

**LANA`I PLANNING COMMISSION
REGULAR MEETING
APRIL 16, 2008**

Approved 05-21-08

A. CALL TO ORDER

The regular meeting of the Lana`i Planning Commission was called to order by Ms. Sally Kaye at approximately 6:05 p.m., Wednesday, April 16, 2008, in the Lana`i High and Elementary School Cafeteria, Lana`i City, Hawaii.

Ms. Sally Kaye: We're going to call the April 16, 2008 Lana`i Planning Commission meeting in order. Let the record show that we have quorum with Commissioners Ruidas, de Jetley, Zigmond, Gamulo and Kaye. I think our first order of business is to elect a Chairperson. Also if anyone has any nominations.

B. ELECTION OF OFFICERS FOR 2008-2009 YEAR - CHAIRPERSON AND VICE-CHAIRPERSON

Ms. Beverly Zigmond: Madame Chair, I would like to nominate you to be our Chair for the next year.

Ms. Alberta de Jetley: I second the motion.

Ms. Kaye: Any discussion? All in favor.

Commission Members: "Aye."

Ms. Kaye: Okay, now we need a nomination for a Vice-Chairperson.

**It was moved by Commissioner Beverly Zigmond, seconded by
Commissioner Alberta de Jetley, then unanimously**

**VOTED: Commissioner Sally Kaye as Chairperson for the 2008 -
2009 year.**

**(Assenting: S. Kaye, D. Gamulo, B. Zigmond, A. de Jetley, S. Ruidas
Excused: M. Mano)**

Ms. de Jetley: Madame Chair, I have a question. Since we have three vacant positions on the Commission, could – staff, would it be possible for us to defer electing a Vice-Chair or do we have to decide that tonight?

Ms. Kaye: We have quorum. I think we should move forward with the Vice-Chair. These are one year positions. We don't know who the nominations are going to be.

Ms. de Jetley: I nominate Stan Ruidas.

Ms. Kaye: Any second?

Mr. Dwight Gamulo: I second.

Ms. Kaye: Discussion? All in favor?

Commission Members: "Aye."

**It was moved by Commissioner Alberta de Jetley, seconded by
Commissioner Dwight Gamulo, then unanimously**

**VOTED: Commissioner Stanley Ruidas as Vice-Chairperson for the
2008 - 2009 year.**

**(Assenting: S. Kaye, D. Gamulo, B. Zigmond, A. de Jetley, S. Ruidas
Excused: M. Mano)**

C. APPROVAL OF THE MINUTES OF MARCH 19, 2008

Ms. Kaye: Okay, next would be to approve the minutes from March 19th. Is there any corrections or discussions before I entertain a motion?

Ms. Zigmond: I moved that we approve the minutes of the regular meeting on March 19, 2008.

Ms. de Jetley: I second.

Ms. Kaye: Any discussions? No amendments? All in favor.

Commission Members: "Aye."

**It was moved by Commissioner Beverly Zigmond, seconded by
Commissioner Alberta de Jetley, then unanimously**

**VOTED: To approve the March 19, 2008 Meeting Minutes as
presented.**

**(Assenting: S. Kaye, D. Gamulo, B. Zigmond, A. de Jetley, S. Ruidas
Excused: M. Mano)**

D. PUBLIC HEARING (Action to be taken after the public hearing.)

- 1. LANAI SUSTAINABILITY RESEARCH, LLC requesting a State Land Use Commission Special Use Permit in order to construct and operate a 10-acre Sunpower Tracker Photovoltaic Solar Array as a renewable energy project at the Palawai "Miki" Basin area, TMK: 4-9-002: portion of 001, Island of Lanai (SUP2 2007/0011) (J. Prutch)**

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

Ms. Kaye: Okay. The next is public hearing on Lana`i Sustainability Research LLC requesting a State Land Use Commission Special Use Permit in order to construct and operate a 10-acre sun power tracker photo voltaic solar array as a renewable energy project at the Palawai "Miki" Basin area. Planning Department.

Mr. Joseph Prutch: Good evening Commissioners. We've got the Lana`i Solar Project before you this evening. The applicant obviously will do a presentation after my staff report. This is a Land Use Commission Special Use Permit. It was filed by the applicant back in November of 2007. It was filed by Chris Hart & Partners who are here to my right, and they're doing it on behalf of Lana`i Sustainability Research who are back over here behind me. The application is to allow a sun power tracker photo voltaic solar array, called a solar farm, on 10-acres in the ag district in the Miki Basin. Solar farms, the reason we're here tonight is solar farms are not a permitted use in the State Ag District or in the County Ag Zone. Therefore a Special Use Permit is required which can be approved by the Lana`i Planning Commission. Because the site is less than 15-acres it doesn't have to go up to the State Land Use Commission.

Now to approve a Special Use Permit, the Lana`i Planning Commission has to show that this is an unusual and a reasonable use in an ag district. The property location – we all were out there – you know where the property is. Most of the public here was probably out there as well. But essentially it's out at the Palawai "Miki" Basin, just at the intersection of Miki and Kaupili Roads.

It's approximately – it's about 4,500 feet from Manele Road. It's about 9,000 feet from the power plant, and it's approximately about 12,000 feet from Manele Bay Resort. It's out there. It's kind of on it's own. The State Land Use, County Zoning and Community Plan are all agriculture. The surrounding lands are agriculture and they're all vacant as well. As far as services out there, there's no water to this site. And since this would be an unmanned facility, there's no need for water to be located at the site. Sewer as well, none

out there, no need for sewer. The drainage of the site, approximately half of the site drains to the east into a basin, not out to the ocean. And then the other half of the lot drains south and into a ditch and go eventually makes its way out to the ocean.

Roadways, curbs, gutters, there's obviously none out there. It's an unimproved road. There's no need for any improvements to that. Electricity and phone, there are power poles out there which this project would tie into and there's no need for phones out there as well. For the description of the project, I will leave that up to the applicant with their power point, so I'll defer that to them. This project was reviewed by various State, Federal and County agencies. Comments were received by most of those – they're in your staff report. The applicant did respond. They did supply responses to those comments, and those responses you should have got as a separate document. Those came in after the PC packet was delivered but you have those in a separate so you should have that. Those I want to be as part of the record. Those are to be with the staff report. Also an SHPD letter came in just a few days ago, actually a week ago – that you should have as well. It's just one single letter from SHPD for archaeological. You should have that as well and that should be part of the record. The applicant, of course, responded to all of the comments included in the project – or we can include it as project conditions of approval in the recommendation report.

The analysis of the project, the site, agriculturally has what's called a Land Study Bureau rating of D. From A to E is the rating, and E is the worst. So the property out there, the D-rating, is basically a lower agricultural resource, productive wise. And in the State Agricultural District, wind generation facilities are permitted in lands that have C to E rating. But for some reason solar was not or is not currently.

Ms. Kaye: Can I ask you a question right here?

Mr. Prutch: Yes.

Ms. Kaye: Just to be clear, I thought I read in there a response from the Department of Agriculture saying that this in fact labeled "unique ag land and would rise to a rating of A if water was supplied to the area."

Mr. Prutch: They do. They do call it D as what I saw. They do say that if it irrigated it could be an A. They did make that comment, yes. I don't know about the irrigation out there, but yes, if you could water it, it could be more useful agriculturally. Of course the general plan, the project is in keeping with the general plan objectives and policies that are described in the staff report. It's also keeping with the Lana`i Community Plan with it's goals of it's economic activities land use for the environment, physical infrastructure and of course for energy.

For the County zoning, what the County zoning has two different – permitted use as a minor facility which Chris Hart had brought up to you earlier at the site visit. A minor facility would be a permitted right in the ag district. However, a major utility – and there's a definition of the two – major utility does require a County Special Use Permit. We had this discussion somewhere back maybe in November or December, I'm not sure exactly – had a discussion with our zoning enforcement people and they came up with a determination that it was considered a major facility. We went forward with that as a County Special Use Permit – it becomes a State Land Use Commission State Permit which covers the State Land Use and the County Special Permit – it's all wrapped into the State Special Use Permit. So that's why we're here today. If it was considered a minor facility, it could've been permitted outright.

To get into archaeological, there was a survey done on this site back in November. The survey found that there were no surface artifacts. They stated that the project was not going to impact archaeological resources. And then the letter from SHPD that we just got last week concurred with that and said that the study was acceptable. We were waiting on that letter to come in before bringing this to you and we got it just in time.

As far as environmental impacts out at the site, of course, there will be some short term noise; and their impacts, just because of the construction work while they're doing that, but this will be minimal. Flora and fauna out there, there's only a few grasses out at the site, shrubs, and the ag production of D is not the best for ag crops unless of course it was heavily irrigated. Visual resources, obviously, 10-acres of solar panels could be a visual impact. However, in this case, they are low to the ground. I think they said about six or seven feet tall. They are approximately about six miles from Lana`i City. They're barely visible from this area if you developed to the upper parts of the community here – look down, you can barely make out seeing the containers that are out there, and if the containers are twice as tall as these solar panels are going to be. It's also, it's not going to be visible from Manele Bay as well. It's too far south over there and down the hill.

There was there no public testimony received however I think there was some public testimony received today that should have gotten handed to you I believe. We just got that. I have not had a chance to read it, it just came in so I'll take a look at that after I'm done up here. I haven't received any other public testimonies prior to that. And of course the Planning Department is asking the Lana`i Planning Commission to approve this project as conditioned. I can go over the conditions later if there are any questions with those. I did want to mention that there was new State Legislation – Chris had brought this up as well – that was just recently passed. However, it's at the Governor's desk and it's not signed yet. And that new Legislation would allow solar arrays, just like it allows wind generations, in the State Ag District. Maybe a month from now, this would have been something that could have been approved. However, we've gone this far so we're here

now tonight to ask for your approval for this. And at this time, I think I'll go ahead and let the applicant come up, unless anybody has any questions for now.

Ms. Zigmond: Hi. I have some questions from the analysis. Would you prefer that I wait to ask those?

Ms. Kaye: I think we should ask the Planning Department our questions now and then to move over to planner and then just take them the way we usually do.

Mr. Prutch: If it's analysis, yes. If it's coming into technical questions, I think I'd rather let them do their report first.

Ms. Zigmond: Okay, they're not really technical questions, so thank you. I have to say I'm really – I commend the applicant for being interested in alternative energy. I definitely am. I just find a little inconsistency – this is a little side bar – if you heard our residents aren't allowed to hang their clothes on the clotheslines. But one of my first question is on page #7, it says that "it will provide additional opportunities for employment and economic growth." I was wondering if someone could speak to about how many people, how many opportunities for employment this will provide, where they will come from and about how long this will take?

