



DRAFT EIS Comments and Responses



DRAFT EIS COMMENTS AND RESPONSES

The Draft EIS was sent to the following agencies, organizations, and individuals indicated in the table below. The Draft EIS was also available on the OEQC website. The official 45-day public comment period on the Draft EIS was from April 23, 2010 to June 7, 2010. Honua'ula Partners, LLC, as a courtesy to those that requested more time to review the document, extended the comment period on the Draft EIS until June 30, 2010.

In support of a Project District Phase II application, the Draft EIS was sent to additional agencies for review and comment concurrent with the Draft EIS comment period. These agencies are indicated with an asterisk (*) in the table below.

Where indicated (comment date), an agency, organization, or individual submitted comments.

Agency/Individual	DEIS Sent	Comment Date
State		
Department of Agriculture*	4-22-10	-
Department of Accounting & General Services*	4-22-10	5-4-10
Department of Business, Economic Development and Tourism*	4-22-10	-
DBEDT – Hawaii Housing Finance & Development Corporation	4-22-10	6-10-10
DBEDT – Office of Planning	4-22-10	-
DBEDT – Energy Office	4-22-10	6-2-10
Department of Defense	4-22-10	-
Department of Education*	4-22-10	5-12-10
Department of Hawaiian Home Lands*	4-22-10	6-3-10
Department of Health – Environmental Planning Office*	4-22-10	-
DOH – Safe Drinking Water Branch	4-22-10	5-13-10
DOH – Wastewater Branch	4-22-10	5-5-10
DOH – Environmental Planning Office, Maui*	4-22-10	-
DOH – Office of Environmental Quality Control	4-22-10	-
Department of Human Services*	4-22-10	8-19-10
Department of Labor & Industrial Relations	4-22-10	4-29-10
Department of Land & Natural Resources*	4-22-10	6-7-10
DLNR – Land, Maui*	4-22-10	-
DLNR – State Historic Preservation Division*	4-22-10	-
Department of Transportation	4-22-10	6-24-10
DOT – Statewide Planning Office*	4-22-10	-
Office of Hawaiian Affairs*	4-22-10	6-29-10
University of Hawai'i Environmental Center*	4-22-10	6-30-10

Agency/Individual	DEIS Sent	Comment Date
Federal		
US Army Corps of Engineers*	4-22-10	5-11-10
US Geological Survey	4-22-10	5-7-10; 6-1-10
US Fish & Wildlife Service*	4-22-10	7-2-10
US Natural Resources Service	4-22-10	6-1-10
US Natural Resources Service, Maui*	4-22-10	-
County of Maui		
Civil Defense Agency*	4-22-10	-
Department of Environmental Management*	4-22-10	6-14-10
Department of Fire & Public Safety*	4-22-10	6-1-10
Department of Housing & Human Concerns*	4-22-10	5-5-10
Department of Parks & Recreation*	4-22-10	5-28-10
Department of Planning/Planning Commission	4-22-10	6-30-10
Department of Public Works*	4-22-10	6-10-10
Department of Transportation*	4-22-10	6-8-10; 6-23-10
Department of Water Supply*	4-22-10	6-3-10
Police Department*	4-22-10	5-10-10
Libraries		
Maui Community College Library	4-22-10	-
Nearest State Library (Kīhei)	4-22-10	-
Regional Library (Kahului)	4-22-10	-
Legislative Reference Bureau	4-22-10	-
State Main Library	4-22-10	-
Univeristy of Hawai'i Hamilton Library	4-22-10	-
Media		
Honolulu Advertiser	4-22-10	-
Honolulu Star Bulletin	4-22-10	-
Maui News	4-22-10	-
Elected Officials		
County Councilmember Wayne Nishiki	4-21-10	-
Local Utilities		
MECO*	4-22-10	4-28-10
Hawaiian Telcom*	4-22-10	-
Oceanic Cable	4-21-10	-
Citizen Groups, Individuals, and Consulted Parties		
Haleakalā Ranch (Don Young)	4-21-10	-
'Ulupalakua Ranch (Sumner Erdman)	4-21-10	-
Kīhei Community Association (Jon Miller)	4-21-10	-
Wailea Community Association (Bud Pikrone)	4-21-10	-

Agency/Individual	DEIS Sent	Comment Date
Paul Johnson Park & Niles (Pamela Bunn)	4-21-10	-
Maui Cultural Lands (Clare Apana)	4-21-10	-
Maui Cultural Lands (Daniel Kanahele)	-	6-30-10
Maui Meadows Community Association (Madge Shaefer)	4-21-10	6-29-10
Maui Tomorrow Foundation (Irene Bowie)	4-21-10	6-30-10
Maui Unite (Elle Cochran)	4-21-10	-
Maui Unite (Gordon Cockett)	4-21-10	6-30-10
Save Mākena.org (Angie Hoffman)	4-21-10	-
Save Mākena.org (Elle Cochran)	4-21-10	-
Sierra Club Maui Group (Daniel Grantham)	-	No Date
Sierra Club Maui Group (Lucienne de Naie)	4-21-10	6-30-10
Surfrider Foundation Maui Chapter	-	6-29-10
Valley Isle Building Products (Mike Williams)	-	6-22-10
Angie Hofmann	4-21-10	-
Claire Jordan	4-21-10	-
Clare Apana	4-21-10	6-30-10
Cynthia Stemmer Denny	6-29-10	-
Dale Deneweth	4-21-10	-
Daniel Kanahele	4-21-10	6-30-10
David Merchant	-	6-30-10
Dean Sandow	-	6-28-10
Dick Mayer	-	6-29-10; 6-30-10
Gene Weaver	-	6-17-10; 6-28-10
George Harker	4-21-10	6-30-10
Irene Newhouse	-	6-28-10
Joe Fell-McDonald	4-21-10	-
Johnny Be	4-23-10	-
Joyclynn Costa	4-21-10	6-30-10
Karrie Silva	4-21-10	-
Katie Romanchuk	4-21-10	-
Keeaumoku Kapu	-	6-29-10
Keegan House	4-23-10	-
Ken Rose	4-23-10	-
Lee Altenberg	-	6-30-10
Lucienne de Naie	4-21-10	-
Mark Hyde	4-21-10	No Date; 6-17-10
Michael Howden	4-21-10	-
Michael & Barbara Gach	4-21-10	-

Agency/Individual	DEIS Sent	Comment Date
Maury King	-	6-30-10
Philip Thomas	-	6-30-10
Robert Wintner	4-21-10	-
Robin Knox	4-21-10	-
Scott Heller	4-21-10	-
Steve Lafleur	4-21-10	-
Teri Leonard	4-21-10	6-30-10
Todd Wilson	4-21-10	-
Valerie Lane Simonsen	-	6-1-10

*Project District Phase II application sent



May 31, 2012

Jan S. Gouveia, Acting Comptroller
State of Hawai'i
Department of Accounting & General Services
P.O. Box 119
Honolulu, Hawai'i 96810-0119

SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Ms. Gouveia:

We have received the Department of Accounting & General Services' (DAGS) letter dated May 4, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to the comments.

We acknowledge that DAGS has no comments to offer and that Honua'ula does not impact any of DAGS' projects or existing facilities.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

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RUSS K. SAITO
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SANDRA L. YAHIRO
DEPUTY COMPTROLLER

(P)1097.0



STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

MAY - 4 2010

Mr. Tom Schnell
PBR Hawaii
American Savings Bank Tower
1001 Bishop Street, Suite 650
Honolulu, HI 96753

Dear Mr. Schnell:

Subject: Draft Environmental Impact Statement for the Honua'ula Project at TMK (2)2-1-08-056 and (2)2-1-08-071 Makawao, Maui, HI

Thank you for the opportunity to provide comments on the Draft Environmental Impact Statement for the Honua'ula project. This project does not impact any of the Department of Accounting and General Services' projects or existing facilities, and we have no comments to offer.

If you have any questions, please have your staff call Mr. Clarence Kubo of the Planning Branch at 586-0488.

Sincerely,

ERNEST Y.W. LAU
Public Works Administrator

CKK:inn
c: Mr. Jeff Hunt, Director, Maui Planning Department/Maui Planning Commission

LINDA LINGLE
GOVERNOR



KAREN SEDDON
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
877 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO:
10:PEO/79

June 10, 2010

PBR Hawaii
ASB Tower, Suite 650
1001 Bishop Street
Honolulu, Hawaii 96813

Attn: Tom Schnell

Dear Mr. Schnell:

Re: Honua'ula Draft Environmental Impact Statement, TMK (2)2-1-08-056 and 71

The HHFDC is supportive of the proposed Honua'ula master-planned, mixed use community. It will provide a range of single-family and multi-family housing opportunities, including workforce affordable homes in compliance with Chapter 2.96, Maui County Code. Approximately 250 of the workforce affordable homes (125 rental and 125 for-sale) will be provided off-site at the Ha'ono'ulu Light Industrial Subdivision, and 1,150 homes (of which 450 multifamily units will be affordably-priced) will be provided on-site at Honua'ula.

The proposed project, and in particular residential use, is consistent with the Kihei-Makena Community Plan. It is also consistent with the affordable housing policy set forth in the Hawaii State Plan of increasing homeownership and rental housing opportunities and choices in terms of quality, location, cost densities, style and size of housing. The targeted income groups, affordability, and resale provisions will comply with the County's requirements.

Thank you for the opportunity to comment.

Sincerely,

Karen Seddon
Executive Director

c: Department of Housing and Human Concerns



May 31, 2012

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Karen Seddon, Executive Director
State of Hawaii-DEBDT
Hawaii Housing Finance and Development Corporation
677 Queen Street, Suite 300
Honolulu, HI 96813

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Ms. Seddon:

Thank you for your letter (10:PEO/79) dated June 10, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments.

We acknowledge that the Hawaii Housing Finance and Development Corporation (HHFDC) is supportive of the Honua'ula master-planned, mixed use community, which will include workforce affordable homes in compliance with Chapter 2.96, Maui County Code. We also acknowledge that HHFDC finds Honua'ula consistent with the Kihei-Makena Community Plan and the affordable housing policy set forth in the Hawaii State Plan.

We appreciate the support of HHFDC.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

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June 2, 2010

Mr. Tom Schnell, AICP
PBR Hawai'i & Associates, Inc.
ASB Tower, Suite 650
1001 Bishop Street
Honolulu, Hawai'i 96813

**Re: Draft Environmental Impact Statement for the Proposed Honua'ula Master-Planned Community;
Makawao District; Wailea, Kihei-Makena, Maui; TMKs (2)2-1-08-056; (2)2-1-08-071 (Honua'ula
Partners, LLC)**

Dear Mr. Schnell:

In response to your April 20, 2010 notice, thank you for the opportunity to provide comments on the Draft Environmental Impact Statement ("DEIS") for the proposed Honua'ula master-planned residential community in the Kihei-Makena region of Maui, adjacent to Wailea Resort. This project proposes the development of up to 1,400 single and multi-family homes and village mixed-use areas that integrate supporting commercial, open space, recreational opportunities (including an 18-hole homeowner's golf course and golf course clubhouse), and related off-site infrastructure on 670 acres. Chapter 343, Hawai'i Revised Statutes ("HRS"), environmental review is required because this project proposes to: (a) extend P'i'ilani Highway from Wailea Ike Drive to Kaukahi Street, a portion of which will be on right-of-way owned by the State of Hawaii; and, (b) possibly develop an on-site wastewater reclamation facility. The project may also impact State and/or County lands or funds relating to infrastructure improvements for facilities, roadways, water, sewer, utility, drainage, or other facilities, including the installation of transmission lines and possible expansion of the Maui Electric Company ("MECO") electrical substation located within the Honua'ula property.

At this time, we would like to provide the following comments:

- 1. State energy conservation goals.** Project buildings, activities, and site grounds should be designed with energy saving considerations as set forth by Chapter 344, HRS ("State Environmental Policy"), and Chapter 226, HRS ("Hawai'i State Planning Act"). These laws encourage the efficient use of energy resources to ensure the short- and long-term provision of adequate, reasonably priced, and dependable energy services to accommodate Hawai'i's energy demand. This includes the development of cost-effective energy management programs, consumer education, and the adoption of energy-efficient practices and technologies. We appreciate Honua'ula Partner, LLC's recognition of these statutes and goals.

Chapter 269, Part V, HRS ("Renewable Portfolio Standards"), provides for the establishment of energy-efficiency portfolio standards to reduce ratepayer energy consumption by 30% by 2030 utilizing renewable displacement or off-set technologies such as solar water heating. HRS §269-92 also mandates that 40% of the net electricity consumed in Hawai'i must be generated by renewable energy resources by 2030. Proper planning and design of the proposed action will help our State meet these critical energy goals.

Mr. Tom Schnell, AICP
Draft Environmental Impact Statement for Honua'ula
Page 2

For larger projects such as Honua'ula, implementation of energy conservation measures will significantly impact Maui's energy supply and demand. We commend Honua'ula Partners, LLC's commitment towards reducing energy consumption, as demonstrated by the design and construction of all residential units to meet all applicable ENERGY STAR and County of Maui Ordinance No. 3554 requirements. We encourage regular communications with MECO to resolve the substation expansion issues.

The conservation and full utilization of Maui's vital water resources will also help reduce energy needed for water supply, irrigation, and wastewater management. We commend Honua'ula's appreciation of the local water systems and the implementation of water conservation recommendations provided by the County of Maui Department of Water Supply. We note that the selected method of wastewater treatment will significantly impact the project's electricity and/or fuel consumption.

- 2. Solar Water Heater System Required.** Please note that, effective January 1, 2010, no building permit shall be issued for a new single-family dwelling that does not include a solar water heating system that meets standards established by the Hawaii Public Utilities Commission, unless the DBEDT Director approves a variance (HRS §196-6.5).

- 3. Leadership in Energy and Environmental Design ("LEED") certification.** To complement the ENERGY STAR program, we strongly recommend Honua'ula implement the cost-saving benefits of LEED certification, which include energy savings, water efficiency, CO₂ emissions reduction, improved indoor environmental quality, and stewardship of resources and sensitivity to their impacts. LEED would provide a concise framework for identifying and implementing practical and measurable green building design, construction, operations, and maintenance solutions for the dwellings. Conceivably, Honua'ula Partners, LLC could build and maintain a community comprised of net zero energy homes, wherein the buildings annually produce as much energy as they use.

Our website (<http://www.Hawai'i.gov/dbedt/info/energy>) provides detailed information on guidelines, directives, and statutes, as well as studies and reports on aspects of energy efficiency and renewable energy. Please do not hesitate to contact Carilyn Shon, Energy Conservation and Efficiency Branch Manager, at (808) 587-3810, for additional information on energy efficiency, and Maria Tome, Renewable Energy Branch Manager, at (808) 587-3809, for information on renewable energy resources.

Sincerely,

Theodore A. Peck
Administrator
Hawai'i State Energy Office

TAP/cbb

c: OEQC
Ms. Kathleen Ross Aoki, Director, County of Maui, Department of Planning
C. Shon, DBEDT-SID
M. Tome, DBEDT-SID



May 31, 2012

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Mark Glick
SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
May 31, 2012
Page 2 of 4

wastewater treatment is the most effective means of treating and disposing wastewater from an energy perspective.

2. Solar Water Heater System Required.

We are aware that, effective January 1, 2010, no building permit shall be issued for a new single-family dwelling that does not include a solar water heating system that meets standards established by the Hawaii Public Utilities Commission, unless the DBEDT Director approves a variance (HRS §196-6.5). As discussed in the Draft EIS, all Honua'ula residential units will be equipped with a primary hot water system at least as energy efficient as a conventional solar panel hot water system, sized to meet at least 80 percent of the hot water demand for the unit.

3. Leadership in Energy and Environmental Design ("LEED") certification.

We acknowledge the recommendation to implement Leadership in Energy and Environmental Design (LEED) certification to complement the ENERGY STAR Program. The Draft EIS contains many commitments to conserve resources, such as provisions for water and energy conservation, green and solid waste recycling, transportation demand management, and stewardship of resources. Restricting these commitments and other innovations that may be provided over the 13-year build out period under a single certification system that is currently in favor does not seem wise or warranted. While LEED is a popular certification system at the moment, it is not the only green building verification system. For example, the Green Globes system is gaining recognition and acceptance as a system more assessable than LEED and more advanced in the area of lifecycle assessment, which measures the environmental impact of the production and acquisition of products used for buildings. In another example, the Passive House Standard seeks to monitor the on-going energy efficiency of buildings after they are built and in operation. Other evolving systems seek to promulgate region specific standards, so that appropriate technology is encouraged in suitable regions.

The entire green building movement is a dynamic and fluid field that continues to rapidly evolve, and better standards may be created in the future. Some have even argued that mandating LEED hinders development of other standards that may prove more appropriate, as the blanket adoption of LEED as the sustainable standard may come at the expense of other emerging systems. Others reason that when a standard is mandated it sets a ceiling as to the level of compliance, so the standard becomes the new minimum at the expense of new innovations that may not be implemented because they exceed the minimum. A dynamic process enables standards to continually improve by responding to the needs of consumers and builders, adjusting to new technology and experience, and using competition to promote a variety of approaches.

The LEED program was originally created and introduced by the U.S. Green Building Council as a voluntary program to empower individuals to assess standards and then choose when, how and whether to employ them. The idea was that incentives and competition would support market transformation of the building industry and spur architects, builders, and product manufacturers to create green products, buildings, and communities. LEED was never developed as a building or "sustainability" code. According to the U.S. Green Building Council LEED is "voluntary, consensus-based, and market-driven" and further, LEED seeks a balance between requiring the best existing practices and the voluntary incorporation of emerging concepts.

SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Glick:

We have received the letter dated June 2, 2010 from the Hawaii State Energy Office regarding the Honua'ula Draft Environmental Impact Statement (EIS) and the Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to comments.

1. State energy conservation goals.

Honua'ula Partners, LLC is aware of, and recognizes, the State's energy conservation, goals, policies, and standards. As explained in the Draft EIS, and as acknowledged by the Hawaii State Energy Office, Honua'ula Partners, LLC is committed to reducing energy consumption. Energy-saving concepts and devices will be encouraged in the design of Honua'ula and energy systems for all residential units will meet all applicable ENERGY STAR requirements established by the EPA in effect at the time of construction. In addition, design standards will specify low-impact lighting and will encourage energy-efficient building design and site development practices.

Honua'ula Partners, LLC's electrical engineer will continue to coordinate with MECO regarding the need for expanding MECO's Wailea Substation and Honua'ula Partners, LLC will continue to include an area for the expansion of the substation on Honua'ula plans.

We are not clear regarding the statement that: "...the selected method of wastewater treatment will significantly impact the project's electricity and/or fuel consumption." As explained in the Draft EIS, Honua'ula Partners, LLC will either: 1) transport wastewater approximately one mile south to the Mākema Resort Wastewater Reclamation Facility (WWRF) for treatment; or 2) develop, maintain, and operate a private on-site WWRF. After treatment, the R-1 recycled water will be used within Honua'ula for golf course irrigation.

Proper treatment and disposal of wastewater is a critical requirement of any project, and Honua'ula's zoning conditions specifically require that such treatment and disposal be done at a private wastewater treatment facility. Even if use of a public facility were an option, this would require transporting wastewater to the Kīhei WWRF, located approximately four miles northwest of Honua'ula, and then transporting the R-1 recycled water back to Honua'ula. While energy consumption for treatment at any of the treatment sites is assumed to be roughly the same, the energy required to transport sewage to the Kīhei WWRF and then convey the R-1 recycled water back to Honua'ula can be assumed to be much greater than to and from the closer Mākema Resort WWRF or an on-site WWRF. Therefore, Honua'ula Partners, LLC is confident that its selected method of

Mark Glick
**SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT
DISTRICT PHASE II APPLICATION**
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LEED has unquestionably raised standards and expectations regarding sustainable design. Increasingly, developers are incorporating sustainable features into new homes as a result of heightened consumer awareness and market demand. This trend will continue as consumer consciousness of sustainability evolves. It will also accelerate as technology and market forces combine to provide improved and new green products at lower prices. Government incentives, such as tax credits for solar or photovoltaic systems, will also contribute to affordability and fuel consumer demand, thus expediting product development and technological advances. What is now seen as an "eco-luxury" for the most demanding environmentally conscious homebuyer may soon become the standard for mainstream homebuyers. Because of this continuous cycle of improvement, consumer acceptance, and market demand, it cannot be known now how standards and technology will evolve over the course of the build-out of Honua'ula.

LEED and green building are not synonymous. LEED is merely one of many emerging green building verification systems. Buildings can incorporate sustainable strategies without being LEED certified. Nature and its related ecological systems are inherently dynamic and sustainability is more complicated than can be mandated through a single green building accreditation system. The true value of sustainable design is in its application and achieved environmental results.

Given the inherently dynamic nature of the sustainable design field it is unrealistic and impractical to commit to a current standard. Honua'ula Partners, LLC supports a voluntary approach to sustainable design that will allow for the incorporation of the appropriate technology or combination of technologies for specific applications as Honua'ula is built out over time.

Honua'ula Partners, LLC is committed to limiting the environmental impact of Honua'ula and will implement, to the extent feasible and practicable, measures to promote energy conservation, sustainable design, and environmental stewardship, such as the use of solar energy and solar heating, consistent with the standards and guidelines promulgated by the Building Industry Association of Hawaii, the U.S. Green Building Council (LEED), the Hawaii Commercial Building Guidelines for Energy Star, Green Communities, or other similar programs, into the design and construction of Honua'ula. Honua'ula Partners, LLC will also: 1) encourage lot purchasers to design houses that meet at least the minimum requirements of one of the aforementioned programs; and 2) provide information to home purchasers regarding energy conservation measures that may be undertaken by individual homeowners.

To include the relevant above information in the Final EIS, along with addressing comments regarding LEED from others, in the Final EIS Section 2.5 (Environmentally-Responsible Planning and Design) will be revised as to include the following information:

Honua'ula Partners, LLC is committed to limiting the environmental impact of Honua'ula and will implement, to the extent feasible and practicable, measures to promote energy conservation, sustainable design, and environmental stewardship, such as the use of solar energy and solar heating, consistent with the standards and guidelines promulgated by the Building Industry Association of Hawaii, the U.S. Green Building Council (i.e. the Leadership in Energy and Environmental Design (LEED) rating systems), the Hawaii Commercial Building Guidelines for Energy Star, Green Communities, or other similar programs, into the design and construction of Honua'ula. Honua'ula Partners, LLC will also: 1) encourage lot purchasers to design houses that meet at least the minimum requirements of one of the aforementioned programs; and 2) provide information to home purchasers regarding energy conservation measures that may be undertaken by individual homeowners.

Mark Glick
**SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT
DISTRICT PHASE II APPLICATION**
May 31, 2012
Page 4 of 4

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.
Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

O:\0619\1905.08\Honua'ula-EIS\EIS\DEIS\Comments\Responses\Agency\Final\NBEDT_Energy.doc



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

OFFICE OF SCHOOL FACILITIES AND SUPPORT SERVICES

May 12, 2010

Mr. Tom Schnell, Senior Associate
PBR Hawaii & Associates, Inc.
1001 Bishop Street, Suite 650
Honolulu, Hawaii 96813-3484

Dear Mr. Schnell:

Subject: Draft Environmental Impact Statement for Honua'ula
TMK (2) 2-1-08-056 and (2) 2-1-08-071, Makawao, Maui

The Department of Education (DOE) has reviewed the Draft Environmental Impact Statement (EIS) for the proposed Honua'ula project.

We anticipate that Honua'ula will be included in a future school impact fee district. However, we do not yet know how much those fees will be or the exact implementation date of that district.

The applicant has acknowledged in the EIS that, to comply with County of Maui Ordinance No. 3554, Condition 22, it will contribute \$3,000 per dwelling unit or the fees specified by a future school impact fee district that includes Honua'ula, whichever is greater, to the DOE. The applicant should contact the DOE to enter into an educational contribution agreement in accordance with these terms.

Thank you for the opportunity to comment. If you have any questions, please call Jeremy Kwock of the Facilities Development Branch at 377-8301.

Sincerely yours,

Duane Y. Kashiwai
Public Works Administrator
Facilities Development Branch

DYK:jmb

c: Bruce Anderson, CAS, Baldwin/Kekaulike/Maui Complex Areas
Jeff Hunt, Director, Planning Department, County of Maui

AN AFFIRMATIVE ACTION AND EQUAL OPPORTUNITY EMPLOYER



May 31, 2012

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1001 Kamohala Boulevard
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Tel: (808) 521-5631
Fax: (808) 535-3163

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND
PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Kashiwai:

Thank you for your letter dated May 12, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments.

Honua'ula Partners, LLC will comply with all laws regarding school impact fees including HRS Section 302A-1601 et. seq and County of Maui Ordinance No. 3554, Condition 22.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

CHARMAINE TAVARES
Mayor
JEFFREY S. HUNT
Director
KATHLEEN ROSS AOKI
Deputy Director



COUNTY OF MAUI
DEPARTMENT OF PLANNING

April 21, 2010

TRANSMITTAL

STATE AGENCIES	COUNTY AGENCIES
<input checked="" type="checkbox"/> DAGS	<input checked="" type="checkbox"/> Civil Defense
<input checked="" type="checkbox"/> DBEDT	<input checked="" type="checkbox"/> Dept of Environmental Management (2)
<input checked="" type="checkbox"/> Dept of AG, Honolulu	<input checked="" type="checkbox"/> Dept of Housing & Human Concerns
<input checked="" type="checkbox"/> Dept of Hawaiian Homelands	<input checked="" type="checkbox"/> Dept of Parks & Recreation
<input checked="" type="checkbox"/> Dept of Health, Honolulu	<input checked="" type="checkbox"/> Dept of Public Works (3 Hard Copies)
<input checked="" type="checkbox"/> Dept of Health, Maui (2)	<input checked="" type="checkbox"/> Dept of Transportation
<input checked="" type="checkbox"/> Dept of Human Services	<input checked="" type="checkbox"/> Dept of Water Supply
<input checked="" type="checkbox"/> DLNR-Land, Maui	<input checked="" type="checkbox"/> Fire & Public Safety
<input checked="" type="checkbox"/> DLNR-Planning (5)	<input checked="" type="checkbox"/> Police Department
<input checked="" type="checkbox"/> DLNR-SHPD	
<input checked="" type="checkbox"/> DOE, Admin	FEDERAL AGENCIES
<input checked="" type="checkbox"/> DOT, Statewide Planning Office (4)	<input checked="" type="checkbox"/> Fish & Wildlife
<input checked="" type="checkbox"/> Office of Hawaiian Affairs	<input checked="" type="checkbox"/> NRCS-USDA-Maui
<input checked="" type="checkbox"/> UH Environmental Center	<input checked="" type="checkbox"/> U.S. Army Corp. of Engineers (Hard Copy)
OTHER	
<input checked="" type="checkbox"/> Hawaiian Telecom (Hard Copy)	
<input checked="" type="checkbox"/> Maui Electric Company	

PROJECT: HONUA'ULA
APPLICANT: Honua'ula Partners, LLC (Charles Jencks)
 (PH2 2010/0001) (EIS 2009/0001)
PERMIT NOS.: "The Property": (2) 2-1-008:056 and 071
 "Off-site Improvements": (2) 2-1-008:999 (POR.), 043 (POR.), 090 (POR.),
 108 (POR.), 054 (POR.), AND 001 (POR.); (2) 2-2-002:050 (POR.) AND 054
 (POR.)
LOCATION: Kihei-Makana Region adjacent to Wailea Resort
DESCRIPTION: A Master Planned Community consisting of Single-Family and Multi-Family
 homes, village mixed use areas with supporting commercial, open space,
 recreation, and related off-site infrastructure.

TRANSMITTED TO YOU ARE THE FOLLOWING:
 Draft EIS in support of a Project District Phase II application

THESE ARE TRANSMITTED AS CHECKED BELOW:
 For your Comment and Recommendation

Please provide comments and/or identify any issues or items you would like the Department of Planning to propose as conditions of project approval. Please also provide any previous comments, letters, etc. pertinent to this application. Submit your comments directly to me by **June 7, 2010**. A comment box is also provided to assist you. If no comment, please sign the "No Comment" box and fax to (808) 270-1775.

250 SOUTH HIGH STREET, WAILUKU, MAUI, HAWAII 96753
 MAIN LINE (808) 270-7735; FACSIMILE (808) 270-7634
 CURRENT DIVISION (808) 270-8205; LONG RANGE DIVISION (808) 270-7214; ZONING DIVISION (808) 270-7263

AGENCY NAME	DEPARTMENT OF HAWAIIAN HOME LANDS	PHONE	620-9501
Agency Transmittal - Honua'ula (PH2 2010/0001) (EIS 2009/0001)			
April 21, 2010			
Page 2			

Thank you for your time and assistance. For additional clarification, please contact me via email at ann.cua@mauicounty.gov or by phone at (808) 270-7521.

Sincerely,

ANN T. CUA, Current Planning Supervisor

cc: Clayton I. Yoshida, AICP, Planning Program Administrator
 Ann T. Cua, Current Planning Supervisor
 Charles Jencks, Honua'ula Partners, LLC
 Tom Schnell, AICP, PBR Hawaii & Associates, Inc.
 Gwen Hiraga, Munekyo & Hiraga, Inc.
 Project File
 General File

JSH:ATC:wb
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Signed:	<i>Charles Jencks</i>	Dated:	JUNE 3, 2010
Print Name:	KAULANA H. R. PARK	Title:	CHAIRMAN

COMMENT/RECOMMENDATION BOX	
Signed:	Dated:
Print Name:	Title:



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GOVERNOR OF HAWAII



CHRISTOPHER L. FUKINO, M.D.
DIRECTOR OF HEALTH

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May 31, 2012

Ms. Jobie Masagatani
State of Hawai'i
Department of Hawaiian Home Lands
P.O. Box 1879
Honolulu, HI 96805

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Ms. Masagatani:

We received the Department of Hawaiian Home Lands' (DHHL) letter dated June 3, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we acknowledge that DHHL has no comments.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

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STATE OF HAWAII
DEPARTMENT OF HEALTH
PO BOX 3378
HONOLULU HAWAII 96801-3378

May 13, 2010

Ms. Ann T. Cua
Department of Planning
County of Maui
250 South High Street
Wailuku, Hawaii 96793

Dear Ms. Cua:

**SUBJECT: DRAFT ENVIRONMENTAL IMPACT STATEMENT (DEIS) REVIEW
HONUA'ULA
KIHEI-MAKENA, MAUI, HAWAII**

We would like to acknowledge receipt of the DEIS and express our appreciation for the opportunity to comment on the proposed project.

We would like to emphasize that the DEIS should specifically address each of the review comments made by our branch. For your convenience, we present the following comments made previously by the Safe Drinking Water Branch (SDWB) in the Department of Health (DOH) letter dated April 8, 2010. These comments were made in response to the Environmental Impact Statement Preparation Notice (EISPN).

Our comments were as follows:

This project appears to create a new public water system and will therefore be subject to the following comments:

1. Public Water Systems

Federal and state regulations define a public water system as a system that serves 25 or more individuals at least 60 days per year or has at least 15 service connections. All public water system owners and operators are required to comply with Hawaii Administrative Rules, Title 11, Chapter 20, titled "Rules Relating to Potable Water Systems," which include the following major components:

- All new public water systems are required to demonstrate and meet minimum capacity requirements prior to their establishment per Hawaii Administrative Rule, Title 11, Chapter 20-29.5, titled "Capacity Demonstration and Evaluation." This requirement involves demonstration that the system will have satisfactory technical, managerial and financial capacity to enable the system to comply with safe drinking water standards and requirements.

- Projects that propose development of new sources of potable water serving or proposed to serve a public water system must comply with the terms of HAR Section 11-20-29 of Chapter 20. This section requires that all new public water system sources be approved by the Director of Health prior to its use. Such approval is based primarily upon the submission of a satisfactory engineering report which addresses the requirements set in Section 11-20-29.
- The engineering report must identify all potential sources of contamination and evaluate alternative control measures which could be implemented to reduce or eliminate the potential for contamination, including treatment of the water source. In addition, water quality analyses for all regulated contaminants, performed by a laboratory certified by the State Laboratories Division of the State of Hawaii, must be submitted as part of the report to demonstrate compliance with all drinking water standards. Additional parameters may be required by the Director for this submittal or additional tests required upon his or her review of the information submitted.
- All public water system sources must undergo a source water assessment which will delineate a source water protection area. This process is preliminary to the creation of a source water protection plan for that source and activities which will take place to protect the source of the drinking water.
- Projects proposing to develop new public water systems or proposing substantial modifications to existing public water systems must receive approval by the Director of Health prior to construction of the proposed system or modification in accordance with Hawaii Administrative Rules, Title 11, Chapter 20-30, titled "New and Modified Public Water Systems." These projects include treatment, storage and distribution systems of public water systems.
- All public water systems must be operated by certified distribution system and water treatment plant operators as defined by Hawaii Administrative Rules, Title 11, Chapter 11-25, titled "Rules Pertaining to Certification of Public Water System Operators."
- All projects which propose the use of dual water systems or the use of a non-potable water system in proximity to an existing potable water system to meet irrigation or other needs must be carefully designed and operated to prevent the cross-connection of these systems, and the possibility of backflow of water from the non-potable system to the drinking water system. The two systems must be clearly

- labeled and physically separated by air gaps or reduced pressure principle backflow prevention devices to avoid contaminating the drinking water supply. In addition, backflow devices must be tested periodically to assure their proper operation. Further, all non-potable spigots and irrigated areas should be clearly labeled with warning signs to prevent the inadvertent consumption of non-potable water. Compliance with Hawaii Administrative Rules, Title 11, Chapter 11-21, titled "Cross-Connection and Backflow Control" is also required.
- All projects which propose the establishment of a potentially contaminating activity (as identified in the Hawaii Source Water Assessment Plan) within the source water protection area of an existing source of water for a public water supply should address this potential, and activities that will be implemented to prevent or reduce the potential for contamination of the drinking water source.
2. Underground Injection Control (UIC)
- Injection wells used for the subsurface disposal of wastewater, sewage effluent, or surface runoff are subject to environmental regulation and permitting under Hawaii Administrative Rules, Title 11, Chapter 11-23, titled "Underground Injection Control" (UIC). The Department of Health's approval must be first obtained before any injection well construction commences. A UIC permit must be issued before any injection well operation occurs.
 - Authorization to use an injection well is granted when a UIC permit is issued to the injection well facility. The UIC permit contains discharge and operation limitations, monitoring and reporting requirements, and other facility management and operational conditions. A complete UIC permit application form is needed to apply for a UIC permit.
 - A UIC permit can have a valid duration of up to five years. Permit renewal is needed to keep an expiring permit valid for another term.
- In addition to our comments made previously for the EISPN, we offer the following additional comments at this time:
1. The siting of a drinking water source below the UIC line may restrict new and existing injection well construction. New injection wells will be prohibited within setback areas defined in Chapter 11-23. If this drinking water source will serve a regulated public water system, the applicant will be required to inform landowners located within the setback surrounding the well of this proposed action because it will affect the injection well development potential of their properties.

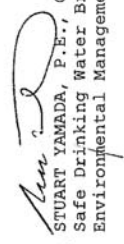


Ms. Ann T. Cua
 May 13, 2010
 Page 4

2. The proposed reverse osmosis (RO) technology and provisions for any additional treatment will likely require pilot testing to demonstrate its effectiveness in producing water that meets safe drinking water standards. The SDWB will establish protocols for the pilot testing. The EIS should indicate that the proposed water treatment facility and other components of the water system (i.e., storage, piping, pumps, disinfection, etc.) are subject to approval by the SDWB before start up. In addition to successfully completing the pilot testing process, the proposed new public water system will be required to satisfy all of the before mentioned requirements (technical, managerial and financial capacity; new source engineering report; water quality testing and analysis; source water assessment and protection plan; approval of construction plans; operator certification; and backflow protection for dual use systems) prior to water system start up.
3. The impact of cattle ranching activities (Haleakala and Ulupalauka Ranch) upslope of the project area and well sites should be discussed in regard to source water quality and protection.
4. The graphic exhibits should clearly show the location of all water system infrastructure (wells, water treatment facility, storage tanks and water mains).

If you have any questions, please call Craig Watanabe at 586-4258.

Sincerely,


 STUART YAMADA, P.E., CHIEF
 Safe Drinking Water Branch
 Environmental Management Division

CW: cb

c: EPO

✓ Tom Schnell
 PBR Hawaii & Associates, Inc.
 ASB Tower, Suite 650
 1001 Bishop Street
 Honolulu, HI 96813

May 31, 2012

Stuart Yamada, P.E., Chief
 State of Hawai'i
 Department of Health – Safe Drinking Water Branch
 P.O. Box 3378
 Honolulu, HI 96801

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SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Yamada:

Thank you for your letter dated May 13, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments.

We have also received the Department of Health's (DOH) comment letter on the Environmental Impact Statement Preparation Notice (EISPN) dated April 8, 2009, which contained the Safe Drinking Water Branch's (SDWB) previous comments. We responded to SDWB's previous comments in our response letter to DOH dated March 9, 2010 and the Draft EIS addresses each of the SDWB's previous review comments. Specifically:

1. Public Water Systems
 In Section 4.8.1 (Water System) of the Draft EIS it states:

The RO [reverse osmosis] plant will be subject to regulation as a public water system and will meet requirements of the State DOH, including HAR Chapters 11-20 (Potable Water Systems) 11-21 (Cross-Connection & Backflow Control), and 11-25 (Operating Personnel in Water Treatment Plants).

In complying with HAR Chapter 11-20 (Potable Water Systems), Honua'ula Partners, LLC will be complying with each of the applicable subsections of HAR Chapter 11-20 noted in your comments.

2. Underground Injection Control

Section 4.8.2 (Wastewater System) of the Draft EIS states that all wastewater will be treated at either an on-site wastewater reclamation facility (WWRF) or the existing Makena WWRF then used for irrigation and that none of the recycled water will be placed into injection wells in compliance with County of Maui Ordinance No. 3554 (Condition 17).

While no wastewater or sewage effluent will be disposed of in injection wells, there may be limited times when such wells may be needed to dispose of brine generated from the reverse osmosis (RO) process used to create potable water, specifically during periods of extended wet weather when irrigation requirements are minimal. Any such injection wells will be in compliance with all provisions of HAR Title 11, Chapter 11-23 (Underground Injection Control).

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

To clarify this in the Final EIS, in the Final EIS Section 4.8.1 (Water System) will be revised as follows:

The RO process generates brine in the course of producing potable water. However, by diluting the brine water with other non-potable water (brackish and R-1), the salt content will be reduced to a degree that it can be used for irrigation ~~rather than using the use of injection wells to dispose of the brine~~. In periods of extended wet weather when irrigation requirements are minimal, it may be necessary to dispose of the RO concentrate in a disposal well with delivery in the saltwater zone below the basal lens. Such a disposal well will be in compliance with all provisions of HAR Title 11, Chapter 11-23 (Underground Injection Control).

In addition, in the Final EIS Section 4.8.3 (Drainage System) will be revised as follows:

All drainage systems and detention basins will be designed in accordance with the "Rules for the Design of Storm Drainage Facilities in the County of Maui." In addition any detention basin with vertical dimensions that exceed its horizontal dimensions will also be in compliance with all provisions of HAR Title 11, Chapter 11-23 (Underground Injection Control). In compliance with County of Maui Ordinance No. 3554 (Condition 6), the Preliminary Engineering Report (Appendix P) includes a Drainage Master Plan and Phasing Plan of improvements.

We have reviewed the SDWB's additional comments and Honua'ula Partners, LLC will comply with applicable requirements, specifically:

1. Honua'ula's on- and off-site wells are below the UIC line. Since the wells will provide the source of water for Honua'ula's potable (and non-potable) water system, Honua'ula Partners, LLC understands that setbacks will need to be established which may restrict new and existing injection well construction. Honua'ula Partners, LLC will inform landowners located within the setbacks surrounding the wells of the effect of injection well development potential of their properties.

To include this information in the Final EIS, in the Final EIS Section 4.8.1 (Water System) will be revised as follows:

In developing, maintaining, and operating the water system, Honua'ula Partners, LLC will comply with all requirements of Chapter 174C, HRS (State Water Code) and HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code. As recommended by CWRM, Honua'ula Partners, LLC will coordinate with the County to incorporate Honua'ula into the County's Water Use and Development Plan. Honua'ula Partners, LLC will also comply with: 1) DOH Engineering and Capacity report requirements; and 2) the County's Water Availability Policy, codified as Chapter 14.12, MCC. The above oversight processes ensure adequacy of the water source and that water source development will not interfere or conflict with County plans for source development. In addition, as stated in Section 3.5.1 (Groundwater), the UIC line¹² as established by the State DOH, is located approximately along the 600-foot elevation contour, above the majority of the Property. Therefore Honua'ula's on- and off-site wells are below the UIC

¹² Underground Injection Control Line (UIC) means the line on the DOH Underground Injection Control maps which separates exempted aquifers and underground sources of drinking water (Section 11-23-03, HAR).

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

line. Since the wells will provide the source of water for Honua'ula's potable (and non-potable) water system, setbacks will be established which may restrict new and existing injection well construction. Honua'ula Partners, LLC will inform landowners located within the setbacks surrounding the wells of the effect of such setbacks on the injection well development potential of their properties.

2. Honua'ula's potable water needs will be supplied by RO treated water. We understand that Honua'ula's RO Plant may be subject to pilot testing, as established by SDWB, prior to start up. In addition, we acknowledge that the Honua'ula RO Plant and water system are subject to approval by the SDWB before start up and that the new public water system will be required to satisfy all requirements of HAR Chapter 11-20 (Potable Water Systems).

To reflect the relevant above information in the Final EIS, in the Final EIS Section 4.8.1 (Water System) will be revised as follows:

The RO plant and other components of the water system will be subject to regulation as a public water system and will meet requirements of the State DOH, including HAR Chapters 11-20 (Potable Water Systems), 11-21 (Cross-Connection & Backflow Control), and 11-25 (Operating Personnel in Water Treatment Plants). The water treatment facility and other components of the water system (i.e., storage, piping, pumps, and disinfection) are subject to the approval of the DOH. Safe Drinking Water Branch before start up. In addition to successfully completing the start up testing process, the water system will be required to satisfy all components of HAR Chapter 11-20 (Potable Water Systems), including:

- Demonstration of capacity requirements and satisfactory technical, managerial, and financial capabilities to enable the system to comply with safe drinking water standards and requirements;
- Approval of the Director of Health prior to use, which is based upon the submission of a satisfactory engineering report meeting requirements of DOH;
- Identification (within the engineering report) of all potential sources of contamination and evaluation of alternative control measures that could be implemented to reduce or eliminate the potential for contamination, including treatment of the water source; water quality analysis for all regulated contaminants, performed by the State Laboratories Division of the State of Hawaii, will be submitted to DOH to demonstrate compliance with all drinking water standards;
- Assessment to delineate a source water protection area and creation of a source water protection plan, including activities to protect the source of drinking water; operating the system by certified distribution and water treatment plant operators meeting the requirements of DOH;
- Design and operation of the potable system to prevent the cross-connection with the non-potable system, and the possibility of backflow of water from the non-potable system to the drinking water system—the two systems must be clearly labeled and physically separated by air gaps or reduced pressure principle backflow prevention devices to avoid contaminating the drinking water supply and all non-potable spigots and irrigated areas must be clearly labeled with warning signs to prevent the inadvertent consumption of non-potable water
- Addressing the potential of contaminating activities (as identified in the Hawaii Source Water Assessment Plan) within the source water protection area and activities that will be implemented to prevent or reduce the potential for contamination of the drinking water source;

Stuart Yamada
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT
DISTRICT PHASE II APPLICATION
May 31, 2012
Page 4 of 4

3. Cattle ranching activities upslope of the Honua'ula Property and the off-site Honua'ula wells have very limited potential for contamination of Honua'ula's groundwater sources. The areas used for cattle ranching upslope of the Property are dry, hot, and un-irrigated; therefore cattle grazing in these areas is extensive, not intensive. The two- and 10-year zones of contribution would potentially cover the area from the 500-foot elevation (a short distance down slope from the highest point of the Property) to the 1,600-foot elevation (approximately 10,000 feet upslope of the Property). These elevations are the vertical travel distances for contaminants to reach groundwater. Substantial natural protection is provided by these distances as well as the multiple layers of successive lava flows, and therefore upslope cattle ranch activities are not expected to impact Honua'ula's groundwater sources.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 3.5.1 (Groundwater Resources) will be revised to include the following information:

Cattle Ranching

Cattle ranching activities upslope of the Property and the off-site Honua'ula wells have very limited potential for contamination of Honua'ula's groundwater sources. The areas used for cattle ranching upslope of the Property are dry, hot, and un-irrigated; therefore cattle grazing in these areas is extensive, not intensive. The two- and 10-year zones of contribution would potentially cover the area from the 500-foot elevation (a short distance down slope from the highest point of the Property) to the 1,600-foot elevation (approximately 10,000 feet upslope of the Property). These elevations are the vertical travel distances for contaminants to reach groundwater. Substantial natural protection is provided by these distances as well as the multiple layers of successive lava flows, and therefore upslope cattle ranch activities are not expected to impact Honua'ula's groundwater sources.

4. Figure 2 of the Draft EIS shows the location of the off-site wells and the proposed transmission pipeline route. Figure 3-2 in Appendix P (Preliminary Engineering Report) of the Draft EIS shows the location of the existing wells and the proposed storage tanks. Figure 3.3 in Appendix P (Preliminary Engineering Report) of the Draft EIS shows the location of the proposed reverse osmosis (RO) water treatment plant and water mains necessary to distribute water throughout Honua'ula.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII


Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

O:\0819\1905.08 Honua'ula-EIS\DEIS\DEIS Comments\Responses\Agency\Final\DOH SDWB.doc

LINDA LINGLE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. BOX 3578
HONOLULU, HAWAII 96801

May 5, 2010

Mr. Charles Jenks
c/o Goodfellow Brothers, Inc.
P.O. Box 220
Kihei, Hawaii 96753

Dear Mr. Jenks:

Subject: Honua'ula – Draft Environmental Impact Statement
Master Planned Residential Community of Single & Multi Family Homes and Village
Mixed Use Areas – Open Space and Recreational Opportunities, 18 hole Golf Course
and Club House and Related Off Site Infrastructure at Wailea, Kihei, Maui 96753
The Property - TMK (2) 2-1-008: 056

Thank you for allowing us the opportunity to review the above subject project which proposes a master planned residential community of single and multi family homes and village mixed use areas, etc. We have the following comments and information on the above subject property:

The subject property is located in the critical wastewater disposal area (CWDA) as determined by the Maui Wastewater Advisory Committee. No new cesspools are allowed in the CWDA.

As stated in the Environmental Impact Statement Preparation Notice, we have no objections to the proposed project as the domestic wastewater needs of the project will be handled either by the development of an on-site wastewater treatment plant or connection to the Makena Wastewater Treatment Plant which is located approximately one mile south of Honua'ula.

We further encourage the developer to work with the County to utilize recycled wastewater for irrigation and other non-potable water purposes in open space and landscaping areas.

All wastewater plans must conform to applicable provisions of the Department of Health's Administrative Rules, Chapter 11-62, "Wastewater Systems." We do reserve the right to review the detailed wastewater plans for conformance to applicable rules. Should you have any questions, please contact the Planning & Design Section of the Wastewater Branch at phone (808) 586-4294.

Sincerely,

SINA PRUDER, P.E., ACTING CHIEF
Wastewater Branch

cc: DOH's Environmental Planning Office (EPO 1-3154)
DOH-WWB's Maui Staff – Mr. Roland Tejano
✓ Mr. Tom Schnell, AICP, PBR Hawaii
Mr. Jeff Hunt, Director, County of Maui, Planning Department

CHYOMIE LEINAALA FUKINO, M.D.
DIRECTOR OF HEALTH

In reply, please refer to:
EMD/ WB
Honua'ula DEIS
LUD-2 1 008 056
ID#394



Mr. Marshall Lum
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
 May 31, 2012
 Page 2 of 2

May 31, 2012

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Associate

KIMI MIKAMI YUEN, LEED® AP
Associate

SCOTT AIKA, ABRIGO, LEED® AP
Associate
 SCOTT MURAKAMI, ASLA, LEED® AP
Associate

DACHUNG DONG, LEED® AP
Associate

HONOLULU OFFICE
 1001 Kapiolani Boulevard
 Honolulu, Hawaii 96813-3484
 Tel: (808) 521-5631
 Fax: (808) 521-1402
 E-mail: sysadmin@pbrhawaii.com

KAPOLEI OFFICE
 1001 Kapiolani Boulevard
 Kapolei, Hawaii 96707-2005
 Tel: (808) 521-5631
 Fax: (808) 535-3163

Marshall Lum, P.E., Acting Chief
 State of Hawai'i
 Department of Health – Wastewater Branch
 P.O. Box 3378
 Honolulu, HI 96801

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Lum:

We received the Department of Health's Wastewater Branch (DOH-WWB) letter dated May 5, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to DOH-WWBs comments.

We acknowledge that the Honua'ula property is located in the critical wastewater disposal area (CWDA) as determined by the Maui Wastewater Advisory Committee and no new cesspools are allowed in the CWDA. Honua'ula will not contain any cesspools. To include this information in the Final EIS, in the Final EIS the following paragraphs from Section 4.8.2 (Wastewater System) will be revised as shown:

Currently, the Honua'ula Property does not contain any wastewater infrastructure and is not served by a wastewater collection system. Honua'ula is located in the critical wastewater disposal area as determined by the Maui Wastewater Advisory Committee. No new cesspools are allowed in this area.

And:

Honua'ula will not rely upon or burden any public wastewater facilities. In compliance with County of Maui Ordinance No. 3554 (Condition 17), Honua'ula Partners, LLC will either participate in the operation of a private WWRF and system that accommodates the needs of Honua'ula (Alternative 1) or provide a WWRF on-site (Alternative 2). No cesspools will be developed within Honua'ula. Connection to the Makena WWRF would be in conformance with the option of participating in the operation of a private wastewater treatment facility, and therefore is being considered for Honua'ula wastewater treatment.

We acknowledge that the Wastewater Branch has no objections to Honua'ula as Honua'ula wastewater disposal needs will be handled either by an on-site wastewater treatment plant or connection to the Makena Wastewater Reclamation Facility.

As discussed in the Draft EIS, Honua'ula will use recycled wastewater and other non-potable water for all irrigation purposes.

As discussed in the Draft EIS, Honua'ula wastewater plans and facilities will conform to applicable provisions of Chapter 11-62, Hawaii Administrative Rules (Wastewater Systems).

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
 Senior Associate

cc: William Spence, Maui Planning Department
 Charles Jencks, Honua'ula Partners, LLC

O:\Y0819\1905_08 Honua'ula-EIS\DES\DES Comments\Responses\Agency\Final\DOH\WWB.doc

LINDA LINGLE
GOVERNOR



LILLIAN B. KOLLER
DIRECTOR
HENRY OLIVA
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
Benefit, Employment & Support Services Division
820 Millilani Street, Suite 606
Honolulu, Hawaii 96813

August 19, 2010

Refer to 10:0578

Mr. Tom Schnell
PBR HAWAII
1001 Bishop Street, Suite 650
Honolulu, Hawaii 96813

Dear Mr. Schnell:

Thank you for your letter dated July 28, 2010, that requests the Department review the Honouuaia Draft Environmental Impact Statement (EIS) and Project District Phase II Application. The Director of the Department of Human Services (DHS) has forwarded your letter to me for a response.

After a review of the Draft EIS, we do not have any comments or recommendations to approve the project. However, we foresee a potential impact on the need for additional child care services in the community for children under kindergarten-age that is similar to the Draft EIS' projected increase in the number of school-aged students and potential need for additional public schools due to new residents moving into the project.

If you have any questions or need further information, please contact Ms. Kathy Ochikubo, Child Care Program Specialist, at (808) 586-7058.

Sincerely,

Pankaj Bhanot
Division Administrator

c: Lillian B. Koller, Director, Department of Human Services
Charles Jencks, Honouuaia Partners, LLC
Kathleen Ross Aoki, Commission Director, Maui Planning Department



May 31, 2012

PRINCIPALS
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VINCENT SHIGEKUNI
Vice-President
GRANT T. MURAKAMI, AICP, LEED® AP
Principal
W. FRANK BRANDT, ASIA
Chairman Emeritus

Dear Mr. Bhanot:

Thank you for your letter dated August regarding the Honouuaia Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honouuaia Partners, LLC, we are responding to your comments.

We acknowledge that the Department of Human Services (DHS) does not have any comments or recommendations to approve the project.

We note that you foresee a potential impact regarding the need for additional child care services in the community due to the creation of Honouuaia. Honouuaia's commercial areas provide the opportunity for child care services, such as day care facilities, to serve the community and neighboring areas. Day care facilities are a permitted use within Honouuaia's Village Mixed Use sub-district as provided under Chapter 19.90A, Maui County Code, which governs uses within Honouuaia.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 4.10.1 (Schools) will be revised to include the following information:

Honouuaia's commercial areas provide the opportunity for child care services for children under kindergarten-age, such as day care facilities, to be developed within Honouuaia to serve the community and neighboring areas. Under the Project District 9 Ordinance (Chapter 19.90A, MCC) governing the Property, day care facilities are a permitted use in the Village Mixed Use sub-district.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honouuaia Partners, LLC

LINDA LINGLE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
LAND DIVISION

POST OFFICE BOX 621
HONOLULU, HAWAII 96809



June 7, 2010

County of Maui
Department of Planning
250 South High Street
Wailuku, Hawaii 96793

Attention: Ms. Ann T. Cua, Planning Supervisor

Ladies and Gentlemen:

Subject: Honua'ula Partners, LLC (Charles Jencks)

Thank you for the opportunity to review and comment on the subject matter. The Department of Land and Natural Resources' (DLNR), Land Division distributed or made available a copy of your report pertaining to the subject matter to DLNR Divisions for their review and comment.

Other than the comments from Commission on Water Resource Management, Engineering Division, the Department of Land and Natural Resources has no other comments to offer on the subject matter. Historic Preservation will be submitting comments through a separate letter. Should you have any questions, please feel free to call our office at 587-0433. Thank you.

Sincerely,

Charlene Unoki

for Morris M. Atta
Acting Administrator

LINDA LINGLE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
LAND DIVISION

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

April 28, 2010

MEMORANDUM

TO:

- DLNR Agencies:
 - Div. of Aquatic Resources
 - Div. of Boating & Ocean Recreation
 - Engineering Division
 - Div. of Forestry & Wildlife
 - Div. of State Parks
 - Commission on Water Resource Management
 - Office of Conservation & Coastal Lands
 - Land Division -

Charlene

FROM: Charlene Unoki, Assistant Administrator

SUBJECT: Draft Environmental Impact Statement for Honua'ula

LOCATION: Island of Maui

APPLICANT: PBR Hawaii & Associates, Inc. on behalf of Honua'ula Partners, LLC

Transmitted for your review and comment on the above referenced document. We would appreciate your comments on this document. Please submit any comments by June 5, 2010.

If no response is received by this date, we will assume your agency has no comments. If you have any questions about this request, please contact my office at 587-0433. Thank you.

Attachments

- We have no objections.
- We have no comments.
- Comments are attached.

Signed:

Date: *6/10/10*

RECEIVED
LAND DIVISION
2010 JUN -7 A 8:13
DEPT. OF LAND &
NATURAL RESOURCES
STATE OF HAWAII

Laura H. Thelen
Commissioner
BOARD OF LAND AND NATURAL RESOURCES
COMMISSIONER ON WATER RESOURCES MANAGEMENT

Laura H. Thelen
Commissioner
BOARD OF LAND AND NATURAL RESOURCES
COMMISSIONER ON WATER RESOURCES MANAGEMENT

10 JUN -9 12:53
DEPT OF PLANNING
COUNTY OF MAUI
RECEIVED



**DEPARTMENT OF LAND AND NATURAL RESOURCES
 ENGINEERING DIVISION**

LD/MorrisAha
 Ref: DEISHonuaula
 Maui.506

COMMENTS

- We confirm that the project site, according to the Flood Insurance Rate Map (FIRM), is located in Flood Zone _____.
- Please note that the project site, according to the Flood Insurance Rate Map (FIRM), is located in Flood Zone _____.
- Please note that the correct Flood Zone Designation for the project site, according to the revised Flood Insurance Rate Map Panels dated September 25, 2009 (Copies attached), is located in Zone X. The National Flood Insurance Program does not regulate developments within Zone X.
- Please note that the project must comply with the rules and regulations of the National Flood Insurance Program (NFIP) presented in Title 44 of the Code of Federal Regulations (44CFR), whenever development within a Special Flood Hazard Area is undertaken. If there are any questions, please contact the State NFIP Coordinator, Ms. Carol Tyau-Beam, of the Department of Land and Natural Resources, Engineering Division at (808) 587-0267.

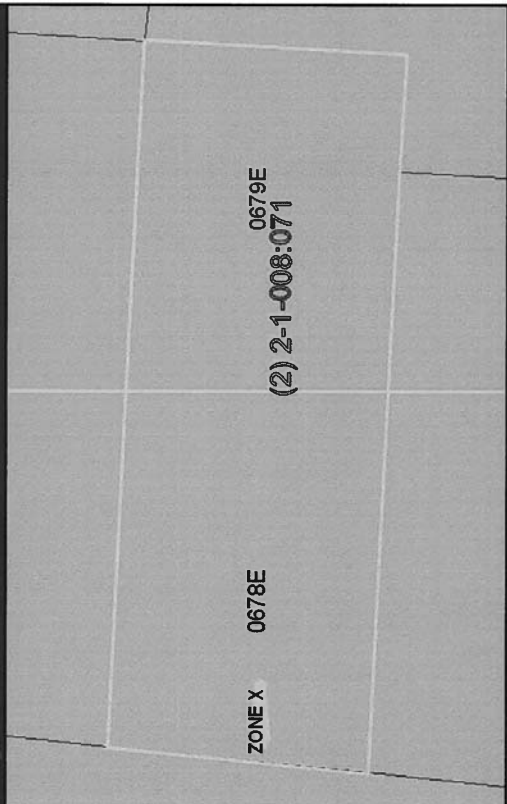
Please be advised that 44CFR indicates the minimum standards set forth by the NFIP. Your Community's local flood ordinance may prove to be more restrictive and thus take precedence over the minimum NFIP standards. If there are questions regarding the local flood ordinances, please contact the applicable County NFIP Coordinators below:

- Mr. Robert Sumitomo at (808) 768-8097 or Mr. Mario Sin Li at (808) 768-8098 of the City and County of Honolulu, Department of Planning and Permitting.
- Mr. Frank DeMarco at (808) 961-8042 of the County of Hawaii, Department of Public Works.
- Mr. Francis Cerizo at (808) 270-7771 of the County of Maui, Department of Planning.
- Mr. Mario Antonio at (808) 241-6620 of the County of Kauai, Department of Public Works.

- The applicant should include project water demands and infrastructure required to meet water demands. Please note that the implementation of any State-sponsored projects requiring water service from the Honolulu Board of Water Supply system must first obtain water allocation credits from the Engineering Division before it can receive a building permit and/or water meter.
- The applicant should provide the water demands and calculations to the Engineering Division so it can be included in the State Water Projects Plan Update.
- Additional Comments: _____
- Other: _____

Should you have any questions, please call Ms. Suzie S. Agraan of the Planning Branch at 587-0258.

Signed: 
 CARY S. CHANG, ACTING CHIEF ENGINEER
 Date: 6/4/10



NATIONAL FLOOD INSURANCE PROGRAM	
<p>FLOOD ZONE DEFINITIONS</p> <p>SPECIAL FLOOD HAZARD AREAS SUBJECT TO INUNDATION BY THE 1% ANNUAL CHANCE FLOOD - The 1% annual chance flood (100-year flood), also known as the base flood, is the flood that has a 1% chance of being equaled or exceeded in any given year. The Special Flood Hazard is the area subject to flooding by the 1% annual chance flood. Areas of Special Flood Hazard include Zone A, AE, AH, AO, V, and VE. The Base Flood Elevation (BFE) is the water surface elevation of the 1% annual chance flood. Mandatory flood insurance purchase applies in these zones:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Zone A: No BFE determined. <input checked="" type="checkbox"/> Zone AE: BFE determined. <input checked="" type="checkbox"/> Zone AH: Flood depths of 1 to 3 feet (usually areas of ponding); BFE determined. <input checked="" type="checkbox"/> Zone AO: Flood depths of 1 to 3 feet (usually sheet flow on sloping terrain); average depths determined. <input checked="" type="checkbox"/> Zone V: Coastal flood zone with velocity hazard (wave action); no BFE determined. <input checked="" type="checkbox"/> Zone VE: Coastal flood zone with velocity hazard (wave action); BFE determined. <input checked="" type="checkbox"/> Zone AEF: Floodway areas in Zone AE. The floodway is the channel or stream plus any adjacent floodplain areas that must be kept free of encroachment so that the 1% annual chance flood can be carried without increasing the BFE. <p>NON-SPECIAL FLOOD HAZARD AREA - An area in a low-to-moderate risk flood zone. No mandatory flood insurance purchase requirements apply, but coverage is available in participating communities.</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Zone XS (X shaded): Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile, and areas protected by levees from 1% annual chance flood. <input type="checkbox"/> Zone X: Areas determined to be outside the 0.2% annual chance floodplain. <p>OTHER FLOOD AREAS</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Zone D: Unstudied areas where flood hazards are undetermined, but flooding is possible. No mandatory flood insurance purchase requirements apply, but coverage is available in participating communities. 	<p>PROPERTY INFORMATION</p> <p>COUNTY: MAUI TKM NO: (2) 2-1-008-071 PARCEL ADDRESS: SEPTEMBER 25, 2009 FIRM INDEX DATE: NONE LETTER OF MAP CHANGES: NONE FEMA FIRM PANEL(S): 1500030678E-SEPTEMBER 25, 2009 1500030679E-SEPTEMBER 25, 2009</p> <hr/> <p>PARCEL DATA FROM: AUGUST 2010 IMAGERY DATA FROM: MAY 2005</p> <hr/> <p>IMPORTANT PHONE NUMBERS</p> <p>County NFIP Coordinator: Francis Cerizo, CFM (808) 270-7771 State NFIP Coordinator: Carol Tyau-Beam (808) 587-0267</p> <p><small>Disclaimer: The Department of Land and Natural Resources assumes no responsibility arising from the use of the information contained in this report. The information is provided for informational purposes only and does not constitute an offer of insurance. Information and maps to indemnify the Department of Land and Natural Resources from any liability, which may arise from its use. Preliminary DFIRM Disclaimer: If this map has been identified as "PRELIMINARY", please note that it is being provided for commenting purposes only and is not to be used for official/legal decisions or regulatory compliance.</small></p>

LINDA LINGLE
GOVERNOR OF HAWAII

LAURA H. TJELEN
COMPTROLLER

WILLIAM D. BALFOUR, JR.
SUNNER ERDMAN
JAMES H. HOGAN, M.D.
CHYOKE L. FUNKO, M.D.
DONNA FAY K. KYOSAGI, P.E.
LAWRENCE H. MIKE, M.D., J.D.
KEN C. KAWAHARA, P.E.
DEPUTY DIRECTOR



2008 MAY 21 3 32 PM
STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT
HONOLULU, HAWAII

TO: Morris Atta, Administrator
Land Division

FROM: Ken C. Kawahara, P.E., Deputy Director
Commission on Water Resource Management

SUBJECT: Honuaula Draft EIS, Waialea, Maui

FILE NO.: N/A

TMK NO.: (2) 2-1-008: 056 & 071

Thank you for the opportunity to review the subject document. The Commission on Water Resource Management (CWRM) is the agency responsible for administering the State Water Code (Code). Under the Code, all waters of the State are held in trust for the benefit of the citizens of the State, therefore, all water use is subject to legally protected water rights. CWRM strongly promotes the efficient use of Hawaii's water resources through conservation measures and appropriate resource management. For more information, please refer to the State Water Code Chapter 174C, Hawaii Revised Statutes, and Hawaii Administrative Rules, Chapters 13-167 to 13-171. These documents are available via the Internet at <http://www.hawaii.gov/dlnr/cwrmi>.

- Our comments related to water resources are checked off below.
1. We recommend coordination with the county to incorporate this project into the county's Water, Use and Development Plan. Please contact the respective Planning Department and/or Department of Water Supply for further information.
 2. We recommend coordination with the Engineering Division of the State Department of Land and Natural Resources to incorporate this project into the State Water Projects Plan.
 3. We recommend coordination with the Hawaii Department of Agriculture (HDOA) to incorporate the reclassification of agricultural zoned land and the redistribution of agricultural resources into the State's Agricultural Water Use and Development Plan (AWUDP). Please contact the HDOA for more information.
 4. We recommend that water efficient fixtures be installed and water efficient practices implemented throughout the development to reduce the increased demand on the area's freshwater resources. Reducing the water usage of a home or building may earn credit towards Leadership in Energy and Environmental Design (LEED) certification. More information on LEED certification is available at <http://www.usgbc.org/leed>. A listing of fixtures certified by the EPA as having high water efficiency can be found at <http://www.epa.gov/watersense/pp/index.htm>.
 5. We recommend the use of best management practices (BMP) for stormwater management to minimize the impact of the project to the existing area's hydrology while maintaining on-site infiltration and preventing polluted runoff from storm events. Stormwater management BMP's may earn credit toward LEED certification. More information on stormwater BMP's can be found at <http://hawaii.gov/dbedt/czrm/initiative/ldd.php>.

State of Hawaii FLOOD HAZARD ASSESSMENT REPORT

NATIONAL FLOOD INSURANCE PROGRAM

FLOOD ZONE DEFINITIONS

SPECIAL FLOOD HAZARD AREAS SUBJECT TO INSURANCE BY THE 1% ANNUAL CHANCE FLOOD - The 1% annual chance flood (100-year flood) also known as the base flood, is the flood that has a 1% chance of being equaled or exceeded in any given year. The Special Flood Hazard is the area subject to flooding by the 1% annual chance flood. Areas of Special Flood Hazard include Zone A, AE, AH, AO, V, and VE. The Base Flood Elevation (BFE) is the water surface elevation of the 1% annual chance flood. Mandatory flood insurance purchase applies in these zones:

- Zone A: No BFE determined.
- Zone AE: BFE determined.
- Zone AH: Flood depths of 1 to 3 feet (usually areas of ponding); BFE determined.
- Zone AD: Flood depths of 1 to 3 feet (usually sheet flow on sloping terrain); average depths determined.
- Zone V: Coastal flood zone with velocity hazard (wave action); no BFE determined.
- Zone VE: Coastal flood zone with velocity hazard (wave action); BFE determined.
- Zone AEF: Floodway areas in Zone AE. The floodway is the channel of stream plus any adjacent floodplain areas that must be kept free of encroachment so that the 1% annual chance flood can be carried without increasing the BFE.

NON-SPECIAL FLOOD HAZARD AREA - An area in a low-to-moderate risk flood zone. No mandatory flood insurance purchase requirements apply, but coverage is available in participating communities.

- Zone X (X shaded): Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood.
- Zone X: Areas determined to be outside the 0.2% annual chance floodplain.

OTHER FLOOD AREAS

- Zone D: Unshaded areas where flood hazards are undetermined, but flooding is possible. No mandatory flood insurance purchase requirements apply, but coverage is available in participating communities.

PROPERTY INFORMATION

COUNTY: MAUI
TMK NO.: (2) 2-1-008-056
PARCEL ADDRESS: PILANI HWY
FIRM INDEX DATE: SEPTEMBER 25, 2009
LETTER OF MAP CHANGE(S): NONE
FEMA FIRM PANEL(S): 1500030678E-SEPTEMBER 25, 2009
1500030677E-SEPTEMBER 25, 2009
1500030679E-SEPTEMBER 25, 2009

PARCEL DATA FROM: AUGUST 2010
IMAGERY DATA FROM: MAY 2005

IMPORTANT PHONE NUMBERS

County NEIP Coordinator
County of Maui CSM
State NEIP Coordinator
Card Type-Bean
(808) 270-7771
(808) 597-0267

Disclaimer: The Department of Land and Natural Resources assumes no responsibility arising from the use of the information contained in this report. The user of this information is advised to verify the accuracy of the information and agree to indemnify the Department of Land and Natural Resources from any liability, which may arise from its use.
Preliminary D/FIRM Disclaimer: If this map has been identified as "PRELIMINARY", please note that it is being provided for commenting purposes only and is not to be used for official/legal decisions or regulatory compliance.



Morris Atia, Administrator
Page 2
May 20, 2010

- 6. We recommend the use of alternative water sources, wherever practicable.
 - 7. There may be the potential for ground or surface water degradation/contamination and recommend that approvals for this project be conditioned upon a review by the State Department of Health and the developer's acceptance of any resulting requirements related to water quality.
- Permits required by CWRM:
- 8. The proposed water supply source for the project is located in a designated water management area, and a Water Use Permit is required prior to use of water.
 - 9. A Well Construction Permit(s) is (are) required any well construction work begins.
 - 10. A Pump Installation Permit(s) is (are) required before ground water is developed as a source of supply for the project.
 - 11. There is (are) well(s) located on or adjacent to this project. If wells are not planned to be used and will be abandoned by any new construction, they must be properly abandoned and sealed. A permit for well abandonment must be obtained.
 - 12. Ground water withdrawals from this project may affect streamflows, which may require an instream flow standard amendment.
 - 13. A Stream Channel Alteration Permit(s) is (are) required before any alteration(s) can be made to the bed and/or banks of a stream channel.
 - 14. A Stream Diversion Works Permit(s) is (are) required before any stream diversion works is (are) constructed or altered.
 - 15. A Petition to Amend the Interim Instream Flow Standard is required for any new or expanded diversion(s) of surface water.
 - 16. The planned source of water for this project has not been identified in this report. Therefore, we cannot determine what permits or petitions are required from our office, or whether there are potential impacts to water resources.
- OTHER:
- The document thoughtfully discusses ground water and surface water issues. While the document does not identify the water sources for this project, we are aware of several wells constructed for it, all properly permitted and constructed. We note that the water development description reflects Reverse-Osmosis treatment for potable requirements, all subject to public water system regulations of the Department of Health. We also note the project's emphasis on conservation, in both potable and non-potable uses.

If there are any questions, please contact Chatley Ice at 567-0218.

May 31, 2012

PRINCIPALS
THOMAS WHITTEN, ASIA
President

R. STAN DUNCAN, ASIA
Executive Vice-President

RESSEL Y. CHUNG, FASIA, LEED^{AP}
Executive Vice-President

VINCENT SHIGEKUNI
Vice-President

GRANT T. MURAKAMI, MCP, LEED^{AP}
Principal

W. FRANK BRANDELI, ASIA
Chairman Emeritus

ASSOCIATES

TOM SCINSELL, MCP
Senior Associate

RAYMOND T. HIGA, ASIA
Senior Associate

KEVIN K. NISHIKAWA, ASIA
Associate

KIMI MIKAMI YUEN, LEED^{AP}
Associate

SCOTT ALKA, BRIGGO, LEED^{AP}
Associate

SCOTT MURAKAMI, ASIA, LEED^{AP}
Associate

DACHUNG DONG, LEED^{AP}
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William Aila, Jr., Chairperson
State of Hawai'i
Department of Land and Natural Resources
P.O. Box 621
Honolulu, Hawai'i 96809

SUBJECT: HONUUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Aila:

We received the Department of Land and Natural Resources' (DLNR) letter dated June 7, 2010 addressed to Ann Cua of the Maui Planning Department regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to the comments received from each DLNR division.

We note that the State Historic Preservation Division (SHPD) has submitted comments through a separate letter.

Engineering Division

We appreciate the clarification regarding the revised Flood Insurance Rate Map (FIRM) dated September 25, 2009. We note that according to the revised FIRM, Honua'ula is located in Zone X. We also thank DLNR for the information about the Special Flood Hazard Area. No development will occur within a Special Flood Hazard Area, as there are none within the property.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 3.4.1 (Flood) will be revised as follows:

According to the revised Flood Insurance Rate Map (FIRM) dated September 25, 2009, prepared by the Federal Emergency Management Agency, National Flood Insurance Program, ~~a portion~~ of the Property is located in Zone ~~C-X~~, which is outside of the 500-year flood plain in an area of minimal flooding (Figure 11). The National Flood Insurance Program does not regulate developments within Zone X.

In addition, in the Final EIS Section 4.8.3 (Drainage System) will be revised as follows:

There are approximately 15 natural drainages in which runoff flows through the Property. Considering the relatively low rainfall at the Property, these drainage ways are generally dry throughout the year. There are no existing drainage improvements mauka of the Property. The entire property is designated on the FIRM as Zone X, which is outside of the 500-year flood plain in an area of minimal flooding (Figure 11).

William Aila
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Further, in the Final EIS Section 5.1.3 (Coastal Zone Management Act, Chapter 205A, Hawai'i Revised Statutes) and Section 5.2.1 (Countywide Policy Plan) will be revised as follows:

The entire Property is ~~located in Flood Zone C~~ designated as the FIRM as Zone X (which is outside of the 500-year flood plain in an area of minimal flooding) and is not in the tsunami evacuation zone.

Finally, in the Final EIS Figure 11 (Flood Insurance Rate Map) will be revised as shown on the attachment titled "Figure 11."

Commission on Water Resource Management (CWRM)

As discussed in Section 3.5.1 (Groundwater) of the Draft EIS, Honua'ula Partners, LLC will comply with all requirements of Hawai'i Revised Statutes (HRS), Chapter 174C, State Water Code and Hawai'i Administrative Rules (HAR), Chapters 13-167 to 13-171 as applicable, pertaining to CWRM and administration of the State Water Code.

The following responses are numbered according to the numbering of the boxes checked in the CWRM letter.

1. As discussed in Section 3.5.1 (Groundwater) of the Draft EIS, Honua'ula Partners, LLC will coordinate with the County to incorporate Honua'ula into the County's Water Use and Development Plan.
4. As discussed in Section 4.8.1 (Water System) of the Draft EIS, water efficient fixtures will be installed and water efficient practices will be implemented throughout Honua'ula.
5. As discussed in Section 4.8.3 (Drainage System) of the Draft EIS all drainage improvements will be designed in accordance with the County of Maui's "Rules for the Design of Storm Drainage Facilities," Section 4.8.3 (Drainage System) of the Draft EIS also discusses several Best Management Practices (BMPs) that will be implemented for storm water management to minimize the impact on the existing area's hydrology.
6. Regarding water sources for Honua'ula, as discussed in Section 4.8.1 (Water System) of the Draft EIS Honua'ula will not rely upon or burden any County water system or facilities. Instead, Honua'ula Partners, LLC will develop, maintain, and operate a private water system providing both potable and non-potable water for use within Honua'ula. Non-potable water will be used for all irrigation purposes. The complete water system will include a:
 - Non-potable system supplied by brackish wells to provide water for irrigation of common areas and within individual parcels;
 - Potable system supplied by reverse osmosis (RO) treated water, using brackish groundwater as the feedwater supply, to provide drinking water and other potable water needs; and

William Aila
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
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- Golf course irrigation system supplied by recycled wastewater (R-1 quality), concentrate from the RO treatment of the potable supply, and brackish groundwater from the non-potable irrigation system.

