road that goes to the left. You follow the fence. Right past the fence line. The road is passable for cars. The road only goes to the stand pipe. It goes to where that stand pipe is. See right behind the building, you'll see a pipe sticking up. That's a pump station. And then the road goes out, and you can see the road going out of the basin there. That's as far as the road goes, out into this area.

Mr. Ron McOmbler: John, question. Is that stand pipe active?

Mr. Stubbart: It's turned off right now. It does have water in the pipe below it.

Mr. McOmbler: Potable water?

Mr. Stubbart: It is potable water.

Mr. McOmbler: You've got a meter on it?

Mr. Stubbart: If we used it, yes, we would have one.

Mr. McOmbler: Right now, there's a meter on it?

Mr. Stubbart: No, it's turned off. It's not being used. In being active, it could be used, but it's not. Nobody uses it.

Ms. Kaye: At a previous meeting, Joe Kaakua told us it was untreated.

Mr. Stubbart: It's untreated. Semantics – it's fresh water.

Ms. Kaye: (inaudible)

Mr. Stubbart: Yes, you're correct. This water right in this, in the Palawai Basin, is not treated with chlorine. It's ground water considered to be fresh water, but it's not treated with chlorine, so it's not potable for drinking purposes.

Mr. McOmber: That doesn't meet the criteria John. I'm sorry, that's still potable water.

Ms. Kaye: No, it's just untreated.

Mr. Stubbart: It's untreated. That's why we're just saying that it's –

Ms. Kaye: Which well serves this?

Mr. Stubbart: Well #4.

Ms. Kaye: Well #4.

Mr. Stubbart: So this water comes from the Hi`i tank right there, the silver tank, up on the hill, and it comes down the hill and services the pipes out here.

Ms. Kaye: So well #4 serves this area and Manele.

Mr. Stubbart: And well #2.

Ms. Kaye: Okay, two and four serves this area.

Mr. Stubbart: Yes.

Ms. Kaye: Two has been back online for how long?

Mr. Stubbart: It's been online since, I want to say, October last year. Yeah.

Mr. McOmber: When did the chlorination come from?

Mr. Stubbart: There is no chlorination stationed to the airport from this system. There's two system. And it's important to point out well water from the well #4 and well #2 to the Hi`i

tank, right there, come down the hill and goes to Manele, and on the way to Manele it's chlorinated. You have the breaker tank. Other than that, the water come into this system and goes throughout what the agricultural water and the airport fire flow tank out there and to here. And so they have untreated water at their facility here at MECo.

Ms. Kaye: How about the airport? How does that get treated?

Mr. Stubbart: The other system that comes down along the highway to the airport is from the town system and that line comes down that is treated water from wells #6 and #8 and #3, when #3 comes back online. And that water comes down another pipe down the highway and services the airport and the harbor, Kaumalapau.

Mr. McOmer: Where are they chlorinated at?

Mr. Stubbart: They're chlorinated at the well heads. So there's two systems. Both ground water. Both from the wells up above on the watershed area up there.

Ms. Kaye: Okay, Commissioners, what's your pleasure? You want to go to the drainage basin?

Mr. Fairfax "Pat" Reilly: Is it the intent to put drinkable, potable water for MECo and for this operation?

Mr. Stubbart: Yeah.

Mr. Reilly: And how and when will that happen? How will that happen first?

Mr. Stubbart: How, I don't know. It would be part of the design for the – how they end up designing this.

Mr. Reilly: So you would chlorinate the water at some point.

Mr. Stubbart: Yeah. There's two issues. One is the chlorinated water, drinking potable water, and the other is fire flow. Fire flow could be handled either by pipes coming from the tanks, and having the appropriate pipe size, sizing tubes, and locations, or you can put a tank on the site similar to what the airport does. The tank out by the airport is fire flow tanks because they don't have the capacity at the location, so you build a tank with pumps and then that takes care of your fire flow requirement. The potable issue would have to be either treat water here and/or treat water at the Hi'i tank. Right now we are looking at treating the water at the Hi'i tank right there, and then all of this water would become potable water.

Mr. McOمبر: It would be drinking water. It's already potable.

Mr. Stubbart: Treated, drinking, potable water.

Mr. Archie Nihigian: I have a question. Archie Nihigian. Clay, you mentioned that the long term is taking more land there. Can you explain the rationale – you already have access through there – why you would want to take this non level piece now and not take a piece that's more level and presumably would be far less expense to get developed?