Mr. Prutch: Okay, with the employment, all I can say, obviously it will be – there will be short-term for the construction of the solar array. And then of course, there will be at some point somebody that's regular maintenance. As far as how many people to do this, I'm going to have to defer that to the applicant. I don't know the employment numbers off hand. Do you want them to go ahead and speak to that now or should we let them do their presentation, and then –?

Ms. Kaye: Do you have any other questions right now for the Planning Department, Commissioners?

Mr. Prutch: Let me have them do their presentation. Maybe in their presentation that question will be answered. And then if there's any questions afterwards, between them and myself, we can answer that for you.

Ms. Zigmond: I do have one for the Department though. Why just a two-year?

Mr. Prutch: I think the standard usually is we usually do one-year to allow the Commission to see the project come back just in case there are any unforeseen problems or impacts. We allow it to come back. In this case, I actually bumped it up to two years just to give them a little time to get this done and get operational. I don't believe they're going to have

the solar array – and they might speak to it just a little more – operational until maybe November or December. I think they have to have it operational by December to get their tax credits. I wanted to give them a little time to get it operational, get some of the kinks out, let it take its course and work before they have to come in and actually come back for an extension. So I gave them two years. Of course, the Commission can change that if they feel like the one year. You can up it to five, but that's up to you. Shall I turn it over to the applicant for their presentation?

Ms. Kaye: Sure.

Mr. Prutch: Okay. Chris.

Mr. Chris Hart: Thank you very much. My name is Chris Hart, Chris Hart & Partners. And we were actually retained by the applicant in order to essentially deal with the issue of permitting, the Land Use Permitting. And our firm, we're a landscape architecture and land planning firm on Maui. And some of my background – I've had a little background with the County of Maui, about 20 years, and I was Planning Director from 1986 to 1991. We're here represent the Company in the context of this project. And at this point, I'd like to look at our next slide and introduce some of the other individuals that are here with me. The project team, The Lana`i Sustainability Research LLC, is an affiliate of Castle & Cooke Inc., and with us we have Tim Hill, who is the Executive Vice-President of Castle & Cooke. We also have Bill Parks who some of you met at the site. He's with the United States Department of Energy. We also have Carlton Ching and Doug McLaughlin here. From our office, myself, Chris Hart, and also Brett Davis who has been the project planner on the project. With Sunpower Corp we have John Crouch. And from Morikawa and Associates, who are the electrical engineering consultants of Maui, we have Lyman Morikawa. From Cultural Survey's Hawaii Inc., we have Hal Hammatt. And we also have Ronald Fukumoto who is our Civil Engineering Consultant from Ronald Fukumoto Engineering Inc.

The project status, on November 26, 2007, the application was submitted to the Maui County Planning Department. And on January 3, 2008, it was transmitted to 16 agencies for comment. And the agency comments have been received and again they have been transmitted as Joe indicated. Prior to and during the application process, Castle & Cooke Hawaii conducted community outreach meetings regarding their renewable energy efforts. And with us we have Kathy Best who is in charge of their community relations for Castle & Cooke. And this is a list of community outreach for renewable efforts that have actually been undertaken by Kathy. I'm not going to read through this, but the list begins in May of 2007, and concludes tonight, April 16, 2008. So there's been a lot of community outreach and certainly there's information available to you and Kathy can be available to answer any questions.

This is our island location map – and Brett do know where exactly where that is? Right there, 10-acre site. It's kind of hard to see on the map. And our next slide is essentially a regional photograph which shows Lana`i City in the foreground; Miki Basin Power Plant is in the center; the Airport is to the right; and our project site is to the left. And again this is the project site which is 10-acres. This is Miki Road and Kaupili Road. The request for a Special Use Permit is for an approval in the State Agricultural District is to provide a 1.5 mega watts of electricity. This would be an unmanned renewable energy source on 10-acres. East to west tracking solar panels for maximum energy production. The solar farm will produce nearly 3,000 mega watts hours of electricity, or approximately 10% of the power needs on Lana`i. This is the first step to making Lanai` a model for a green energy, reducing reliance on imported fossil fuels and stabilizing electricity rates on the island.

Additional site improvements would include a perimeter fence and gates, gravel access road, and drainage improvements. This is a site plan of the solar array. And I'd like to ask John Crouch to come up, and he did give a little bit of an overview of the project to you in the field. And I think because of the individuals, the new people that are present as far as this hearing is concerned, I'd like to have him explain the technical parts of it to you.

Mr. John Crouch: Thank you Chris. My name is John Crouch. I'm the project manager with Sunpower Corporation for this Lana`i Sustainability Research Project. The slide on your screen shows the PV array project. And you'll see the blocks numbered from one through 12. One through 12. These are 12 individual systems of solar electric energy. Each one having its own electrical inverter that will invert the energy from DC power which is energy from the sun for the panels, to alternating current power, that will then be delivered along the power lines, to the interconnecting point which is here by the red dot. This interconnect point is on the power, the existing power line, that goes from Miki Substation, which is up here, along the route down to Manele Hotel which is down here.

The production from the entire park goes into the utility line and is used by the utility to serve all of Lana`i. It blends with the energy that is produced at the Miki Power Plan to supply the entire island. The energy from the park is capable to supply in total about, total hours of energy, about 10% of what the island uses on an annual basis. Obviously that will be during the day time when the sun is out. It does not provide power at night. It's a good day time amount of power to the grid. It's a very simple and clean project. It is very low profile. It's highest height will be about seven feet above ground as the panels are sloped. They track from the east to the west to maximize the amount of sun, ultra violet rays that they can collect in a day time period. Are there any questions on the technical layout?

Mr. Hart: We'll make the presentation and I'm going to call some other people up. But everybody will be available to answer questions at the end of the presentation if that's

okay. Our next slide is basically our drainage plan. We have with us Ronald Fukumoto who is the Civil Engineer. And Ron couldn't be at the site visit, but I'd like to have him come up and just to talk about the storm run-off and how is it going to be handled on the site.

Mr. Ron Fukumoto: Again, my name is Ron Fukumoto with Ronald Fukumoto Engineering. We're a Maui Consultant. Just to explain our drainage system. We have some heavy lines here that divides the site, and part of the drainage heads towards the east. This actually gets into the Palawai Basin and doesn't get to the ocean. The portion that head towards the south, eventually travels through various ditches that are existing, and makes its way to the ocean. Also on the south side, because we have some minor – a gravel road here – these are like hard surfaces, these are some concrete slabs –there will be a slight increase in run-off. So what we've proposed is a berm that runs along the perimeter of the site and a retention basin right in this area. So essentially what we'll do is we will contain any increase in run-off due to the project. And I'd like to emphasize there will only be a slight increase in run-off. There's going to be very small slabs in comparison to the overall area – also gravel road – so the additional run-off that the project will create is going to be minimal. However, we would still like to control it, and we're providing it through this drainage basin and berm system.

Mr. Hart: Thank you Ron. The Land Use Designation, the State Land Use District for this particular site is agriculture. The Maui County Zoning is also agriculture. The Lana`i Community Plan is also agriculture. The project site has a Land Study Bureau productivity rating of D or E, which is marginal on scale of A to E. Now one thing, there was a letter that indicated, from the Department of Agriculture, that if it was irrigated, the land was irrigated, it is possible it could have an A rating. I think it's important to realize that first of all, this Land Study Bureau classification system was developed by the University of Hawaii School of Tropical Agriculture and it was incorporated into the State Land Use law back in the 1960's. And there are lands whether they're irrigated or not, in the State of Hawaii, that are class A and B lands. Irrigated or not. So this is not the most fertile land regardless of whether it has regular irrigation. So it is marginal and as far as we're concerned, it meets the requirements. And also the State of Hawaii, it meets the requirements of basically the condition that has been established, and the new amendment to the State Land Use Law that does allow for basically solar energy facilities in the State Agricultural District as long as they are on lands of class D and E.

And the other thing is too, they're not using the agricultural lands of importance in the State of Hawaii system because that's not the same system that's been adopted as part of the State Land Use Law. The Department of Agriculture did point out basically the rating that would be appropriate in the A-list system. But in this particular case because of the fact that we have look to the State Land Use Law, it's essentially the Land Study

Bureau Rating that we have to use. Previously the property was under pineapple cultivation. The project site is relatively flat and ideal for the proposed project. The area has not been farmed in the last 20-years, and is not displacing or discouraging any farming activities on Lana`i.

I mentioned to you proposed House Bill 2502. The purpose of this act is to include a solar energy facility as a permitted use within the agricultural district on marginal lands with soil classifications of D or E. And again, there are soil classifications that are not irrigated that are class A, B and C lands. So in this particular case, as far as the Land Study Bureau is concerned, the lands are D or E. With the passage of House Bill 2502, the State recognizes the need for renewable energy generation and the opportunity to use inactive agricultural lands for that purpose. I did mention to you today that back in the late 1970's, early 1980's, the State Land Use Law was amended to allow for wind power facilities in the agricultural district as a permitted use. And for whatever reason, the Land Use Law was never amended again to allow for solar facilities. And now, it's in the process of being amended and the actual Bill is on the Governor's desk for its signature. It's basically passed both the Senate and the House, and again it's awaiting the Governor's signature.

The benefits of solar on Lana`i, on island renewable energy source. It would provide an on-island renewable energy source, and to start to stabilizing electricity rates on Lana`i. In the last five years, electricity rates have doubled as oil prices get passed on to consumers. Less dependency on imported fossil fuel would result over 93% of Hawaii, and 100% of Lana`i's energy is supplied by fossil fuels. The State Legislature finds that allowing solar energy facilities to be built on marginal agricultural lands may have more beneficial effects for Hawaii's economy environment, and energy security than leaving such lands unused.

As far as the tests which is a test that's established in Chapter 205 for Special Permits, the test that this is an unusual and reasonable use of agricultural lands. The use will not be contrary to objective sought to be accomplished by Chapter 205 and Chapter 205A, Hawaii Revised Statutes, and the Rules of the Commission. The desired use would not affect the surrounding properties. The use would not unreasonably burden public agencies to provide roads and streets, sewers, water drainage, and school improvements, and police and fire protection. Four, unusual conditions, trends and needs have arisen since the district boundaries in rurals were established. And five, the marginal land upon which the proposed use is sought is generally unsuited for the uses permitted within the district – now it's generally unsuited.