Other:

We appreciate DLNR's acknowledgement that the Draft EIS thoughtfully discusses ground water and surface water issues. To reflect this statement in the Final EIS, along with addressing concerns expressed by others, in the Final EIS Section 3.5 (Groundwater Resources and Water Quality) will be revised as follows:

Tom Nance Water Resource Engineering (TNWRE) conducted an assessment of the potential impact on groundwater resources from the creation of Honua'ula. Information and conclusions from the assessment are summarized below. The complete assessment report is included in Appendix B. In response to a request from the Maui Planning Commission, TNWRE prepared a supplemental report which contains data for all wells in the Kamaole Aquifer available from the CWRM. Information from this supplemental report is summarized below. The complete supplemental report is also included in Appendix B. In their letter commenting on the Draft EIS dated May 20, 2010, CWRM stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues." The complete CWRM letter is included in Appendix AA.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachment: Figure 11 (Flood Insurance Rate Map)

LINDA LINGLE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

BRENNON T. MORIOKA
DIRECTOR
Deputy Director
MICHAEL J. MERRY
FRANCIS PAUL KEENO
BRANDY H. SEKIGUCHI
JIRO A. SUMIDA
IN REPLY REFER TO:
STP 8.0147

June 24, 2010

Mr. Tom Schnell
PBR Hawaii
ASB Tower, Suite 650
1001 Bishop Street
Honolulu, Hawaii 96813

Dear Mr. Schnell:

Subject: Honua'ula Project – Draft Environmental Impact Statement (DEIS)

Thank you for requesting the State Department of Transportation's (DOT) review of the subject project DEIS for the Honua'ula development. DOT has the following comments.

1. The State highway, Piilani Highway, is an Urban Minor Arterial and is envisioned to possibly extend south past the Wailea Ike intersection toward the Makena area. With this future vision in mind, the Piilani Highway extension will need to have limited access only at Wailea Ike Drive and Kauhahi Street.
2. DOT's position regarding access control is documented in its attached letter HWY-PS 2.5022 dated March 24, 2010, to Honua'ula Partners, LLC. If access is necessary, the classification of the roadway may need to be downgraded and addressed accordingly.

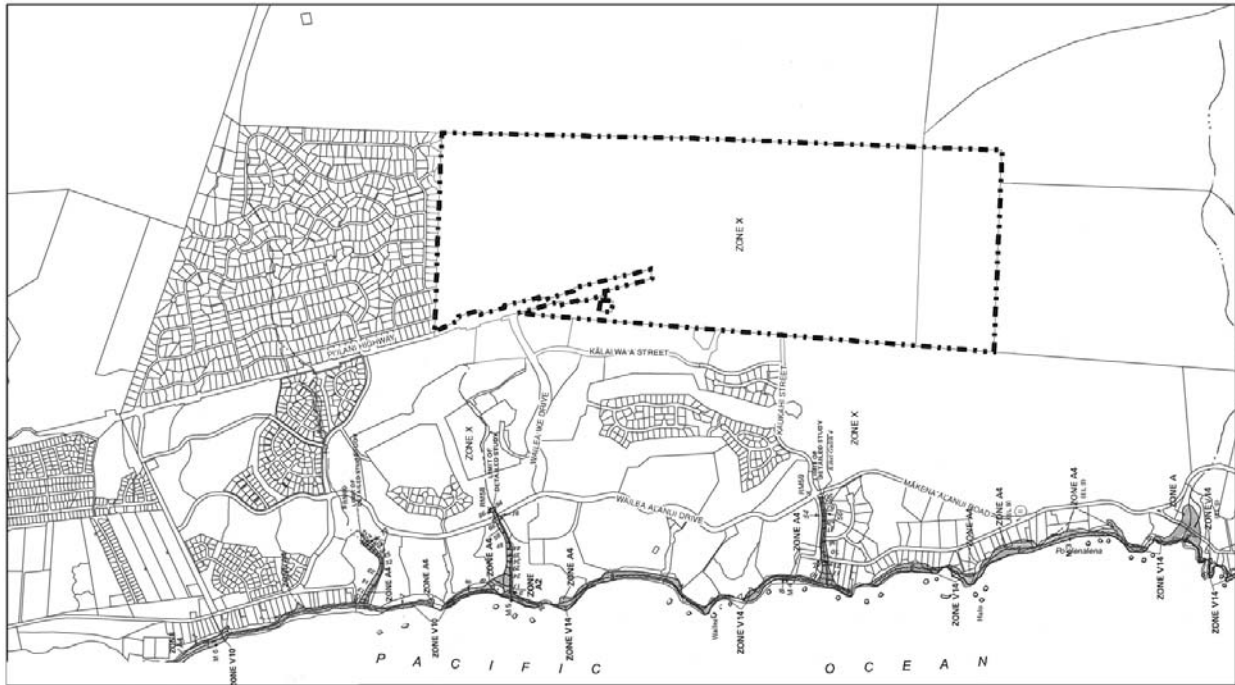
DOT appreciates the opportunity to provide comments. If there are any questions including any meeting with Highways Division staff on the matter of access to Piilani Highway, please contact Mr. David Shimokawa of the DOT Statewide Transportation Planning Office at telephone number (808) 587-2356.

Very truly yours,

BRENNON T. MORIOKA, Ph.D., P.E.
Director of Transportation

Attach: Ltr HWY-PS 2.5022, dtd March 24, 2010

c: Katherine Kealoha, Office of Environmental Quality Control
Kathleen Ross Aoki, Maui Planning Department



LEGEND

Honua'ula

Zone Designations

- X Areas determined to be outside the 0.2% annual chance flood (no shading)
- A1-A30 Areas of 100-year flood; base flood elevations and flood hazard factors determined
- V1-V30 Areas of 100-year coastal flood with velocity (wave action); base flood elevations and flood hazard factors determined.

Source: Federal Emergency Management Agency
Panel 150003 0676, 0677, 0678, 0679 FIRM Index Date September 25, 2009
Disclaimer: This map was prepared for general planning purposes only

Figure 11
Flood Insurance Rate Map
Honua'ula

Honua'ula Partners, LLC
NORTH
LINEAR SCALE (FEET)
0 1,000 2,000 4,000
ISLAND OF MAUI
PBR HAWAII & ASSOCIATES, INC.



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5087

LINDA LINGLE
GOVERNOR

BRENNON T. MORIOKA
DIRECTOR

Deputy Directors
MICHAEL D. FORBARY
FRANCIS PAUL KEENO
BRIAN H. BEKUGUCHI
JIRO A. SUMIDA

IN REPLY REFER TO:
DIR 0096
HWY-PS
2.5022

Mr. Charles Jencks
Page 2

HWY-PS
2.5022

March 24, 2010

Mr. Charles Jencks
Owner Representative
Honua'ula Partners, LLC
1300 N. Holopono Street, Suite 201
Kihei, Hawaii 96753

Dear Mr. Jencks:

Subject: Honua'ula/Project District 9 Compliance with Conditions 4, 18k and 19 Relating to Agreements for Infrastructure Improvements Wailea, Maui, Hawaii

Thank you for seeking consultation regarding compliance with the zoning conditions being imposed upon the Honua'ula development. In response to your letter dated January 22, 2010, we have the following comments:

As established in the Maui County Ordinance No. 3554, the following conditions relate to transportation:

2. That Honua'ula Partners, LLC, its successors and permitted assigns, shall implement the following traffic improvements:
 - a. Upgrade Piilani Highway, from Kilohana Drive to Wailea Ike Drive, to four lanes of traffic. The improvements shall be completed prior to the commencement of any construction on the site, with the exception of grading.
 - b. Extend Piilani Highway for two lanes of traffic from Wailea Ike Drive to Kaukahi Street. The improvement shall be constructed at or prior to the completion of 50 percent of the project. Said improvement shall be maintained by Honua'ula Partners, LLC, its successors and permitted assigns.
 - c. Signalize the Piilani Highway/Okolani Drive/Mikiol Place intersection and provide an exclusive left-turn lane on Okolani Drive prior to occupancy of the first unit in Kihei-Makena Project District 9.

- d. Modify the Piilani Highway/Wailea Ike Drive intersection and provide a free right-turn lane from Piilani Highway to Wailea Ike Drive and a second right-turn lane from Wailea Ike Drive to northbound Piilani Highway prior to occupancy of the first unit in Kihei-Makena Project District 9.
- f. Modify the Piilani Highway/Kilohana Drive/Mapu Place intersection to provide an exclusive left-turn lane, and the southbound Piilani Highway approach to provide an exclusive right-turn lane into Mapu Place prior to occupancy of the first unit in Kihei-Makena Project District 9.
4. That Honua'ula Partners, LLC, its successors and permitted assigns, shall be responsible for all required infrastructural improvements for the project, including water source and system improvements for potable and nonpotable use and fire protection, drainage improvements, traffic-related improvements, wastewater system improvements and utility upgrades, as determined by the appropriate governmental agencies and public utility companies. Except as otherwise provided by more specific conditions of zoning, said improvements shall be constructed and implemented concurrently with the development of each phase of Kihet-Makena Project District 9, and shall be completed prior to issuance of any certificate of occupancy or final subdivision approval, unless improvements are bonded by Honua'ula Partners, LLC, its successors and permitted assigns. Honua'ula Partners, LLC shall execute appropriate agreements with governmental agencies regarding participation in improvements of infrastructure and public facilities as determine by the agencies.

18. That Honua'ula Partners, LLC, its successors and permitted assigns, shall address in their Project District Phase II application the following:

- k. Roadway improvements to the satisfaction of the State Department of Transportation and the County Department of Public Works and proposed agreements are incorporated in the application and site plan and finalized as part of Project District Phase II approval.

19. That Honua'ula Partners, LLC, its successors and permitted assigns, shall execute appropriate agreements with the State of Hawaii and County of Maui agencies regarding participation in improvements of infrastructure and public facilities where such improvements are reasonably related to Honua'ula Partners, LLC's project.

28. That, prior to the commencement of any construction activity, Honua'ula Partners, LLC, its successors and permitted assigns, shall develop and submit a Transportation Management Plan ("TMP"), to be reviewed and approved by the State Department of Transportation, the County Department of Public Works, and the County Department of Transportation. The purpose of the TMP shall be to reduce traffic generated by construction activity related to the Kaonoulu Light Industrial Subdivision and

Kilhei-Makena Project District 9, including traffic generate by the improvements to Pilihi Highway between Kihohana Drive and Wailea Ike Drive. The TMP shall provide for programs such as park and ride, during peak hour traffic. Upon approval, project contractors shall implement the TMP during construction activities. Honua'ula Partners, LLC, its successors and permitted assigns, shall submit an annual report to the State Department of Transportation, the County Department of Public Works, the County Department of Transportation, and the Maui County Council to document the success of the TMP in meeting its benchmarks of reducing traffic during project construction.

The improvements to be performed by Honua'ula Partners LLC as stated within Condition No. 2 are consistent to the improvements identified in the Traffic Impact Analysis Report (TIAR) dated October 29, 2009. These improvements are understood to be considered the "fair share" for traffic related improvements of the affected area. The improvement of widening Pilihi Highway from two to four lanes from Kihohana Drive to Wailea Ike Drive will be in accordance to the federal and state guidelines for an urban principal arterial following the attached cross-section. The cross-section design layout Alternative 1 dated January 2010, which was submitted by your consultant for the Pilihi Highway widening project is acceptable in concept under state guidelines. It is our recommendation that the median be adjusted to a total of 17 feet including the left turn auxiliary lane and the bike lane should be adjusted to 6 feet. We also recommend that the median width of 17 feet be maintained as much as possible throughout the project area to preserve operational efficiency and aesthetic consistency for the roadway users. Deviations in the width of the median and layout of the lanes may cause operational inefficiencies due to potential roadway users' adjustments to changes in the traffic pattern. Any such deviations should be requested to the department for discussion and consideration and justifications for such a request should be fully documented. Final construction plans based on the aforementioned guidelines will need to be submitted for review and approval to our department. Also, for this widening effort for the intersections on Pilihi Highway at Kihohana Drive/Mapu Place, Okolani Drive/Mikioi Place, and Wailea Ike Drive as identified in the ordinance and to be performed by Honua'ula Partners LLC are the minimum traffic improvements to be performed. The actual traffic improvements at these intersections, such as the signalization, turning lanes, lane widths and lengths, and pedestrian and bicycle accommodations will be reviewed and accepted by our department. The extension of Pilihi Highway for two lanes of traffic from Wailea Ike Drive to Kaunakahi Street will be designed as an urban minor arterial with no access unto Pilihi Highway. The actual intersection design will be submitted to our department for review and acceptance.

In regards to Condition No. 28 involving the development of a TMP for the subject project, we are satisfied with your final comments for the TMP proposal and a formal approval should be forthcoming. The approval of the TMP is based on the understanding that the specific details of the construction and traffic control plan will need to be coordinated and approved by our department.

As the accepting agency of the HRS 343 Environmental Assessment (EA) for the Pilihi Highway Widening from Kihohana Drive to Wailea Ike Drive no construction work may begin until the EA is accepted by the State.

The State Department of Transportation acknowledges the continued coordination efforts by Honua'ula Partners, LLC in maintaining due diligence and in meeting the milestones necessary in complying with the zoning conditions set-forth in the aforementioned County ordinance and look forward to continuing the efforts for Honua'ula Partners, LLC to achieve full compliance.

If there are any questions, please contact Ken Tatsuguchi, Head Planning Engineer, Highways Division, at (808) 587-1830.

Very truly yours,



BRENNON T. MORIOKA, Ph.D., P.E.
Director of Transportation

Attachment

bc: HWY-PS, -M

BN:th



May 31, 2012

PRINCIPALS
THOMAS WITTEN, ASLA
President
R. STAN DUNCAN, ASLA
Executive Vice-President
RUSSELL CHUNG, FASLA, LEED® AP
Executive Vice-President
VINCENT SHIGEKUNI
Vice-President

GRANT T. MURAKAMI, ACP, LEED® AP
Principal

W. FRANK BRANDT, FASLA
Chairman Emeritus

ASSOCIATES
TOM SCHNELL, ACP
Senior Associate
RAYMOND T. HIGA, ASLA
Senior Associate

KEYNSA NISHIKAWA, ASLA
Associate
KIMI MIKAMI YUEN, LEED® AP
Associate

SCOTT AIKKA, ABRIGO, LEED® AP
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SCOTT MURAKAMI, ASLA, LEED® AP
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DACHING DONG, LEED® AP
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Glenn Okimoto
SUBJECT: HONU'U'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
May 31, 2012
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Street; and 2) if access is necessary, the classification of the roadway may need to be downgraded and addressed accordingly. Please note that the Honua'ula conceptual master plan (see Figure 1 of the Draft EIS) requires access off of the extended Pi'ilani Highway for: 1) one access point on the mauka side of the highway to a proposed County fire station site required in compliance with County of Maui Ordinance No. 3554 (Condition 24); and 2) two access points on the makai side of the highway to parcels proposed to contain commercial uses and multifamily residential homes. Honua'ula Partners, LLC will coordinate with DOT as necessary for the required access from the extended Pi'ilani Highway. To include this information in the Final EIS, in the Final EIS Section 4.8.4 (Internal Roadways) will be revised as follows:

2. Pi'ilani Highway Extension: Honua'ula Partners, LLC will work in coordination with DOT regarding extending Pi'ilani Highway into Honua'ula and any internal access points needed; however, ~~primarily, the~~ length of the Pi'ilani Highway extension into Honua'ula ~~will~~ is planned to include three configurations:
 - a. Wailela Ike Drive Intersection: The first configuration, starting at the Pi'ilani Highway/Wailela Ike Drive/Honua'ula entrance intersection (within the State ROW), will consist of a 105-foot ROW with two 12-foot thru lanes, one 12-foot right turn lane and one 11-foot left turn lane for northbound traffic. There will be a median with one 12-foot southbound lane and curbs, gutters, and a four to six-foot wide meandering sidewalk on the makai side of the street.
 - b. South of the Wailela Ike Drive Intersection: This configuration (within the State ROW) will consist of one 12-foot lane in each direction with an 11-foot middle turning lane. There will be curbs, gutters and a four to six-foot wide meandering sidewalk on the makai side of the street. The ROW width varies from 140 to 202 feet.
 - c. South of the Wailela Ike Drive Intersection: The last configuration within the Property will consist of a 54-foot ROW with an 11-foot lane with two-foot paved shoulders and an eight-foot bioswale in each direction. A six-foot landscape area and six-foot wide sidewalk will be located on one side of the road. This segment will connect with Kaunani Street but will not extend to the mauka boundary of the Property.

Responses to Comments from March 24, 2010 DOT Letter

Regarding DOT's letter dated March 24, 2010, we thank DOT for noting that the improvements to be performed by Honua'ula Partners, LLC in compliance with County of Maui Ordinance No. 3554 Condition 2 "are understood to be considered the 'fair share' for highway related improvements of the affected area." To include this information in the Final EIS, in the Final EIS Section 4.4.4 (Projected Traffic Conditions with Honua'ula) will be revised to include the following:

In correspondence from DOT dated March 24, 2010, DOT stated:

The improvements to be performed by Honua'ula Partners LLC as stated in Condition 2 are consistent with the improvements identified in the Traffic Impact Assessment Report (TIAR) dated 29, 2009. These improvements are understood to be considered the 'fair share' for highway related improvements of the affected area.

SUBJECT: HONU'U'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Okimoto:

We have received the Department of Transportation's (DOT) letter dated June 24, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. We are also in receipt of DOT's letter dated March 24, 2010 addressed to Honua'ula Partners, LLC Owner Representative Charles Jencks, which was attached with DOT's June 24, 2010 letter. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to DOT's comments.

Responses to Comments from June 24, 2010 DOT Letter

Although DOT's June 24, 2010 letter states that Pi'ilani Highway is classified as an Urban Minor Arterial, we believe this may be an error as Honua'ula Partners, LLC's traffic consultant, Keith Niya of Austin Tsutsumi & Associates, Inc spoke with Ken Tatsuguchi of the DOT on September 9, 2010 and at that time Mr. Tatsuguchi confirmed that Pi'ilani Highway is classified as Urban Principal Arterial.

We note that DOT's June 24, 2010 states that DOT envisions Pi'ilani Highway to possibly extend south past the Wailela Ike intersection toward the Makena area. To incorporate this information in the Final EIS, in the Final EIS Section 2.1.1 (Location and Property Description) will be revised as follows:

The Honua'ula Property is located in Kihoi-Makena, Maui on the relatively gentle lower slopes of Haleakala with Wailela Resort to the west (makai), Makena Resort to the south, 'Ulupalakua Ranch to the east (mauka), and the Maui Meadows subdivision to the north (Figure 2). The 670-acre Property, identified as TMMs 2-1-008: 056 and 071 (Figure 3), is bisected by a portion of the Pi'ilani Highway ROW previously reserved for a planned extension of Pi'ilani Highway to the Upcountry area. However, in their comment letter on the Draft EIS dated June 24, 2010 the State Department of Transportation (DOT) ~~is not~~ ~~is~~ ~~not~~ ~~planning~~ ~~to~~ ~~use~~ ~~the~~ ~~ROW~~ ~~for~~ ~~the~~ ~~extension~~ ~~of~~ ~~the~~ ~~road~~ ~~to~~ ~~extend~~ ~~south~~ ~~past~~ ~~the~~ ~~Wailela~~ ~~Ike~~ ~~intersection~~ ~~toward~~ ~~the~~ ~~Makena~~ ~~area.~~ ~~It~~ ~~is~~ ~~possible~~ ~~to~~ ~~extend~~ ~~370~~ ~~acres~~ ~~of~~ ~~the~~ ~~site~~ ~~are~~ ~~mauka~~ ~~of~~ ~~the~~ ~~ROW~~ ~~and~~ ~~300~~ ~~acres~~ ~~are~~ ~~makai.~~

DOT's June 24, 2010 letter also states that: 1) with the future vision of Pi'ilani Highway extending south past the Wailela Ike intersection toward the Makena area, the Pi'ilani Highway extension will need to have limited access only at Wailela Ike Drive and Kaunani

Glenn Okimoto
**SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND
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Regarding your recommendations for the improvements associated with the widening of Pi'ilani Highway, Honua'ula Partners, LLC and their traffic engineer will work with DOT to provide plans acceptable to DOT.

Regarding Honua'ula Transportation Management Plans (TMPs) that were provided for DOT review and approval, we note that DOT is satisfied with Honua'ula Partners, LLC's responses to DOT's comments and we have received your letter dated May 4, 2010 approving the TMPs.

We thank DOT for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

O:\0819\1905.08 Honua'ula-EIS\DEIS\DEIS Comments\Responses\Agency\Final\DOT State.doc

PHONE (808) 594-1888



STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
711 KAPI'OLANI BOULEVARD, SUITE 500
HONOLULU, HAWAII 96813

FAX (808) 594-1865

June 29, 2010

HRD10-3208G/H

Maui Planning Department/Maui Planning Commission
Jeff Hunt, Director
County of Maui
Planning Department
250 South High Street
Wailuku, Hawaii 'i 96793

Honua'ula Partners, LLC
Charles Jencks
c/o Goodfellow Brothers, Inc.
P. O. Box 220
Kihei, Hawaii 'i 96753

**Re: Honua'ula Draft Environmental Impact Statement (Draft EIS) and Honua'ula
Cultural Resources Preservation Plan (CRPP), Proposed Honua'ula Development
Paeahu, Palauca Keaouhu Ahupua'a, Makawao District, Maui Island, Project
TMK: (2) 2-1-08-056; (2) 2-1-08-071¹**

Aloha e Messrs. Jeff Hunt and Charles Jencks,

The Office of Hawaiian Affairs (OHA) is in receipt of the Draft EIS² and CRPP³ for the above-referenced project brought by applicant Honua'ula Partners, LLC (Applicant). The project is described as a master planned community consisting of single-family and multi-family homes (approximately 1,150 residences including market and affordable units), village mixed use areas with supporting commercial, open space, recreation, and related off-site infrastructure. Also known as "Wailea 670" (for the number of project acres), Honua'ula will feature an 18-hole golf course with successive fairways and practice ranges integrated prominently within residential and preservation precincts. In turn, some 15 of 40 documented cultural sites are projected for *in situ* preservation and buffer protections.

¹ Including off-site improvements at the following TMK's: (2) 2-1-08-999 (portion); (2) 2-1-08-043; (2) 2-1-08-090 (portion); (2) 2-1-08-108 (portion); (2) 2-2-02-050 (portion); (2) 2-1-08-054 (portion); (2) 2-1-08-054 (portion); (2) 2-1-08-001 (portion).
² PBR Hawaii & Associates, Inc., Honua'ula Draft Environmental Impact Statement (March 2010) [hereinafter "Draft EIS"].
³ A. Sinofo, Hana Pono LLC & Munkkiyo and Hiraga, Inc., Honua'ula Cultural Resources Preservation Plan (December 2009) [hereinafter "CRPP"].

MERIT IN THE HONUA'ULA DRAFT EIS

Review of the Honua'ula Draft EIS is mandated by the State of Hawai'i's EIS law (HRS Chapter 343) and State of Hawai'i EIS rules (HAR Title 11, Chapter 200). As an interested Native Hawaiian Organization, OHA has reviewed project components approvingly along with its various attachments and studies. Indeed, we have noticed greater effort and strides on the part of the Applicant to navigate through these requirements collaboratively with community stakeholders. For this, OHA applauds the Applicant and the many dedicated public officials for raising the bar with Hawai'i's environmental review process. We expect that kind of mutual commitment and respect to continue beyond the boundaries of this project and for many years to come. That said, however, while OHA recognizes merit in the project's Draft EIS, there are still a few questions we raise below for which recommendations are offered.

THE CRPP: HONUA'ULA PROJECT CONDITIONS 13 & 26

The Honua'ula CRPP, on the other hand, is a component not customary among most development applications and/or HRS Chapters 343 & 6E compliance reviews. Perhaps a hybrid incorporating elements of our EIS laws and measures like Memoranda of Agreement/Understanding, we have discovered the CRPP as a tool providing us with an even sharper appreciation for the review process. We note OHA's participation herein as a positive evolutionary step and a glimpse at work which lies ahead while we build our lāhui—a Hawaiian Nation. More specifically, we salute both the County of Maui and the Applicant for coming to terms in crafting conditions requiring not only consultation with OHA but its approval as well. This is uncharted compliance territory; however, this kuleana we accept with appreciation and humility. Conditions 13 and 26, in relevant part, read as follows:

Condition 13—That Honua'ula Partners, LLC, its successors and permitted assigns, shall prepare a Cultural Resources Preservation Plan ("CRPP"), in consultation with: Na Kupuna O Maui; lineal descendants of the area; other Native Hawaiian groups; the Maui County Cultural Resources Commission; the Maui/Lāna'i Island Burial Council; the Office of Hawaiian Affairs; the State Historic Preservation Division, Department of Land and Natural Resources; the Maui County Council; Na Ala Hele; and all other interested parties. Prior to initiating this consultation process, Honua'ula Partners, LLC, its successors and permitted assigns, shall publish a single public notice in a Maui newspaper and a State-wide newspaper that are published weekly. The CRPP shall consider access to specific sites to be preserved, the manner and method of preservation of sites, the appropriate protocol for visitation to cultural sites, and recognition of public access in accordance with the Constitution of the State of Hawai'i, the Hawai'i Revised Statutes, and other laws, in Kīhei-Makēna Project District 9.

Upon completion of the CRPP, *Honua'ula Partners, LLC, its successor and permitted assigns, shall submit the plan to the State Historic Preservation Division, Department of Land and Natural Resources, and the Office of*

Hawaiian Affairs for review and recommendations prior to Project District Phase II approval. Upon receipt of the above agencies' comments and recommendations, the CRPP shall be forwarded to the Maui County Cultural Resources Commission for its review and adoption prior to Project District Phase II approval. [Emphasis and italics added.]

Condition 26—That *Honua'ula Partners, LLC, its successors and permitted assigns, shall provide a preservation/mitigation plan pursuant to Chapter 6E, Hawai'i Revised Statutes, that has been approved by the State Historic Preservation Division, Department of Land and Natural Resources, and the Office of Hawaiian Affairs prior to Project District Phase II approval.* [Emphasis and italics added.]

During the course of this CRPP review, we recall the Applicant proactively engaging OHA in consultation and site-visitation. However, barely just a week ago, our office bore witness to a nearly "deal-breaking" conflict when tensions escalated over a beneficiary group's request for safe kūpuna access onto the project area for the exercise of Summer Solstice traditional and customary Native Hawaiian practices. For the record, OHA is most thankful that the law prevailed in the recognition of *PASIF*⁴ access rights on that June 21st day. We further recall that "Access and Understanding" is the very first key principle listed in the CRPP Preface's discussion on legitimate public interpretation.

PRELIMINARY ISSUES & RECOMMENDATIONS

Water

While OHA does not profess to maintaining technical expertise in the area of water resource management supplying large-scale developments such as Honua'ula, we do know that without it nothing else can exist. Water is life as our slogan "Ka Wai Ola" chiefly suggests, and the same applies for any development project no matter how sustainably planned. With the burgeoning demands upon our finite water sources, it behooves society to judiciously make decisions based solely on the availability of this singular necessity. *Na Wai Eha*⁵ is a case in point to that pressing question: Is there water enough to sustain this community's needs without creating adverse competition and needless crises in the short- or long-run?

OHA hopes more than recommends that the project's water study is an accurate portrayal of existing circumstances rather than a guesstimate merely designed to hasten approval. As a final arbiter, Maui County must ask the hard questions concerning its future water needs since no immediate ball-out is in sight should aquifers fail.

⁴ *Sage Public Access Shoreline Hawai'i v. Hawai'i County Planning Commission*, 79 Haw. 425, 903 P.2d 1246 (1995); see also *Ka Pa'akai O Ka 'Aina v. Land Use Commission*, 94 Haw. 311, 7 P.3d 1068 (2000)

⁵ Contested case putting into dispute permissible water usage levels and highlighting legal concepts such as the Public Trust Doctrine, among others.

Revised Archaeological Inventory Survey

While OHA is allotted a greater measure of responsibility with the kuleana of approving the CRPP, it is still understood that as reviewers we stand at the mercy of archaeologists who are commissioned and afforded liberal access for field surveying work on property. We do not suggest malfeasance on the part of professionals; however, there are occasions when reviewers are left pondering if the scope of surveying work was or was not adequate. Having matriculated past finger-pointing, OHA is more interested in seeking workable results through collaboration with as many stakeholders as practicable.

At this juncture we need not recite the project's archaeological history dating back to 1972, or the inconsistent identification of sites location (even to this day), because we are still encouraged by the findings of the Applicant's current archaeologist(s). Between that archaeologist's previous survey (documenting 24 total sites) and his most current survey (documenting 40 total sites), what is important is that everyone gains a more accurate picture of the historical landscape and cultural precincts.

Among the 670 acres, the latest recorded surveying indicates that 39 sites are located in the southern one-third of the project area, while only one (1) site has been officially documented in the northern two-thirds of the project area.⁶ This finding of only a single site within the larger portion of land naturally has raised a curious brow with reviewers.

More recently, the State Historic Preservation Division (SHPD), Department of Land and Natural Resources (DLNR), and OHA were furnished with unofficial but seemingly credible data and information concerning at least 13 additional sites within the northern 480 acres of Honua'ula.⁷ It is unknown whether more sites are still to be found, and it is unclear whether any of the additional sites will ever receive preservation status. Nevertheless, what this revelation does is it precludes OHA from issuing a bona fide approval for the CRPP, among other things, since the Revised Archaeological Inventory Survey (Revised AIS) appears inaccurate. Moreover, the matter of SHPD's review of the Revised AIS is not yet finalized.⁸ Thus, it would be imprudent and premature of OHA to endorse either the Draft EIS or CRPP considering that SHPD's review of the Revised AIS is in fact still pending (and with inclusion of additional sites needing official documentation). In short, these issues are not yet ripe for approval.

Our recommendation now, and this may gain the support of SHPD, is for a consultation between the Applicant and its archaeologist(s) with those stakeholders who brought forward new data and information concerning the 13 additional sites. SHPD and other stakeholders may wish to participate or be invited in this consultation and/or added surveying. This recommendation we hope can be accomplished in the spirit of aloha and lōkahi with communities and neighbors working together.

⁶ See A. Sinoto, Revised Archaeological Inventory Survey for Honua'ula (July 2008; updated March 2010).

⁷ Data and information (including photos and GPS points) supplied by Māui Cultural Landmarks, Inc. (MCL).

⁸ See, e.g., email dated Monday, June 28, 2010 3:15 PM, from Nainey.A.McElhannon@hawaii.gov to Daniel Kanehele (Daniel K) re: Honua'ula Revised AIS. A discussion on feasibility of securing access on project property for purpose of addressing concerns relating to additional unrecorded archaeological/cultural sites, CRPP, consultation, working collaboratively, *et cetera*.

Other Issues & Concerns

Most other issues of concern to OHA relate in some ways to the Revised AIS and the additional undocumented sites. For instance, we are aware that no attempt is being made to educate golfers with your "Best Management Practices for the Honua'ula Golf Course," study regarding the significance of the archaeological/cultural sites. It is imperative to educate golfers on such cultural sites and to inform golfers not to breach buffer zones and/or use such sites to hide and relieve themselves. Such educational efforts will help prevent undue practices of desecration and potential liability for unlawful acts. We would add that the data and information of the additional 13 undocumented sites appear in the zone where golf course fairways 2, 8, 16 and 17 are proposed.

In addition, while we are satisfied with findings concerning native species flora and fauna, OHA anticipates compliance and follow-thru with Applicant's Habitat Conservation Plan (HCP) pursuant to Section 10(a)(1)(B) of the Endangered Species Act. This is to address specifically matters on 'āwīkīwī (*C. pubescens*), Hawaiian Hoary Bat (*L. cinereus semotus*) and Blackburn's sphinx moth (*M. blackburni*). OHA is equally satisfied with project plans incorporating a variety of native plant and tree species in the overall landscape, as we previously commented on wīlīwī and other paleo-botanical issues.

OHA urges all stakeholders to respect the rights and privileges of one another, as well as the duties and obligations imparted upon each of us, to act and serve as appropriate stewards to our respective kuleana. Landowners have rights and responsibilities as do Native Hawaiian practitioners exercising constitutionally protected customary and traditional rights and responsibilities. OHA strongly believes Honua'ula can serve as a model for future development if we together as community and neighbors share collaboratively in working towards a better vision for Hawai'i.

OHA'S MISSION & FIDUCIARY RESPONSIBILITIES

OHA remains steadfast in its mission to better conditions of all native Hawaiians and Hawaiians. OHA's pursuit in fulfilling its fiduciary duty is multifaceted due to a wide and diverse beneficiary base, and therefore it allocates resources to help stabilize and sustain a way of living infused with the time-honored teachings of Aloha 'Āina and Mālama 'Āina. This lifestyle we are certain secures all of Hawai'i nei—kama'āina and malihini alike—in good standing.

OHA must also ensure that other agencies, on the State and County levels, uphold their constitutionally, statutorily, and judicially mandated obligations to the native Hawaiian and Hawaiian people.

Section 10-3(4), HRS, states that a core purpose of OHA shall be:

(4) Assessing the policies and practices of other agencies impacting on native Hawaiians and Hawaiians, and conducting advocacy efforts for native Hawaiians and Hawaiians [italics supplied].

Section 10-1(b) states that:

(b) It shall be the duty and responsibility of all state departments and instrumentalities of state government providing services and programs which affect native Hawaiians and Hawaiians to actively work toward the goals of this chapter and to cooperate with and assist wherever possible the office of Hawaiian affairs. (L. 1979, c 196, pt. of Section 2) [emphasis and italics supplied].

While this project has ignited much interest among Maui's communities, OHA has been closely weighing the beneficial and adverse impacts, and envisions great potential and progress achieved with the guidance of Maui County officials along with the Applicant's cooperation.

CONCLUSION

OHA encourages additional consultation between the Applicant and other interested Native Hawaiian groups and individuals so that we all can get to a position that we need to be. Even though we anticipate due diligence in light of the newly discovered data and information, and possibly reasonable effort in re-surveying of the northern 480 acres, it will still be possible that existing sites will fail to be identified prior to any future construction. In that event, we ask for compliance with the following: "Should historic sites such as walls, platforms, pavements and mounds, or remains such as artifacts, burials, concentration of charcoal or shells are encountered during construction work, work shall cease in the immediate vicinity of the find and the find shall be protected from further damage. The contractor shall immediately contact the [SHPD], which will assess the significance of the find and recommend an appropriate mitigation measure, if necessary."

Mahalo for the opportunity to comment. If you have any questions or concerns, please contact Jerome Yasuhara, Compliance Specialist, on phone at 594-0129 or via email at jeromey@oha.org.

'O wau iho nō, me ka hū'āha'a,



Clyde W. Nāmu'o
Chief Executive Officer

⁹ Letter dated May 18, 1993, from Don Hibbard, SHPD Administrator, to Bert Raitt, Engineer, County of Maui, Department of Public Works.

c: OHA Trustee Boyd Mossman

Dr. Pua'alaokalani D. Aiu, Administrator
Nancy McMahon, State Archaeologist
State Historic Preservation Division
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Maui Cultural Lands, Inc.
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OHA Maui CRC Office



May 31, 2012

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Kamana'o Crabbe
SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
May 31, 2012
Page 2 of 6

In their letter commenting on the Draft EIS dated May 20, 2010, the Commission on Water Resource Management stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues."

Regarding your question about whether there is there enough water to sustain Honua'ula's needs without creating adverse competition and needless crisis in the short- or long term, as discussed in Section 3.5.1 (Groundwater) of the Draft EIS, Honua'ula and the wells that will supply it are located in the Kama'ole Aquifer System. In 1990, the CWRM set the sustainable yield of the Kama'ole Aquifer at 11 million gallons per day (MGD); however, more recent studies from the United States Geological Survey and others indicate that the actual sustainable yield of the aquifer may be as much as 50 percent greater than the 1990 CWRM estimate. TNWRE estimates that actual aquifer pumpage (use) of the aquifer is approximately 4.0 MGD. At full build-out, Honua'ula's total average groundwater use is projected to be approximately 1.7 MGD. Combining the current pumpage of approximately 4.0 MGD with Honua'ula's estimated pumpage of 1.7 MGD at build-out, totals 5.7 MGD, which is well within the Kama'ole Aquifer sustainable yield of 11 MGD established by CWRM in 1990.

Additional information about water resources and Honua'ula's private water system is provided in Section 3.5.1 (Groundwater) and Section 4.8.1 (Water System) of the Draft EIS.

Revised Archaeological Inventory Survey

Regarding your concerns with:

1. The archaeological inventory survey included with the Draft EIS;
2. Information provided to OHA regarding 13 additional archaeological sites in the northern portion of Honua'ula not included in the archaeological inventory survey; and
3. Your recommendation for consultation between the applicant and its archaeologist(s) with those that provided information concerning the 13 additional sites;

On August, 26, 2010 Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua participated in a site visit of the Honua'ula Property with several community members and State Historic Preservation Division (SHPD) staff. SHPD staff present were archaeologist Morgan Davis and cultural historian Himano Rodrigues. Community members present included: Lucienne De Naité, Daniel Kanahele, Janet Six, Elle Cochran, U'ilani Kapu, Ke'eaumoku Kapu, Lee Altenberg, and 'Ekolu Lindsey. Some of these community members had previously: 1) presented testimony, or were present, at the Maui Planning Commission meeting on June 22, 2010 at which the Honua'ula Draft EIS was discussed; 2) submitted information to SHPD claiming that they had found archaeological sites on the Property that had not been included in the archaeological inventory survey dated March 2010 included in the Draft EIS (Appendix I); and 3) submitted written comments on the Draft EIS expressing concerns regarding archaeological sites on the Property.

Subsequent to the site visit, SHPD issued a letter dated September 8, 2010 stating that no significant unrecorded sites were noted at that time (i.e. during the August, 26, 2010 site visit). The letter also provides SHPD's review of the archaeological inventory survey (dated March 2010).

SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Crabbe:

We received the Office of Hawaiian Affairs' (OHA) letter (HRD10-3208G/H) dated June 29, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. The organization of this letter follows the headings and subheadings of your letter.

MERIT IN THE HONU'ULA DRAFT EIS

We appreciate that the OHA has reviewed the project components approvingly and: 1) acknowledges the efforts and strides made by Honua'ula Partners, LLC to work collaboratively with stakeholders with commitment and respect; and 2) recognizes merit in the Draft EIS.

THE CRPP- HONU'ULA PROJECT CONDITIONS 13 & 26

We thank you for noting that during the course of the CRPP review, Honua'ula Partners, LLC proactively engaged OHA in consultation and site-visitation. Regarding the "nearly 'deal-breaking conflict'" to which you refer, as acknowledged, the group requesting access to the property for the exercise of Summer Solstice traditional and customary Native Hawaiian practices was permitted access to the property on June 21, 2010. We note that this was the first time landowner Honua'ula Partners, LLC had received a request to access the site for the exercise of Summer Solstice traditional and customary Native Hawaiian practices, although Honua'ula Partners, LLC has owned the property for over ten years.

PRELIMINARY ISSUES & RECOMMENDATIONS

Water

Tom Nance Water Resource Engineering (TNWRE) conducted an assessment of the potential impact on groundwater resources from the creation of Honua'ula, Section 3.5.1 (Groundwater) of the Draft EIS includes a summary of this assessment and the complete assessment is included as Appendix B of the Draft EIS. Hydrologist Tom Nance of TNWRE has over 30 years experience in the areas of groundwater and surface water development, hydraulics and water system design, flood control and drainage, and coastal engineering, and he is a widely recognized and respected expert in his field who has completed an extensive number of water assessments in Hawaii.

Kamana'o Crabbe

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

May 31, 2012

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and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) a large plan map of the survey area with sites and features plotted be included. In addition, the SHPD letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings." The September 8, 2010 SHPD letter is attached for your review and records.

In response to SHPD's September 8, 2010 letter commenting on the archaeological inventory survey, archaeologist Aki Sinoto has: 1) revised the archaeological inventory survey to address SHPD's concerns; and 2) submitted the revised archaeological inventory survey to SHPD in April 2011.

In July and August of 2011, Daniel Kanahale of Maui Cultural Lands submitted letters to Honua'ula Partners, LLC's representative Charlie Jencks and SHPD providing additional comments on the archaeological inventory survey (dated March 2010) that was included in the Draft EIS. Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua responded to these letters in writing. In the summer of 2011 Maui Cultural Lands members also made a presentation to SHPD regarding their inspections of the Property.

In response to the concerns Maui Cultural Lands members expressed to SHPD in the summer of 2011, on September 23, 2011 archaeologist Aki Sinoto and cultural advisor Kimokeo Kapahulehua met with SHPD archaeologist Morgan Davis and SHPD cultural historian Hinano Rodrigues at SHPD's Maui office. Subsequently, as recommended by SHPD, Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua met with members of Maui Cultural Lands and other community members at Maui Community College on November 17, 2011. Maui Cultural Lands members and other community members present at the November 17, 2011 meeting included: Daniel Kanahale, Janet Six, 'Ekolu Lindsey, Lucienne de Naie, Jocelyn Costa, and Clifford Omellas. Others present at the meeting included Stanley Solamillo, a cultural resource planner with the Maui Planning Department, and Tanya Lee Greig, the director of Cultural Surveys Hawaii's Maui office.

As a result of the November 17, 2011 meeting, the archaeological inventory survey report was further revised to: 1) recommend preservation of a section of a post-contact agricultural wall documented in the archaeological inventory survey but not previously recommended for preservation; 2) add descriptive narrative information for two post-contact agricultural walls; and 3) revise pertinent map figures in the report. Archaeologist Aki Sinoto submitted the further revised archaeological inventory survey report to SHPD in March 2012. Since the SHPD Maui archaeologist had recently resigned, copies of the revised archaeological inventory survey report were transmitted to SHPD's main office in Kapolei and to Dr. Theresa Donham, the interim SHPD chief of archaeology in Hilo. In April 2012, Dr. Donham notified archaeologist Aki Sinoto that the report was forwarded to the SHPD Maui office for review due to the hiring of replacement personnel. As of May 2012, SHPD has not completed its review of the revised (March 2012) archaeological inventory survey.

Kamana'o Crabbe

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

May 31, 2012

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In your letter it is stated that the "revelation" regarding the 13 additional archaeological sites:

...precludes OHA from issuing a bona fide approval for the CRPP, among other things, since the Revised Archaeological Inventory Survey (Revised AIS) appears inaccurate. Moreover, the matter of SHPD's review of the Revised AIS is not yet finalized. Thus, it would be imprudent and premature of OHA to endorse either the Draft EIS or CRPP considering that SHPD's review of the Revised AIS is in fact still pending (and with inclusion of additional sites needing official documentation). In short, these issues are not yet ripe for approval. (page 4)

In light of:

1. SHPD's August, 26, 2010 site visit and subsequent conclusion that no significant unrecorded sites were noted at that time (i.e. during the August, 26, 2010 site visit);
2. SHPD's review of the archaeological inventory survey and requested revisions; and
3. The fact that the archaeological inventory survey has been revised to address SHPD's concerns and has been submitted to SHPD for final approval;

We hope that OHA can now consider the CRPP "ripe" for review and approval. Honua'ula Partners, LLC's representative, archaeologist, and cultural advisor would be pleased to assist OHA with its review and approval of the CRPP by answering any questions OHA may have or providing additional information OHA may request.

Other Issues & Concerns

We note that other issues of concern to OHA relate in some ways to the revised archaeological inventory survey and the information provided to OHA regarding 13 additional archaeological sites in the northern portion of Honua'ula not included in the archaeological inventory survey. With SHPD's site visit and September 8, 2010 letter, we hope that OHA's major concerns have been resolved.

Regarding your concern about educating golfers about the significance of archaeological/cultural sites, we agree that it is imperative to educate golfers on proper protocol in this regard. The Honua'ula Golf Course Best Management Practices (BMPs), included as Appendix C in the Draft EIS to which you refer, were prepared to ensure that Honua'ula's golf course is developed and operated in an environmentally responsible manner so that potential impacts are mitigated. Although the primary goals of the BMPs are to reduce the turf chemical and water required to manage the golf course and minimize waste generation, the BMPs also include recommendations for golfer education. In particular it is recommended that the golf course superintendent produce literature to inform golfers of the specifics of the golf course and encourage responsible behavior. Information on the significance of archaeological/cultural sites could easily be incorporated into this literature. Because Honua'ula's golf course is intended to be a homeowner's course, the course will not have a significant amount of general public golfers that are unfamiliar with the course. Thus, homeowner golfers can be educated regarding the significance of archaeological/cultural sites and would hopefully retain this information and develop an awareness of the unique aspects of the golf course. With familiarity of the course it can also be expected that homeowner golfers will know where restroom facilities are in relation to golf course holes and thereby and can anticipate the need to relieve themselves in advance and can plan accordingly.

To further educate golfers (along with others), the CRPP sets forth (among other things) short- and long-term preservation measures, including buffer zones, interpretive signs, and implementation of educational programs, as appropriate for archaeological sites to be preserved including archaeological sites within or bordering the golf course. Combined with the educational component of the BMPs we are confident that archaeological/cultural sites can be protected from desecration.

We acknowledge that OHA is satisfied with the findings concerning native species of flora and fauna as well as plans incorporating native plant and tree species in the overall landscaping. As stated in Section 3.6 (Botanical Resources) and Section 3.7 (Wildlife Resources) Honua'ula Partners, LLC's biological consultant, SWCA Consulting, will prepare a Habitat Conservation Plan. The purpose of the HCP is to:

1. Offset the potential impact of Honua'ula on two Covered Species (Blackburn's sphinx moth and nēnē) with measures to protect and provide a net benefit to these species; and
2. Provide avoidance and minimization measures expected to avoid any negative impacts on five additional endangered species (koloa (Hawaiian duck), ae'o (Hawaiian stilt), 'alae ke'oke'o (Hawaiian coot), 'ua'u (Hawaiian petrel), and 'ōpe'ape'a (Hawaiian Hoary bat), one threatened species ('a'o (Newell's shearwater)), one candidate endangered species ('āwīkīwīkī), and the pueo (Hawaiian short-eared owl).

CONCLUSION

In the conclusion section of your letter you encourage consultation between the applicant and other interested Native Hawaiian groups and individuals. Honua'ula Partners, LLC's representative, archaeologist, and cultural advisor have engaged and met on-site with community members and SHPD staff to resolve issues relating to information provided to OHA regarding the 13 additional archaeological sites in the northern portion of Honua'ula not included in the archaeological inventory survey. Going forward Honua'ula Partners, LLC will continue to work collaboratively with stakeholders with commitment and respect.

We acknowledge your concern regarding possible inadvertent finds of archaeological sites and artifacts. In addition to the protections to be instituted through the CRPP, Honua'ula Partners, LLC and its contractors will comply with all State and County laws and rules regarding the preservation of archaeological and historic sites. Your letter asks that Honua'ula Partners, LLC comply with the following:

Should historic sites such as walls, platforms, pavements and mounds, or remains such as artifacts, burials, concentration of charcoal or shells are encountered during construction work, work shall cease in the immediate vicinity of the find and the find shall be protected from further damage. The contractor shall immediately contact the [SHPD], which will assess the significance of the find and recommend an appropriate mitigation measure, if necessary.¹

Section 4.1 (Archaeological and Historic Resources) of the Draft EIS contains similar language; however to more fully incorporate your request, in the Final EIS, Section 4.1 (Archaeological and Historic Resources) will be revised as follows:

In addition to the protections to be instituted through the CRPP, Honua'ula Partners, LLC and its contractors will comply with all State and County laws and rules regarding the preservation of archaeological and historic sites. Should historic sites such as walls, platforms, pavements and mounds, or remains such as artifacts, burials, concentrations of shell or charcoal be inadvertently encountered during the construction activities, work will cease immediately in the immediate vicinity of the find and the find will be protected. The contractor shall immediately contact SHPD, which will assess the significance of the find and recommend appropriate mitigation measures, if necessary.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: Will Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachment: SHPD letter dated September 8, 2010

¹ Letter dated May 18, 1993, from Don Hibbard, SHPD Administrator, to Bert Ratte, Engineering, County of Maui, Department of Public Works.



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

STATE HISTORIC PRESERVATION DIVISION
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September 8, 2010

Aki Sinoto
Aki Sinoto Consulting
2333 Kaprolani Blvd., No. 2704
Honolulu, Hawaii 96826

LOG NO: 2010.1666
DOC NO: 1009MD04
Archaeology

Dear Mr. Sinoto:

**SUBJECT: Chapter 6E-42 Historic Preservation Review –
Revised Archaeological Inventory Survey Report of 700 Acres with 12 New Sites
Pacahu, Palauca & Keaouhu Ahupua'a, Makawao District, Island of Maui
TMK: (2) 2-1-008:056 and 071**

This letter reviews the aforementioned revised report (Sinoto, Pantaleo and Tichenal March 2010; *Revised Archaeological Inventory Survey: Supplemental Archaeological Procedures, Proposed Honua'ula Development Area, Pacahu, Palauca, & Keaouhu Ahupua'a, Makawao District, Maui Island, TMK 2-1-08: 56 and 71, ASC080724*), which we received on March 23, 2010. We apologize for the delay in our reply.

A site visit was conducted at the request of a number of community members concerned about this project. The visit was attended by SHPD staff archaeologist Morgan Davis and cultural historian Himano Rodrigues on August 26, 2010. At that time no significant unrecorded sites were noted, although stated concerns from the public regarding the detail of the maps included in this AIS report were considered.

This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings. We are requesting editorial revisions to the current version of the report as detailed in the attachment to this letter.

We look forward to reviewing your revised report. If you have questions about this letter please contact Morgan Davis at (808) 243-5169 or via email to: morgan.e.davis@hawaii.gov.

Aloha,

Theresa K. Donham
Acting Archaeology Branch Chief
State Historic Preservation Division

ATTACHMENT

1. Page 7, Land Tenure During the Historic Period, first paragraph: Please correct the date(s) 1854 (the date Chiefess Miriam Kekaunohi was awarded her LCAw.) and/or 1851, the year reported as her death.
2. Figure 3, page 9; Please clearly indicate the areas of previous archaeological work either by shading the different survey areas in different colors, or by using different markings – it is unclear where the work survey areas were conducted on this map.
3. Page 10, Regional Studies, first paragraph: WWII is described as recent yet early historic extends to 1950; consider revising/clarifying.
 - a. Sixth line down, "The prehistoric occupation of site..." – which site, 2012 or 2013?
 - b. If the 'site' in (e) above is referring to 2013, please explain why it is dated earlier than the two Historic burials found in it?
4. Page 11, Previous Studies within the Project Area, fifth line from the bottom: please correct typo "Site."
5. Page 13, Current Phases of Archaeological Work... sixth line from the bottom: the text indicates that sites recommended for preservation were [re]located, all but one. Were these sites recommended for preservation in the 2000 and 2001 surveys? Which one was it that could not be relocated?
6. Page 16, Methods, first paragraph: Please document the total number of man-hours for this survey.
 - a. Figure 4: Please indicate survey area blocks by color or pattern to show the relative locations of respective surveys; the arrows do not indicate the scale of the area.
7. Page 17, first paragraph: what was the spacing of the transects for the amendment survey?
 - a. Second paragraph: please correct the scale of controlled manual excavations; they were either natural layers or arbitrary 5cm levels-but can't be both. Do you mean arbitrary levels within natural layers, which is the standard approach.
 - b. Was a plan/report created/required for the two monitoring projects that occurred for the water tank access road and firebreak clearing projects?
 - c. Third paragraph: please note that we require SIHP numbers (as opposed to temporary numbers) for all sites in the final report documentation. If you still have not received your site numbers please contact Morgan Davis at morgan.e.davis@hawaii.gov.
8. Page 18, Results of Survey: for all Site records, please change "SITE" (indicating formal SHPD-assigned site numbers) to "SIHP"; this will avoid confusion with the temporary ASC numbers which are also referred to as "SITE" numbers.
9. Page 19, Figure 5: Please indicate the location of SIHP 200, the wall, which is indicated on the Figure heading. If it is supposed to be the yellow line to the south of the map please change the

JUN-30-2010 19:50



UNIVERSITY
of HAWAII
MĀNOA

Aki Sinio
September 8, 2010
Page 3

Key to show that this is the wall.

10. Please provide a plan map of the survey area with all the sites and features clearly plotted; while the satellite view can be helpful it is too vague to fulfill the requirements of HAR §13-276.
11. Page 67, Table 2: For recommendations of those sites previously recorded, please indicate whether there was a previous recommendation/determination of significance, and if so whether the one(s) presented in this table are different. If different, that should be addressed in the text.
12. Page 75, Figure 52: please replace map, the site numbers are illegible.
13. Page 76, Bibliography: Please carefully review all citations and listings in the Bibliography and ensure they appear correctly in the text; for some the year is incorrect, or else the citations are not all appearing in the Bibliography. The Bibliography does not include all the works cited in the text.

June 30, 2010
RE: 800

Mr. Charles Jencks
Honuula Partners
c/o Goodfellow Brothers, Inc.
P.O. Box 220
Kihei, HI 96753

Dear Mr. Jencks:

Draft Environmental Impact Statement
Honuula
Makawao, Maui

Honuula, located in the Kihei-Makana region of Maui adjacent to Wailea Resort, will be a master-planned community embracing "smart growth" principles such as diverse residential opportunities, commercial and retail mixed uses, on-site recreational amenities, integrated bicycle and pedestrian networks, parks, and open space. Honuula will include up to 1,150 homes priced for a range of consumer groups, including workforce affordable homes in compliance with the Maui County Code. In addition, Honuula will feature an 18-hole homeowner's golf course and related facilities, as well as a Native Plant Preservation Area and other areas dedicated to the preservation of native plants and archaeological features. The DEIS contains an analysis of potential impacts and associated mitigation measures to ensure potential adverse impacts are minimized or mitigated.

This review was conducted with the assistance of Richard Mayer, Maui Community College (retired.) and Eileen Ellis, Sea Grant College Program.

Honuula Purpose and Need (pp. 20-21)

The last paragraph on page 21 points out the economic benefits including "over seven million dollars in annual property tax revenue to the County of Maui." It fails to mention that the project will also incur considerable cost in terms of infrastructure and services the county and state will have to provide with the tax revenue. In this case, the benefits of tax revenue may be greater than the costs of services as your consultants have deduced, but in some cases of residential development the cost of services provided is greater than the revenue collected.

June 30, 2010
Page 2

Single- and Multi-Family Residential Sub-districts (page 24)

The DEIS states that 250 of the workforce houses will be built off-site at the Kaonoulu Light Industrial Subdivision, but no mention is made of the impact of these homes. Yet, they are part of the proposed project and will add to the impacts that the project will cause. The population projections for this project, for example, do not include these houses. The DEIS should discuss the impact of the off-site work force housing or be considered inadequate. Perhaps the impacts could be discussed in a supplemented draft EIS.

Recreation and Open Space/Utility Sub-District (p. 25)

Will the golf course and driving range mentioned on page 25 be open to the public?

Design Guidelines (p. 26)

The final guideline stated on page 26 says that the developer will construct buildings that are sustainable and utilize "green" building strategies where practical. The last two words in this guideline create a loophole that may disqualify all sustainable and green strategies. The developer gets to determine what is practical and may decide that nothing is practical based on cost considerations or availability of materials. We would like to see the developer make a pledge to build sustainable, green buildings without qualification. In the long run constructing buildings that are environmentally friendly, protect the health of the eventual owner, and has a smaller carbon footprint than conventionally built homes benefits all residents of Hawaii.

Wildfire (p. 36)

We found the discussion on wildfire deficient. The discussion should have included information such as the areas susceptibility to wildfires, how frequently they occur, the ability to respond to wildfire including the adequacy of the water supply and the distance to the nearest fire station.

Golf Course Maintenance Center (p. 45)

Who will be charge of maintaining the golf course once the proposed development is completed? Is there some way to guarantee that a new management of the golf course will continue the maintenance put forth in the DEIS?

Integrated Pest Management (p. 46-48)

We laud the developer for choosing an integrated pest management (IPM) strategy over more conventional pest management. Although IPM does allow for some use of chemical pesticides in the long run far less pesticides will be used to control pests.

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Page 3

Marine Environment (pp. 52-54)

It would be helpful to use the common names for coral in your discussion of coral reef communities on the top of page 53. The *Pocillopora meandrina*, for example, is popularly known as the cauliflower coral (and often mistakenly called brain coral). People not that familiar with the scientific names of coral may be more apt to recognize the common names. You do that for your discussions of plants and other animals.

Marine Water Quality (pp. 54-56)

Who will be responsible for continuing the monitoring proposed in bullet point 3 on page 55, once the project is completed? Will monitoring continue after the project is completed?

Management Objective2: Fund and Hire a Natural Resource Manager (pp. 64-65)

Who will pay for the salary of the Natural Resource Manager once the proposed development is completed?

Management Objective 10: Develop and Implement a Scientific Monitoring Program (p. 67)

Will the monitoring continue after the proposed development is completed? Who will pay for the monitoring if it continues past the completion date of the proposed development?

Roadway and Traffic (pp. 94 -107)

Piilani Highway will need to be carefully evaluated as to whether it can handle, within its very constraining right-of-way, the cumulative traffic from the many already entitled projects plus the proposed Honouaulea development. The DEIS has limited the traffic analysis to only the immediate vicinity of the proposed development. It has further limited its analysis by including only two nearby development, Makana resort and Wailea resort. There are an additional 3,500 units already entitled in the South Maui area beside the proposed Honouaulea development. Shouldn't the traffic analysis looked at the wider area then presented in the DEIS? Won't the build out of all entitled units add a lot more traffic to an area that already has problems with traffic?

Post- Construction Operations (pp. 110-111)

The specific transportation management strategies listed on the top of page 111 are pretty standard and have been proposed elsewhere. These strategies have been proposed elsewhere and

have proven ineffective, especially in the ewa region on Oahu. What is different about this development that would make these strategies succeed here?

Visual Resources (pp. 115-116)

Figure 4 mentioned at the top of page 116 is so far back in the document that we suggest that you include the page numbers where it can be found (between pages 18 and 19).

Potential Impacts and Mitigation Measures (for Visual Impacts) (pp. 116-117)

What is the basis for making the claim that there will no visual impacts? Is there any studies of visual corridors on which to base your opinion or is it your professional judgment that there will be none? If it is your personal judgment, what is the basis for your expertise?

Electrical Systems (pp. 133-134)

We were disappointed at the developer's plans for energy conservation. They are vague in some instances and could go much farther in others instances. To begin with the developer may have vowed to use Leadership in Energy and Environmental Design (LEED) standards for all housing rather than stopping at Energy Star approval. The former includes a lot of innovated thinking and design criteria while the latter looks mainly at the efficiency of appliances. With LEED, that would at least set the bar on what they need to achieve and it would have to be verified by an independent party

Specifically on the developer's proposal:

- > Equip all residences with a primary hot water system at least as energy efficient as a conventional solar panel hot water system, sized to meet at least 80% of hot water demand for unit. State law mandates that new construction has to include solar hot water heater unless they apply for a permit to install instant-on gas hot water heater.
- > Roof and wall insulation, radiant barriers, and energy efficient windows. This is vague – what R factor insulation in walls and ceiling? Which type of energy efficient windows? There is insufficient detail to determine if this will make a big difference.
- > Solar parking lot lighting. This is good but we would add that they use only IDA approved fixtures (International Dark Sky Association) - here is a list of qualifying fixtures: <http://www.nexttrinet.com/mc/page.do?sitePageId=56423&orgId=idsa>
- > Light color roof. It makes a huge difference but saying light color is not enough. It should be tied to some standard like the California standard for roofs.

Commercial and residential products must meet the following specifications according to the ASTM standards outlined below:

	ASTM	Tiles	Multiply or Liquid
Solar Reflectivity	E903 or E1918	0.40+	0.70+
Emittance Factor	E408	0.75+	0.75+

- > Roof and gutters to divert rainwater for landscaping. This is fine but they should specify storage tanks size for this rainwater or how it was going to be retained/absorbed and not become run off (i.e. use of rain gardens or bioswales, etc).
- > Use of photovoltaics, fuel cells, and other renewable. This is vague and sounds like a dreamer's list. We would rather see the developer place a 6 kW photovoltaic system on each home.

We would also like to see the developer take these measures:

- > Right-sized AC system (not over-sized) with tight duct work that does not pass through and unconditioned space (i.e. attic) unless the duct itself is insulated. This is specified in LEED.
- > Zoned AC with programmable thermostat.
- > Install an energy feedback device for the home owner, such as a TED (The Energy Detective) which can also be wired to monitor the PV production. The occupant can monitor their energy use, see when the watts spike up and adapt their behavior if they want to reduce their power bill.

Population (pp. 136-137)

We find the projected population increase of the development to be on the low side. The estimate of only 1,833 persons for 1,150 living units works out to only 1.59 residents per unit. The figure for determining people per unit recommended by the Maui County General Plan Advisory committee is 2.8 persons per dwelling unit. This would make for a higher population prediction of 3,220 people. Even using the developers estimate of 2.5 people per household there would be an additional 2,875 people.

Does the population figure stated in the DEIS include the 250 work force houses being developed off-site. They should be counted in the total population increase due to the project.

Housing (pp. 137-138)

What can be done to insure that the dwelling units for sale are sold to resident of Maui or people from other parts of Hawaii who are moving to Maui? The demand for housing in the

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Page 6

Kihei-Makawao region by non-residents is projected to be 25-35 percent. Will mainland interest be able to outbid Hawaii residents for these units?

Coastal Zone Management Act, Chapter 205A, Hawaii Revised Statutes (p.151)

While the housing development is not along the shoreline it is still in the Coastal Zone as defined in Act 205A.

Discussion (p. 155)

In the discussion of natural hazards in this section on the CZM Act, you left out wildfires as a natural hazard (although it could be construed that this is a man-made hazard since most wildfires are started by people). You point out the potential for wildfire as a hazard on page 36 of the DEIS.

Consultation (pp. 321-325)

It might be helpful to identify the particular position of all the people listed as being consulted as you have for many of the people. For example what is Ms. Heidi Meecker's position with the Department of Education and what does Herbert Matsubayashi do for the Department of Health.

Appendix Q: Marketing Study, Economic Impact Analysis, and Public Cost/Benefit Analysis

We have some disagreement with the way benefits and costs are computed. In Appendix Q, on page 57, the income levels generated by the commercial establishments in the proposed Honouliuli resort are used as a basis for calculating how much excise and income taxes would be generated by the project. However, according to the analysis in Appendix Q, the majority (55%) of customers at these businesses will be coming from off-site. Their spending should be entirely discounted from the excise tax base because they will be merely shifting their spending from other Maui businesses to the proposed Honouliuli project. There will be no net increase in income to Maui/Hawaii, and consequently no net increase in excise taxes or income taxes as a result of their shifting their spending from other businesses to those in the proposed Honouliuli project. Subtracting this amount from the benefit calculation would reduce the overall benefit to the state from excise tax revenue by \$2.06 million a year.

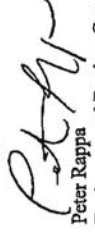
On pages 63-64, the DEIS assumes a per capita County cost of \$3,082, and a per capita State expenditure of \$5,346. The analysis should have included the 250 workforce housing units. If we use the County's calculation of 2.8 residents per household this would mean an additional 700 residents. These 700 residents will cost the County an additional \$2,157,400 (700 * \$3,082) and the State an additional \$3,742,200 (700 * \$5,346). Using the developers figure of

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Page 7

2.5 persons per residential unit is would cost the County an additional \$1,926,250 (625*3,082) and the State an additional \$3,341,250 (625*5,346).

Thank you for the opportunity to review this Draft EIS.

Sincerely,



Peter Rappa
Environmental Review Coordinator

cc: OEQC
Tom Schnell, PBR Hawaii
Kathleen Ross Aoki, Director, Maui County Planning Department
Chittaranjan Ray, Interim Director, Water Resources Research Center
Dick Mayer
Eileen Ellis



May 31, 2012

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 Honolulu, Hawai'i 96822

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Environmental Center:

We have received the letter from the Environmental Center letter dated June 30, 2010 addressed to Charles Jencks regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to the Environmental Center's comments. The organization of this letter follows the headings of your letter.

Honua'ula Purpose and Need

Question/Comment: *The last paragraph on page 21 points out the economic benefits including "over seven million dollars in annual property tax revenue to the County of Maui." It fails to mention that the project will incur considerable cost in terms of infrastructure and services the county and state will have to provide with the tax revenue. In this case, the benefits of tax revenue may be greater than the costs of services as your consultants had deducted, but in some cases of residential development the cost of services provided is greater than the revenue collected.*

Response: The information provided on page 21 of the Draft EIS to which you refer was an overview of the economic impact of Honua'ula. A more complete discussion of economic benefits is provided in Section 4.9.5 (Economy) of the Draft EIS and in Appendix Q, which contains the complete Market Study, Economic Impact Analysis, and Public Costs/Benefits Assessment. That assessment: 1) estimates the general and specific effects on the economy which will result from the creation of Honua'ula, including construction and business employment, wages and income, resident expenditures, regional monetary and employment effects, and taxes and fees accruing to the County of Maui and State of Hawaii; and 2) compares these economic benefits of Honua'ula with the projected costs to the State and County for providing government services as a result of Honua'ula.

As discussed in Section 4.9.5 (Economy) of the Draft EIS, in no year will the State or the County suffer a revenue shortfall due to Honua'ula. Further, as projected, the County of Maui will receive approximately \$81.1 million in real property tax revenues from Honua'ula over the 13-year build-out period, and an estimated \$7.25 million per year thereafter. The County government operating costs associated with serving the community, using a per capita basis, is estimated to total \$39.3 million during the 13-year build-out period and stabilize at approximately \$5.65 million per year after build-out. Therefore, the County will enjoy a net revenue benefit (taxes less costs) totaling approximately \$41.8 million during the 13-year construction period, and \$1.6 million each year after build-out.

It is projected that the State of Hawai'i will show a similar positive net revenue benefit from Honua'ula. The total gross tax revenues during the 13-year build-out period will reach approximately \$165 million from income and gross excise taxes, and will stabilize at approximately \$11.3 million per year after build-out. State costs associated with the community on a per capita basis are projected to be \$68.2 million during the 13-year build-out period and are projected to stabilize at approximately \$9.8 million per year after build-out. Therefore, the State will experience a net profit of approximately \$97 million in the 13-build-out and sales period and a stabilized benefit of approximately \$1.5 million per year after build-out.

In addition to State and County taxes, Honua'ula will also pay specific development fees in compliance with County of Maui Ordinance No. 3554. These fees include:

- Traffic improvement fees of \$5,000 per residential unit, payable to the County of Maui;
- Park assessment fees, currently at \$17,240 per residential unit, payable to the County of Maui; and
- School impact fee, currently at least \$3,000 per residential unit, payable to the State.

Together, these fees are at least \$25,240 per residential unit and total over \$29 million.

In addition, Honua'ula Partners, LLC will also:

- Pay not less than \$5 million to the County for the development of the South Maui Community Park in-lieu of dedicating a Little League Field within Honua'ula;
- Contribute \$550,000 to the County for the development of the new Kihei District Police Station in South Maui; and
- Provide the County two acres of land with direct access to the Pihlani Highway extension for the development of a fire station.

Single- and Multi-Family Residential Sub-districts

Question/Comment: *The DEIS states that 250 of the workforce houses will be built off-site at the Kaonoulu Light Industrial Subdivision, but no mention is made of the impact of these homes. Yet, they are part of the proposed project and will add to the impacts that the project will cause. The population projections for this project, for example, do not include these houses. The DEIS should discuss the impact of the off-site work force housing or be considered inadequate.*

Response: As discussed in Section 4.9.3 (Housing) of the Draft EIS, Honua'ula Partners, LLC will provide workforce affordable homes in compliance with Chapter 2.96, MCC. As discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, in compliance with County of Maui Ordinance No. 3554 (Condition 5), 250 of the required workforce affordable homes will be provided off-site at the Ka'ono'ulu Light Industrial Subdivision (TMK (2) 3-9-01: 16). The Ka'ono'ulu Light Industrial Subdivision is within the State Urban District and is within the County of Maui Light Industrial zoning district. Multifamily homes are a permitted use within the State Urban District and County Light Industrial zone.

Providing workforce affordable homes at the Ka'ono'ulu Light Industrial Subdivision does not trigger the need for an environmental assessment or environmental impact statement under

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

May 31, 2012

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Chapter 343, HRS. However, impacts related to the use of the property for urban uses and uses permitted under the property's Light Industrial zoning have previously been examined as part of the property's State Land Use District Boundary Amendment, County Change in Zoning, and County Subdivision Approvals. No rare, threatened, or endangered plant species are expected to be impacted, as none were found during a botanical inventory survey of the property. An archaeological inventory survey and a related preservation plan have been prepared to address impacts to archaeological resources and, based on their approval of these documents, the State Historic Preservation Division has determined that no historic properties will be affected. As part of the subdivision process for the Ka'ono'ulu Light Industrial Subdivision, the County of Maui Department of Public Works reviewed and approved improvements necessary for the subdivision, including provisions for water, sewage disposal, electrical and communications lines, drainage and flood control, and connection with Pi'ilani Highway, including widening and traffic signal improvements. The State Department of Transportation (DOT) has also reviewed and approved the connection with Pi'ilani Highway, including widening and traffic signal improvements. Further, the construction of the improvements required for the subdivision has been guaranteed with a bond of over \$22 million.

Regional traffic growth, including from the Ka'ono'ulu Light Industrial Subdivision, is being taken into account as part of DOT's Long Range Land Transportation Plan (LRLTP), which is currently being updated in consideration of known proposed developments in the region and will serve as a guide for the development of major surface transportation facilities and programs to be implemented in the future.

Because Chapter 2.96, MCC requires the workforce affordable homes to be offered to Maui residents, the affordable homes will result in a redistribution of the existing Maui population as opposed to an incremental increase. As a result, there will be no impacts related to increased population, such as an overall increase in the need for State and County services. In addition to the workforce affordable homes, Honua'ula Partners, LLC will also provide a minimum two-acre park within Ka'ono'ulu Light Industrial Subdivision to meet the recreational needs of the workforce affordable home residents.

Impacts to schools will be addressed by Honua'ula Partners, LLC's compliance with County of Maui Ordinance No. 3554, Condition 22, which requires Honua'ula Partners, LLC to pay DOE at least \$3,000 per dwelling unit upon issuance of each building permit to be used, to the extent possible, for schools serving the Kihei-Makena Community Plan area; provided that, should the State pass legislation imposing school impact fees that apply to Kihei-Makena Project District 9, Honua'ula Partners, LLC will from that point forward comply with the State requirements, or contribute \$3,000 per dwelling unit, whichever is greater.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 7.2 (Cumulative and Secondary Impacts) will be revised as to include the following information:

One of the conditions imposed by the Council as part of Honua'ula's Change in Zoning Ordinance (County of Maui Ordinance No. 3554, Condition 5) requires Honua'ula Partners, LLC to provide workforce affordable homes in compliance with Chapter 2.96, MCC, with 250 of these required workforce affordable homes to be provided off-site at the Ka'ono'ulu Light Industrial Subdivision (TMK (2) 3-9-01: 16). The Ka'ono'ulu Light Industrial Subdivision is within the State Urban District and is within the County of Maui Light Industrial zoning

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

May 31, 2012

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district. Multifamily homes are a permitted use within the State Urban District and County Light Industrial zone.

Providing workforce affordable homes at the Ka'ono'ulu Light Industrial Subdivision does not trigger the need for an environmental assessment or environmental impact statement under Chapter 343, HRS. However, impacts related to the use of the property for urban uses and uses permitted under the property's Light Industrial zoning have previously been examined as part of the property's State Land Use District Boundary Amendment, County Change in Zoning, and County Subdivision Approvals. No rare, threatened, or endangered plant species are expected to be impacted, as none were found during a botanical inventory survey of the property. An archaeological inventory survey and a related preservation plan have been prepared to address impacts to archaeological resources and, based on their approval of these documents, the State Historic Preservation Division has determined that no historic properties will be affected. As part of the subdivision process for the Ka'ono'ulu Light Industrial Subdivision, the County of Maui Department of Public Works reviewed and approved improvements necessary for the subdivision, including provisions for water, sewage disposal, electrical and communications lines, drainage and flood control, and connection with Pi'ilani Highway, including widening and traffic signal improvements. The State DOT has also reviewed and approved the connection with Pi'ilani Highway, including widening and traffic signal improvements. Further, the construction of the improvements required for the subdivision has been guaranteed with a bond of over \$22 million.

Regional traffic growth, including from the Ka'ono'ulu Light Industrial Subdivision, is being taken into account as part of DOT's Long Range Land Transportation Plan (LRLTP), which is currently being updated in consideration of known proposed developments in the region and will serve as a guide for the development of major surface transportation facilities and programs to be implemented in the future.

Because Chapter 2.96, MCC requires the workforce affordable homes to be offered to Maui residents, the affordable homes will result in a redistribution of the existing Maui population as opposed to an incremental increase. As a result, there will be no impacts related to increased population, such as an overall increase in the need for State and County services. In addition to the workforce affordable homes, Honua'ula Partners, LLC will also provide a minimum two-acre park within Ka'ono'ulu Light Industrial Subdivision to meet the recreational needs of the workforce affordable home residents.

Impacts to schools will be addressed by Honua'ula Partners, LLC's compliance with County of Maui Ordinance No. 3554, Condition 22, which requires Honua'ula Partners, LLC to pay DOE at least \$3,000 per dwelling unit upon issuance of each building permit to be used, to the extent possible, for schools serving the Kihei-Makena Community Plan area; provided that, should the State pass legislation imposing school impact fees that apply to Kihei-Makena Project District 9, Honua'ula Partners, LLC will from that point forward comply with the State requirements, or contribute \$3,000 per dwelling unit, whichever is greater.

Recreation and Open Space/Utility Sub-district

Question/Comment: Will the Golf course and driving range mentioned on page 25 be open to the public?

Response: It is stated throughout the Draft EIS that Honua'ula will include "an 18-hole homeowner's golf course." While the golf course and driving range will be for the use of

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

May 31, 2012

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Honua'ula homeowners, as stated in Section 4.10.5 (Recreational Facilities) of the Draft EIS, to provide the greater community the opportunity to enjoy the recreational benefits of the golf course, in compliance with County of Maui Ordinance No. 3554 Honua'ula Partners, LLC will:

- Allow one non-profit organization per quarter, other than Maui Junior Golf Association ("Maui Junior Golf"), to use the golf course and clubhouse for a fund-raising activity (Condition 12a);
- Develop an organized instructional program for junior golfers from September to January each year, allow Maui Junior Golf to use the golf course in accordance with an instructional program, and sponsor one Maui Junior Golf fund-raising tournament per year (Condition 12b);
- Allow for the Maui Interscholastic League and the Hawai'i High School Athletic Association to each use the golf course once per year for an official golf tournament or regular season playoff if requested (Condition 12c); and
- Allow for Maui residents to play at the golf course on Tuesday of each week at a discounted rate that does not exceed 40 percent of the average market rate in South Maui for green fees and golf cart rental fees (Condition 12d).

Design Guidelines

Question/Comment: *We would like to see the developer make a pledge to build sustainable, green buildings without qualification. In the long run constructing buildings that are environmentally friendly, protect the health of the eventual owner, and has a smaller carbon footprint than conventionally built homes benefits all residents of Hawaii.*

Response: The Draft EIS contains many commitments to conserve resources, such as provisions for water and energy conservation, green and solid waste recycling, transportation demand management, and stewardship of resources. Restricting these commitments and other innovations that may be provided over the 13-year build out period under a single certification system that is currently in favor does not seem wise or warranted. While Leadership in Energy and Environmental Design (LEED) is a popular certification system at the moment, it is not the only green building verification system. For example, the Green Globes system is gaining recognition and acceptance as a system more assessable than LEED and more advanced in the area of lifecycle assessment, which measures the environmental impact of the production and acquisition of products used for buildings. In another example, the Passive House Standard seeks to monitor the on-going energy efficiency of buildings after they are built and in operation. Other evolving systems seek to promulgate region specific standards, so that appropriate technology is encouraged in suitable regions.