Mr. Rombaoa: Yeah, it the community plan it specifically outlines this area. So right now, we're just following the community plan.

Mr. Nihigian: It outlines this 6.9 right here?

Mr. Rombaoa: That's 20. There's 20 acres.

Mr. Nihigian: Right. This 6.9 added to that.

Mr. Rombaoa: That 13-plus.

Mr. Nihigian: So this is the one that's in the community plan?

Mr. Rombaoa: That's correct. You want to convert the zoning to match any kind of (inaudible).

Mr. Nihigian: It couldn't be 6.9 on the back side?

Mr. Rombaoa: We would have to note that.

Mr. Nihigian: But even you're going to end up with a lot of unused land or expend a lot of money to grade it.

Mr. Rombaoa: Right.

Mr. Nihigian: Either would seem scary.

Mr. Rabaino: . . . (Inaudible) . . .

Ms. Kaye: Well Gerry why don't we take a ride over?

Mr. Rabaino: We could get a better view.

Mr. Kaye: It was your concern, so what does everybody want to do? Okay, let's go. So we'll all meet at the stand pipe.

(The Lana`i Planning Commissioners assembled at the drainage basin located behind the MECo power plant.)

Ms. Kaye: We're back at the – we've met at the drainage ditch, which I think has standing water in it. Gerry, Stan –

Mr. Rabaino: The pineapple drainage. Get water right? The deer come get water. But if you go back there, the entrance by that tank you have a concrete slab. During the pineapple days, they go months, they have all the beans ready on the truck. When there's a heavy tonnage and there's no traction that's the reason why they put the concrete slab there because when the big rain come down and there's a steady flow, at least the truck can haul the pineapple fruit to the shuttle station to get ready for the barge date. Next.

Ms. de Jetley: Where is this water coming from?

Ms. Kaye: Where is the water?

Mr. Rabaino: The power plant.

Ms. de Jetley: Where is that water coming from?

Ms. Kaye: Stan, do you know? I know Kepa mentioned that spring, that there was Miki O Puu, but I thought it was further down. Okay, so can I ask, Clay, where we're standing right now, which I'd say is about a 100 yards from the fence, and then maybe 20 feet from the drainage ditch, your property line ends, where, back here?

Mr. Rombaoa: I'd say about mid distance. It's about 500 feet that way, so we're probably maybe about 500, so another 500 feet that way.

Ms. Kaye: So this is clearly going to be something you guys would have to –

Mr. Rombaoa: We would have to address.

Ms. Kaye: Okay Commissioners?

Mr. Rabaino: I just want to add one thing. See, I thought that was a different kind of grass. That's bamboo. So bamboo grows somewhere like this on the flat land, there's water underneath besides that ironwood tree. So hurray, Lana`i still get water.

Mr. Stanley Ruidas: Clay, I think next time, you've got to put big flags.

Mr. Nihigian: My home in California is on 40 acres, and this seems like more acreage already without going another 500 feet that way. Because 40 acres is a quarter of a mile square.

Mr. Rombaoa: Yeah, the map I had, the drainage ditch is (inaudible). I mean, I don't have it with me right now.

Mr. Nihigian: It just seems like a lot more land to me.

Mr. Prutch: Well, an acreage is what – 200 by 200 – approximately?

Mr. Rombaoa: Approximately. A little under. I mean, it's a little under, right?

Mr. Prutch: So 200 by 200, and we've got 20.

Mr. Rombaoa: Again, we'll have the accurate survey boundary once we, you know, do again our subdivision.

C. NEXT MEETING DATE: JULY 15, 2009, 6 p.m., Lanai Senior Center, Lanai City, Island of Lanai.

D. ADJOURNMENT

Ms. Kaye: Okay Commissioners, any more questions? Any other place you'd like to see? Okay, I'll say it's 3:35 p.m.. Site visit is concluded.

There being no further discussion brought forward to the Commission, the site inspection was adjourned at approximately 3:35 p.m.

Respectfully transmitted by,

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

RECORD OF ATTENDANCE

PRESENT:

Sally Kaye, Chair
Stanley Ruidas, Vice-Chair
Beverly Zigmond
Alberta de Jetley
Leticia Castillo
Gerry Rabaino
Darlene Endrina

EXCUSED:

Dwight Gamulo
Matthew Mano

OTHERS:

Kathleen Aoki, Deputy Director, Department of Planning
Joseph Prutch, Staff Planner
Michael Hopper, Deputy, Corporation Counsel