In conclusion, the proposed 10-acres Lana`i Solar energy facility meets the test of an unusual and reasonable use in the State Land Use Agricultural District and therefore we respectfully request the Lana`i Planning Commission's approval of the Special Use Permit. I mentioned to you this afternoon when we were talking about the project – and this was

brought up by one of the Commissioners – one of the issues of course is that because now it seems that it's going to be a permitted use in the agricultural district, the issue is whether or not this is a major utility facility or a minor utility facility; and whether or not a special permit would actually be required. That determination, you know, really – we would like to go back to the Planning Department to talk about that further with them in terms of some of the technical aspects of this project. But in any event, we are going through the Special Permit process as we have been directed by the Planning Department. However, one of the issues is the issue of time. Because of the fact that there's going to be approximately \$15 million investment in this project, the period of two-years is really onerous as far as the developers are concerned in terms of trying to secure a financing and so on. So because of the life expectancy of the project being in excess of 20 years, we would like to have the Planning Commission consider the possibility of a longer period of time for this Special Permit. With that, though, I think that we would conclude our presentation and we thank you very much and we certainly we're open to any questions that you may have or any individual that's been mentioned as part of our team. Thank you very much.

Ms. Kaye: Commissioners any questions?

Ms. Zigmond: I'll go with the one I started with, which states "this will provide additional opportunities for employment and economic growth." If you could speak to approximately how many employees, if they're going to be employed from Lana`i and about how long the project will – they will be employed?

Mr. Hart: We're going to ask John Crouch, developer of the project, to actually answer that.

Mr. Crouch: Thank you. My name is John Crouch, project manager for the Lana`i Sustainability Project. The construction will take probably another four months, maybe five, for total completion. And during that time there will be obviously people hired from the island to help with the construction. All the projects that we have worked on throughout the State over the last 10-years have utilized local talent for the projects on the Big Island and around the State. At any one time, I'd say the maximum people on the site of the project would be up to 20 individuals at various jobs. And that will vary from time to time depending on what segment of work is being done. There will be considerable construction labor resources required needed, but the time won't be, the overall time, would be about four months. After that time, it's in operational maintenance time, I think, there would probably only need to be one or part-time people to monitor that on an occasional basis. So we're talking about primary construction labor. Long term labor would be for opportunities to learn about the system for residents on Lana`i. But, not of labor, will not be large in a long-term basis unless the project gets expanded. People who learned during the construction time and go to other places for other jobs for additional renewable energy. There will be a lot of opportunities to learn new technology during the

construction phase of the project.

Ms. Zigmond: I asked that because you know housing is still an issue here and unless you're employing people who already live here and have housing then that's potential challenge.

Mr. Crouch: We'll have some technical people, engineering people, from off-island coming in, probably four or five at the most for off-island technical people to work with and assist the local construction crew.

Ms. Kaye: Any other questions?

Mr. Hart: Let me call John back. John?

Mr. Crouch: Yes.

Mr. Stanley Ruidas: John, how do you clean and maintain the cells?

Mr. Crouch: In solar panels themselves and of all the insulations we have around are considered self-cleaning. We do not have enough rain to wash off any dust that it might collect. Also as they track from east to west, they are at an angle so when you do get rain in the night time or day time, it has the tendency to fall off and keep the panels clean. For vegetative maintenance of the systems, we've used various things, but one that works very well is a sheep. Parker Ranch uses sheep to maintain the grass in their area. Mauna Lani keeps it cut and it's pretty dry at Mauna Lani so it doesn't grow much down there anyway.

Mr. Ruidas: How about like bird poop and all that?

Mr. Crouch: There usually don't have any trees around this, and there's no roosting areas for birds. If you have an occasional fly over, we don't worry about that. It's not going to impact the panels that much. Nesting birds and trees, yeah, that might be another thing, but it's not considered a problem.

Mr. Ruidas: So you probably depend on rain for washing the thing?

Mr. Crouch: We depend on rain for washing the panels, that's correct.

Mr. Ruidas: And what if there's no rain?

Mr. Crouch: If there's no rain, and it's determined that the degradation of the panels are high because of soiled panels, then you can come in with you call a pressurized washer

truck and shoot down the panels with a washer truck. We've never done that here in the islands, but I guess that would be one possible remedy.

Mr. Ruidas: Thank you.

Mr. Crouch: Thank you.

Mr. Gamulo: So the surface for most of the site is just going to be grass. Are you going to put any planting?

Mr. Crouch: It can be a grass surface on the bottom of a little growing grass. Also, what can be considered, there's a proposal being considered to put wood chips on the ground to hold down grass growth. You can put gravel, you can cover it with gravel if you want to. There's several different types of mitigation of grass growing.

Mr. Gamulo: Okay, and then, other than that there would be just some gravel roads and few small slabs will be the only thing on the surface?

Mr. Crouch: That's correct. The gravel road that was referenced is a construction road. It's a gravel through the gate that you entered, and going out on the opposite side of the field to allow trucks to go in and out easily for like cement trucks during construction and things like that. And it will be then usable for service after that time. It's not a large road. It's a simple access and to give some protection for vehicles who happens to be there after a rain. Any other questions?

Ms. Kaye: Yeah, I have a question. The letter from OHA demonstrated some concern with the amount impervious surface and recommended that native and indigenous species of plants be used for any landscaping. I wonder if somebody could address on the entire – what's the footprint of each of the arrays is going to be? How much in quantity is going to be impervious surface and how much is going to be just left?

Mr. Crouch: The impervious surface is only be, as was mentioned, the concrete pads.

Ms. Kaye: How big are they is my question?

Mr. Crouch: There are three concrete – actually a total of four concrete pads, 12 feet by 40 feet, and each one is about 10 by 40 in that area, 400 square feet per pad. That's like from the width of this room by this length. So it's not a large area. Underneath the solar panel themselves, there's only the pipe that comes out of the ground that holds the tracking device. And it will have like a 16 inch diameter foot print of concrete underneath the panel. So the grass and open areas are quite large for the entire area. The hard

surface is only the concrete pads.

Ms. Kaye: I'm sorry, I'm confused. What purpose do they serve?

Mr. Crouch: The concrete pads are what the invertors are placed on to receive the electricity from the solar electric field, and to send it to the utility grid. It's like a concrete pad under a transformer that you may see anywhere.

The concrete pads are right there, there, there, and number four is right there.

Ms. Kaye: And that's to scale?

Mr. Crouch: Yeah. The rest of this field is open grass.

Ms. Kaye: Thank you.

Mr. Crouch: Thank you.

Ms. Zigmond: Madame Chair, I don't know if anyone from MECo is here to answer this question. If anybody else can shed some light on this because I don't understand it. I'm referring to MECo's comment letter and it says "with no adverse impact to the grid and other MECo customer's on Lana`i." I don't understand the "other."

Mr. Hart: . . . (Inaudible. Did not speak into the microphone.) . . .

Ms. Zigmond: Okay, it is on MECo's comment letter. It is the second paragraph, the last sentence. And it says "MECo will continue to work with the applicant to ensure that the PV facility is integrated into the Lana`i Electrical grid with no adverse impact to the grid and other MECo customers on Lana`i." Who are "other MECo customers?"

Mr. Hart: This is Tim Hill.

Mr. Tim Hill: I'm Tim Hill with Castle & Cooke. I don't think there's anybody from MECo here or Neil who wrote the letter. And I'm just assuming when he says "other MECo customers" he's talking about other rate payers who's tied to the grid. And it's covered by the first part of that sentence. I don't know if your question is about is there somebody outside the grid? Which I can't think of anybody else outside of the grid.

Ms. Kaye: Actually I thought it meant – I mean it could've said all MECo customers. It said "other" as if it was singling out. Not somebody outside the grid. I was going to ask the same question.

Mr. Hill: I don't know exactly what it means, but I can tell you is that as we've gone forward with HECO and with MECO on a contract with them for the power, part of that is an integrated review study, an interconnection review study to look at what the impact is about the solar farm and to be able to isolate the issues that they have and being able to put mitigation in the issues, on those issues. But if there isn't any impact, all the impact issues if there are, they can manage it within the grid. So that study is near completion and to be concluded.

Ms. Kaye: Perhaps during public testimony there might be somebody from Maui Electric who could address that issue.

Mr. Hart: Thank you. Excuse me, Lyman Morikawa is our electrical engineer on the project and he may want to try to shed some light on this.

Mr. Lyman Morikawa: Actually what's happening – Lyman Morikawa, Morikawa and Associates, from Maui, electrical engineers – Maui Electric, Hawaii Electric, Sunpower, there's also a battery person involved – a battery manufacturer. The manufacturer of the inverter, SatCon, have been quite extensive work to solve some of the issues developed in KEMA, it's a company that's been hired by Hawaii Electric, to do these interconnect study, and they came up with some of this issues that have been addressed. Actually in a letter that addresses power problem here on Lana`i. And we've spending a lot of time at meetings and conference calls and trying to make the invertors themselves work outside of what normally they would be called upon to work. Normally what happens when we hook up an inverter to a electrical system, we call it grid tie, where these photo voltaic systems produces electricity, DC, converts it AC for the inverter, raises it to and ties onto the utility grid, there's some issues having to do with power quality, frequency and voltage and things like. And normally what happens is that when there is an outage, and I'm sure you have experienced it here, the inverter is suppose to shut off and not come back for five minutes. And this is standards that have been developed all around the United States through almost every utility that the invertors have been tying into.

So this is part of an IEEE standard. We call it 1541. Where it says that if an inverter is connected to a grid, if there is an outage where the voltage or frequency is lost by the utility, the inverter has to shut off. And it does this very, very rapidly. And in the process, when the power is restored it will sit there and wait for five minutes, make sure everything is okay, before it will come back on. And this is because of the safety effect. We don't want a power system providing power back into the utility because maybe the utility people are working on the power line for their safety that the system does not generate power to hurt somebody else. And the invertors have been found to – all the invertors have to pass this test.

On Lana`i, it's a very special case because of the situation where the invertors or the renewable source of energy is actually – in its percentage of grid impact, it's much higher than normal. The invertors have been asked to perform a task that is slightly outside of what called in IEEE 1541, and it's still within. . . (Inaudible. Changed cassette tapes.) . . . So this is for that it will provide better reliability here on Lana`i. Rather, when an outage occurs, the invertors will shut off. See the generating plant on Lana`i, Miki Basin, produces the voltage and what is called a frequency. The voltage is 120 volts or whatever you use in the house. The frequency is normally 60 hertz in the United States. So Miki Basin produces the voltage and the frequency. The inverter does not produce this. It relies on the generating power plant to produce this. The utility produces this. And when it disappears, it suppose to shut down for safety reason.