The entire green building movement is a dynamic and fluid field that continues to rapidly evolve, and better standards may be created in the future. Some have even argued that mandating LEED hinders development of other standards that may prove more appropriate, as the blanket adoption of LEED as the sustainable standard may come at the expense of other emerging systems. Others reason that when a standard is mandated it sets a ceiling as to the level of compliance, so the standard becomes the new minimum at the expense of new innovations that may not be implemented because they exceed the minimum. A dynamic process enables standards to

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

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continually improve by responding to the needs of consumers and builders, adjusting to new technology and experience, and using competition to promote a variety of approaches.

The LEED program was originally created and introduced by the U.S. Green Building Council as a voluntary program to empower individuals to assess standards and then choose when, how and whether to employ them. The idea was that incentives and competition would support market transformation of the building industry and spur architects, builders, and product manufacturers to create green products, buildings, and communities. LEED was never developed as a building or "sustainability" code. According to the U.S. Green Building Council LEED is "voluntary, consensus-based, and market-driven" and further, LEED seeks a balance between requiring the best existing practices and the voluntary incorporation of emerging concepts.

LEED has unquestionably raised standards and expectations regarding sustainable design. Increasingly, developers are incorporating sustainable features into new homes as a result of heightened consumer awareness and market demand. This trend will continue as consumer consciousness of sustainability evolves. It will also accelerate as technology and market forces combine to provide improved and new green products at lower prices. Government incentives, such as tax credits for solar or photovoltaic systems, will also contribute to affordability and fuel consumer demand, thus expediting product development and technological advances. What is now seen as an "eco-luxury" for the most demanding environmentally conscious homebuyer may soon become the standard for mainstream homebuyers. Because of this continuous cycle of improvement, consumer acceptance, and market demand, it cannot be known now how standards and technology will evolve over the course of the build-out of Honua'ula.

LEED and green building are not synonymous. LEED is merely one of many emerging green building verification systems. Buildings can incorporate sustainable strategies without being LEED certified. Nature and its related ecological systems are inherently dynamic and sustainability is more complicated than can be mandated through a single green building accreditation system. The true value of sustainable design is in its application and achieved environmental results.

Given the inherently dynamic nature of the sustainable design field it is unrealistic and impractical to commit to a current standard. Honua'ula Partners, LLC supports a voluntary approach to sustainable design that will allow for the incorporation of the appropriate technology or combination of technologies for specific applications as Honua'ula is built out over time.

Honua'ula Partners, LLC is committed to limiting the environmental impact of Honua'ula and will implement, to the extent feasible and practicable, measures to promote energy conservation, sustainable design, and environmental stewardship, such as the use of solar energy and solar heating, consistent with the standards and guidelines promulgated by the Building Industry Association of Hawaii; the U.S. Green Building Council (LEED), the Hawaii Commercial Building Guidelines for Energy Star, Green Communities, or other similar programs, into the design and construction of Honua'ula. Honua'ula Partners, LLC will also: 1) encourage lot purchasers to design houses that meet at least the minimum requirements of one of the aforementioned programs; and 2) provide information to home purchasers regarding energy conservation measures that may be undertaken by individual homeowners.

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To include the relevant above information in the Final EIS, along with addressing comments regarding LEED from others, in the Final EIS Section 2.5 (Environmentally-Responsible Planning and Design) will be revised as to include the following information:

Honua'ula Partners, LLC is committed to limiting the environmental impact of Honua'ula and will implement, to the extent feasible and practicable, measures to promote energy conservation, sustainable design, and environmental stewardship, such as the use of solar energy and solar heating, consistent with the standards and guidelines promulgated by the Building Industry Association of Hawaii, the U.S. Green Building Council (i.e. the Leadership in Energy and Environmental Design (LEED) rating systems), the Hawaii Commercial Building Guidelines for Energy Star, Green Communities, or other similar programs, into the design and construction of Honua'ula. Honua'ula Partners, LLC will also: 1) encourage lot purchasers to design houses that meet at least the minimum requirements of one of the aforementioned programs; and 2) provide information to home purchasers regarding energy conservation measures that may be undertaken by individual homeowners.

Wildfire

Question/Comment: *We found the discussion on wildfire deficient. The discussion should have included information such as the areas susceptibility to wildfires, how frequently they occur, the ability to respond to wildfire including the adequacy of the water supply and the distance to the nearest fire station.*

Response: To address your comment regarding additional information on wildfires, in the Final EIS Section 3.4.5 (Wildfires) will be revised as follows:

Wildfires

Currently, vegetation on the Property includes ~~kiawe/buffel-grass~~ non-native buffel grass (*Cenchrus ciliaris*), non-native kiawe trees (*Prosopis pallida*), native wiliwili trees (*Erythrina santhiaca*), and a dense understory of native 'ilima shrubs (*Sida fallax*). Kiawe/buffel Buffel grass, which is the most common grass on the Property, can easily carry fire.

Human carelessness is the number one cause of fires in Hawaii'. In Maui County the number of wildfires has increased from 118 in 2000 to 271 in 2003. Human error combined with the spread of non-native invasive grasses, shrubs, and trees, has led to an increased susceptibility to wildfires. According to Maui Fire Department data, Kihei-Makana's susceptibility of wildfire is high. Between 2005 and 2010 there were 201 wildfires in the Kihei-Makana area. The majority of those fires were of undetermined cause, 32 were caused by operating equipment, four were from a type of arch or flame, five were caused by fireworks, and five were from smoking materials. Approximately 2,180 acres were burned during this five-year period.

POTENTIAL IMPACTS AND MITIGATION MEASURES

The occurrence of natural hazards cannot be predicted, and should one occur, it could pose a risk to life and property. Honua'ula, however, will neither exacerbate any natural hazard conditions nor increase the Property's susceptibility or exposure to any natural hazards.

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Due to its location and elevation, the probability of the Property being affected by flooding or tsunami is minimal. However, to protect against natural hazards, including earthquakes and wildfires, all structures at Honua'ula will be constructed in compliance with requirements of the Uniform Building Code (UBC), and other County, State, and Federal standards. Fire apparatus access roads and water supply for fire protection will be provided in compliance with the Uniform Fire Code.

The creation of Honua'ula will mitigate the potential for wildfires on the Property through its landscape design and plant palette. In large part, vegetative fuel for fires, such as non-native kiawe trees and buffel grass, will be replaced by buildings and landscaping of the community, thereby decreasing the Property's susceptibility to wildfires. Honua'ula Partners, LLC will implement a fire control program in coordination with the Maui County Department of Fire and Public Safety and resource agencies, which will include firebreaks to help protect native plant preservation and conservation areas (see Section 3.6, Botanical Resources) to insure the success of plant propagation and conservation efforts. Buffer areas between Honua'ula and Maui Meadows and along Pi'ilani Highway will also act as fire breaks, as will the golf course. Other fire mitigation measures include the use of lava rock and other non-flammable materials in building and landscaping, and creating a trail system, which will act as a fire break.

The USFWS recommends fire suppression resource response by fire engines and heavy equipment be within the first 45 minutes of fire ignition. The Maui Fire Department is responsible for fire suppression in the district. The fire station nearest Honua'ula is the newly built Wailea Fire Station located at the intersection of Kilo'hana Drive and Kapili Street between Pi'ilani Highway and South Kihei Road, less than five minutes away. The Wailea Station is approximately one half mile from the Property and is equipped with a 1,500 gallon per minute apparatus, a 95-foot mid-mount ladder truck and a 3,500 gallon water tanker truck. In addition, an emergency help and fuel dispensing station is located mauka of the fire station (see Section 4.10.3 (Fire) for information regarding fire control and response).

To help address the growing need for fire prevention and emergency services, in compliance with County of Maui Ordinance No. 3554 (Condition 24), Honua'ula Partners, LLC will provide the County with two acres of land that has direct access to the Pi'ilani Highway extension for the development of fire control facilities within the Honua'ula's Village Mixed-Use sub-district. This land will be donated at the time 50 percent of the total unit/lot count has received either a certificate of occupancy or final subdivision approval. The land provided will have roadway and full utility services provided to the parcel.

Impacts from natural hazards can be further mitigated by adherence to appropriate civil defense evacuation procedures. Honua'ula will coordinate with the State of Hawaii's Department of Defense, Office of Civil Defense and the County of Maui Civil Defense Agency regarding civil defense measures, such as sirens, necessary to serve Honua'ula.

Golf Course Maintenance Center

Question/Comment: *Who will be charge of maintaining the golf course once the proposed development is completed?*

Response: The golf course will be privately owned and maintained by homeowners. Golf course membership fees and dues will cover the cost of golf course maintenance.

Question/Comment: *Is there some way to guarantee that a new management of the golf course will continue the maintenance put forth in the DEIS?*

Response: The golf course best management practices (BMPs) discussed in the Draft EIS (see Section 3.5.1 (Groundwater) and Appendix C, Golf Course Best Management Practices), represent state-of-the-art golf course management practices which meet all requirements of the State of Hawaii Department of Health regarding new golf course development in Hawaii. Honua'ula Partners, LLC is committed to ensuring that Honua'ula's golf course is designed, developed, and operated in an environmentally responsible manner. As discussed in Section 3.5.1 (Groundwater) and in Appendix C of the Draft EIS, many of the practices are structural in nature and virtually irreversible once implemented. For example, as stated in Section 3.5.1 (Groundwater) and Appendix C, the most important BMP is the use of Seashore paspalum grass throughout the golf course. Seashore paspalum grass has a high tolerance to water high sodium and salt levels, the potential to substantially reduce fertilizer requirements (including a two-thirds reduction in nitrogen requirements), and a minimal need for herbicides and fungicides. Therefore once the golf course is developed using Seashore paspalum grass, the many benefits of this type of turf will continue on for the life of the golf course. In another example, the golf course maintenance center will be a modern, carefully designed, fenced and secured, state-of-the-art complex containing offices, a maintenance shop, and equipment and material storage. It will be designed to achieve objectives of operational efficiency; worker health and safety; environmental protection (i.e., containment and management of chemicals and fuels so that the surrounding environment will not be impacted); and compliance with all Federal, State, and County regulations. Once built, the functional design of the golf course maintenance center will ensure continuation of its objectives.

Integrated Pest Management

Question/Comment: *We laud the developer for choosing an Integrated Pest Management (IPM) strategy over more conventional pest management.*

Response: We acknowledge and appreciate that the UH Environmental Center is supportive of the Honua'ula IPM strategy.

Marine Environment

Question/Comment: *It would be helpful to use the common names for coral in your discussion of coral reef communities on the top of page 53.*

Response: In response to your comment, the Marine Environmental Assessment (Appendix D) will be revised to include common names for coral. In addition in the Final EIS Section 3.5.2 (Nearshore Marine Environment) will be revised as follows to include the common names of coral:

The coral reef communities that occur on the hard-bottom areas off the Wailea area consist of abundant and diverse assemblages of common Hawaiian marine life. The predominant taxon of macrobenthos (bottom-dwellers) throughout the reef zones are Scleractinian (reef-building) corals. Corals, primarily of the species *Pocillopora meandrina* (cauliflower coral)

and *Porites lobata* (lobe coral) were by far the two most abundant forms. Other common corals observed were *Montipora capitata* (tice coral), *M. flabellata* (blue rice coral), and *M. patula* (sandpaper tice coral). *Porites compressa* (finger coral) and *Pavona varians* (corrugated coral). Of note is that the richest communities in terms of both species number and bottom cover occur on the rocky outcrops that are elevated above the sand bottom. This is likely in response to lessened stress from abrasion from sand scour during periods when wave action is sufficient to re-suspend sand off the bottom.

At Site 1, the basaltic extension the rock headland was relatively narrow and steep-sided. Coral cover was greatest on the sloping sides of the rock finger, with total coral cover in the range of 50-75 percent of bottom cover. In addition to substantial coral cover, the top of the finger was also occupied by abundant state-pencil sea urchins (*Heterocentrotus mammillatus*). Of particular note is that throughout the rocky finger reefs, there were no observations of any species of frondose macro-algae. This observation is of interest as extensive growth of several species of macro-algae in several shoreline areas of Maui have been the subject of considerable concern, particularly with respect to interactions between algal abundance and human activities.

At the seaward end of the rock-outcrop finger, coral abundance is reduced considerably, with the reef consisting primarily of a rock-rubble surface that ends at the juncture of the sand flats. While no macro-algae were observed in this zone, most of the rock/rubble bottom was covered with a thin veneer of micro-algal turf. Numerous boulders at the base of the finger outcrop were colonized by numerous small colonies of *Pocillopora meandrina* (cauliflower coral). This coral has been recognized as a "pioneering" species, in that it is often the first to colonize newly cleared substrata. In addition, it also has "determinate" growth, in that colonies grow to a certain size, or age, and then die. As a result, colonies of this species never reach a size larger than approximately one foot in diameter. Such a growth form does not occur for the other major genera found on Hawaiian reefs (*Porites*), which has an "indeterminate" growth form where colony life span is not limited by either size or age. The significance of the abundant small colonies of *Pocillopora meandrina* (cauliflower coral) at the deeper regions of Site 1 may be that it is an indication that a new year class is taking hold, or that re-colonization is beginning in an area where corals were removed by some factor. In either case, the occurrence of abundant recruiting colonies indicates that the present conditions are suitable for coral growth.

The physical structure of the reef at Site 2 is slightly different than at Site 1 in that the top of the outcrop is flatter and wider. Coral cover, consisting of the same common species as Site 1 (*Pocillopora meandrina* and *Porites lobata*), was somewhat greater on the flat reef of Site 2, with nearly complete coverage of the rocky substratum. As at Site 1, there were no observations of frondose macro-algae. The deeper seaward extension of the rocky headland at Site 2 was also different than at Site 1: while a relatively barren rock/rubble shelf occurred at the terminus of the reef at Site 1, corals, particularly mats of the branching finger coral *Porites compressa* (finger coral) extended to the sand floor at Site 2. Numerous large coral-covered boulders also extended onto the sand flats at the seaward end of the reef at Site 2.

Marine Water Quality

Question/Comment: *Who will be responsible for continuing the monitoring proposed in bullet point 3 on page 55, once the project is completed?*

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Response: In compliance with County of Maui Ordinance No. 3554 Condition 20, Honua'ula Partners, LLC will be responsible for continuing the marine monitoring programs and providing the data annually to the State Department of Health. Honua'ula nearshore water quality monitoring assessments were conducted by Marine Research Consultants, Inc. (MRC). For consistency, it would be logical for MRC to continue to conduct future nearshore water quality monitoring studies for Honua'ula.

Question/Comment: Will monitoring continue after the project is completed?

Response: As stated in Section 3.5.2 (Nearshore Marine Environment) of the Draft EIS, Honua'ula nearshore water quality monitoring assessments will continue during construction and after Honua'ula is built. This is in compliance with County of Maui Ordinance No. 3554 Condition 20.

Management Objective 2: Fund and Hire a Natural Resources Manager

Question/Comment: Who will pay for the salary of the Natural Resource Manager once the proposed development is completed?

Response: Honua'ula Partners, LLC will initially fund the conservation and stewardship program developed for the Native Plan Preservation Area. Once the stewardship plan is established, use of non-profits to maintain the preservation area will be explored, while continued support from Honua'ula Partners, LLC and future homeowners will be used to support the program.

Management Objective 10: Develop and Implement a Scientific Monitoring Program

Question/Comment: Will the monitoring continue after the proposed development is completed?

Response: As discussed in Section 3.6 (Botanical Resources) of the Draft EIS, to ensure the long-term conservation and stewardship of native plants within Honua'ula, and in conformance with County of Maui Ordinance No. 3554 Condition 27a, Honua'ula Partners, LLC' biological consultant SWCA Environmental Consultants prepared the Honua'ula Conservation and Stewardship Plan. The plan incorporates findings, conclusions, and recommendations from previous botanical surveys, wildlife surveys, and biological assessments of the Property and recommends proactive stewardship actions to manage the Native Plant Preservation Area and other Native Plant Areas.

Question/Comment: Who will pay for the monitoring if it continues past the completion date of the proposed development?

Response: Honua'ula Partners, LLC will initially fund the conservation and stewardship program developed for the Native Plan Preservation Area. Once the stewardship plan is established, use of non-profits to maintain the preservation area will be explored, while continued support from Honua'ula Partners, LLC and future homeowners will be used to support the program.

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Roadway and Traffic

Question/Comment: Shouldn't the traffic analysis looked at the wider area then presented in the DEIS?

Response: Prior to completion of the TIAR, it was agreed with the State Department of Transportation (DOT) that Honua'ula, in collaboration with Wailea Resort and Makena Resort, would look at the required mitigation measures from the Pihlani Highway/Kilohana Drive/Mapu Place intersection south to Honua'ula.

Honua'ula Partners, LLC has engaged in extensive consultation and correspondence with DOT and County of Maui Department of Public Works regarding roadway improvements that Honua'ula Partners, LLC are required to implement in compliance with County of Maui Ordinance No. 3554 Condition 2. In correspondence from DOT dated March 24, 2010, DOT stated:

The improvements to be performed by Honua'ula Partners LLC as stated in Condition 2 are consistent with the improvements identified in the Traffic Impact Assessment Report (TIAR) dated 29, 2009. These improvements are understood to be considered the 'fair share' for highway related improvements of the affected area.

DOT is currently updating the Long Range Land Transportation Plan (LRLTP), which serves as a guide for the development of the major surface transportation facilities and programs to be implemented and takes into consideration all known proposed developments, including Honua'ula.

Question/Comment: Won't the build out of all entitled units add a lot more traffic to an area that already has problems with traffic?

Response: As discussed in Section 4.4 (Roadways and Traffic) of the Draft EIS, the Honua'ula Traffic Impact Analysis Report (TIAR) (Appendix L of the Draft EIS) takes into account cumulative regional traffic growth. To project future regional traffic growth, the Maui Travel Demand Forecasting Model (which is consistent with the 2030 Maui County General Plan) was used to determine a de facto growth rate in the vicinity. Then projected traffic from the build out of the Wailea and Makena Resorts was added to the regional traffic growth.

Section 4.4 (Roadways and Traffic) of the Draft EIS and the TIAR provide detailed analysis of projected traffic conditions at the Pihlani Highway study intersections along with other roads and intersections in the vicinity. The analysis includes: 1) both "without Honua'ula" and "with Honua'ula" scenarios; and 2) the projected level of service at each intersection for each scenario. As appropriate, mitigation measures and recommended roadway configurations are provided to ensure acceptable levels of service at each intersection in accordance with State and County standards.

Traffic on Pihlani Highway and other roads is expected to increase even if Honua'ula is not built, and Honua'ula Partners, LLC will pay for and build many regional traffic improvements that

would be necessary even if Honua'ula were not built. Therefore, the creation of Honua'ula will address regional traffic impacts to the benefit of the entire Kihei-Mākena region.

Honua'ula will be part of the regional traffic solution by: 1) upgrading Pīlani Highway to four lanes from Kilohana Drive to Wailea Ike Drive; 2) modifying the Wailea Alanui/Wailea Ike Drive intersection to add a signalized double right-turn movement from northbound to eastbound turning traffic and provide two left-turn lanes for southbound traffic from Wailea Ike Drive; 3) signalizing the Pīlani Highway/Okolani Drive/Mikto'i Place intersection and providing an exclusive left-turn lane on Okolani Drive; 4) modifying the Pīlani Highway/Kilohana Drive/Mapu Place intersection to provide an exclusive left-turn lane, and the southbound Pīlani Highway approach to provide an exclusive right-turn lane into Mapu Place; and 5) providing a contribution of \$5,000 per unit (totaling \$5.75 million) to the County for traffic improvements.

It has been agreed upon with DOT that necessary improvements north of Pīlani Highway/Kilohana Drive/Mapu Place intersection would be the responsibility of DOT. DOT is currently updating the LRLTP which serves as a guide for the development of the major surface transportation facilities and programs to be implemented and takes into consideration all known proposed developments, including Honua'ula.

Post-Construction Operations

Question/Comment: *The specific transportation management strategies listed on the top of page 111 are pretty standard and have been proposed elsewhere. These strategies have been proposed elsewhere and have proven ineffective, especially in the ewa region on Oahu. What is different about this development that would make these strategies succeed here?*

Response: The State DOT, the Maui Department of Transportation, and the Maui Department of Public Works have all approved the Honua'ula Transportation Management Plans. The transportation management strategies you refer to in the Draft EIS are elements of the Transportation Management Plans, which were included as appendices to the Draft EIS.

We respectfully disagree that the transportation management strategies proposed have been proven ineffective in other areas and we have reason to believe that they will be effective in the context of Honua'ula because, for example:

- The Maui Bus system has seen an increasing rate of ridership and there are proposals to construct nine additional shelters for additional stops. Therefore, it is likely that some employees of commercial space within Honua'ula would use the Maui Bus system or the sub-regional shuttle system. Likewise it is likely that some Honua'ula residents would use the Maui Bus system or the sub-regional shuttle system.
- Honua'ula is un-like the 'Ewa region of Oahu which has a vast amount of residential units with limited job opportunities. The Wailea-Mākena region includes number of hotels and resorts in close proximity to Honua'ula. As discussed in Section 4.4 (Roadways and Traffic) of the Draft EIS, Honua'ula's workforce affordable homes are expected to appeal to many employees working in the nearby Wailea and Mākena resorts. Providing the opportunity for workers to afford a home near their jobs is expected to decrease

commuting to and from other parts of Maui, lessen traffic congestion, reduce stress, allow more family and recreation time, lessen pollution, and improve overall quality of life for not only Honua'ula residents, but for Maui residents in general. Providing homes near employment also allows workers more transportation options to get to work, such as walking and bicycling, and makes public transportation more feasible by clustering populations and destinations within a defined area along a practical route.

Visual Resources

Question/Comment: *Figure 4 mentioned at the top of page 116 is so far back in the document that we suggest that you include the page numbers where it can be found between pages 18 and 19).*

Response: In response to your concern, in the Final EIS, Section 4.7 (Visual Resources) will be revised as follows:

Panoramic views of shoreline, upland areas of Haleakalā, the West Maui Mountains, and the offshore islands of Molokini, Kaho'olawe, and Lāna'i are available from select areas of the Property. Views of the ocean are available from almost all areas. Figure 4 contains site photographs (see Section 2.1.1 (Location and Property Description)).

Potential Impacts and Mitigation Measures (for Visual Resources)

Question/Comment: *What is the basis for making the claim that there will be no visual impacts? Is there any studies of visual corridors on which to base your opinion or is it your professional judgment that there will be none? If it is your personal judgment, what is the basis for your expertise?*

Response: The Draft EIS does not claim that there will be no visual impacts. Rather, Section 4.7 (Visual Resources) of the Draft EIS: 1) acknowledges that the creation of Honua'ula will change the visual appearance of the Property from vacant land to a built environment and this change will be visible from Pīlani Highway; and 2) reports that Honua'ula will not impinge upon any significant public scenic view corridors and will have no significant impacts on views toward the ocean or Haleakalā. To clarify, with the creation of Honua'ula, the ocean will still be visible from public view corridors along Pīlani Highway, as Honua'ula is mauka of the current alignment of Pīlani Highway and therefore Honua'ula will not block any ocean views from the current alignment of Pīlani Highway. Similarly, Haleakalā will still be visible from public view corridors along Pīlani Highway, as Haleakalā rises over 9,000 feet above the elevation of Honua'ula and therefore views of Haleakalā will not be significantly impacted by Honua'ula.

In addition, Section 4.7 (Visual Resources) of the Draft EIS also: 1) notes that Honua'ula will be in character with surrounding uses and will complement the pattern of development as envisioned in the *Kihei-Mākena Community Plan* and by the County zoning of the Property; and 2) explains that Honua'ula will incorporate appropriate architecture, materials, colors, site design standards, and landscaping to create a community in context with the Kihei-Mākena region.

To include the relevant above information in the Final EIS, in the Final EIS Section 4.7 (Visual Resources) will be revised as follows:

The creation of Honua'ula will change the visual appearance of the Property from vacant land to a built environment. This change will be visible from Pīlani Highway looking mauka across the Property. However Honua'ula will not impinge upon any significant public scenic view corridors, and Honua'ula will have no significant impacts on views toward the ocean or Haleakalā. With the creation of Honua'ula, the ocean will still be visible from public view corridors along Pīlani Highway as Honua'ula is mauka of the current alignment of Pīlani Highway and therefore Honua'ula will not block any ocean views from the current alignment of Pīlani Highway. Similarly, Haleakalā will still be visible from public view corridors along Pīlani Highway, as Haleakalā rises over 9,000 feet above the elevation of Honua'ula and therefore views of Haleakalā will not be significantly impacted by Honua'ula.

Electrical Systems

Question/Comment: *Equip all residences with primary hot water system at least as energy efficient as a conventional solar panel hot water system, sized to meet at least 80% of hot water demand for unit. State law mandates that new construction has to include solar hot water heater unless they apply for a permit to install instant-on gas hot water heater.*

Response: We are aware that Section 196-6.5, Hawaii Revised Statutes provides that no building permit shall be issued for a new single-family dwelling that does not include a solar water heating system that meets standards established by the Hawaii Public Utilities Commission, unless the Director of the Department of Business, Economic Development, and Technology approves a variance which may allow for substituting a renewable energy technology system for use as the primary energy source for heating water. Honua'ula takes this law a step further and will equip all homes (single-family and multi-family) with a primary hot water system at least as energy efficient as a conventional solar panel hot water system, sized to meet at least 80 percent of the hot water demand for the unit. To clarify this point in the Final EIS, in the Final EIS:

- Section 1.8.2 (Summary of Potential Impacts and Proposed Mitigation Measures) will be revised as follows:

All homes (single-family and multi-family) will be equipped with a primary hot water system at least as energy efficient as a conventional solar panel hot water system and other energy-saving concepts and devices will be encouraged in the design of Honua'ula.

- Section 2.5.2 (Energy Efficiency) will be revised as follows:

Hot Water Systems

All residential units (single-family and multi-family) will be equipped with a primary hot water system at least as energy efficient as a conventional solar panel hot water system, sized to meet at least 80 percent of the hot water demand for the unit.

- Section 4.8.6 (Electrical System) will be revised as follows:

In further compliance with County of Maui Ordinance No. 3554, Honua'ula Partners, LLC will: 1) equip all residential units (single-family and multi-family) with a primary hot water system at least as energy efficient as a conventional solar panel hot water system, sized to meet at least 80 percent of the hot water demand for the unit (Condition 30); 2) ensure that all air cooling systems and all heating systems for laundry facilities, swimming pools, and spa areas will make maximum use of energy-efficient construction and technology (Condition 30) ; and 3) obtain confirmation from MECO that the proposal to relocate and/or landscape MECO facilities is incorporated in the Project District Phase II application and site plan (Condition 18).

- Section 5.2.1 (Countywide Policy Plan) will be revised as follows:

All homes (single-family and multi-family) will be equipped with a primary hot water system at least as energy efficient as a conventional solar panel hot water system and other energy-saving concepts and devices will be encouraged in the design of Honua'ula.

and

In compliance with County of Maui Ordinance No. 3554 (Condition 30), Honua'ula Partners, LLC will: 1) equip all residential units (single-family and multi-family) with a primary hot water system at least as energy efficient as a conventional solar panel hot water system, sized to meet at least 80 percent of the hot water demand for the unit; and 2) ensure that all air cooling systems and all heating systems for laundry facilities, swimming pools, and spa areas will make maximum use of energy-efficient construction and technology.

- Section 5.2.2 (Kihai Makena Community Plan) will be revised as follows:

In further compliance with County of Maui Ordinance No. 3554 (Condition 30), Honua'ula Partners, LLC will: 1) equip all residential units (single-family and multi-family) with a primary hot water system at least as energy efficient as a conventional solar panel hot water system, sized to meet at least 80 percent of the hot water demand for the unit; and 2) ensure that all air cooling systems and all heating systems for laundry facilities, swimming pools, and spa areas will make maximum use of energy-efficient construction and technology.

- Section 5.2.3 (County of Maui Zoning) will be revised as follows:

In addition, Honua'ula Partners, LLC will: 1) equip all residential units (single-family and multi-family) with a primary hot water system at least as energy efficient as a conventional solar panel hot water system, sized to meet at least 80 percent of the hot water demand for the unit; and 2) ensure that all air cooling systems and all heating systems for laundry facilities, swimming pools, and spa areas will make maximum use of energy-efficient construction and technology.

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- Section 7.2 (Cumulative and Secondary Impacts) will be revised as follows

In mitigating cumulative impacts to human and environmental health, Honua'ula is committed to limiting energy consumption and reducing solid waste. Honua'ula Partners, LLC will design and construct energy systems for all residential units to meet all applicable ENERGY STAR requirements established by the EPA in effect at the time of construction. All homes (single-family and multi-family) will be equipped with a primary hot water system at least as energy efficient as a conventional solar panel hot water system and other energy-saving concepts and devices will be encouraged in the design of Honua'ula.

- Section 7.2 (Probable Adverse Environmental Effects that Cannot be Avoided) will be revised as follows

All homes (single-family and multi-family) will be equipped with a primary hot water system at least as energy efficient as a conventional solar panel hot water system and other energy-saving concepts and devices will be encouraged in the design of Honua'ula.

Question/Comment: *Roof and wall insulation, radiant barriers, and energy efficient windows. This is vague – what R factor insulation in walls and ceiling? Which type of energy efficient windows? There is insufficient detail to determine if this will make a big difference.*

Response: Section 4.8.6 (Electrical System) of the Draft EIS mentions that energy saving methods and technologies, such as roof and wall insulation, radiant barriers, and energy efficient windows, will be considered during the design phase of Honua'ula. At this time Honua'ula Partners, LLC has not undertaken detailed building design and thus building specifications such as installation R factors and the type of energy efficient windows that may used are not known at this preliminary point.

Question/Comment: *Solar parking lot lighting. This is good but we would add that they use only IDA approved fixtures (International Dark Sky Association)...*

Response: As explained in several sections of the Draft EIS (see Section 3.7 (Wildlife Resources), Section 5.2.1 (Countywide Policy Plan), and Section 5.2.3 (County of Maui Zoning)), all Honua'ula outdoor lighting will be in compliance with Chapter 20.35 (Outdoor Lighting), Maui County Code to ensure impacts related to light pollution will not impact sensitive surrounding land uses.

Question/Comment: *Light color roof. It makes a huge difference but saving light color is not enough. It should be tied to some standard like the California standard for roofs.*

Response: Section 4.8.6 (Electrical System) of the Draft EIS mentions that energy saving methods and technologies, such as the use of light color or "green" roofs, will be considered during the design phase of Honua'ula. At this time Honua'ula Partners, LLC has not undertaken detailed building design and thus building specifications such as standards for light color or "green" roofs that may be used are not known at this preliminary point.

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

May 31, 2012

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Question/Comment: *Roofs and gutters to divert rainwater for landscaping. This is fine but they should specify storage tanks size for this rainwater or how it was going to be retained/absorbed and not become run off (i.e. use of rain gardens or bioswales, etc.)*

Response: Section 4.8.6 (Electrical System) of the Draft EIS mentions that energy saving methods and technologies, such as the use of roof and gutters to divert rainwater for landscaping, will be considered during the design phase of Honua'ula. At this time Honua'ula Partners, LLC has not undertaken detailed building design and thus building specifications regarding rain gutters, rainwater storage tanks, and rain gardens, that may be used are not known at this preliminary point.

Question/Comment: *Use of photovoltaics, fuel cells, and other renewable. This is vague and sounds like a dreamer's list. We would rather see the developer place a 6 kw photovoltaic system on each home.*

Response: Section 4.8.6 (Electrical System) of the Draft EIS mentions that energy saving methods and technologies, such as the use of photovoltaics, fuel cells, and other renewable energy sources, will be considered during the design phase of Honua'ula. At this time Honua'ula Partners, LLC has not undertaken detailed building design and thus building specifications regarding photovoltaics, fuel cells, and other renewable energy sources that may be used are not known at this preliminary point. We note that photovoltaic systems and other renewable energy systems are an emerging technology. Specifying a specific system with a specific energy output at this time does not seem wise or warranted as the technology may change significantly over the build-out period for Honua'ula.

Question/Comment: *We would also like to see the developer take these measures:*

- *Right-sized AC systems (not over-sized) with tight duct work that does not pass through unconditioned space (i.e. attic) unless the duct itself is insulated. This is specified in LEED.*
- *Zoned AC with programmable thermostat.*
- *Install an energy feedback device for the home owner, such as a TED (The Energy Detective) which can also be wired to monitor the PV production. The occupant can monitor their energy use, see when the watts spike up and adapt their behavior if they want to reduce their power bill.*

Response: In response to your comment, in the Final EIS Section 4.8.6 (Electrical System) will be revised as follows:

The following additional energy saving methods and technologies will also be considered during the design phase of Honua'ula:

- Use of site shading, orientation, and naturally ventilated areas to reduce cooling load;
- Maximum use of day lighting;
- Use of high-efficiency compact fluorescent lighting;
- Exceeding Model Energy Code requirements;
- Roof and wall insulation, radiant barriers, and energy efficient windows;
- Use of solar parking lot lighting;
- Use of light color or "green" roofs;

- Use of roof and gutters to divert rainwater for landscaping;
- Use of landscaping for dust control and to minimize heat gain to area; and
- Use of photovoltaics, fuel cells and other renewable energy sources.
- Installation of right-sized air conditioning systems with duct work that does not pass through unconditioned space (i.e. attic) unless the duct itself is insulated.
- Installation of zoned air conditioning systems with programmable thermostats.
- Installation of energy feedback devices in homes, such as a TED (The Energy Detective) so occupants can monitor energy use and adapt behavior to reduce power use.

Population

Question/Comment: *We find the population increase of the development to be on the low side. The estimate of only 1,833 persons for 1,150 living units works out to only 1.59 residents per unit. The figure for determining people per unit recommended by the Maui County General Plan Advisory committee is 2.8 persons per dwelling unit. This would make for a higher population prediction of 3,220 people. Even using the developers estimate of 2.5 people per household there would be an additional 2,875.*

Response: As stated in Section 4.9.2 (Population) and more fully explained in Appendix Q (Market Study, Economic Impact Analysis, and Public Costs/Benefits Assessment) of the Draft EIS, when fully built out, the total population of Honua'ula is projected to be 1,833 persons, of which 1,541 will be full-time residents and 292 will be periodic users comprised of non-resident owners and their guests. By definition, a non-resident housing unit is occupied less than 50 percent of the time by the owners; otherwise it would be their primary residence. Generally, such owners occupy their units far less than half the time.

To arrive at an accurate population projection for Honua'ula, the number of homes that would be occupied by full-time residents and part-time residents was first determined to be 629 full-time residences and 521 part-time residences. Then, average household size was forecasted based on full time or part time use. For full time residents it was assumed that homes would be occupied 98 percent of the time with an average household size of 2.5 people per household.

We note that the figure of 2.8 persons per household that you cite was the figure that the Maui County General Plan Advisory Committee recommended to be used in preparing the General Plan Update; however this was not the number projected by the Maui Planning Department which was actually used for the General Plan Update.

Regarding an average household size of 2.5 people, US Census data for the Kihei-Makena region¹ shows an average household size of:

- 2.62 people in 1990
- 2.57 people in 2000
- 2.45 people in 2010

¹ US Census data from the Kihei, Wailea-Makena (1990 and 2000) and the Kihei, Wailea, and Makena (2010) Census Designated Places (CDP) were combined to obtain the average household size for the Kihei-Makena region.

In the Maui Planning Department report titled "Socio-Economic Forecast: The Economic Projections for the County of Maui General Plan 2030" (Maui Planning Department 2006) the Planning Department provides the following historical and projected average household sizes for the Kihei-Makena region:

- 2.59 people in 1990
- 2.55 people in 2000
- 2.49 people in 2010
- 2.46 people in 2020
- 2.44 people in 2030

In light of historical trends, current data, and Maui Planning Department forecasts (Maui Planning Department 2006), the use of an average size of 2.5 persons per full-time resident household at Honua'ula is moderate to conservative and is higher than the 2.44 persons projected by the Maui Planning Department for the time when Honua'ula is fully built-out. As illustrated above with the US Census and Maui Planning Department data for 1990, 2000, and 2010, the trend in declining household size has been occurring over several decades and Kihei-Makena households have gotten smaller with each passing census. The movement toward smaller households is an indisputable demographic trend, brought about by the coalescing of numerous factors (including longer life spans, higher incomes, more divorces and single parent households, and cultural evolutions). The application of an average household size of 2.8 or 2.9 at Honua'ula is not supported by US Census data or by Maui Planning Department projections.

For part-time residents (i.e. non-Maui residents) it was assumed that homes would be occupied 20 percent of the time with an average party size of 2.8 people per home. The part-time resident average party size of 2.8 people per home was calculated based on the average resident household size of 2.5 persons per household, plus 10 percent to account for guests. It is important to note that Honua'ula will not contain transient vacation rentals (TVR), and therefore homes owned by non-Maui residents will be vacant when owners are not on Maui. Numerous studies on the use of non-resident, non-TRV homes in Maui and West Hawai'i resorts indicate occupancy ranging from six to 20 percent of the time, with an average of approximately 14 percent. This is based on surveys of owners, realtors, maintenance companies, and resort personnel in Kapalua (Plantation and Pineapple Hill subdivisions), Ka'anapali (mauka), Wailea (non-TRV units), Mauna Kea, Mauna Lani, and Hualalai.

The Honua'ula population estimate of 1,833 persons at full build-out is based on projections of the number of homes that would be occupied by full-time residents and part-time residents and corresponding household size of each, combined with the fact that part-time resident households would only be occupied 20 percent of the time – on the very high end of the occupancy range for other prominent communities in Hawaii, as discussed above.

Housing

Question/Comment: *What can be done to insure that the dwelling units for sale are sold to resident of Maui or people from other parts of Hawaii who are moving to Maui? Will mainland interest be able to outbid Hawaii residents for these units?*

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

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Response: As stated in Section 4.9.3 (Housing) of the Draft EIS, all workforce affordable homes will be priced and subject to restrictions in accordance with the requirements of Chapter 2.96, MCC to ensure they remain both available and affordable for full-time Maui residents.

Coastal Zone Management

Question/Comment: *While the housing development is not along the shoreline it is still in the Coastal Zone as defined in Act 205A.*

Response: Section 5.1.3 (Coastal Zone Management Act, Chapter 205A, Hawai'i Revised Statutes) of the Draft EIS: 1) acknowledges that Honua'ula is within the Coastal Zone Management Area (CZM) as defined in Chapter 205A, Hawai'i Revised Statutes (HRS); and 2) includes discussion of Honua'ula's conformance with the objectives and policies of Chapter 205A, HRS.

Question/Comment: *In the discussion of natural hazards in this section on the CZM Act, you left out wildfires as a natural hazard (although it could be construed that this is a man-made hazard since most wildfires are started by people). You point out the potential for wildfire as a hazard on page 36 of the DEIS.*

Response: You are correct in stating that page 36 of the Draft EIS discusses wildfires. In addition, on page 35 of the Draft EIS, at the beginning Section 3.4 (Natural Hazards) it is stated that: "Maui is susceptible to potential natural hazards, such as flooding, tsunami, inundation, hurricanes, earthquakes, and wildfires." In response to your comment regarding the discussion of natural hazards in Section 5.1.3 (Coastal Zone Management Act, Chapter 205A, Hawai'i Revised Statutes) of the Draft EIS, in the Final EIS Section 5.1.3 (Coastal Zone Management Act, Chapter 205A, Hawai'i Revised Statutes) will be revised as follows:

As discussed in Section 3.4 (Natural Hazards), Honua'ula will neither exacerbate any natural hazard conditions nor increase the Property's susceptibility or exposure to any natural hazards, including wildfires.

Consultation

Question/Comment: *It might be helpful to identify the particular position of all the people listed as being consulted as you have for many of the people. For example what is Ms. Heidi Meeke's position with the Department of Education and what does Herbert Matsubayashi do for the Department of Health.*

Response: In response to your comment Chapter 8 (Consultation) of the Final EIS will be revised as shown on the attachment titled "Consultation."

Market Study, Economic Impact Analysis, and Public Cost/Benefit Analysis

Question/Comment: *We have some disagreement with the way benefits and costs are computed. In Appendix Q, on page 57, the income levels generated by the commercial establishments in the proposed Honuaula resort are used as a basis for calculating how much excise and income taxes would be generated by the project. However, according to the analysis in Appendix Q, the*

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

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majority (55%) of customers at these businesses will be coming from off-site. Their spending should be entirely discounted from the excise tax base because they will be merely shifting their spending from other Maui businesses to the proposed Honuaula project. There will be no net increase in income to Maui/Hawaii, and consequently no net increase in excise taxes or income taxes as a result of their shifting their spending from other businesses to those in the proposed Honuaula project. Subtracting this amount from the benefit calculation would reduce the overall benefit to the state from excise tax revenue by \$2.06 million a year.

Response: The economic analysis assumes that customers that do not live in Honua'ula will patronize businesses within Honua'ula; about half of the expenditures comprising the on-going Honua'ula commercial business activity will be from residents and users of other new developments in the Wailea/Makana areas, and some will be a relocation of spending by existing area residents and visitors from other businesses to Honua'ula businesses.

Existing area residents that shift their spending to Honua'ula businesses do not represent entirely new spending in the region. Some of this spending will be new expenditures associated with rising household income and consumerism in Maui Meadows, Wailea, and other nearby neighborhoods, however much will be in movement from distant businesses into the natural (and desirable) "trade area" for these homes; a primary Honua'ula planning goal.

Currently, for example, Maui Meadows residents must travel 3.2 miles from the subdivision entrance on Pi'ilani Highway to reach the nearest major grocery store (Foodland in the Kihei Town Center) or 4.2 miles to the Safeway on Pi'ikea Avenue. This is several miles and minutes of travel outside the optimum trade area for neighborhood commercial services, and represents hours in lost travel time annually, additional travel costs (several dollars for each shopping trip), unnecessary traffic and congestion, wasted energy, and increased pollution.

The Honua'ula commercial components will help establish an effective and competitive trade area for residents and visitors in Maui Meadows, Wailea, and other nearby neighborhoods.

This anticipated relocation of some spending taking place over several decades, is not expected to hamper existing business activities in central Kihei. The regional economy will continue to grow, benefitting existing businesses and creating demand for additional commercial development; and the central Kihei patronage "lost" through relocation to Honua'ula will be replaced by other new developments within those trade areas.

The goal of the Market Study, Economic Impact Analysis, and Public Cost/Benefits Analysis was specifically to ascertain the direct economic impacts associated with Honua'ula arising from its creation.

We believe that your suggestion that State gross excise tax revenues are overstated by \$2.06 million annually is incorrect, as:

- A meaningful portion of the outside patronage will be from new development in Wailea and Makana, and from other in-fill development in the nearby area, with the Honua'ula facilities being the most proximate neighborhood commercial shopping opportunity.

Environmental Center
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

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- Significant non-resident patronage sales will be to employees in Honua'ula, who would not have the means to make such purchases without their jobs at Honua'ula.
- Increasing household incomes over time will result in additional expenditures by the in-place trade area populace.
- Some of the outside patronage sales will be to passer-bys of the high-exposure location (particularly tourists) who might otherwise not choose to purchase goods and services.

Question/Comment: *On page 63-64, the DEIS assumes a per capita County cost of \$3,082, and a per capita State expenditure of \$5,346. The analysis should have included the 250 workforce housing units.*

Response: We believe you are referring to pages 63-64 of the Market Study, Economic Impact Analysis, and Public Costs/Benefits Assessment contained in Appendix Q of the Draft EIS. This assessment addressed the direct economic impacts of Honua'ula. The 250 workforce affordable homes will be provided off-site at the Ka'ono'ulu Light Industrial Subdivision, which is within the State Urban District and the County Light Industrial zoning district. As previously stated, impacts related to the use of the Ka'ono'ulu Light Industrial Subdivision for urban uses and uses permitted under property's Light Industrial zoning have previously been examined as part of the property's State Land Use District Boundary Amendment, County Change in Zoning, and County Subdivision approvals. Further, because Chapter 2.96, MCC requires the workforce affordable homes to be provided to Maui residents, there will be no impacts related to increased population, such as the increased need for State and County services.

We note that the residents of the proposed 250 off-site units will have jobs upon which they pay income taxes. They will create tax revenues from their expenditures in the community and will also generate real property taxes (either as renters or owners). These tax revenue amounts must be included in your calculations equations to accurately assess the overall economic impact.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachment: Consultation



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS, HONOLULU DISTRICT
FORT SHAFTER, HAWAII 96858-5440

May 11, 2010

REPLY TO
ATTENTION OF:

Regulatory Branch

POH-2009-00091

PBR Hawaii
Tom Schnell
ASB Tower, Suite 650
1001 Bishop Street
Honolulu, Hawaii 96813

Jeff Hunt
Maui Planning Department/Commission
250 South High Street
Wailuku, Hawaii 96793

Dear Msrs. Schnell and Hunt:

We have received your letter dated April 20, 2010 requesting our review and comments on the draft Environmental Impact Statement (dEIS) for the Honua'ula project proposed in the Kihai-Makena region of the Island of Maui, Hawaii.

We have reviewed your dEIS pursuant to Section 10 of the Rivers and Harbors Act of 1899 (Section 10) and Section 404 of the Clean Water Act (Section 404). Using in-office resources, as well as information provided in the dEIS, we have determined that there are no jurisdictional waters; therefore, a Department of Army (DA) permit is not required for any proposed or future work. This information has been sent to the applicant in a letter containing an approved jurisdictional determination.

We recommend Best Management Practices be incorporated into the project design to minimize and contain any runoff from construction on the parcel which could eventually make its way to a drainageway to, and potentially impact, the Pacific Ocean. This office does not wish to receive a copy of the final EA when it is completed.

Thank you for giving us the opportunity to review this proposal and for your cooperation with our regulatory program. Please be advised you can provide comments on your experience with the Honolulu District Regulatory Branch by accessing our web-based customer survey form at <http://per2.nwp.usace.army.mil/survey.html>.

Should you have any questions, please contact Robert Deroche of my staff at (808) 438-2039, by facsimile at (808) 438-4060, or by Email at robert.deroche@usace.army.mil. Please refer to File No. POH-2009-00091 in all future communications with this office regarding this or other projects at this location.

Sincerely,

George P. Young, P.E.
Chief, Regulatory Branch



May 31, 2012

PRINCIPALS
THOMAS WITTEN, ASLA
President

R. STAN DUNCAN, ASLA
Executive Vice-President

RUSSELL CHUNG, FNSA, LEED AP
Executive Vice-President

VINCENT SHIGERUNI
Vice-President

GRANT MURAKAMI, AICP, LEED AP
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Chairman Emeritus

ASSOCIATES

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Senior Associate

RAYMOND T. HIGA, ASLA
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KEYNA K. NISHIKAWA, ASLA
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George P. Young, P.E.
Chief, Regulatory Branch
Department of the Army
U.S. Corps of Engineers, Honolulu District
Fort Shafter, Hawaii 96858-5440

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Young:

Thank you for your letter (POH-2009-00091) dated May 11, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, with this letter we are responding to your comments. We have also received your letter dated May 11, 2010 regarding the Honua'ula Botanical and Wildlife Survey reports and Honua'ula Conservation & Stewardship Plan and will respond to that letter separately.

We understand that the Department of the Army Regulatory Branch has determined that there are no jurisdictional waters on the Property; therefore, a Department of Army permit is not required. To include this information in the final EIS, in the final EIS Section 3.2 (Geology and Topography) will be revised as follows:

~~The Property is crossed by numerous small ephemeral dry gulches that define drainage areas and convey on-site and off-site storm water run-off during storms. Modifications to gulches are constrained by flood hazards and drainage improvements previously installed downstream within Wailea. The gulches are inundated infrequently during periods of unusually heavy and prolonged rainfall. Because of the ephemeral nature of the gulches, Honua'ula Partners, LLC's biological consultant, SWCA Environmental Consultants, concludes that the gulches are not considered traditional navigable waters. The Department of the Army, United States Corps of Engineers has determined that the Property does not contain any navigable waters or other waters of the United States; therefore a Department of Army (DA) permit pursuant to Section 10 of the Rivers and Harbors Act of 1899 (Section 10) and Section 404 of the Clean Water Act (Section 404) is not required for any proposed or future work.~~

In addition, in the final EIS Section 4.8.3 (Drainage System) will be revised as follows:

~~There are approximately 15 natural drainageways in which runoff flows through the Property. Considering the relatively low rainfall at the Property, these drainage ways are generally dry throughout the year. There are no existing drainage improvements on the Property. The entire property is designated on the FIRM as Zone C, an area of minimal flooding (Figure 11). The Department of the Army, United States Corps of Engineers has determined that the Property does not contain any navigable waters or other waters of the United States; therefore a Department of Army (DA) permit pursuant to Section 10 of the Rivers and Harbors Act of 1899 (Section 10) and Section 404 of the Clean Water Act (Section 404) is not required for any proposed or future work.~~

George P. Young, P.E.
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
May 31, 2012
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As discussed in Section 3.3 (Soils) of the Draft EIS, to minimize erosion and runoff from construction, Best Management Practices (BMPs) will be prepared before the issuance of a National Pollutant Discharge Elimination System permit (NPDES). Before issuance of a grading permit by the County of Maui, the final erosion control plan and BMPs required for the NPDES permit will be completed and submitted. BMPs to minimize erosion and the discharge of other pollutants may include use of silt fences, sediment traps, and diversion swales.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

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DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS, HONOLULU DISTRICT
FORT SHAFTER, HAWAII 96858-5440

REPLY TO
ATTENTION OF:

May 11, 2010

Regulatory Branch

POH-2009-00091

Charles Jencks
Honua'ula Partners, LLC
1300 N. Holopono Street, Suite 201
P.O. Box 220
Kihei, Hawaii 96753

Dear Mr. Jencks:

This letter is in response to your March 22, 2010 request to review and provide recommendations on the *Honua'ula Botanical, Wildlife and Conservation & Stewardship Plan* dated February 2010, provided with your letter. You state the request is a requirement under "Condition 27" of your final Phase I approval for the project in south Maui. The U.S. Army Corps of Engineers (Corps) has authority to regulate activities pursuant to Section 10 of the Rivers and Harbors Act of 1899 (Section 10) and Section 404 of the Clean Water Act (Section 404).

Section 10 requires that a DA permit be obtained for certain structures or work in or affecting navigable waters of the United States (U.S.), prior to conducting the work (33 U.S.C. 403). Section 404 requires that a DA permit be obtained for the placement or discharge of dredged and/or fill material into waters of the U.S., including wetlands, prior to conducting the work (33 U.S.C. 1344). The parcel proposed for development does not contain any navigable waters or other waters of the U.S.; therefore a Section 10 and/or Section 404 permit is not required.

The Corps' Regulatory Program does not have the legal authority nor expertise to comment or make recommendations as to the appropriateness of areas of a parcel for preservation or for use as mitigation, for a particular project, for Maui Planning Commission use.

This letter contains an approved JD for the property in question. If you object to this determination, you may request an Administrative Appeal under Corps regulations at 33 Code of Federal Regulations (CFR) Part 331. We have enclosed a Notification of Appeal Process and Request For Appeal (NAP/RFA) form. If you request to appeal this determination you must submit a completed RFA form to the Corps' Pacific Ocean Division office at following address:

Thom Lichte, Appeals Review Officer
U.S. Army Corps of Engineers
Pacific Ocean Division, ATTN: CEPOD-PDC
Building 525
Fort Shafter, HI 96858-5440

In order for an NAP/RFA to be accepted by the Corps, the Corps must determine that the RFA is complete, that it meets the criteria for appeal under 33 CFR Part 331.5, and that it has been received by the Division office within 60 days of the date of the NAP/RFA sheet. If you decide to submit an NAP/RFA form, it must be received at the above address by July 11, 2010. It is not necessary to submit an NAP/RFA form to the Division office if you do not object to the determination in this letter. You may contact Mr. Lichte at (808) 438-0397.

This jurisdiction determination is valid for a period of five (5) years from the date of this letter unless new information warrants revision of the delineation before the expiration date.

Thank you for giving us the opportunity to review this proposal and for your cooperation with our regulatory program. Please be advised you can provide comments on your experience with the Honolulu District Regulatory Branch by accessing our web-based customer survey form at <http://per2.nwp.usace.army.mil/survey.html>.

Thank you for giving us the opportunity to review this proposal. Should you have any questions, please contact Mr. Robert Deroche of this office at the above address or telephone 808-438-2039 (FAX: 808-438-4060) or by E-Mail at robert.d.deroche2@usace.army.mil. Please refer to File No. POH-2009-00091 in all future communications with this office regarding this or other projects at this location.

Sincerely,



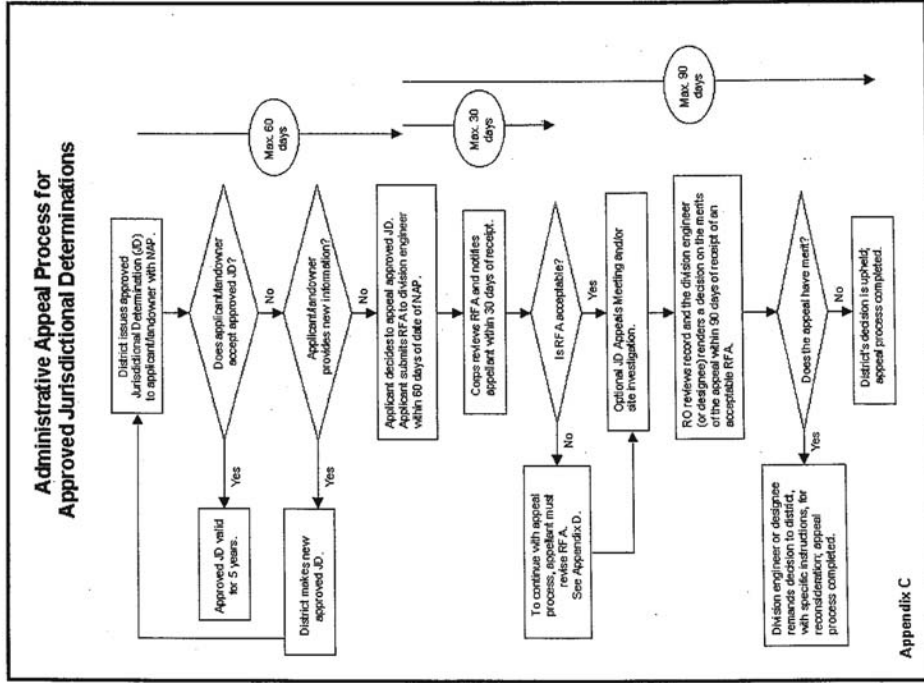
George P. Young, P. E.
Chief, Regulatory Branch

Enclosures

Flowchart
RFA Document
Final JD Form

Copy Furnished:

Tom Schnell, PBR Hawaii & Associates, Inc., ASB Tower, Suite 650, 1001 Bishop Street,
Honolulu, Hawaii 96813



Appendix C

Applicant: Honua'ula Partners, LLC		File Number: POH-2009-00091	Date: May 11, 2010
Attached is:		See Section below	
	INITIAL PROFFERED PERMIT (Standard Permit or Letter of permission)	A	
	PROFFERED PERMIT (Standard Permit or Letter of permission)	B	
	PERMIT DENIAL	C	
XX	APPROVED JURISDICTIONAL DETERMINATION	D	
	PRELIMINARY JURISDICTIONAL DETERMINATION	E	

A: INITIAL PROFFERED PERMIT: You may accept or object to the permit.

- ACCEPT: If you received a Standard Permit, you may sign the permit document and return it to the district engineer for final authorization. If you received a Letter of Permission (LOP), you may accept the LOP and your work is authorized. Your signature on the Standard Permit or acceptance of the LOP means that you accept the permit in its entirety, and waive all rights to appeal the permit, including its terms and conditions, and approved jurisdictional determinations associated with the permit.
- OBJECT: If you object to the permit (Standard or LOP) because of certain terms and conditions therein, you may request that the permit be modified accordingly. You must complete Section II of this form and return the form to the district engineer. Your objections must be received by the district engineer within 60 days of the date of this notice, or you will forfeit your right to appeal the permit in the future. Upon receipt of your letter, the district engineer will evaluate your objections and may: (a) modify the permit to address all of your concerns, (b) modify the permit to address some of your objections, or (c) not modify the permit having determined that the permit should be issued as previously written. After evaluating your objections, the district engineer will send you a proffered permit for your reconsideration, as indicated in Section B below.

B: PROFFERED PERMIT: You may accept or appeal the permit.

- ACCEPT: If you received a Standard Permit, you may sign the permit document and return it to the district engineer for final authorization. If you received a Letter of Permission (LOP), you may accept the LOP and your work is authorized. Your signature on the Standard Permit or acceptance of the LOP means that you accept the permit in its entirety, and waive all rights to appeal the permit, including its terms and conditions, and approved jurisdictional determinations associated with the permit.
- APPEAL: If you choose to decline the proffered permit (Standard or LOP) because of certain terms and conditions therein, you may appeal the declined permit under the Corps of Engineers Administrative Appeal Process by completing Section II of this form and sending the form to the division engineer. This form must be received by the division engineer within 60 days of the date of this notice.

C: PERMIT DENIAL: You may appeal the denial of a permit under the Corps of Engineers Administrative Appeal Process by completing Section II of this form and sending the form to the division engineer. This form must be received by the division engineer within 60 days of the date of this notice.

D: APPROVED JURISDICTIONAL DETERMINATION: You may accept or appeal the approved JD or provide new information.

- ACCEPT: You do not need to notify the Corps to accept an approved JD. Failure to notify the Corps within 60 days of the date of this notice, means that you accept the approved JD in its entirety, and waive all rights to appeal the approved JD.
- APPEAL: If you disagree with the approved JD, you may appeal the approved JD under the Corps of Engineers Administrative Appeal Process by completing Section II of this form and sending the form to the division engineer. This form must be received by the division engineer within 60 days of the date of this notice.

E: PRELIMINARY JURISDICTIONAL DETERMINATION: You do not need to respond to the Corps regarding the preliminary JD. The Preliminary JD is not appealable. If you wish, you may request an approved JD (which may be appealed), by contacting the Corps district for further instruction. Also you may provide new information for further consideration by the Corps to reevaluate the JD.

REASONS FOR APPEAL OR OBJECTIONS: (Describe your reasons for appealing the decision or your objections to an initial proffered permit in clear concise statements. You may attach additional information to this form to clarify where your reasons or objections are addressed in the administrative record.)

ADDITIONAL INFORMATION: The appeal is limited to a review of the administrative record, the Corps memorandum for the record of the appeal conference or meeting, and any supplemental information that the review officer has determined is needed to clarify the administrative record. Neither the appellant nor the Corps may add new information or analyses to the record. However, you may provide additional information to clarify the location of information that is already in the administrative record.

If you have questions regarding this decision and/or the appeal process you may contact:

Robert D. Deroche
U.S. Army Corps of Engineers
Honolulu District, ATTN: CEPOH-EC-R
Building 230
Fort Shafter, HI 96858-5440
Tel. (808) 438-2039

If you only have questions regarding the appeal process you may also contact:

Thom Lichte, Appeal Review Officer
Pacific Ocean Division
ATTN: CEPOD-PDC
Building 525
Fort Shafter, HI 96858-5440
Tel. (808) 438-0397

RIGHT OF ENTRY: Your signature below grants the right of entry to Corps of Engineers personnel, and any government consultants, to conduct investigations of the project site during the course of the appeal process. You will be provided a 15 day notice of any site investigation, and will have the opportunity to participate in all site investigations.

Signature of appellant or agent: _____ Date: _____ Telephone number: _____

APPROVED JURISDICTIONAL DETERMINATION FORM
U.S. Army Corps of Engineers

This form should be completed by following the instructions provided in Section IV of the JD Form Instructional Guidebook.

SECTION I: BACKGROUND INFORMATION

A. REPORT COMPLETION DATE FOR APPROVED JURISDICTIONAL DETERMINATION (JD): May 7, 2010

B. DISTRICT OFFICE, FILE NAME, AND NUMBER: CEPOH-EC-R Honua ulu Development

C. PROJECT LOCATION AND BACKGROUND INFORMATION: Wailea Gulch on the northern portion of the parcel and an unnamed gulch at the southern portion of the parcel

State: Hawaii County/parish/borough: Maui City: Wailea
Center coordinates of site (lat/long in degree decimal format): Lat. 20.6857° N Long. -156.4263° W
Name of nearest waterbody: Pacific Ocean

Name of nearest Traditional Navigable Water (TNW) into which the aquatic resource flows: Pacific Ocean
Name of watershed or Hydrologic Unit Code (HUC): 20020000
 Check if map/diagram of review area and/or potential jurisdictional areas is/are available upon request.
 Check if other sites (e.g., offsite mitigation sites, disposal sites, etc...) are associated with this action and are recorded on a different JD form.

D. REVIEW PERFORMED FOR SITE EVALUATION (CHECK ALL THAT APPLY):

Office (Desk) Determination. Date: May 7, 2010
 Field Determination. Date(s):

SECTION II: SUMMARY OF FINDINGS

A. RHA SECTION 10 DETERMINATION OF JURISDICTION.

There are "navigable waters of the U.S." within Rivers and Harbors Act (RHA) jurisdiction (as defined by 33 CFR part 329) in the review area. [Required]
 Waters subject to the ebb and flow of the tide.
 Waters are presently used, or have been used in the past, or may be susceptible for use to transport interstate or foreign commerce.
Explain:

B. CWA SECTION 404 DETERMINATION OF JURISDICTION.

There are "waters of the U.S." within Clean Water Act (CWA) jurisdiction (as defined by 33 CFR part 328) in the review area. [Required]

1. Waters of the U.S.

- a. Indicate presence of waters of U.S. in review area (check all that apply):**¹
- TNWs, including territorial seas
 - Wetlands adjacent to TNWs
 - Relatively permanent waters² (RPWs) that flow directly or indirectly into TNWs
 - Non-RPWs that flow directly or indirectly into TNWs
 - Wetlands directly abutting RPWs that flow directly or indirectly into TNWs
 - Wetlands adjacent to but not directly abutting RPWs that flow directly or indirectly into TNWs
 - Wetlands adjacent to non-RPWs that flow directly or indirectly into TNWs
 - Impoundments of jurisdictional waters
 - Isolated (interstate or intrastate) waters, including isolated wetlands
- b. Identify (estimate) size of waters of the U.S. in the review area:**
Non-wetland waters: linear feet: _____ width (ft) and/or _____ acres.
Wetlands: _____ acres.

c. Limits (boundaries) of jurisdiction based on:
Elevation of established OHWM (if known): _____
 Potentially jurisdictional waters and/or wetlands were assessed within the review area and determined to be not jurisdictional.
Explain:

¹ Boxes checked below shall be supported by completing the appropriate sections in Section III below.
² For purposes of this form, an RPW is defined as a tributary that is not a TNW and that typically flows year-round or has continuous flow at least "seasonally" (e.g., typically 3 months).
³ Supporting documentation is presented in Section III.F.

SECTION III: CWA ANALYSIS

A. TNWs AND WETLANDS ADJACENT TO TNWs

The agencies will assert jurisdiction over TNWs and wetlands adjacent to TNWs. If the aquatic resource is a TNW, complete Section III.A.1 and Section III.D.1 only; if the aquatic resource is a wetland adjacent to a TNW, complete Sections III.A.1 and 2 and Section III.D.1.; otherwise, see Section III.B below.

1. TNW
Identify TNW:

Summarize rationale supporting determination:

2. Wetland adjacent to TNW
Summarize rationale supporting conclusion that wetland is "adjacent":

B. CHARACTERISTICS OF TRIBUTARY (THAT IS NOT A TNW) AND ITS ADJACENT WETLANDS (IF ANY):

This section summarizes information regarding characteristics of the tributary and its adjacent wetlands, if any, and it helps determine whether or not the standards for jurisdiction established under *Rapazos* have been met.

The agencies will assert jurisdiction over non-navigable tributaries of TNWs where the tributaries are "relatively permanent waters" (RPWs), i.e. tributaries that typically flow year-round or have continuous flow at least seasonally (e.g., typically 3 months). A wetland that directly abuts an RPW is also jurisdictional. If the aquatic resource is not a TNW, but has year-round (perennial) flow, skip to Section III.D.2. If the aquatic resource is a wetland directly abutting a tributary with perennial flow, skip to Section III.D.4.

A wetland that is adjacent to but does not directly abut an RPW requires a significant nexus evaluation. Corps districts and EPA regions will include in the record any available information that documents the existence of a significant nexus between a relatively permanent tributary that is not perennial (and its adjacent wetlands if any) and a traditional navigable water, even though a significant nexus finding is not required as a matter of law.

If the waterbody is not an RPW, or a wetland directly abutting an RPW, a JD will require additional data to determine if the waterbody has a significant nexus with a TNW. If the tributary has adjacent wetlands, the significant nexus evaluation must consider the tributary in combination with all of its adjacent wetlands. This significant nexus evaluation that combines, for analytical purposes, the tributary and all of its adjacent wetlands is used to determine whether the review area identified in the JD request is the tributary, or its adjacent wetlands, or both. If the JD covers a tributary with adjacent wetlands, complete Section III.B.1 for the tributary, Section III.B.2 for any onsite wetlands, and Section III.B.3 for all wetlands adjacent to that tributary, both onsite and offsite. The determination whether a significant nexus exists is determined in Section III.C below.

1. Characteristics of non-TNWs that flow directly or indirectly into TNW

(i) General Area Conditions:

Watershed size: _____
Drainage area: _____ inches
Average annual rainfall: _____ inches
Average annual snowfall: _____ inches

(ii) Physical Characteristics:

(a) Relationship with TNW:
 Tributary flows directly into TNW.
 Tributary flows through _____ tributaries before entering TNW.

Project waters are _____ river miles from TNW.
Project waters are _____ river miles from RPW.
Project waters are _____ aerial (straight) miles from TNW.
Project waters are _____ aerial (straight) miles from RPW.
Project waters cross or serve as state boundaries. Explain:

Identify flow route to TNW:
Tributary stream order, if known:

⁴ Note that the Instructional Guidebook contains additional information regarding swales, ditches, washes, and erosional features generally and in the arid West.
⁵ Flow route can be described by identifying, e.g., tributary a, which flows through the review area, to flow into tributary b, which then flows into TNW.

- (iv) **Biological Characteristics. Channel supports (check all that apply):**
 Riparian corridor. Characteristics (type, average width):
 Wetland fringe. Characteristics:
 Habitat for:
 Federally Listed species. Explain findings:
 Fish/spawn areas. Explain findings:
 Other environmentally-sensitive species. Explain findings:
 Aquatic/wildlife diversity. Explain findings:

2. Characteristics of wetlands adjacent to non-TNW that flow directly or indirectly into TNW

- (f) **Physical Characteristics:**
 (a) **General Wetland Characteristics:**
 Properties:
 Wetland size: _____ acres
 Wetland type: _____ Explain:
 Wetland quality: _____ Explain:
 Project wetlands cross or serve as state boundaries. Explain:
 (b) **General Flow Relationship with Non-TNW:**
 Flow is: _____ Explain:
 Surface flow is: _____
 Characteristics:
 Subsurface flow: _____ Explain findings:
 Dye (or other) test performed:

- (c) **Wetland Adjacency Determination with Non-TNW:**
 Directly abutting
 Not directly abutting
 Discrete wetland hydrologic connection. Explain:
 Ecological connection. Explain:
 Separated by berm/barrier. Explain:

- (d) **Proximity (Relationship) to TNW:**
 Project wetlands are _____ river miles from TNW.
 Project waters are _____ aerial (straight) miles from TNW.
 Flow is from: _____
 Estimate approximate location of wetland as within the _____ floodplain.

- (h) **Chemical Characteristics:**
 Characterize wetland system (e.g., water color is clear, brown, oil film on surface; water quality; general watershed characteristics; etc.). Explain:
 Identify specific pollutants, if known:

- (iii) **Biological Characteristics. Wetland supports (check all that apply):**
 Riparian buffer. Characteristics (type, average width):
 Vegetation type/percent cover. Explain:
 Habitat for:
 Federally Listed species. Explain findings:
 Fish/spawn areas. Explain findings:
 Other environmentally-sensitive species. Explain findings:
 Aquatic/wildlife diversity. Explain findings:

3. Characteristics of all wetlands adjacent to the tributary (if any)
 All wetland(s) being considered in the cumulative analysis: _____
 Approximately (_____) acres in total are being considered in the cumulative analysis.

- (b) **General Tributary Characteristics (check all that apply):**
 Tributary is: Natural
 Artificial (man-made). Explain:
 Manipulated (man-altered). Explain:

Tributary properties with respect to top of bank (estimate):
 Average depth: _____ feet
 Average side slopes: _____

- Primary tributary substrate composition (check all that apply):**
 Silts
 Sands
 Gravel
 Cobbles
 Bedrock
 Other. Explain:
 Concrete
 Muck

Tributary condition/stability (e.g., highly eroding, sloughing banks). Explain:
 Presence of run/riffle/pool complexes. Explain:
 Tributary geometry: _____
 Tributary gradient (approximate average slope): _____ %

- (c) **Flow:**
 Tributary provides for: _____
 Estimate average number of flow events in review area/year: _____
 Describe flow regime:
 Other information on duration and volume:

Surface flow is: _____ Characteristics:
 Subsurface flow: _____ Explain findings:
 Dye (or other) test performed:

- Tributary has (check all that apply):
 Bed and banks
 OHWM? (check all indicators that apply):
 clear, natural line impressed on the bank
 the presence of litter and debris
 destruction of terrestrial vegetation
 changes in the character of soil
 shelving
 the presence of wrack line
 sediment sorting
 vegetation matted down, bent, or absent
 scour
 leaf litter disturbed or washed away
 multiple observed or predicted flow events
 sediment deposition
 water staining
 abrupt change in plant community
 other (list): _____
 Discontinuous OHWM? Explain:

If factors other than the OHWM were used to determine lateral extent of CWA jurisdiction (check all that apply):
 High Tide Line indicated by: _____
 Mean High Water Mark indicated by: _____
 survey to available datum;
 physical markings;
 vegetation lines/changes in vegetation types.

- (iii) **Chemical Characteristics:**
 Characterize tributary (e.g., water color is clear, discolored, oily film; water quality; general watershed characteristics, etc.).
 Explain:
 Identify specific pollutants, if known:

⁴A natural or man-made discontinuity in the OHWM does not necessarily ever jurisdiction (e.g., where the stream temporarily flows underground, or where the OHWM has been removed by development or agricultural practices). Where there is a break in the OHWM that is unrelated to the waterbody's flow regime (e.g., flow over a rock outcrop or through a culvert), the agencies will look for indicators of flow above and below the break.
⁵ibid.

For each wetland, specify the following:

Directly abuts? (Y/N) Size (in acres) Directly abuts? (Y/N) Size (in acres)

Summarize overall biological, chemical and physical functions being performed:

C. SIGNIFICANT NEXUS DETERMINATION

A significant nexus analysis will assess the flow characteristics and functions of the tributary itself and the functions performed by any wetlands adjacent to the tributary to determine if they significantly affect the chemical, physical, and biological integrity of a TNW. For each of the following situations, a significant nexus exists if the tributary, in combination with all of its adjacent wetlands, has more than a speculative or insubstantial effect on the chemical, physical and/or biological integrity of a TNW. Considerations when evaluating significant nexus include, but are not limited to the volume, duration, and frequency of the flow of water in the tributary and its proximity to a TNW, and the functions performed by the tributary and all its adjacent wetlands. It is not appropriate to determine significant nexus based solely on any specific threshold of distance (e.g. between a tributary and its adjacent wetland or between a tributary and the TNW). Similarly, the fact an adjacent wetland lies within or outside of a floodplain is not solely determinative of significant nexus.

Draw connections between the features documented and the effects on the TNW, as identified in the *Rapapos* Guidance and discussed in the Instructional Guidebook. Factors to consider include, for example:

- Does the tributary, in combination with its adjacent wetlands (if any), have the capacity to carry pollutants or flood waters to TNWs, or to reduce the amount of pollutants or flood waters reaching a TNW?
- Does the tributary, in combination with its adjacent wetlands (if any), provide habitat and lifecycle support functions for fish and other species, such as feeding, nesting, spawning, or rearing young for species that are present in the TNW?
- Does the tributary, in combination with its adjacent wetlands (if any), have the capacity to transfer nutrients and organic carbon that support downstream foodwebs?
- Does the tributary, in combination with its adjacent wetlands (if any), have other relationships to the physical, chemical, or biological integrity of the TNW?

Note: the above list of considerations is not inclusive and other functions observed or known to occur should be documented below:

1. Significant nexus findings for non-RPW that has no adjacent wetlands and flows directly or indirectly into TNWs. Explain findings of presence or absence of significant nexus below, based on the tributary itself, then go to Section III.D.
2. Significant nexus findings for non-RPW and its adjacent wetlands, where the non-RPW flows directly or indirectly into TNWs. Explain findings of presence or absence of significant nexus below, based on the tributary in combination with all of its adjacent wetlands, then go to Section III.D.
3. Significant nexus findings for wetlands adjacent to an RPW but that do not directly abut the RPW. Explain findings of presence or absence of significant nexus below, based on the tributary in combination with all of its adjacent wetlands, then go to Section III.D.

D. DETERMINATIONS OF JURISDICTIONAL FINDINGS. THE SUBJECT WATERS/WETLANDS ARE (CHECK ALL THAT APPLY):

1. TNWs and Adjacent Wetlands. Check all that apply and provide size estimates in review area:
 TNWs: linear feet width (ft), Or, acres.
 Wetlands adjacent to TNWs: acres.
2. RPWs that flow directly or indirectly into TNWs.
 Tributaries of TNWs where tributaries typically flow year-round are jurisdictional. Provide data and rationale indicating that tributary is perennial:
 Tributaries of TNW where tributaries have continuous flow "seasonally" (e.g., typically three months each year) are jurisdictional. Data supporting this conclusion is provided at Section III.B. Provide rationale indicating that tributary flows seasonally:

Provide estimates for jurisdictional waters in the review area (check all that apply):
 Tributary waters: linear feet width (ft).
 Other non-wetland waters: acres.

Identify type(s) of waters:

3. Non-RPWs that flow directly or indirectly into TNWs.

- Waterbody that is not a TNW or an RPW, but flows directly or indirectly into a TNW, and it has a significant nexus with a TNW is jurisdictional. Data supporting this conclusion is provided at Section III.C.

Provide estimates for jurisdictional waters within the review area (check all that apply):

Tributary waters: linear feet width (ft).
 Other non-wetland waters: acres.

Identify type(s) of waters:

4. Wetlands directly abutting an RPW that flow directly or indirectly into TNWs.

- Wetlands directly abut RPW and thus are jurisdictional as adjacent wetlands.
 Wetlands directly abutting an RPW where tributaries typically flow year-round. Provide data and rationale indicating that tributary is perennial in Section III.D.2, above. Provide rationale indicating that wetland is directly abutting an RPW.
 Wetlands directly abutting an RPW where tributaries typically flow "seasonally." Provide data indicating that tributary is seasonal in Section III.B and rationale in Section III.D.2, above. Provide rationale indicating that wetland is directly abutting an RPW.