So in this case, Sunpower, the people involved, all engineers are working at looking at how to make the system more reliable in meeting the requirements of this interconnect study that is being developed by KEMA. So this is going to be really a unique case because most places in the United States, the systems are quite large. And when we tie a utilities photo voltaic system on to the grid, it's a very small fraction of what it is. But here on Lana`i, it's much larger. So Hawaiian Electric is spending a lot of time on this to make sure it works better than it would normally would, like here on Maui.

Mr. Hart: Aren't you glad we have electrical engineers?

Ms. Kaye: So can I ask, you're saying that the technology to make this inverter work efficiently, exists?

Mr. Morikawa: Oh yes. The technology – not to be real technical – there's digital and there's analog. You've heard of that? The invertors are programmed. They're like a computer, and they have a program that they follow. And they check the voltage, they check the frequency and they monitor the current – they're looking at seeing what's happening. So, digitally, it's like a computer. Inside of each inverter it's monitoring what's happening to this system. And the digital systems are much, much faster and they're easy to be programmed to work outside of the range. So actually, the software change. So it's not like somebody has to go there and change the wires. So the software is changed within the invertors itself. This is quite unique.

Ms. Kaye: Thank you. Any other questions Commissioners?

Ms. de Jetley: I have one to ask. So at the solar site, during the day time there will be someone manning an office or is it all done by computer? You can do it from another location?

Mr. Crouch: Again, it's what we call a remote operating site. There will not be anybody on the site. It will be handled by electronics. Somebody might have to go by and inspect it every so often to make sure there's not problems and that sort of thing, but there will not be a man on the site. Correct.

Ms. de Jetley: So where will it be monitored from?

Mr. Crouch: From the substation. From the power plant.

Ms. de Jetley: From the power plant.

Mr. Crouch: Yeah, through the internet and signal station.

Ms. Kaye: Any other questions Commissioners?

Ms. Zigmond: The gentleman just referred to outages and I don't know if this project is going to make this scenario better or worse for a lack of a more technical term, but it's my understanding that when the power goes out, when it's restored it goes down the hill prior to coming up to the City, including the hospital.

Mr. Crouch: I don't know how they – how the load management system of the utility is set up – I can't answer that. I didn't understand your question, but the energy from the solar farm will go to the grid, and the grid manages where the power goes. And when there are outages it manages which circuits get power if there's shortage of power. I'm sorry I can't answer that question.

Ms. Zigmond: Anybody here who can?

Ms. de Jetley: Madame Chair, Mr. Oyama is in the audience. Maybe he could answer that if he's willing to.

Ms. Kaye: If he's willing to. We're getting close to calling for public testimony on this. If he'd be willing to speak to it now, that would be great.

Mr. Ed Oyama: My name is Ed Oyama. I work for Maui Electric. I'm sorry, what was the question?

Ms. Zigmond: It's my understanding that when power goes out, when it's restored, it goes down to Manele prior to coming up the City including the hospital. And I was just wondering if you could –.

Mr. Oyama: In a total blackout, yes, we would do the Manele restoration first because of the size of that piece of the system. It's small enough that one generator can pick it up. Normally we put one generator on, start it up, and we close the circuit to Manele, and we'll pick up the load there. That becomes the system power plant to Manele. And then we come up, start up another generator, and then we come and pick up the town, piece by piece. I think the town is four separate pieces.

Ms. Kaye: That's an interesting situation. I didn't realize they were done in pieces like that. Other places on the mainland it's pretty routine that police, and fire and hospitals go back on first. So you're saying they just get in line with the rest of us up in the City.

Mr. Oyama: Yes, to answer your question. But the reason why they come on the way they do is because of the size of the block that they're on. We try to pick up first the reasonable piece and then the biggest piece and then the next biggest and the next biggest.

Mr. Bill Parks: I'm Bill Parks, U. S. Department of Energy. That's not necessarily true that they try to bring up those services first. But when you come from a cold black start no matter where you are, you have to start up those generators that can start and then you build that system no matter how big or small that is. So people try to start hospitals or police stations first, but it doesn't necessarily happen that way. In 2003, a black out with 50 million people, there were pockets and everything and they were able to build from those pockets and outwards, but it just depends on what stays up and what goes down and how they have to build it up. I do not know the specifics of this grid though.

Ms. Kaye: Thank you Bill and thank you Ed. That's really informative. It makes a lot of sense. Any other questions?

Ms. Zigmond: I have one more and this will probably sounds a little odd for a vegetarian but I know that many people on this island hunt and I was curious if there's going to be any impact on the residents. I don't know their hunting spots. I don't know exactly who could address this, other than has it been looked into? Is that going to shut people off from their hunting trips? Has anybody looked into that?

Mr. Hill: Tim Hill with Castle and Cooke. This area is not a hunting area so it has no impact on the hunting.

Mr. Gamulo: Normally when somebody builds a power generating plant company, they use it for their own facilities and sell the excess to the power company. Why didn't you folks do that? Or do you have any plans to do that?

Mr. Hill: We don't have any plans to do that. We are looking at renewable energy across

the whole island and looking at opportunities at improving our stability of electricity costs on the island. We looked at this plant and selling it into the grid as a better opportunity for sharing that load for the all the islands. As we're talking about the different loads, one of things that we looked at – taking off a major load on the islands, it could strand assets. It could put the electric company in a different financial situation which will have a larger impact on the community. So in looking at that and trying to bring that – looking at that, that's what kind of lead us looking at developing a site that feeds into the whole community. Did I answer your question?

Mr. Gamulo: Yes, yes.

Ms. Kaye: I have a question. Numerous Bills that are before the Legislature this year have included testimony from Castle & Cooke that state that you want to make Lana`i 100% sustainable. Can I take from that, that you have a long range plan?

Mr. Hill: We don't have step-by-step long range plan. And part of what Bill Parks and the Department of Energy, we're looking at working with them, along with the Electric Company, to start to look at those issues. And one of the key things with this project is it's large enough and it has impact on how you manage it with the grid. So now we have something. We can identify issues better, and we can a real life project to do that. Some of things that we're looking at and in talking to the DOE and other research behind it, Lyman mentioned it as well, is what kind of battery system would be appropriate for this. One, helping to control any cloud cover and out put of any system, helping to maybe move that power to later in the evening where there is more peak flows. I'll let Bill talk a little about what are some of the plans are.

Mr. Parks: Let me spend a minute – we worked with the State to set a goal to shoot for 70% renewable generations within a generation; and a generation is obviously 25 years or so. So what we wanted to do was say where's the near term opportunities we could take a look at it and see what makes sense. So we picked Lana`i to say it's a five mega watts grid, and we know that this solar installation hopes to be cited. So let's look at that and build on that. What can we do to start modeling this grid to look deficiency and other things that could be done to dry this up before they go and how a grid would operate in that kind of conditions because nobody really know. There's theories but nobody really knows. So it seemed like a good opportunity and then we would push out just on the larger islands and build up over time how that could be accomplished. So we're going to look at it. It doesn't mean it's absolutely achievable. We are now signing agreements with MECo and with Castle & Cooke to share data so we can actually do that modeling. We will be doing that over the next year. And we also hope to look at again efficiency and what could be done in the housing on the island to reduce the loads as part of the whole package.

Ms. Kaye: Okay, if there are no further questions. I'm sorry. Stanley?

Mr. Ruidas: You know on the site inspection today I was looking around at your fencing. I was wondering, the whole project cost \$15 million, I think you should spend a little more on your fencing.

Mr. Hill: Okay. Noted.

Ms. Zigmond: You're obviously spending a lot of money on the project – this is just because I don't understand so I'm asking this question – other than severe climate shift where there is not enough sun, what would cause this project not to meet your expectations and possibly stop the project or fold it?

Mr. Hill: One of it would be from a financing standpoint. Solar is expensive even in today's oil prices, it's expensive to bring on. What you're relying on is tax subsidies in the project. So that's one of the big things that we're relying on. And one of things that Chris brought up was the condition on the permit being two years. We have a little bit of an exception to that because some of the tax credits, means that the system has to be running for five-years. And so if we only do two years, I may not be able to get those tax credits. Also when we're looking at finalizing a deal with the electric company, they're looking for a 20-year contract. So I don't know if can enter into a 20-year contract with only a two-year worth of permit. So those are some of the issues that could be block that we have to overcome. For an output of it in all of that, there's warranties on the panels that go – I think the warranties on these panels are 25 years, so we have some knowledge going out of what the output of that system would be.

Ms. Kaye: But if the Governor signs the Bill, that makes it a permitted use, you won't be back here.

Mr. Hill: Maybe, maybe not, as Chris can tell you.

Mr. Hart: Basically it would establish that photo voltaic power generation facilities are allowed as wind power facilities are allowed in the agricultural district. Maui County's agricultural district zoning ordinance establishes that minor utility facilities can be allowed as a permitted use or an accessory permitted use in the agricultural district.

Ms. Kaye: Hence, you're wanting –

Mr. Hart: But major utility facilities require a special permit. So the issue would be the technical aspects of comparing a major facility with a minor facility and we would have to go back to the Planning Department to try to see if we could get a better determination with

regards to that issue. So we're not absolutely certain that we would not have to come back here again.

Ms. Kaye: I think Joe would like to add.

Mr. Prutch: I heard him. What he's saying is correct. If you do give him five-years, they still have to come back. If the State allows it, permitted right – that's what this permit is, it's a State Special Use Permit – however, if it is a major facility which is what the zoning department has called it, that still requires a County Special Use Permit at this time. Unless in five-years, maybe the County zoning is updated for ag, and maybe somehow solar is put into the zoning text and maybe it is an allowed use. But at this moment, if the State allowed it, that's fine, the State allows it. However, the County would still call it a major facility. The County would require a County Special Use Permit and we would be here before the Planning Commission for that permit anyways. So what might happen in five-years, based on regulations today in the zoning code, the State Special Use Permit, I guess would just go away. We wouldn't have to extend that. However at that point, they may have to apply for a County Special Use Permit because it is a major facility according to the zoning and enforcement division. So the State Land Use Commission Permit now basically covers the County. There is no need for a County zoning Special Permit, County Special Permit if there is a State Land Use Commission Permit in its place. So the State one kind of – instead of having two permits like they should have right now, the State permit satisfies the County permit. So if there is no State Land Use Commission Permit at that time, five-years from now, then I guess they've got to have the County Special Use Permit, unless things change in the next two or five years, whenever this extension would come back.

Ms. Kaye: Thank you. Any questions? We'll go to public testimony. For those of who came in late, there's a sign up sheet at the head table here. So far we have two names: Pat Reilly is first.

Mr. Fairfax "Pat" Reilly: Good evening. My name is Pat Reilly, a resident of Lana`i. My friends, Tim Hill and the Corporation, and Lana`i residents, I really hope the Lana`i residents will, whatever you have to say, I hope you put it on record. I'm little overwhelmed. I don't have my staff with me tonight and I couldn't bring all my lobbyist and paid consultants so I'm just here on my own. Thank you very much. I did provide a letter and I'm not going to go through this letter. Listening to the testimony and your excellent questions – and by the way congratulations to Chair Kaye and Vice-Chair Stanley. I appreciate you taking that responsibility. That is a big responsibility and I know it is not easy. And I hope you get your other positions filled.

On a facetious note, I don't want to mention Ron McOmber's name since he's in the

hospital and I know he would be here tonight, but his spirit is here. My concern generally is where does this project and the subsequent projects related to the wind farm fit into the total community's vision. And as you are aware, the Maui County General Plan has been submitted to the Council and we're looking at the Community Plan. You have to decide tonight on a permit, and listening to this, I don't know if any agreements or conditions placed on this permit would dissolve based on some action of Legislation at the State level or at the County level. But I certainly hope you would ask for some conditions related to the impacts. And I've listed several conditions. I would like to say, in my limited knowledge sheep are not a good idea for Lana`i, and I hope that is not an option at the moment. I think the Ranch spent a lot of time in trying to get rid of sheep over here. I would request, and the way I see this from my own experience sitting on the Commission is that the Corporation, Castle & Cooke, and the subsequent Corporation, would enter into agreements with the Planning Commission to do something. I'm hearing already a request to extend this beyond two-years. And I actually could not find these documents that I'm looking at tonight on the website. But I understand the financing issue. You have to decide whether this fits into the Community Plan at this stage unfortunately. I didn't see it in the Community Plan, but I can see the County might have expanded that. I think you need to look at impacts, and the impacts I have, have to do with Maui Electric and some of the questions you raised particularly with related to costs to consumers and which consumers are we talking about. And I had the impression that perhaps this would be an explicit power operation that would go exclusively to maybe Manele, and which would leave us in the town on another grid. And perhaps with the costs going up that electrical costs would go up significantly. I think we need to know that.

As you know, in the Maui County Plan, and that we always talk about maintaining agriculture. While we talk about it, it doesn't seem to me that we really want to do that, and that there is the money to do that and that's not where the money is at for Lana`i. At one point, we're going to have to bite the bullet and say either we mean it or we don't mean it. And I think you need to ask what is the role of agriculture on this island, or have we just given up on it? So I hope that you would be able to get the corporation of Maui Electric to talk about these issues that were raised tonight. And I would ask them to come back. If you're going to grant them a two-year permit, one of the conditions is that they have to come back within a year and report to you. And even if the State does pass this Legislation, they still have to come back to you, and I would hope that these conditions would still be legal conditions and binding upon them. I would hope that the Company would work with the unions, and Maui Community College, and Lana`i High School to establish a reasonable training program. This whole issue of sustainable energy is a new career area and a new labor force. And it seems to me only fair that some investment be placed in helping our students and residents learn these skills which may translate into – if they go with the wind farm and other things.

Public Utility Commission sets prices. Where are they tonight? I mean, Maui Electric can't tell you what the price is going to be. They have to go before the Public Utility Commission. What happens in a storm? We know that the rainfall is very light out there. I mean, there is not much rain, and therefore, I would agree with Member Stanley that – they ought to look at that because there's very light rainfall, and what would happen in a Kona Storm or hurricane? I would hope they would meet with the Lana`i Archaeological Committee and get the response of the Hawaiian community. I agree with Member Zigmond about the need for housing. In the long run, not just this project, but the other projects, we're going to need housing and we're going to need employees. And hopefully we can get the local residents to be trained in this area, but we still are going to need housing.

Lighting? Security? — what are the lighting and security needs? Are there no lighting needs out there? If something happens, you mean, there are no lights at all. What about fencing and security. You mean there are no security for this area. I haven't heard of any the impacts. So you need to know these things. Whether you decide to do this up front and request some of this information prior to providing a permit, I would want some of it. But if you're going to give a permit, I would have them back in year giving you a full report on any of the issues that your require information on. Thank you very much.

Ms. Kaye: Thank you Pat. Any questions Commissioners for Pat? Next is Pua.

Ms. Pua Paoa: Pua Paoa, Lana`i resident. I know all you guys. I don't know those behind me, but who a resident of this island, I do have a major complaint. I am a single woman – George has long passed away. My electric bill is \$100 a month – single person. Do I like the idea of solar power? I'm sorry I don't have solar power on top of my roof, but I wish I did. That would cut my cost in half probably. But I didn't come here, I came here for some other reason. I thought there was another group that was going to be here tonight, but it's okay. The first question I have is your project federally funded or is it private?

Mr. Hart: . . . (Inaudible. Did not speak into the microphone.) . . .

Ms. Paoa: Private. I'm glad you mentioned the fencing. I thought about security. I didn't get a chance to go out there, but I was curious. I just have a few things. Employment – we do need locals to be employed. There's so much unemployment right now – like my neighbor, he's an electrician. It's unfortunate that we have to make these kinds of decisions because it affects so many areas. I'm not for solar and I'm not even against it. But if I get to save money, then I got to be for it. But if it hurts other areas like animals, archaeological sites – of course all that has been plowed under so we're going to refine what was here prior. It just makes you wonder because I came here to live because I hoped to live the good life, but other things are making some really drastic changes. And

solar is not about us, it's about the future. So, maybe we can live with it. It's way out there. We don't see it. It doesn't effect us here in town. And I don't know, are you able to harness this?

Mr. Hart: . . . (Inaudible. Did not speak into the microphone.) . . .

Ms. Paoa: So even though it's happening during the day, that energy is retained so people can still have that power at night.

Mr. Hill: . . . (Inaudible. Did not speak into the microphone.) . . .

Ms. Paoa: I think that's about it. I appreciate your time. Mahalo.

Ms. Kaye: Thank you. Thank you Pua. I neglected to start out by saying that because there's so many people here, we're going to limit the original statements to no more than four or five minutes, and both the first two speakers did that voluntarily. So as we go forward, keep in mind to do that. Okay, next is Mei Lani.

Ms. Mei Lani Aki: Aloha. I came in late.

Ms. Kaye: State your name.

Ms. Aki: Thank you for letting me speak. I am Mei Lani Aki and I was born and raised here, and I have raised my children here. I am also representing somewhat the electrical class 101 at MCC that's supposedly suppose to be part of your program as some employment for the employees. I didn't get to hear too much about all of it, but I've witness some of the development when they made the holes. I didn't see the poles go up. But I was formerly working for the electric company called Valley Isle. I understand that it's suppose to benefit the Lana`i residents and businesses – or covering the entire Lana`i, right, in sustainable energy that would beneficial to this island's lack of economical resources. Is that correct? Businesses and residents alone. And who is suppose manage this after it gets put up since our public utility already comes from Maui Electric Company? Did we have a –?

Mr. Crouch: Once the system is installed and operating with the utility, it will be subject to the operation utility grid system, and they will manage it as far as its output at various times. There will be a site supervisor that will come by and check from time to time, see that all the parameters of this system are working as they should be on the solar electric side. There will also be a web page monitoring system in place that monitors the operations of the solar electric invertors and the panels. And they will all work in coordination with the operation of the local grid. And as far as your comment about the

class, yes, I'm conducting a special session for the class, on April 29th, to talk about employment opportunities for the adult education class that you referenced, the Electrical 101 – yes, Steve Johnson. We've worked on that for some time and we do look forward to being able to have some person from that group to be able to apply for jobs in the construction of the project. So, yes, there's education involved in the project. It's already in the plans.

Ms. Kaye: Mei Lani?

Ms. Aki: I didn't understand the grid mark.

Ms. Kaye: I've just been reminded that this is for testimony, that we're going to pick up questions a little later on. So if you want to provide any extra testimony, Corporation Counsel just scolded me.

Ms. Aki: Okay. Sorry about that. My parameters were a little out. Okay, I wanted to mention also that practically everybody in Iwole is paying \$300 a month. I don't know why. That's pretty ridiculous for a household families of just two to 10. I don't know why but our gas is already almost \$500. I don't know that this solar system will help the gas. But I know that in the future we're going to have to help ourselves on Lana`i, sustain ourselves economically. I did have a few other questions and it comes from a curiosity stand point. Actually it came up because I was thinking about the wind mills too, but with the fencing being so low, the sustainability of the project itself and the management of it and what happens if it gets vandalized, does that mean our whole entire area is going have access denied then? I'm not sure how all the long term impacts were thought about. So, but I am for sustainable energy for Lana`i, and if it has greater solar benefits. I'm sure there's always disadvantages but if it would come out to more advantages I am here to represent the 12 of us I think that's in our class that has been run by Steve Johnson. Thank you.

Ms. Kaye: Thank you Mei Lani. Any questions for Mei Lani, Commissioners?

Ms. Aki: Thank you for hearing my testimony.

Ms. Kaye: Any other public testimony? Hi Gerry.

Mr. Gerald Rabaino: My name is Gerald Rabaino, resident of Lana`i for almost 37 years. My concern is if you're give them an extension for the two years for this group. I am in agreement with Pat Reilly that they come back to this Board, and you follow up on how they are measuring up to this project. Other than that, we do need this here because we do, and I believe all of you share the same as Lana`i residents, that we are paying higher electric bills. But I would encourage you to go ahead with this, but within a year or so,

before you give that extension, have the same group come back and report to this Commissioners how the progress is going. Thank you.

Ms. Kaye: Thank you Gerry. Any questions for Gerry? Any other public testimony? Could you tell us your name please?

Mr. Kevin Humphrey: Kevin Humphrey. I've been a resident for about eight years. I also work for the Company, but I'm speaking today as a community member. I do think that this is a good direction to go. I don't think we continue to do business like we've been doing in the past. I don't own a home here on Lana`i, but if I did I would have something like this on own home. So if it's my home, I think it's good for the island. Anything green is good and I think, I'm speaking on the Company's behalf, that showing good faith to get that out there. And if you guys can help us out in any way to move this project forward, I think it's a good idea.

Ms. Kaye: Thank you Kevin. Any questions for Kevin, Commissioners? Any other public testimony? Public testimony is closed. Next we should get recommendations from the Planning Department.