Provide acreage estimates for jurisdictional wetlands in the review area: acres.

5. Wetlands adjacent to but not directly abutting an RPW that flow directly or indirectly into TNWs.

- Wetlands that do not directly abut an RPW, but when considered in combination with the tributary to which they are adjacent and with similarly situated adjacent wetlands, have a significant nexus with a TNW are jurisdictional. Data supporting this conclusion is provided at Section III.C.

Provide acreage estimates for jurisdictional wetlands in the review area: acres.

6. Wetlands adjacent to non-RPWs that flow directly or indirectly into TNWs.

- Wetlands adjacent to such waters, and have when considered in combination with the tributary to which they are adjacent and with similarly situated adjacent wetlands, have a significant nexus with a TNW are jurisdictional. Data supporting this conclusion is provided at Section III.C.

Provide estimates for jurisdictional wetlands in the review area: acres.

7. Impoundments of jurisdictional waters.⁹

- As a general rule, the impoundment of a jurisdictional tributary remains jurisdictional.
 Demonstrate that impoundment was created from "waters of the U.S.," or
 Demonstrate that water meets the criteria for one of the categories presented above (1-6), or
 Demonstrate that water is isolated with a nexus to commerce (see E below).

E. ISOLATED INTERSTATE OR INTRA-STATE WATERS, INCLUDING ISOLATED WETLANDS, THE USE, DEGRADATION OR DESTRUCTION OF WHICH COULD AFFECT INTERSTATE COMMERCE, INCLUDING ANY SUCH WATERS (CHECK ALL THAT APPLY):¹⁰

- which are or could be used by interstate or foreign travelers for recreational or other purposes.
 from which fish or shellfish are or could be taken and sold in interstate or foreign commerce.
 which are or could be used for industrial purposes by industries in interstate commerce.
 Interstate isolated waters. Explain:
 Other factors. Explain:

Identify water body and summarize rationale supporting determination:

⁹ See Footnote # 3.

¹⁰ To complete the analysis refer to the key in Section III.D.6 of the Instructional Guidebook.

¹¹ Prior to asserting or declining CWA jurisdiction based solely on this category, Corps Districts will elevate the action to Corps and EPA HQ for review consistent with the process described in the Corps/EPA Memorandum Regarding CWA Act Jurisdiction Following Rapapos.

golf course and there is no identifiable waterway between the golf course and the ocean. Further, there is no apparent outlet of the waterway at the shoreline of the ocean. The Wailea Gulch is therefore determined not to be a water of the U.S.

The U.S.G.S. quad does not show the unnamed course on the southern portion of the parcel. A review of the Google aerial photograph shows what appears to be a waterway makai of a golf course, which is located adjacent to and makai of the Pilihi Highway, which can be traced to the ocean. Mauka of the Pilihi Highway, this structure appears to be the boundary of a more recent lava flow. Ground photographs in the dEIS show a rock wall which runs makai to makai across the southern end of the parcel. It appears that, like Wailea Gulch, this area may collect overland occasional flow and does not, in itself, constitute a water of the U.S. mauka of the southern boundary line of the parcel. The watercourse makai of Pilihi Highway likely collects runoff from Pilihi Highway, gathered from overland flow, and from the golf course and resort, funneling it to the ocean. The feature on the southern end of the parcel is therefore determined to not be a water of the U.S..

Provide estimates for jurisdictional waters in the review area (check all that apply):
 Tributary waters: linear feet width (ft).
 Other non-wetland waters: acres.
 Identify type(s) of waters:
 Wetlands: acres.

F. NON-JURISDICTIONAL WATERS, INCLUDING WETLANDS (CHECK ALL THAT APPLY):

if potential wetlands were assessed within the review area, these areas did not meet the criteria in the 1987 Corps of Engineers Wetland Delineation Manual and/or appropriate Regional Supplements.
 Review area included isolated waters with no substantial nexus to interstate (or foreign) commerce.
 Prior to the Jan 2001 Supreme Court decision in "SWANCC," the review area would have been regulated based solely on the "Migratory Bird Rule" (MBR).
 Waters do not meet the "Significant Nexus" standard, where such a finding is required for jurisdiction. Explain:
 Other: (explain, if not covered above).

Provide acreage estimates for non-jurisdictional waters in the review area, where the sole potential basis of jurisdiction is the MBR factors (i.e., presence of migratory birds, presence of endangered species, use of water for irrigated agriculture), using best professional judgment (check all that apply):
 Non-wetland waters (i.e., rivers, streams): linear feet width (ft).
 Lakes/ponds: acres.
 Other non-wetland waters: acres. List type of aquatic resource:
 Wetlands: acres.

Provide acreage estimates for non-jurisdictional waters in the review area that do not meet the "Significant Nexus" standard, where such a finding is required for jurisdiction (check all that apply):
 Non-wetland waters (i.e., rivers, streams): linear feet width (ft).
 Lakes/ponds: acres.
 Other non-wetland waters: acres. List type of aquatic resource:
 Wetlands: acres.

SECTION IV: DATA SOURCES:

A. SUPPORTING DATA. Data reviewed for JD (check all that apply - checked items shall be included in case file and, where checked

- and requested, appropriately reference sources below):
- Maps, plans, plots or plat submitted by or on behalf of the applicant/consultant:
- Data sheets prepared/submitted by or on behalf of the applicant/consultant.
- Office concurs with data sheets/delineation report.
- Office does not concur with data sheets/delineation report.
- Data sheets prepared by the Corps:
- Corps navigable waters' study.
- U.S. Geological Survey Hydrologic Atlas:
- USGS NHD data.
- USGS 8 and 12 digit HUC maps.
- U.S. Geological Survey map(s). Cite scale & quad name: I:24K AK-SAMALGA ISLAND D-2.
- USDA Natural Resources Conservation Service Soil Survey. Citation:
- National wetlands inventory map(s). Cite name:
- State/Local wetland inventory map(s):
- FEMA/FIRM maps: (National Geodetic Vertical Datum of 1929)
- 100-year Floodplain Elevation is: Google 2010. Draft EIS dated March 2010.
- Photographs: Aerial (Name & Date): Google 2010. Draft EIS dated March 2010.
 Other (Name & Date): Google 2010. Draft EIS dated March 2010.
- Previous determination(s). File no. and date of response letter.
- Applicable/supporting case law:
- Applicable/supporting scientific literature:
- Other information (please specify): draft EIS dated March 2010.

B. ADDITIONAL COMMENTS TO SUPPORT JD: The Wailea Gulch is shown on the U.S. Fish and Wildlife Service National Wetland Inventory as a stream. The U.S.G.S. quad shows the Wailea Gulch as an intermittent stream; however ground photographs submitted with the dEIS, as well as those from Google Streetview, show no discernable waterway mauka of the Pilihi Highway, which makes up the western boundary of the parcel. There is a ravine immediately makai of Pilihi Highway, but this appears to be a collapsed lava tube as it opens to a



George P. Young
SUBJECT: HONU'ULA BOTANICAL, WILDLIFE AND CONSERVATION & STEWARDSHIP PLAN
 May 31, 2012
 Page 2 of 2

May 31, 2012

PRINCIPALS
 THOMAS WITTEN, ASLA
President
 R-STAN DUNCAN, ASLA
Executive Vice-President
 RUSSELL Y. CHUNG, FASLA, LEED® AP
Executive Vice-President
 VINCENT SHIGERUNI
Vice-President
 GRANT T. MURAKAMI, AICP, LEED® AP
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W. FRANK BRANDT, FASLA
Chairman Emeritus

ASSOCIATES
 TOM SCHNELL, AICP
Senior Associate

RAYMOND T. HIGA, ASLA
Senior Associate

KEYUKA NISHIKAWA, ASLA
Associate

KIMI KAKAMI YUEN, LEED® AP
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SCOTT AIKA ABRIGO, LEED® AP
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The Property is crossed by numerous small ephemeral dry gulches that define drainage areas and convey on-site and off-site storm water run-off during storms. Modifications to gulches are constrained by flood hazards and drainage improvements previously installed downstream within Wailea. The gulches are inundated infrequently during periods of unusually heavy and prolonged rainfall. ~~Because of the ephemeral nature of the gulches, Honu'ula Partners, LLC, biological consultant SWCA Environmental Consultants concludes that the gulches are not considered traditional navigable waters. The Department of the Army, United States Corps of Engineers has determined that the Property does not contain any navigable waters or other waters of the United States; therefore a Department of Army (DA) permit pursuant to Section 10 of the Rivers and Harbors Act of 1899 (Section 10) and Section 404 of the Clean Water Act (Section 404) is not required for any proposed or future work.~~

In addition, in the final EIS Section 4.8.3 (Drainage System) will be revised as follows:

There are approximately 15 natural drainageways in which runoff flows through the Property. Considering the relatively low rainfall at the Property, these drainage ways are generally dry throughout the year. There are no existing drainage improvements maaka of the Property. The entire property is designated on the FRM as Zone C, an area of minimal flooding (Figure 11). The Department of the Army, United States Corps of Engineers has determined that the Property does not contain any navigable waters or other waters of the United States; therefore a Department of Army (DA) permit pursuant to Section 10 of the Rivers and Harbors Act of 1899 (Section 10) and Section 404 of the Clean Water Act (Section 404) is not required for any proposed or future work.

Thank you for reviewing the Honu'ula Botanical Survey, Wildlife Survey, and Conservation & Stewardship Plan. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
 Senior Associate

cc: William Spence, Maui Planning Department
 Charles Jencks, Honu'ula Partners, LLC

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SUBJECT: HONU'ULA BOTANICAL AND WILDLIFE SURVEY REPORTS AND THE HONU'ULA CONSERVATION & STEWARDSHIP PLAN REVIEW AND COMMENT

Dear Mr. Young:

Thank you for your letter (POH-2009-00091) addressed to Charles Jencks dated May 11, 2010 regarding the Honu'ula Botanical and Wildlife Survey reports and Honu'ula Conservation & Stewardship Plan. As the planning consultant for the landowner, Honu'ula Partners, LLC, with this letter we are responding to your comments. We have also received your letter dated May 11, 2010 regarding the Honu'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application and have responded to that letter separately.

In compliance with County of Maui Ordinance No. 3554 Condition 27, Honu'ula Partners, LLC provided the U.S. Corps of Engineers (Corps) with the Honu'ula Conservation and Stewardship Plan, along with the report titled: "Remnant *Wiliwili Forest Habitat* at Wailea 670, Maui, Hawaii by Lee Altenberg, Ph.D." for review and recommendations.

We understand that the Corps has authority to regulate activities pursuant to Section 10 of the Rivers and Harbors Act of 1899 and Section 404 of the Clean Water Act. We further understand that: "The Corps' Regulatory Program does not have the legal authority or expertise to comment or make recommendations as to the appropriateness of areas of a parcel for preservation or for use as mitigation, for a particular project, for Maui Planning Commission use." To include this information in the final EIS, in the final EIS Section 3.6 (Botanical Resources) and Section 5.2.3 (County of Maui Zoning) will be revised to include the following information:

In their letter dated May 10, 2010 the United States Army Corps of Engineers stated:

The Corps Regulatory Program does not have the legal authority or expertise to comment or make recommendations as to the appropriateness of areas of a parcel for preservation or for use as mitigation, for a particular project, for Maui Planning Commission use.

We further understand that the Department of the Army, United States Corps of Engineers has determined that the Property does not contain any navigable waters or other waters of the United States; therefore a Department of Army (DA) permit pursuant to Section 10 of the Rivers and Harbors Act of 1899 (Section 10) and Section 404 of the Clean Water Act (Section 404) is not required for any proposed or future work. To include this information in the final EIS, in the final EIS Section 3.2 (Geology and Topography) will be revised as follows:



United States Department of the Interior

U.S. GEOLOGICAL SURVEY
Pacific Islands Water Science Center
677 Ala Moana Blvd., Suite 415
Honolulu, HI 96813
Phone: (808) 587-2400/Fax: (808) 587-2401



June 1, 2010

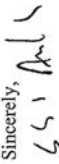
Mr. Tom Schnell
PBR Hawaii
ASB Tower, Suite 650
1000 Bishop Street
Honolulu, Hawaii 96813

Dear Mr. Schnell:

Subject: Draft Environmental Impact Statement (DEIS), Honua'ula, Makawao, Maui, Tax Map
Keys: Project: (2)2-1-08:056; (2)2-1-08:071, Off-site improvements: (2)2-1-08:999
(portion); (2)2-1-08: 043; (2)2-1-08:090 (portion); (2)2-1-08: 108 (portion); (2)2-2-02:
050 (portion); (2)2-2-02: 054 (portion); (2)2-1-08: 054 (portion); (2)2-1-08: 001.

Thank you for forwarding the subject DEIS for review and comment by the staff of the U.S.
Geological Survey Pacific Islands Water Science Center. We regret however, that due to prior
commitments and lack of available staff, we are unable to review this document.

We appreciate the opportunity to participate in the review process.

Sincerely,

Stephen S. Anthony
Center Director

cc: Jeff Hunt, Director, County of Maui, Planning Department



May 31, 2012

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677 Ala Moana Blvd., Suite 415
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**SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND
PROJECT DISTRICT PHASE II APPLIATION**

Dear Mr. Anthony:

Thank you for your letter dated June 1, 2010 regarding the Honua'ula Draft
Environmental Impact Statement (EIS) and Project District Phase II application. As the
planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to
your comments.

We acknowledge that the U.S. Geological Survey Pacific Islands Water Science Center
is unable to review or comment on the Honua'ula Draft EIS.

Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

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U.S. Geological Survey, Pacific Island Ecosystems Research Center, Biological Resources Discipline, Haleakala Field Station, P.O. Box 246, Makawao, Maui, Hawaii 96768

May 7, 2010

Mr. Charles Jencks
Honua'ula Partner, LLC
381 Huku Li'i Place, Suite 202
Kihei, HI 96753

Dear Mr. Jencks,

Thanks much for sending me the volume containing the Botanical Survey, Wildlife Survey, Conservation & Stewardship Plan and Altenberg reports prepared for the Honua'ula project.

Beyond saying that and the fact that the U.S. Geological Survey, Pacific Island Ecosystems Research Center, is part of a science agency and not in any way a regulatory agency I have no comments to offer on the subject reports.

Sincerely yours,

Lloyd Loope
Research Scientist and Station Leader
Email: Lloyd_Loope@usgs.gov



May 31, 2012

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Lloyd Loope
U.S. Geological Survey
Pacific Island Ecosystems Research Center
Haleakala Field Station
P.O. Box 246
Makawao, Hawaii 96768

SUBJECT: HONUA'ULA BOTANICAL AND WILDLIFE SURVEYS AND HONUA'ULA CONSERVATION & STEWARDSHIP PLAN REVIEW AND COMMENT

Dear Mr. Loope:

Thank you for your letter addressed to Charles Jencks dated May 7, 2010 regarding the Honua'ula Botanical and Wildlife surveys and the Honua'ula Conservation & Stewardship Plan. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments.

We acknowledge that the U.S. Geological Survey Pacific Island Ecosystems Research Center has no comments to offer on the reports, as it is part of a science agency not a regulatory agency.

Thank you for reviewing the Honua'ula Botanical and Wildlife Surveys and the Honua'ula Conservation & Stewardship Plan. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

O:\JOB19\1905.08 Honuaula-EIS\NDS\DEIS Comments\Responses\Agency\Final\USGS Biological Reports.doc



United States Department of the Interior

FISH AND WILDLIFE SERVICE
Pacific Islands Fish and Wildlife Office
300 Ala Moana Boulevard, Room 3-122, Box 50088
Honolulu, Hawaii 96850



In Reply Refer To:
2010-TA-0286
2009-TA-0172
2009-FA-0073

JUL - 2 2010

Mr. Charles Jencks
Honouliuli Partners, LLC
c/o Goodfellow Brothers, Inc.
P.O. Box 220
Kihei, Hawaii 96753

Subject: Draft Environmental Impact Statement for Honouliuli (Wailea 670), a Master-Planned Community in Wailea, Maui

Dear Mr. Jencks:

We are in receipt of your consultant's April 20, 2010, letter requesting comments on the Draft Environmental Impact Statement (DEIS) for the Honouliuli Master-Planned Community located in the district of Makawao on the island of Maui [TMK 2-1-008:056 and 071]. The proposed project entails the development of a master-planned community of approximately 1,150 single-family and multi-family residences, a golf course and other recreational amenities, community-oriented parks, commercial and retail space, and a native plant preservation area on approximately 670 acres (271 hectares) on the leeward side of Haleakala. Off-site utility infrastructure improvements will entail the development of an additional 30 acres. The northern 75 percent of the property has historically been managed for livestock grazing and is currently dominated by buffel grass (Cenchrus ciliaris) and non-native shrubs. Approximately 130 acres (53 hectares) at the southern end of the property is covered by aa lava that contains remnants of native Hawaiian dry forest. A 22-acre (9-hectare) Native Plant Preservation Area will be conserved within the southern portion of the property.

On April 8, 2009, we provided you with project recommendations (enclosed as requested) based on information we received in your October 2008, Environmental Impact Statement Preparation Notice. In a March 9, 2010, letter to us, you indicated you would address our comments in the DEIS and in a multi-species Habitat Conservation Plan (HCP) you would prepare pursuant to section 10(a)(1)(B) of the Endangered Species Act of 1973, as amended (16 USC 1531 et seq.) (ESA) and Hawaii Revised Statutes §195D. In a June 4, 2010, letter your consultant indicated the comment period had been extended to June 30, 2010.



Mr. Charles Jencks

As you address in "Wildlife Survey of Honua'ula (Wailea 670) Kihei, Maui", prepared by SWCA Environmental Consultants (Report), which is appended to your DEIS, the Hawaiian hoary bat (Lasiurus cinereus semotus), the endangered Blackburn's sphinx moth (Manduca blackburni), the threatened Newell's shearwater (Puffinus auricularis newelli) and the endangered Hawaiian petrel (Pterodroma phaeopygia sandwichensis) (collectively referred to as seabirds) occur in the project vicinity. As your Report also discusses, water features and greens associated with the proposed golf course may attract the endangered Hawaiian goose (Branta (=Nesochen) sandvicensis) and the following three endangered waterbirds: Hawaiian coot (Fulica americana alai), Hawaiian duck (Anas wyvilliana), and Hawaiian stilt (Himantopus mexicanus knudseni). In addition, as outlined in our enclosed April 8, 2009 letter, populations of eight endangered plant species, two critical habitat units for the Blackburn's sphinx moth, and significant portions of critical habitat units for five plant species are located within the leeward Haleakala area where significant increases in wildfire threat are likely to occur as a result of human activities, such as the proposed project, within the Kihei-Wailea-Makena area.

Based on the project information you provided in the DEIS and updated information in our files, we refined our recommendations regarding measures to minimize potential adverse impacts to listed resources. In a June 18, 2010, meeting with our staff, you agreed to incorporate our updated recommendations to minimize the potential for adverse project impacts to the Hawaiian hoary bat and listed bird species and you indicated you would adopt measures to minimize harm to Blackburn's sphinx moths. In this meeting, you and your environmental consultants also presented information regarding the project's proposed Native Plant Preservation Area and related plant conservation areas, as well as your proposed measures to minimize wildfire threat. You also reiterated your interest in coordinating with our office and the State of Hawaii Department of Land and Natural Resources Division of Forestry and Wildlife (DOFAW) to develop measures, in your HCP, to offset unavoidable impacts to listed species and their habitat. The following sections summarize our recommendations and our June 18, 2010, discussion:

Hawaiian Hoary Bat

Hawaiian hoary bats are known to roost in native and non-native trees and shrubs taller than 15 feet (4.6 meters). Between July 1 and August 15, young Hawaiian hoary bat pups, which are incapable of flight, may be harmed or killed if their roost site is disturbed.

Your DEIS indicates a qualified wildlife biologist will monitor for bats during vegetation clearing activities and that such monitoring is intended to avoid impacts to juvenile bats.

However, the small size and brown coloration of Hawaiian hoary bat pups and juveniles makes it extremely difficult for even an experienced bat biologist to detect them in woody vegetation. In our June 18, 2010, meeting, you agreed to minimize the potential for harm to Hawaiian hoary bat pups by avoiding removal and trimming of woody plants greater than 15 feet (4.6 meters) tall during the peak Hawaiian hoary bat pup rearing season (July 1 through August 15).

Listed and Migratory Seabirds

As you discuss on page 18 of your Report, outdoor lighting, such as street lights, can adversely impact listed and migratory seabird species protected under the ESA or the Migratory Bird Treaty Act of 1918 [16 U.S.C. 703 et seq.; 40 Stat. 755] as amended. Seabirds may traverse the project area at night during the breeding season (February 1 through December 15). Any outdoor lighting could result in seabird disorientation, fallout, injury and mortality. Young birds

(fledglings) traversing the project area between September 15 and December 15, in their first flights from their mountain nests to the sea, are particularly vulnerable. The seabirds are attracted to lights and after circling the lights they may collide with nearby wires, buildings, or other structures or they may land on the ground due to exhaustion. Downed seabirds are subject to high mortality caused by collision with automobiles, predation by dogs, cats, and wild animals, and starvation.

To minimize potential project impacts to seabirds, your DEIS indicates lights will be shielded pursuant to Maui County Code of Ordinances Chapter 20.35 (Outdoor Lighting), night-time construction will be avoided, and all staff will be provided with information regarding seabird fallout. Additionally, you agreed during our June 18, 2010 meeting, that all outdoor lights will be fully shielded in accordance with the enclosed "Seabird Friendly Lighting Solutions" guide we provided to you prior to our meeting. Despite modifications to your project to avoid and minimize impacts to seabirds, if you anticipate that impacts to listed seabirds may still occur, we recommend you address such impacts as part of your HCP.

Other Endangered Bird Species

As you discuss on page 17 of your Report, the endangered Hawaiian goose, Hawaiian coot, Hawaiian duck, and Hawaiian stilt may be attracted to drainage ditches, golf course water features, and mowed grass areas in the project site increasing their vulnerability to collision with vehicles, injuries due to golf operations, and exposure to domesticated animal predators. In our June 18, 2010 meeting, we recommended and you agreed, to implement measures prohibiting free movement of pets, discouraging the feeding of feral animals, and preventing increases in the populations of house mice, rats, mongoose, and feral cats (such as by installing sturdy animal-proof garbage containers). These measures should be incorporated into any community rules and regulations, such as the covenants, conditions, and restrictions instituted for the Honouuaula Master-Planned Community development project and a public education program will be developed to ensure project effectiveness. You indicated the aforementioned measures, in addition to unavoidable human disturbance to these species would be addressed in your Final EIS and in your HCP.

Blackburn's Sphinx Moth

Surveys of tree tobacco (*Nicotiana glauca*) plants indicate that foraging by Blackburn's sphinx moth larvae is scattered throughout the southern and northern portions of the proposed project area. Page 70 of the DEIS indicates that during surveys conducted in 2008 and 2009, evidence of the Blackburn's sphinx moth, including the occurrence of "frass, chewed stems and leaves, and live caterpillars" on the non-native tree tobacco, was found within the project site (SWCA 2010). According to your Report, native plants on which adult moths are likely to take nectar from, such as koali awahia (*Ipomea indica*), maiapilo (*Capparis sandwichtiana*), and ilice (*Plumbago zeylanica*) are widespread throughout the Honouuaula property. As addressed on page 17 of your Report, the potential loss of these food plants for adult moths exists in portions of the property. Your Report also states that removal of tree tobacco plants during construction will likely result in the loss of non-native feeding habitat for the caterpillar, or moth's larval stage. In addition, because the proposed project area lies between two Blackburn's sphinx moth critical habitat units, and as such likely enhances the connectivity between the two areas, habitat loss within the project site could adversely impact the Blackburn's sphinx moth populations within this region of Maui. Because Blackburn's sphinx moth larvae burrow into the substrate near host

plants and may remain in a state of torpor for up to a year before emerging from the soil, soil disturbance in the vicinity of host plants may harm Blackburn's sphinx moth larvae.

We recommend that a qualified biologist should conduct surveys to estimate Blackburn's sphinx moth population size within areas proposed for development. This information may be used to estimate project impacts. The biologist should consult with DLNR and Service regarding survey methods.

We also recommend that you minimize and offset anticipated direct and indirect project impacts to the moth in your HCP. Our office also offers our continued technical assistance on appropriate measures to be included eventually in your HCP. Permanent loss of Blackburn's sphinx moth habitat and potential project impacts to connectivity between Blackburn's sphinx moth critical habitat units should be included in your HCP. In our June 18, 2010 meeting, you agreed to coordinate with the U.S. Fish and Wildlife Service (Service) and State Department of Land and Natural Resources (DOFAW) staff as you draft off-site conservation measures to offset adverse project impacts to the Blackburn's sphinx moth.

Native Dry Shrubland Ecosystem/Important Plant Habitat

Maui County Ordinance Number 3554, Bill Number 22 (2008) repealing Ordinance No. 2171 (1992) and establishing Kihei-Makena Project District 9 (Wailea 670) Zoning (Conditional Zoning), for approximately 670 acres situated at Paehau, Palaua, Kcauhou, Maui, requires a "conservation easement (entitled "Native Plant Preservation Area") for the conservation of native plants and significant cultural sites in Kihei-Makena District Project District 9" within the proposed Honua'ula Master-planned Community development project. The easement "shall comprise the portion of the portion of the property south of latitude 20°40'15.00"N, excluding portions that the DLNR, the Service, and the United States Corps of Engineers find do not merit preservation, but shall not be less than 18 acres and shall not exceed 130 acres."

The DEIS proposes to conserve a 22-acre Native Plant Preservation Area along with various 'conservation' and 'naturalized' areas interspersed between golf fairways, recreational trails, and mixed residential development within the southern portion of the property. We believe the entire 130-acre (56-hectare) area at the southern end of the project merits preservation. Pages 7-9 of SWCA's Conservation & Stewardship Plan state that scattered groves of large-stature *Erythrina sandwicensis* (wiliiwili) and *Prosopis pallid* (kiawe) trees co-dominate the upper story of the kiawe-wiliiwili shrubland, and that native shrubs, such as *Sida fallax* (lilima) and *Capparis sandwichtiana* (maiapilo), and the native vine *Sicyos pachycarpus* (anunu), occur in the understory. Introduced shrubs, introduced grasses, and introduced vines and herbaceous species dominated the ground vegetation. SWCA found a total of 26 native species growing within the project site. Five individuals of *Canavalia pubescens* (awikiwiki), a candidate for listing pursuant to the ESA, currently exist within the kiawe-wiliiwili shrubland on the Honouuaula property. The remnant kiawe-wiliiwili shrubland habitat is somewhat degraded as a result of historical grazing by feral deer, goats, and cattle and jeep trails occur on the property.

To minimize these adverse impacts to ecosystem integrity, we recommend that the conservation easement or Native Plant Protection Area include the roughly 130 acres (56 hectares) within the as lava flow which supports a somewhat degraded, yet functioning native dryland forest/shrubland ecosystem. As your reports indicate, the majority of the native plant species

Mr. Charles Jencks

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observed during recent surveys occur in southern quarter of the project area. We believe that your rationale for the design of the Native Plant Preservation Area, based on the weighted density of eight "uncommon" native plant species, will result in a significant percentage loss of individual native plants, and further habitat fragmentation. Therefore, to minimize adverse impacts to ecosystem integrity, we recommend that the conservation easement or Native Plant Preservation Area include a contiguous area of roughly 130 acres (56 hectares) which would encompass the majority of the mixed remnant kiawe-wilwilt shrubland.

Pages 25 through 28 of SWCA's Conservation & Stewardship Plan, which was appended to the DEIS, and as we discussed in our June 18, 2010 meeting, has identified numerous proposed mitigation measures and an interest in cooperating with and funding off-site conservation projects to offset the loss of habitat within the proposed project footprint. Your Final EIS should also include a description of these off-site conservation projects. In order to fully address this aspect of the project in your Final EIS, we suggest that a 130-acre (56-hectare) Native Plant Preservation Area, located within the southern portion of the property, be incorporated into the preferred alternative. Alternatively, your discussion of project alternatives (Section 6.0) in your Final EIS should thoroughly address any reasons conservation of the entire southern area was not included selected as the preferred alternative.

Increased wildfire threat

A number of recent human-caused fires have escaped containment by the available interagency initial attack fire suppression forces, resulting in significant impacts to listed species and critical habitat in the dry areas of Maui. Preliminary calculations reviewed at the June 9, 2009, Maui Wildfire Coordinating Group meeting indicate that in the absence of significant fuel treatments, significant fire suppression resource response by fire engines and heavy equipment would be necessary within the first 45 minutes of fire ignition in order to contain a wildfire burning under average summer fire danger conditions in the project vicinity.

To minimize the wildfire threat posed by the development, the DEIS indicates that two acres will be set aside for Maui County's use developing a new fire station. Additionally, SWCA's Conservation and Stewardship Plan indicates that a Natural Resource Manager will be hired to develop a fire control plan in coordination with resource agencies and fire department officials. In our June 18, 2010, meeting you indicated that you are also coordinating with adjacent landowners to develop a 100-foot (30-meter) wide firebreak along portions of the upslope edge of the project area. In addition, you invited us to visit the site to see the extent to which grass fuel load is minimized in the area upslope from the project by intensive grazing. We recommend you ensure that fuel treatments, in combination with fire suppression responses, are adequate to ensure wildfires do not burn listed species and critical habitat in the leeward Haleakala area, and that these measures are presented in your Final EIS.

Mr. Charles Jencks

6

We appreciate the opportunity to participate in the environmental review process for this project. Please contact Dawn Greenlee, Fish and Wildlife Biologist, Consultation and Technical Assistance Program (phone: 808-792-9469; fax: 808-792-9581), if you have any questions regarding our comments and recommendations.

Sincerely,



for Loyol Mehrhoff
Field Supervisor

Enclosures

cc:

Mr. Tom Schnell, PBR Hawaii
Mr. John Ford, SWCA Environmental Consultants
Mr. Jeff Hunt, Maui County Planning Department
Dr. Scott Fretz, Hawaii Department of Land and Natural Resources
Dr. Fern Duvall, Hawaii Department of Land and Natural Resources



United States Department of the Interior

FISH AND WILDLIFE SERVICE
Pacific Islands Fish and Wildlife Office
300 Ala Moana Boulevard, Room 3-122, Box 50088
Honolulu, Hawaii 96850



In Reply Refer To:
2009-TA-0172
2009-FA-0073

PBR Hawaii
ASB Tower, Suite 650
1001 Bishop Street
Honolulu, Hawaii 96813

APR 08 2009

Subject: Request for Technical Assistance for Proposed Honuaula Subdivision, Kihei, Maui
To Whom it May Concern:

This letter acknowledges the U.S. Fish and Wildlife Service's March 9, 2009, receipt of your request for comments on an Environmental Impact Statement Preparation Notice addressing the proposed development of approximately 670 acres in Kihei, Maui (TMKs (2) 2-1-008:056 and 071 and (2) 2-1-008:999 (por)). The proposed master planned community would include approximately 1,150 single family homes, commercial mixed uses, and a golf course. The northern 75 percent of the property has historically been managed for livestock grazing and is currently dominated by buffel grass and non-native shrubs. The southern portion of the property is covered by aa lava which contains scattered remnants of native Hawaiian dry forest. A 22-acre native plant preservation area would be conserved. Based on the project information you provided and pertinent information in our files, the threatened Newell's shearwater (Puffinus auricularis newelli) and the endangered Hawaiian petrel (Pterodroma phaeopygia sandwicensis) (collectively referred to as seabirds) are known to traverse the project area. The endangered Blackburn's sphinx moth (Manduca blackburni) and the endangered Hawaiian hoary bat (Lasiurus cinereus semotus) may also occur within the project site.

The proposed project is located in a dry area of Maui where wildland fires interdependent with the proposed project may impact resources protected under the Endangered Species Act of 1973, as amended (16 U.S.C. 1531 et seq.) (ESA). To assist you, we have drafted a preliminary project action area to delineate the extent of the area which may be impacted by wildland fires associated with the proposed development (Figure 1). The action area is bounded along its north side by areas which are (according to information provided by James Robello, Maui County Executive Director, U.S. Department of Agriculture (USDA) Farm Service Agency, on January 6, 2009) intensively managed for agricultural purposes. The southern perimeter of the action area follows a lava flow which may serve as a fuelbreak. We have requested additional information from USDA regarding the spatial extent of intensive agricultural management in the vicinity of the proposed project area, upon which revisions to the draft action area could be based.



PBR Hawaii

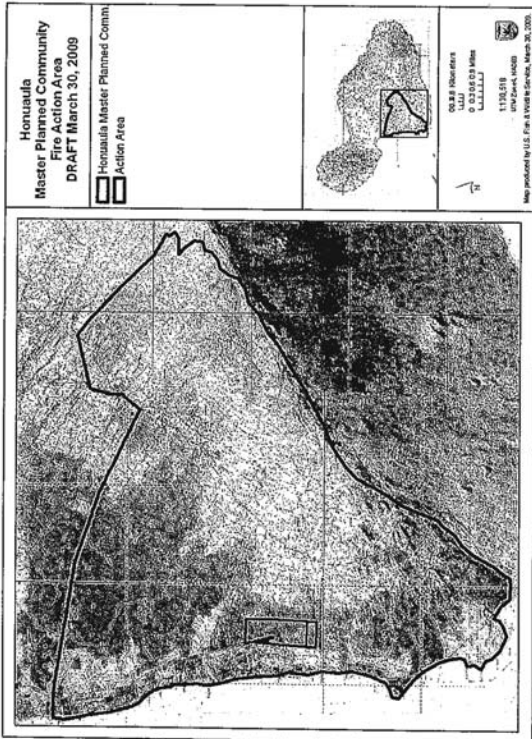


Figure 1. Honuaula project draft action area.

The draft action area contains five listed animal species, eight listed plant species (Table 1), and designated critical habitat for one insect and five plant taxa (Table 2) occurs within the area which may be impacted by wildland fires resulting from the proposed development.

Table 1. Threatened and endangered species occurring within action area.

Table with 3 columns: Scientific Name, Common Name, Status. Lists species like Lasiurus cinereus semotus, Branta sandwicensis, Fulica americana alai, and Himantopus mexicanus knudseni.

Table 1 (continued). Threatened and endangered species occurring within the draft action area.

Scientific Name	Common Name	Status
Insects		
<i>Manduca blackburni</i>	Blackburn's sphinx moth	Endangered
Plants		
<i>Abutilon menziesii</i>	kooloa ula	Endangered
<i>Achyranthes splendens</i> var. <i>rotundata</i>	round-leaved chaff-flower	Endangered
<i>Bonania menziesii</i>	no common name	Endangered
<i>Diellia erecta</i>	no common name	Endangered
<i>Diplazium molokaiense</i>	no common name	Endangered
<i>Geranium arboreum</i>	Hawaiian red-flowered geranium	Endangered
<i>Hibiscus brackenridgei</i>	mao hau hele; native yellow hibiscus	Endangered
<i>Melicope knudsenii</i>	alani	Endangered

Table 2. Critical habitat units occurring within the draft action area.

Critical Habitat Unit	Portion of Critical Habitat Unit Within Draft Action Area	
	Hectares (Acres)	Percent of Unit
Insect		
<i>Manduca blackburni</i> – Maui 1	1503 ha (3715 ac)	94 %
<i>Manduca blackburni</i> – Maui 2	578 ha (1429 ac)	96 %
Plants		
<i>Argyroxiphium sandwicense</i> ssp. <i>macrocephalum</i> – Unit 9	497 ha (1228 ac)	5%
<i>Bidens nigrantha</i> ssp. <i>kalaialaha</i> – Unit 9 b	32 ha (80 ac)	2%
<i>Clermontia lindseyana</i> – Unit 9 b	60 ha (148 ac)	100%
<i>Diellia erecta</i> – Unit 9 a	2 ha (5 ac)	100%
<i>Geranium arboretum</i> – Unit 9 a	145 ha (358 ac)	20 %
<i>Geranium arboretum</i> – Unit 14 b	452 ha (1116 ac)	100%
<i>Geranium arboretum</i> – Unit 15 c	251 ha (621 ac)	38 %

We recommend the following measures be incorporated into the project's Draft Environmental Impact Statement to minimize potential project impacts to listed species:

- Seabirds may traverse the project area at night during the breeding season (February 1 through December 15). Any outdoor lighting, particularly when used during each year's peak fledging period (September 15 through December 15), could result in seabird disorientation, fallout, and injury or mortality. Potential impacts to seabirds can be minimized by shielding outdoor lights associated with the project, avoiding night-time construction, and providing all project staff and residents with information regarding

seabird fallout. All project lights should be shielded so the bulb can be seen only from below.

- Blackburn's sphinx moth may occur in the project area. The adult moth feeds on nectar from native plants including beach morning glory (*Ipomoea pes-caprae*), ilice (*Plumbago zeylanica*), maiapilo (*Capparis sandwicheana*), and the larvae feed upon non-native tree tobacco (*Nicotiana glauca*) and the native (*Nothocestrum latifolium*). All of these species may occur on the project site. We recommend you survey the site for the presence of Blackburn's sphinx moth host plants and if host plants are found, contact our office for further assistance.
- To minimize impacts to the endangered Hawaiian hoary bat, woody plants suitable for bat roosting should not be removed or trimmed during the bat birthing and pup rearing season (April to August). If this avoidance measure can not be implemented, bat surveys should be conducted and, if this species is found, our office should be contacted for additional assistance.
- Development may result in an increased fire risk. A number of recent human-caused fires have escaped containment by the available interagency initial attack fire suppression forces, resulting in significant impacts to listed species and critical habitat in the dry areas of Maui. In the project vicinity, intensive grazing may be reducing fuel load and wildland fire threat to listed resources. The Maui Wildland Fire Coordinating Group is partnering with our office to coordinate the development of fuelbreaks, water sources for firefighting, fire prevention projects, and an increased fire suppression response to minimize the impact of human-caused wildfires to listed plants, animals, and critical habitat on Maui. Agricultural practices implemented by private landowners in the project vicinity could be coordinated to minimize fuel load and fire threat. We recommend you coordinate with Maui County Department of Fire and Public Safety, Hawaii Department of Land and Natural Resources, USDA Farm Service Agency, USDA Natural Resource Conservation Service, adjacent landowners, and our office to ensure any wildland fire risk to listed resources, interdependent with the proposed development, is minimized.
- We recommend the use of native plants for landscaping purposes in order to reduce the spread of non-native invasive species. If native plants do not meet your landscaping objectives, we recommend that you choose species that are thought to have a low risk of becoming invasive. The following websites are good resources to use when choosing landscaping plants: Pacific Island Ecosystems at Risk (<http://www.hear.org/Pier/>), Hawaii-Pacific Weed Risk Assessment (http://www.botany.hawaii.edu/faculty/dachler/wra/full_table.asp) and Global Compendium of Weeds (www.hear.org/gcw/).
- To minimize erosion, sedimentation, and other adverse impacts to aquatic fish and wildlife resources and nearby coral reef ecosystems, we recommend that applicable measures identified in the enclosed list of Standard Best Management Practices (BMP) for fish and wildlife be incorporated into the project's BMP Plan.

PBR Hawaii

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Implementation of these recommendations does not alleviate your responsibilities pursuant to the ESA, if a listed species may be affected by the proposed action. If the proposed project may affect a listed species and the project is funded, authorized, or carried out by a Federal agency, you should request that the Federal agency consult with us under section 7(a)(2) of the ESA. If there is no Federal nexus for the proposed action you should obtain an incidental take permit pursuant to section 10(a)(2)(B) of the ESA if incidental take of a listed species cannot be avoided. If you have questions or would like additional information, please contact Consultation and Technical Assistance Program Fish and Wildlife Biologist, Dawn Greenlee (phone: 808-792-9400; fax: 808-792-9581).

Sincerely,



Patrick Leonard
Field Supervisor



Enclosure

cc:
Office of Environmental Quality Control, State Land Use Commission, Honolulu, Hawaii
Maui Planning Department, Waiuku, Hawaii

Enclosure

**U.S. Fish and Wildlife Service
Recommended Standard Best Management Practices**

The U.S. Fish and Wildlife Service recommends that the following measures be incorporated into projects to minimize the degradation of water quality and impacts to aquatic fish and wildlife resources:

- a. Turbidity and siltation from project-related work will be minimized and contained to within the vicinity of the site through the appropriate use of effective silt containment devices and the curtailment of work during adverse weather conditions;
- b. Dredging and filling in the aquatic environment will be designed to avoid or minimize the loss special aquatic site habitat (pool/riffle areas, wetlands, etc.) and the unavoidable loss of such habitat will be compensated for;
- c. All project-related materials and equipment (dredges, barges, backhoes, etc.) to be placed in the water will be cleaned of pollutants prior to use;
- d. No project-related materials (fill, revetment rock, pipe, etc.) will be stockpiled in the water (stream channels, wetlands, etc.);
- e. All debris removed from the aquatic environment will be disposed of at an approved upland or ocean dumping site;
- f. No contamination (trash or debris disposal, alien species introductions, etc.) of adjacent aquatic environments (stream channels, wetlands, etc.) will result from project-related activities;
- g. Fueling of project-related vehicles and equipment should take place away from the water and a contingency plan to control petroleum products accidentally spilled during the project will be developed. Absorbent pads and containment booms will be stored on-site, if appropriate, to facilitate the clean-up of accidental petroleum releases;
- h. Any under-layer fills used in the project will be protected from erosion with (rock, core-loc units, etc.) as soon after placement as practicable; and
- i. Any soil exposed near water as part of the project will be protected from erosion (with plastic sheeting, filter fabric, etc.) after exposure and stabilized as soon as practicable (with vegetation matting, hydroseeding, etc.).

SEABIRD FRIENDLY LIGHTING SOLUTIONS



Help eliminate seabird light attraction. Select the best fixture for your application using this guide. Avoid uplighting, always shield floodlights, and aim downlights carefully to avoid light trespass. For more information go to www.kaui-seabirdhcp.info.

Unacceptable / Discouraged

Fixtures that produce glare and light trespass

Acceptable

Fixtures that shield the light source to minimize glare and light trespass and to facilitate better vision at night

Shielded floodlight that is angled correctly

Unshielded floodlight that is angled incorrectly



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PRINCIPALS
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Dr. Loyal Mehrhoff
 U.S. Fish and Wildlife Service
 Pacific Islands Fish and Wildlife Office
 300 Ala Moana Boulevard, Room 3-22, Box 50088
 Honolulu, Hawaii 96850

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Dr. Mehrhoff:

Thank you for your letter dated July 2, 2010 (Reference: 2010-TA-0286) addressed to Honua'ula Partners, LLC's representative Charles Jencks regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application.

Over the course of the last two years representatives of Honua'ula Partners, LLC and their consultants SWCA, Inc., have met with the United States Fish and Wildlife Service (USFWS) and the State Department of Land and Natural Resources (DLNR) Division of Forestry and Wildlife (DOFAW) to seek solutions regarding: 1) the size of Native Plant Preservation Area required under County of Maui Ordinance No. 3554 Condition 27; and 2) endangered wildlife species (with particular attention to the Blackburn's sphinx moth) that may be impacted as a result of the development of Honua'ula.

As a result of these meetings Honua'ula Partners, LLC proposes both on- and off-site measures to protect native plants and habitat for the Blackburn's sphinx moth. In addition, Honua'ula Partners, LLC will finalize its draft Habitat Conservation Plan (HCP) to provide: 1) measures to offset the potential impact of Honua'ula on two Covered Species (Blackburn's sphinx moth and nene); and 2) avoidance and minimization measures expected to avoid any negative impacts on five additional endangered species (the Hawaiian duck, Hawaiian silt, Hawaiian cormorant, Hawaiian petrel, and Hawaiian Hoary bat), one threatened species (Newell's shearwater), one candidate endangered species ('āwīkiwiki), and the Hawaiian short-eared owl (pueo). The HCP will be in support of an Incidental Take Permit (ITP) for Blackburn's sphinx moth and nene in accordance with Section 10(a)(1)(B) of the federal Endangered Species Act (ESA) of 1973, as amended, and an Incidental Take License (ITL) in accordance with Chapter 195D, Hawai'i Revised Statutes (HRS).

As the planning consultant for the landowner, Honua'ula Partners, LLC, below we provide responses to the concerns in your July 2, 2010 letter as they will be addressed in the Final EIS. The HCP will more fully address many of the concerns but the information in the Final EIS and HCP will be consistent. The organization of this letter follows the headings of your letter.

We note that the beginning portion of your letter provides an overview of Honua'ula and consultation with the United States Fish and Wildlife Service (USFWS) since 2008. Below we respond to your specific comments.

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Hawaiian Hoary Bat

As discussed in Section 3.7 (Wildlife Resources) of the Draft EIS, a single endangered Hawaiian hoary bat was sighted flying seaward over the Property during a survey in 2009, but no evidence of roosting or foraging was observed. Although no evidence of roosting by bats has been found within the Property, Honua'ula Partners, LLC agrees to minimize the potential for harm to juvenile Hawaiian hoary bats by avoiding removal and trimming of trees greater than 15 feet tall during the peak pup rearing season, between June 1 and September 15.

To include the relevant above information in the Final EIS, along with additional information from USEFWS, in the Final EIS Section 3.7 (Wildlife Resources) will be revised as shown on the attachment titled "Wildlife Resources."

Listed and Migratory Seabirds

Section 3.7 (Wildlife Resources) of the Draft EIS discusses mitigation measures to minimize potential impacts to native birds and states that outdoor lighting will be shielded in compliance with Chapter 20.35 (Outdoor Lighting), Maui County Code.

We note that seabirds may traverse the Property at night during the breeding season (February 1 through December 15). Any outdoor lighting could result in seabird disorientation, fallout, injury, and mortality. Young birds (fledglings) traversing the Property between September 15 and December 15, in their first flights from mountain nests to the sea, are particularly vulnerable. Seabirds are attracted to lights and after circling the lights they may collide with nearby wires, buildings, or other structures or they may land on the ground due to exhaustion. Downed seabirds are subject to high mortality caused by collision with automobiles, predation by dogs, cats, and wild animals, and starvation.

To include the additional information you provided regarding seabirds, as well as your recommendations in your letter under the heading "Other Endangered Bird Species," in the Final EIS, in the Final EIS Section 3.7 (Wildlife Resources) will be revised as shown on the attachment titled "Wildlife Resources."

Other Endangered Bird Species

As recommended, Honua'ula Partners, LLC will implement measures prohibiting the free movement of pets, discouraging the feeding of feral animals, and preventing increases in the populations of house mice, rats, mongoose, and feral cats. To include this information in the Final EIS, in the Final EIS Section 3.7 (Wildlife Resources) will be revised as shown on the attachment titled "Wildlife Resources."

Blackburn's Sphinx Moth & Native Dry Shrubland Ecosystem/Important Plant Habitat

The response to your comments under these two headings in your letter is provided below, as these two subject areas are interrelated.

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Since June of 2010 Honua'ula Partners, LLC has met with DLNR and USEFWS on many occasions to reach agreement regarding satisfaction of County of Maui Ordinance No. 3554 Condition 27, which requires the establishment of a Native Plant Preservation Area that "shall not be less than 18 acres and shall not exceed 130 acres" on "the portion of the [Honua'ula] property south of latitude 20°40'15.00"N." The area of Property south of latitude 20°40'15.00"N, comprises an approximately 170-acre 'a'ā lava flow characterized as kiawe-wiliwili shrubland. Based on the presence of the non-native tree tobacco (*Nicotiana glauca*) and native host plants for the endangered Blackburn's sphinx moth, the USEFWS also expressed concern that "habitat loss within the project site could adversely impact Blackburn's sphinx moth populations within this region of Maui."

As a result of the meetings with DLNR and USEFWS, Honua'ula Partners, LLC proposes both on- and off-site measures to protect and enhance native plants and habitat for the Blackburn's sphinx moth (*Manduca blackburni*) as discussed below.

On-Site Native Plant Preservation Area and Native Plant Conservation Areas

Native Plant Preservation Area – In compliance with County of Maui Ordinance No. 3554 Condition 27, Honua'ula Partners, LLC will establish a perpetual on-site conservation easement (Native Plant Preservation Area) over an area of approximately 40 acres within the kiawe-wiliwili shrubland south of latitude 20°40'15.00"N. This 40-acre area contains the highest density of native plants within the Property, and will include all five 'āwīkīwī plants that were alive in 2009 and the majority of the nehe plants at the Property. The Native Plant Preservation Area will be actively managed in accordance with the Conservation and Stewardship Plan (included as Appendix F of the Draft EIS). Management actions will include removal and exclusion of ungulates (deer, cattle, goats, and pigs), removal and control of noxious invasive weeds and plants, and propagation of native plants from seeds collected on the Property.

The scope of the Native Plant Preservation Area will be set forth in an agreement between Honua'ula Partners, LLC and the County that shall include:

- A commitment from Honua'ula Partners, LLC for the perpetual protection and preservation of the Native Plant Preservation Area for native Hawaiian dry shrubland plants
- Containing use of the Native Plant Preservation Area to activities consistent with the purpose and intent of the Native Plant Preservation Area;
- Prohibiting development in the Native Plant Preservation Area other than fences and interpretive trails. Interpretive trails will be minimal in size, and shall not consist of imported materials or hardened surfaces; care will be taken to minimize impacts to native plants during establishment of trails.

The Native Plant Preservation Area will be managed by a Natural Resources Manager in accordance with the Conservation and Stewardship Plan (included as Appendix F of the Draft EIS) which was drafted in compliance with Condition 27. The overall goal of the Conservation and Stewardship Plan is to protect native plants and animals within Honua'ula. Secondary goals are to cooperate with researchers in furthering the science of native plant propagation and provide education and outreach opportunities.

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Native Plant Conservation Areas – In addition to the Native Plant Preservation Area, Native Plant Conservation Areas will be located throughout the Property including adjacent to both the golf course and the Native Plant Preservation Area. The areas will include:

- All the existing natural gulches throughout the Property (28 acres);
- Ungraded conservation areas (eight acres) in which existing native plants will be protected and that will be managed as natural areas; and
- Areas containing naturalized landscape in which existing native vegetation will be conserved or enhanced through propagation of native species from seeds collected on the Property.

Combined these areas will add an additional conservation area of at least 36 acres in which existing native plants will be protected. Management strategies employed for these Plant Conservation Areas will be in accordance with the Conservation and Stewardship Plan.

Off-Site Mitigation Areas

For off-site mitigation, Honua'ula Partners, LLC will:

1. Acquire a perpetual conservation easement of approximately 224-acres on a currently unprotected portion of property owned by Ulupalakua Ranch adjacent to the eastern boundary of the State of Hawaii Kanaio Natural Area Reserve; and
2. Fund and implement the continuation and expansion of restoration efforts within the Auwahi Forest Restoration Project area, just north of the Kanaio Natural Area Reserve, including fencing of approximately 130 acres, ungulate removal, and plant restoration activities.

The Kanaio and Auwahi areas have been pinpointed by USFWS, USGS, Medeiros, Loope, and Chimera (1993), VanGelder and Conant (1998), Price et al (2007), and The Nature Conservancy to be of high value for Blackburn's sphinx moth habitat and native dryland forest and shrubland species including wiliwili and a number of threatened and endangered species. While it may be debated that there are additional areas in Southeast Maui with geology, slope, rainfall, and plant species composition similar to the Honua'ula Property, such areas are either already protected or simply not available for acquisition from their owners.

Kanaio Natural Area Reserve Conservation Easement – The proposed approximately 224-acre perpetual conservation easement adjacent to the eastern boundary of the Kanaio Natural Area Reserve harbors 171 species of plants, 40 percent of which are native to the Hawaiian Islands (19 indigenous species and 49 endemic species). In comparison, Honua'ula harbors 146 species of plants, of which 27 percent were native (26 indigenous species, and 14 endemic species).

This area, which contains native dry land habitat, is considered to be particularly high quality habitat for the Blackburn's sphinx moth, due in large part to the presence of many native host plants for both adult and juvenile life stages of the Blackburn's sphinx moth.

As part of Honua'ula Partners, LLC's conservation efforts, the eight-foot ungulate fence that currently exists along the eastern and southern border of the approximately 224-acre area will be

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extended along the remaining borders of the parcel, and ungulates will be removed from the enclosure. A 10-foot wide fire break will be established along the inside perimeter of the fence to minimize the risk of fires started outside the parcel from entering the mitigation area. In addition, a cross fencing plan for adjacent ranch land is being developed in coordination with Ulupalakua Ranch. Cross fencing will be designed to facilitate cattle grazing in such a pattern to enhance fire control immediately adjacent to the protected area. The fence and fire breaks will be maintained in perpetuity.

Auwahi Forest Restoration – At the Auwahi Forest Restoration Project, Honua'ula Partners, LLC will fund and implement a 15-year restoration program covering an area of approximately 130-acres. This will include: a) fencing of, and ungulate removal from, approximately 130 acres of Blackburn's sphinx moth conservation area; and b) dry forest restoration to benefit the Blackburn's sphinx moth, and native dry shrubland plant species. Restoration activities will include removal of invasive weeds and propagation and out-planting of native species, including many native host plants for both adult and juvenile life stages of the Blackburn's sphinx moth.

While an eight foot fence already exists around the entire 184-acre Auwahi Forest Restoration Project, some cattle grazing continues in most of the area within the enclosure. As part of the program funded and implemented by Honua'ula Partners, LLC, cattle fences will be moved or installed and cattle will be removed from restoration areas.

Restoration efforts at the Auwahi Forest Restoration Project started in 1997 have been very successful, with 28 native species naturally reproducing after only 10 years of restoration efforts. The mitigation program implemented by Honua'ula Partners, LLC will build on this success, and will include mechanical and chemical removal of invasive plant species and enhancement of the native vegetation through propagation. A 10-foot wide fire break will be established along the inside perimeter of the fence, and the cross-fencing plan described above will benefit the Auwahi mitigation area as well as the Kanaio conservation easement area. Honua'ula Partners, LLC will establish an endowment to ensure that fences, firebreaks, and restored areas will be maintained in perpetuity.

Net Conservation Benefit

The proposed on- and off-site measures to protect native plants and Blackburn's sphinx moth habitat proposed by Honua'ula Partners, LLC provide a net conservation benefit (as required under Chapter 195D, HRS) through: a) the protection and propagation of additional native host plants for both larval and adult Blackburn's sphinx moth (including the native host species 'aiea (*Nolthocestrum spp.*) and halapepe (*Pleionele spp.*); and b) creation and protection of a higher number species of native host plants than currently exists on the Property. The proposed on- and off-site mitigation areas together provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of native dryland plants, including wiliwili. Through the perpetual protection and enhancement of these areas, a stable core habitat area will be secured for the moth, providing net benefit to this covered species, as well as a large number of additional native dryland species.

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To implement the on- and off-site mitigation measures Honua'ula Partners, LLC, will finalize its draft HCP. The on- and off-site mitigation areas will be subject to the approval of the HCP USFWS and DLNR. The purpose of the HCP is to:

1. Offset the potential impact of Honua'ula on two Covered Species (Blackburn's sphinx moth and nēnē) with measures to protect and provide a net benefit to these species; and
2. Provide avoidance and minimization measures expected to avoid any negative impacts on five additional endangered species (the Hawaiian duck, Hawaiian silt, Hawaiian coot, Hawaiian petrel, and Hawaiian Hoary bat), one threatened species (Newell's shearwater), one candidate endangered species (*ʻāwīkīwīki*), and the Hawaiian short-eared owl (pueo).

The HCP will be in support of an Incidental Take Permit (ITP) in accordance with Section 10(a)(1)(B) of the federal Endangered Species Act (ESA) of 1973, as amended, and an Incidental Take License (ITL) in accordance with Chapter 195D, HRS. The HCP will include: specific avoidance, minimization, and mitigation measures; measures of success, and implementation specifics, including details on administration, monitoring and reporting, and funding.

Honua'ula Partners, LLC will fund the initial 15-year period covered by the HCP and the ITP/ITL. To secure funding in perpetuity for the maintenance of the on- and off-site mitigation areas after the initial 15-year period, Honua'ula Partners, LLC will establish an endowment, which will be overseen by the Honua'ula Master Home Owners' Association with financial management provided by a licensed real property management company.

To include the relevant information above in the Final EIS, in the Final EIS Section 3.6 (Botanical Resources) and Section 3.7 (Wildlife Resources) will be revised as shown on the attachments titled "Botanical Resources" and "Wildlife Resources."

In further responding to the comments in your letter under the heading, "Native Dry Shrubland Ecosystem/Important Plant Habitat," we note that on page 5 of your letter it is stated:

...we suggest that a 130-acre (56 hectare) Native Plant Preservation Area, located within the southern portion of the property, be incorporated into the preferred alternative. Alternatively, you discuss the project alternatives (Section 6.0) in your Final EIS should thoroughly address any reasons conservation of the entire southern area was not included selected [sic] as the preferred alternative.

In response to your request to address reasons why a 130-acre Native Plant Preservation Area was not incorporated into the preferred alternative, we maintain that a Native Plant Preservation Area of 130 acres would result in significant changes to the Conceptual Master Plan, resulting in conflicts with several provisions of Chapter 19.90A, Maui County Code (MCC). A Native Plant Preservation Area of 130 acres would necessitate shifting a significant number of single-family and multi-family homes to the northern section of the Property, thereby increasing density in this area. It would also significantly change the golf course layout or possibly make a golf course altogether infeasible. Simply reducing the number of homes or not providing a golf course could make Honua'ula economically unfeasible in light of the significant on- and off-site improvements required as conditions of County of Maui Ordinance No. 3554. Reducing the number of homes and/or not providing a golf course would also dramatically decrease the economic benefits of

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Honua'ula, such as property tax revenues to the County, total gross tax revenues to the State; and impact fees paid to the County and State by Honua'ula Partners LLC.

To provide an alternative discussing a 130-acre Native Plant Preservation Area, which includes and elaborates on, the above information in the Final EIS, in the Final EIS Chapter 6 (Alternatives) will be revised to include the information shown on the attachment labeled "Alternatives."

Increased wildfire threat

As noted in your letter, SWCA's Conservation and Stewardship Plan (included as Appendix F of the Draft EIS) indicates that a Natural Resources Manager will be hired to develop a fire control plan in coordination with resource agencies and fire department officials. The Conservation and Stewardship Plan also contains other objectives regarding fire control, which are summarized in Section 3.6 (Botanical Resources) of the Draft EIS.

We note that fire suppression resource response by fire engines and heavy equipment would be necessary within the first 45 minutes of fire ignition to contain a wildfire. As stated in Section 4.10.3 (Fire) of the Draft EIS, the nearest fire station to Honua'ula is the newly built Wailea Fire Station located approximately one half mile from the Property, less than five minutes away. In addition, there are three other fire stations within 20 minutes of the Property.

As recommended and as stated in Section 3.4.5 (Wildfires) and Section 3.6 (Botanical Resources) of the Draft EIS, Honua'ula will implement a fire control program in coordination with the Maui County Department of Fire and Public Safety and resource agencies, which will include firebreaks, to help protect native plant preservation and conservation areas. The program will include the creation of a fire break immediately outside of the perimeter of the Native Plant Preservation Area. The golf course, which will abut portions of the Native Plant Preservation Area and other Native Plant Areas, will act as a fire break to protect native plants. Other fire mitigation measures include the use of lava rock and other non-flammable materials in building and landscaping.

To include the relevant above information in the Final EIS, Section 3.4.5 (Wildfires) will be revised as follows:

Wildfires

Currently, vegetation on the Property includes ~~kiawe~~~~buffel~~~~grass~~ non-native buffel grass (*Cenchrus ciliaris*), non-native kiawe trees (*Prosopis pallida*), native wiliwili trees (*Erythrina sandwicensis*), and a dense understory of native 'ilima shrubs (*Sida fallax*). ~~Kiawe~~~~buffel~~ Buffel grass, which is the most common grass on the Property, can easily carry fire.

Human carelessness is the number one cause of fires in Hawai'i. In Maui County the number of wildfires has increased from 118 in 2000 to 271 in 2003. Human error combined with the spread of non-native invasive grasses, shrubs, and trees, has led to an increased susceptibility to wildfires. According to Maui Fire Department data, Kihel-Makana's susceptibility of wildfire is high. Between 2005 and 2010 there were 201 wildfires in the Kihel-Makana area. The majority of those fires were of undetermined cause, 32 were caused by operating equipment, four were from a type of arch or flame,

Dr. Loyal Mehrhoff
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five were caused by fireworks, and five were from smoking materials. Approximately 2,180 acres were burned during this five-year period.

POTENTIAL IMPACTS AND MITIGATION MEASURES

The occurrence of natural hazards cannot be predicted, and should one occur, it could pose a risk to life and property. Honua'ula, however, will neither exacerbate any natural hazard conditions nor increase the Property's susceptibility or exposure to any natural hazards.

Due to its location and elevation, the probability of the Property being affected by flooding or tsunami is minimal. However, to protect against natural hazards, including earthquakes and wildfires, all structures at Honua'ula will be constructed in compliance with requirements of the Uniform Building Code (UBC), and other County, State, and Federal standards. Fire apparatus access roads and water supply for fire protection will be provided in compliance with the Uniform Fire Code.

The creation of Honua'ula will mitigate the potential for wildfires on the Property through its landscape design and plant palette. In large part, vegetative fuel for fires, such as non-native kiawe trees and buffelgrass, will be replaced by buildings and landscaping of the community, thereby decreasing the Property's susceptibility to wildfires. Honua'ula Partners, LLC will implement a fire control program in coordination with the Maui County Department of Fire and Public Safety and resource agencies, which will include firebreaks to help protect native plant preservation and conservation areas (see Section 3.6, Botanical Resources) to insure the success of plant propagation and conservation efforts. Buffer areas between Honua'ula and Maui Meadows and along Pihani Highway will also act as fire breaks, as will the golf course. Other fire mitigation measures include the use of lava rock and other non-flammable materials in building and landscaping, and creating a trail system, which will act as a fire break.

The USFWS recommends fire suppression resource response by fire engines and heavy equipment be within the first 45 minutes of fire ignition. The Maui Fire Department is responsible for fire suppression in the district. The fire station nearest Honua'ula is the newly built Wailea Fire Station located at the intersection of Kilohana Drive and Kapili Street between Pihani Highway and South Kihei Road, less than five minutes away. The Wailea Station is approximately one half mile from the Property and is equipped with a 1,500 gallon per minute apparatus, a 95-foot mid-mount ladder truck and a 3,500 gallon water tanker truck. In addition, an emergency helipad and fuel dispensing station is located mauka of the fire station (see Section 4.10.3 (Fire) for information regarding fire control and response).

To help address the growing need for fire prevention and emergency services, in compliance with County of Maui Ordinance No. 3554 (Condition 24), Honua'ula Partners, LLC will provide the County with two acres of land that has direct access to the Pihani Highway extension for the development of fire control facilities within the Honua'ula Village Mixed-Use sub-district. This land will be donated at the time 50 percent of the total unit/lot count has received either a certificate of occupancy or final subdivision approval. The land provided will have roadway and full utility services provided to the parcel.

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Impacts from natural hazards can be further mitigated by adherence to appropriate civil defense evacuation procedures. Honua'ula will coordinate with the State of Hawai'i Department of Defense, Office of Civil Defense and the County of Maui Civil Defense Agency regarding civil defense measures, such as sirens, necessary to serve Honua'ula.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC
Paul Conry, Department of Land and Natural Resources Division of Forestry and Wildlife
Scott Fretz, Department of Land and Natural Resources Division of Forestry and Wildlife

Attachments: Wildlife Resources
Botanical Resources
Alternatives

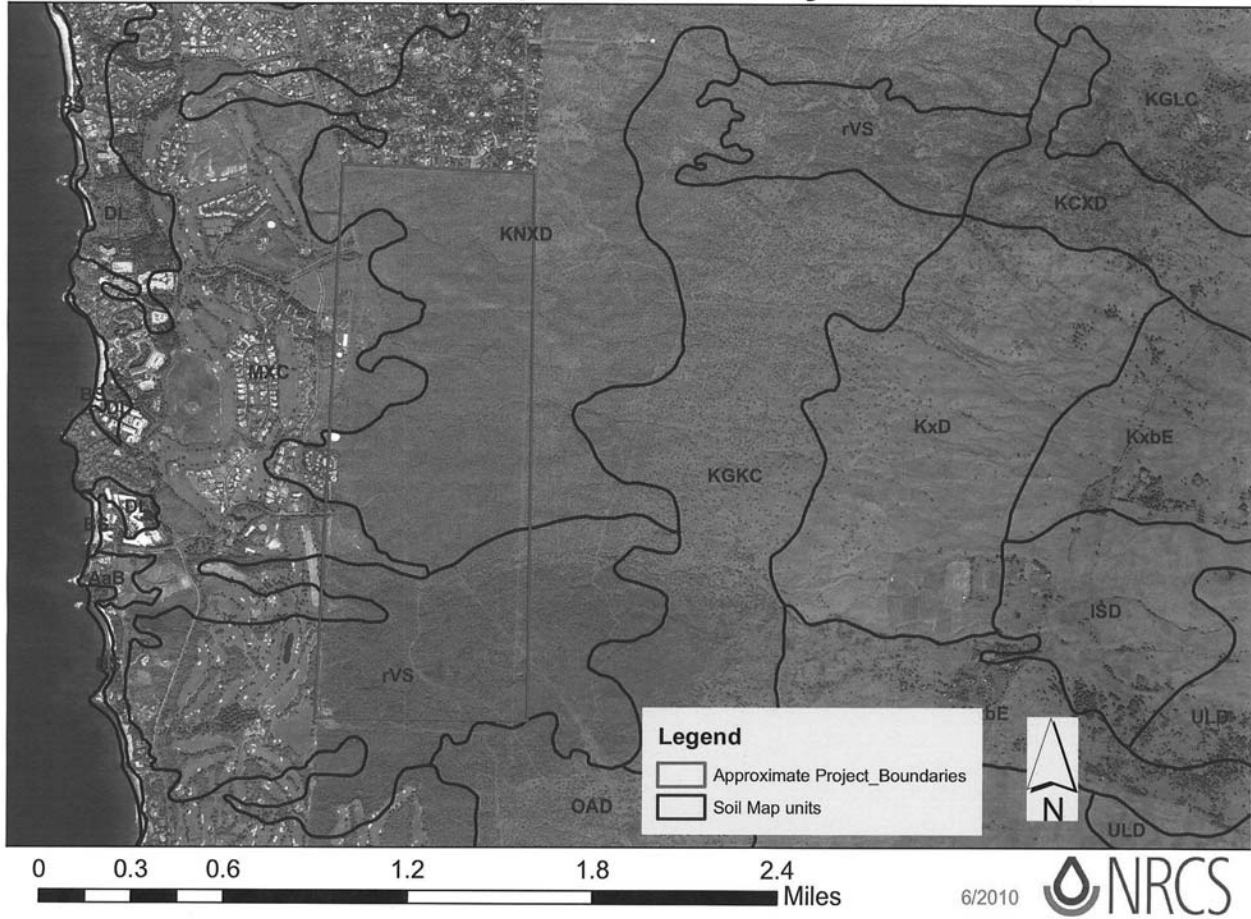
Literature Cited

Medeiros, A.C., L.L. Loope, and C. Chimera. 1993. Biological inventory and management recommendations for Kanaio Natural Area Reserve. Report to Hawaii Natural Area Reserve Commission. Haleakala National Park.

Price, J.P., S.M. Gon, J.D. Jacobi, and D. Matsuwaki. 2007. Mapping Plant Species Ranges in the Hawaiian Islands: Developing a Methodology and Associated GIS Layers. Hawai'i Cooperative Studies Unit, University of Hawai'i at Hilo, Tech. Rept. HSCU-008.

Van Gelder, E., and S. Conant. 1998. Biology and conservation of *Manduca blackburni*. Report to U.S. Fish and Wildlife Service, Honolulu, Hawai'i. 52 pp.

Soils Map Honua`ula Project



United States Department of Agriculture



Natural Resources Conservation Service
P.O. Box 50004 Rm. 4-118
Honolulu, HI 96850
808-541-2600

June 1, 2010

PBR Hawaii
Tom Schnell
ABS Tower, Suite 650
1001 Bishop Street
Honolulu, Hawaii 96813

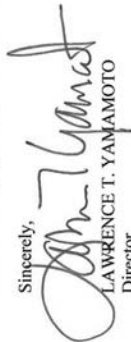
Dear Mr. Schnell,

Thank you for providing the USDA-Natural Resources Conservation Service with the opportunity to review the Draft Environmental Impact Statement for the Honua`ula Project, Kitei-Makena Maui, Hawaii. Please find enclosed the NRCS Soil Survey Map and soil reports. In review of this project site location it was found that no Prime or other Important Farmlands exist. With this acknowledged there will not be any farmland conversion impacts to this site or the necessity to complete a Farmland Conversion Impact Rating Form (AD-1006). The soil mapping does not identify any hydric soils in this project area. Hydric soils identify potential areas of wetlands. If wetlands do exist, any proposed impacts to these wetlands would need to demonstrate compliance with the "Clean Water Act", and may need an Army Corp of Engineers 404 permit.

The enclosed Soil Survey Map identifies the soil map units in the project area. The soil reports provide selected soil properties and interpretations: Dwellings without Basements, Local Roads and Streets, soil layers with USDA textures, and engineering classifications. The limitation ratings for Dwellings W/O Basements range from moderate to severe. These ratings do not preclude the intended land use, however they do identify potential limitations for the use, which may require corrective measures, increase costs, and/or require continued maintenance.

If you have any questions concerning the soils for this project please contact, Tony Rolfes, Assistant State Soil Scientist, by phone (808) 541-2600 x129 or email, Tony.Rolfes@hi.usda.gov.

Sincerely,


LAWRENCE T. YAMAMOTO
Director
Pacific Islands Area

cc: Michael Robotham, Assistant Director for Soil Science and Natural Resource Assessments,
Honolulu, HI

Enclosures:

Helping People Help the Land
An Equal Opportunity Provider and Employer

Engineering Properties

Island of Maui, Hawaii

Absence of an entry indicates that the data were not estimated. The asterisk "*" denotes the representative texture; other possible textures follow the dash.

Map symbol and soil name	Depth	USDA texture	Classification		Fragments		Percent passing sieve number--				Liquid limit	Plasticity index
			Unified	AASHTO	>10 Inches	3-10 Inches	4	10	40	200		
KNXD:												
Keawakapu, extremely stony	0-9	Extremely stony silty clay loam	ML-K (propose d)	A-7	5-15	25-45	90-100	85-95	80-95	70-95	40-50	10-20
	9-18	Silty clay	ML-K (propose d)	A-7	0-10	0-10	90-100	85-95	85-95	75-95	40-50	10-20
	18-28	Extremely cobbly material	GP, GP-GM	A-1	15-50	15-50	5-20	0-5	0-5	0-5	0	NP
MXC:												
Makena	0-4	Loam	ML-A (propose d)	A-4	0	0	100	100	85-95	60-75	30-40	NP-5
	4-23	Silt loam	ML-A (propose d)	A-4	0-5	0-5	95-100	95-100	90-100	70-90	30-40	NP-5
	23-44	Cobbly silt loam	ML-A (propose d)	A-2-4, A-3	0-5	15-25	95-100	90-100	80-100	0-5	30-40	NP-5
	44-60	Extremely cobbly material	GP, SP, SP-SM	A-1	5-15	60-80	0-20	0-5	0-5	0	0	NP
Stony land	0-5	Extremely stony silty clay loam	CL-K (propose d)	A-6, A-7	30-50	20-35	80-90	75-85	70-85	65-75	35-45	15-25
	5-10	Extremely stony silty clay, Extremely stony silty clay loam	CL-K (propose d)	A-6, A-7	30-50	20-35	80-90	75-85	70-85	65-75	35-45	15-25
	10-14	Bedrock	---	---	0	0	0	0	0	0	0	NP

Selected Soil Interpretations

Island of Maui, Hawaii

[The information in this table indicates the dominant soil condition but does not eliminate the need for onsite investigation. The table shows only the top five limitations for any given soil. The soil may have additional limitations]
*This soil interpretation was designed as a "limitation" as opposed to a "suitability". The numbers in the value columns range from 0.01 to 1.00. The larger the value, the greater the potential limitation.

Map symbol and soil name	Pct. of map unit	ENG - Dwellings w/o Basements (H) *		ENG - Local Roads and Streets		URB/REC - Lawn, Landscape, Golf Fairway (H) *	
		Rating class and limiting features	Value	Rating class and limiting features	Value	Rating class and limiting features	Value
KNXD: Keawakapu, extremely stony	100	Moderate Slopes 8 to 15% Fragments (>3") 25 to 50%	0.85	Somewhat limited Slope Large stones content	0.96	Severe Fragments > 3" > 30% Slopes 8 to 15% AWC 2-4" to 40"	1.00
		Moderate Slopes 8 to 15%	0.74	Somewhat limited Slope	0.74	Moderate Slopes 8 to 15%	0.96
		Moderate Slopes 8 to 15%	0.43	Very limited Depth to soft bedrock Large stones content Shrink-swell Slope	0.37	Severe Fragments > 3" > 30% AWC < 2" to 40" Bedrock depth < 20" Slopes 8 to 15%	0.77
MXC: Makena	50	Moderate Slopes 8 to 15%	0.15	Somewhat limited Slope	0.04	Moderate Slopes 8 to 15%	0.04
		Severe Bedrock (soft) < 20" depth Fragments (>3") >50% Slopes 8 to 15%	1.00	Very limited Depth to soft bedrock Large stones content Shrink-swell Slope	1.00	Severe Fragments > 3" > 30% AWC < 2" to 40" Bedrock depth < 20" Slopes 8 to 15%	1.00
rVS: Very stony land	100	Severe Fragments (>3") >50% Slopes > 15%	1.00	Very limited Large stones content Slope	1.00	Not Rated	1.00
		Severe Fragments (>3") >50% Slopes > 15%	1.00	Very limited Large stones content Slope	1.00	Not Rated	1.00



May 31, 2012

Lawrence T. Yamamoto, Director
 US Department of Agriculture
 Natural Resources Conservation Service
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 Honolulu, HI 96850

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SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Yamamoto:

Thank you for your letter dated June 1, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments.