Mr. Hart: Madame Chair, my name is Chris Hart. I brought a copy of the Community Plan along and I thought that since the Community Plan was mentioned and possibly we weren't being consistent with the Community Plan, I thought it might be worthwhile to just see what the Community Plan says about energy. It's under the Public Infrastructure section of the Community Plan. And the goal for Public Infrastructure – the page is 52 – it says “provide adequate, reliable and well designed public infrastructure systems in a timely fashion to meet the social, economic and public safety and welfare needs of the Lana`i community.” And then the energy section is found on page #56, under the objectives and policies, it says “#1, develop incentives to promote the use of alternative energy sources.” #2, it says “promote energy conservation and awareness programs. #3, it says “provide electrical generation capabilities which will reliably meet current and anticipated needs.” Then under implementing actions, there's one and it say “develop and adopt an integrated energy functional plan for the County of Maui that includes but is not unlimited to strategies for energy conservation, reuse of treated waste water, recycling, reduction of the use of fossil fuels; eg, through the use of solar and wind energy. Public education and awareness, and other strategies and actions related to transportation, utilities, housing, environment, urban design and economic activity.” Thank you.

Ms. Kaye: Joe.

Mr. Prutch: Thank you. Yes, the recommendation report – however we want to say – in the matter of the application of the Lana`i Sustainability Research to obtain a Land Use

Commission Special Use Permit for the construction and operation of Sunpower Tracker Photo Voltaic Solar Array on approximately 10-acres of land at Maui Tax Map 2-4-9-002:001, a portion thereof, at Palawai "Miki" Basin, Lana`i, Hawaii. The conclusions of law were that the application complies with the applicable standards for a Land Use Commission Special Use Permit. That certain unusual and reasonable use is within agriculture other than those for which the district is classified may be permitted. Also the following five guidelines were established in determining usual and reasonable use. The five criteria listed in Mr. Hart's presentation. And the Maui Planning Department recommends approval upon the following nine conditions. There are four standard conditions and five project specific conditions. In consideration of the foregoing, the Planning Department recommends that the Lana`i Planning Commission adopt the Planning Department's report and recommendations prepared for the April 16, 2008 meeting, as the finding of facts, conclusion of law, and decision and order; and authorize the Director of Planning to transmit said written decision and order on behalf of the Planning Commission. Thank you.

Ms. Kaye: Commissioners, any questions for Joe? At this point I would just point out that our options are deferral, approve with no conditions, approve with conditions that the Planning Department has suggested and any additional ones we would want to add to it, or deny the permit request. Those are our four actions.

Mr. Prutch: Yes, that's correct.

Ms. Kaye: Do you have anything that you want to add about the two year limit?

Mr. Prutch: That's what I was going to actually ask you, is what was your pleasure with the two year? The Planning Staff made a suggestion of two-year, of course it's open to either, maybe five years based on the applicant's - I didn't know about that, that they needed five years for the tax credit. That may be a good criteria. However, as public testimony wise, maybe the Planning Commission wants them to come back in a year with a status report, and then we might want to just give a year. So it's either way - one year if you want them to come back; five years to allow them to have the time to actually get their tax credits for this project. The applicants are going to ask for five years. Can they come up and request the five? Is that fine?

Ms. Kaye: Sure and I'd like to hear them address why this wasn't told to you before now.

Mr. Hart: We did talk to the Planning Department about the two years before now. We mentioned it to you, is that correct? No, no, I mean, we did discuss with you the possibility of having a longer period. Yeah we did.

Ms. Kaye: Okay. I guess –

Mr. Hart: It's not something that's new. But, you know, in the context of our conversation that we had before, it was kind of like I presented it when we were in the field, at the site – because of the fact that the life span of the solar collectors is 25-years, and there's going to be basic financing involved, you know, 15 to 20 years is something that would be more in keeping with, you know, something that would be acceptable as far as the banks and so on. But the issue of tax credits, Tim indicated that five-years is the minimum. We were discussing it in the context of the construction of the facility itself, could we basically ask for something like about seven years just to be able to build the facility and be able to have a clear opportunity to take advantage of the tax credit.

Ms. Kaye: Actually, in the two years I've been on this Commission, we try really hard to follow what the Planning Department tells us to do. And so that's why I wanted a little more conversation on why the Planning Department didn't put in for that time period?

Mr. Prutch: I went with two years based on the fact to give them a little more time to get operational. I think our standard is usually to give them one-year so that they could come back before you. It's kind of the standard. I bumped it up to two-years just to give them some time to get it operational and get some of kinks out and get it actually working before they come back to you so they could give you a full report based on some actual longevity of the actual usage. I do understand their need for five or seven years for the tax credits. It may be difficult to get. I don't know the tax credit situation, but it may be difficult for them to get the tax credits based on a permit that has a two year permit, two year use on it that may not get extended. I don't know the complications of the tax credits and how that's all going to work on their end. Even though I do have two years down here, I see the five year permit process based on their tax credits. But I also see the one or two years based on your need for discussion of the item.

Ms. Kaye: Colleen?

Ms. Colleen Suyama: Generally the standard the Department does recommend the one-year. And in a lot of cases, if there's construction involved, we would allow the construction of the facility and the operations to take place, and therefore, we usually say two years. But it is at the discretion of the Commission. If they want to consider other factors in which to give the time, the limitation of time. If you want to consider that they may have some difficulties in getting the tax credit that's necessary to make this a viable project, that's something that the Commission can consider. We would be supportive. I mean, I think it is a good project in trying to get sustainable – of energy sources, and it is a priority with the Mayor's Office or the administration to encourage people to do sustainable resources, energy resources, and this is something that is supported by the

administration as well as the Department. And if that's one of the factors that makes it more viable, we would support the five year time extension, the five-year limitation or period.

Ms. Kaye: Thank you Colleen. I'm hearing two different things, and I think Bill wants to add. There's a difference to me in tax credits and financing. And first we're talking tax credits, we have to give this permit quickly because they won't get the tax credit if they don't get this up and running. That doesn't speak to me to a five year period. That sounds more like financing. So if somebody could clarify that, I think it would help us.

Ms. Suyama: . . . (Inaudible. Changed cassette tapes). . .

Mr. Hill: This tax credit, State tax credit adhere to these tax credits for renewable energy and research facilities and that type of thing require that the Company that you're investing in to get their tax credit – require that Company to be in operation for five-years. If it's not in operation for five-years, you have to give back all the tax credits. So having a tax credit which is a primary focus of how you're we're looking at funding or financing this project – if I don't have that commitment of at least five years of operation. So when we talk about five years of operation, we also have another year probably of construction. So we need at least six or seven years to be able to have the comfort level that it's not going away to take from any profits.

Ms. Kaye: Construction, I thought you said it would take three or four months.

Mr. Hill: Yes. But, I mean, it takes three or four months to do the construction. I don't know, there's other building permits that have to be done, there's paper works behind this, I don't know when all that is going to be done. And then I also need to finalize my agreement with the electric company which we're looking to finish in the next month or so. In the same process of time in building that stuff. That could be delayed. There's also a PUC issue in the standpoint of the contract with the electric company needs to be signed off by the Public Utility Commission. So I don't know, when you put all that together, what the end time line is. That's out of my control.

Ms. Kaye: Thank you Tim. Bill?

Mr. Parks: First of all, I'm paid by U. S taxpayer's dollars. Typically for a power plant, we need long-term, and one or two years to cite and all the complexity that has been described which is a lot more complicated than another use might be for something like. And I understand some of the uses are short term. But typically for a power plant you would want to go the five or seven. From my experience, in order to get proper investment made; and also for the financing stuff to be looked favorably and for any other kind of

power plant. And for something of this size, it is an unusual size, but relative to the size of the grid, it's not a lot of strain on the grid or anything. So it's a good balance place to start. And I think that the community would be served with an energy plan for how it could move forward in the future. And we would be willing to help with that as we're helping with the County government.

Ms. Kaye: Thank you.

Mr. Prutch: If I may? Colleen and I were talking about this. Just make a suggestion to the Commission – it's your decision – then maybe give them the six or seven years so they'll have time to build, get their permits required from PUC and the building department – whatever they need to do to get it operational and then allow the five years to keep their tax credit to satisfy their end. We're thinking if you want to add a condition that maybe the applicant provide some kind of status report, a written status report, to the Lana`i Planning Commission, maybe in a years time or two years time just to give you some feed back on what they've been doing, what they accomplished, what ever you want. But that comes through the Planning Department and we can hand that to you as an information item. That's just a suggestion to be able to satisfy your need for a status on where they are at, but also satisfy their tax credits and making sure they get their permits in on their side of what they need to get this operational.

Ms. Kaye: Thank you. Any questions for Joe?

Mr. Gamulo: Can you find out how much time you really need? I mean, if you had more time, say even a month, can you find out exactly how much time you want the permit for – absolutely have to have to get the permit for?

Mr. Prutch: I mean, it sounds to me, from what they said, they need at least a five year for the tax credit. I would at least give them an extra year, maybe make it at least six, just so they have time to get all the nitty gritty stuff done. Because I believe the tax credit is from – the five year period, I believe – correct me if I'm wrong – it starts when the actual project is operational. So when that part is operational, then the five year clock ticks for their tax credit.

Ms. Kaye: So other words, then you're not going to hit the ground running tomorrow because this permit is granted or denied tonight. You have other permits in front of you, which is going to take several months, so you don't know. Am I –?

Mr. Prutch: Yes, they're still going to have to get grading permits. It takes some time. There might be some building permits involved.

Ms. Kaye: So that five year period would not go until it actually ties into the grid and you start to make it operational?

Mr. Hill: The answer would be yes.

Mr. Prutch: Colleen is over here, just for the record, telling me seven years as her suggestion.

Ms. de Jetley: Madame Chair, may I make a motion?

Ms. Kaye: Yes. First we need to see if there's any other questions or discussions from the rest of the Commissioners. And I have a technical question for Corporation Counsel. Corporation Counsel, I just want a clarification, I didn't know I was going to be in this position tonight so I had a few conditions that I wanted to throw out. So can I do that for discussion?

Mr. James Giroux: Yes.

Ms. Kaye: I just can't make a motion right?

Mr. Giroux: Yes.

Ms. Kaye: Okay.

Ms. Zigmond: I have some conditions also.

Ms. Kaye: Alberta would like to make motion first.

Ms. de Jetley: I'd like to make a motion, and my motion also have several conditions attached to it. So I move to grant the applicant a Special Land Use Permit for their project. Under standard conditions as recommended by the Maui Planning Department, condition #1, that we change the date presently at April 30, 2010 to April 30, 2015. Condition #5 for the Department of Public Works stands. Condition #5 and #6 stands. Condition #7 stands. #8 stands, #9 stands, and I'd like to add the following conditions – that employment be offered to Lana`i residents wherever possible. The next condition would be that the applicant will provide on-going training opportunities for Lana`i residents. The next condition would that the applicant will return the Lana`i Planning Commission on an annual basis for a status update. And that's it.