Thank you for providing information regarding: 1) that there are no Prime or other Important Farmlands or hydric soils on the property; and 2) selected soil properties and interpretations. To include this information in the Final EIS, in the Final EIS Section 3.3.1 (USDA Soil Conservation Service Soil Survey) will be revised to include the following information:

In their comment letter on the Draft EIS dated June 1, 2010, the USDA Natural Resources Conservation Service stated:

- *In review of this project site location it was found that no Prime or other Important Farmlands exist. With this acknowledged there will not be any farmland conversion impacts to this site or the necessity to complete a Farmland Conversion Impact Rating Form (AD-1006).*
- *The soil mapping does not identify any hydric soils in this project area. Hydric soils identify potential areas of wetlands.*
- *The soil reports attached with the USDA-SCS Natural Resources Conservation Service letter, see Chapter 12, provide selected soil properties and interpretations: Dwellings without Basements, Local Roads and Streets, soil layers with USDA textures, and engineering classifications. The limitation ratings for Dwellings W/O Basements range from moderate to severe. These ratings do not preclude the intended land use, however they do identify potential limitations for the use, which may require corrective measures, increased costs, and/or continued maintenance.*

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
 Senior Associate

cc: William Spence, Maui Planning Department
 Charles Jencks, Honua'ula Partners, LLC

O:\JOB\19\1905.08\Honuaula-EIS\EIS\DEIS\Comments\Responses\Agency\Final\USDA NRC\5.doc

Engineering Properties

Island of Maui, Hawaii

Map symbol and soil name	Depth	USDA texture	Classification		Fragments		Percent passing sieve number--				Liquid limit	Plasticity index
			Unified	AASHTO	>10 Inches	3-10 Inches	4	10	40	200		
	<i>In</i>				<i>Pct</i>	<i>Pct</i>					<i>Pct</i>	
rVS: Very stony land	0-10	Extremely stony very fine sandy loam	MH-A (propose d), SM	A-7	35-55	30-50	90-95	85-90	80-85	35-55	50-60	10-20
	10-60	Extremely cobbly material	GP, GP-GM	A-1	35-55	25-45	0-20	0-10	0-5	0-5	0-14	NP

CHARMAINE TAVARES
Mayor
CHERYL K. OKUMA, Esq.
Director
GREGG KRESGE
Deputy Director



COUNTY OF MAUI
DEPARTMENT OF
ENVIRONMENTAL MANAGEMENT
2200 MAIN STREET, SUITE 100
WAILUKU, MAUI, HAWAII 96793

June 14, 2010

MEMO TO: KATHLEEN AOKI, PLANNING DIRECTOR

FROM: CHERYL K. OKUMA, DIRECTOR OF ENVIRONMENTAL MANAGEMENT

SUBJECT: HONU'ULA
PH2 2010/0001 AND EIS 2009/0001
TMK (2) 2-1-008:056 AND 071, KIHEI

Digitally signed by Gregg
Kresge
Date: 2010.06.17 09:58:43
-1000'

We reviewed the subject application and have the following comments:

1. Solid Waste Division comments:
 - a. None. Solid waste and recycling issues are addressed.
2. Wastewater Reclamation Division (WWRD) comments:
 - a. Since the proposed collection and treatment process will be privately owned and maintained, we have no comments at this time.

If you have any questions regarding this memorandum, please contact Gregg Kresge at 270-8230.



May 31, 2012

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RECEIVED
TRACY TAKAMINE, P.E.
Solid Waste Division
GREGG KRESGE, P.E.
Wastewater Reclamation
Division
JUN 17 AM 11:12

SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Ginoza:

We have received the Department of Environmental Management's (DEM) memo addressed to the Maui Planning Department dated June 14, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to DEM's comments.

Solid Waste Division

We acknowledge that the Solid Waste Division has no comments.

Wastewater Reclamation Division (WWRD)

We acknowledge that the WWRD has no comments at this time since the proposed collection and treatment process will be privately owned and maintained.

We thank DEM for reviewing the Draft EIS. The DEM letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC



>>> Paul Haake 6/1/2010 1:34 PM >>>
 Project : Honua'ula
 PH2 2010/0001 EIS 2009/0001
 TMK (2) 2-1-008:056 & 071
 Kihei-Wakana

Dear Ann,

Thank you for the allowing our office the opportunity to comment on this proposed project. At this time, our office does not have any comments specific to the this project. We do reserve the right to comment specifically during the subdivision process and the building permit process. The County is currently in the 1997 Uniform Building and Fire Code with amendments. In the near future, we will be enforcing NFPA 1 2006 edition as the County's fire code.

If there are any questions or comments, please feel free to contact me by mail or at 244-9161 ext. 23.

Sincerely,

Paul Haake
 Fire Prevention Bureau Captain
 313 Manea Place Wailuku, HI 96793
 244-9161 ext. 23
 244-1363 fax

----- County of Maui.
 IT Security measures will reject attachments larger than 12 MB, and will block or quarantine high-risk file types in attachments.

May 31, 2012

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Paul Haake, Captain
 County of Maui
 Fire Prevention Bureau
 313 Manea Place
 Wailuku, HI 96793

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Haake:

Thank you for your e-mail dated June 1, 2010 addressed to Ann Cua of the Maui Planning Department regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments.

We acknowledge that the Department of Fire and Public Safety has no comments or recommendations at this time but you reserve the right to comment specifically during the subdivision and building permit process.

We understand that the County is currently in the 1997 Uniform Building and Fire Code with amendments but in the near future the Department of Fire and Public Safety will be enforcing National Fire Protection Association (NFPA) 1 2006 edition as the County's fire code. Honua'ula Partners, LLC will comply with the fire code in effect at the time of construction.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
 Senior Associate

cc: William Spence, Maui Planning Department
 Charles Jencks, Honua'ula Partners, LLC



DEPARTMENT OF
HOUSING AND HUMAN CONCERNS
COUNTY OF MAUI

CHARMAINE TAVARES
Mayor
LORI TSUJHAKO
Director
JO-ANN RIDAO
Deputy Director

200 SOUTH HIGH STREET - WAILUKU, HAWAII 96793 • PHONE (808) 270-7805 • FAX 270-7165 • EMAIL director.hhc@mauicounty.gov



DEPARTMENT OF
HOUSING AND HUMAN CONCERNS
HOUSING DIVISION
COUNTY OF MAUI

CHARMAINE TAVARES
Mayor
LORI TSUJHAKO
Director
JO-ANN T. RIDAO
Deputy Director

35 LUNALILO STREET, SUITE 102 • WAILUKU, HAWAII 96793 • PHONE (808) 270-7351 • FAX (808) 270-6284

Date: May 4, 2010
To: **Ann Cua**, Deputy Director, Department of Planning
From: Wayde Oshiro, Housing Administrator, Housing and Human Concerns
Subject: **Preliminary Planning Review**
Applicability to Residential Workforce Housing Policy
Chapter 2.96, MCC; effective 12/5/2006

Project Name: **HONU'A'ULA**
Applicant: **Honua'ula Partners, LLC (Charles Jencks)**
Subject I.D.: **(PH2 2010/001) (EIS 2009/0001)**
TMK: **(2)2-1-008:056 and 071, Portions of (2)2-1-008:999, 043, 090, 108, 054, and 001; (2)2-2-002:050 por., and 054 por.**

Determination:

- Not-Applicable**
Does not meet applicability as set forth in 2.96.030(A), MCC
- Applicable**
- No Exemptions**
- Exemptions: (2.96.030)**
 - B.1. An executed affordable housing agreement, currently in effect and approved prior to the effective date of chapter.
 - B.2. A development subject to a change in zoning condition that requires affordable or residential workforce housing.
 - B.3. A subdivision granted preliminary subdivision approval prior to the effective date of this chapter. (12/5/2006)
 - B.4. A building permit application submitted prior to the effective date of this chapter.
 - B.5. A family subdivision, for immediate family members, as described in sections 18.20.280(B)(1) and (B)(2) of this code.
 - B.6. A development by a government entity, 201H, community land trust, or an affordable housing project with more than the residential workforce housing units, in-lieu fees, or in-lieu land required by section 2.96.040, as approved by the director.

Additional Comments: See comments below See Attachment(s) We have NO comment

Reviewed By: *Wayde Oshiro*
Wayde T. Oshiro
Date: *5/05/10*

MEMORANDUM

TO: Ms. Ann Cua, Deputy Director
Department of Planning

FROM: Wayde Oshiro, Housing Administrator *MO*
Housing Division

DATE: May 5, 2010

SUBJECT: **Draft Environmental Impact Statement Honua'ua (PH2 2010/0001) (EIS 2009/0001) (2)2-1-008:056 and 071, (2)2-1-008:999 por., 043 por., 090 por., 108 por., 054 por., AND 001 por.; (2)2-2-002:050 por., and 054 por.**

Thank you for the opportunity to review the above subject Draft Environmental Impact Statement. The Department would like to offer the following comments:

1. Applicant has indicated that it will comply with the requirements set forth in Chapter 2.96, Maui County Code.
2. The applicant is required to enter into a residential workforce housing agreement prior to final subdivision approval or issuance of a building permit for the subject project.

Please call Ms. Cara Bohne of the Housing Division at (808) 270-5748 if you have any questions.

xc: Director Housing and Human Concerns
PBR Hawaii



CHARMAINE TAVARES
Mayor

TAMARA HORCAJO
Director
ZACHARY Z. HELM
Deputy Director

May 31, 2012

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Jo-Ann Ridaio, Director
County of Maui
Department of Housing & Human Concerns
2200 Main Street, Suite 546
Wailuku, HI 96793

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Ms. Ridaio:

We received the Department of Housing & Human Concerns' (DHH) letter dated May 4, 2010 and memorandum dated May 5, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to DHH's comments.

As stated in the Draft EIS, Honua'ula will provide workforce housing in accordance with Chapter 2.96, Maui County Code. Honua'ula Partners, LLC will enter into a residential workforce housing agreement prior to final subdivision approval or issuance of a building permit.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

O:\JOB19\1905.08 Honua'ula-EIS\DESIGN\Comments\Responses\Agency\Final\NDHHC.doc



DEPARTMENT OF PARKS & RECREATION

700 Hali'a Nakoa Street, Unit 2, Wailuku, Hawaii 96793

May 28, 2010

PBR HAWAII
Attention: Tom Schnell
ASB Tower, Suite 650
1001 Bishop Street
Honolulu, Hawaii 96813

**SUBJECT: Draft Environmental Impact Statement (DEIS)
Proposed Honua'ula Development
TMK (2) 2-1-008: 056 and 071
Wailea, Maui, Hawai'i**

Dear Mr. Schnell:

Thank you for the opportunity to review and comment on the proposed Honua'ula development. The Draft Environmental Impact Statement for the subject project adequately addresses the concerns of the Department of Parks & Recreation. We have no additional comments or objections to the subject project at this time.

We remain interested in reviewing more detailed plans for the parks as they are developed.

Please feel free to contact me or Mr. Patrick Matsui, Chief of Parks Planning and Development, at 270-7931 should you have any questions.

Sincerely,

TAMARA HORCAJO
Director of Parks & Recreation

TH:PTM:ca
cc: Patrick Matsui, Chief of Parks Planning and Development
Ann Cua, Deputy Director of Planning
S:\PLANNING\CSA\County Reviews\EA Reviews\Honua'ula DEIS.doc



CHARMAINE TAVARES
Mayor
KATHLEEN ROSS AOKI
Director
ANN T. CUA
Deputy Director



COUNTY OF MAUI
DEPARTMENT OF PLANNING

June 30, 2010

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VINCENT SHIGRAUNI
Vice-President
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May 31, 2012

Glenn Correa
County of Maui
Department of Parks and Recreation
700 Hali'a Nakoa Street, Unit 2
Wailuku, HI 96793

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Correa:

We received the Department of Parks and Recreation's (DPR) letter dated May 28, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to DPR's comments.

We understand that the Draft EIS adequately addresses the concerns of DPR; therefore, DPR has no additional comments or objections to Honua'ula at this time. Honua'ula Partners, LLC will provide DPR with more detailed plans for parks with Honua'ula as they are developed.

We thank DPR for reviewing the Draft EIS. DPR's letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

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Mr. Charles Jencks
c/o Goodfellow Brothers, Inc.
P.O. Box 220
Kihei, Hawaii 96753

Dear Mr. Jencks:

SUBJECT: MAUI PLANNING COMMISSION COMMENTS ON THE DRAFT ENVIRONMENTAL IMPACT STATEMENT (DEIS) FOR HONUA'ULA, A MASTER PLANNED COMMUNITY CONSISTING OF SINGLE-FAMILY AND MULTI-FAMILY HOMES, VILLAGE MIXED USE AREAS WITH SUPPORTING COMMERCIAL, OPEN SPACE, RECREATION, AND RELATED OFF-SITE IMPROVEMENTS LOCATED IN WAILEA, KIHEI-MAKENA, ISLAND OF MAUI, HAWAII. (EIS 2009/0001)

THE PROPERTY: 670 ACRES -
TMK'S: (2) 2-1-008:056
(2) 2-1-008:071

OFF-SITE IMPROVEMENTS: 30 ACRES -
TMK'S: (2) 2-1-08: 999 (POR) STATE OF HAWAII
(2) 2-1-08: 043 (POR) MAUI ELECTRIC COMPANY LTD
(2) 2-1-08: 090 (POR) MAKENA GOLF LLC
(2) 2-1-08: 108 (POR) MAKENA GOLF LLC
(2) 2-1-08: 054 (POR) ULUPALAKUA RANCH
(2) 2-1-08: 001 (POR) ULUPALAKUA RANCH
(2) 2-2-02: 050 (POR) HALEAKALA RANCH CO.
(2) 2-2-02: 054 (POR) HALEAKALA RANCH CO.

At its regular meeting on June 22, 2010, the Maui Planning Commission reviewed the above referenced document and provided the following comments:

1. Include information regarding the 250 off-site affordable homes, perhaps as an appendix;
2. All references cited in the EIS text should be provided in the references section;

18. Discuss what mechanism can be put in place or what assurances there are in case the water system fails or the private operating entity is unable to operate or maintain it;
19. Discuss the average energy demand required for Honouliuli, how the demand could be off-set with renewable energy from on site, and the net demand that would be required from MECO. Meet with MECO to see what their requirements are or what their methodology is for estimating demand;
20. Provide a map showing the potential gated community areas and examine the impacts of having those areas gated;
21. Provide a description of the filtering of runoff and the effects of filtering or not filtering all runoff and surface runoff;
22. Honouliuli Draft EIS is one of the better draft documents the commission has seen in terms of completeness.

Please provide written responses to the above comments in the Final EA. Should you require further clarification, please contact Deputy Planning Director Ann Cua by email at ann.cua@mauicounty.gov or by telephone at (808) 270-7521.

Sincerely,



for KATHLEEN ROSS AOKI
Planning Director

xc: Ann T. Cua, Deputy Planning Director
Clayton I. Yoshida, AICP, Planning Program Administrator
Tom Schnell, AICP, PBR Hawaii (1001 Bishop St. Hon, HI 96813) 
Gwen Hiraga, Munekiyo & Hiraga Inc.
Project File
General File

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3. Include analysis of more alternatives, in particular there should be an alternative discussing a Native Plant Preservation Area of 130 acres instead of just 22 acres as is in the current plan;
4. Discuss accommodations for bus transportation for workers within the off-site and on-site affordable housing areas;
5. Discuss noise abatement measures to mitigate noise levels along Piliiani Highway as well as within the development;
6. Discuss energy development efforts or energy production generation in addition to energy efficiencies and conservation;
7. Discuss energy production and generation and specifically the feasibility of the MECO substation expansion to include batteries for the storage of energy;
8. Discuss access to telecommunications;
9. Examine the need for a monitor well before production wells are utilized in Kamaole Aquifer;
10. Provide well data for all known wells in Kamaole, including chlorides and water levels;
11. Examine the level of the transition zone for the aquifer;
12. Provide map of the project water infrastructure showing Community Plan boundaries and any impacts related thereto;
13. Discuss the possibility of easements for a mass transit station; there would be a terminus there to accommodate for transportation throughout the various destination points on Maui;
14. Elaborate on where the trail system would be;
15. Provide information regarding whether the project is proposed to be LEED certified;
16. Work with people that have provided comments regarding the archaeology of the site to clarify findings;
17. Provide information regarding the design and cost for the operation of the reverse osmosis system, cost analysis to consumers, and the market price housing for the water;



May 31, 2012

PRINCIPALS
THOMAS WITTEN, ASLA
Principal
R. STAN DUNCAN, ASLA
Executive Vice-President
RUSSELL Y. LEUNG, ASLA, LEED® AP
Executive Vice-President
VINCENT SHIGEKUNI
Vice-President

GRANT T. MURAKAMI, ACP, LEED® AP
Principal
W. FRANK BRANDT, FASIA
Chairman Emeritus
ASSOCIATES
TOM SCHELL, ACP
Senior Associate
RAYMOND T. HIGA, ASLA
Senior Associate
KELVIN K. NISHIKAWA, ASLA
Associate
KIMI MIKAMI YUEN, LEED® AP
Associate
SCOTT AIHA ABRIGO, LEED® AP
Associate
SCOTT MURAKAMI, ASLA, LEED® AP
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William Spence
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
 May 31, 2012
 Page 2 of 24

approved the connection with Pi'ilani Highway, including widening and traffic signal improvements. Further, the construction of the improvements required for the subdivision has been guaranteed with a bond of over \$22 million.

Regional traffic growth, including from the Ka'ono'ulu Light Industrial Subdivision, is being taken into account as part of DOT's Long Range Land Transportation Plan (LRLTP), which is currently being updated in consideration of known proposed developments in the region and will serve as a guide for the development of major surface transportation facilities and programs to be implemented in the future.

Because Chapter 2.96, MCC requires the workforce affordable homes to be offered to Maui residents, the affordable homes will result in a redistribution of the existing Maui population as opposed to an incremental increase. As a result, there will be no impacts related to increased population, such as an overall increase in the need for State and County services. In addition to the workforce affordable homes, Honua'ula Partners, LLC will also provide a minimum two-acre park within Ka'ono'ulu Light Industrial Subdivision to meet the recreational needs of the workforce affordable home residents.

Impacts to schools will be addressed by Honua'ula Partners, LLC's compliance with County of Maui Ordinance No. 3554, Condition 22, which requires Honua'ula Partners, LLC to pay DOE at least \$3,000 per dwelling unit upon issuance of each building permit to be used, to the extent possible, for schools serving the Kihei-Mākena Community Plan area; provided that, should the State pass legislation imposing school impact fees that apply to Kihei-Mākena Project District 9, Honua'ula Partners, LLC will from that point forward comply with the State requirements, or contribute \$3,000 per dwelling unit, whichever is greater.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 7.2 (Cumulative and Secondary Impacts) will be revised as to include the following information:

One of the conditions imposed by the Council as part of Honua'ula's Change in Zoning Ordinance (County of Maui Ordinance No. 3554, Condition 5) requires Honua'ula Partners, LLC to provide workforce affordable homes in compliance with Chapter 2.96, MCC, with 250 of these required workforce affordable homes to be provided off-site at the Ka'ono'ulu Light Industrial Subdivision (TMK (2) 3-9-01: 16). The Ka'ono'ulu Light Industrial Subdivision is within the State Urban District and is within the County of Maui Light Industrial zoning district. Multifamily homes are a permitted use within the State Urban District and County Light Industrial zone.

Providing workforce affordable homes at the Ka'ono'ulu Light Industrial Subdivision does not trigger the need for an environmental assessment or environmental impact statement under Chapter 343, HRS. However, impacts related to the use of the property for urban uses and uses permitted under the property's Light Industrial zoning have previously been examined as part of the property's State Land Use District Boundary Amendment, County Change in Zoning, and County Subdivision approvals. No rare, threatened, or endangered plant species are expected to be impacted, as none were found during a botanical inventory survey of the property. An archaeological inventory survey and a related preservation plan have been prepared to address impacts to archaeological resources and, based on their approval of these documents, the State Historic Preservation Division has determined that no historic properties will be affected. As part of the subdivision process for the Ka'ono'ulu

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Spence:

We received the Department of Planning's letter dated June 30, 2010 containing comments from the Maui Planning Commission regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to the comments.

1. *Include information regarding the 250 off-site affordable homes, perhaps as an appendix;*

Response: As discussed in Section 4.9.3 (Housing) of the Draft EIS, Honua'ula Partners, LLC will provide workforce affordable homes in compliance with Chapter 2.96, MCC. As discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, in compliance with County of Maui Ordinance No. 3554 (Condition 5), 250 of the required workforce affordable homes will be provided off-site at the Ka'ono'ulu Light Industrial Subdivision (TMK (2) 3-9-01: 16). The Ka'ono'ulu Light Industrial Subdivision is within the State Urban District and is within the County of Maui Light Industrial zoning district. Multifamily homes are a permitted use within the State Urban District and County Light Industrial zone.

Providing workforce affordable homes at the Ka'ono'ulu Light Industrial Subdivision does not trigger the need for an environmental assessment or environmental impact statement under Chapter 343, HRS. However, impacts related to the use of the property for urban uses and uses permitted under the property's Light Industrial zoning have previously been examined as part of the property's State Land Use District Boundary Amendment, County Change in Zoning, and County Subdivision approvals. No rare, threatened, or endangered plant species are expected to be impacted, as none were found during a botanical inventory survey of the property. An archaeological inventory survey and a related preservation plan have been prepared to address impacts to archaeological resources and, based on their approval of these documents, the State Historic Preservation Division has determined that no historic properties will be affected. As part of the subdivision process for the Ka'ono'ulu Light Industrial Subdivision, the County of Maui Department of Public Works reviewed and approved improvements necessary for the subdivision, including provisions for water, sewage disposal, electrical and communications lines, drainage and flood control, and connection with Pi'ilani Highway, including widening and traffic signal improvements. The State Department of Transportation (DOT) has also reviewed and

Light Industrial Subdivision, the County of Maui Department of Public Works reviewed and approved improvements necessary for the subdivision, including provisions for water, sewage disposal, electrical and communications lines, drainage and flood control, and connection with Pīlani Highway, including widening and traffic signal improvements. The State DOT has also reviewed approved the connection with Pīlani Highway, including widening and traffic signal improvements. Further, the construction of the improvements required for the subdivision has been guaranteed with a bond of over \$22 million.

Regional traffic growth, including from the Ka'ono'ulu Light Industrial Subdivision, is being taken into account as part of DOT's Long Range Land Transportation Plan (LRLTP), which is currently being updated in consideration of known proposed developments in the region and will serve as a guide for the development of major surface transportation facilities and programs to be implemented in the future.

Because Chapter 2.96, MCC requires the workforce affordable homes to be offered to Maui residents, the affordable homes will result in a redistribution of the existing Maui population as opposed to an incremental increase. As a result, there will be no impacts related to increased population, such as an overall increase in the need for State and County services. In addition to the workforce affordable homes, Honua'ula Partners, LLC will also provide a minimum two-acre park within Ka'ono'ulu Light Industrial Subdivision to meet the recreational needs of the workforce affordable home residents.

Impacts to schools will be addressed by Honua'ula Partners, LLC's compliance with County of Maui Ordinance No. 3554, Condition 22, which requires Honua'ula Partners, LLC to pay DOE at least \$3,000 per dwelling unit upon issuance of each building permit to be used to the extent possible, for schools serving the Kihel-Mākena Community Plan area, provided that should the State pass legislation imposing school impact fees that apply to Kihel-Mākena Project District 9, Honua'ula Partners, LLC will from that point forward comply with the State requirements, or contribute \$3,000 per dwelling unit, whichever is greater.

2. All references cited in the EIS text should be provided in the references section;

Response: In response to your suggestion, in the Final EIS, Section 10 (References) will be revised to include all references cited in the text as shown in the attachment titled "References."

3. Include analysis of more alternatives, in particular there should be an alternative discussing a Native Plant Preservation Area of 130 acres instead of just 22 acres as is in the current plan;

Response: In response to this request the Final EIS will include an alternative discussing a Native Plant Preservation Area of 130 acres. Providing a Native Plant Preservation Area of 130 acres would result in significant changes to the Conceptual Master Plan, resulting in conflicts with several provisions of Chapter 19.90A, MCC. A Native Plant Preservation Area of 130 acres would necessitate shifting a significant number of single-family and multi-family homes to the northern section of the Property, thereby increasing density in this area. It would also significantly change the golf course layout or possibly make a golf course altogether infeasible. Simply reducing the number of homes or not providing a golf course could make Honua'ula economically unfeasible in light of the significant on and off-site improvements required as conditions of County of Maui Ordinance No. 3554. Reducing the number of homes and/or not providing a golf course would also dramatically decrease the

economic benefits of Honua'ula, such as property tax revenues to the County, total gross tax revenues to the State; and impact fees paid to the County and State by Honua'ula Partners LLC.

To provide an alternative discussing a 130-acre Native Plant Preservation Area, which includes, and elaborates on, the above information, in the Final EIS, in the Final EIS Chapter 6 (Alternatives) will be revised to include the information shown on the attachment labeled "Alternatives."

4. Discuss accommodations for bus transportation for workers within the off-site and on-site affordable housing area;

Response: Honua'ula Partners's traffic engineer prepared Transportation Management Plans (TMPs) for both Honua'ula and the off-site affordable homes within the Ka'ono'ulu Light Industrial Subdivision. The TMPs cover both construction and post-construction operations and propose transportation management strategies to reduce: 1) construction-related traffic during the construction of Honua'ula and the widening of Pīlani Highway; and 2) dependency on individual vehicles by Honua'ula and Ka'ono'ulu residents, employees, and visitors after construction.

Section 4.4.5 (Transportation Management) of the Draft EIS summarizes key provisions of the TMPs, including the possible expansion of the Maui Bus system to accommodate Honua'ula. Appendix M of the Draft EIS contains the complete TMPs. The State DOT, the Maui Department of Transportation, and the Maui Department of Public Works have all approved the Honua'ula Transportation Management Plans.

As part of preparing the TMPs, Honua'ula Partners's traffic engineer met with the Maui Department of Transportation and discussed both the current and future bus transportation system in Maui County. The Maui Bus system has seen an increasing rate of ridership and there are proposals to construct nine additional stops. Currently, the existing Maui Bus Haiku-Wailea Commuter route runs along Pīlani Highway. A bus stop within Honua'ula ideally would be located within the VMX Town Center area near the intersection of Pīlani Highway and Wailea Iike Drive. A park-and-ride facility could also be located in this area and is envisioned as an overflow parking area that could be used as a park-and-ride facility during normal working hours and either employee or customer overflow parking during weekend and nights.

To include the above information regarding the bus stop and park-and-ride facility within Honua'ula in the Final EIS, in the Final EIS Section 4.4.5 (Transportation Management) will be revised as follows:

Coordinate Expansion of the Maui Bus – For travel outside of the Kihel-Mākena region, the Transportation Coordinator will coordinate with the Maui Department of Transportation to identify opportunities for expansion of bus service to Honua'ula. A bus stop will be provided within Honua'ula; ideally this bus stop would be located within the ~~Village-Mixed Use Area~~ VMX Town Center near the intersection of Pīlani Highway and Wailea Iike Drive. A park and ride facility ~~could~~ will also be located in this area. The park and ride facility is envisioned as an overflow parking area in the VMX Town Center that could be used as a

park and ride facility during normal working hours and either employee or customer overflow parking during weekend and nights.

In addition to the bus stop and park-and-ride facility within Honua'ula, Honua'ula Partners will also design, finance, and construct a bus stop to serve the off-site affordable homes within the Ka'ono'ulu Light Industrial Subdivision.

5. *Discuss noise abatement measures to mitigate noise levels along Piilani Highway as well as within the development;*

Response: Section 4.5 (Noise) of the Draft EIS: 1) describes the existing and future noise environment in the environs of Honua'ula; and 2) provides recommendations for minimizing noise impacts. As summarized in Section 4.5 (Noise) of the Draft EIS the acoustic study (Appendix N) concludes that the widening of Pi'ilani Highway and the creation of Honua'ula will not cause increases in traffic noise levels that would exceed DOT's criteria signifying a substantial change, which is defined as an increase of 15 decibels (dB) or more over existing conditions. By the year 2022 maximum increases in traffic noise levels in the vicinity of Honua'ula should not increase more than 10 decibels (dB) along Pi'ilani Highway and 3.6 dB along Wailealea Drive as a result of: 1) regional growth in traffic volumes; 2) the widening of Pi'ilani Highway; 3) the creation of Honua'ula; and 4) the planned extension of Pi'ilani Highway into Honua'ula to connect with Kauka'ahi Street.

Section 4.5 (Noise) of the Draft EIS further discusses noise from the widening of Pi'ilani Highway. As follows:

While a substantial change in noise levels (as defined by DOT) will not occur, by the year 2022 the number of residences along Pi'ilani Highway subject to noise levels that exceed DOT residential noise standards is projected to increase from two residences under existing conditions to:

- 13 residences due to regional increases in traffic even if Pi'ilani Highway is not widened and Honua'ula is not built;
- **14 residences if Pi'ilani Highway is widened and Honua'ula is not built [emphasis added];** and
- **16 residences if Pi'ilani Highway is widened and Honua'ula is built [emphasis added].**

...To mitigate impacts to residences along Pi'ilani Highway subject to noise levels that exceed FHWA and DOT residential noise standards, sound attenuating walls are recommended in accordance with DOT's traffic noise abatement policy.

In other words, noise levels along Pi'ilani Highway are projected to increase even if Pi'ilani Highway is not widened and Honua'ula is not built. Noise levels at two residences adjacent to Pi'ilani Highway currently exceed State DOT noise standards for residential structures. By 2022 this number will increase to 13 due to regional increases in traffic conditions even if Pi'ilani Highway is not widened and Honua'ula is not built. If Pi'ilani Highway is widened and Honua'ula is built, by 2022 noise levels at three additional residences adjacent to Pi'ilani Highway would exceed State DOT noise standards for residential structures. Thus, the direct impact of widening Pi'ilani Highway and building Honua'ula is that three additional

residences adjacent to Pi'ilani Highway would exceed State DOT noise standards for residential structures compared to projected future conditions if Pi'ilani Highway is not widened and Honua'ula is not built. Therefore the primary noise impacts to residences adjacent to Pi'ilani Highway are from regional increases in traffic that are projected to occur even if Pi'ilani Highway is not widened and Honua'ula is not built, and not the direct result of the widening of Pi'ilani Highway and the building of Honua'ula.

As stated in Section 4.5 (Noise) of the Draft EIS, "To mitigate impacts to residences along Pi'ilani Highway subject to noise levels that exceed FHWA and DOT residential noise standards, sound attenuating walls are recommended in accordance with DOT's traffic noise abatement policy." To elaborate, under DOT's noise abatement policy if the cost of the sound attenuating wall does not exceed \$35,000 per benefited residence, construction of the wall can be considered to be reasonable and feasible. Walls fronting two lots mauka of Pi'ilani Highway and one lot makai of Pi'ilani Highway have a possibility of being considered as reasonable and feasible under the DOT traffic noise abatement policy.

In summary, the Draft EIS discusses noise due to the widening of Pi'ilani Highway and the build-out of Honua'ula. The direct impact of widening Pi'ilani Highway and building Honua'ula is that three additional residences adjacent to Pi'ilani Highway would exceed State DOT noise standards for residential structures compared to projected future conditions if Pi'ilani Highway is not widened and Honua'ula is not built. Therefore the primary noise impacts to residences adjacent to Pi'ilani Highway are from regional increases in traffic that are projected to occur even if Pi'ilani Highway is not widened and Honua'ula is not built, and not the direct result of the widening Pi'ilani Highway and the building of Honua'ula. To mitigate impacts to residences along Pi'ilani Highway subject to noise in excess of State DOT noise standards for residential structures, sound attenuating walls are recommended in accordance with DOT's traffic noise abatement policy. Walls fronting two lots mauka of Pi'ilani Highway and one lot makai of Pi'ilani Highway have a possibility of being considered as reasonable and feasible under the current DOT traffic noise abatement policy.

An environmental assessment (EA) specifically addressing the impacts of widening Pi'ilani Highway (including noise impacts) has been prepared and will be included as an appendix to the Final EIS. Since the Draft EIS was completed, the State DOT has accepted the Pi'ilani Highway Widening Project Final EA and subsequently issued a Finding of No Significant Impact which was published in the OEQC's *The Environmental Notice* on May 8, 2012.

To provide additional information regarding noise and to incorporate the relevant above information into the Final EIS, in the Final EIS: 1) the Pi'ilani Highway Widening Project Final EA will be included as an appendix; and 2) Section 4.5 (Noise) will be revised as shown on the attachment titled "Noise."

6. *Discuss energy development efforts or energy production generation in addition to energy efficiencies and conservation;*

Response: We understand that Maui Electric Company (MECO) supports net energy metering as a way to encourage the use of eligible renewable energy electricity generators by residential and commercial customers. Net energy metering allows a MECO customer to: 1)

offset all or part of the electricity they would normally receive from MECO with energy produced by the customer's renewable generation system (e.g. solar photovoltaic system); and 2) export any excess electricity they produce to the MECO grid for use by MECO in meeting electrical demand elsewhere.

MECO customers that own or lease an eligible renewable energy generator may enter into an agreement with MECO to connect their generator to the utility grid, allowing it to feed surplus electricity into the grid. Net energy metering means that any kilowatt-hours the customer's renewable energy generator feeds into the grid will be subtracted from the kilowatt-hours of electricity the customer obtains from MECO to determine the net amount of kilowatt-hours. The customer is then billed only on the net kilowatt-hours.

By Public Utility Commission (PUC) order, net energy metering is available to MECO customers on a first come, first served basis until the sum of the total energy received from the renewable energy generators equals four percent of MECO's current system peak demand. This cap is in place because when MECO customers participate in net energy metering, they receive credit at the retail rate for self-produced electricity. The retail electric rate that MECO charges includes not only recovery of the cost of producing electricity, but also the cost for: 1) facilities (e.g., lines, substations, etc.) to deliver power to MECO customers; 2) maintaining and operating facilities; and 3) administrative and other operating costs, such as billing. Those MECO customers who produce their own electricity on-site only incur the cost of generating the electricity, not additional delivery and other costs. By receiving credit at the full retail rate, in essence, the MECO customer who net meters is receiving a subsidy from all other customers. By providing a cap, the subsidy can be kept to a reasonable level and still help to support small to medium renewable energy producers.

To facilitate renewable energy generation and net energy metering within Honua'ula, Honua'ula Partners, LLC will consider providing "photovoltaic ready" homes and commercial buildings to allow home and business owners the option of installing their own photovoltaic system. Features of "photovoltaic ready" homes and buildings could include: 1) roof slopes orientated for optimal photovoltaic efficiency and aesthetic appeal; and 2) specific items such as inverters, grid intertie components, and fundamental wiring to easily connect to roof top photovoltaic panels. "Photovoltaic ready" homes and buildings would make installation of photovoltaic systems more attractive for home and building owners, thereby encouraging net metering agreements with MECO and on-site power generation. Because of the cap imposed by the PUC on the amount of total energy received from renewable energy generators, it may not be possible for all homes and buildings within Honua'ula to participate in net energy metering, and therefore not all homes in Honua'ula would need to be "photovoltaic ready" in anticipation of being able to participate in net energy metering.

To incorporate the above information, as well as responses to other comments from the Planning Commission regarding energy, into the Final EIS, in the Final EIS Section 4.8.6 (Electrical System) will be revised as show on the attachment titled "Electrical System."

7. *Discuss energy production and generation and specifically the feasibility of the MECO substation expansion to include batteries for the storage of energy;*

Response: When Honua'ula Partners, LLC's electrical engineer inquired with MECO regarding the feasibility of the MECO substation expansion to include batteries for the storage of energy, a MECO representative replied that battery storage is expensive, but feasibility would not be evaluated based only on cost, but on many different considerations, such as land availability, integration design, system impact, etc. The MECO representative stated that MECO was exploring this option near the Wailea Substation as there are grant funds that may be available to offset the cost.

To incorporate the above information, as well as responses to other comments from the Planning Commission and others regarding energy, into the Final EIS, in the Final EIS Section 4.8.6 (Electrical System) will be revised as shown on the attachment titled "Electrical System."

8. *Discuss access to telecommunications;*

Response: To address this comment, Honua'ula Partners, LLC's electrical engineer contacted Hawaiian Telcom and Oceanic Time Warner Cable. Both companies provide telecommunication infrastructure to the Kihei and Wailea areas.

Hawaiian Telcom currently has fiber optic trunk cables along Pi'ilani Highway and continuing across the western boundary of Honua'ula. To provide telecommunication services to Honua'ula, Hawaiian Telcom intends to extend fiber optic cables onto the Property from their existing splice point, which is situated adjacent to the Pi'ilani Highway/Wailea Ike Drive intersection. Within the Property Hawaiian Telcom will provide fiber optic distribution hubs in various locations to provide telecommunication services to individual homes and other users.

Oceanic Time Warner Cable (Oceanic) has an agreement with Hawaiian Telcom for joint use of utility poles that run along Pi'ilani Highway and across the western boundary of Honua'ula. The poles support Oceanic fiber optic trunk cables that provide Oceanic telecommunication services to the area. To provide telecommunication services to Honua'ula, Oceanic intends to extend fiber optic cables onto the Property from their existing trunk facilities. Within the Property, Oceanic will provide power supply pedestals at various locations to facilitate providing and maintaining telecommunication services to individual homes and other users.

The telecommunication systems constructed on-site will be underground facilities with the exception of fiber distribution hubs and power supply pedestals. Honua'ula Partners, LLC will provide a network of underground ducts and handholes in accordance with Hawaiian Telcom's and Oceanic's standards and Hawaiian Telcom and Oceanic then will provide the cable systems within the ducts and make necessary arrangements for serving individual telecommunications requirements. Therefore, during the design development of Honua'ula, plans will be submitted to Hawaiian Telcom and Oceanic to verify their requirements.

To include the above information in the Final EIS, in the Final EIS Section 4.8.7 (Communication Facilities) will be revised as follows:

William Spence
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT
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4.8.7 Communication Facilities

Hawaiian Telcom provides telephone service in the Kihei-Mākena region, and Oceanic Time Warner Cable (Oceanic) provides cable service. The telephone system serving the area consists of overhead and underground facilities. Hawaiian Telcom currently has fiber optic trunk cables along Pīlani Highway and continuing across the western boundary of Honua'ula. Oceanic has an agreement with Hawaiian Telcom for joint use of utility poles that run along Pīlani Highway and across the western boundary of Honua'ula. The poles support Oceanic fiber optic trunk cables that provide Oceanic telecommunication services to the area.

POTENTIAL IMPACTS AND MITIGATION MEASURES

It is anticipated that Hawaiian Telcom will provide telephone service to Honua'ula and Oceanic Time Warner Cable will provide cable service.

To provide telecommunication services to Honua'ula, Hawaiian Telcom intends to extend fiber optic cables onto the Property from their existing splice point, which is situated adjacent to the Pīlani Highway/Waikea Ike Drive intersection. Within the Property Hawaiian Telcom will provide fiber optic distribution hubs in various locations to provide telecommunication services to individual homes and other users. Oceanic intends to extend fiber optic cables onto the Property from their existing trunk facilities. Within the Property Oceanic will provide power supply pedestals at various locations to facilitate providing and maintaining telecommunication services to individual homes and other users.

The telecommunication systems constructed on-site will be underground with the exception of fiber distribution hubs and power supply pedestals. Honua'ula Partners, LLC will provide a network of underground ducts and handholes in accordance with Hawaiian Telcom's and Oceanic's standards, and Hawaiian Telcom and Oceanic then will provide the cable systems within the ducts and make necessary arrangements for serving individual telecommunications requirements. Therefore, during the design development of Honua'ula, plans will be submitted to Hawaiian Telcom and Oceanic to verify their requirements.

9. *Examine the need for a monitor well before production wells are utilized in Kamaole Aquifer;*

Response: As discussed in Section 3.5.1 (Groundwater) of the Draft EIS, Honua'ula and the wells that will supply the Property are located in the 89-square mile Kama'ole Aquifer System. Groundwater in the Kama'ole Aquifer exists as a basal lens from the shoreline as far inland as the 1,700-foot contour. The direction of groundwater flow in the basal lens is mauka-to-makai.

According to Honua'ula Partners LLC's hydrologist, Tom Nance Water Resource Engineering (TNWRE), nothing in the available data from wells across the entire Kama'ole Aquifer, and more specifically in the mauka-makai corridor that may be affected by Honua'ula's wells, suggests that a monitor well is needed. Nevertheless, Honua'ula Partners LLC will construct an upgradient golf course monitor well to a depth that will allow the well to also be used to monitor the transition zone below the basal lens. The monitor well will be installed prior to the start of use of Honua'ula's production wells. Periodic profiling of salinity and temperature

through the monitor well's water column will be performed. This data will be used to track salinity in the basal lens and the movement, if any, of the transition zone.

See the below responses to the Planning Commission's comments #10 and #11 for further discussion regarding data for existing wells in Kamaole Aquifer and the transition zone of the aquifer.

Tom Nance of TNWRE has over 30 years of experience in the areas of groundwater and surface water development, hydraulics and water system design, flood control and drainage, and coastal engineering.

To include the relevant above information in the Final EIS, in the Final EIS Section 3.5.1 (Groundwater) will be revised as shown on the attachment titled "Groundwater."

10. *Provide well data for all known wells in Kamaole, including chlorides and water levels;*

Response: In response to this comment TNWRE: 1) obtained data (including available data on pumpage and chlorides and water levels) for all wells in the Kama'ole Aquifer available from the Commission on Water Resource Management (CWRM); and 2) prepared a supplemental report containing this data, which will be included in the Final EIS.

According to CWRM records, there are a total of 134 wells within the Kama'ole Aquifer System, many of which are more than 60 years old and no longer in use. Of the 134 wells, 43 are known or presumed to be in use, 47 are no longer in use or do not draw from the basal lens, and 44 are of unknown status relative to their use.

Examination of CWRM data shows that reporting of chlorides and water levels to CWRM is minimal. Only three of the 43 wells in the aquifer that are known or presumed to still be active are presently reporting that information. For wells for which TNWRE has independent data, chloride levels have been stable for a decade of monthly sampling.

To include the relevant above information in the Final EIS, in the Final EIS Section 3.5.1 (Groundwater) will be revised as shown on the attachment titled "Groundwater." In addition the supplemental report from TNWRE will be included in Appendix B of the Final EIS.

11. *Examine the level of the transition zone for the aquifer;*

Response: According to TNWRE, no actual data exists on the Kama'ole Aquifer's "level of the transition zone." No well has been drilled to sufficient depth through the basal lens to define the depth and character of transition zone anywhere in the aquifer. However, what is known or can be reasonably surmised regarding the transition zone is that:

- Groundwater exists as a basal lens across the Kama'ole Aquifer from the shoreline inland to the 1,700-foot contour;
- Groundwater levels along the 1,700-foot contour are approximately six feet above sea level; therefore, the midpoint of the transition zone below the 1,700-foot contour would be approximately 240 feet below sea level;

- Wells along or just below the 600-foot contour have water levels from 2.6 to 3.1 feet above sea level, indicating a midpoint of the transition zone below the 600-foot contour between 100 and 125 feet below sea level; and
- The stability of the transition zone, although not directly measured, can be inferred from the stability of chlorides pumped by wells. The most accurate and complete data of chlorides for the region shows stable chloride levels for a decade.

To include the relevant above information in the Final EIS, in the Final EIS Section 3.5.1 (Groundwater) will be revised as shown on the attachment titled "Groundwater."

As discussed above in response to the Planning Commission's comment #9, Honua'ula will construct its upgradient golf course monitor well to a depth that will allow it to also be used to monitor the transition zone below the basal lens. The well will be installed prior to the start of use of Honua'ula's production wells. Periodic profiling of salinity and temperature through the monitor well's water column will be completed. This data will be used to track salinity in the basal lens and the movement, if any, of the transition zone.

12. *Provide map of the project water infrastructure showing Community Plan boundaries and any impacts related thereto;*

Response: Figure 2 (Regional Location) of the Draft EIS shows the Honua'ula water infrastructure, including the proposed water line and existing water wells. In the Final EIS, Figure 2 (Regional Location) will be revised to include the Community Plan boundaries. The attachment titled "Figure 2" shows the revised figure.

13. *Discuss the possibility of easements for a mass transit station; there would be a terminus there to accommodate for transportation throughout the various destination points on Maui;*

Response: Section 4.4.5 (Transportation Management) of the Draft EIS discusses the possible expansion of the Maui Bus system to accommodate Honua'ula. According to the Maui Department of Transportation, the Maui Bus system has seen an increasing rate of ridership and there are proposals to construct nine additional stops.

Honua'ula Partners LLC's engineer has met with the Maui Department of Transportation and discussed both the current and future transportation system in Maui County. Currently, the existing Maui Bus Haiku-Wailea Commuter route runs along Pi'ilani Highway. A bus stop within Honua'ula ideally would be located within the VMX Town Center area near the intersection of Pi'ilani Highway and Wailea Ike Drive. A park-and-ride facility could also be located in this area and is envisioned as an overflow parking area that could be used as a park-and-ride facility during normal working hours and either employee or customer overflow parking during weekend and nights.

To include the above information regarding the bus stop and park and ride facility within Honua'ula in the Final EIS, in the Final EIS Section 4.4.5 (Transportation Management) will be revised as follows:

Coordinate Expansion of the Maui Bus – For travel outside of the Kihei-Mākena region, the Transportation Coordinator will coordinate with the Maui Department of Transportation to identify opportunities for expansion of bus service to Honua'ula. A bus stop will be provided within Honua'ula; ideally this bus stop would be located within the Village Mixed Use area VMX Town Center near the intersection of Pi'ilani Highway and Wailea Ike Drive. A park and ride facility ~~would~~ will also be located in this area. The park and ride facility is envisioned as an overflow parking area in the VMX Town Center that could be used as a park and ride facility during normal working hours and either employee or customer overflow parking during weekend and nights.

14. *Elaborate on where the trail system would be;*

Response: As discussed in Section 4.3 (Trails and Access) of the Draft EIS, Honua'ula will include a system of pedestrian and bike trails along the community's roadways, gulches, and drainage ways. This secondary circulation system of linked pedestrian/bike trails will connect residential areas to the village mixed use areas, neighborhood parks, golf course clubhouse, and other areas and will provide residents a meaningful alternative to driving within the community. Figure 13 in the Draft EIS shows Honua'ula's trail network.

A connector loop trail will be suitable for walking and biking throughout the community. This trail will circle within Honua'ula from north to south boundaries and connect to the Wailea Ike Drive and Pi'ilani Highway intersection. A minor street path from Kaukahi Street will allow connection from Wailea to trail systems throughout Honua'ula. A proposed scenic trail along portions of the golf course will also link to several other trail segments and is expected to provide sweeping views, both mauka and makai.

Remnant segments of a road referred to as the Kanaio-Kalama roadway are present along a portion of an existing jeep road which was constructed atop the same alignment in the southeastern corner of the Property. The approximate route of the Kanaio-Kalama road will be incorporated into the Honua'ula trail system to further enhance mauka-makai access across the Property. This functionally equivalent route will approximate the alignment shown on the current TMK map (Figure 3 of the Draft EIS), and thus will run diagonally from Kaukahi Street, through the Native Plant Preservation Area, to the southeast corner of the Property.

The Native Plant Preservation Area contains known archaeological and cultural sites. Therefore, to protect the integrity of these sites and native plants, the Native Plant Preservation Area will remain undisturbed and development will be prohibited, with the exception of: 1) the Kanaio-Kalama trail, which will transverse through the Native Plant Preservation Area; and 2) a Nature/Cultural trail that will border the Native Plant Preservation Area.

To incorporate relevant new information from the above, as well as responses to other comments from the Planning Commission and others regarding trails and access, into the Final EIS, in the Final EIS Section 4.3 (Trails and Access) will be revised as shown on the attachment titled "Trails and Access." In addition Figure 13 (Trails Network) will be revised as shown on the attachment titled "Figure 13."

15. *Provide information regarding whether the project is proposed to be LEED certified;*

Response: The Draft EIS contains many commitments to conserve resources, such as provisions for water and energy conservation, green and solid waste recycling, transportation demand management, and stewardship of resources. Restricting these commitments and other innovations that may be provided over the 13-year build out period under a single certification system that is currently in favor does not seem wise or warranted. While Leadership in Energy and Environmental Design (LEED) is a popular certification system at the moment, it is not the only green building verification system. For example, the Green Globes system is gaining recognition and acceptance as a system more assessable than LEED and more advanced in the area of lifecycle assessment, which measures the environmental impact of the production and acquisition of products used for buildings. In another example, the Passive House Standard seeks to monitor the on-going energy efficiency of buildings after they are built and in operation. Other evolving systems seek to promulgate region specific standards, so that appropriate technology is encouraged in suitable regions.

The entire green building movement is a dynamic and fluid field that continues to rapidly evolve, and better standards may be created in the future. Some have even argued that mandating LEED hinders development of other standards that may prove more appropriate, as the blanket adoption of LEED as the sustainable standard may come at the expense of other emerging systems. Others reason that when a standard is mandated it sets a ceiling as to the level of compliance, so the standard becomes the new minimum at the expense of new innovations that may not be implemented because they exceed the minimum. A dynamic process enables standards to continually improve by responding to the needs of consumers and builders, adjusting to new technology and experience, and using competition to promote a variety of approaches.

The LEED program was originally created and introduced by the U.S. Green Building Council as a voluntary program to empower individuals to assess standards and then choose when, how and whether to employ them. The idea was that incentives and competition would support market transformation of the building industry and spur architects, builders, and product manufacturers to create green products, buildings, and communities. LEED was never developed as a building or "sustainability" code. According to the U.S. Green Building Council LEED is "voluntary, consensus-based, and market-driven" and further, LEED seeks a balance between requiring the best existing practices and the voluntary incorporation of emerging concepts.

LEED has unquestionably raised standards and expectations regarding sustainable design. Increasingly, developers are incorporating sustainable features into new homes as a result of heightened consumer awareness and market demand. This trend will continue as consumer consciousness of sustainability evolves. It will also accelerate as technology and market forces combine to provide improved and new green products at lower prices. Government incentives, such as tax credits for solar or photovoltaic systems, will also contribute to affordability and fuel consumer demand, thus expediting product development and technological advances. What is now seen as an "eco-luxury" for the most demanding environmentally conscious homebuyer may soon become the standard for mainstream homebuyers. Because of this continuous cycle of improvement, consumer acceptance, and

market demand, it cannot be known now how standards and technology will evolve over the course of the build-out of Honua'ula.

LEED and green building are not synonymous. LEED is merely one of many emerging green building verification systems. Buildings can incorporate sustainable strategies without being LEED certified. Nature and its related ecological systems are inherently dynamic and sustainability is more complicated than can be mandated through a single green building accreditation system. The true value of sustainable design is in its application and achieved environmental results.

Given the inherently dynamic nature of the sustainable design field it is unrealistic and impractical to commit to a current standard. Honua'ula Partners, LLC supports a voluntary approach to sustainable design that will allow for the incorporation of the appropriate technology or combination of technologies for specific applications as Honua'ula is built out over time.

Honua'ula Partners, LLC is committed to limiting the environmental impact of Honua'ula and will implement, to the extent feasible and practicable, measures to promote energy conservation, sustainable design, and environmental stewardship, such as the use of solar energy and solar heating, consistent with the standards and guidelines promulgated by the Building Industry Association of Hawaii, the U.S. Green Building Council (LEED), the Hawaii Commercial Building Guidelines for Energy Star, Green Communities, or other similar programs, into the design and construction of Honua'ula. Honua'ula Partners, LLC will also:

- 1) encourage lot purchasers to design houses that meet at least the minimum requirements of one of the aforementioned programs; and 2) provide information to home purchasers regarding energy conservation measures that may be undertaken by individual homeowners.

To include the relevant above information in the Final EIS, along with addressing comments regarding LEED from others, in the Final EIS Section 2.5 (Environmentally-Responsible Planning and Design) will be revised as to include the following information:

Honua'ula Partners, LLC is committed to limiting the environmental impact of Honua'ula and will implement, to the extent feasible and practicable, measures to promote energy conservation, sustainable design, and environmental stewardship, such as the use of solar energy and solar heating, consistent with the standards and guidelines promulgated by the Building Industry Association of Hawaii, the U.S. Green Building Council (i.e. the Leadership in Energy and Environmental Design (LEED) rating systems), the Hawaii Commercial Building Guidelines for Energy Star, Green Communities, or other similar programs, into the design and construction of Honua'ula. Honua'ula Partners, LLC will also:

- 1) encourage lot purchasers to design houses that meet at least the minimum requirements of one of the aforementioned programs; and 2) provide information to home purchasers regarding energy conservation measures that may be undertaken by individual homeowners.

16. *Work with people that have provided comments regarding the archaeology of the site to clarify findings;*

Response: On August, 26, 2010 Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Simoto, and consultant cultural advisor Kimokeo Kapahulehua

participated in a site visit of the Honua'ula Property with several community members and State Historic Preservation Division (SHPD) staff. SHPD staff present were archaeologist Morgan Davis and cultural historian Hinano Rodrigues. Community members present included: Lucienne de Naie, Daniel Kanahele, Janet Six, Elle Cochran, U'ilani Kapu, Ke'eaumoku Kapu, Lee Altenberg, and 'Ekolu Lindsey. Some of the community members had previously: 1) presented testimony, or were present, at the Maui Planning Commission meeting on June 22, 2010 at which the Honua'ula Draft EIS was discussed; 2) submitted information to SHPD claiming that they had found archaeological sites on the Property that had not been included in the archaeological inventory survey dated March 2010 included in the Draft EIS; and 3) submitted written comments on the Draft EIS expressing concerns regarding archaeological sites on the Property.

Subsequent to the site visit, SHPD issued a letter dated September 8, 2010 stating that no significant unrecorded sites were noted at that time (i.e. during the August, 26, 2010 site visit). The letter also provides SHPD's review of the archaeological inventory survey (dated March 2010) and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) a large plan map of the survey area with sites and features plotted be included. In addition, the SHPD letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings."

In response to SHPD's September 8, 2010 letter commenting on the archaeological inventory survey (dated March 2010), archaeologist Aki Sinoto: 1) revised the archaeological inventory survey report to address SHPD's concerns; and 2) submitted the revised archaeological inventory survey report to SHPD in April 2011.

In July and August of 2011, Daniel Kanahele of Maui Cultural Lands submitted letters to Honua'ula Partners, LLC's representative Charlie Jencks and SHPD providing additional comments on the archaeological inventory survey (dated March 2010) that was included in the Draft EIS. Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua responded to these letters in writing. In the summer of 2011 Maui Cultural Lands members also made a presentation to SHPD regarding their inspections of the Property.

In response to the concerns Maui Cultural Lands members expressed to SHPD in the summer of 2011, on September 23, 2011 archaeologist Aki Sinoto and cultural advisor Kimokeo Kapahulehua met with SHPD archaeologist Morgan Davis and SHPD cultural historian Hinano Rodrigues at SHPD's Maui office. Subsequently, as recommended by SHPD, Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua met with members of Maui Cultural Lands and other community members at Maui Community College on November 17, 2011. Maui Cultural Lands members and other community members present at the November 17, 2011 meeting included: Daniel Kanahele, Janet Six, 'Ekolu Lindsey, Lucienne de Naie, Jocelyn Costa, and Clifford Ornellas. Others present at the meeting included Stanley Solamillo, a cultural resource planner with the Maui Planning Department, and Tanya Lee Greig, the director of Cultural Surveys Hawaii's Maui office.

As a result of the November 17, 2011 meeting, the archaeological inventory survey report was further revised to: 1) recommend preservation of a section of a post-contact agricultural wall documented in the archaeological inventory survey but not previously recommended for preservation; 2) add descriptive narrative information for two post-contact agricultural walls; and 3) revise pertinent map figures in the report. Archaeologist Aki Sinoto submitted the further revised archaeological inventory survey report to SHPD in March 2012. Since the SHPD Maui archaeologist had recently resigned, copies of the revised archaeological inventory survey report were transmitted to SHPD's main office in Kapolei and to Dr. Theresa Donham, the interim SHPD chief of archaeology in Hilo. In April 2012, Dr. Donham notified archaeologist Aki Sinoto that the report was forwarded to the SHPD Maui office for review due to the hiring of replacement personnel. As of May 2012, SHPD has not completed its review of the revised (March 2012) archaeological inventory survey.

To include the relevant above information in the Final EIS, along with addressing comments regarding archaeological and historic resources from others, in the Final EIS Section 4.1 (Archaeological and Historic Resources) will be revised as shown on the attachment titled "Archaeological and Historic Resources."

17. Provide information regarding the design and cost for the operation of the reverse osmosis system, cost analysis to consumers, and the market price housing for the water;

Response: As discussed in Section 4.8.1 (Water System) of the Draft EIS, brackish well water will be treated by reverse osmosis (RO) to produce potable water for Honua'ula. The RO process involves initially passing the brackish water through a filter to remove particulate matter. The filtered water is then forced through a membrane under pressure. The membrane acts as a barrier to salts and other constituents. The water that passes through the membrane may be further chemically treated and disinfected, as necessary, prior to use.

To respond to your comment regarding the cost for the operation of the reverse osmosis system, cost analysis to consumers, and the market price housing for water, TNWRE prepared cost estimates based on several assumptions. The estimates are summarized below.

The estimated potable and non-potable water infrastructure cost is \$21 million. This includes costs for: construction and testing the required off-site wells, piping from the off-site wells to the on-site storage tank, booster pumps, on- and off site potable and non-potable storage tanks, and the RO plant. It does not include piping for distribution to individual Honua'ula homes and businesses.

Based on infrastructure costs and assumptions such as infrastructure efficiencies, electrical power costs, and costs for operating personnel, administration, and maintenance, the daily operating cost for both potable and non-potable systems would be \$3,000 per day. The cost of capital recovery would be \$4,950 per day. The cost to consumers, with and without capital recovery would be as follows:

Estimated Cost in Dollars per Thousand Gallons

Cost Items Included	Potable Water	Non-Potable Water
Based on Operation and Maintenance Exclusively (No Capital Recovery)	\$4.00	\$2.00
Based on Operation, Maintenance, and Full Capital Recovery	\$10.64	\$5.32

For fiscal year 2010-2011 the cost for potable water for general water consumers set by the County in its annual budget is \$1.70 per 1,000 gallons for users that use up to 10,000 gallons bi-monthly. The price increases for users that use more than 10,000 gallons bi-monthly. In compliance with County of Maui Ordinance No. 3554 (Condition 1) water rates for the residential workforce housing units will be no higher than the general water consumer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, MCC.

To include the relevant above information in the Final EIS, along with addressing comments regarding water from others, in the Final EIS Section 4.8.1 (Water System) will be revised as shown on the attachment titled "Water System."

18. *Discuss what mechanism can be put in place or what assurances there are in case the water system fails or the private operating entity is unable to operate or maintain it;*

Response: Currently there are at least six private water companies on the Island of Maui that provide potable water to residential customers. Several of these companies have been in operation for more than 30 years. All private potable water companies are regulated as public utilities by the State Public Utility Commission (PUC). The PUC: 1) prescribes rates, tariffs, charges and fees; 2) determines the allowable rate of earnings in establishing rates; 3) issues guidelines concerning the general management of public utility businesses; and 4) acts on requests for the acquisition, sale, disposition or other exchange of utility properties, including mergers and consolidations.

It is highly unlikely that Honua'ula's private water system will fail or the private operating entity operating it will be unable to operate or maintain it. There is extensive government oversight of all new well and water source development.

First, as discussed in Section 3.5.1 (Groundwater) of the Draft EIS, all existing on- and off-site wells are fully permitted by CWRM. All new wells will be developed in compliance with all requirements of Chapter 174C, HRS (State Water Code) and HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code. The CWRM application process for well construction permits requires an extensive application process with thorough review by the State Department of Health (DOH) for compliance DOH rules and standards, including the appropriateness of the well location. Therefore, there will be extensive analysis, review, and evaluation of potential impacts of any new wells.

Second, the County's Water Availability Policy, codified as Chapter 14.12, Maui County Code (MCC), requires verification of a long-term, reliable supply of water before subdivisions are

approved. In accordance with Section 14.12.050 MCC, in reviewing and commenting on water source engineering reports the DWS Director shall consider (among other things) the following factors:

- Cumulative impacts;
- CWRM's Water Resources Protection Plan;
- The general plan and relevant community plans;
- The adverse impacts on surrounding aquifers and stream systems, including:
 - o Water levels,
 - o Water quality, including salinity levels,
 - o Surface water-groundwater interactions, and
 - o Adverse impacts on other existing, future, or planned wells;
- The adverse impacts on the water needs of residents currently being served and projected to be served by DWS;
- The adverse impacts on environmental resources that are rare or unique to the region and the project site (including natural, cultural, or human-made resources of historic, archaeological, or aesthetic significance);
- The adverse impacts on the exercise of traditional and customary Native Hawaiian rights and practices;
- United States Geological Survey studies;
- Whether the applicant is in full compliance with the State water code and County's water reporting laws;
- Whether the affected water source, including groundwater, surface water, or other source of water will exceed:
 - o 90 percent of the sustainable yield;
 - o Instream flow standards, or
 - o Interim instream flow standards;
- The adverse impacts to the water needs of residents currently on a County "wait list" for water meters;

Third, before start up, Honua'ula's private water system is subject to the approval of the DOH Safe Drinking Water Branch. Under HAR Chapter 11-20 (Potable Water Systems) as part of the DOH approval process the DOH requires that new private water companies demonstrate capacity requirements and satisfactory technical, managerial, and financial capabilities, including:

- An adequate water source to serve current and future water users;
- Adequate system technical performance;
- An infrastructure replacement plan that includes estimates of the useful life and plans for the eventual replacement of the public water system's infrastructure;
- An operational plan that includes a preventative and corrective maintenance program;
- A clear management organization and communication structure;
- An emergency response plan;
- Adequate financial capacity and dedicated sources of income, including income and cash reserves to pay annual operating expenses, unexpected significant repairs, and planned major work;

- Adequate budget controls, including performance reviews of actual expenditures and annual budgets, procedures to safeguard financial assets, and maintenance of detailed financial records that clearly identify sources of income and expenses involved in operating the public water system; and
- Demonstration of credit worthiness, including: 1) long-term dedicated revenue projections showing sufficient revenue for: a) operating and maintaining the public water system; b) performing anticipated repairs; c) replacement of major equipment; d) future expansion; and e) repayment of loans; and 2) credit reports that indicate that the public water system is financially healthy and credit worthy.

To include the relevant above information in the Final EIS, along with addressing comments regarding water issues from others, in the Final EIS Section 4.8.1 (Water System) will be revised as shown on the attachment titled "Water System."

19. *Discuss the average energy demand required for Honua'ula, how the demand could be off-set with renewable energy from on site, and the net demand that would be required from MECO. Meet with MECO to see what their requirements are or what their methodology is for estimating demand;*

Response: When fully built-out, the peak forecasted electrical demand for Honua'ula is estimated to be 11,103.3 kilowatts (kW). This peak forecasted electrical demand represents "conventional" demand without consideration of solar water heating, renewable energy systems, or other measures to reduce the energy consumption. Honua'ula Partners, LLC's electrical engineer calculated this demand in consultation with MECO based on empirical values derived from records of past electrical consumption of other similar facilities. The total forecasted demand includes estimated electrical loads for: 1) single- and multi-family homes; 2) neighborhood commercial uses; 3) golf course facilities including, the clubhouse and maintenance facility; and 4) infrastructure facilities, including well pumps, the reverse osmosis facility, the wastewater reclamation facility, and streetlights.

As discussed in Section 4.8.6 (Electrical System) of the Draft EIS, Honua'ula Partners, LLC will equip all residential units with a primary hot water system at least as energy efficient as a conventional solar panel hot water system, sized to meet at least 80 percent of the hot water demand for the unit. This is expected to reduce the energy consumption of individual Honua'ula homes by approximately 32 percent since energy consumption for hot water heating is typically about 40 percent of total residential energy use. Based on average residential energy consumption of approximately 600 kilowatt-hours (kWh) per home per month, at full build out of all homes in Honua'ula a 32 percent reduction in energy use would result in a savings of 220,800 kWh per month. In relation to total energy demand for all of Honua'ula, the residential hot water systems would reduce total electrical demand by approximately 8.5 percent.

In addition to the water heating systems provided with all homes, if a homeowner chooses to install a photovoltaic system, electrical demand could be further reduced. Assuming a homeowner installs a 2 kW PV system and assuming a very conservative four hours per day of usable sunlight, an additional reduction in energy consumption (2 kW x 4 hours/day x 30 days/month) of 240 kWh per month would be contributed by each such home with a

photovoltaic system. Assuming that 200 homeowners choose to install a PV system the total reduction in energy demand would be 48,000 kWh per month (200 homes x 240 kWh/month equals 48,000 kWh/month) and the resulting energy savings would equal approximately 1.85 percent of Honua'ula's total energy demand.

Cumulatively, a 10.4 percent reduction in energy consumption could be achieved with the energy savings from the hot water systems combined with 200 homes installing a photovoltaic system. Additional reductions in energy consumption are anticipated as a result of: 1) meeting all applicable ENERGY STAR requirements; 2) ensuring that all air cooling systems and all heating systems for laundry facilities, swimming pools, and spa areas make maximum use of energy-efficient construction; and 3) and other energy conservation measures; however the projected reduction in energy consumption from these additional measures has not been calculated.

To incorporate the above information, as well as responses to other comments from the Planning Commission and others regarding energy, into the Final EIS, in the Final EIS Section 4.8.6 (Electrical System) will be revised as shown on the attachment titled "Electrical System."

20. *Provide a map showing the potential gated community areas and examine the impacts of having those areas gated;*

Response: Overall, Honua'ula will not be a gated community; however if builders of some individual areas or if specific homeowner's associations or residents choose to gate individual areas, they should have the right to make that decision. At this stage no gated community areas have been proposed, and it has not been determined if any areas would be gated or where these areas would be located within the Property or at what phase they would be built. Therefore no map of potential gated community areas can be provided. However, any gated area would not be so restricted to prohibit anyone with a legitimate reason from accessing an area. Specifically, any gated area would not be designed to exclude access to any cultural or archaeological resources.

Typically gated communities evoke images of mini mansions in exclusive enclaves, but restricted access multi-family townhouse and other higher density developments can also be classified as "gated communities." While some upscale gated communities cater to upper income level residents, there are also many gated communities that are geared to average homebuyers. Gated communities are often criticized as elitist and homogeneous; however, data suggests that gated communities are not necessarily reserved only for the rich (Nasser 2002). The 2001 American Housing Survey conducted by the U.S. Census Bureau reported that more than seven million households live in a type of gated community. The statistics also show that residents of gated communities belong to many different demographic types, not just the wealthy. Gated communities are popular with young families with children, retirees, second-home buyers, professionals, and many others. The elderly have been attracted to gated communities since the 1970s. Other potential buyers include empty nesters who are away frequently on vacations and young double-income families in which no one is home during the day (Blakely 1999). For second-home buyers, gated communities are especially attractive for the security they provide during long periods of vacancy (Blakely 1999).

Research shows that motivations for living in a gated community reflect, to varying degrees, a range of social values (Blakely & Snyder 1997). Some people are drawn to gated communities for prestige; some are looking for privacy; some want to protect themselves from crime and traffic (Blakely & Snyder 1997). For some, gated communities provide an added measure of security, less traffic, and increased pedestrian safety, a peaceful and quiet setting, social familiarity with neighbors, a sense of community, and shared ownership of space. Gated communities are attractive for residents as they provide protection and usually offer a high level of residential amenity and recreational value. The sense of community and belonging felt by residents may afford a more valuable notion of 'security' than is provided by gates alone as residents within gated communities tend to know or recognize each other thereby being able to easily identify non-residents (Quintal & Thompson 2007). Through restrictions on design and access, gated communities may help to reduce uncertainty by enabling residents to exert greater control over their living environment (Quintal & Thompson 2007). For some, gated communities provide for both security and a self-directed, democratic community in which all members of the association are active participants in community governance (Blakely 1999). While gated communities may not appeal to all, they do offer features many find attractive for their choice of style and quality of living.

In some municipalities gated communities have been considered "cash cows" for local governments because the developer initially provides all infrastructure (roads, landscaping, parks, community centers, etc) within the community and the residents pay homeowner's fees for the on-going maintenance of these common facilities. Thus, initially the developer, and then the residents pay for services that may typically be borne by government; however the residents in gated communities still pay property taxes to government based on property values, which may be higher in gated communities (Le Coix 2004). Therefore gated communities can be particularly desirable for local governments and in some areas are seen as a public-private partnership rather than an attempt to secede from the public realm (Le Coix 2004).

While research has shown that gated communities provide a sense of community and stability for their residents (Quintal & Thompson 2007), critics of gated communities believe that when people wall themselves from others they are cutting themselves from the mixed, open society that is needed for a social and political democracy (Drew & McGuigan 2005). Rather than being involved in an open society, critics argue that gated communities tend to foster segregation where better-off citizens gradually become less encumbered by collective social burdens (Blakely 1999; Drew & McGuigan 2005). Thus people with the necessary resources can quietly secede from the large and diverse public into homogenous enclaves within which their earnings need not be redistributed to people less fortunate than themselves (Blakely 1999). Others contend that gated communities offer a false sense of security as many nonresidents may have access to the communities, such as delivery people, maintenance workers, and other visitors (Drew & McGuigan 2005). Thieves may also seek out gated communities because of the perception of more valuable goods within the gates (Nasser 2002). Alternatively, others have theorized that gated communities cause crime to be redistributed to areas outside the gated communities (Le Coix 2004).

All neighborhoods, gated and non-gated, have the same ultimate goals: safety and security, no crime, safe streets, slow traffic, and a stable quality of life. To some extent, gated communities

attain these goals and in this respect have a positive influence on the lives of those residents. Honua'ula seeks to achieve these goals through design, with key objectives of reflecting community values, emphasizing vibrant community development, and creating a sense of place.

Building on overall goals of safe and secure neighborhoods, the Maui Police Department recommends incorporating principles of Crime Prevention Through Environmental Design (CPTED) into the design of Honua'ula. The goal of CPTED is to prevent crime by designing a physical environment that positively influences human behavior. The theory is based on four principles: 1) *natural surveillance*, which refers to the placement of physical features that maximize visibility of the neighborhood so residents can observe their surroundings; 2) *access management*, which involves guiding people by using signs, well-marked entrances and exits, and landscaping so visitors can be seen entering and exiting; 3) *territoriality*, which is the clear delineation of space to create pride or ownership and a vested interest of owners in their neighborhood; and 4) *physical maintenance*, which includes repair and general upkeep to maintain a well-kept appearance and neighborhood pride.

To include the above information, as well as responses to other comments from the Planning Commission and others regarding trails and access, into the Final EIS, in the Final EIS Section 4.3 (Trails and Access) will be revised as shown on the attachment titled "Trails and Access."

21. Provide a description of the filtering of runoff and the effects of filtering or not filtering all runoff and surface runoff;

Response: Section 4.8.3 (Drainage System) of the Draft EIS discusses drainage and proposed drainage improvements. To manage drainage within Honua'ula, the drainage system will include detention basins, drainage pipes, open channels, and roadway culverts designed to not only manage flood control but also to reduce pollution associated with stormwater. In response to your comment, Low Impact Development (LID) techniques will be incorporated into the design of Honua'ula to supplement the detention system where appropriate. LID comprises a set of approaches and practices designed to reduce runoff of water and pollutants from the site at which they are generated. By means of infiltration, evapotranspiration, and rainwater reuse, LID techniques manage water and water pollutants at the source thereby reducing stormwater flows to detention basins. A goal of LID is to maintain or closely replicate predevelopment hydrology of the site with an understanding that rainwater is not merely a waste product to be disposed of, but a resource to be reused.

With LID techniques small-scale practices are employed to control stormwater runoff on-site. The practices are designed to work in concert with other stormwater best management practices, such as detention basins. While LID techniques span a wide range of design considerations, infiltration and filtration are two primary practices. Infiltration practices are engineered structures or landscape features designed to capture and infiltrate runoff. Infiltration can both reduce the volume of water discharged from the site and contribute to groundwater recharge. Examples of infiltration practices include: 1) infiltration basins and trenches which are shallow depressions designed to infiltrate stormwater through permeable soils; 2) rain gardens and other vegetated treatment systems that provide a planted depression to collect rainwater (usually from a single home) and allow absorption on-site; and 3)

disconnected down spouts, which are roof gutter downspouts that are not connected to the sewer system to allow roof water to drain to lawns and gardens (or rainwater storage barrels) and allow plants and soils to filter pollutants.

Similar to infiltration practices, filtration practices treat runoff by filtering it through media designed to capture pollutants (such as sand or vegetation). Like infiltration, filtration can both reduce the volume of water discharged from the site and contribute to groundwater recharge, but filtration practices have the added advantage of providing increased pollutant removal. Examples of filtration practices include: 1) bioswales, which are landscaped drainage courses with gently sloped sides filled with vegetation, compost and/or rocks designed to slow down water flows and trap pollutants and silt; 2) vegetated swales which are smaller, broad, shallow, channels with dense vegetation covering the side slopes and bottom to trap pollutants, promote infiltration, and reduce flow velocity; and 3) vegetated filter strips, which are bands of vegetation intended to treat sheet flow from adjacent impervious areas (such as parking lots) by slowing runoff velocities; filtering out sediment and other pollutants, and providing some infiltration into underlying soils.

LID practices can also effectively treat and manage non-point source pollution from drainage by filtering "first flush" runoff volumes. Non-point source pollution typically results from rainwater washing across impermeable surfaces such as roadways, parking lots, and sidewalks and with it picking up pollutants such as oil, detergents, pesticides, fertilizer, and pet wastes. Most surface pollutants are collected during the first one-half inch, or "first flush" of a storm event. LID practices can filter these pollutants before they reach detention basins. Traditional conveyance systems, such as drains and catch basins in parking lots and roadways can also be designed to capture this first flush with installed filtering materials.

Strategically integrated LID practices applied throughout the Property—from individual building sites to larger areas such as parking lots and roadways—can lessen stormwater flows to detention basins and increase the length of time for flows to travel to detention basins. The increased time allows for greater opportunities for groundwater recharge, filtration, and evapotranspiration. LID practices can result in enhanced environmental performance, while at the same time reducing costs compared to traditional stormwater management approaches.

To include the relevant above information, as well as responses to comments from others regarding drainage, in the Final EIS, in the Final EIS 4.8.3 (Drainage System) will be revised as shown on the attachment titled "Drainage System."

22. *Honuaula Draft EIS is one of the better draft documents the commission has seen in terms of completeness.*

Response: We appreciate the Planning Commission's recognition with regard to the completeness of the Draft EIS. We hope that you will have the same comment regarding the Final EIS.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.
Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachments: References
Alternatives
Noise
Electrical System
Groundwater
Figure 2 (Regional Location)
Trails and Access
Figure 13 (Trails Network)
Archaeological and Historic Resources
Water System
Drainage System

10/15/29

CHARMAINE TAVARES
Mayor

MILTON M. ARAKAWA, A.I.C.P.
Director

MICHAEL M. MIYAMOTO
Deputy Director

Telephone: (808) 270-7845
Fax: (808) 270-7955



COUNTY OF MAUI
DEPARTMENT OF PUBLIC WORKS
200 SOUTH HIGH STREET, ROOM NO. 434
WAILUKU, MAUI, HAWAII 96793

June 10, 2010

10 JUN 15 P 2:07

DEPT. OF PLANNING
COUNTY OF MAUI
RECEIVED

[Signature]
KATHLEEN ROSS AOKI

MEMO TO: KATHLEEN ROSS AOKI, PLANNING DIRECTOR
FROM: *[Signature]* MILTON M. ARAKAWA, A.I.C.P., DIRECTOR OF PUBLIC WORKS

SUBJECT: ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II FOR HONUJULA
TMK: (2) 2-1-008:056 AND 071 (THE PROPERTY);
TMK: (2) 2-1-008:999 (POR.), 043 (POR.), 090 (POR.), 108 (POR.), 054 (POR.), AND 001 (POR.) (OFF-SITE IMPROVEMENTS);
TMK: (2) 2-2-002:050 (POR.) AND 054 (POR.) (OFF-SITE IMPROVEMENTS)

We reviewed the subject application and have the following comment:

1. Please clarify if it is the intent of the developer to dedicate the project roads (except for the State highway) to the County.

If you have any questions regarding this memorandum, please call Michael Miyamoto at 270-7845.