Ms. Zigmond: Alberta, did you say 2015?

Ms. de Jetley: Yes. That would be correct. That would give them the seven years.

Ms. Zigmond: No that's five years? No, yeah, you're right. Okay. I'm not comfortable with seven years, but one thing I do want to see is that last sentence in condition #1 the Commission may require public hearing, I would change that to "does require public hearing."

Ms. de Jetley: On the wording on that, it's kind of changed as long as that we get a status update.

Ms. Zigmond: I agree with those conditions, but I'm saying that when it's time for an extension, forget the "may," we require a public hearing. And I'm still going with 2015, but I'd also like to say that we get a report on the progress of the strategic plan.

Ms. de Jetley: When should we do that?

Ms. Zigmond: I'd like to see it next year. And another condition, if this project doesn't work, that the site be returned to its original condition.

Ms. Kaye: Okay, I need to ask Alberta just for some clarification, your second condition, provide training opportunities, to whom and for what?

Ms. de Jetley: Well, there's going to be more technical jobs available as time moves on. So the workforce that they're employing will be, at the start, more of a construction nature to get the plant set up. But as time goes on, they will have more technical – their employees will need more technical training, and I'd like Lana`i residents to be offered the opportunities for training.

Ms. Kaye: But there's one project on the table, and it's this one, and they've already said it's unmanned once the construction is up. So I'm just curious.

Ms. de Jetley: Well it's like Mei Lani on the job training that she's receiving at MCC – that there's on-going training programs available – to make more technical jobs available. It's all very well to say we've got to provide jobs, but the people who take those jobs need to be trained for those jobs. So if we had an on-going training program enforced, then we'll all have employees who are ready rather than waiting and seeing jobs go off to other people with more training.

Ms. Kaye: And then your third condition, if you could just clarify that, instead have them return on an annual basis to the Planning Commission. That's slightly different than what the Planning Department suggested which would be an annual written report. I think

having them back is a great idea if that's what you meant. I just want to clarify.

Ms. de Jetley: I'd like them physically present. I don't want a review report. I'd like them to do a physical presentation to us.

Mr. Prutch: . . . (Inaudible. Did not speak into the microphone.) . . .

Ms. Kaye: Yes. Thank you. Please do.

Mr. Prutch: Okay, that was a lot so bear with me. I'd like to make sure I get this right here before we move on today. You made the motion that condition #1 be changed the date of April 30, 2010 be changed to April 30, 2015. And further in that condition where it says "the Commission may require public hearing," I heard you want it to say that "the Commission will require a public hearing." Condition #1. "Shall," I'm sorry – affirmative – shall require a public hearing. The rest of the conditions as stated were fine. The additional conditions were, #10 would be that employment –.

Ms. Kaye: Preference be given to local labor.

Mr. Prutch: Employment shall be offered or preference given to Lana`i residents where feasible. Condition #11, that on-going training – is this correct – that on-going training shall be provided for Lana`i residents. I'm not sure how else to word that one. If you could be a little more specific, but that's what I got so far.

Ms. de Jetley: Can I ask someone in the audience for assistance? Mr. Kamai. Mr. Kamai, when we were speaking earlier informally you said that the union is involved in training. You've had on-going training programs right?

Mr. Bill Kamai: My name is Bill Kamai from the Carpenter's Union. Yes, we do have training programs at the school right here on Saturdays.

Ms. de Jetley: So what I'd like to see is the applicant be supportive of on-going training programs such as what's going on now.

Ms. Kaye: Are you suggesting that they provide training in technical – in renewable energy related to technology?

Ms. de Jetley: Going green means more than just providing electricity to solar panels as to windmills. There are going to – we're going to be looking at things outside of box. And as these opportunities become available, we need to have a labor force that's prepared. And I can't sit here tonight and say well we're going to have give this and this and this. I'd

just like the applicant to be supportive of whatever job training opportunities that are already being presented by the union. So whatever way they can assist and help and support is what I would like to see them do.

Mr. Parks: I just wanted to tell you that we're working with MCC to start a plan to train, not tied to any specific project. What will take to produce two year degrees where people could be trained in multiple renewable technology that's just getting under way? And we meet actually with the Chancellor next week on that. And there are some dollars to start to evaluate what that program would look like. So I just wanted you to be aware of that was underway and considered.

Mr. Prutch: Okay, let me get back to the condition and I'll see this satisfactory to your motion. In that condition, #12, I'm saying that the applicant shall support ongoing training programs for Lana`i residents. A little vague, but it's what I'm getting so far. Is that the intent of what you're going for?

Ms. de Jetley: Yes, because it's going to be changing.

Ms. Kaye: How about if we made it a requirement as part of their annual presentation to us that it has to include what efforts are being done on an annual basis to provide technical training. Then they can really put their finger on what is going to happen at one, two, three, four, five years out. I'm just trying to not set up a condition that they can't meet.

Mr. Giroux: Yes, Corporation Counsel is just concerned that the condition is not too vague that they come back – they've done two programs and then you guys say well why didn't do three. It needs to be something that they can hit on the nail, right on the head, and meet what you want.

Ms. Kaye: While we're thinking about that one, Beverly, to clarify yours, you say you would want a strategic plan update. Now do you want that as part of an annual report? Do you want a progress report on a long-range strategic plan for sustainable practices. And I think you need to be a little more specific.

Ms. Zigmond: I would like a reporting on the progress of this long range strategic plan.

Ms. Kaye: And your final one, you want, if for any reason the project doesn't go forward, you're asking that the applicant be required to restore the site to its original or improved condition?

Mr. Prutch: Let me try revisit where we're at. We all understand condition #1, which is to change to 2015 as requested. And the Commission shall require a public hearing on the

island. Now getting down to the questions of the additional conditions. First one, #10, once again that employment shall be offered to Lana`i residents where feasible. #11, that the applicant shall support ongoing training efforts or programs for Lana`i residents. #12, is that –

Ms. Kaye: And report annually on efforts taken.

Mr. Prutch: I was going to roll that into #12 maybe. Let me see if this makes sense. #12 would be to have the applicant return on an annual basis to provide a status update and report on annual – and report on status of ongoing training.

Ms. Kaye: I think Alberta's point is that this is really an important issue, and it needs its own condition. And that status report is just an overall, general, where are they and getting up and running, and securing their funding and that sort of stuff. And I would really like to count on the staff that Mr. Parks has said there is an ongoing relationship with the DOE and we'd like to see him back in the next year, and see this partnership continue because this is just one small project. I'd like to make it a condition that you folks rescind that eviction notice that you sent to Iwiole, telling people that they have to move out if they don't stop hanging their clothes. That's not very green. And I'd like to see you commit – as in fact I brought from the February meeting where your architect said on the record that from now on any buildings you build are going to have solar panels on them, and you're not doing that in town. I'd like to see a commitment to that.

Mr. Prutch: Okay, let me get back to those conditions to make sure I've got it. So #10, employment be offered to Lana`i residents where feasible. We're okay with that one. #11, the applicant shall support on-going training for Lana`i residents. And the applicant shall submit annual reports on the progress of said training. #12, that the applicant shall return on an annual basis to provide a presentation on the status updates of the project. #13 the applicant shall – you have better wording.

Ms. Suyama: You know for your annual status report, what I would suggest is that the applicant shall appear annual before the Lana`i Planning Commission with a status report of the project. And a copy of the annual status report shall be filed with the Maui Planning Department, so at least we have a record of what's being filed.

Mr. Prutch: Keep that note for me. Let's see, okay, beyond that – I'm not sure about this one, but this is what I heard – that the applicant shall provide the progress on the long-range strategic plan.

Ms. Kaye: An annual progress report on long range sustainable strategic planning for Lana`i. Unless Colleen can come up with something better, or Commissioners.

Ms. Suyama: How about strategic integrated resource plan? So – what is the strategic plan?

Ms. Kaye: You said that you don't have a long range plan. You said that this is a first step and that you couldn't really address tonight to what would be next. And I think that not having – to have said that you want to make Lana`i so many times 100% sustainable speaks to me of a commitment to think through other steps, like letting people hang their clothes, and putting solar panels – that kind of island wide – you say you're going green but you don't always act that way. So I think it would help the community to see other steps are taken. So if you start to develop along the strategic plan for making Lana`i sustainable, you tell us when you come back every year.

Mr. Hill: Just a suggestion, as part of the annual report on the – what we're talking about is a specific project so we're adding a condition on this project that stands beyond on that to say as part of that report, you want to know what other efforts Castle & Cooke, or on the island are moving forward at sustainability or for renewable energy.

Ms. Kaye: That would be it.

Ms. Zigmond: If I just might interject as our good friend Ralph Masuda one time said, everything is related and I think that applies to this condition.

Mr. Parks: Clarification – so make sure we're on the same page – the DOE is not an applicant. So we are volunteering to work with them to try to come up with a plan of how this could be feasible. And we would be willing to come back as long as we have – we're annually funded so as long as we have funding to do this, we would be glad to come back and talk about what we've come up together and what might work here and what the options would be. And if that would suffice then I'm very comfortable. Thank you.

Mr. Hill: My only thing is if two years into this and when the oil gets down in price and then renewable efforts peaks, I don't know what that would – at that point in time – what would be good for the island.

Ms. Kaye: I'm sorry.

Mr. Hill: I'm just trying to grasp as part of this – when you're saying everything is connected – we're talking about a specific project. And on the long term plan of what Castle & Cooke is signing up to look at and to move forward with is to move this island to 100% green without signing an MOU with the Department of Energy and with the Electric Company. In doing that, I think it's a fair point that yes, we need to communicate that to the community and we would like to schedule time as we develop those plans and coming here

and doing that. I just struggle with making that a condition of this permit on this particular project.

Ms. Kaye: And I struggle with the idea that you can send a letter to how many residents in these apartments you rent and tell them they can't hang their clothes. Were you aware that such a letter went out?

Mr. Hill: No, I was not aware that the letter went out.

Ms. Kaye: Okay. It doesn't speak to long term sustainability to tell us on the one hand that – well it doesn't speak to the community to a long term commitment if you say oil prices go down, we're not going to bother with this anymore.

Mr. Hill: Yes, poor choice of words. I'm just looking at how do I keep that? You know, is it really something that needs to be required on this particular project or an ongoing commitment for the sustainable energy?