MMA:MMM:is
xc: Highways Division
Engineering Division
S:\UUCACZM\honojula_partners_lic_ph2_eis_21008056_071_is.wpd



May 31, 2012

PRINCIPALS
THOMAS WITTEN, ASLA
President
R. STAN DUNCAN, ASLA
Executive Vice-President
RUSSELL L. CHUNG, FASLA, LEED AP
Executive Vice-President

VINCENT SHIGEKUNI
Vice-President
GRANT T. MURAKAMI, AICP, LEED AP
Principal
W. FRANK BRANDT, FASLA
Chairman Emeritus

ASSOCIATES
TOM SCHNELL, AICP
Senior Associate
RAYMOND T. HIGA, ASLA
Senior Associate
KEYVIN K. NISHIKAWA, ASLA
Associate
KIMI MURAKAMI YUEN, LEED AP
Associate

SCOTT ALIKA ABRIGO, LEED AP
Associate
SCOTT MURAKAMI, ASLA, LEED AP
Associate
DACHUNG DONG, LEED AP
Associate

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1001 Kalia Street, Suite 600
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E-mail: yspadmin@pbrhawaii.com

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Kapolei, HI 96707-3005
Tel: (808) 521-5031
Fax: (808) 535-3163

SUBJECT: HONUJULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Goode:

We received the Department of Public Works' (DPW) memo addressed to the Maui Planning Department dated June 10, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to DPW's comments.

Honua'ula Partners, LLC will build all Honua'ula internal roadways which will remain private. It is not the intent of the developer to dedicate Honua'ula's internal roadways to the County. Honua'ula Partners, LLC will also extend Piihiani Highway to the south to intersect with Kauhahi Street. The portion of the extended Piihiani Highway within the State right of way will be owned by the State.

We thank DPW for reviewing the Draft EIS. DPW's letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

[Signature]
Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

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CHARMAINE TAVARES
MAYOR



DON A. MEDEIROS
Director
WAYNE A. BOTTELHO
Deputy Director
Telephone (808) 270-7511
Facsimile (808) 270-7505

DEPARTMENT OF TRANSPORTATION

COUNTY OF MAUI
200 South High Street
Wailuku, Hawaii, USA 96793-2155

October 6, 2010

Mr. Tom Schnell, AICP
Senior Associate
PBR Hawaii & Associates, Inc.
1001 Bishop Street, Suite 650
Honolulu, Hawaii 96813-3484

Dear Mr. Schnell:

The County Department of Transportation has reviewed the attached letter dated September 13, 2010, from Mr. Charles Jencks, Owner Representative, Honua'ula Partners, LLC. Based on our review, we grant preliminary approval of the plans below.

- Transportation Management Plan for Construction Operations of Pilliani Highway Widening Project, Kaonoulu Affordable Housing Project and Honua'ula Project District; and
- Transportation Management Plan for Post-Construction Operations of Kaonoulu Affordable Housing Project and Honua'ula Project District.

For final approval, please revise the subject plans to incorporate the conditions that were stated in your letter dated August 26, 2010, that Honua'ula Partners, LLC will:

1. Design, finance, and construct a bus stop and park and ride facility within the Honua'ula Property; the parks and ride facility is envisioned as an overflow parking area in the VMX Town Center that could be used as a park and ride facility during normal working hours and either employee or customer overflow parking during weekends and nights;
2. Design, finance, and construct a bus stop to serve the Ka'ono'ulu project; and
3. Appoint a Transportation Coordinator of designated representative to work with the County Department of Transportation to effectuate the recommendations. This is discussed in Section 4.4.5 (Transportation Management) of the [draft] EIS.

Mr. Tom Schnell, AICP
October 6, 2010
Page 2

Feel free to grammatically insert the conditions as you see fit. Please contact us at 270-7511 if we may be of any assistance or clarification.

The County Department of Transportation looks forward to working with you on this matter. Thank you for your cooperation.

Sincerely,

Handwritten signature of Don Medeiros in black ink.

DON MEDEIROS
Director of Transportation

cc: Mayor
Director of Public Works
Planning Director
Director of Transportation, State of Hawaii

Attachment
S:\WABULTRdngen100610



September 13, 2010

Mr. Don Medeiros, Director
Department of Transportation,
County of Maui
200 South High Street
Wailuku, HI 96753

Subject: Transportation Management Plans

Dear Mr. Medeiros:

The attached letter from your office dated June 8, 2010 highlights conditions you wish to have addressed and incorporated into the design of Honua'ula as a result of your review of the subject transportation management plans developed for the project. In response to your letter of June 8, 2010, PBR Hawaii sent you a response date August 26, 2010 stating that the Honua'ula project will address each of your conditions by incorporating same into the project.

In order for PBR Hawaii to complete the responses to the draft project EIS it is important to have a response from your office accepting our proposal to comply with your requests and therefore approving the subject TMP documents. I would appreciate your sending a letter to Mr. Tom Schnell at PBR addressing this request and by doing so helping Mr. Schnell complete this portion of the work on the draft EIS document.

Thank you in advance for your consideration of my request. Should you have any questions please do not hesitate to contact me in my office at 879-5205, on my cell phone at 250-3178 or via email at charlesj@pacificrimland.com.

Sincerely,


Charles Jencks
Owner Representative
Honua'ula Partners, LLC

Attachments



August 26, 2010

PRINCIPALS
THOMAS WITTEN, ASLA
President
R. STAN DUNCAN, ASLA
Executive Vice-President
RUSSELL YU CHING FASLA, LEED^{AP}
Executive Vice-President
VINCENT SHIGEKUNI
Vice-President
GRANT T. MURAKAMI, AICP, LEED^{AP}
Principal
W. FRANK BRANDY, FASLA
Chairman Emeritus

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Medeiros:

Thank you for your letter addressed to Charles Jencks dated June 8, 2010 regarding the Honua'ula Transportation Management Plans (TMPs) for Construction and Post-Construction operations. We have also received the transmittal from your Department to Ann Cua of the Maui Planning Department dated June 23, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments.

We have reviewed the conditions of approval for the TMPs and Honua'ula Partners, LLC will comply with your recommendations, specifically Honua'ula Partners, LLC will:

1. Design, finance, and construct a bus stop and park and ride facility within the Honua'ula Property; the park and ride facility is envisioned as an overflow parking area in the VMX Town Center that could be used as a park and ride facility during normal working hours and either employee or customer overflow parking during weekend and nights;
2. Design, finance, and construct a bus stop to serve the Ka'ono'ulu project; and
3. Appoint a Transportation Coordinator or designated representative to work with the County Department of Transportation to effectuate the recommendations. This is discussed in Section 4.4.5 (Transportation Management) of the Draft EIS.

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1300 N. Holoopono Street, Suite 201 • P.O. Box 220 • Kihui, Hawaii 96753 • P: 808-879-5205 • F: 808-879-2557

AGENCY NAME	<i>Transpartation</i>	PHONE	<i>270-5563</i>
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Agency Transmittal - Honua'ula (PH2 2010/0001) (EIS 2009/001)
 April 21, 2010
 Page 2

Don Medeiros
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
 August 26, 2010
 Page 2 of 2

To include the above information regarding the bus stop and park and ride facility within Honua'ula in the Final EIS, in the Final EIS Section 4.4.5 (Transportation Management) will be revised as follows:

Coordinate Expansion of the Maui Bus - For travel outside of the Kihei-Makena region, the Transportation Coordinator will coordinate with the Maui Department of Transportation to identify opportunities for expansion of bus service to Honua'ula. A bus stop will be provided within Honua'ula, ideally this bus stop would be located within the Village-Mixed-Use-area VMX Town Center near the intersection of Pi'ilani Highway and Wailea Iike Drive. A park and ride facility would also be located in this area. The park and ride facility is envisioned as an overflow parking area in the VMX Town Center that could be used as a park and ride facility during normal working hours and either employee or customer overflow parking during weekend and nights.

Thank you for reviewing the TMPs and Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
 Senior Associate

cc: Kathleen Aoki, Maui Planning Department
 Charles Jencks, Honua'ula Partners, LLC

Thank you for your time and assistance. For additional clarification, please contact me via email at ann.cua@mauicounty.gov or by phone at (808) 270-7521.

Sincerely,



ANN T. CUA, Current Planning Supervisor

cc: Clayton I. Yoshida, AICP, Planning Program Administrator
 Ann T. Cua, Current Planning Supervisor
 Charles Jencks, Honua'ula Partners, LLC
 Tom Schnell, AICP, PBR Hawaii & Associates, Inc.
 Gwan Hiraga, Munekyo & Hiraga, Inc.
 Project File
 General File

JSH:ATC:rb
 KWP_DOCS\PLANNING\EIS\2009\0001_Honua'ula\Wailea670\Agency Transmittal.doc

NO COMMENT		
Signed:	Dated:	
Print Name:	Title:	

COMMENT/RECOMMENDATION BOX		
<p><i>See attached Ha. It serves as the formal comments OF DOT. The recommendations on page 3 are proposed conditions of project approval. Please inform of outcome.</i></p>		
Signed:	Dated:	
Print Name:	Title:	
		<i>Wayne A. Petillo</i>
		<i>06-23-10</i>
		<i>Dep. Director</i>

CHARMAINE TAVARES
MAYOR



DON A. MENEZES
Director
WAYNE A. BORELHO
Deputy Director
Telephone (808) 270-7511
Facsimile (808) 270-7505

DEPARTMENT OF TRANSPORTATION

COUNTY OF MAUI
200 South High Street
Wailuku, Hawaii, USA 96793-2155

June 8, 2010

Mr. Charles Jencks
c/o Goodfellow Brothers, Inc.
P.O. Box 220
Kihei, Hawaii 96753

Dear Mr. Jencks:

By transmittal dated October 29, 2009 (and verbal communication) you requested approval of the following:

- Transportation Management Plan for Construction Operations of Pilihi Highway Widening Project, Kaonoulu Affordable Housing Project and Honua'ula Project District; and
- Transportation Management Plan for Post-Construction Operations of Kaonoulu Affordable Housing Project and Honua'ula Project District.

Although the above-mentioned plans have not yet been approved, the County Department of Transportation (DOT) takes this opportunity to thank you for continuing to work with us on this matter.

We note that your request for approval is due to Condition No. 28, Zoning Ordinance No. 3554 (2008) relating to the establishment of the Kihei-Makana Project District 9, Wailea 670, which states:

"That, prior to the commencement of any construction activity, Honua'ula Partners, LLC, its successors and permitted assigns, shall develop a Transportation Management Plan ("TMP"), to be reviewed and approved by the State Department of Transportation, the County Department of Public Works, and the County Department of Transportation. The purpose of the TMP shall be to reduce traffic generated by construction activity related to the Kaonoulu Light Industrial Subdivision and Kihei-Makana Project District 9, including traffic generated by improvements to Pilihi Highway between Kiohaha Drive and Wailea Iki Drive. The TMP shall provide for programs such as park and ride, shuttles, and/or restrictions on worker access to ongoing construction activity during peak

Mr. Charles Jencks
June 8, 2010
Page 2

hour traffic. Upon approval, project contractors shall implement the TMP during construction activities. Honua'ula Partners, LLC, its successors and permitted assigns, shall submit an annual report to the State Department of Transportation, the County Department of Public Works, and the County Department of Transportation, and the Maui County Council to document the success of the TMP in meeting its benchmarks of reducing traffic during project construction.

That as part of the Project District Phase II application, Honua'ula Partners, LLC, its successors and permitted assigns, shall submit a TMP to reduce dependency on individual vehicle transportation modes. The TMP shall be reviewed and approved by the State Department of Transportation, the County Department of Public Works, and the County Department of Transportation prior to Project District Phase II approval."

By letter dated September 3, 2009, with follow up email dated October 19, 2009, the County DOT expressed concern with the TMPs, and made the following comments:

"The County Department of Transportation is concerned with the assumptions made on page 9 of the abovementioned plan.

There is no flexibility in the existing Maui Bus system to accommodate this project. A new route would be required to incorporate this housing project into the Maui Bus system. The cost of this new route is not in the current or foreseeable DOT budget.

The proposed Transportation management strategy, however, infers that the Maui Bus system will expand the existing system to accommodate the housing development.

We do have the same concerns with the statements made on page 20 of Project District document."

By letters dated October 9, 2009, Austin, Tsutsumi & Associates provided the following response to the County Department of Public Works, regarding mass transit serving the project sites:

"The project team has met with the Maui Department of Transportation and discussed both the current and future transportation system in Maui County. Future expansion of the existing system will be dependent upon funding and ridership. It is hoped that as both the Kaonoulu Affordable housing and Honua'ula [develop], the system will be able to accommodate the needs of future residents in those areas."

By letters dated October 20, 2009, Austin, Tsutsumi & Associates provided the following response to the County DOT, regarding mass transit serving the project sites:

CHARMAINE TAVARES
Mayor



JEFFREY K. ENG
Director

DEPARTMENT OF WATER SUPPLY
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793-2155
www.mauwater.org

Mr. Charles Jencks
June 8, 2010
Page 3

"Currently, the existing Maui Bus Haiku-Wailea Commuter route runs along Pilihi Highway. At the time of construction, if feasible, the developer and the County of Maui Department of Transportation could look into providing additional stops along the Haiku-Wailea Commuter route at the Kaonoluulu Affordable Housing Project site and the Honua'ula Project site."

Finally, the TMPs and draft Honua'ula Environmental Impact Statement make reference to a "Transportation Coordinator," hired and provided by the developer, whose duties include:

"Coordinate with the Maui Department of Transportation to identify opportunities for expansion of bus service to Honua'ula. A bus stop within Honua'ula ideally located within the Village Mixed Use area near the intersection on Pilihi Highway and Wailea like Drive. A park and ride facility could also be located in this area."

Therefore, as conditions of approval of the TMPs, the County DOT RECOMMENDS that:

1. the Honua'ula Partners, LLC, its successors and permitted assigns, shall design, finance, and construct a bus stop and park and ride facility within the Honua'ula project;
2. the Honua'ula Partners, LLC, its successors and permitted assigns, shall design, finance, and construct a bus stop to serve the Kaonoluulu project; and
3. the Honua'ula Partners, LLC, its successors and permitted assigns, shall appoint a Transportation Coordinator or designated representative to work with the County Department of Transportation to effectuate the recommendations herein.

Thank you for your cooperation and assistance. The County Department of Transportation looks forward to working with you on this matter for the long term benefit of mass transit in your project areas.

Sincerely,

DON MEIROS
Director of Transportation

xc: Mayor
Managing Director
Director of Public Works
Director of Transportation, State of Hawaii

S:\WVABLTRdongen060810

June 3, 2010

Ann T. Cua, Deputy Director
Department of Planning
County of Maui
250 South High Street
Wailuku, Hawaii 96793

and
Mr. Tom Schnell
PBR HAWAII
ASB Tower, Suite 650
1001 Bishop Street
Honolulu, Hawaii 96813

Project: Honua'ula
Permit Nos.: PH2 2010/0001, EIS 2009/0001
TMK: (2)2-1-008:056 and 071

Dear Ms. Cua and Mr. Schnell:

Thank you for the opportunity to comment on this Draft Environmental Impact Statement (EIS) and PH2 application. Please find attached copies of our comment letters to this project dated April 7, 2010 and May 6, 2009.

Source Availability and Consumption

The demand estimate in the EIS of 1.867 MGD is within the range of Department of Water Supply system standards. However, the breakdown demand calculations for potable use should be identified in the EIS. If irrigation of single family and multi family lots is included in the potable demand, 0.34 MGD at build-out appears too low. Demand for 742 multi family units and 504 single family units would be 0.718 MGD based on system per unit standards.

Groundwater Resources and Water Quality

We note that a salinity increase in the downgradient existing wells in Kamole aquifer is

"By Water All Things Find Life"

The Department of Water Supply is an Equal Opportunity provider and employer. To file a complaint of discrimination, write: USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington DC 20250-9410. Or call (202) 726-5964 (voice and TDD)

Ann T. Cua and Tom Schnell
Page 2

approximated at about five percent. To address the concerns of well users affected by the applicant's withdrawals, we recommend that the EIS include a commitment to distribute draft over a greater area, should the well users downgradient of the project demonstrate increased chlorides in their active wells.

We note that proposed Best Management Practices (BMPs) will adhere to the Hawaii Department of Health's "Golf Course Best Management Practices" guidelines. We recommend that capture zones/wellhead protection areas be delineated for drilled and future project wells for potable use and that potentially contaminating activities (PCAs) be kept out of the capture zone to the extent feasible. PCAs for this project include golf course, sewer lines, utility stations/maintenance areas, wastewater treatment plants, residential parcels, parks, reclaimed water irrigation, construction equipment storage, fire stations and medical clinics.

Should you have any questions please contact our Water Resources and Planning Division at (808) 244-8550.

Sincerely,

Jeffrey K. Eng, Director
emb

c: engineering division

attachments:
DWS letter dated April 7, 2010
DWS letter dated May 6, 2009

C:\EA EIS SLUD\Honua'ula DEIS_PH2.wpd

CHARMAINE TAVARES
Mayor



JEFFREY K. ENG
Director
ERIC H. YAMASHIGE, P.E., L.S.
Deputy Director

DEPARTMENT OF WATER SUPPLY
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793-2155
www.mauiwater.org

April 7, 2010
Mr. Charles Jencks
Honua'ula Partners, LLC
POB 220
Kihei, Hawaii 96753

Subject: Honua'ula Project Waste Water Treatment System

Dear Mr. Jencks:

Thank you for the opportunity to comment on this waste water disposal analysis. We understand that wastewater from the Honua'ula development will either be treated at the existing Makana wastewater treatment facility or at a new on site plant. We commend Honua'ula Partners for planned 100% utilization of waste water from the project. We note that brackish water will be required to supplement the projected available 380,000 gpd of reclaimed water to meet irrigation needs. Irrigation of 155 acres of golf course, open space and buffer areas with an average daily demand of 8,054 gallons per acre would require 1,248,400 gpd in non potable demand, in addition to about 676,000 gpd in potable demand. We encourage Honua'ula Partners to incorporate water conservation measures to decrease golf course and landscaping irrigation demands. Limiting turf areas and avoiding water demanding non native plants can drastically reduce consumption. Please find attached a checklist of water conservation ideas for golf courses.

The combined capacity of the on site wells Wailea 670 1 (Well No. 4125-01) and Wailea 670 2 (Well No. 4125-02) is 1,440,000 gpd according to the State Commission on Water Resource Management's well database. It appears that projected reclaimed water supply and on site well capacity is not sufficient to meet total demand. Also, should both on site wells be utilized, an adequate backup source should be identified.

Should you have any questions please contact our Water Resources and Planning Division at 244-8550.

Sincerely,

Jeffrey K. Eng, Director
emb
"By Water All Things Find Life"

The Department of Water Supply is an Equal Opportunity provider and employer. To file a complaint of discrimination, write: USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington DC 20250-9410. Or call (202) 720-5894 (Voice and TDD)



Printed on recycled paper

c: engineering division

attachment: A Checklist of Water Conservation Ideas For Golf Courses & Industrial Landscapes

CHARMAINE TAVARES
Mayor



JEFFREY K. ENG
Director
ERIC H. YAMASHIGE, P.E., L.S.
Deputy Director

DEPARTMENT OF WATER SUPPLY
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793-2155
www.mauilwater.org

May 6, 2009

Mr. Tom Schnell
PBR HAWAII
ASB Tower, Suite 650
1001 Bishop Street
Honolulu, Hawaii 96813

Subject: Honua'ula
TMK: (2)2-1-008:056 and 071

Dear Mr. Schnell:

Thank you for the opportunity to comment on this Environmental Impact Statement (EIS) Preparation Notice.

Source Availability and Consumption

We understand the applicant will develop a private water system to serve potable demand for the Honua'ula development. The EISPN is extremely vague regarding the proposed system. The EIS should identify and describe what potable water system, treatment and sources will be utilized and estimated potable and non-potable demand. Based on system standards, daily potable and non-potable demand for this project would be about 1,719,000 gallons. The EISPN notes that "the right to purchase" the system will be offered to the county. Water system development is required to provide service and redundancy according to Department standards. The system should be built to standards and dedicated to the county or indefinitely operated as a private system. Should the system have capacity beyond that required to serve the project with adequate redundancy, the excess capacity may be offered for purchase. The EIS should provide assurances that the source will both be adequate in the long term and no interfere or conflict with county plans for source development in this challenged system. We also note concerns with the growing number of private development systems in the county. These create multiple conduits for contamination of aquifers. Some are not adequately funded for long term maintenance and can cause substandard service in the future.

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Reporting on resource use is not as frequent with private systems and makes gaging of aquifer status more difficult.

Groundwater Resources and Water Quality

The project is overlying the Kamole aquifer which has a sustainable capacity of 11 MGD. According to the State Commission on Water Resource Management well database, there is 18.86 MGD pump capacity installed in the Kamalo aquifer. The EIS should discuss concerns and mitigation measures for a potential increase in chlorides at downgradient Wailea Golf Course irrigation wells once the Wailea 670 wells 4125-01 and 4125-02 are in production. According to the 2003 "Assessment of the Sources of Irrigation Supply for the three Wailea Resort Company Golf Courses in Wailea, Maui" prepared by Tom Nance, draft from the Wailea 670 wells will intercept and probably adversely impact the water quality of the Wailea Golf Course wells, due to the mauka-to-makai natural flow of groundwater

System Infrastructure

Two fire hydrants and five stand pipes on 4-inch, 6-inch and 8-inch waterlines in the Maui Meadow subdivision are located North of the property. A 12-inch waterline runs along the North West portion of the property and a 12-inch water line traverses West to East to the Wailea Upper Level storage tank. Despite the proximity of these lines, substantial system improvements would be required to serve the project according to standards, including construction of storage.

Conservation

We note that non-potable water will be used for all irrigation purposes. We recommend that wherever possible, reclaimed water rather than brackish ground water be used for non potable purposes. Conservation measures should be included in the EIS. The following conservation measures should be considered:

Use Climate-adapted Plants: The project is located in the "Maui County Planting Plan" - Plant Zone 3. Native plants adapted to the area conserve water and protect the watershed from degradation due to invasive alien species. We encourage use of native plants for all landscaping purposes. Please distribute the attached planting brochure to future homeowners.

Prevent Over-Watering By Automated Systems: Provide rain-sensors on all automated irrigation controllers in common areas. Check and reset controllers at least once a month to reflect the monthly changes in evapo-transpiration rates at the site. As an alternative, provide the more automated, soil-moisture sensors on controllers.

Eliminate Single-Pass Cooling: Single-pass, water-cooled systems should be eliminated per Maui County Code Subsection 14.21.20. Although prohibited by code, single-pass water cooling is still manufactured into some models of air conditioners, freezers, and commercial refrigerators.

Utilize Low-Flow Fixtures and Devices: Maui County Code Subsection 16.20A.680 requires the use of low-flow water fixtures and devices in faucets, showerheads, urinals, water closets, and hose bibs. Water conserving washing machines, ice-makers and other units are also available.

Maintain Fixtures to Prevent Leaks: A simple, regular program of repair and maintenance can prevent the loss of hundreds or even thousands of gallons a day.

Pollution Prevention

The EIS should include Best Management Practices designed to minimize infiltration to ground water and runoff. The following mitigation measures should be implemented during construction:

1. Prevent cement products, oil, fuel and other toxic substances from falling or leaching into the water.
2. Properly and promptly dispose of all loosened and excavated soil and debris material from drainage structure work.
3. Retain ground cover until the last possible date.
4. Stabilize denuded areas by sodding or planting as soon as possible. Replanting should include soil amendments and temporary irrigation. Use high seeding rates to ensure rapid stand establishment.
5. Avoid fertilizers and biocides, or apply only during periods of low rainfall to minimize chemical run-off.
6. Keep run-off on site.

Should you have any questions please contact our Water Resources and Planning Division at (808) 244-8550.

Sincerely,



Jeffrey K. Eng, Director
emb

c: Office of Environmental Quality Control
Jeff Hunt, Maui County Department of Planning
engineering division

attachments: (w/original letter)

Plant Brochure: "Saving Water in the Yard"

C:\EA EIS SLUD\Honua'ula EISPN.wpd



Dave Taylor
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLIATION
 May 31, 2012
 Page 2 of 3

May 31, 2012

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wells were developed to provide landscape irrigation for individual condominium parcels, and the combined draft of all of these wells is relatively small (in the range of 0.12 to 0.30 MGD as a year round average). It is not known if the increase in salinity would materially impair the utility of the wells; however if the utility of the wells is materially impaired, additional wells (pumping the same combined amount of water) in the area north of Maui Meadows would distribute the draft over a greater area and would alleviate the impact downgradient. Honua'ula Partners, LLC commits to distributing the draft over a greater area if the utility of active downgradient wells is demonstrated to be materially impaired.

Regarding your comment recommending that capture zones/wellhead protection areas be delineated for drilled and future project wells for potable use and that potential contaminating activities be kept out of the capture zone to the extent feasible, we note that the water system will be required to satisfy all components of HAR Chapter 11-20 (Potable Water Systems), including:

- Identification of all potential sources of contamination and evaluation of alternative control measures that could be implemented to reduce or eliminate the potential for contamination, including treatment of the water source; water quality analysis for all regulated contaminants, performed by the State Laboratories Division of the State of Hawaii, will be submitted to DOH to demonstrate compliance with all drinking water standards;
- Assessment to delineate a source water protection area and creation of a source water protection plan, including activities to protect the source of drinking water;
- Addressing the potential of contaminating activities (as identified in the Hawaii Source Water Assessment Plan) within the source water protection area and activities that will be implemented to prevent or reduce the potential for contamination of the drinking water source.

To include the above information in the Final EIS, as well as to address the comments of others with similar comments, in the Final EIS Section 4.8.1 (Water System) will be revised as follows:

The RO plant and other components of the water system will be subject to regulation as a public water system and will meet requirements of the State DOH, including HAR Chapters 11-20 (Potable Water Systems), 11-21 (Cross-Connection & Backflow Control), and 11-25 (Operating Personnel in Water Treatment Plants). The water treatment facility and other components of the water system (i.e., storage, piping, pumps, and disinfection) are subject to the approval of the DOH Safe Drinking Water Branch before start up. In addition to successfully completing the startup testing process, the water system will be required to satisfy all components of HAR Chapter 11-20 (Potable Water Systems) including:

- Demonstration of capacity requirements and satisfactory technical, managerial, and financial capabilities to enable the system to comply with safe drinking water standards and requirements;
- Approval of the Director of Health prior to use, which is based upon the submission of a satisfactory engineering report meeting requirements of DOH;
- Identification (within the engineering report) of all potential sources of contamination and the potential for contamination, including treatment of the water source, water quality analysis for all regulated contaminants, performed by the State Laboratories Division of the State of Hawaii, will be submitted to DOH to demonstrate compliance with all drinking water standards;
- Assessment to delineate a source water protection area and creation of a source water protection plan, including activities to protect the source of drinking water;
- Operation of the system by certified distribution and water treatment plant operators meeting

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLIATION

Dear Mr. Taylor:

We have received the Department of Water Supply's (DWS) June 3, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II Application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to DWS's comments.

Source Availability and Consumption

We thank DWS for confirming that the demand estimates in the Draft EIS are within the ranges of DWS's system standards. The estimated potable demand of 0.34 million gallons per day (MGD) does not include irrigation of single family and multifamily lots. Non-potable water will be used for all irrigation within Honua'ula, including single-family and multifamily lots. As stated in Section 4.8.1 (Water System) of the Draft EIS, non-potable water will be used for all irrigation purposes in compliance with County of Maui Ordinance No. 3554 (Condition 14). However, to clarify that potable water will not be used for irrigation of single-family and multifamily lots, in the Final EIS Section 4.8.1 (Water System) will be revised as follows:

The average daily potable water use for Honua'ula is estimated to be 0.34 MGD at build-out. Non-potable water will be used for all irrigation within Honua'ula, including single-family and multifamily lots. The average non-potable demand for irrigation excluding the golf course is estimated to be 0.810 MGD at build-out. The non-potable demand for golf course irrigation is estimated to be 0.717 MGD. Backlash well water will be used to supply all Honua'ula water needs. The backlash well water will supply the feedwater for the RO system, thus producing potable water. Concentrate from the RO treatment of the potable supply will also be produced. Much of the potable waste water will be recycled (R-1) then mixed with the RO concentrate and used for golf course irrigation. With this system, the total average withdraw from backlash wells is estimated to be 1.7 MGD.

Groundwater Resources and Water Quality

In response to your recommendation that the Final EIS contain a commitment to distribute the draft of the offsite wells over a greater area should well users downgradient demonstrate increased chlorides in their active wells, in the Final EIS Section 3.5.1 (Groundwater) will be revised as follows:

An estimated six active downgradient wells may be impacted by a potential increase in salinity due to reduced flowrate resulting from Honua'ula's off-site wells, which current calculations indicate may be on the order of five percent. These downgradient backlash

Dave Taylor
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT
DISTRICT PHASE II APPLIATION
May 31, 2012
Page 3 of 3

- the requirements of DOH;
- Design and operation of the potable system to prevent the cross-connection with the non-potable system and the possibility of backflow of water from the non-potable system to the drinking water system—the two systems must be clearly labeled and physically separated by air gaps or reduced pressure principle backflow prevention devices to avoid contaminating the drinking water supply and all non-potable spigots and irrigated areas must be clearly labeled with warning signs to prevent the inadvertent consumption of non-potable water
- Addressing the potential of contaminating activities (as identified in the Hawaii Source Water Assessment Plan) within the source water protection area and activities that will be implemented to prevent or reduce the potential for contamination of the drinking water source.

We note that your letter dated June 3, 2010 also included copies of your: 1) April 7, 2010 letter regarding the Honua'ula Sewage Disposal Analysis; and 2) May 6, 2009 letter on the Honua'ula Environmental Impact Statement Preparation Notice (EISPN).

Regarding your April 7, 2010 letter addressed to Charles Jencks of Honua'ula Partners LLC regarding the Honua'ula Sewage Disposal Analysis (Analysis), we note that Mr. Jencks responded to your concerns in his letter dated April 15, 2010 (attached). In addition to seeking DWS's comments on the Analysis, in compliance with County of Maui Ordinance No. 3554 Condition 16 the Analysis was also submitted to the State Department of Health and the State Department of Land and Natural Resources, and the County Department of Environmental Management for review and comment. Subsequently, the Analysis, along with reviews and comments, was submitted to the Maui County Council on May 11, 2010 for review. After receiving the Analysis, the Maui County Council did not subject Honua'ula to any additional conditions or amendments as a result of the Analysis.

Regarding DWS's May 6, 2009 letter on the EISPN, we responded to the concerns in that letter in our letter dated March 9, 2010 (attached).

We thank DWS for reviewing the Draft EIS. DWS's letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

Attachments

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

HONUA'ULA

April 15, 2010

Mr. Jeffrey K. Eng,
Director, Department of Water Supply
County of Maui
200 South High Street
Wailuku, HI 96793

Subject: Honua 'ula Condition 16 Review and Response Letter

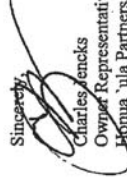
Dear Mr. Eng:

Thank you for the response letter dated April 7, 2010 (attached). We appreciate your comments and want to assure the department that all treated waste water, either from the Makana or on site facility, will be used for irrigation purposes. We also wish to assure the department that irrigated areas will be kept to a minimum and drought tolerant planting (native and ornamental) will be used throughout the project area to help keep the overall project within a reasonable water budget.

With regard to the potable water demand for the project, adequate supply will be maintained through development of a series of offsite wells, two of which have already been drilled and tested. It is our intent to develop Honua 'ula with a responsible potable and non-potable water budget and make full use of water conservation approaches and techniques in the development of the property. Once again, thank you for your comments.

With your department's comments received and responded to, the Sewage Disposal Analysis will be now be transmitted to the Maui County Council for review per the terms of Condition 16. Should you have any questions regarding this process or the analyses please do not hesitate to contact me in my office at 879-5205, on my cell phone at 250-3178 or via email at charliej@pacificrimland.com.

Sincerely,



Charles Jencks
Owner Representative
Honua 'ula Partners, LLC

Attachment



Jeffrey K. Eng, Director
 SUBJECT: ENVIRONMENTAL IMPACT STATEMENT PREPARATION NOTICE
 March 9, 2010
 Page 2 of 2

March 9, 2010

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Senior Associate

RAYMOND T. HIGA, ASLA
Senior Associate

DEVIN K. NISHIKAWA, ASLA
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System Infrastructure
 We acknowledge the surrounding water system infrastructure capabilities and understand that system improvements are required to serve Honua'ula according to standards.

Conservation
 We acknowledge that the Department of Water Supply recommends that whenever possible reclaimed water rather than brackish ground water be used for non-potable purposes. Water conservation measures such as using climate-adapted plants, preventing over-watering by automated systems, eliminating single-pass cooling, utilizing low-flow fixtures and devices, and maintaining fixtures to prevent leaks will be included in the Draft EIS.

Pollution Prevention
 The Draft EIS will include discussion of Best Management Practices to minimize infiltration to ground water and runoff.

Thank you for reviewing the EISPN. Your letter will be included in the Draft EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
 Senior Associate

cc: Jeff Hunt, Maui Planning Department
 Charles Jencks, Honua'ula Partners, LLC

1905.08 EA EISPN DWS

SUBJECT: HONUA'ULA ENVIRONMENTAL IMPACT STATEMENT PREPARATION NOTICE
 Dear Mr. Eng:
 Thank you for your letter dated May 6, 2009 regarding the Honua'ula Environmental Impact Statement Preparation Notice (EISPN). As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments.

Source Availability and Consumption
 The Draft Environmental Impact Statement (EIS) will provide information regarding Honua'ula's water system, treatment, sources, and demands.

Regarding the statement in the EISPN about Honua'ula Partners, LLC offering the County the right to purchase the project water system, this is stated in the EA/EISPN because Condition 1 of the Change in Zoning Ordinance (County of Maui Ordinance 3554) states: "At the time the project water system is completed, Honua'ula Partners, LLC, its successors and permitted assigns, shall offer to the County the right to purchase the project water system at the cost of the development of such system." Honua'ula Partners, LLC, will comply with all conditions of the Change in Zoning Ordinance (County of Maui Ordinance 3554).

The Draft EIS will include discussion regarding the adequacy of the water source and potential interference or conflict with county plans for source development. Specifically, regulatory oversight processes will ensure adequacy of the water source and that water source development will not interfere or conflict with County plans for source development. These include: 1) the State Commission on Water Resource Management well construction and pump installation permits; 2) State Department of Health Engineering and Capacity report approvals; and (3) compliance with the County's Water Availability Policy, codified as Chapter 14.12, Maui County Code.

Groundwater Resources and Water Quality
 The Draft EIS will address issues related to water quality including the impacts of Wailea 670 wells 4125-01 and 4125-02 to surrounding wells.



10 MAY 13 10:01
POLICE DEPARTMENT
 COUNTY OF MAUI

CHARMAINE TAVARES
 MAYOR

OUR REFERENCE
 YOUR REFERENCE



GARY A. YABUTA
 CHIEF OF POLICE

CLAYTON M.Y.W. TOM
 DEPUTY CHIEF OF POLICE

May 10, 2010

MEMORANDUM

TO : ANN T. CUA, DEPUTY DIRECTOR
 DEPARTMENT OF PLANNING

FROM : GARY A. YABUTA, CHIEF OF POLICE

SUBJECT : I.D. : (PH2 2010/0001) (EIS 2009/0001)
 TMK : (2) 2-1-008:999 (POR.), 043 (POR.), 090
 (POR.), 108 (POR.), 054 (POR.), and 001
 (POR.); (2) 2-2-002:050 (POR.) and 054
 (POR.)

Project Name : Honua'ula
 Applicant : Honua'ula Partners, LLC (Charles Jencks)

___ No recommendation or comment to offer.
 ___x___ Refer to enclosed comments and/or recommendations.

Thank you for giving us the opportunity to comment on this project.

[Signature]
 Assistant Chief Danny Matsuura
 For: **GARY A. YABUTA**
 Chief of Police

COPY

TO : GARY YABUTA, CHIEF OF POLICE, COUNTY OF MAUI
VIA : CHANNEL'S (Handwritten Signature) *SP/HP*
FROM : BRAD HICKLE, POLICE OFFICER III, DISTRICT VI KIHEI
SUBJECT : ENVIRONMENTAL IMPACT STATEMENT FOR HONUA'ULA PARTNERS LLC @ TMK: (2) 2-1-008:056 AND 071

APPLICANT INFORMATION:

PBR Hawaii & Associates, Inc. have prepared the Environmental Impact Statement (EIS) for the applicant, Charles JENCKS representing Honua'ula Partners, LLC. in preparation for a Master Planned Community known as Honua'ula.

The residential community will consist of 1400 Single-family and Multi-family homes, village mixed use areas with supporting commercial, open space, recreation, and related off-site infrastructure as well as an 18 hole homeowners golf course, club house with related infrastructure.

IMPACT ON POLICE:

A residential community of this size will have a measurable impact on Police services. It is unknown however what the exact impact may be. There will be a wide variety of calls for service to this community.

RECOMMENDATIONS:

It is recommended that the developer use "best practices" in Crime Prevention Through Environmental Design (CPTED) when building this community.

CPTED is a form of crime prevention that combines building design features, lighting and foliage to deter crime and criminal activities upon the property. Incorporating the CPTED principal into this community will help to minimize Police calls for service.

I further recommend this document be returned to the County Department of Planning for review and final disposition.

Respectfully Submitted,
 Officer B. HICKLE
 05/03/10

[Handwritten notes and signatures]

APPROVED
 5/10/10
 CLAYTON TOM
 DEPUTY CHIEF OF POLICE

Enclosure

14:40 hours



Gary A. Yabuta, Chief of Police
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
 May 31, 2012
 Page 2 of 2

May 31, 2012

Gary A. Yabuta, Chief of Police
 County of Maui
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SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Chief Yabuta:

Thank you for your letter addressed to Ann Cua of the Maui Planning Department dated May 10, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments.

We acknowledge your comments that Honua'ula will have a measurable impact on police services; however it is unknown what the exact impact may be. To include this information in the Final EIS, in the Final EIS Section 4.10.2 (Police) will be revised to include the following statements:

In their comment letter on the Draft EIS dated May 10, 2010, the Maui Police Department stated:

A residential community of this size will have a measurable impact on Police services.

It is unknown however what the exact impact may be. There will be a wide variety of calls for service to this community.

Please note, as discussed in Section 4.10.2 (Police) of the Draft EIS, to help address the need for resources to adequately fund police services, Honua'ula Partners, LLC will contribute \$550,000 to the County for the development of the new Kihei District Police station in South Maui, to be paid at the time a contract is entered into for the construction of that police station.

To supplement this information and in response to your comments, in the Final EIS, Section 4.10.2 (Police) will be revised to include the following information:

To minimize the impacts on police services and reduce the incidence of crime within Honua'ula, the Maui Police Department recommends incorporating principles of Crime Prevention Through Environmental Design (CPTED). CPTED principles combine building design features, lighting, and foliage to deter crime and enhance security within the Property by allowing for clear sight lines, providing adequate lighting, promoting mixed land uses, creating a sense of ownership through maintenance and management, and providing signs and information. These guiding principles and design objectives will be encouraged in the design of Honua'ula.

Regarding review and approval, the accepting authority for the Honua'ula Draft EIS and Project District Phase II application is the Maui Planning Department/Maui Planning Commission. As such, the Maui Planning Department/Maui Planning Commission will review the Final EIS and Project District Phase III application upon completion.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
 Senior Associate

cc: William Spence, Maui Planning Department
 Charles Jencks, Honua'ula Partners, LLC



April 28, 2010

Mr. Tom Schnell
PBR Hawaii & Associates, Inc.
ASB Tower
1001 Bishop Street, Suite 650
Honolulu, Hawaii 96813

Subject: Draft Environmental Impact Statement and Project District Phase II Application –
Honua'ula Subdivision
(PH2 2010/0001 and EIS 2009/0001)
Pili'ani Highway/Ulupalakua Ranch
Wailea, Maui, Hawaii
Tax Map Key: (2) 2-1-008:056 and 071; (2) 2-1-008:999 (por.), 043 (por.),
090 (por.), 108 (por.), 054 (por.), 001 (por.); (2) 2-2-002:050
(por.) and 054 (por.),

Dear Mr. Schnell,

Thank you for allowing us to comment on the Draft Environmental Impact Statement and
Project District Phase II Application for the subject project.

In reviewing our records and the information received, Maui Electric Company has no additional
comments to the subject project at this time.

Should you have any questions or concerns, please call me at 871-2341.

Sincerely,

Kyle Tamori
Staff Engineer

c: County of Maui – Planning Department – Mr. Jeff Hunt, Director



May 31, 2012

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Sincerely,

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RE: Comments on DRAFT EIS for HONU'A'ULA (WALEA 670)

Summary: Honua'ula/Wailea 670's DEIS fails to adequately disclose the impacts of the proposed project to the cultural resources and practices of the affected area and to mitigate those impacts as provided under HRS CHAPTER 343. The DEIS fails to provide a Reasonable Range of Alternatives to the proposed action with an analyses of the impacts of each alternative. Alternatives are considered the heart of an "EIS."

Thank you for the opportunity to offer comments on the Draft EIS (DEIS) for this project. Maui Cultural Lands, Inc. (MCL) is a Maui-based grassroots land trust organization whose mission is to stabilize, protect, and restore Hawaiian cultural resources.

MCL was established as a non-profit organization in February of 2002 and is one of only a few land trust organizations on Maui targeting Hawaiian cultural lands along the coast and inland areas. We are currently a small organization operating on the basis of volunteerism.

REVISED ARCHAEOLOGICAL INVENTORY SURVEY

Revised Archaeological Inventory Survey (AIS) for proposed Honua'ula development area TMK 2-1-08: 56 & 71 updated March 2010 (Reference No. ASC080724)

Maui Cultural Lands (MCL) submits the following comments for your review and comment regarding the above referenced AIS submitted by Aki Sinoto Consulting.

The subject AIS was not submitted by the applicant to State Historic Preservation Division (SHPD) for approval prior to developing this DEIS, allowing reviewing agencies and the public the opportunity to evaluate a preservation plan and mitigation measures that respond to an acceptable AIS.

The DEIS should have an AIS already approved by SHPD to ensure that environmental impacts to all sites on the project area can adequately be assessed. The DEIS is premature because it does not contain the information needed to adequately evaluate potential environmental impacts (HAR 11-200-17(E)).

The AIS lacks historical research and scholarship. The AIS should include listings of all the kuleana claims in the three ahupua'a of Paeahu, Palau'ea, and Keauhou, which make up the project area, along with native descriptions, maps, and analyses of where the LCAs could have possibly been located in each respective ahupua'a. It should be unacceptable for an AIS to dismiss the presence of any of the dozens of unlocated LCA in the ahupua'a of the project site with no evidence or proof. If the consultant need help locating LCAs for the project area, we suggest that they enlist the services of a cultural historian, like Kepa Maaly.

The AIS should include paleo-botanical studies. The applicant has claimed that these would be useless since the area is dry. That is not a good assumption. Tremendous amounts of useful

information on habitat range, plant varieties and cultural practices were obtained from such studies conducted during the AIS process of DHHL lands in dry Kahikinui. (Dixon & Conte, et al 2000)

The AIS is inadequate. The survey has failed to document all the historic properties on the site in accordance with HAR Title 13 Chapter 276-3:

§13-276-3 Archaeological inventory survey, generally. An archaeological inventory survey shall:

- (1) Determine if archaeological historic properties are present in the project area and, if so, identify all such historic properties.
- (2) Gather sufficient information to evaluate each historic property's significance in accordance with the significance criteria listed in subsection 13-275-6(b).

The fact that this AIS states that, "The Northern Section yielded only one singled-featured site, a natural overhang shelter in a seasonal gulch," in an area of approximately 480 acres of the proposed 670 acre project area should be viewed as a big red flag not only to SHPD, but also to all concerned parties.

The fact of the matter is there are still unrecorded cultural and historical sites in the Northern two-thirds of the project area. As evidence of this, MCL has submitted to SHPD a map with photos and GPS showing 13 potential historic properties that have not been documented in this AIS. All of these sites were found in the same gulch in the Northern Section of the Honua'ula project.

Because MCL believes the AIS to be incomplete we would like the following actions to be taken:

1. That the Archaeological Branch of SHPD review and comment on each of these unrecorded sites individually. This is critical in light of the fact that proposed development maps show this gulch and surrounding area will have many modifications to accommodate golf course fairways, landscaped areas, access roads and housing. Because of this, many of these unrecorded sites are likely to be destroyed without having been documented, photographed, tested or evaluated.

2. That the survey and research scope of the AIS be intensified and expanded so that all historic properties in the project area are identified and inventoried before SHPD and OHA find the AIS process complete, and any Phase II Project District approvals are given. Special attention needs to be given to carefully surveying all the gulches in the 670-acre project area and including the results in the AIS. In our opinion, the gulches are not likely to have been thoroughly surveyed, and appear under-emphasized with regards to their cultural and historical significance in the AIS.

3. Inquiries should be made to the contract archaeologist as to why sites in the Paeahu gulch were not recorded in the AIS given that they appear to be comparable to other overhang and cave sites that are recorded in the AIS for the Southern Section of the project area. Also, flagging tape was visible near several of the unrecorded sites along the Paeahu gulch, yet no mention was made in the AIS of any inventory survey being conducted in the region, or the results. Were these sites located, and then dismissed with no record of their review?

4. More specific information should be provided in the AIS regarding the spacing, number and location of systematic sweeps and survey transects completed across the terrain in both the northern and southern area by the AIS consultants. Especially important would be descriptions of what time of year and how many acres a day were covered by each person. This is necessary information for reviewers, due to the large acreage involved in this project. We would recommend that more dry season surveys be done of entire project area.

5. That the AIS provide better site maps which detail all site features. We would like to see the site maps cover an additional 50 to 100 feet beyond the immediate site, to document all potential features. A good place to do this ASAP would be site 20, which has multiple features. By extending the survey area out another 100 feet from site 20 we can assess if there are any areas of potential effect (APE) at site 20, or any other sites with a high concentration of features.

6. That a more detailed history of the cultural and historic resource review for the entire Honua'ula region surrounding the project area be included in the AIS. This history should begin with the initial surveys done in 1969-72, describing in greater detail the range of sites and site locations under other ownerships, which may relate to sites in the project area. In Hawaiian culture, the alignment of sites, mauka-makai is very significant. The present AIS does not refer to any relationships or alignments which may exist among the

sites and site complexes in the project area and the numerous documented complexes makai in Palau'ea and Keaouhou ahupua'a. Maps should be provided indicating alignment and relationship of Waialea 670 sites and with recorded sites on surrounding properties to West and South. This is required by the Kihei-Makena Community Plan "Implementing Actions" section:

Require development projects to identify all cultural resources located within or adjacent to the project area, prior to application as part of the county development review process

7. That the review letters between SHPD and the applicant on its inventory survey dated August 29, 2000, August 28, 2001, and January 17, 2002, with each letter asking for revisions, including further inventory survey of both the northern and southern portions of the property, additional testing, and specific justifications for significance evaluations and any other correspondences which constitute consultation, must be disclosed in the DEIS. The AIS also received several critical letters from the Office of Hawaiian Affairs dated August 29, 2007, addressed to Michael Molina Chair of the County Council Land Use Committee at that time, and November 7, 2007 addressed to SHPD, which must also be disclosed in the DEIS.

8. That the "consultation process" as defined and described in HAR 13-276 be followed in the preparation of the AIS and CRPP.

§13-276-2 Definitions. As used in this chapter unless the context requires otherwise:

"Consultation process" means notifying interested organizations and individuals that a project could affect historic properties of interest to them; seeking their views on the identification, significance evaluations, and mitigation treatment of these properties; and considering their views in a good faith and appropriate manner during the review process.

We feel that the "consultation process" as defined in the statute has not been followed. We acknowledged that we are already engaged in a legal process (EIS review and AIS review) that involves offering comments and input. The landowner has had opportunity and a legal requirement to consult with us and other interested parties prior to submitting an Archaeological Inventory Survey Report (HAR 13-276-5(g) and prior to submission of significance evaluations (HAR 13-284-6(c)). The applicant chose to ignore these consultation requirements and has therefore submitted an AIS without our input as well as other interested parties input. These interested parties were clearly identified during the project's Cultural Resource Preservation Plan outreach in March- April of 2009. The Honua'ula project was required to reach out to those who wished to be consulted parties by condition of

rezoning number thirteen. This condition stated:

"13. That Honua'ula Partners, LLC, its successors and permitted assigns, shall prepare a Cultural Resources Preservation Plan ("CRPP"), in consultation with:

Na Kupuna O Maui; lineal descendants of the area; other Native Hawaiian groups; the Maui County Cultural Resources Commission; the Maui/Lanai Island Burial Council; the Office of Hawaiian Affairs; the State Historic Preservation Division, Department of Land and Natural Resources; the Maui County Council, Na Ala Hele; and all other interested parties. Prior to initiating this consultation process, Honua'ula Partners, LLC, its successors and permitted assigns, shall publish a single public notice in a Maui newspaper and a State-wide newspaper that is published weekly. The CRPP shall consider access to specific sites to be preserved, the manner and method of preservation of sites, the appropriate protocol for visitation to cultural sites, and recognition of public access in accordance with the Constitution of the State of Hawaii, the Hawaii Revised Statutes, and other laws, in Kihei-Makena Project District 9.

Upon completion of the CRPP, Honua'ula Partners, LLC, its successors and permitted assigns, shall submit the plan to the State Historic Preservation Division, Department of Land and Natural Resources, and the Office of Hawaiian Affairs for review and recommendations prior to Project District Phase II approval. Upon receipt of the above agencies' comments and recommendations, the CRPP shall be forwarded to the Maui County Cultural Resources Commission for its review and adoption prior to Project District Phase II approval."

MCL expressed hope that a site visit would be scheduled for those who wished to be consulted on the CRPP when we first requested to be consulted parties on March 8, 2009. Several other organizations also asked to be informed if a site visit was scheduled. None of these organizations received any acknowledgment of any site visit, although it is possible that members of Na Kupuna o Maui, the Applicant's preferred cultural consultation group, may have been offered a visit over the last year.

Since our past efforts to be a consulted party, as specified in HAR Title 13-276 on the issues of cultural and historical preservation in the Honua'ula project area have been met with disinterest, and our observations and comments submitted during the CRPP consultation process have been dismissed, ignored, or inadequately addressed. We are now obligated to respond to the submittals within the legal parameters of the EIS review and the Chapter 6E process.

Again we feel that the limited dialogue opportunities afforded to lineal and cultural descendants, as well as interested parties such as ourselves, has not met the standards of the consultation process described in Title 13-276.

Maui Cultural Lands (MCL) participation in this consultation process can be described as follows:

MARCH 8, 2010 MCL INQUIRES ABOUT SITE VISIT FOR CONSULTED PARTIES

From: Maui Cultural Lands March 8, 2009

"Dear Mr. Jencks

Thank you for providing this opportunity for Maui Cultural Lands, Inc to be a consulted party and offer input on the Cultural Resources Preservation Plan for Honua'ula. A subcommittee of MCL that is knowledgeable about South Maui lands will provide input as the plan goes through its various stages. This subcommittee includes Daniel Kamahele and Colin McCormick, both residents of Paeeahu and historical researcher Clare Apana. Please contact us at the address above."

"We hope that there will be a site visit offered in the near future for consulted parties to view the sites proposed to be included in the preservation plan."

APRIL 2009 MCL COMPLETES CULTURAL RESOURCES PRESERVATION PLAN (CRPP) QUESTIONNAIRE FOR HONUA'ULA.

JULY 7, 2009 MCL RECEIVES A FORM LETTER FROM MR. CHARLIE JENCKS, OWNERS REPRESENTATIVE, THANKING US FOR COMPLETING THE CULTURAL QUESTIONNAIRE.

2010 HONUA'ULA COMES OUT WITH ITS EISPN FOLLOWED BY ITS DEIS. MCL COMMENTS ON THE EISPN AND PLANS TO COMMENT ON THE DEIS.

At no point in time has MCL been shown the respect to be directly contacted by Honua'ula or its consultants as a consulted and interested party to view Honua'ula's project area cultural and historic properties, nor have they sought our views on the identification, significance evaluation, and mitigation treatment of these properties during the review process, until now, after they have already submitted their AIS.

And we are not the only ones who have asked them about site visits for interested parties and heard nothing from them. The Sierra Club Maui Group, Maui Tomorrow, and knowledgeable individuals also asked about site visits and to our knowledge were also never contacted by the developer regarding their requests.

March 10, 2009

"Sierra Club Maui Group would like to be a consulted party as Honua'ula Partners LLC and its consultants prepare the Cultural Resources Preservation plan for the 670 acres of Paeeahu, Palau'ea and Keaouhou, which are proposed for future development. We would also appreciate being contacted about any future onsite visit for consulted parties to view the preservation sites."

MAY 01, 2009

"In 2008 Maui Tomorrow requested access to the project site on behalf of Maui Tomorrow board member and kupuna, Ed Lindsey; we were referred to a committee. Mr. Lindsey, who has offered regular weekly access to all residents and visitors interested in cultural education opportunities at Honokowai Valley for the past 9 years, was discouraged and never pursued the matter further."

Joylynn Costa, who is very knowledgeable about the project area, said she had asked several times for an onsite visit and said that she was also never contacted by the developer or their representatives.

The importance of the "consultation process" as part of the AIS is emphasized throughout HAR Title 13-276.

§13-276-5 Archaeological inventory survey report.
(a) An archaeological inventory survey report shall be prepared to record and synthesize the data gathered from background research, field survey and consultation process with knowledgeable individuals. The report shall include:

(g) The report shall contain information on the consultation process with individuals knowledgeable about the project area's history, if discussions with the SHPD, background research or public input indicate a need to consult with knowledgeable individuals.

- (1) Information shall include:
 - (A) Personnel conducting the consultation process, with names and qualifications;
 - (B) Methods of identifying and contacting knowledgeable persons;

- (C) Names of knowledgeable persons consulted, or, if the person wishes to remain anonymous, a characterization of the person; and
- (D) A summary as to whether additional archaeological historic properties were identified during the consultation process, and whether additional information on archaeological site function was obtained during the consultation process;

MCL feels the 2006 Cultural Impact Assessment done for Honua'ula does not adequately fulfill the requirements for the "consultation process" described in HAR 13-276.

MCL feels that it is legally required and important to follow and honor the 'consultation process' as set forth in the HAR TITLE 13-276.

We don't believe that this has happened in a good faith and reasonable manner with interested parties like ourselves, lineal descendants of the land, or other knowledgeable persons with respect to Honua'ula's revised AIS or Cultural Resource Preservation Plan, which we believe is premature anyway since the submitted AIS is, in our opinion, incomplete.

There is also language in the Kihei-Makena community Plan that your office may not be aware of that requires complete archaeological review BEFORE a project applies for entitlements and land use approvals. On Maui, the Community Plans have the force of law. (GATRI Decision)

Kihei-Makena CP Cultural Resources: "Implementing Actions" section

Require development projects to identify all cultural resources located within or adjacent to the project area, prior to application as part of the county development review process.

MCL, Maui Tomorrow, Save Makena, Maui Unite, Sierra Club and numerous lineal descendants and other individuals repeated asked Maui County Council to require the applicant to go back and document additional cultural sites on the property. The council was informed by a letter from Mr. Aki Sinoto in 2007 that the archaeological survey was complete and furthermore, that SHPD had accepted the AIS and just had a few procedural details to work out. This was not accurate information and the result was that statements made by citizens were not given due respect by policymakers and no further action was required by the Honua'ula LLC partners to identify cultural sites.

On June 21, 2010 there was a gathering of lineal descendants of the traditional moku lands of Honua'ula who came to exercise their traditional and customary rights on the Honua'ula LLC site on the day of the summer solstice. All of them expressed an interest in participating in a consultation process. Many of them have knowledge that could be invaluable to the historic review process for this property.

Maui Cultural Lands, on behalf of other interested parties, knowledgeable individuals, and lineal descendants of this land would like to request an onsite visit with the developer's representative to view the historic properties of Honua'ula and consult in a collaborative way regarding site identification, significance evaluation, further testing required and treatment mitigation for its historic properties. Rather than have everyone from these various groups come to the onsite visit, we would recommend that only a representative from each interested party participate in the onsite visit and discussion. MCL feels that this course of action would expedite the completion of the AIS for the project area as well as uphold the policies of Chapter 6E which are to "preserve, Restore, and maintain historic properties for future generations."

Again, with regards to the archaeological surveys of the project area, many kanaka 'oiwi testified that

additional sites were present but not recorded in the archaeological surveys of the contract archaeologist at meetings before the Maui County Council during the rezoning application meetings for the proposed Honua'ula development. Two surveys from 2000 and 2001 (Sinoto/Pantaleo) were given to the County Council at that time. The applicant's archaeologist stated emphatically that this was the complete record and that no significant sites remained unrecorded. The last document the council received before making their decision to approve the rezoning application was a map and database listing 29 sites and 46+ features. Without any further explanation in the EIS Prep Notice or the updated AIS for Honua'ula, we are now informed that there are now 40 sites with 60 features, in other words, an additional 11 sites and 14 more features have now been recorded.

There seems to be a pattern here. Every time you look for historic properties in the project area more sites are found. Therefore, it is more likely than not that there are still more historic/cultural properties out there that need to be identified and inventoried. Given this ongoing pattern, why should anyone feel totally comfortable about the completeness and adequacy of the current AIS?

SIGNIFICANCE CRITERIA USED IN REVISED AIS

No specific rationale is provided for assessing the significance of each site. The AIS and this DEIS must provide justification for classifying the significance of each site with supportive documentation provided. (Section 13-284-6d (1) (B) HAR). For an example, why are some caves – described as overhang shelters in the AIS- slated for preservation and others are not?

Criteria used in evaluating significance in this AIS are those adopted by the Hawaii State Register. These are not exactly the same criteria specified by 13-284-6(b) 1-5 HAR, which this AIS and DEIS must comply with. Specifically, the Criterion "E" used in this AIS omits the following underscored language;

(5). Criterion 'e' Have an important value to the Native Hawaiian people, or to another ethnic group of the state due to associations with traditional beliefs, events or oral accounts – these associations being important to the groups history and cultural identity.

The AIS must evaluate the historic properties using these specific criteria.

Site descriptions do not provide an assessment of site functions with reasonable and adequate supportive arguments or an assessment of site age as required by Section 13-276-5(d) (4) H & J HAR. The AIS must provide such assessment in order for this DEIS to have the information necessary to permit an evaluation of potential environmental impacts. (Section 11-200-17 [E] HAR).

CULTURAL RESOURCE PRESERVATION PLAN

"Don't count your chickens before they hatch."

You can't have a preservation/mitigation plan/agreement until all the historical properties in the delineated area have been identified and documented in an AIS.

Since MCL believes the revised AIS to be incomplete, we therefore believe that the submittal by Honua'ula of any preservation/mitigation plan and their CRPP to SHPD for review is premature.

The Historic Preservation Review Process supports the policies of Chapter 6E, HRS, to preserve, restore, and maintain Historic Properties for future generations. It is important to follow the Historic Preservation review process and not skip steps as outlined at SHPD website <http://hawaii.gov/dlnr/hpd/pdfs/revproc.pdf>.

CULTURAL IMPACT ASSESSMENT

MCL feels the Cultural Impact Assessment done for Honua'ula does not fulfill the requirements for the "consultation process" described in HAR 13-276.

Only one interviewee appears to have shared any specific cultural knowledge of the Honua'ula property. That interviewee with specific cultural knowledge of the area stated that "the region is culturally valuable not just because of the cultural sites that exist there but the botanical treasures...the plants separated us and it allowed us (Hawaiians) to have a culture...places like Honua'ula, Kahikinui, Kaupo, again should be taken out of the development realm. ...because it's the last Hawaiian places on the island of Maui, in my opinion." (Mr. Kevin Mahealani Kai'okamalie).

The cultural impact assessment does not follow the guidelines for assessing cultural impacts adopted by the Environmental Council.

Much of the narrative within the CIA does not provide attribution of sources. It appears the authors depended primarily on Eispeith Sterlings Sites of Maui to provide historical background of the area.

The CIA does not provide a discussion of the Kumu/honua genealogy which is associated with Honua'ula through oral accounts and traditional beliefs. This cultural connection with a famous genealogy must be disclosed in the CIA.

BIOLOGICAL RESOURCES

The DEIS dismisses the 'A'a flow and its native vegetation as "a highly degraded lowland dry scrubland" and as being "far from pristine." The DEIS thus provides for only a 22 acre Native Plant Preservation Area and states on page 61 that it is "in conformance with County of Maui Ordinance No 3554 Condition 27." This could not be further from the truth.

Condition 27 requires that the entire 130 acres of native lowland forest receive review and recommendations from Department of Land and Natural Resources, U.S. Fish and Wildlife and the U.S. Corps of Engineers before determining the scope of the preservation easement.

Without this review and determination by the reviewing agencies as to the portions of the property that do not merit preservation, the DEIS must conform to the legal requirement of Condition 27 which states "The Easement shall comprise the portion of the property south of latitude 20/40/15.00" N..."

Again, the applicant is postponing required authorizations in order to avoid full disclosure of necessary and critical information.

Dozens and dozens of people testified before the Maui County Council supporting the importance of saving this portion of the last 5% of remaining Hawaiian lowland forests. This public support is the reason the Council conditioned the "Native Plant Preservation Area" to be comprised of the entire 130 acres of the southern portion of the property, and only excluding those portions of the property that the Federal and State reviewing agencies have deemed do not merit preservation.

This should have been done prior to submitting a DEIS in order to allow for full project disclosure.

No discussion is offered regarding the report titled "Remnant Wiliwili Forest Habitat at Wailea 670, Maui, Hawaii prepared by Dr. Lee Altenberg substantiating the need to preserve the 130 native lowland forest and which the County Council directed the applicant to submit to DLNR, USFW and USACE for their review prior to submitting recommendations on what does not merit preservation.

Section 11-200-16 HAR requires the DEIS to include opposing views. "In order that the public can be fully informed and that the agency can make a sound decision based upon the full range of responsible opinion on environmental effects, a statement shall include responsible opposing views, if any, on significant environmental issues raised by the proposal."

Again, the applicant is postponing the necessary authorizations it needs in order to provide full disclosure of the projects actions within this DEIS.

DEIS should include discussion of an alternative design of the project which would include a map showing all golf course and housing development located north of the 20 degree 40'15"N latitude line and a cultural and native plant preserve area on 130 contiguous acres south of that latitude line.

Currently the DEIS does not take seriously the concept of a preserve area of 130 contiguous areas. Instead it proposes to destroy the majority of the existing 130 acre habitat range with golf course, commercial center and housing construction, and define an area of 143 acres--the majority of which is

north of the 20 degree 40'15"N latitude--as the "preserve." Only 22 acres south of the 20 degree 40'15" N latitude line would have an actual preserve easement.

The remaining "native plant enhancement areas" lands would have no specific protection for the plants and would mostly consist of out planting of native plants (species not indicated in DEIS) in various areas along golf course buffers and gulches.

It has been proven by reputable professionals that many of the species naturally found in the 130 acres do not propagate or transplant well, including the Maiapilo, a candidate for threatened species. This is never acknowledged in the DEIS.

Bottom line: 130 acres of currently successful, healthy native habitat proposed in Condition 27 for protected status is being proposed by Honua'ula to be reduced to about 17% of its existing range, severely limiting the ability of these native plants to have a viable range of natural habitat expansions. In return, Honua'ula has proposed that a selected number of native plants would be introduced in other areas of the project as landscape plantings. This in no way improves the chances for native habitat survival according to prevailing biological views by independent researchers, nor does it provide adequate habitat for the full range of ecosystem species including native insects like the endangered Blackburn moth, and other native wildlife like the Hawaiian hoary bat and pueo.

Studies are cited giving the success of small managed habitat, yet the authors of these studies have all gone on record as supporting large, contiguous habitat area as the best chance for viable survival of healthy native plant and insect populations. The information about these studies is being carefully manipulated to avoid the conclusion that the fragmented habitats currently proposed in the developers "143 acre preserve plan" would not be considered ideal by any conservation biologists.

Legal Rationale: Condition of Zoning Number 27 imposed on the Project by the Maui County Council reads:

27. That Honua'ula Partners, LLC, its successors and permitted assigns, shall provide the report "Remnant Wilivili Forest Habitat at Wailea 670, Maui, Hawaii by Lee Aitenberg, Ph.D.", along with a preservation/mitigation plan, to the State Department of Land and Natural Resources, the United States Fish and Wildlife Service, and the United States Corps of Engineers for review and recommendations prior to Project District Phase II approval. The Maui Planning Commission shall consider adoption of the plan prior to Project District Phase II approval.

Such plan shall include a minimum preservation standard as follows: That Honua'ula Partners, LLC, its successors and permitted assigns, shall establish in perpetuity a Conservation Easement (the "Easement"), entitled "Native Plant Preservation Area", for the conservation of native Hawaiian plants and significant cultural sites in Kihiet-Makena Project District 9 as shown on the attached map. The Easement shall comprise the portion of the property south of latitude 20°40'15.00"N, excluding any portions that the State Department of Land and Natural Resources, the United States Fish and Wildlife Service, and the United States Corps of Engineers find do not merit preservation, but shall not be less than 18 acres and shall not exceed 1.30 acres.

Condition 27 defines the area south of 20 degrees 40'15" as a native plant preserve "excepting those portions which USFWS, US Corps of Engineers, and State DLNR determine "do not merit preservation." No map is included in the DEIS that shows the project with a 130 acre preserve.

HAR§11-200-17 Content Requirements; Draft Environmental Impact Statement

Requires alternative designs to be considered and analyzed in an environmental document. The alternatives of the Honua'ula DEIS section does not provide this analyses.

The draft EIS shall describe in a separate and distinct section alternatives which could attain the objectives of the action, regardless of cost, in sufficient detail to explain why they were rejected. The section shall include a rigorous exploration and objective evaluation of the environmental impacts of all such alternative actions. Particular attention shall be given to alternatives that might enhance environmental quality or avoid, reduce, or minimize some or all of the adverse environmental effects, costs, and risks.

Alternatives related to different designs or details of the proposed actions which would present different environmental impacts;

Description of the environment in the vicinity of the action, as it exists before commencement of the action, from both a local and regional perspective. Special emphasis shall be placed on environmental resources that are rare or unique to the region and the project site (including natural or human-made resources.)

The statement shall also indicate the extent to which these stated countervailing benefits could be realized by following reasonable alternatives to the proposed action that would avoid some or all of the adverse environmental effects.

The draft EIS shall consider mitigation measures proposed to avoid, minimize, rectify, or reduce impact, including provision for compensation for losses of cultural, community, historical, archaeological, fish and wildlife resources, including the acquisition of land, waters, and interests therein.

Description of any mitigation measures included in the action plan to reduce significant, unavoidable, adverse impacts to insignificant levels, and the basis for considering these levels acceptable shall be included. Where a particular mitigation measure has been chosen from among several alternatives, the measures shall be discussed and reasons given for the choice made. Included, where possible and appropriate, should be specific reference to the timing of each step proposed to be taken in the mitigation process, what performance bonds, if any, may be posted, and what other provisions are proposed to assure that the mitigation measures will in fact be taken.

KANAIO-KALAIMA PARK ROAD

features in golf courses and creating a new walking path oriented to the golf course, housing and shopping areas. This is not preserving and restoring traditional, historic roads and paths, rather this is defining them out of existence.

One of the interviewees in the project's CIA, Ed Chang Jr., should be interviewed about this road. He has offered testimony stating that before the military built the road there was not a road, but a trail going from "Makena Junction to Kalama." If his recollection and those of others confirm a traditional trail through the property, preservation of that trail should be discussed in the EIS. No proof is offered that the Kanaio-Kalama road, which is over 50 years old and shown on many maps including TMK maps, is in a different alignment today. It appears from aerial photos to follow the same route shown on 1950's maps.

The DEIS currently offers no research from military archives on whether or not the military followed an existing trail when they improved the road in the 1940's. Makena resident Eddie Chang Jr. testified to a Maui county council committee in 2001 that "the road from Kihei to Ulupalakua Junction was rebuilt in WWII. There was never a road, when I was a kid, from Ulupalakua Junction in Makena to Kalama Park, but there was a trail. And that trail has since been privatized and bought out." It would be the route as being from "Ulupalakua Junction" (the area of the historic road from Makena Landing that joins the road to Ulupalakua) to Kihei and Kalama Park. This is the route of the Kanaio-Kalama Park Road found on TMK maps and the 1950's USGS Maps.

The DEIS should plot the historic route of the Kanaio-Kalama Park Rd on a map of archaeological sites found in the project area and neighboring parcels to determine if the concentration of cultural site complexes in the vicinity of the present road are likely to be connected to its earlier use as a traditional trail. Numerous undocumented sites also exist along this same historic road.

MCL COMMENTS TO THE CRPP AND EISPN

The comments MCL provide to the CRPP and EISPN as part of the consultation process were not adequately addressed in the CRPP or the DEIS. We would like to see our comments readdressed with more detail and specificity in a new DEIS.

CONCLUSIONS

The DEIS is fatally flawed. And at the very least, it is incomplete and premature. Critical components of the proposed action have not yet been decided and are therefore not discussed in sufficient detail to permit an evaluation of potential environmental impacts – the very purpose of an environmental impact statement and a requirement under Section 11-200-17(E) HAR. It does not contain the information needed to adequately evaluate potential environmental impacts to Hawaiian cultural resources. It does not provide an Archaeological Inventory Survey or a Preservation Mitigation Plan that has been approved by OHA and accepted by SHPD. It does not provide a native plant

The DEIS should include maps of different alignments of the Kanaio-Kalama Park Road, which they claim merits no preservation "because it was not on maps prior to 1892" and has only "fragments" left of the alignment of the historic road built by the military during WWII.

The DEIS also claims that the historic (over 50 years old) Kanaio- Kalama Park Rd. has been evaluated by Staff at Na Ala Hele and deemed not to be a public road subject to preservation under the Highways act of 1892 because it was not shown on any maps prior to 1892.

The DEIS also claimed that the road has no historical integrity since only sections of the present road follow the original route constructed by the military during WWII and the original road has been terminated or obliterated beyond the Project boundaries. No comparative maps were provided to offer proof of this realignment. We would ask that such maps substantiating your claim be provided in the DEIS/EIS.

We would ask that the DEIS discuss the status of the Kanaio-Kalama Park Road based upon the following considerations.

The road, regardless of its present length, should be considered an "historic property." It is shown on USGS maps from 1950's in an alignment that appears to closely follow that shown on modern day aerial maps of the Waialea 670 site. As such, it should be protected in compliance with the policies of the Kihei-Makena Community Plan.

"Historic property" means any building, structure, object, district, area, or site, including heiau and underwater site, which is over fifty years old." HRS CHAPTER 6E-2

By way of example, the Hana Highway is considered an "historic property" and is listed on the National Register of Historic Places. Much of the Hana Hwy has been realigned over the past 80 years and portions were realigned by the military during WWII. Beyond Hana town the road continues through both public and private property and these sections are not included on the National Register listing, yet the other portion of the road still qualifies.

The Kihei-Makena Community plan protects historic roads, and does not require them to be listed on Kingdom maps or be in exact alignment with any original course.

The Kihei-Makena plan reads:

"Encourage and protect traditional mauka and makai accesses, cultural practices and rural lifestyles."

Objective and Policy "g"

"Preserve and restore historical roads and paths as cultural resources and require such resources to be available to the public."

The DEIS claims it meets this objective by saving several sections of traditional stepping stone trails as



preservation plan that is in conformance with County of Maui Ordinance No 3554 Condition 27. How can the public be expected to make informed comments and reviewing agencies make sound decisions unless a full range of responsible opinion on environmental effects of this proposed project is discussed in the DEIS?

As a consequence, Maui Cultural Lands is deeply concerned that the proposed course of action may put Hawaiian cultural resources and traditional and customary practices of the Honua'ula/ Wailea 670 proposed project area at serious risk of being defined out of existence.

Therefore, it is our recommendation that the DEIS not be accepted. The reviewing agencies should send this DEIS back to the applicant and request that a new DEIS be issued that complies with legal requirements and includes the information needed in order for the public to make informed comments and the reviewing agencies to make sound decisions.

Sincerely Yours,

Daniel Kanahele

South Maui Committee
Maui Cultural Lands, Inc.
EIS Consulted Party

May 31, 2012

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SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Kanahele:

Thank you for your letter regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. The organization of this letter follows the headings of your letter; however, for clarity we have numbered each specific question or concern.

Revised Archaeological Inventory Survey

In general we note that this section of your letter contains: 1) lengthy discussion regarding the adequacy of the archaeological inventory survey (AIS); 2) references to: Hawai'i Administrative Rules (HAR) pertaining to environmental impact statements and archaeological inventory surveys; County of Maui Ordinance No. 3554 (Condition 13); and the Kihei-Mākena Community Plan; and 3) Maui Cultural Lands (MCL) correspondence regarding site visitation and possible additional archaeological sites on the Property that are not included in the AIS contained in the Draft EIS (Appendix I). While we appreciate your recitation of this information, our responses below address your specific comments regarding what you consider deficiencies of the Draft EIS and applicable technical studies.

1. *The subject AIS was not submitted by the applicant to State Historic Preservation (SHPD) for approval prior to developing the DEIS, allowing reviewing agencies and the public the opportunity to evaluate a preservation plan and mitigation measures that respond to an acceptable AIS.*

The DEIS should have an AIS already approved by SHPD to ensure that the environmental impacts to all sites on the project area can adequately be assessed. The Draft EIS is premature because it does not contain the information needed to adequately evaluate potential environmental impacts (HAR 11-200-17E).

Response: The Draft EIS was prepared in accordance with: 1) the State Environmental Impact Statement Law (Chapter 343, Hawaii Revised Statutes (HRS)); and 2) the Environmental Impact Statement Rules (Title 11, Chapter 200, HAR). The AIS was prepared in accordance with: 1) the State Historic Preservation Law (Chapter 6E, HRS); and 2) the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). Section 11-200-17(E), HAR which you reference pertains to what is required in an EIS regarding a project description. The Honua'ula

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Draft EIS meets the criteria specified under Section 11-200-17(E), HAR regarding what is required for an adequate project description along with all other subsections (A – P) of Section 11-200-17, HAR pertaining to the content requirements of a draft EIS.

Section 11-200-17(G), HAR, states in part:

The draft EIS shall include a description of the environmental setting, including a description of the environment in the vicinity of the action, as it exists before commencement of the action, from both a local and regional perspective. Special emphasis shall be placed on environmental resources that are rare or unique to the region and the project site (including natural or human-made resources of historic, archaeological, or aesthetic significance) [emphasis added]; specific reference to related projects, public and private, existent or planned in the region shall also be included for purposes of examining the possible overall cumulative impacts of such actions.

The contents of the Draft EIS meet this requirement. Specifically, regarding historic and archaeological resources, Section 4.1 (Archaeological and Historic Resources) of the Draft EIS contains a summary of an AIS prepared for the property and the complete AIS report is contained as an appendix to the Draft EIS (Appendix I). Both Section 4.1 (Archaeological and Historic Resources) of the Draft EIS and the complete AIS contained as Appendix I of the Draft EIS discuss mitigation measures related to archaeological and historic resources.

The Environmental Impact Statement Rules do not require an AIS to contain an AIS that has been reviewed and approved by the State Historic Preservation Division (SHPD), and it is not common practice for EIS documents to contain an approved AIS. Rather, including a draft AIS in a Draft EIS affords SHPD, other reviewing agencies, and the public the opportunity to review the draft AIS along with the Draft EIS.

2. *The AIS lacks historical research and scholarship. The AIS should include listings of all the kuleana claims in the three ahupua'a of Paehau, Palau'ea, and Keaunohu, which make up the project area, along with native descriptions, maps, and analyses of where the LCAs could have possibly been located in each respective ahupua'a. It should be unacceptable for an AIS to dismiss the presence of any of the dozens of unlocated LCA in the ahupua'a of the project site with no evidence or proof.*

Response: The AIS included in the Draft EIS (dated March 2010, see Appendix I) was prepared in accordance with the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). These rules require an AIS to: 1) indicate whether any Land Commission Awards (LCAs) were granted within a project area and within the greater ahupua'a; and 2) locate the awards on a map whenever possible. The AIS discusses LCAs in the three ahupua'a and notes that none of the LCAs appear to be within the boundaries of the Honua'ula Property. Location data is unavailable for the majority of the LCAs in the three ahupua'a, however the few LCAs that are located are either in the coastal areas or further inland.

The AIS was submitted to SHPD for review on March 23, 2010. In a letter dated September 8, 2010, SHPD provided their review comments on the AIS and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features

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plotted be included. In addition, the letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings."

3. *The AIS should include paleo-botanical studies. The applicant has claimed that these would be useless since the area is dry. That is not a good assumption. Tremendous amounts of useful information on habitat range, plant varieties and cultural practices were obtained from such studies conducted during the AIS process of DHH lands in dry Kahikini.*

Response: The AIS was prepared in accordance with the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). These rules do not require inclusion of paleo-botanical studies as part of an AIS. Previous attempts at paleo-botanical, specifically palynological analyses, in the immediately neighboring areas have had negative results. Carbonized wood identification requires the presence of such remains in cultural context and such remains were not encountered during subsurface testing within the Honua'ula Property.

In a letter dated September 8, 2010, SHPD provided their review comments on the AIS and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. In addition, the letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings."

4. *The survey has failed to document all the historic properties on the site in accordance with HAR Title 13 Chapter 276-3... The fact that this AIS states that, "The Northern Section yielded only one singled-out featured site, a natural overhang shelter in a seasonal gulch," in an area of approximately 480 acres of the proposed 670 acre project area should be viewed as a big red flag not only to SHPD, but also to all concerned parties.*

The fact of the matter is there are still unrecorded cultural and historical sites in the Northern two-thirds of the project area. As evidence of this, MCL has submitted to SHPD a map with photos and GPS showing 13 potential historic properties that have not been documented in this AIS. All of these sites were found in the same gulch in the Northern Section of the Honua'ula project.

Response: In response to your claim regarding additional archaeological sites in the northern portion of Honua'ula not included in the AIS, on August 26, 2010 Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua participated in a site visit of the Honua'ula Property with several community members (including you) and SHPD staff. SHPD staff present were archaeologist Morgan Davis and cultural historian Himano Rodrigues. Community members present included: you, Lucienne de Naie, Janet Six, Elle Cochran, U'ilani Kapu, Ke'eumoku Kapu, Lee Allenberg, and 'Ekolu Lindsey. Some of the community members had previously: 1) presented testimony, or were present, at the Maui Planning Commission meeting on June 22, 2010 at which the Honua'ula Draft EIS was discussed; 2) submitted information to SHPD claiming that they had found archaeological sites on the Property that had not been included in the archaeological inventory survey dated March 2010 included in the Draft EIS (Appendix

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0); and 3) submitted written comments on the Draft EIS expressing concerns regarding archaeological sites on the Property.

Subsequent to the site visit, SHPD issued its letter dated September 8, 2010 stating that no significant unrecorded sites were noted at that time (i.e. during the August, 26, 2010 site visit). The letter also provides SHPD's review of the archaeological inventory survey (dated March 2010) and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. In addition, the SHPD letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings."

In response to SHPD's September 8, 2010 letter commenting on the archaeological inventory survey, archaeologist Aki Sinoto: 1) revised the archaeological inventory survey report to address SHPD's concerns; and 2) submitted the revised archaeological inventory survey report to SHPD in April 2011.

In July and August of 2011, you submitted letters to Honua'ula Partners, LLC's representative Charlie Jencks and SHPD providing additional comments on the archaeological inventory survey (dated March 2010) that was included in the Draft EIS. Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua responded to these letters in writing. In the summer of 2011 Maui Cultural Lands members also made a presentation to SHPD regarding their inspections of the Property.

In response to the concerns Maui Cultural Lands members expressed to SHPD in the summer of 2011, on September 23, 2011 archaeologist Aki Sinoto and cultural advisor Kimokeo Kapahulehua met with SHPD archaeologist Morgan Davis and SHPD cultural historian Hinano Rodrigues at SHPD's Maui office. Subsequently, as recommended by SHPD, Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua met with members of Maui Cultural Lands (including you) and other community members at Maui Community College on November 17, 2011. Maui Cultural Lands members and other community members present at the November 17, 2011 meeting included: you, Janet Six, 'Ekelu Lindsey, Lucienne de Naite, Jocelyn Costa, and Clifford Ornellas. Others present at the meeting included Stanley Solamillo, a cultural resource planner with the Maui Planning Department, and Tanya Lee Greig, the director of Cultural Surveys Hawaii's Maui office.

As a result of the November 17, 2011 meeting, the archaeological inventory survey report was further revised to: 1) recommend preservation of a section of a post-contact agricultural wall documented in the archaeological inventory survey but not previously recommended for preservation; 2) add descriptive narrative information for two post-contact agricultural walls; and 3) revise pertinent map figures in the report. Archaeologist Aki Sinoto submitted the further revised archaeological inventory survey report to SHPD in March 2012. Since the SHPD Maui archaeologist had recently resigned, copies of the revised archaeological inventory survey report were transmitted to SHPD's main office in Kapolei and to Dr. Theresa Donham, the interim SHPD chief of archaeology in Hilo. In April 2012, Dr. Donham notified

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archaeologist Aki Sinoto that the report was forwarded to the SHPD Maui office for review due to the hiring of replacement personnel. As of May 2012, SHPD has not completed its review of the revised (March 2012) archaeological inventory survey.

To include the relevant above information in the Final EIS, along with addressing comments regarding archaeological and historic resources from others, in the Final EIS Section 4.1 (Archaeological and Historic Resources) will be revised as shown on the attachment titled "Archaeological and Historic Resources."

5. Because MCL believes the AIS to be incomplete we would like to request the following actions be taken:

5.1 That the Archaeological Branch of SHPD review and comment on each of these unrecorded sites individually. This is critical in light of the fact that proposed development maps show this gulch and surrounding area will have many modifications to accommodate golf course fairways, landscaped areas, access roads and housing. Because of this, many of these unrecorded sites are likely to be destroyed without having been documented, photographed, tested or evaluated.

Response: SHPD staff have reviewed and commented on the "unrecorded sites" you refer to and concluded that no significant unrecorded sites were noted during the August, 26, 2010 site visit. For more information regarding your claim to "unrecorded sites," please see our response to your comment #4 above.

5.2 That the survey and research scope of the AIS be intensified and expanded so that all historic properties in the project area are identified and inventoried before SHPD and OHA find the AIS process complete, and any Phase II Project District approvals are given. Special attention needs to be given to carefully surveying all the gulches in the 670-acre project area and including the results in the AIS. In our opinion, the gulches are not likely to have been thoroughly surveyed, and appear under-emphasized with regards to their cultural and historical significance in the AIS.

Response: The AIS included surveying the gulches on the Property. Given that SHPD staff visited the property on August 26, 2010 to view what you claim to be "unrecorded sites" and concluded no significant unrecorded sites were noted at that time (i.e. during the August, 26, 2010 site visit), there is no need for the scope of the AIS to be "intensified and expanded." For more information regarding your claim to "unrecorded sites," please see our response to your comment #4 above.

As previously discussed, the AIS was prepared in accordance with the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). In its letter dated September 8, 2010, SHPD provided their review comments on the AIS and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. In addition, the letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings."

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5.3 *Inquiries should be made to the contract archaeologist as to why sites in the Paeahu gulch were not recorded in the AIS given that they appear to be comparable to other overhang and cave sites that are recorded in the AIS for the Southern Section of the project area. Also, flagging tape was visible near several of the unrecorded sites along the Paeahu gulch, yet no mention was made in the AIS of any inventory survey being conducted in the region, or the results. Were these sites located, and then dismissed with no record of their review?*

Response: The August, 26, 2010 site visit included viewing what you claim to be "unrecorded sites" in Paeahu gulch. Subsequent to the site visit, SHPD issued a letter dated September 8, 2010 stating that no significant unrecorded sites were noted at that time (i.e., during the August, 26, 2010 site visit).

5.4 *More specific information should be provided in the AIS regarding the spacing, number and location of systematic sweeps and survey transects completed across the terrain in both the northern and southern area by the AIS consultants. Especially important would be descriptions of what time of year and how many acres a day were covered by each person. This is necessary information for reviewers, due to the large acreage involved in this project. We would recommend that more dry season surveys be done of entire project area.*

Response: As detailed in the AIS, field surveys of the Property were undertaken, initially in April and May 2000, again in March-May 2001, and then over a period of time between August 2003 to June 2008. Field procedures included surface inspections during the die-back of cover vegetation in dry seasons. Per comments from SHPD, the AIS has been revised to include the total number of man-hours for the survey and to specify the spacing of transects for surveys done between August 2003 to June 2008.

5.5 *The AIS provide better site maps which detail all site features. We would like to see the site maps cover an additional 50 to 100 feet beyond the immediate site, to document all potential features. A good place to do this ASAP would be site 20, which has multiple features. By extending the survey area out another 100 feet from site 20 we can assess if there are any areas of potential effect (APE) at site 20, or any other sites with a high concentration of features.*

Response: Per SHPD comments, the AIS has been revised to include a plan map of the survey area with all sites and features plotted.

5.6 *That a more detailed history of the cultural and historic resource review for the entire Honua'ula region surrounding the project area be included in the AIS. This history should begin with the initial surveys done in 1969-72, describing in greater detail the range of sites and site locations under other ownerships, which may relate to sites in the project area. In Hawaiian culture, the alignment of sites, mauka-makai is very significant. The present AIS does not refer to any relationships or alignments which may exist among the sites and site complexes in the project area and the numerous documented complexes makai in Palau'ea and Keaouhou ahupua'a. Maps should be provided indicating alignment and relationship of Waile'a 670 sites and with recorded sites on surrounding properties to West and South. This is required by the Kihei-Makana Community Plan "Implementing Actions" section:*

Require development projects to identify all cultural resources located within or adjacent to the project area, prior to application as part of the county development review process

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Response: SHPD's September 8, 2010 letter commenting on the AIS states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings." The AIS references reports undertaken for neighboring properties and the most relevant are summarized in the background section of the AIS. In addition, *Kihei-Makana Community Plan "Implementing Action"* you reference is noted in the Draft EIS (See Section 5.2.2 Kihei-Makana Community Plan) and discussion is provided noting compliance with this implementing action.

5.7 *That the review letters between SHPD and the applicant on its inventory survey dated August 29, 2000, August 28, 2001, and January 17, 2002, with each letter asking for revisions, including further inventory survey of both the northern and southern portions of the property, additional testing, and specific justifications for significance evaluations and any other correspondences which constitute consultation, must be disclosed in the DEIS. The AIS also received several critical letters from the Office of Hawaiian Affairs dated August 29, 2007, addressed to Michael Molina Chair of the County Council Land Use Committee at that time, and November 7, 2007 addressed to SHPD, which must also be disclosed in the DEIS.*

Response: As discussed in the response to item 1 above, the Draft EIS was prepared in accordance with the State Environmental Impact Statement Law (Chapter 343, HRS) and Environmental Impact Statement Rules (Title 11, Chapter 200, HAR). The Draft EIS meets the content requirements for an EIS as specified under Section 11-200-17(G), HAR, which includes requirements for content relating to historic and archaeological resources. In addition, the AIS (2010) included as an appendix to the Draft EIS incorporates the results of all archeological work completed on the Property since 2000, including revisions requested by SHPD during reviews of previous archeological surveys and fieldwork. SHPD has reviewed the AIS (2010) included as an appendix to the Draft EIS and, in their letter dated September 8, 2010, requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. SHPD's letter dated September 8, 2010 will be included in the Final EIS along with a revised AIS.

5.8 *That the "consultation process" as defined and described in HAR 13-276 be followed in the preparation of the AIS and CRPP.*

...We feel that the "consultation process" as defined in the statute has not been followed. We acknowledged that we are already engaged in a legal process (EIS review and AIS review) that involves offering comments and input. The landowner has had opportunity and a legal requirement to consult with us and other interested parties prior to submitting an Archaeological Inventory Survey Report (HAR 13-276-5(g) and prior to submission of significance evaluations (HAR 13-284-6(c)). The applicant chose to ignore these consultation requirements and has therefore submitted an AIS without our input as well as other interested parties input. These interested parties were clearly identified during the project's Cultural Resource Preservation Plan outreach in March-April 2009. The Honua'ula project was required to reach out to those who wished to be consulted parties by condition of rezoning number thirteen....

MCL expressed hope that a site visit would be scheduled for those who wished to be consulted on the CRPP when we first requested to be consulted parties on March 8, 2009. Several other

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organizations also asked to be informed if a site visit was scheduled. None of these organizations received an acknowledgment of any site visit, although it is possible that members of Na Kapuna o Maui, the Applicant's preferred cultural consultation group, may have been offered a visit over the past year.

Since our past efforts to be a consulted party, as specified in HAR Title 13-276 on the issues of cultural and historic preservation in the Honua'ula project area have been met with disinterest, our observations and comments submitted during the CRPP consultation process have been dismissed, ignored, or inadequately addressed. We are not obligated to respond to the submittals within the legal parameters of the EIS review and Chapter 6E process.

Again we feel that the limited dialogue opportunities afforded to lineal and cultural descendants, as well as interested parties such as ourselves, has not met the standards of the consultation process described in Title 13-276...

...At no point in time has MCL been shown the respect to be directly consulted by Honua'ula or its consultants as a consulted and interested party to view Honua'ula project area cultural and historic properties, nor have they sought our views on the identification, significance evaluation, and mitigation treatment of these properties during the review process, until now, after they have already submitted their AIS

Response: The AIS was prepared in accordance with the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). At the outset of the Honua'ula planning process, Honua'ula Partners, LLC voluntarily convened a cultural committee made up of Native Hawaiian cultural practitioners recognized by the community and other individuals as having expertise in this area. The committee then made recommendations regarding archaeological and cultural resources.

In addition, the Cultural Resources Preservation Plan (CRPP) (Draft EIS, Appendix J) included a public consultation process which is documented in the CRPP; however the CRPP is a separate document from the AIS which was prepared in compliance with County of Maui Ordinance No. 3554 (Condition 13) and is not subject to the same consultation process provided for in Title 13, Chapter 276, HAR.

As discussed in Section 4.2 (Cultural Resources) of the Draft EIS, during the initial planning stages of Honua'ula, several on-site tours and discussions involving archaeological and cultural components were held with various members of the community. An informational presentation was given to the Maui Cultural Resources Commission. Specific input was also sought from key individuals and the Native Hawaiian organization, Na Kūpuna O Maui, and a number of valuable recommendations resulted from discussions with an in-house cultural group¹. Public input was also sought prior to preparation of the CRPP through publication of public notices in the *Honolulu Advertiser*, the *Maui News* and OHA's Newsletter, *Ka Wai Ola*.

Regarding your assertion that the landowner must consult with you regarding significance evaluations before submitting the AIS to SHPD, the historic preservation review process

¹ The in-house cultural group included: Kimokeo Kapahulehua, Clifford Naeole, Hokulani Holt Padilla, Keli'i Tau'a, members of Nā Kūpuna O Maui, Lisa Rotunno-Hazuka, Aki Sinoto, and Charlie Jencks.

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provides for a draft report to be submitted to SHPD; SHPD then reviews the report, provides comments to the preparer, and the preparer then revises the report to address SHPD's comments. SHPD is the entity charged with reviewing the scope, performance, and appropriateness of the AIS. The intended procedure is for agencies and others that may have concerns to communicate their concerns to SHPD so that those concerns can then be included in the SHPD review letter if the concerns are deemed to be warranted in the professional opinion of the SHPD reviewer. In the case of the Honua'ula AIS (2010) included as an appendix to the Draft EIS, we understand that you expressed concerns in writing to SHPD and participated in the site visit on August 26, 2010 to express your concerns to SHPD staff present on the site visit. Subsequent to the site visit, SHPD issued its letter dated September 8, 2010 stating that no significant unrecorded sites were noted at that time (i.e. during the August, 26, 2010 site visit). The September 8, 2010 SHPD letter also provides SHPD's review of the AIS (dated March 2010) and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. The September 8, 2010 SHPD letter did not contain concerns related to the significance determinations. For more information regarding consultation for the AIS, please see our response to your comment #4.

5.8.a MCL feels the 2006 Cultural Impact Assessment done for Honua'ula does not adequately fulfill the requirements for the "consultation process" described in HAR 13-276.

Response: The cultural impact assessment (CIA) included as Appendix K of the Draft EIS was conducted in accordance with the Office of Environmental Quality Control Guidelines for Assessing Cultural Impacts and includes archival research and interviews with people knowledgeable of Honua'ula and the surrounding area. CIA reports are not the same as AIS reports and are not subject to the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). Nonetheless, consultation was conducted in the preparation of the CIA. Informant interviews with eight local residents were conducted in January 2008 by Keli'i Tau'a and Kimokeo Kapahulehua of Hana Pono LLC. Kimokeo Kapahulehua conducted an additional interview in March 2009. The complete transcript for each interview is appended to the CIA.

5.8.b MCL, Maui Tomorrow, Save Makana, Maui Unite, Sierra Club and numerous lineal descendants and other individuals repeated asked Maui County Council to require the applicant to go back and document additional cultural sites on the property. The council was informed by a letter from Mr. Aki Sinoto in 2007 that the archaeological survey was complete and furthermore, that SHPD had accepted the AIS and just had a few procedural details to work out. This was not accurate information and the result was that statements made by citizens were not given due respect by policymakers and no further action was required by the Honua'ula LLC partners to identify cultural sites.

Response: It is not within the purview of Honua'ula Partners, LLC to address your assertions that you or other citizens were not given respect by policymakers.

Archaeologist Aki Sinoto reports that by 2007 primary fieldwork for the AIS had been completed and revisions requested by SHPD during reviews of previous

archaeological surveys and fieldwork had been addressed. However, the Global Positioning System (GPS) point survey of all recorded sites was not completed until mid-2008 when the last few isolated sites were relocated and included in the GPS record. The complete AIS (2010) was submitted to SHPD for review on March 23, 2010. In a letter dated September 8, 2010, SHPD provided their review comments on the AIS and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. In addition, the letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings."

5.8.c Maui Cultural Lands, on behalf of other interested parties, knowledgeable individuals, and lineal descendants of this land would like to request an onsite visit with the developer's representative to view the historic properties of Honua'ula and consult in a collaborative way regarding site identification, significance evaluation, further testing required and treatment mitigation for its historic properties.

Response: On August, 26, 2010 Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimoko Kapahulehua participated in a site visit of the Honua'ula Property with several community members (including you) and SHPD staff. SHPD staff present were archaeologist Morgan Davis and cultural historian Hinano Rodrigues. Community members present included: you, Lucienne de Naie, Janet Six, Elle Cochran, U'ilani Kapu, Ke'atamoku Kapu, Lee Altenberg, and 'E'kolu Lindsey. Some of the community members had previously: 1) presented testimony, or were present, at the Maui Planning Commission meeting on June 22, 2010 at which the Honua'ula Draft EIS was discussed; 2) submitted information to SHPD claiming that they had found archaeological sites on the Property that had not been included in the archaeological inventory survey dated March 2010 included in the Draft EIS (Appendix I); and 3) submitted written comments on the Draft EIS expressing concerns regarding archaeological sites on the Property.

Subsequent to the site visit, SHPD issued its letter dated September 8, 2010 stating that no significant unrecorded sites were noted at that time (i.e. during the August, 26, 2010 site visit). The letter also provides SHPD's review of the archaeological inventory survey (dated March 2010) and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. In addition, the SHPD letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings."

In response to SHPD's September 8, 2010 letter commenting on the AIS (dated March 2010), archaeologist Aki Sinoto: 1) revised the archaeological inventory survey report to address SHPD's concerns; and 2) submitted the revised archaeological inventory survey report to SHPD in April 2011.

In July and August of 2011, you submitted letters to Honua'ula Partners, LLC's representative Charlie Jencks and SHPD providing additional comments on the AIS (dated March 2010) that was included in the Draft EIS (Appendix I). Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimoko Kapahulehua responded to these letters in writing. In the summer of 2011 Maui Cultural Lands members also made a presentation to SHPD regarding their inspections of the Property.

In response to the concerns Maui Cultural Lands members expressed to SHPD in the summer of 2011, on September 23, 2011 archaeologist Aki Sinoto and cultural advisor Kimoko Kapahulehua met with SHPD archaeologist Morgan Davis and SHPD cultural historian Hinano Rodrigues at SHPD's Maui office. Subsequently, as recommended by SHPD, Honua'ula Partners, LLC's representative Charles Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimoko Kapahulehua met with members of Maui Cultural Lands (including you) and other community members at Maui Community College on November 17, 2011. Maui Cultural Lands members and other community members present at the November 17, 2011 meeting included: you, Janet Six, 'E'kolu Lindsey, Lucienne de Naie, Jocelyn Solamillo, a cultural resource planner with the Maui Planning Department, and Tanya Lee Greig, the director of Cultural Surveys Hawaii's Maui office.

As a result of the November 17, 2011 meeting, the archaeological inventory survey report was further revised to: 1) recommend preservation of a section of a post-contact agricultural wall documented in the archaeological inventory survey but not previously recommended for preservation; 2) add descriptive narrative information for two post-contact agricultural walls; and 3) revise pertinent map figures in the report. Archaeologist Aki Sinoto submitted the further revised archaeological inventory survey report to SHPD in March 2012. Since the SHPD Maui archaeologist had recently resigned, copies of the revised archaeological inventory survey report were transmitted to SHPD's main office in Kapolei and to Dr. Theresa Donham, the interim SHPD chief of archaeology in Hilo. In April 2012, Dr. Donham notified archaeologist Aki Sinoto that the report was forwarded to the SHPD Maui office for review due to the hiring of replacement personnel. As of May 2012, SHPD has not completed its review of the revised (March 2012) archaeological inventory survey.

Significance Criteria Used in Revised AIS

1. *No specific rationale is provided for assessing the significance of each site. The AIS and this DEIS must provide justification for classifying the significance of each site with supportive documentation provided. (Section 13-284-6d (1) (B) HAR). For an example, why are some caves – described as overhang shelters in the AIS– slated for preservation and others are not?*

Response: The AIS, which includes significance assessments of each site, was submitted to SHPD for review on March 23, 2010. In a letter dated September 8, 2010, SHPD provided their review comments on the AIS (dated March 2010) and requested revisions, including: 1)

editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. In their review comments SHPD did not disagree with significance assessments in the AIS; however several of the sites were previously recorded, and SHPD requested that the report be clarified as to whether there was a previous recommendation/determination of significance for the previously recorded sites. The final AIS will be revised to address this comment.

Permanent preservation recommendations for sites are not based solely on their significance. For instance, if multiple sites of the same type are recorded, a representative selection could be set aside for preservation and others may be specified for data recovery. Other considerations come into play such as the context of preservation; for example, other preservation sites in the area may enhance the interpretation of the selected site rather than preserving isolated sites within a vast project area. The significance evaluations are made employing the Hawai'i Register criteria.

2. *Criteria used in evaluating significance in this AIS are those adopted by the Hawai'i State Register. These are not exactly the same criteria specified by 13-284-6(b) 1-5 HAR, which this AIS and DEIS must comply with.*

Response: The AIS was prepared in accordance with: 1) the State Historic Preservation Law (Chapter 6E, HRS); and 2) the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). To clarify, the Rules Governing Procedures for Historic Preservation and Review to Comment on Section 6E-42, HRS Projects (Title 13, Chapter 284, HAR) to which you refer defines "Significant historic property" as any historic property that meets the criteria of the Hawai'i Register of Historic Places or the criteria enumerated in subsection 13-275-6(b) or 13-284-6(b). The AIS contained in the Draft EIS (Appendix I) evaluated site significance based on the Hawai'i Register of Historic Places significance evaluation criteria and is in compliance with the Rules Governing Procedures for Historic Preservation and Review to Comment on Section 6E-42, HRS Projects (Title 13, Chapter 284, HAR) and the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR).

Furthermore, the AIS, which includes significance assessments of each site employing the Hawai'i Register criteria, was submitted to SHPD for review on March 23, 2010. In their review letter dated September 8, 2010 SHPD did not disagree with significance assessments in the AIS or state that employing the Hawai'i Register criteria for significance assessments was not acceptable.

3. *Site descriptions do not provide an assessment of site functions with reasonable and adequate supportive arguments or an assessment of site age as required by Section 13-276-5(d) (4) H & I HAR. The AIS must provide such assessment in order for this DEIS to have the information necessary to permit an evaluation of potential environmental impacts. (Section 11-200-17 [E] HAR).*

Response: The AIS includes functional interpretations of sites when possible and a generalized table of relative origins for the sites (Draft EIS, Table 2). However, as discussed in the AIS, the absence of chronometric data, as well as the paucity of cultural deposition, makes pinpointing

the age of sites difficult. In their review of the AIS (letter dated September 8, 2010) SHPD did not request additional information regarding site functions.

Cultural Resource Preservation Plan

1. *You can't have a preservation/mitigation plan/agreement until all the historical properties in the delineated area have been identified and documented in an AIS.*

Since MCL believes the revised AIS to be incomplete, we therefore believe that the submittal by Honua'ula of any preservation/mitigation plan and their CRPP to SHPD for review is premature.

Response: The CRPP was prepared in compliance with County of Maui Ordinance No. 3554 Condition 13 which requires the CRPP to be submitted to SHPD and the Office of Hawaiian Affairs (OHA) for review and recommendations. The CRPP also serves as the archaeological preservation/mitigation plan and sets forth (among other things) selection criteria for sites to be preserved and short- and long-term preservation measures, including buffer zones and interpretative signs, as appropriate for each site to be preserved. It is understood that the AIS will have to be reviewed and approved by SHPD before the CRPP can be finalized; however SHPD and OHA must review the CRPP before it is finalized and therefore the CRPP has been provided to these agencies for review and recommendations. As required by County of Maui Ordinance No. 3554 Condition 13, upon receipt of comments and recommendations from SHPD and OHA, the CRPP will be provided to the Maui County Cultural Resources Commission for review and adoption.

Cultural Impact Assessment

1. *MCL feels the Cultural Impact Assessment done for Honua'ula does not fulfill the requirements for the "consultation process" described in HAR 13-276.*

Response: The CIA included as Appendix K of the Draft EIS was conducted in accordance with the OEQC Guidelines for Assessing Cultural Impacts and includes archival research and interviews with people knowledgeable of Honua'ula and the surrounding area. CIA reports are not the same as AIS reports and are not subject to the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). Nonetheless, consultation was conducted in the preparation of the CIA. Informant interviews with eight local residents were conducted in January 2008 by Kelli Taur'a and Kimoko Kapahulehua of Hana Pono LLC. Kimoko Kapahulehua conducted an additional interview in March 2009. The complete transcript for each interview is appended to the CIA.

2. *The cultural impact assessment does not follow the guidelines for assessing cultural impacts adopted by the Environmental Council.*

Response: The CIA contained in the Draft EIS (Appendix K) was conducted in accordance with the OEQC Guidelines for Assessing Cultural Impacts and includes archival research and interviews with people knowledgeable of Honua'ula and the surrounding area.

3. Much of the narrative within the CIA does not provide attribution of sources. It appears the authors depended primarily on Elspeth Sterling's Sites of Maui to provide historical background of the area.

Response: The work of Elspeth Sterling in *Sites of Maui*, to which you refer, is a reputable source which presents a comprehensive compilation of Maui ethnography, anthropology, archaeology, and historical information applicable to Honua'ula.

In addition to *Sites of Maui* (Sterling 1998) the CIA (Draft EIS, Appendix K) also references (among other sources) work by Mary Kawena Pukui, Samuel Kamakau, Abraham Fomander, David Malo, E.S. Craighill Handy, and Martha Beckwith throughout the report.

4. The CIA does not provide a discussion of the Kumuhonua genealogy which is associated with Honua'ula through oral accounts and traditional beliefs. This cultural connection with a famous genealogy must be disclosed in the CIA.

Response: The CIA contained in the Draft EIS (Appendix K) includes discussion of the genealogy of Honua'ula moku in story, chant and oral tradition. Section 4.2 (Cultural Resources) of the Draft EIS summarizes the findings of the CIA and other relevant information which states that one of the earliest accounts that describe the first inhabitants of Honua'ula came from genealogical chant. Between 1100 and 1400 A.D., chants recorded the long voyage of Chief Mo'ikeha from Tahiti to Hawai'i. At each landing, a family would disembark and the place would take on the family name. As such, one of the explanations for the name of the traditional moku known today as Honua'ula is that it is named after the Honua'ula family.

Biological Resources

1. No discussion is offered regarding the report titled *"Remnant Wiliwili Forest Habitat at Wailea 670, Maui, Hawaii prepared by Dr. Lee Altenberg substantiating the need to preserve the 130 native lowland forest and which the County Council directed the applicant to submit to DLNR, USEW and USACE for their review prior to submitting recommendations on what does not merit preservation.*

Response: Section 3.6 (Botanical Resources) of the Draft EIS contains extensive discussion on the botanical resources of the Honua'ula Property. The Altenberg report is referenced in this section as one of the previous botanical surveys of the Property that have been conducted since 1988.

To obtain the best possible understanding of vegetation types and plant species present within the Honua'ula Property, SWCA Environmental Consultants conducted a thorough quantitative assessment of site vegetation. Appendix E of the Draft EIS contains this botanical assessment survey report. No Federal or State of Hawai'i listed threatened or endangered plant species were identified on the Property. However, a candidate endangered species, *'awikiwiki (Canavalia pubescens)*, was identified. To protect and conserve the area that contains the highest density of representative native plant species, a Native Plant Preservation Area will be established in perpetuity under a conservation easement. The Native Plant Preservation Area will be in conformance with County of Maui Ordinance No. 3554 Condition 27.

Section 5.2.3 (County of Maui Zoning) of the Draft EIS states that the report titled: *"Remnant Wiliwili Forest Habitat at Wailea 670, Maui, Hawaii by Lee Altenberg, Ph.D."* will be provided to DLNR, the USFWS, and the U.S. Corps of Engineers for review and recommendations before Project District Phase II approval in compliance with County of Maui Ordinance No. 3554 Condition 27. This report was provided to the DLNR, the USFWS, and the U.S. Corps of Engineers along with the SWCA Environmental Consultants report on March 22, 2010. To include this updated information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

27. That Honua'ula Partners, LLC, its successors and permitted assigns, shall provide the report *"Remnant Wiliwili Forest Habitat at Wailea 670, Maui, Hawaii by Lee Altenberg, Ph.D."* along with a preservation/mitigation plan, to the State Department of Land and Natural Resources, the United States Fish and Wildlife Service, and the United States Corps of Engineers for review and recommendations prior to Project District Phase II approval. The Maui Planning Commission shall consider adoption of the plan prior to Project District Phase II approval.

Discussion: Honua'ula Partners, LLC will comply with this condition. Condition 27. As discussed in Section 3.6 (Botanical Resources), SWCA Environmental Consultants (SWCA) prepared the *Honua'ula Conservation and Stewardship Plan (2010b)* to ensure the long-term conservation and stewardship of native plants within Honua'ula. The plan incorporates findings, conclusions, and recommendations from previous botanical surveys, wildlife surveys, and biological assessments of the Property and recommends proactive stewardship actions to manage the Native Plant Preservation Area and the Native Plant Conservation Areas (see discussion below and in Section 3.6 (Botanical Resources)). The *Honua'ula Conservation and Stewardship Plan*, along with the report titled: *"Remnant Wiliwili Forest Habitat at Wailea 670, Maui, Hawaii by Lee Altenberg, Ph.D."* will be provided to DLNR, the USFWS, and the U.S. Corps of Engineers for review and recommendations on March 22, 2010, which is before Project District Phase II approval.

2. Section 11-200-16 HAR requires the DEIS to include opposing views. "In order that the public can be fully informed and that the agency can make a sound decision based upon the full range of responsible opinion on environmental effects, a statement shall include responsible opposing views, if any, on significant environmental issues raised by the proposal."

Response: Various Federal, State, and County agencies, as well as organizations and members within the community, were consulted with or provided comments on the Environmental Assessment/Environmental Impact Statement Preparation Notice and the Draft EIS. These comments included opposing views which were addressed and included in the Draft EIS and will also be addressed and included in the Final EIS.

3. ES should include discussion of an alternative design of the project which would include a map showing all golf course and housing development located north of the 20 degree 40'15"N latitude line and a cultural and native plant preserve area on 130 contiguous acres south of that latitude line.

Response: To include discussion of a 130-acre Native Plant Preservation Area in the Final EIS, in the Final EIS Chapter 6 (Alternatives) will be revised to include the information shown on the attachment labeled "Alternatives."

Daniel Kanahele

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4. *It has been proven by reputable professionals that many of the species naturally found in the 130 acres do not propagate or transplant well, including Mataipilo, a candidate for threatened species.*

Response: To clarify, the Mataipilo plant is not a candidate threatened or endangered species. Section 3.6 (Botanical Resources) of the Draft EIS contains extensive discussion regarding the long-term conservation and stewardship of native plants within Honua'ula. The basis for this discussion is the *Honua'ula Conservation and Stewardship Plan*, which is contained in Appendix F of the Draft EIS. Among the objectives of the plan are: 1) creating a native plant propagation program; and 2) hiring a Natural Resources Manager to (among other things) support plant propagation efforts and scientific research.

5. *HAR§11-200-17 Content Requirements; Draft Environmental Impact Statement*

Requires alternative designs to be considered and analyzed in an environmental document. The alternatives of the Honua'ula Draft EIS section does not provide this analysis

Response: In compliance with the Environmental Impact Statement (Title 11, Chapter 200, HAR, Section 11-200-17(F)), Chapter 6 (Alternatives) of the Draft EIS examined alternatives that could attain the project objectives, regardless of cost, in sufficient detail to explain why the specific alternative was rejected. Chapter 6 (Alternatives) of the Draft EIS also restated the objectives of Honua'ula, which were provided in Section 2.2.1 (Statement of Objectives) of the Draft EIS. The six alternatives were then analyzed in relation to the project objectives in sufficient detail to explain why they were rejected.

Kanaio-Kalama Park Road

1. *The DEIS should include maps of different alignments of the Kanaio-Kalama Park Road, which they claim merits no preservation "because it was not on maps prior to 1892" and has only "fragments" left of the alignment of the historic road built by the military during WWII.*

Response: As discussed in Section 4.3 (Trails and Access) of the Draft EIS, remnant segments of a road referred to as the Kanaio-Kalama roadway are present along a portion of an existing jeep road which was constructed atop the same alignment in the southeastern corner of the Property.

In response to your concern, the approximate route of the Kanaio-Kalama road will be incorporated into the Honua'ula trail system to further enhance mauka-makai access across the Property. This functionally equivalent route will approximate the alignment shown on the current TMK map (Figure 3 of the Draft EIS), and thus will run diagonally from Kaukahi Street, through the Native Plant Preservation Area, to the southeast corner of the Property.

To incorporate relevant new information from the above, as well as responses to others regarding trails and access, into the Final EIS, in the Final EIS Section 4.3 (Trails and Access) will be revised as follows:

In terms of the Kanaio-Kalama road, only a small modified segment still exists, with major segments of the original alignment altered by an existing jeep road. In addition, the

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integrity of the roadway has been lost outside of the Property both at the Kalama and Kanaio segments, which are under multiple ownerships. In a letter dated July 31, 2009, Na Ala Hele of the DLNR Division of Forestry and Wildlife (DOFAW) states that no documentation of the Kanaio-Kalama roadway could be found in the royal grant patents of the Property that were awarded in 1850. Also, no record exists of the road being in existence prior to 1892, when the U.S. Highways Act was passed. Thus, the Kanaio-Kalama roadway is not considered to be a public highway. However, to further enhance mauka-makai access across the Property, the approximate route of the Kanaio-Kalama road will be incorporated into the Honua'ula trail system. This functionally equivalent road will approximate the alignment shown on the current TMK map (Figure 3), and thus will run diagonally from Kaukahi Street, through the Native Plant Preservation Area, to the southeast corner of the Property.

In addition Figure 13 (Trails Network) will be revised to show the Kanaio-Kalama Park Roadway as shown on the attachment titled "Figure 13."

MCL Comments to the CRPP and EISPN

1. *The comments MCL provide to the CRPP and EISPN as part of the consultation process were not adequately addressed in the CRPP or the DEIS. We would like to see our comments addressed with more detail and specificity in a new DEIS.*

Response: Regarding responses to comments from Maui Cultural Lands on the Honua'ula EISPN (Maui Cultural Lands letter dated November 16, 2009), in our letter dated March 9, 2010, addressed to Maui Cultural Lands (Care of Clare Apana), we provided a response to each of the concerns in the Maui Cultural Lands letter dated November 16, 2009. Many of these responses were to state that concerns would be addressed in the Draft EIS or specific studies would be provided in the Draft EIS. Subsequently, the stated concern was addressed or the specific study was provided in the Draft EIS. While you may not consider the specific information or study provided in the Draft EIS as adequately addressing your concern, without more specific information regarding what you may consider inadequate we cannot provide a more detailed response.

Conclusions

We note that this section of your letter: 1) summarizes your comments stated above; and 2) recommends "that the DEIS not be accepted."

In response to your recommendation that the Draft EIS not be accepted, please note that the Draft EIS was, and the subsequent Final EIS will be, prepared in conformance with the State of Hawai'i EIS law (Chapter 343, HRS) and EIS rules (Title 11, Chapter 200, HAR). The EIS laws and rules do not provide for a draft EIS to be accepted or not accepted." Rather, the EIS laws and rules provide for the preparation of a Draft EIS; a review process; and the preparation of a Final EIS. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments and our responses to your comments. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to review comments.

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We note that in commenting on the Draft EIS the Maui Planning Commission stated that the "Honua'ula Draft EIS is one of the better draft documents the commission has seen in terms of completeness."

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachments: Archaeological and Historic Resources
Alternatives
Figure 13 (Trails Network)

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Maui Meadows Neighborhood Association Concerns relating to Wailes 670/ Honua'ula DEIS
To: PBR Hawaii & Associates, INC. and the Maui County Planning Department

PBR Hawaii & Associates, INC
Tom Schnell, Senior Associate
1001 Bishop Street, Suite 650
Honolulu, HI 96813-3484
County of Maui Planning Department
Kathleen Ross Aoki, Director
230 S. High Street - Kalama Pakoi Bldg. Ste 200
Wailea, HI 96793

June 29, 2010

1. The area designated as multi-family (MF) backing up to Maui Meadows has more than doubled in size compared to the concept and drawings originally shown to and tentatively agreed upon by the Maui Meadows Neighborhood Association (MMNA). From the beginning, MMNA was adamant that the rural nature of our existing community be protected along its border with compatible lot sizes. Years ago the developer did a presentation for MMNA showing drawings and diagrams that indicated all construction along our eastern boundary (homes and lots on Kumulani Drive) would be only single family homes. It was because of this single family designation for all homes to be built along our border that MMNA agreed to a much smaller buffer area (a minimum of 116 feet proposed by the developer) than what MMNA had originally asked for (a 200 foot landscaped buffer). MMNA would have never agreed to a smaller buffer with MF units!

The newly proposed MF homes along our border will negatively impact the current rural nature of our neighborhood resulting in Maui Meadows being subject to much greater noise, light pollution and potential restriction of our view-planes. County codes will require the common areas of these MF units be lit well into the night for their stairways, parking, pools, etc. We also believe this new MF proposal will result in lowering the values of Maui Meadows homes adjacent to these MF units.

2. Because of the impacts cited above, we ask the developer and Maui County to make it mandatory that only SF homes be built on our border as had been originally agreed upon by MMNA and the developer's representatives.

If any MF units are allowed to be built along Maui Meadows' border then we ask that they be limited to:

- Only where they are shown on new DEIS dated March 2, 2010.

Maui Meadows Neighborhood Association, P.O. Box 160, Kihui, Hawaii 96753
Email: mmna@hawaiiintel.net



Maui Meadows Neighborhood Association Concerns relating to Wailea 670/ Honouliuli DEIS - page 2

2. Continued:

- That only duplexes are built in this area with at least 50% required to be single story units and the balance limited to no more than two stories in height not exceeding 30 feet from natural grade.
- That design of such units shall be of single family type facade and any lighting shall limit light pollution.
- That the buffer area between Maui Meadows and these MF units should be increased to a minimum 200 feet landscaped buffer, which will not include adjacent street.

3. A private waste-water treatment facility could produce undesirable odors and noxious fumes for our long time existing neighborhood. MMNA believes that this new development should be required to hook into the County's existing Kihai waste water treatment plant to ensure its long term viability. If this is not possible, then the private facility should be conditioned to be held to highest standards of county, state and federal regulations for public facilities.

4. County water is still not available for this project. MMNA continues to have serious concerns about tapping into the already over used Kamaole Aquifer because this will increase the salinity of this delicate aquifer negatively impacting the existing current users of this marginal source of water.

5. MMNA continues to insist that a well thought out traffic management plan is implemented that will prevent traffic from using roadways in Maui Meadows, and specifically Akala Drive, during the widening of Pihani Highway and or the construction of Wailea 670/ Honouliuli. (No detours or construction related traffic using Maui Meadows roadways.)

Sincerely,

Board of Directors
Maui Meadows Neighborhood Association, MMNA

Maui Meadows Neighborhood Association, P.O. Box 160, Kihai, Hawaii 96753
Email: mmna@hawaii.net



May 31, 2012

David Weisfeld, President
Maui Meadows Neighborhood Association
P.O. Box 160
Kihai, Hawaii 96753

SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Weisfeld:

We have received the letter from the Maui Meadows Neighborhood Association (MMNA) dated June 29, 2010 regarding the Honua'ula Drait Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to MMNA's comments. The organization of this letter follows the numbering of MMNA's letter.

Comment 1: The area designated as multi-family (MF) backing up to Maui Meadows has more than doubled in size compared to the concept and drawings originally shown to and tentatively agreed upon by the Maui Meadows Neighborhood Association (MMNA)... Years ago the developer did a presentation for MMNA showing drawings and diagrams that indicated all construction along our eastern boundary (homes and lots on Kaulani Drive) would be only single family homes. It is because of this single family designation for all homes to be built along our border that MMNA had originally asked for (a 200 foot landscaped buffer). MMNA would have never agreed to a smaller buffer with MF units!

The newly proposed MF homes along our border will negatively impact the current rural nature of our neighborhood resulting in Maui Meadows being subject to much greater noise, light pollution and potential restriction of our view-planes. County codes will require the common areas of these MF units be lit well into the night for their stairways, parking, pools, etc. We also believe this new MF proposal will result in lowering the values of Maui Meadows homes adjacent to these MF units.

Response: Plans for Honua'ula have evolved over the course of several years in response to community concerns, the requirements of the Kihai-Makena Project District 9 Ordinance (Chapter 19.90A, MCC), and various other factors, such as infrastructure requirements and native plant preservation areas. However, these changes are still consistent with the basic goals and objectives of Honua'ula which have been consistently put forth by the owner's representative at many public meetings, including meetings with Maui Meadows residents, the Wailea Community Association, and hearings before the Maui Planning Commission and County Council.

The change in land use designations from single-family to multi-family along a portion of the Maui Meadows boundary is the result of multiple conditions imposed on Honua'ula by the Maui County Council. The most significant condition driving changes to the concept plan shown in the Draft EIS (Figure 1) is the condition requiring establishment of a native plant preservation area within the south end of Honua'ula. This condition, coupled with the required percentages of multiple and single family units, resulted in housing designation shifts in the concept plan. Given the topography of the property, combined with restrictions placed on grading and density, the placement of multi-family areas is limited to areas that do not require extensive grading. The northwest area of Honua'ula near Maui Meadows is one such area that is suitable for multi-family units.

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David Weisfeld

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May 31, 2012

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As you are aware, Section 19.90A.030(E)(5) of the Kihei-Mākena Project District 9 Ordinance (Chapter 19.90A, Maui County Code (MCC)) specifies:

A minimum one hundred foot wide fire buffer area, with a minimum fifty-foot wide landscape buffer area within it, shall be provided between the southern boundary of the Maui Meadows subdivision and Kihei-Mākena project district 9 (Wailea 670). No structures, except rear and side boundary walls or fences, shall be permitted in the buffer.

We believe the Council exercised due care to mitigate impacts to Maui Meadows in specifying a minimum buffer width of 100 feet when enacting this section of the Kihei-Mākena Project District 9 Ordinance based on the concerns of Maui Meadows residents expressed at the Council hearings. In accordance with this requirement the concept plan shown in the Draft EIS (Figure 1) provides for a 100 foot buffer between Maui Meadows and any structure within Honua'ula.

To address your concerns about multi-family units next to Maui Meadows, Honua'ula Partners, LLC will implement the recommendation of the Urban Design Review Board (UDRB) in its review of Honua'ula. At its meeting on June 1, 2010, the UDRB recommended: "That the multi-family area closest to Maui Meadows on the northern boundary [i.e., southern boundary of Maui Meadows] of the site be limited to 30 ft. in height." This height limitation is consistent with the height limit for single family homes in Honua'ula and will result in structures not exceeding the maximum single family height originally planned for the area.

We believe that limiting the height of the multi-family units closest to Maui Meadows should address your concern about view planes. In addition, the landscape treatment for the Maui Meadows buffer will consist of a mixture of native and non-native medium canopy trees informally planted. Large native shrubs/small trees will be used as an understory and will function as a physical barrier between the two properties. This information about landscaping within the buffer area is summarized in Section 3.6 (Botanical Resources) of the Draft EIS and elaborated on in Appendix G (Landscape Master Plan) of the Draft EIS.

In addition to the 30-foot height limitation recommended by the UDRB, Honua'ula Partners, LLC will ensure that there will be no roads within the 100-foot buffer area between Maui Meadows and any multi-family units. We believe that the 100-foot buffer and the fact that there will be no roads within the 100 foot buffer area between Maui Meadows and any multi-family units, will adequately mitigate impacts from potential noise associated with the multi-family units.

In regard to your concern about light pollution, the Council specified lighting requirements in regard to adjacent residential properties as part of Honua'ula's Change in Zoning Ordinance (County of Maui Ordinance No. 3554). Specifically, Condition 21 requires that all exterior lighting be shielded from adjacent residential properties and near shore waters. Honua'ula Partners, LLC will comply with this condition as stated in Section 4.7 (Visual Resources) of the Draft EIS. As further discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, all Honua'ula outdoor lighting will be in compliance with Chapter 20.35 (Outdoor Lighting), MCC. In addition, as discussed in the Landscape Master Plan (Appendix G of the Draft EIS), the landscape lighting for Honua'ula will reinforce the overall rural ambiance by: 1) using low intensity, indirect light sources to the extent required for safety and subtle drama; and 2) using down lighting to the greatest extent possible, preserving the dark sky ambiance.

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Comment 2: *Because of the impacts cited above, we ask the developer and Maui County to make it mandatory that only SF homes be built on our border as had been originally agreed upon by MMNA and the developer's representatives.*

If any MF units are allowed to be built along Maui Meadows' border then we ask that they be limited to:

- Only where they are shown on new DEIS dated March 2, 2010.
- That only duplexes are built in this area with at least 50% required to be single story units and the balance limited to no more than two stories in height not exceeding 30 feet from natural grade.
- That design of such units shall be of single family type façade and any lighting shall limit light pollution.
- That the buffer area between Maui Meadows and these MF units should be increased to a minimum of 200 feet landscaped buffer, which will not include adjacent street.

Response: To address your concerns, any multi-family units in the area closest to Maui Meadows will be limited to 30 feet in height and Honua'ula Partners, LLC will ensure that there will be no roads within the 100-foot buffer area between Maui Meadows and any multi-family units. Honua'ula Partners, LLC will also comply with County of Maui Ordinance No. 3554 Condition 21 regarding lighting as well as the requirements of Chapter 20.35 (Outdoor Lighting), MCC.

Comment 3: *A private waste-water treatment facility could produce undesirable odors and noxious fumes for our long time existing neighborhood. MMNA believes that this new development should be required to hook into the County's existing Kihei waste-water treatment plant to ensure its long term viability. If this is not possible, then the private facility should be conditioned to be held to highest standards of county, state and federal regulations for public facilities.*

Response: County of Maui Ordinance No. 3554 Condition 17 prohibits Honua'ula from connecting to the existing County Kihei wastewater reclamation facility (WWRF) and instead requires Honua'ula to "construct, maintain, and/or participate in the operation of a private wastewater treatment facility and system that accommodate the needs of the entire Kihei-Mākena Project District 9."

In compliance with this condition, as discussed in Section 4.8.2 (Wastewater System) of the Draft EIS, Honua'ula will either transport wastewater to the Mākena WWRF for treatment or provide a WWRF on-site. The preferred alternative is to transport wastewater to the Mākena WWRF; however, if an on-site WWRF is necessary, the facility would be located in the southwest corner of the Property as far away from Maui Meadows as possible. A membrane bioreactor wastewater treatment system is proposed for the on-site WWRF to produce R-1 quality water for non-potable use. MBR systems are widely used throughout the world and are considered an industry standard for the production of reliable R-1 recycled water. In a MBR system the first element of the wastewater treatment process is screening to remove debris. This takes place in an enclosed building to control odors. Air collected from the building is then passed through a biofilter to remove odors.

Wastewater system design, construction, and operation will be in accordance with County standards and all wastewater plans and facilities will conform to applicable provisions of Chapter 11-62, Hawai'i Administrative Rules (HAR) (Wastewater systems). Specifically, these rules require that wastewater systems shall not create or contribute to foul or noxious odors.

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To include the relevant above new information in the Final EIS, Section 4.8.2 (Wastewater System) will be revised to including the following:

Wastewater system design, and construction, and operation will be in accordance with County standards and all wastewater plans and facilities will conform to applicable provisions of: Chapter 11-62, HAR (Wastewater Systems); Section 11-62-27, HAR (Recycled Water Systems); and Chapter 11-21, HAR (Cross-Connection and Backflow Control), Chapter 11-62, HAR (Wastewater Systems) specifically requires that wastewater systems shall not create or contribute to foul or noxious odors.

In addition Section 4.8.2 (Wastewater System) also will be revised to including the following

In a MBR system the first element of the wastewater treatment process is screening to remove debris. This takes place in an enclosed building to control odors. Air collected from the building is then passed through a biofilter to remove odors.

Comment 4: *County water is still not available for this project. MMNA continues to have serious concerns about tapping into the already over used Kamaole Aquifer because this will increase the salinity of this delicate aquifer negatively impacting the existing current users of this marginal source of water.*

Response: Similar to County of Maui Ordinance No. 3554 Condition 17 regarding wastewater, County of Maui Ordinance No. 3554 Condition 1 prohibits Honua'ula from connecting to the County water system and instead requires Honua'ula to develop, maintain, and operate a private water system for use within Honua'ula.

Section 4.8.1 (Water System) of the Draft EIS discusses the private water system and Section 3.5.1 (Groundwater) discusses potential impacts to groundwater resources, including the Kamaole Aquifer, along with measures proposed to mitigate impacts. In their letter commenting on the Draft EIS the State Commission on Water Resource Management stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues."

Comment 5: *MMNA continues to insist that a well thought out traffic management plan is implemented that will prevent traffic from using roadways in Maui Meadows, and specifically Akala Drive, during the widening of Pi'ilani Highway and or the construction of Waileka670/Honuaula. (No detours or construction related traffic using Maui Meadows roadways.)*

Response: In compliance with County of Maui Ordinance No. 3554 Condition 28 a construction transportation management plan has been prepared to reduce construction-related traffic during the construction of Honua'ula and the widening of Pi'ilani Highway. Section 4.4.5 (Transportation Management) of the Draft EIS contains a summary of the construction transportation management plan and Appendix M of the Draft EIS contains the complete plan. The State Department of Transportation, the County Department of Public Works, and the County Department of Transportation have all reviewed and approved the construction transportation management plan.

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Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP

Senior Associate

cc: William Spence, Maui Planning Department
Madge Schaefer, Maui Meadows Neighborhood Association former President
Charles Jencks, Honua'ula Partners, LLC

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June 30, 2010

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Re: Honua'ula/Wailea 670's Draft Environmental Impact Statement

Maui Tomorrow Foundation, Inc appreciates the opportunity to offer comments on the Draft EIS (DEIS) for the Honua'ula/ Wailea 670 project. We request that the accepting agencies find this document premature and incomplete, and require the applicant to follow the EIS process as described in HRS Ch 343 and HAR 11-200—7, 16 and 17. Our specific comments are presented below.

SEGMENTATION OF ACTIONS:

HAR §11-200-7 Multiple or Phased Applicant or Agency Actions

A group of actions proposed by an agency or an applicant shall be treated as a single action when:

The component actions are phases or increments of a larger total undertaking;

An individual project is a necessary precedent for a larger project;

An individual project represents a commitment to a larger project;

Environmental review of the following actions proposed by the applicant and/or required as a condition of rezoning by the Maui County Council must be included in the DEIS in order for it to be complete.

Merely mentioning or describing an action in the DEIS does not constitute evaluation of its environmental impacts as specified in HAR 11-200-17(E). The law makes it clear that individual actions, which are part of a larger project, cannot be segmented from the whole.

In Section 1.6 the DEIS outlines the scope of the document.

"SCOPE OF THIS EIS"

This EIS covers potential impacts relating to Honua'ula, "the Property" (TMK (2) 2-1-08:056 and (2) 2-1-08:71) and potential off-site improvements, including:

- Extending Pi'ilani Highway from Wailea Ike Drive to Kaupahi Street. (TMK (2) 2-1-08: 999 (portion));
- Wastewater transmission line alignment for possible connection to the Mākena Resort Wastewater Reclamation Facility (WWRF), which is located approximately one mile south of Honua'ula (TMK (2) 2-1-08: 090 (portion)); (TMK (2) 2-1-08: 108 (portion));
- Off-site wells, storage tanks, and transmission lines (TMK (2) 2-2-02: 050 (portion)); (TMK (2) 2-2-02: 054 (portion)) (TMK (2) 2-1-08: 054 (portion)); (TMK (2) 2-1-08: 001 (portion)); and
- Possible expansion of the Maui Electric Company (MECO) electrical substation located within the Honua'ula property (TMK (2)2-1-08: 043).

We note below the status of required environmental review for these actions, as well as others not mentioned:

1. Use of the state right-of-way for the Pi'ilani extension through the property to connect with Kaupahi Drive.

STATUS: This project is one of the "triggers" for the current DEIS which has some evaluation of drainage, traffic and other impacts connected with the new road, but other essential information is not provided.

It does not appear from the Archaeological Inventory Survey (AIS) that the proposed corridor has had specific archaeological review, in the past five years. In fact, of the 7 cultural sites originally located along the Pi'ilani extension corridor in a 1972 survey, only

4 have been relocated by the present project. Not discussed is whether any portion of the Piilani corridor is part of the endangered Blackburn moth habitat.

The DEIS should also supply specific agreements the developers have with the state Department of Transportation for use of the right of way, to insure a transparent process. Was the state compensated for this valuable "right of way" land? Will the Piilani right of way remain public land, or be considered one of the project's "private roads"? What agreements does Honua'ula LLC have with Ujupatakua Ranch for future shared use of the majority of the right of way still under Ranch ownership? None of these topics are included in the draft EIS. The DEIS should also indicate if any federal funds were involved in acquisition of the state right of way for the Piilani extension, and if a federal EIS process would be triggered.

2. Wastewater transmission line alignment for possible connection to the Makena Resort Wastewater Reclamation Facility

STATUS: Botanical survey reportedly done of various routes. No map or report included, and no mitigations proposed. No map or report of archaeological survey of pipeline route in Makena Resort area. No discussion of impacts to drainage features, air or water quality or other natural features or resources. No discussion of secondary or cumulative impacts. No discussion of impacts to wastewater availability for present or future residences or businesses in Makena Resort or Makena village, or to irrigation requirements for Makena golf course. No discussion of social implications such as homeowners' wastewater fees.

3. Off-site wells, storage tanks, and transmission lines

STATUS: Discussion of hydrology of off-site well area and maps of well, tank and transmission line sites included in DEIS. No flora or fauna survey, archaeological survey, no discussion of impacts to drainage features, air or water quality or other natural features or resources. No discussion of secondary or cumulative impacts. No discussion of impacts increased storage and transmission capacity may have on present or future irrigation well owners in the Wailea/South Maui area. No discussion of social implications, such as homeowners' water fees.

Tanks and lines for the onsite potable/non potable system are located in the Upcountry Community Planning area. The Upcountry Community Plan has policies which permit such structures only if the water is intended for use in the Upcountry Planning area. Honua'ula is located in the Kihei-Makena plan area. This lack of compliance with the Upcountry Community Plan is NOT discussed in the DEIS.

4. Possible expansion of the Maui Electric Company (MECO) electrical substation located within the Honua'ula property

STATUS: Map and brief discussion provided in DEIS, but no analyses of impacts to drainage features, air or water quality or other natural features or resources. No discussion of hazard risks from pollutants, secondary or cumulative impacts. No discussion of impacts increased electrical transmission capacity may have on plans for future projects such as the Auwahi Windfarm transmission line or a proposed pump

storage project being discussed for the south Kihei area. No discussion of social implications, such as effect on homeowners' electric fees.

5. Construction of 250 affordable units and other improvements offsite at Kaonoulu Light industrial area to satisfy a portion of the project's affordable housing requirements.

STATUS: DEIS provides a brief description and conceptual map of the 13 acre affordable housing project site in the TMP report (Appendix M). It is not discussed whether separate environmental review has been done for the property. If this has been done, no summary is provided in the DEIS. The only analysis provided is of traffic impacts - during construction and post construction. There are no analyses of energy demand, impacts to cultural sites, flora and fauna, drainage, air or water quality or other natural features or resources. No discussion of hazard risks, demands upon public water, wastewater and solid waste disposal facilities, public safety services, secondary or cumulative impacts.

6. Use of State of Hawaii right-of-way for the widening of Pi'ilani Hwy between Kilohana and Wailea Ike Drive and Wailea Ike/Piilani Hwy intersection improvements.

STATUS: Final EA accepted January of 2010 for Wailea Ike/Piilani Intersection improvements.

Regarding the Piilani widening project, according to the DEIS: "State DOT is currently reviewing the draft EA before notice of the draft EA is published in the Office of Environmental Quality Control (OEQCs) Environmental Notice and the public comment period commences. A Special Area Management Permit application is also being processed."

Neither document is provided as an appendix to the DEIS, nor is a summary of the environmental impacts evaluated included. Only a summary of traffic impacts addressed by the project is included.

7. Onsite Wastewater Treatment Facility

STATUS: No mention is made regarding the assessment of potential impacts from an on-site wastewater reclamation facility, even though the applicant has stated that its possible development is a trigger for this DEIS.

As noted above, no detailed assessment is mentioned or offered for the Makena Resort WWRF, even though this facility will become part of the project if Honua'ula connects to it. This is the applicant's preferred option, yet no detailed analysis is offered and no analysis of potential impacts and mitigation measures is provided. Authorization from Makena Wastewater Corporation for this option has not been obtained.

It is also noted that the DEIS states under the listed "triggers" for the project's EIS;

"In addition, creation of Honua'ula may involve or impact State and/or County lands or funds relating to infrastructure improvements for public facilities, roadways, water, sewer, utility, drainage, or other facilities. **While the specific nature of each**

improvement is not known at this time, this EIS is intended to address all current and future instances involving the use of State and/or County lands and/or funds relating to Honua'ula." (Emphasis added).

Under what future circumstances might the proposed action utilize public monies? This must be disclosed and included in the assessment of potential impacts relative to its use.

If the "specific nature" of a project action that may involve State and/or County land and/or funds is not known at this time, it is premature to submit a DEIS. A DEIS must include consideration of all phases of the action and consideration of all consequences on the environment (11-200-17 (I) HAR). Again, the EIS must provide the information necessary to permit an evaluation of potential environmental impacts. (11-200-17(E) HAR).

CONCLUSION: DEIS APPLICATION IS INCOMPLETE AND PREMATURE

Accepting agencies should find that the Honua'ula DEIS application is incomplete and premature. Critical components of the proposed action have not yet been decided and are therefore not discussed in sufficient detail to permit an evaluation of potential environmental impacts – the very purpose of an environmental impact statement and a requirement under Section 11-200-17(E) HAR.

Wastewater Treatment

The applicant has not yet determined if it will build an on-site wastewater facility (as was represented to the County Council when obtaining a change in zoning) or run sewage lines to Makana Wastewater Reclamation Facility (MWRFR), which may need to be expanded to accommodate Honua'ula. Neither option is sufficiently discussed to determine potential adverse impacts, or even the feasibility of successful operation. Furthermore, the applicant has not provided authorization for the use of MWRFR.

Until the actual wastewater system is determined, it is premature to submit a DEIS for evaluation and review.

Roadway Agreements

The DEIS states on the bottom of page 104, "Proposed agreements regarding the roadway improvements will be incorporated in the Phase II application and will be finalized as part of Project District Phase II approval." As noted above, the applicant cannot postpone the disclosure of roadway agreements effecting the assessment of traffic impacts. Any roadway agreements must be disclosed in the DEIS.

Water Systems

The DEIS includes extensive studies and reports supporting analysis on traffic, noise, air quality, economics, and marketing but the Preliminary Engineering Report does not provide enough quantitative data on wastewater or water systems to permit any impact analysis. The DEIS provides declaratory statements about these systems without supporting technical studies to substantiate its claims. There are no hydrology reports or a wastewater system analysis for a very elaborate system, regardless of which option is utilized.

Noise Impacts

The DEIS does not address noise impacts from the widening of Pili'ani Highway. The

DEIS states on page 173, "An EA specifically addressing the impacts (including noise impacts) of the widening (of) Pili'ani Highway is being prepared and will be submitted to the State OEQC for public and State agency review."

The applicant cannot segment portions of the project into separate reviews. The widening of Pili'ani Highway is a necessary precedent to any construction of the proposed project (Change in Zoning Condition 2.a.) and must be included in this DEIS. The suggestion that noise-attenuating walls are recommended along the highway presents a serious impact that should be fully discussed in this DEIS. Section 11-200-7 HAR requires that a group of actions proposed by an applicant shall be treated as a single action when the individual project is a necessary precedent for a larger project.

Electrical Infrastructure

The DEIS does not provide discussion of the "possible" expansion of the existing electrical substation even though it states on page 133 that "the Wailea Substation is nearly filled to capacity." The DEIS states that MECO needs more information before confirming the need for expansion. The applicant should provide the necessary information to include full discussion of the project's electrical needs and the actions needed to fulfill those needs. What will the expansion of the Wailea Sub-station entail? What will be the impact to ratepayers for the expansion of the sub-station?

SUMMARY OF NEEDED ACTION:

An applicant cannot ask for Chapter 343 approval for a possible trigger that has not been adequately evaluated within the scope of the DEIS.

The applicant cannot define or limit the scope of the EIS for his own purposes. Title 11, Chapter 200, Environmental Impact Statement Rules, prescribes the scope of an EIS. The proposed project and any proposed actions associated with it, whether "possible" or factual, form the scope of the EIS and must be included.

We request that reviewing agencies compel Honua'ula LLC to follow the law. The EIS should not segment or avoid discussion, evaluation and mitigations for these complex components of the whole project.

We request that the DEIS be redone to include required environmental evaluation of the planned and proposed offsite infrastructure and housing projects that are part of its original scope of approval.

With the exception of the Environmental Assessment (EA) for Pili'ani/Wailea Ika intersection improvements, the public has had no chance to evaluate these proposed actions. Even with the EA issued for the Wailea intersection improvements, there has not been an opportunity provided to evaluate need, impacts and mitigations in light of the larger scope of the Honua'ula project. It is not enough that these topics are included in the Final EIS where all opportunity for meaningful comments by the public and reviewing agencies will be foreclosed.

Comments on Other DEIS Sections:

Flora and Fauna

The DEIS does not evaluate the relative merits of allowing hundreds of native plants to continue living in their preferred habitat, as was intended by Condition of Rezoning No. 27, against the biological viability of damaging existing habitat, and then transplanting or out planting native species in other locations in a 120 acre suburban setting. Conservation biologists do not support fragmenting existing habitat as a preferred survival strategy.

The DEIS does not disclose that the 143-acre "Native Plant Enhancement area" will have no legal protection. The 143 acres cannot, and should not, be compared to a 130 acre contiguous, well established, naturally occurring dryland forest habitat area. If the project wishes to utilize native plants for landscaping in parks, gulches, golf course rough and common areas, that is sensible. But the DEIS provides no basis to conclude that this would be a more effective way of insuring viability of native species than preserving their existing habitat. The proposed out-planting should be practiced in conjunction with in situ preservation of 130 acres, not in lieu of that preservation.

Condition 27 requires that the entire 130 acres of native lowland forest receive review and recommendations from Department of Land and Natural Resources (DLNR), U.S. Fish and Wildlife (USFW) and the U.S. Corps of Engineers (USACE) before determining the scope of the preservation easement. It appears that the responsible agencies are being brought into the decision making process after the landowners have already made their preservation decisions.

Without this review and determination by the reviewing agencies as to the portions of the property that do not merit preservation, the DEIS must conform to the legal requirement of Condition 27 which states "The Easement shall comprise the portion of the property south of latitude 20/40/15.00 N."

Again, the applicant is postponing required authorizations in order to avoid full disclosure of necessary and critical information. This should have been done prior to submitting a DEIS in order to allow for full project disclosure.

No discussion is offered regarding the report titled "Remnant Wiliwili Forest Habitat at Wailea 670, Maui, Hawaii" prepared by Dr. Lee Altenberg substantiating the need to preserve the 130 native lowland forest and which the Maui County Council directed the applicant to submit to DLNR, USFW and USACE for their review prior to submitting recommendations on what does not merit preservation.

Section 11-200-16 HAR requires the DEIS to include opposing views. "In order that the public can be fully informed and that the agency can make a sound decision based upon the full range of responsible opinion on environmental effects, a statement shall include responsible opposing views, if any, on significant environmental issues raised by the proposal."

Cultural practitioners, who are part of Maui Tomorrow Foundation, have commented for many years regarding the deep connection between the native plants and animals found on the Wailea 670 site and its importance as a traditional cultural landscape. Substantially destroying or altering the biological ecosystem alters the cultural integrity of the site and restricts the full practice of traditional and customary practices.

ACTION:

We request that the DEIS be found not acceptable until the "Alternatives" section includes a discussion and map showing the project layout if a 130 acre contiguous preserve area, located south of 20 degrees 40'15", was set aside as critical habitat for endangered fauna, native plants and cultural preservation.

Cultural Resource Review

The cultural review documents, although very bulky, are one of the most incomplete and inadequate sectors of the DEIS.

Archeological Inventory Survey

The AIS for this proposed project has been under consideration through HRS Chapter 6E Historic Preservation Review process since 2000. It has received three review letters on its inventory survey from State Historic Preservation Division (SHPD) dated August 29, 2000, August 28, 2001 and January 17, 2002, with each letter asking for revisions, including further inventory survey of both the northern and southern portions of the property, additional testing and specific justifications for significance evaluations.

These letters and any other correspondences between the applicant and State are not included in the DEIS. The Office of Hawaiian Affairs also requested additional inventory level work on the site in several letters. These are also not disclosed in the DEIS. Instead, the project's AIS creates its own version of where it stands in the State Historic Review process.

Cultural practitioners have documented many additional historic sites and site complexes that have not been recorded in the applicant's AIS and have forwarded pictures and locations to SHPD.

Cultural Resources Preservation Plan (CRPP)

Significance Evaluations of Cultural Sites

No specific rationale is provided in the AIS or CRPP assessing the significance of each site. To be in compliance with State Historic Preservation law, the AIS and this DEIS must provide justification for classifying the significance of each site with supportive documentation provided. (Section 13-284-6d (1)(B) HAR). For an example, why are some caves – described as overhang shelters in the AIS- slated for preservation while others are not?

Criteria used in evaluating significance in this AIS are those adopted by the Hawaii State Register. These are not the exact criteria specified in 13-284-6(b) 1-5 HAR, by which this AIS and DEIS must comply. Specifically, the Criterion "E" used in this AIS omits the following important language (underscored.)

(5). Criterion 'e' Have an important value to the Native Hawaiian people, or to another ethnic group of the state due to associations with cultural practices once carried out, or still carried out, at the property or due to associations with traditional beliefs, events or oral accounts – these associations being important to the groups history and cultural identity.

The AIS must evaluate the historic properties using this specific criteria, but it fails to do so. Instead, it appears the criteria used to determine site significance is the site's

location relative to planned development areas.

Site descriptions do not provide an assessment of site functions with reasonable and adequate supportive arguments or an assessment of site age as required by Section 13-276-5(d) (4) H & J HAR. The AIS must provide such assessments in order for this DEIS to have the information necessary to permit an evaluation of potential environmental impacts. (Section 11-200-17 [E] HAR).

The lack of adequate site assessments in the AIS is in part due to extremely limited testing, inadequate mapping of site complexes and minimal background research regarding kuleana land owners in the ahupua'a of Pae'ahu, Palaua'ea and Keaehou. One example: no native or foreign testimony for the Land Commission Award (LCA) in the region is included. The excuse has been made that the rocky site terrain makes subsurface testing impractical, yet extensive testing has been done in exactly the same terrain throughout the makai sections of Palaua'ea and Keaehou ahupua'a.

Any **Cultural Resources Preservation Plan (CRPP)** for the Honua'ula project is completely premature. The DEIS should contain a complete AIS reviewed by OHA and approved by SHPD, after public comments have been addressed, in order to ensure that environmental impacts to all sites on the property can be adequately evaluated. A Cultural Resources Preservation Plan (CRPP) cannot be completed until a complete inventory of cultural sites is documented, mapped, tested and evaluated, reviewed and approved through the AIS process.

Cultural Impact Assessment

The Cultural Impact Assessment (CIA), although lengthy, is missing key information needed by SHPD, OHA, the Maui Cultural Resources Commission and Maui Planning Commission to make sound decisions regarding cultural preservation on the project site.

Protection for Historic Roads and Paths and Traditional Access

The CIA concludes that traditional mauka-makai access should be protected, but did not ask its interviewees specific questions about their knowledge of traditional trails and historic roads, such as the Kanaio-Kalama Park road. One CIA interviewee, Edward Chang Jr. has given public testimony on other occasions regarding his use of a trail from Ulupalakua junction, on Makena-Ulupalakua road, to Kalama Park in Kihei. Other kupuna have confirmed this use of a historic trail (older than 50 years) during public testimony. The CIA should advocate for preservation of the current portion of the Kanaio-Kalama Park road to comply with the Kihei-Makena Community Plan policy:

"Preserve and restore historical roads and paths as cultural resources, and require such resources to be available to the public."

The argument that Kanaio-Kalama is not a "Kingdom" road on maps prior to 1892" is not of any consequence. The Community Plan does not specify protection of only Kingdom roads. The argument that the current road does not follow the path of the original military road is not proven by any research or in the maps included in the AIS or CIA, and is also inconsequential. Old Makena Road, Hana Highway and other roads regarded as "historic" have also had their paths altered by time. A portion of Hana Highway is listed on the National Register of Historic Places. The CIA should do its homework and compile existing resources to comply with the Community Plan and advocate for protection of this important cultural asset.

The CIA also failed to insist on greater research regarding the relationship of the area's cultural sites with extensive cultural complexes located seaward in the same ahupua'a.

The CIA refers to the Kumuhonua genealogy which is associated with Honua'ula through oral accounts and traditional beliefs, but fails to explain the extremely sacred connotation this genealogy confers onto the Honua'ula lands. This cultural connection with a famous genealogy must be disclosed and its significance to preservation decisions adequately discussed in the CIA.

Also, the CIA has made no effort to contact, interview, consult with or act upon recommendations of the numerous individuals who are cultural descendants of this land, although those individuals have identified themselves during public hearings.

ACTION

Maui Tomorrow Foundation, Inc. requests that the Honua'ula DEIS not be found acceptable. The DEIS is premature because it does not contain a complete and approved AIS for the project area. Without a complete AIS, it is premature to consider a CRPP. With this process incomplete, the necessary information to permit an evaluation of potential environmental impacts, as required by (11-200-17(E) HAR), is not available.

Thank you for continuing to consider Maui Tomorrow Foundation a consulted party in this matter



Irene Bowie,
Executive Director



May 31, 2012

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Response: According to the Supreme Court of Hawai'i (Court) in its ruling in the 2007 Superferry case, *Sierra Club v. Department of Transportation*, 115 Haw. 299 (2007) ("*Superferry I*"), "Rules like HARS11-2007 are meant to keep applicants from escaping full environmental review by pursuing projects in a piecemeal fashion." As you are aware, the Superferry I case involved the State Department of Transportation's (DOT) determination that improvements to Kahului Harbor to accommodate the Superferry were exempt from the requirements to prepare an environmental assessment (EA). The Court ruled that DOT's determination was erroneous and that "the public was prevented from participating in an environmental review process for the Superferry project by DOT's grant of an exemption to the requirements of HRS chapter 343."

In a case previous to Superferry I, *Kahana Sunset Owners Ass'n v. County of Maui* 86 Haw. 66 (1997) ("*Kahana Sunset*"), the Court also held that an exemption to preparing an EA was improperly granted. *Kahana Sunset* concerned a situation where the County of Maui granted an exemption to preparing an EA for drainage improvements beneath a public street. The drainage improvements were necessary to facilitate the development of a condominium project (Napilihau Villages), for which there was no specific requirement to prepare an EA. In its ruling on *Kahana Sunset*, the Court held that an EA was necessary for the drainage improvements and that the EA had to include consideration of the larger project which would connect to the drainage improvements because the drainage system was a "necessary precedent" for the larger project and would have no independent utility—it would not be constructed except as part of the larger project.

The facts of the Superferry I and the *Kahana Sunset* cases are fundamentally distinct from the situation of Honua'ula. According to the Court in *Kahana Sunset* and Superferry I, segmentation is improper where it permits incremental consideration of portions of a project in an attempt to avoid environmental review. Unlike the Superferry I and *Kahana Sunset* cases, no exemptions to preparing EAs have been sought or granted for any actions associated with Honua'ula and there has been no attempt whatsoever to avoid required environmental review. The Honua'ula Draft EIS provides in-depth environmental review of the Honua'ula project, which includes discussion of the following actions and other items associated with Honua'ula that you list in your letter (items 1 to 7):

1. Extending Pī'ilani Highway from Wailea Ike Drive to Kaukahi Street; a portion of which will be on right-of-way (ROW) owned by the State of Hawaii;
2. Waste water transmission line for possible connection to the Mākena Resort Wastewater Reclamation Facility (WWRF);
3. Off-site wells, waterline, and storage tanks;
4. Possible expansion of the Maui Electric Company (MECO) electrical substation located within the Honua'ula property;
5. The 250 off-site affordable homes to be provided in the Ka'ono'ulu Light Industrial Subdivision to satisfy a portion of Honua'ula's affordable housing requirements
6. Widening Pī'ilani Highway from Kilohana Drive to Wailea Ike Drive; and
7. The on-site wastewater treatment facility.