Ms. Zigmond: We're giving you the seven years. We're asking for a report.

Mr. Hill: Okay.

Mr. Prutch: We have seven years?

Ms. Suyama: I think for your strategic plan, I think this might resolve that, that the applicant shall appear annual before the Lana`i Planning Commission to give a progress report on its efforts to implement sustainable resources in conjunction with the community for the island. So they would have to work the community in order to get something together.

Ms. Kaye: Commissioners, any other conditions, questions, comments?

Mr. Prutch: The only other thing I wanted to make sure is that the last condition was that if the project were removed, the project site shall be returned to its original condition.

Ms. Kaye: If the project was abandoned or ceased to operate – however you want to say that. Okay, there's a motion and those conditions have been read, and everyone has heard them. Second – I'm waiting for someone.

Ms. Zigmond: I'll second.

Ms. Kaye: All in favor?

Commission Members: "Aye."

Ms. Kaye: Motion passes.

It was moved by Commissioner Alberta de Jetley, seconded by Commissioner Beverly Zigmond, then unanimously

VOTED: To approve the project with the additional conditions as noted.

Ms. Kaye: Let's take a 10 minute break.

(The Lana`i Planning Commission recessed at approximately 8:10 p.m., and then reconvened at approximately 8:20 p.m.)

E. DIRECTOR'S REPORT

1. Commission Chair's request to discuss the following:

The feasibility of changing the zoning of the remaining 65 acres of land donated to the County of Maui by Castle & Cooke for affordable housing. The change would go from its current zoning to the appropriate type of zoning that would make the land ready to be improved.

2. 2008 Hawaii Congress of Planning Officials Conference - September 10-12, 2008 at the Grand Wailea Hotel, Wailea, Island of Maui.

Ms. Kaye: Joe are you taking the – or is it Colleen for the Director's Report?

Ms. Suyama: In terms of the Director's Report, we don't have anything to report on the continuing Chair's request about the 65 acres for housing. We did send to each of the Commission members our notice of the Hawaii Congress of Planning Officials Conference which the Planning Department is hosting this year on Maui. And it's scheduled for September 10th to 12th at the Grand Wailea Hotel. So we just want you to reserve those dates so that you know that in advance, for the Conference, and later on throughout the year, we're going to then have the official registration packets for the Commissions to look at and decide whether they want to come to the Conference itself because we usually fund the Lana`i Planning Commission, the Molokai Planning Commission and the Maui Planning Commission to go to the HCPO Conference.

The next item is you folks had a request about –

Ms. de Jetley: Wait, wait Colleen. On that Hawaii Congress of Planning Officials. Last year, when we went to the Big Island, it was just excellent. And we were wondering whether or not as a pre-conference trip that Lana`i could be included where we could offer other people coming to the convention – Lana`i as a first day trip.

Ms. Suyama: As a day trip?

Ms. de Jetley: Yes.

Ms. Suyama: For who are you talking about?

Ms. de Jetley: For the island because we feel that we have really unique community. We have country-town zoning. We have a walkable community. We have hopefully a solar project that is happening. And we think that other people and Planning Department's in other parts of the State would be really interested in seeing our community.

Ms. Suyama: I can go back to the conference planning committee and give them that suggestion. If they want to plan something, do you want to be the contact person to coordinate?

Ms. de Jetley: I'd love to be the contact person. I talked to several businesses in this community and we all feel that we have a unique project on Lana`i – a very, very unique community and we would like to showcase.

Ms. Suyama: Okay, I can go back and let the Chairman of the Committee know that you folks are interested in having some kind of workshop activity scheduled for Lana`i, and how we can logistically do that. Because it would be a matter of getting conferees from Maui to Lana`i, and that might be the problem that we may face. It's getting them to Lana`i and back to Maui within a reasonable time.

Ms. de Jetley: We could possibly work with Expeditions and come out of Maalaea to Lana`i, and then people coming from Oahu could fly into Lana`i in the morning, and then leave the island with Expeditions.

Ms. Suyama: Okay. We'll see what we can arrange.

Ms. de Jetley: Okay.

3. Open Lana`i Applications Report.

a. Status on King's Chapel - BVA T2008/0001

Ms. Suyama: The next item is you folks had a request on the status of the King's Chapel, the variance request. This is a request to erect a 50 foot high cross in the public/quasi-public district. Because the height limitation is 35 feet, they were seeking a variance for the cross. On January 14th of this year, the Department had requested additional information from the applicant. We did not receive the information. And on March 13, 2008, the application was returned to the applicant. So they will need to resubmit their application as well as the requested information.

Ms. Kaye: Can I ask you a question about that?

Ms. Suyama: Yes.

Ms. Kaye: If you could help us understand the process here. If someone puts in a variance, such as that, how long does the general community at large know what is happening?

Ms. Suyama: It will get to know what's happening when the public hearing on the application is scheduled.

Ms. Kaye: It would be here, not before the variance committee on Maui?

Ms. Suyama: Normally the Boards of Variance have been coming to Lana`i to hold any variance application hearings.

Ms. Kaye: Thank you.

Ms. Zigmond: Colleen, excuse me, so the hearing would be before them, and not us.

Ms. Suyama: Right because it's a variance and the Board of Variance and Appeals reviews all variances and code requirements. And this is a code issue.

Ms. Zigmond: And that would be adequately noticed?

Ms. Suyama: Right, the applicant would have to notice people surrounding the project. Also we would have to put public notice in the paper advertising that there is a public hearing scheduled. And in the past we have had the hearings on Lana`i when there has been a Board of Variances and Appeal type hearings because it is not very common that it occurs on Lana`i. So we usually try to accommodate that travel expense for the Board of Variances and Appeals.

Ms. Zigmond: Is there any way that the Commission could be notified of that?

Ms. Suyama: Depending on when the application comes back, I could put a request in to the Board's Secretary that if this matter is scheduled – as well as the Division Head – that if this matter is scheduled if we could put a notice with the Lana`i Planning Commission agenda.

4. Status on the Water workshop.

Ms. Suyama: The next order of business is your requested Water Workshop. What I handed out to the Commission tonight is the list of the resource people that I had obtained from the Commission members who had responded to my request. These are the resource people, their addresses. The other thing is that there is a draft letter that's attached and what I did was this is a draft letter to be sent out to all of these potential participants in your workshop explaining why you folks want the workshop – for educational purposes – and I tried to compile all of the questions or all of the ideas from all of the various Commission Members that was submitted into 20 different questions for them to address. So this is base that I just wanted to let you know that we haven't forgotten about the workshop. And this the draft letter to be sent out to all of the potential participants and the contact information. And we're not looking at scheduling anyone sooner than June because in May there are several public hearings that are scheduled with the Commission. And hopefully by May you'll have your new Commission members because that's the next item of business that I have is that I did contact the Mayor's Office. There were seven nomination papers that were submitted, and of that seven she has chosen three members to be the new Planning Commissioners for Lana`i. And she has sent those names down to the County Council. And we're hoping that it will be posted for the next Council meeting for consideration. Unfortunately, until it's posted, I have been asked not to reveal the names of who those three people until – because they are still in the process of notifying the nominees.

Ms. Kaye: Can I ask you a question? Back up one, on the water workshop. May we comment on the draft letter? Is this for our review?

Ms. Suyama: This is for your review. If you want any changes to this – this is trying to compile everybody's comments into some kind organization that it's understandable by the people that are going to receive this letter. If you folks want to make some changes to it, you can email me whatever changes.

Ms. Kaye: Would you like to give us a deadline?

Ms. Suyama: Because I'm leaving for the mainland on next Thursday which is on the 24th,

I would appreciate receiving any comments by Monday at the latest. And I can make whatever amendments and then have the letter sent out.

Ms. Kaye: Colleen, this is great work! Thank you so much for doing this. Any questions so far Commissioners on anything? Okay, then the next is public hearing on the proposed Bills and I believe we've been sent these already as part of our packet.

- 5. Status of the Mayor's nominees to the Lana`i Planning Commission.**
- 6. May 21, 2008 public hearing on the following proposed bills:**
 - a. Council Resolution 08-05 regarding the location of home occupations in various zoning districts.**
 - b. The Planning Department's Bill for an Ordinance Repealing Chapter 19.02, Maui County Code, Relating to Regulations Generally, and General Provisions and Definitions.**
 - c. The Planning Department's Bill for an Ordinance Amending Chapter 19.04, Maui County Code, Pertaining to General Provisions and Definitions.**

Ms. Suyama: I believe so, but these are the three Bills that are scheduled for the May 21, 2008 meeting. These are all public hearing items, and they're dealing basically with ordinance changes. And if the three new members are selected by then and confirmed by the Council, we may consider that in the May meeting we may do your orientation depending on how much time we estimate these three Bills will take.

Ms. Kaye: Okay. Thank you.

Ms. Zigmond: Colleen I have a question please? First of all, thank you for compiling that letter with 20 questions. That is great! Do you know if Mr. Fasi was contacted and if so what his response was on the Company's semi-annual report that we had made that a condition for their extension down at the Manele Project District?

Ms. Suyama: He has been contacted that the semi-annual report is due. He has been in contact with Jon Shimizu regarding that, and I think they have been notified. They are compiling the report for future submittal to the Planning Commission.

Ms. Zigmond: Thank you because that six months was either April or May.

Ms. Kaye: That was my question, when does the clock start ticking? When the October date set the five year term or when they got noticed? And I found something in the Rules

subsequent to that potentially said when they received the notice, they can count on that as being the six months, so it's due in May right?

Ms. Suyama: I believe so. I'll take your word. I haven't checked with Mr. Fasi as to whether it is May or not.

Ms. Kaye: That's the response that came in from Castle & Cooke. I don't believe it's due till May.

G. NEXT REGULAR MEETING DATE: May 21, 2008

Ms. Suyama: Other than that, your next meeting is May 21st.

Ms. Kaye: Is everybody planning on being here, May 21st? All right, meeting is adjourned then. Thank you everybody.

H. ADJOURNMENT

There being no further discussion brought forward to the Commission, the meeting was adjourned at approximately 8:34 p.m.

Respectfully transmitted by,

LEILANI A. RAMORAN
Secretary to Boards and Commissions I

RECORD OF ATTENDANCE:

PRESENT:

Sally Kaye, Chair
Stanley Ruidas, Vice-Chair
Dwight Gamulo
Beverly Zigmond
Alberta de Jetley

EXCUSED:

Matthew Mano

OTHERS:

Colleen Suyama, Deputy, Planning Director
Joseph Prutch, Staff Planner
James Giroux, Deputy Corporation Counsel