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Dear Ms. Bowtie:

Thank you for your letter dated June 30, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. The organization of this letter generally follows the headings and subheadings of your letter.

OPENING COMMENTS

Comment: We request that the accepting agencies find this document premature and incomplete, and require the applicant to follow the EIS process as described in HRS Ch 343 and HAR 11-200—7, 16 and 17.

Response: The Draft EIS and the subsequent Final EIS are, and will be, prepared in conformance with State of Hawai'i EIS laws and rules (Chapter 343, Hawai'i Revised Statutes (HRS) and Title 11, Chapter 200, Hawai'i Administrative Rules (HAR)). The EIS laws and rules do not provide for the accepting authority to find a draft EIS "premature and incomplete." Rather, the EIS laws and rules provide for the preparation of a draft EIS, a review process, and the preparation of a final EIS. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments, and our responses. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments.

SEGMENTATION OF ACTIONS

Comment: HARS11-2007 Multiple or Phased or Applicant or Agency Actions
A group of actions proposed by an agency or an applicant shall be treated as a single action when: The component actions are phases or increments of a larger total undertaking; An individual project is a necessary precedent for a larger project;
An individual project represents a commitment to a larger project;

Environmental review of the following actions proposed by the applicant and/or required as a condition of rezoning by the Maui County Council must be included in the DEIS in order for it to be complete.

Merely mentioning or describing an action in the DEIS does not constitute evaluation of its environmental impacts as specified in HAR 11-200-17(E). The law makes it clear that individual actions, which are part of a larger project, cannot be segmented from the whole.

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However it is important to note that, contrary to the assertions made in your letter, not all of these items are "actions" under Chapter 343, HRS. Specifically, the following four items are not "actions" under Chapter 343, HRS:

- The wastewater transmission line for possible connection to the Mākena Resort WWRF;
- The off-site wells, waterline, and storage tanks;
- The possible expansion of the MECO electrical substation located within the Honua'ula property
- The 250 off-site affordable homes to be provided in the Ka'ono'ulu Light Industrial Subdivision to satisfy a portion of Honua'ula's affordable housing requirements.

The items that are "actions" (i.e. that trigger environmental review under Chapter 343, HRS) are:

- Extending Pīlani Highway from Wailea Ike Drive to Kaukahi Street; a portion of which will be on ROW owned by the State of Hawaii
- Widening Pīlani Highway from Kiloohana Drive to Wailea Ike Drive; and
- The possible on-site wastewater treatment facility

In addition, improvements to the intersection of Wailea Alanui/Wailea Ike Drive that were discussed in the Draft EIS are also an "action" under Chapter 343, HRS.

This distinction regarding "actions" is important because in the Superferry I case the Court also ruled on the applicability of HAR§11-200-7 and determined that this rule applies to "actions" or "groups of actions" subject to Chapter 343, HRS. Regarding HAR§11-200-7, in the Superferry I decision the Court stated: "The rule discusses situations when a 'group of actions ... shall be treated as a single action.'" To this end, the Court made a distinction regarding the exemption for the harbor improvements, which the Court clearly saw as an "action" under Chapter 343, and the Superferry itself, which the Court determined was not an "action." In other words, the Superferry operations, standing alone were not an "action" under Chapter 343, HRS. Thus in the Superferry I case, the Court ruled that "HAR § 11-200-7 does not apply as there is 'no group of actions' to be treated as a single action." Thus DOT was not in violation of HAR § 11-200-7.

Similarly the Honua'ula Draft EIS is not in violation of HAR § 11-200-7. The Honua'ula Draft EIS included discussion regarding all of the "actions" that are subject to Chapter 343 and other items listed above and also noted that individual EAs had been or were being prepared for: 1) the widening of Pīlani Highway from Kiloohana Drive to Wailea Ike Drive; and 2) improvements to the Wailea Ike Drive and Wailea Alanui Drive intersection.

In your comment above you state that: "Merely mentioning or describing an action in the DEIS does not constitute evaluation of its environmental impacts as specified in HAR 11-200-17(E)." In response to this, first, Section 11-200-17(E) HAR pertains to what is required for an EIS project description. The Honua'ula Draft EIS meets the criteria specified under Section 11-200-17(E), HAR regarding what is required for an adequate project description along with all other subsections (A-P) of Section 11-200-17, HAR pertaining to the content requirements of a draft EIS. Second, regarding the level of discussion in the Draft EIS given to each of the "actions" subject to Chapter 343 and the other items listed above, we note that Section 11-200-19, HAR provides, in part, that:

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Data and analyses in a statement shall be commensurate with the importance of the impact, and less important material may be summarized, consolidated, or simply referenced...Care shall be taken to concentrate on important issues and to ensure that the statement remains an essentially self-contained document, capable of being understood by the reader without the need for undue cross-reference.

In conformance with this rule, considerable care was taken in the Honua'ula Draft EIS to concentrate on the important issues associated with the potential impacts of the greater Honua'ula project, with lesser emphasis on relatively less important material related to other items such as the off-site infrastructure, extending Pīlani Highway from Wailea Ike Drive to Kaukahi Street, the wastewater transmission line for possible connection to the Mākena Resort WWRF, and the water transmission lines and storage tank. While these items may have impacts, data and analyses of these impacts was not considered commensurate with the importance of the data and analyses necessary to address the impacts of the greater Honua'ula project. Hence in the Draft EIS not all items were addressed with the same level of detail as the greater Honua'ula project. However every "action" associated with Honua'ula and other items listed above have been disclosed as part of the required environmental review process and the public has not been prevented from participating in this environmental review process for any aspect regarding Honua'ula as evidenced by, for example, your letter.

Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process—including your comments—regarding the level of detail provided in the Draft EIS pertaining to the "actions" subject to Chapter 343, HRS and other items listed above associated with Honua'ula. To this end, in the Final EIS several sections will be revised as explained and shown in subsequent sections of this letter and the several attachments included with this letter. These changes include providing the Pīlani Highway Widening Final EA and the Wailea Ike Drive and Wailea Alanui Drive Intersection Improvements Final EA as appendices to the Final EIS and revising appropriate sections of the Draft EIS to integrate relevant information from these EAs. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments.

In further responding to your comments regarding "segmentation of actions," in your comment above you state:

The law makes it clear that individual actions, which are part of a larger project, cannot be segmented from the whole.

In addition, on the sixth page of your letter you provide the following comments:

The applicant cannot segment portions of the project into separate reviews. The widening of Pīlani Highway is a necessary precedent to any construction of the proposed project (Change in Zoning Condition 2.a.) and must be included in this DEIS.

Section 11-200-7 HAR requires that a group of actions proposed by an applicant shall be treated as a single action when the individual project is a necessary precedent for a larger project.

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For clarity in responding to these three similar and related comments we deviate somewhat from the standard format of this letter in addressing each of your comments in the sequence they occur in your letter. Below we address all three comments together, as the comments are related and the response is relevant in context with the overall discussion in this section of this letter.

We note that according to the Court in *Kahana Sunset and Superferry, L*, segmentation is improper where it permits incremental consideration of portions of a project in an attempt to avoid environmental review. Given that an EIS has been prepared for Honua'ula and EAs have been prepared for the widening of Pīlani Highway and the Wailea Ike Drive and Wailea Alanui Drive intersection improvements, there has been no attempt whatsoever to avoid environmental review.

Further, while widening Pīlani Highway is a condition of Honua'ula's rezoning ordinance (County of Maui Ordinance No. 3554, Condition 2a), it is important to note that the need for this improvement has been long established and significantly predates the Honua'ula rezoning ordinance. Indeed, the need to widen Pīlani Highway from two lanes to four has been called for in various plans and studies as far back as 1996. For example the:

- *Kihei Traffic Master Plan*, published in 1996 by the State DOT, DPWWM, and the Maui County Department of Planning recommended: "Widening of Pīlani Highway from two to four lanes from Mokulele Highway to south of Kiloohana Drive." (Recommended Improvement No. 2)
- *County of Maui Long-Range Land Transportation Plan, Final Report*, published in 1997 by DOT, DPWWM, and the Maui County Department of Planning recommended that Pīlani Highway from Mokulele Highway to Wailea be widened "from two to four lanes" (Improvement No. 56).
- *Kihei-Makena Community Plan*, published in 1998 as County of Maui Ordinance No. 2641, Bill No. 5 stated: "require adequate interregional highway capacity; including the widening of Pīlani and Mokulele Highways to four lanes".
- *Kihei Traffic Master Plan Study*, published in 2003 by Parsons Brinckerhoff Quade & Douglas for DPWWM recommended that the "Maximum Pīlani Highway Corridor" alternative be adopted; to achieve this Pīlani Highway in the interim would be widened from two to four lanes and ultimately Pīlani Highway would be widened to six lanes or an alternative parallel roadway would be constructed mauka of Pīlani Highway.

In addition, the current Traffic Impact Analysis Report (TIAR) prepared for Honua'ula (Appendix L of the Draft EIS) concluded that by 2016 the widening of Pīlani Highway to four lanes would be necessary even if Honua'ula is not built. Likewise, the TIAR also concluded that a signal at the Pīlani Highway/Okolani Drive/Mikioi Place intersection also would be necessary. The long-established need for the widening of Pīlani Highway, and the fact that it is not exclusive to Honua'ula, is also underscored by the fact that both Wailea and Makena Resorts are also being required to fund this improvement.

Thus the widening of Pīlani Highway to four lanes cannot be considered a necessary precedent solely for Honua'ula, as the need for widening has been long recognized, dating back to at least 1996, and even the most recent TIAR anticipates that regional traffic conditions will warrant the widening of the highway independent from Honua'ula. Therefore, unlike the *Kahana Sunset* case, where drainage improvements would not be necessary if the larger project were not built, the

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widening of Pīlani Highway would in fact be necessary even if Honua'ula were not built. This is a critical distinction in the context of Section 11-200-7 HAR.

Similar to the widening of Pīlani Highway, while the Wailea Alanui/Wailea Ike Drive intersection improvements are a condition of Honua'ula's rezoning ordinance (County of Maui Ordinance No. 3554, Condition 2i), these improvements are not needed solely because of Honua'ula, but rather are necessary due to the build-out of Wailea and Makena Resorts. Both the Wailea Resort and the Makena Resort developments are projected to place additional traffic demands on Wailea Alanui and its key intersections, as documented in:

- Traffic Impact Analysis Report, Wailea Resort, Revised Master Plan-2005 (Austin, Tsutsumi & Associates, Inc. 2005);
- Traffic Impact Analysis Report for the Proposed Makena Resort Master Plan, August 18, 1999 (The Traffic Management Consultant 1999); and
- Makena Resort Master Plan Traffic Study (Phillip Rowell and Associates 2007).

These traffic reports recommend modifications to the Wailea Alanui/Wailea Ike Drive intersection because of future traffic associated with the build-out of Wailea and Makena Resorts. Thus, the Wailea Alanui/Wailea Ike Drive intersection improvements are not exclusive to Honua'ula and cannot be considered a necessary precedent solely for Honua'ula. Similar to the widening of Pīlani Highway, the Wailea Alanui/Wailea Ike Drive intersection improvements would be necessary even if Honua'ula were not built, making this situation fundamentally distinguishable from the *Kahana Sunset* case.

The entire Kihei-Makena region benefits from the widening of Pīlani Highway, and the widening is a separate DOT project meant to address regional traffic impacts that is being implemented with private funding, with the DOT overseeing the design, permitting, and construction. The use of State lands triggers agency compliance with Chapter 343, HRS (The Environmental Impact Statement law). As such, it is proper that the EA for the widening of Pīlani Highway be processed separately from the Honua'ula Draft EIS with DOT as the accepting agency. Similarly, the Wailea Alanui/Wailea Ike Drive intersection improvements will provide regional improvements to a County roadway and therefore it is proper that the EA for the intersection improvements be processed separately from the Honua'ula Draft EIS with the County Department of Public Works as the accepting agency.

For the widening of Pīlani Highway to four lanes, along with the required intersection improvements at the Pīlani Highway/Okolani Drive/Mikioi Place intersection, the Pīlani Highway/Wailea Ike Drive intersection, and the Pīlani Highway/Kiloohana Drive/Māpu Place intersection, preliminary design of these improvements has been completed and a draft and final EA were prepared. The State DOT has accepted the final EA and issued a Finding of No Significant Impact, which was published in the Office of Environmental Quality Control's (OEQC) *The Environmental Notice* on May 8, 2012.

For the Wailea Alanui/Wailea Ike Drive intersection improvements, design has been completed, a draft and final EA were prepared, and the County Department of Public Works has accepted the final EA and issued a Finding of No Significant Impact. The Maui Planning Commission has also approved a Special Management Area (SMA) Use Permit for the intersection improvements.

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It should also be noted that the DOT and County of Maui have also been consulted and actively involved throughout the environmental review process for Honua'ula, the widening of Pīlani Highway, and the Wailea Alanui/Wailea Iike Drive intersection improvements. At no time has the DOT, the Maui County Department of Planning, or the Maui County Department of Public Works ever raised concerns regarding the separate processing of the EIS and the EAs or how the environmental review of these projects has proceeded.

In conclusion and summary, the harm from segmentation that HARS11-200-7 is intended to prevent is not relevant regarding Honua'ula, and the Honua'ula EIS is not in violation of HARS11-200-7. The Honua'ula project, the widening of Pīlani Highway, and the Wailea Alanui/Wailea Iike Drive intersection improvements do not constitute a "group of actions" to be treated as a single action. The widening of Pīlani Highway and the Wailea Alanui/Wailea Iike Drive intersection improvements are not "necessary precedents" solely for Honua'ula and therefore fall outside the scope of what Section 11-200-7 HAR seeks to redress. As has been explained above, the widening of Pīlani Highway and the Wailea Alanui/Wailea Iike Drive intersection improvements would be necessary even if Honua'ula were not built. The Honua'ula actions that can be correctly correlated to Honua'ula as a group of actions—namely the possible on-site wastewater treatment facility and extending Pīlani Highway from Wailea Iike Drive to Kauhahi Street on a portion of the ROW owned by the State of Hawai'i—have been correctly identified and discussed in the Honua'ula Draft EIS, as these actions are "necessary precedents" to Honua'ula, that is, they would have no independent utility and would not be necessary if Honua'ula were not built. However, the Honua'ula Draft EIS also includes discussion on the widening of Pīlani Highway, the Wailea Alanui/Wailea Iike Drive intersection improvements, and other on- and off-site improvements. Per public comments received, elaboration regarding actions subject to Chapter 343, HRS and other on- and off-site improvements will be included in the Final EIS as explained and shown in subsequent sections of this letter and the several attachments included with this letter.

Every relevant aspect of the Honua'ula project, both "actions" under Chapter 343 and other items, has undergone required environmental review, including disclosure of the environmental impacts and complete public review and comment. As appropriate, the Final EIS will be revised to incorporate substantive comments received during the review process. As noted above, in the Superferry I case the Court opined that "Rules like HARS11-200-7 are meant to keep applicants from escaping full environmental review by pursuing projects in a piecemeal fashion." Further in Kahana Sunset and Superferry J, the Court determined that segmentation is improper where it permits incremental consideration of portions of a project in an attempt to avoid environmental review. Both the Superferry I and the Kahana Sunset involved instances where an agency or an applicant sought to avoid environmental review by seeking an exemption to preparing an EA. Unlike the Superferry I and Kahana Sunset cases: 1) no exemptions to preparing EAs have been sought or granted for any actions associated with Honua'ula; 2) there has been no attempt whatsoever to avoid required environmental review; and 3) the public has not been prevented from participating in the environmental review process for any aspect regarding Honua'ula.

In Section 1.6 the DEIS outlines the scope of the document.

Comment: "SCOPE OF THIS EIS"

This EIS covers potential impacts relating to Honua'ula, "the Property" (TMK (2) 2-1-08:056 and (2) 2-1-08:71) and potential off-site improvements, including:

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- Extending Pīlani Highway from Wailea Iike Drive to Kauhahi Street. (TMK (2) 2-1-08: 999 (portion));
- Wastewater transmission line alignment for possible connection to the Mākena Resort Wastewater Reclamation Facility (WWWRF), which is located approximately one mile south of Honua'ula (TMK (2) 2-1-08: 090 (portion)); (TMK (2) 2-1-08: 108 (portion));
- Off-site wells, storage tanks, and transmission lines (TMK (2) 2-2-02: 050 (portion)); (TMK (2) 2-2-02: 054 (portion)) (TMK (2) 2-1-08: 054 (portion)); (TMK (2) 2-1-08: 001 (portion)); and
- Possible expansion of the Maui Electric Company (MECO) electrical substation located within the Honua'ula property (TMK (2) 2-1-08: 043)."

We note below the status of required environmental review for these actions, as well as others not mentioned:

Response: Our responses to each of your concerns are provided below and generally follow the numbering and headings of your letter. To clarify your use of the word "action" we reiterate our point from above that not all of the items you cite constitute "actions" that trigger environmental review under Chapter 343, HRS. However the Honua'ula Draft EIS included discussion regarding all of the items listed below (both those that are and are not "actions" under Chapter 343, HRS) in conformance with Section 11-200-19, HAR, which provides, in part, that "Data and analyses in a statement shall be commensurate with the importance of the impact, and less important material may be summarized, consolidated, or simply referenced..." Where noted below the Final EIS will include additional information to address your concerns.

1. Use of the state right-of-way for the Pīlani extension through the property to connect with Kauhahi Drive.

Comment: STATUS: This project is one of the "triggers" for the current DEIS which has some evaluation of drainage, traffic, and other impacts connected with the new road, but other essential information is not provided.

It does not appear from the Archaeological Inventory Survey (AIS) that the proposed corridor has had specific archaeological review, in the past five years. In fact, of the 7 cultural sites originally located along the Pīlani extension corridor in a 1972 survey, only 4 have been relocated by the present project.

Response: The archaeological inventory survey (AIS) included in the Draft EIS (Appendix I) covers an area of 700 acres, which includes the 670-acre Honua'ula property and the Pīlani Highway extension ROW (both the State-owned portion and the 'Ulupalakua Ranch-owned portion), and the area of the MECO substation, together which total an additional 30 acres. This is clearly stated on page one of the AIS.

The AIS also: 1) discusses the 1972 survey of the Pīlani Highway extension ROW that you refer to (Walton 1972); 2) details four of the seven sites recorded by Walton; and 3) notes that three of the seven sites could not be relocated by any subsequent survey. These sites were likely disturbed or destroyed by previous clearing related to the highway extension.

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Comment: Not discussed is whether any portion of the Pīlani corridor is part of the endangered Blackburn moth habitat.

Response: Both the botanical survey (Appendix E) and the wildlife survey (Appendix H) included in the Draft EIS cover the 670-acre Honua'ula property, the Pīlani Highway extension ROW (both the State-owned portion and the 'Ulupalakua Ranch-owned portion), and the area of the MECO substation. This is evidenced by the grid and transects maps included in the survey reports that SWCA Environmental Consultants (SWCA) botanists and biologists employed in surveying the entire area. SWCA has also confirmed that both surveys covered the Pīlani Highway extension ROW.

As discussed in the wildlife survey and in Section 3.7 (Wildlife Resources) of the Draft EIS, evidence of Blackburn's sphinx moths (*Manduca blackburni*) was found within the Honua'ula Property, including frass, cut stems and leaves, and live caterpillars. No adult Blackburn's sphinx moths were observed within the Property.

The primary habitat for Blackburn's sphinx moth larvae includes two host plant species in the genus *Nothocestrum* (*N. latifolium* and *N. brevifolium*), neither of which occur on the Property or would likely survive if propagated on the Property. Blackburn's sphinx moth larvae also feed on the non-native tree tobacco *Nicotiana glauca*, which was found on the Property. Other "host" plants that occur on the Property that can provide habitat for the Blackburn's sphinx moth are native nectar-supplying plants, including, morning glory (*Ipomoea* spp.), malapillo (*Capparis sandwicheana*), and 'ilī'e (*Plumbago zeylanica*).

Based upon extensive site surveys and analysis conducted by SWCA, it has been determined that the host plants for adult Blackburn's sphinx moth that occur on the Property are confined to the southernmost portions of the Property. Section 3.7 (Wildlife Resources) of the Draft EIS lists several measures that will be implemented to protect the Blackburn's sphinx moth, including preparing a Habitat Conservation Plan under Section 10(a)(1)(B) of the Endangered Species Act in collaboration with the State Department of Land and Natural Resources (DLNR) and the United States Fish and Wildlife Service (USFWS).

Comment: The DEIS should also supply specific agreements the developers have with the state Department of Transportation for use of the right of way, to insure a transparent process.

Response: Section 4.4 (Roadways and Traffic) of the Draft EIS states:

In compliance with County of Maui Ordinance No. 3554, Honua'ula Partners, LLC will consult with the State DOT and the County Department of Public Works to ensure that the proposed roadway improvements meet with their satisfaction (Condition 18k).⁷ Proposed agreements regarding the roadway improvements will be incorporated in the Phase II application and will be finalized as part of Project District Phase II approval. Honua'ula Partners, LLC has requested verification from the State DOT and County Department of Public Works that the proposed roadway improvements meet with their satisfaction. Honua'ula Partners, LLC will provide verification when received from State DOT and County Department of Public Works.

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To update and elaborate on the consultation regarding roadway improvements that has taken place with the State DOT and the County DPW, Honua'ula's rezoning ordinance (County of Maui Ordinance No. 3554) specifies several conditions relating to: 1) roadway improvements that Honua'ula is required to implement; and 2) the satisfaction and agreement of the DOT and DPW regarding the specific roadway improvements Honua'ula will implement. Generally DOT is responsible for State highways and DPW is responsible for County roadways.

Specific County of Maui Ordinance No. 3554 conditions relating to roadway improvements include:

2. That Honua'ula Partners, LLC, its successors and permitted assigns, shall implement the following traffic improvements:
 - a. Upgrade Pīlani Highway, from Kilohana Drive to Wailea Ike Drive, to four lanes of traffic. The improvements shall be completed prior to the commencement of any construction on the site, with the exception of grading.
 - b. Extend Pīlani Highway for two lanes of traffic from Wailea Ike Drive to Kauhahi Street. The improvement shall be constructed at or prior to the completion for 50 percent of the project. Said improvement shall be maintained by Honua'ula Partners, LLC, its successors and permitted assigns.
 - c. Signalize the Pīlani Highway/Okolani Drive/Mikioi Place intersection and provide an exclusive left-turn lane on Okolani Drive prior to occupancy of the first unit in Kīhei-Mākena Project District 9.
 - d. Modify the Pīlani Highway/Wailea Ike Drive intersection into a signalized intersection and provide a free right-turn lane from Pīlani Highway to Wailea Ike Drive and a second right-turn lane from Wailea Ike Drive to northbound Pīlani Highway prior to occupancy of the first unit in Kīhei-Mākena Project District 9.
 - e. Modify the Wailea Alanui/Wailea Ike Drive intersection to add a signalized double right-turn movement from northbound to eastbound turning traffic and provide two left-turn lanes for southbound traffic from Wailea Ike Drive prior to occupancy of the first unit in Kīhei-Mākena Project District 9.
 - f. Modify the Pīlani Highway/Kilohana Drive/Mapu Place intersection to provide an exclusive left-turn lane, and the southbound Pīlani Highway approach to provide an exclusive right-turn lane into Mapu Place prior to occupancy of the first unit in Kīhei-Mākena Project District 9.
 - g. Signalize the Wailea Ike Drive/Kālai Wā'a Street intersection in coordination with Wailea Resort and Mākena Resort when warranted.
 - h. Signalize the Wailea/Kauhahi Drive/Kauhahi Street intersection in coordination with Wailea Resort and Mākena Resort when warranted.

Specific County of Maui Ordinance No. 3554 conditions relating to the satisfaction and agreement of DOT and DPW with the roadway improvements include:

4. That Honua'ula Partners, LLC, its successors and permitted assigns, shall be responsible for all required infrastructural improvements for the project, including water source and system improvements for potable and nonpotable use and fire protection, drainage improvements, traffic-related improvements, wastewater system improvements and utility upgrades, as determined by the appropriate governmental agencies and public utility companies. Except as otherwise provided by more specific conditions of zoning, said improvements shall be constructed and implemented concurrently with the development of each phase of Kīhei-Mākena Project District 9, and shall be completed prior to issuance of any certificate of occupancy of final subdivision approval, unless improvements are bonded by Honua'ula Partners, LLC, its successors and permitted assigns.

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Honua'ula Partners, LLC shall execute appropriate agreements with governmental agencies regarding participation in improvements of infrastructure and public facilities as determined by the agencies.

*18. That Honua'ula Partners, LLC, its successors and permitted assigns, shall address in their Project District Phase II application the following:
k. Roadway improvements to the satisfaction of the State Department of Transportation and the County Department of Public Works and proposed agreements are incorporated in the application and site plan and finalized as part of Project District Phase II approval.*

19. That Honua'ula Partners, LLC, its successors and permitted assigns, shall execute appropriate agreements with the State of Hawai'i and County of Maui agencies regarding participation in improvements of infrastructure and public facilities where such improvements are reasonably related to Honua'ula Partners, LLC's project.

In compliance with County of Maui Ordinance No. 3554, Honua'ula Partners, LLC has engaged in extensive consultation and correspondence with the DOT and DPW regarding roadway improvements that Honua'ula Partners, LLC are required to implement. The consultation has involved ensuring that the design of the proposed improvements is to the satisfaction of: 1) DOT regarding State Highway improvements; and 2) DPW regarding County roadway improvements.

In correspondence from DOT dated March 24, 2010, DOT stated:

The improvements to be performed by Honua'ula Partners LLC as stated in Condition 2 are consistent with the improvements identified in the Traffic Impact Assessment Report (TIAR) dated 29, 2009¹. These improvements are understood to be considered the 'fair share' for highway related improvements of the affected area.

Note that Condition 2b pertains to extending Pīlani Highway on the State ROW. In their March 24, 2010 letter DOT also specifically addressed extending Pīlani Highway on the State ROW by specifying their design requirements for the extension. In so specifying it is implicit that they are in agreement with extending Pīlani Highway over the ROW.

In further correspondence from DOT dated August 23, 2010, DOT concurred with the design provided by Honua'ula Partners, LLC to widen Pīlani Highway to four lanes from Kilohana Drive to Wailea Iike Drive.

In correspondence from DPW dated February 24, 2010 DWS stated: "We confirm that Honua'ula Partners, LLC is in compliance with and has initiated implementation of Condition Nos. 2e, g and h as defined in the conditions of zoning for the Honua'ula project." Note that Condition Nos. 2e, g, and h pertain to improvements to County roadways.

The correspondence between Honua'ula Partners, LLC and DOT and DPW indicates the satisfaction of DOT and DPW with the improvements that Honua'ula Partners, LLC will provide and constitutes these agencies' agreement with the improvements as designed thus far. Further

¹ The TIAR dated October 29, 2009, pertains to the widening of Pīlani Highway from Kilohana Drive to Wailea Iike Drive, including improvements at the intersections of: 1) Pīlani Highway/Okolani Drive/Mikioi Place; and 2) Pīlani Highway/Kilohana Drive/Mapu Place. The TIAR contained in the Draft EIS is dated March 2, 2010, and identifies the same recommended improvements to these intersections.

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satisfaction and agreement with the proposed improvements is evidenced by the environment assessments (EAs) for the widening of Pīlani Highway and the Wailea Iike Drive/Wailea Alanui Drive intersection improvements. Specifically the final EA for the widening of Pīlani Highway contains design details and—as the accepting authority for the EA—DOT has reviewed the draft and final EA, accepted the final EA, and issued a Finding of No Significant Impact. Similarly, the EA for the Wailea Iike Drive/Wailea Alanui Drive intersection improvements includes design details and DPW—as the accepting authority for the EA—has reviewed the draft and final EA, accepted the final EA, and issued a Finding of No Significant Impact.

In summary, the consultation and subsequent written correspondence between Honua'ula Partners, LLC and DOT and DPW demonstrates the efforts of all involved to work cooperatively to implement the required roadway improvements. This is further evidenced by DOT's and DPW's review and acceptance of the EAs covering the respective improvements these agencies are responsible for overseeing. These agencies' review of, and satisfaction with, the improvements required of, and proposed by, Honua'ula Partners LLC constitutes their agreement with use of the State and County ROWs necessary to implement the improvements. Collectively, DOT's and DPW's satisfaction with, and agreement of, the improvements constitutes Honua'ula Partners, LLC's compliance with County of Maui Ordinance No. 3554 Condition 18k, which requires: "Roadway improvements to the satisfaction of the State Department of Transportation and the County Department of Public Works and proposed agreements are incorporated in the application and site plan and finalized as part of Project District Phase II approval."

To provide this update and elaboration on the consultation and agreement regarding roadway improvements to be implemented by Honua'ula Partners, LLC that has taken place with DOT and DPW in the Final EIS, in the Final EIS: 1) the correspondence between Honua'ula Partners, LLC and DOT and DPW will be provided in an appendix; and 2) Section 4.4 (Roadways and Traffic) will be revised as follows:

~~In compliance with County of Maui Ordinance No. 3554, Honua'ula Partners, LLC will consult with the State DOT and the County Department of Public Works to ensure that the proposed roadway improvements meet with their satisfaction (Condition 18k). Proposed agreements regarding the roadway improvements will be incorporated in the Phase II application and will be finalized as part of Project District Phase II approval. Honua'ula Partners, LLC has requested verification from the State DOT and County Department of Public Works that the proposed roadway improvements meet with their satisfaction. Honua'ula Partners, LLC will provide verification when received from State DOT and County Department of Public Works.~~

In compliance with County of Maui Ordinance No. 3554 (Condition 18k), Honua'ula Partners, LLC has engaged in extensive consultation and correspondence with the DOT and DPW regarding roadway improvements that Honua'ula Partners, LLC are required to implement. These include the regional traffic improvements noted above under the heading "Regional Traffic Improvements" and the Honua'ula-related traffic improvements noted above under the heading "Honua'ula-Related Traffic Improvements." These improvements are all provided in compliance with County of Maui Ordinance No. 3554 Condition 2, which includes multiple sub-conditions as noted above. The consultation involved ensuring that the design of the proposed improvements is to the satisfaction and agreement of: 1) DOT regarding State Highway improvements; and 2) DPW regarding County roadway improvements.

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In correspondence from DOT dated March 24, 2010, DOT stated:

The improvements to be performed by Honua'ula Partners, LLC, as stated in Condition 2 are consistent with the improvements identified in the Traffic Impact Assessment Report (TIAR) dated 29, 2009²². These improvements are understood to be considered the fair share for highway related improvements of the affected area.

In their March 24, 2010 letter DOT also specifically addressed extending Pili'ani Highway into Honua'ula from Wailea Ike Drive to Kauhahi Street (Condition 2b), a portion of which will be on State-owned ROW, by specifying their design requirements for the extension. In so specifying it is implicit that DOT is in agreement with extending Pili'ani Highway over the State-owned ROW. Regarding the widening of Pili'ani Highway to four lanes from Kilohana Drive to Wailea Ike Drive (Condition 2a), in further correspondence from DOT dated August 23, 2010, DOT concurred with the design of the widening provided by Honua'ula Partners, LLC.

In correspondence from DWS dated February 24, 2010 DWS stated: "We confirm that Honua'ula Partners, LLC is in compliance with and has initiated implementation of Condition Nos. 2e, g, and h as defined in the conditions of zoning for the Honua'ula project." Conditions 2e, 2g, and 2h pertain to improvements to County roadways.

The correspondence between Honua'ula Partners, LLC and DOT and DPW indicates the satisfaction of DOT and DPW with the improvements that Honua'ula Partners, LLC will provide and constitutes these agencies' agreement with the improvements as designed thus far. Further satisfaction and agreement with the proposed improvements is evidenced by the environment assessments (EAs) for the widening of Pili'ani Highway and the Wailea Ike Drive/Wailea Alanui Drive intersection improvements. Specifically the Final EA for the widening of Pili'ani Highway (Appendix R) contains design details and—as the accepting authority for the EA—DOT has reviewed the draft and final EA, accepted the final EA, and issued a Finding of No Significant Impact. Similarly, the Wailea Ike Drive and Wailea Alanui Drive Intersection Improvements Final EA (Appendix S) includes design details and DPW—as the accepting authority for the EA—has reviewed the draft and final EA, accepted the final EA, and issued a Finding of No Significant Impact.

In summary, the consultation and subsequent written correspondence between Honua'ula Partners, LLC and DOT and DPW demonstrates the efforts of all involved to work cooperatively to implement the required roadway improvements. This is further evidenced by DOT's and DPW's review and acceptance of the EAs covering the respective improvements these agencies are responsible for overseeing. These agencies' review of, and satisfaction with, the improvements required of, and proposed by, Honua'ula Partners, LLC constitutes their agreement with the improvements and the use of the State and County ROW's necessary to implement the improvements. Collectively, DOT's and DPW's satisfaction with, and agreement of, the improvements constitutes Honua'ula Partners, LLC's compliance with County of Maui Ordinance No. 3554 Condition 18k, which requires: "Roadway improvements to the satisfaction of the State Department of Transportation and

²² The TIAR dated October 29, 2009, pertains to the widening of Pili'ani Highway from Kilohana Drive to Wailea Ike Drive, including improvements at the intersections of: 1) Pili'ani Highway/Okolani Drive/Mikoi Place; and 2) Pili'ani Highway/Kilohana Drive/Mapu Place. The TIAR contained in the Draft FIS and this Final FIS is dated March 2, 2010, and identifies the same recommended improvements to these intersections.

the County Department of Public Works and proposed agreements are incorporated in the application and site plan and finalized as part of Project District Phase II approval."

Appendix L includes the above referenced correspondence between Honua'ula Partners, LLC and DOT and DPW. Appendix R contains the Pili'ani Highway Widening Project Final EA. Appendix S contains the Wailea Ike Drive and Wailea Alanui Drive Intersection Improvements Final EA.

In addition, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

- k. *Roadway improvements to the satisfaction of the State Department of Transportation and the County Department of Public Works and proposed agreements are incorporated in the application and site plan and finalized as part of Project District Phase II approval.*

Discussion: ~~Honua'ula Partners, LLC has requested verification from the State DOT and County Department of Public Works that the proposed roadway improvements meet with their satisfaction. Honua'ula Partners, LLC will provide verification when received from State DOT and County Department of Public Works.~~

Honua'ula Partners, LLC has engaged in extensive consultation and correspondence with the DOT and DPW regarding roadway improvements that Honua'ula Partners, LLC are required to implement. These include the regional traffic improvements noted above under the heading "Regional Traffic Improvements" and the Honua'ula-related traffic improvements noted above under the heading "Honua'ula-Related Traffic Improvements." These improvements are all provided in compliance with County of Maui Ordinance No. 3554 Condition 2, which includes multiple sub-conditions as noted above. The consultation involved ensuring that the design of the proposed improvements is to the satisfaction and agreement of: 1) DOT regarding State Highway improvements; and 2) DPW regarding County roadway improvements.

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²² The TIAR dated October 29, 2009, pertains to the widening of Pili'ani Highway from Kilohana Drive to Wailea Ike Drive, including improvements at the intersections of: 1) Pili'ani Highway/Okolani Drive/Mikoi Place; and 2) Pili'ani Highway/Kilohana Drive/Mapu Place. The TIAR contained in the Draft FIS and this Final FIS is dated March 2, 2010, and identifies the same recommended improvements to these intersections.

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In correspondence from DPW dated February 24, 2010 DPW stated: "We confirm that Honua'ula Partners, LLC is in compliance with and has initiated implementation of Condition Nos. 2e, g, and h, as defined in the conditions of zoning for the Honua'ula project." Conditions 2e, 2g, and 2h pertain to improvements to County roadways.

The correspondence between Honua'ula Partners, LLC and DOT and DPW indicates the satisfaction of DOT and DPW with the improvements that Honua'ula Partners, LLC will provide and constitutes these agencies' agreement with the improvements as designed thus far. Further satisfaction and agreement with the proposed improvements is evidenced by the environment assessments (EAs) for the widening of Pi'ilani Highway and the Wailea Ike Drive/Wailea Alanui Drive intersection improvements. Specifically the Final EA for the widening of Pi'ilani Highway (Appendix R) contains design details and—as the accepting authority for the EA—DOT has reviewed the draft and final EA, accepted the final EA, and issued a Finding of No Significant Impact. Similarly, the Wailea Ike Drive and Wailea Alanui Drive Intersection Improvements Final EA (Appendix S) includes design details and DPW—as the accepting authority for the EA—has reviewed the draft and final EA, accepted the final EA, and issued a Finding of No Significant Impact.

In summary, the consultation and subsequent written correspondence between Honua'ula Partners, LLC and DOT and DPW demonstrates the efforts of all involved to work cooperatively to implement the required roadway improvements. This is further evidenced by DOT's and DPW's review and acceptance of the EAs covering the respective improvements these agencies are responsible for overseeing. These agencies' review of, and satisfaction with, the improvements required of, and proposed by, Honua'ula Partners, LLC constitutes their agreement with the improvements and the use of the State and County ROW's necessary to implement the improvements. Collectively, DOT's and DPW's satisfaction with, and agreement of, the improvements constitutes Honua'ula Partners, LLC's compliance with Condition 18k.

Appendix L includes the above referenced correspondence between Honua'ula Partners, LLC and DOT and DPW. Appendix R contains the Pi'ilani Highway Widening Project Final EA. Appendix S contains the Wailea Ike Drive and Wailea Alanui Drive Intersection Improvements Final EA.

Comment: Was the state compensated for this valuable "right of way" land? Will the Pi'ilani right of way remain public land, or be considered one of the project's "private roads"?

Response: The State owns a portion of the Pi'ilani Highway extension ROW; 'Ulupalakua Ranch owns the other portion. At their own expense, Honua'ula Partners, LLC will extend Pi'ilani Highway over the ROW to the south to intersect with Kauhahi Street. No change in ownership will take place and no compensation is necessary. After Honua'ula Partners, LLC extends Pi'ilani Highway, the State will own the portion of the extended highway within the State ROW. The portion of the extended highway owned by the State will be public and will not be a private road; however Honua'ula Partners, LLC will maintain the extended highway and the landscaping within the ROW.

Comment: What agreements does Honua'ula LLC have with Ulupalakua Ranch for future shared use of the majority of the right of way still under Ranch ownership?

Response: Agreements between Honua'ula Partners, LLC and 'Ulupalakua Ranch are private agreements; however, Honua'ula and 'Ulupalakua Ranch have entered into a reciprocal agreement addressing the use of the 'Ulupalakua Ranch-owned portion of the ROW for the extension of Pi'ilani Highway to Kauhahi Street and for the placement of utilities.

Comment: The DEIS should also indicate if any federal funds were involved in acquisition of the state right of way for the Pi'ilani extension, and if a federal EIS process would be triggered.

Response: No Federal funds were involved when the State acquired the portion of the Pi'ilani Highway extension ROW that the State currently owns. Honua'ula Partners, LLC will extend Pi'ilani Highway over the ROW at their own expense and no Federal funds will be involved. The Pi'ilani Highway extension is not a trigger for a Federal EIS.

2. Wastewater transmission line alignment for possible connection to the Makena Resort Wastewater Reclamation Facility

Comment: Botanical survey reportedly done of various routes. No map or report included, and no mitigations proposed.

Response: Appendix E of the Draft EIS contains botanical surveys for: 1) the Honua'ula Property; and 2) areas of alternative wastewater transmission line alignments for possible connection to the Makena Resort WWRF, which is located approximately one mile south of Honua'ula. The botanical survey report of the wastewater alignments includes a map of the alternative wastewater transmission line alignments. In addition, Figure 2 (Regional Location) of the Draft EIS shows the selected wastewater transmission line alignment. Discussion of botanical resources along the alternative wastewater transmission line alignments is discussed in Section 3.6 (Botanical Resources) of the Draft EIS as follows:

SWCA also completed a botanical survey of the areas of alternative wastewater transmission line alignments for possible connection to the Makena Resort WWRF, which is located approximately one mile south of Honua'ula. The survey did not observe any Federal or State of Hawai'i listed threatened, endangered, or candidate plant species on any of the alignments; however the non-native tree tobacco (*Nicotiana glauca*) was also observed (SWCA 2009). Since the botanical survey of the areas of the wastewater transmission line alignments was conducted, a decision has been made regarding which alignment to use based upon potential construction impacts, costs, and permitting considerations. For more information see Section 4.8.2 (Wastewater System) and Figure 2. Appendix E contains the complete survey of the alternative wastewater transmission line alignments.

Since there are no Federal or State of Hawai'i listed threatened, endangered, or candidate plant species on any of the alternative wastewater transmission line alignments, including the selected alignment, it is concluded that the possible wastewater transmission line connection to the Makena Resort WWRF will not impact any Federal or State of Hawai'i listed threatened or endangered plant species. This is stated in Section 3.6 (Botanical Resources) of the Draft EIS, under the heading of "Potential Impacts and Mitigation Measures." Since no impact is anticipated, there is nothing to mitigate and hence, no mitigation measures have been proposed.

Comment: *No map or report of archaeological survey of pipeline route in Makena Resort area.*

Response: Figure 2 (Regional Location) of the Draft EIS shows the selected wastewater transmission line alignment for possible connection to the Makena Resort WWRF. To address concerns regarding archaeology, Aki Sinoto Consulting, LLC, completed an archaeological survey for the area of the selected wastewater transmission line alignment. No surface structural remains or any other features indicative of prehistoric period or traditional Hawaiian cultural activities were encountered. The AIS report recommends that in view of the negative results of the survey, no further pre-construction archaeological procedures are warranted. However, archaeological monitoring of construction-related ground disturbing activities is recommended. When wastewater system plans are finalized, archaeological monitoring plans will be prepared and submitted to the State Historic Preservation Division (SHPD) for review and approval before commencement of any construction activities. The limited width of wastewater transmission line corridors will facilitate avoidance of any inadvertent discoveries that warrant preservation. The Final EIS will contain the archaeological inventory survey report.

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS Section 4.1 (Archaeological and Historic Resources) will be revised as shown on the attachment titled "Archaeological and Historic Resources."

Comment: *No discussion of impacts to drainage features, air or water quality or other natural features or resources. No discussion of secondary or cumulative impacts.*

Response: Currently there are no drainage improvements in the area of the selected wastewater transmission line alignment for possible connection to the Makena Resort WWRF. The wastewater alignment provides for underground wastewater transmission and R-1 return lines within an unpaved easement approximately 6,400 linear feet in length and 30 feet in width. The 30-foot easement width will allow for access and maintenance parallel to the underground lines. Because the wastewater and R-1 return lines will be underground and the easement will not be paved, significant changes to current drainage patterns are not expected.

Regarding air quality, short term impacts from fugitive dust will likely occur during construction of the wastewater transmission and R-1 return lines; however after construction long-term air quality impacts are not expected to be significant as there will be very little to no vehicle emissions associated with on-going operations specific to the underground lines.

Regarding water quality, impacts to groundwater and the near shore marine environment, including potential impacts from using treated wastewater (R-1) for irrigation, are discussed in Section 3.5 (Groundwater Resources and Water Quality) of the Draft EIS. Since the wastewater transmission line and R-1 return lines would be underground, specific impacts to groundwater and near shore waters from the line, as could be distinguished as separate from overall project and wastewater system impacts, are not anticipated.

Regarding secondary and cumulative impacts, since specific impacts from the wastewater transmission and R-1 return lines are not expected to be significant, this infrastructure will not contribute to cumulative and secondary impacts.

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS:

- Section 4.8.3 (Drainage System) will be revised as shown on the attachment titled "Drainage System;"
- Section 4.6 (Air Quality) will be revised as shown on the attachment titled "Air Quality;" and
- Section 7.2 (Cumulative and Secondary Impacts) will be revised as shown on the attachment labeled "Cumulative and Secondary Impacts."

Comment: *No discussion of impacts to wastewater availability for present or future residences or businesses in Makena Resort or Makena village, or to irrigation requirements for Makena golf course.*

Response: While we are not clear on what you mean regarding "impacts to wastewater availability," we believe you may be referring to the availability of R-1 recycled water for irrigation. As discussed in Section 4.8.2 (Wastewater System) of the Draft EIS, if wastewater from Honua'ula is transported to the Makena WWRF, there would be sufficient golf course land within both Honua'ula and the Makena Resort to reuse 100 percent of the recycled wastewater.

As also discussed in Section 4.8.2 (Wastewater System) of the Draft EIS, there is currently unused wastewater treatment capacity at the Makena WWRF. However, in the future it may be necessary to expand certain portions of the Makena WWRF to provide a small amount of additional capacity to accommodate the total projected Honua'ula wastewater flows along with the projected Makena Resort flows before each project is completely built out. As both Honua'ula and Makena Resort will be built out over a number of years, improvements can be implemented at the appropriate time, when needed.

Comment: *No discussion of social implications such as homeowners' wastewater fees.*

Response: County of Maui Ordinance No. 3554 Condition 17 requires, in part, that:

The sewer rates for the residential workforce housing units shall be no higher than the residential sewer rates set by the County of Maui in its annual budget, for as long as the units are subject to Chapter 2.96, Maui County Code.

As stated in both Section 4.8.2 (Wastewater System) and Section 5.2.3 (County of Maui Zoning) of the Draft EIS, in compliance with this condition Honua'ula Partners, LLC will ensure that sewer rates for the residential workforce housing units will be no higher than the residential sewer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, MCC.

As discussed in Section 4.8.2 (Wastewater System) of the Draft EIS, transporting wastewater to the Makena WWRF for treatment provides the benefit of consolidating wastewater services for both Honua'ula and Makena, allowing economies of scale in the treatment process and consolidated regulatory compliance.

Sewer rates for Honua'ula's market rate residential units have not yet been established; however, the Makena WWRF is regulated as a public utility by the State Public Utility Commission (PUC), as are all private wastewater companies. The PUC prescribes rates, tariffs, charges and fees, for

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public utilities. To include this information in the Final EIS, in the Final EIS Section 4.8.2 (Wastewater System) will include the following statement:

Sewer rates for Honua'ula's market rate residential units have not yet been established; however, the Mākēna WWRF is regulated as a public utility by the State Public Utility Commission (PUC), as are all private wastewater companies. If an on-site WWTF is built at Honua'ula, it will also be a private facility. The PUC prescribes rates, tariffs, charges, and fees for public utilities.

3. Off-site wells, storage tanks, and transmission lines

Comment: Discussion of hydrology of off-site well area and maps of well, tank and transmission line sites included in DEIS. No flora or fauna survey, archaeological survey, no discussion of impacts to drainage features, air or water quality or other natural features or resources.

Response: To address biological concerns regarding the off-site wells, waterline, and storage tank for potable and non-potable water, SWCA completed a biological survey of these areas. No Federal or State of Hawai'i candidate, proposed or listed threatened or endangered plant or animal species were observed within the area of the off-site wells, waterline, or storage tank. The majority of the species observed within these areas (82 percent of the flora and 100 percent of the fauna) were introduced to the Hawaiian Islands. Most of the native plants observed during the survey are commonly found throughout Maui and the main Hawaiian Islands. Of the native plants in the survey area, only *wilivila* has a limited distribution throughout the Hawaiian Islands, primarily because the species occurs in dry shrublands and forests. The Final EIS will contain the complete biological survey report of the areas of the off-site wells, waterline, and storage tank as an appendix.

To address concerns regarding archaeology, Aki Shinoto Consulting, LLC, completed an archaeological survey for the areas of the off-site wells, waterline, and storage tank. No surface structural remains or any other features indicative of prehistoric period or traditional Hawaiian cultural activities were encountered. The AIS report recommends that in view of the negative results of the survey, no further pre-construction archaeological procedures are warranted. However, archaeological monitoring of construction-related ground disturbing activities is recommended. When water system plans are finalized, archaeological monitoring plans will be prepared and submitted to SHPD for review and approval before commencement of any construction activities. The limited width of the water transmission line corridor will facilitate avoidance of any inadvertent discoveries that may warrant preservation. The Final EIS will contain the archaeological inventory survey report as an appendix.

Currently there are no drainage improvements in the areas of Honua'ula's off-site wells, waterline, and storage tank. The waterline alignment provides for an underground waterline within an unpaved easement approximately 12,000 linear feet in length and 30 feet in width. The 30-foot easement width allows for access and maintenance parallel to the underground transmission line. Because the waterline will be underground and the easement will not be paved, significant changes to current drainage patterns are not expected.

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Regarding water quality, discussion on the potential impact of existing and new wells, including cumulative and secondary impacts to downgradient wells, is included in Section 3.5.1 (Groundwater) and Section 7.2 (Cumulative and Secondary Impacts) of the Draft EIS.

Regarding air quality, short term impacts from fugitive dust may occur during construction of the off-site wells, waterline, and storage tank; however after construction long-term air quality impacts are not expected to be significant as there will be very little to no vehicle emissions associated with on-going operations specific to this off-site water infrastructure.

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS:

- Section 3.6 (Botanical Resources) will be revised as shown on the attachment titled "Botanical Resources;"
- Section 4.1 (Archaeological and Historic Resources) will be revised as shown on the attachment titled "Archaeological and Historic Resources;"
- Section 4.8.3 (Drainage System) will be revised as shown on the attachment titled "Drainage System;"
- Section 4.6 (Air Quality) will be revised as shown on the attachment titled "Air Quality;" and
- Section 7.2 (Cumulative and Secondary Impacts) will be revised as shown on the attachment labeled "Cumulative and Secondary Impacts."

Comment: No discussion of secondary or cumulative impacts. No discussion of impacts increased storage and transmission capacity may have on present or future irrigation well owners in the Wailea/South Maui area.

Response: Section 7.2 (Cumulative and Secondary Impacts) of the Draft EIS discusses cumulative and secondary impacts of Honua'ula's wells as follows:

An assessment of the potential impacts on groundwater resources of Honua'ula concludes that the creation of Honua'ula will not impair Wailea Resort's golf course irrigation wells, with the possible exception of a salinity increase in Wailea Resort's Well 2, which is directly downgradient of Honua'ula's on-site wells. Decreased pumping of Honua'ula's on-site wells would alleviate this potential impact. With respect to Honua'ula's off-site wells, an estimated six active downgradient irrigation wells may be impacted by a potential increase in salinity due to reduced flowrate, which current calculations indicate may be on the order of five percent. It is not known if the increase in salinity would materially impair the utility of the wells; however if the utility of the wells is materially impaired, additional wells (pumping the same combined amount of water) in the area north of Maui Meadows would distribute the draft over a greater area and would alleviate the impact downgradient. All existing on- and off-site wells are fully permitted by the State CWRM. All new wells will be developed in compliance with all requirements of Chapter 174C, HRS (State Water Code) and HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code.

In addition, since the Honua'ula water system will be a private, closed system (i.e., it will not be connected to any other public or private system), there will be no impact to present or future irrigation well owners in the Wailea/South Maui area related to transmission and storage of Honua'ula's water.

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Regarding Honua'ula's off-site waterline and storage tank, since specific impacts from the off-site waterline and storage tank are not expected to be significant, this off-site infrastructure will not contribute to cumulative and secondary impacts.

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS Section 7.2 (Cumulative and Secondary Impacts) will be revised as shown on the attachment labeled "Cumulative and Secondary Impacts."

Comment: *No discussion of social implications, such as homeowners' water fees.*

Response: County of Maui Ordinance No. 3554 Condition 17 requires, in part, that:

The water rates for the residential workforce housing units shall be no higher than the general water consumer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, Maui County Code.

As discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, in compliance with this condition Honua'ula Partners, LLC will ensure that water rates for the residential workforce housing units will be no higher than the general water consumer rates set by the County, for as long as the units are subject to Chapter 2.96 of the County Code. However in response to a similar concern from the Maui Planning Commission comment regarding the cost for the operation of the reverse osmosis system, cost analysis to consumers, and the market price housing for water, TNWRE prepared cost estimates based on several assumptions. The estimates are summarized below.

The estimated potable and non-potable water infrastructure cost is \$21 million. This includes costs for: construction and testing the required off-site wells, piping from the off-site wells to the on-site storage tank, booster pumps, on- and off site potable and non-potable storage tanks, and the RO plant. It does not include piping for distribution to individual Honua'ula homes and businesses.

Based on infrastructure costs and assumptions such as infrastructure efficiencies, electrical power costs, and costs for operating personnel, administration, and maintenance, the daily operating cost for both potable and non-potable systems would be \$3,000 per day. The cost of capital recovery would be \$4,950 per day. The cost to consumers, with and without capital recovery would be as follows:

Estimated Cost in Dollars per Thousand Gallons

Cost Items Included	Potable Water	Non-Potable Water
Based on Operation and Maintenance Exclusively (No Capital Recovery)	\$4.00	\$2.00
Based on Operation, Maintenance, and Full Capital Recovery	\$10.64	\$5.32

For fiscal year 2010-2011 the cost for potable water for general water consumers set by the County in its annual budget is \$1.70 per 1,000 gallons for users that use up to 10,000 gallons bi-monthly. The price increases for users that use more than 10,000 gallons bi-monthly. In compliance with

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County of Maui Ordinance No. 3554 (Condition 1) water rates for the residential workforce housing units will be no higher than the general water consumer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, MCC.

To include the relevant above information in the Final EIS, along with addressing comments regarding water from others, in the Final EIS Section 4.8.1 (Water System) will be revised as shown on the attachment titled "Water System."

Comment: *Tanks and lines for the offsite potable/non potable system are located in the Upcountry Community Planning area. The Upcountry Community Plan has policies which permit such structures only if the water is intended for use in the Upcountry Planning area. Honua'ula is located in the Kihei-Makana plan area. This lack of compliance with the Upcountry Community Plan is NOT discussed in the DEIS.*

Response: The Makawao-Pukalani-Kula Community Plan policy that you reference states:

"Restrict the use of any water developed within or imported to the Upcountry region to consumption within the Upcountry region, with exception provided for agricultural use."

Honua'ula's off-site wells are located in the Kihei-Makana Community Plan area in an area north of Maui Meadows. The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of the water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on-site and some will be transmitted to an off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the Makawao-Pukalani-Kula Community Plan.

Figure 2 (Regional Location) of the Draft EIS shows the location of Honua'ula's off-site water infrastructure. In the Final EIS, Figure 2 (Regional Location) will be revised to show: 1) the location of the off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation; and 2) the boundary between the Makawao-Pukalani-Kula Community Plan and the Kihei-Makana Community Plan regions. The attachment titled "Figure 2" shows the revised figure.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

1. *That Honua'ula Partners, LLC, its successors and permitted assigns, shall, at their own cost and expense, develop, maintain, and operate, or cause to be developed, maintained, and operated, a private water source, storage facilities, and transmission lines for the Wailea 670 (Honua'ula) project in accordance with Department of Water Supply standards and all applicable community plans.*

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Honua'ula Partners, LLC, its successors and permitted assigns, shall comply with all reporting requirements of the State Commission on Water Resource Management.

In addition, Honua'ula Partners, LLC, its successors and permitted assigns, shall comply with applicable water ordinances that pertain to the supply and transmission of water from the island of Maui when such ordinances are enacted.

At the time the project water system is completed, Honua'ula Partners, LLC, its successors and permitted assigns, shall offer to the County the right to purchase the project water system at the cost of development of such system.

The water rates for the residential workforce housing units shall be no higher than the general water consumer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, Maui County Code.

Discussion: As discussed in Section 4.8.1 (Water System), Honua'ula Partners, LLC will comply with this condition by providing a private water source, storage facilities, and transmission lines for Honua'ula in accordance with DWS standards and all applicable community plans. Further discussion is provided in Section 4.8.1 (Water System).

In comments on the Draft EIS some commenters referenced the The Makawao-Pukalani-Kula Community Plan and commented that Honua'ula's private water system was not in compliance with this plan. Specifically these comments pertained to Water Objective & Policy # 4 of the Makawao-Pukalani-Kula Community Plan, which states:

4. Restrict the use of any water developed within or imported to the Upcountry region to consumption within the Upcountry region, with exception provided for agricultural use.

Honua'ula's private water system is not in conflict with this policy. Honua'ula's off-site wells are located in the Kihai-Makema Community Plan region in an area north of Maui Meadows. The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of the water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on site and some will be transmitted to an off-site water storage tank located east (maatiki) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the Makawao-Pukalani-Kula Community Plan.

Figure 2 shows the location of Honua'ula's off-site water infrastructure and the boundary between the Makawao-Pukalani-Kula Community Plan and the Kihai-Makema Community Plan regions.

In further compliance with ~~the conditions~~ Condition L, Honua'ula Partners, LLC will also: 1) offer the right to purchase the completed water system to the County; and 2) ensure that water rates for the residential workforce housing units will be no higher than the general water consumer rates set by the County, for as long as the units are subject to Chapter 2.96 of the County Code.

4. Possible expansion of the Maui Electric Company (MECO) electrical substation located within the Honua'ula property

Comment: Map and brief discussion provided in DEIS, but no analyses of impacts to drainage features, air or water quality or other natural features or resources.

Response: The area for the possible expansion of the MECO electrical substation is within the Honua'ula property. The expansion area is approximately one half acre. Since the area proposed for the substation expansion is within the property, impacts in relation to drainage features and air and water quality are accounted for in the specific technical reports related to the entire property. Similar to how each individual use within Honua'ula is not specifically called out and discussed in detail in every report; the expansion area for the substation is not specifically detailed. Nonetheless, impacts relating to the development of the expansion area for the MECO substation relating to drainage, air, and water quality have been accounted for as part of the technical reports, and the overall information has been summarized in the Draft EIS, Section 4.8.3 (Drainage System) of the Draft EIS discusses drainage impacts and Appendix P contains the complete preliminary engineering report, which includes a drainage study that addresses the entire property. Section 4.6 (Air Quality) of the Draft EIS discusses air quality and Appendix O contains the Air Quality Study, which addresses Honua'ula's energy requirements and concludes that significant long-term impacts on air quality are unlikely due to indirect emissions associated with the Honua'ula's electrical power requirements. Section 3.5 (Groundwater Resources and Water Quality) of the Draft EIS discusses groundwater resources and water quality and Appendix B contains the Groundwater Resources Assessment and Appendix D contains the Marine Water Quality Assessment.

Comment: No discussion of hazard risks from pollutants, secondary or cumulative impacts.

Response: MECO strictly complies with all applicable Federal, State, and County regulations regarding public safety and the environment, and MECO designs its substations in accordance with current and applicable codes and standards. Presently, the National Electrical Code, 2008 Edition, and the Uniform Building Code, 1997 Edition, as approved by the County of Maui, along with the National Electrical Safety Code, 2002 Edition govern minimum separation and clearance requirements. In addition, MECO's substation equipment installations meet all applicable County, State, and Federal environmental regulations and guidelines and do not contain toxic substances.

Similar to the above response relating to your concerns regarding impacts to drainage features and air and water quality, secondary or cumulative impacts due to the possible expansion of the MECO electrical substation would be in context with the overall Honua'ula project, or could be related to possible air quality impacts due to the generation of electrical power necessary to meet Honua'ula's electrical requirements. Section 7.2 (Cumulative and Secondary Impacts), as well as Section 4.8.6 (Electrical System) of the Draft EIS discuss measures to mitigate cumulative impacts of Honua'ula's energy demands through energy conservation and Section 7.2 (Cumulative and

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Secondary Impacts) notes that Honua'ula is not expected to significantly contribute to cumulative and secondary air quality impacts. This is based on the results of the air quality study which concludes that significant long-term impacts on air quality are unlikely due to indirect emissions associated with the Honua'ula's electrical power requirements.

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS Section 4.8.6 (Electrical System) will be revised as shown on the attachment titled "Electrical System."

Comment: *No discussion of impacts increased electrical transmission capacity may have on plans for future projects such as the Auwahi Windfarm transmission line or a proposed pump storage project being discussed for the south Kihei area.*

Response: Honua'ula Partners, LLC is not associated in any way with the proposed Auwahi Wind Farm. The proposed Auwahi Wind Farm is a completely separate project from Honua'ula, and the Auwahi Wind Farm transmission lines will not cross the Honua'ula Property. Based on our review of the *Auwahi Wind Farm Final Environmental Impact Statement* (Tetra Tech EC, Inc. 2011), it is our understanding that the wind farm site and transmission lines are located on land owned by 'Ulupalakua Ranch, although the transmission lines cross Pi'ilani Highway within a County easement and Kula Highway, which is owned by the State of Hawaii'.

Similarly, Honua'ula Partners, LLC is not associated in any way with a proposed pump storage project being discussed for the south Kihei area and has no specific knowledge about it.

Comment: *No discussion of social implications, such as effect on homeowners' electric fees.*

Response: MECO is regulated as a public utility by the State PUC. The PUC prescribes rates, tariffs, charges and fees, for public utilities.

5. Construction of 250 affordable units and other improvements offsite at Kaonoulu Light industrial area to satisfy a portion of the project's affordable housing requirements.

Comment: *DEIS provides a brief description and conceptual map of the 13 acre affordable housing project site in the TMP report (Appendix M). It is not discussed whether separate environmental review has been done for the property. There are no analyses of energy demand, impacts to cultural sites, flora and fauna, drainage, air or water quality or other natural features or resources. No discussion of hazard risks, demands upon public water, wastewater and solid waste disposal facilities, public safety services, secondary or cumulative impacts.*

Response: As discussed in Section 4.9.3 (Housing) of the Draft EIS, Honua'ula Partners, LLC will provide workforce affordable homes in compliance with Chapter 2.96, MCC. As discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, in compliance with County of Maui Ordinance No. 3554 (Condition 5), 250 of the required workforce affordable homes will be provided off-site at the Ka'ono'ulu Light Industrial Subdivision (TMK (2) 3-9-01: 16). The Ka'ono'ulu Light Industrial Subdivision is within the State Urban District and is within the County of Maui Light Industrial zoning district. Multifamily homes are a permitted use within the State Urban District and County Light Industrial zone.

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Providing workforce affordable homes at the Ka'ono'ulu Light Industrial Subdivision does not trigger the need for an environmental assessment or environmental impact statement under Chapter 343, HRS. However, impacts related to the use of the property for urban uses and uses permitted under the property's Light Industrial zoning have previously been examined as part of the property's State Land Use District Boundary Amendment, County Change in Zoning, and County Subdivision approvals. No rare, threatened, or endangered plant species are expected to be impacted, as none were found during a botanical inventory survey of the property. An archaeological inventory survey and a related preservation plan have been prepared to address impacts to archaeological resources and, based on their approval of these documents, the State Historic Preservation Division has determined that no historic properties will be affected. As part of the subdivision process for the Ka'ono'ulu Light Industrial Subdivision, the County DPW reviewed and approved improvements necessary for the subdivision, including provisions for water, sewage disposal, electrical and communications lines; drainage and flood control, and connection with Pi'ilani Highway, including widening and traffic signal improvements. The State DOT has also reviewed and approved the connection with Pi'ilani Highway, including widening and traffic signal improvements. Further, the construction of the improvements required for the subdivision has been guaranteed with a bond of over \$22 million.

Regional traffic growth, including from the Ka'ono'ulu Light Industrial Subdivision, is being taken into account as part of DOT's Long Range Land Transportation Plan (LRLTP), which is currently being updated in consideration of known proposed developments in the region and will serve as a guide for the development of major surface transportation facilities and programs to be implemented in the future.

Because Chapter 2.96, MCC requires the workforce affordable homes to be offered to Maui residents, the affordable homes will result in a redistribution of the existing Maui population as opposed to an incremental increase. As a result, there will be no impacts related to increased population, such as an overall increase in the need for State and County services. In addition to the workforce affordable homes, Honua'ula Partners, LLC will also provide a minimum two-acre park within Ka'ono'ulu Light Industrial Subdivision to meet the recreational needs of the workforce affordable home residents.

Impacts to schools will be addressed by Honua'ula Partners, LLC's compliance with County of Maui Ordinance No. 3554, Condition 22, which requires Honua'ula Partners, LLC to pay DOE \$3,000 per dwelling unit upon issuance of each building permit to be used, to the extent possible, for schools serving the Kihei-Mākena Community Plan area; provided that, should the State pass legislation imposing school impact fees that apply to Kihei-Mākena Project District 9, Honua'ula Partners, LLC will from that point forward comply with the State requirements, or contribute \$3,000 per dwelling unit, whichever is greater.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 7.2 (Cumulative and Secondary Impacts) will be revised as shown on the attachment labeled "Cumulative and Secondary Impacts."

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6. Use of State of Hawaii right-of-way way [sic] for the widening of Pi'ilani Hwy between Kihohana and Wailea Ike Drive and Wailea Ike/Piilani Hwy intersection improvements.

Comment: Final EA accepted January of 2010 for Wailea Ike/Piilani Intersection improvements.

Regarding the Piilani widening project, according to the DEIS: "State DOT is currently reviewing the draft EA before notice of the draft EA is published in the Office of Environmental Quality Control (OEQC's) Environmental Notice and the public comment period commences. A Special Area Management Permit application is also being processed."

Neither document is provided as an appendix to the DEIS, nor is a summary of the environmental impacts evaluated included. Only a summary of traffic impacts addressed by the project is included.

Response: Since the Draft EIS was completed, the State DOT has completed its review of the Pi'ilani Highway Widening Project draft and final EA, accepted the Pi'ilani Highway Widening Project final EA, and issued a Finding of No Significant Impact which was published in the OEQC's *The Environmental Notice* on May 8, 2012.

Regarding a SMA Permit application for the widening of Pi'ilani Highway, your quote above is not accurate and is not in context with what is stated in the Draft EIS. While the Draft EIS states on page 103 that: "A Special Management Area Permit application is also being processed," the discussion in the Draft EIS that preceded this sentence was regarding the Wailea Alanui/Wailea Ike Drive intersection improvements and stated that a draft and final EA for the intersection improvements was prepared and accepted. In context the sentences are:

For the Wailea Alanui/Wailea Ike Drive intersection improvements, design has been completed, a draft and final EA were prepared, and the County Department of Public Works has accepted the final EA. A Special Area Management Permit application is also being processed.

So to clarify, the Draft EIS refers to the fact that a SMA Permit application was being processed for the Wailea Alanui/Wailea Ike Drive intersection improvements. Since the time that the Draft EIS was published, the Maui Planning Commission subsequently approved the SMA Permit application for the intersection improvements on April 13, 2010.

Regarding Pi'ilani Highway, the boundary of the SMA is the makai boundary of the highway ROW. Improvements within the Pi'ilani Highway ROW are outside of the SMA; however incidental work relating to the widening will be within the SMA and a SMA Assessment and Determination will be necessary before construction.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 4.4 (Roadways and Traffic) will be revised as follows:

Planning is already underway for the widening of Pi'ilani Highway to four lanes, along with the required intersection improvements at the Pi'ilani Highway/Okolani Drive/Mikioi Place intersection, the Pi'ilani Highway/Wailea Ike Drive intersection, and the Pi'ilani Highway/Kihohana Drive/Mapu Place intersection. ~~Preliminary~~ design of these improvements has been completed and a draft and final EA ~~is being~~ were prepared. The State DOT is currently reviewing the draft EA before notice of the draft EA is published.

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~~the OEQC's. The Environmental Notice and the public comment period commences~~ has accepted the final EA and issued a Finding of No Significant Impact, which was published in the OEQC's *The Environmental Notice* on May 8, 2012. A SMA Assessment and Determination will be sought. Appendix R contains the complete Pi'ilani Highway Widening Project Final EA.

For the Wailea Alanui/Wailea Ike Drive intersection improvements, design has been completed, a draft and final EA were prepared, and the County Department of Public Works has accepted the final EA and issued a Finding of No Significant Impact which was published in the OEQC's *Environmental Notice* on January 23, 2010. Appendix S contains the complete Wailea Ike Drive and Wailea Alanui Drive Intersection Improvements Final EA. The Maui Planning Commission has also approved a Special Area Management Area Use Permit application ~~is also being processed~~ for the intersection improvements on April 13, 2010.

In addition, the Pi'ilani Highway Widening Project Final EA and the Wailea Ike Drive and Wailea Alanui Drive Intersection Improvements Final EA will be included in the Final EIS as appendices.

Further, to elaborate on the widening of Pi'ilani Highway and the Wailea Alanui/Wailea Ike Drive intersection improvements in the Final EIS, in the Final EIS:

- Section 3.6 (Botanical Resources) will be revised as shown on the attachment titled "Botanical Resources;"
- Section 3.7 (Wildlife Resources) will be revised as shown on the attachment titled "Wildlife Resources;"
- Section 4.1 (Archaeological and Historic Resources) will be revised as shown on the attachment titled "Archaeological and Historic Resources;"
- Section 4.2 (Cultural Resources) will be revised as shown on the attachment titled "Cultural Resources;"
- Section 4.5 (Noise) will be revised as shown on the attachment titled "Noise;"
- Section 4.6 (Air Quality) will be revised as shown on the attachment titled "Air Quality;"
- Section 4.8.3 (Drainage System) will be revised as shown on the attachment titled "Drainage System;" and
- Section 7.2 (Cumulative and Secondary Impacts) will be revised as shown on the attachment titled "Cumulative and Secondary Impacts."

7. Onsite Wastewater Treatment Facility

Comment: No mention is made regarding the assessment of potential impacts from an on-site wastewater reclamation facility, even though the applicant has stated that its possible development is a trigger for this DEIS.

Response: Section 4.8.2 (Wastewater System) of the Draft EIS discusses Honua'ula's wastewater system options as well as potential impacts and mitigation measures. The Preliminary Engineering Report (Appendix P of the Draft EIS) also discusses Honua'ula's wastewater system options. The level of detail presented in the EIS is typical at this preliminary stage of design. As stated in Section 4.8.2 (Wastewater System) of the Draft EIS, wastewater system design, construction, and operation will be in accordance with County standards and all wastewater plans and facilities will conform

to applicable provisions of: Chapter 11-62, HAR (Wastewater Systems); Section 11-62-27, HAR (Recycled Water Systems); and Chapter 11-21, HAR (Cross-Connection and Backflow Control).

Comment: *As noted above, no detailed assessment is mentioned or offered for the Mākēna Resort WWRF, even though this facility will become part of the project if Honua'ula connects to it. This is the applicant's preferred option, yet no detailed analysis is offered and no analysis of potential impacts and mitigation measures is provided. Authorization from Mākēna Wastewater Corporation for this option has not been obtained.*

Response: As noted above, Section 4.8.2 (Wastewater System) of the Draft EIS discusses two alternatives for Honua'ula's wastewater system: 1) transport wastewater to the Mākēna WWRF for treatment; or 2) develop, maintain, and operate a private on-site WWRF. The preferred alternative is to transport wastewater to the Mākēna WWRF for treatment and then pump recycled (R-1) water back to Honua'ula for golf course irrigation use. Section 4.8.2 (Wastewater System) of the Draft EIS also states:

- While there is currently unused capacity at the Mākēna WWRF, it may be necessary to expand certain portions of the Mākēna WWRF in the future to provide a small amount of additional capacity to accommodate the total projected Honua'ula wastewater flows along with the projected Mākēna Resort flows before each project is completely built out. As both Honua'ula and Mākēna Resort will be built out over a number of years, improvements can be implemented at the appropriate time, when needed.
- Honua'ula Partners, LLC has had substantive discussions about the alternative of transporting wastewater to the Mākēna WWRF with the Mākēna WWRF owner, Mākēna Wastewater Corporation, and they support the connection; however, formal agreements with Mākēna Wastewater Corporation have not yet been finalized.
- Wastewater system design, construction, and operation will be in accordance with County standards and all wastewater plans and facilities will conform to applicable provisions of: Chapter 11-62, HAR (Wastewater Systems); Section 11-62-27, HAR (Recycled Water Systems); and Chapter 11-21, HAR (Cross-Connection and Backflow Control).
- The use of R-1 irrigation water is not expected to have negative impacts on groundwater or nearshore waters and Section 3.5 (Groundwater Resources and Water Quality) contains the complete discussion on potential impacts to groundwater and nearshore waters.

As also discussed in Section 4.8.2 (Wastewater System) of the Draft EIS, the Mākēna WWRF was designed to handle wastewater flows of 720,000 gallons per day (gpd). There is currently unused capacity at the Mākēna WWRF, but it may be necessary to expand the Mākēna WWRF to provide a small amount of additional capacity before both Honua'ula and Mākēna Resort are built out. As both Honua'ula and Mākēna Resort will be built out over a number of years, improvements can be implemented at the appropriate time, when needed.

To elaborate on this information already provided in the Draft EIS, while the Mākēna WWRF was designed to handle wastewater flows of 720,000 gpd, it was also designed to be expandable to 1.54 million gallons per day (mgd). Currently the facility is only handling 114,440 gpd, leaving an unused capacity of 605,560 gpd based on the current capacity of 720,000 gpd. Future development within Mākēna Resort is estimated to produce flows of 276,973 gpd. Therefore the total flow from Mākēna Resort is projected to be 391,413 gpd at build-out. See Table 1 below.

At build-out of Honua'ula, the total Honua'ula wastewater flow is projected to be 380,000 gpd. Combined with the total Mākēna Resort flow, the combined flow from both Mākēna Resort and Honua'ula would be 771,413 gpd, which is 51,413 gpd more than the current capacity of 720,000 gpd of the Mākēna WWRF. See Table 1 below. Preliminary indications are that the headworks, effluent filters, and UV disinfection systems would require modifications to handle the additional capacity. Expansion of the Mākēna WWRF will not be necessary until both Honua'ula and Mākēna Resort approach 90 percent of build out, which could be 10 to 20 years from now.

Table 1 Current and Projected Mākēna WWRF Capacities

Description	GPD
Current Mākēna Resort flow	114,440
Future Mākēna Resort flow	276,973
Total Mākēna Resort flow at build-out	391,413
Honua'ula flow at build out	380,000
Total Mākēna Resort and Honua'ula flow at build-out	771,413
Current Mākēna WWRF Capacity	720,000
Additional capacity required to accommodate both Mākēna Resort and Honua'ula at build-out	51,413

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS Section 4.8.2 (Wastewater System) will be revised as shown on the attachment titled: "Wastewater System."

Discussion of the fact that Honua'ula Partners, LLC has had substantive discussions with Mākēna Wastewater Corporation and that formal agreements with Mākēna Wastewater Corporation have not yet been finalized is also included in Section 7.5 (Unresolved Issue) of the Draft EIS. Section 11-200-17(N), HAR of the EIS rules (Title 11, Chapter 200, HAR) provides that a draft EIS shall include a separate and distinct section that summarizes unresolved issues and contains either a discussion of how such issues will be resolved prior to commencement of the action, or what overriding reasons there are for proceeding without resolving the problems. In accordance with this requirement, Section 7.5 (Unresolved Issue) of the Draft EIS includes discussion regarding the two alternatives for wastewater treatment and the status of the agreements with Mākēna Wastewater Corporation regarding transporting wastewater to the Mākēna WWRF. To clarify how this issue will be resolved in the Final EIS, in the Final EIS Section 7.5 (Unresolved Issue) will be revised as follows:

7.5 UNRESOLVED ISSUE

Wastewater – As discussed in Section 4.8.2 (Wastewater System), Honua'ula Partners, LLC, will either transport wastewater to the Mākēna WWRF for treatment or provide a WWRF on-site. The preferred alternative is to transport wastewater to the Mākēna WWRF. Transporting wastewater to the Mākēna WWRF for treatment provides the benefit of consolidating wastewater services for both Honua'ula and Mākēna, allowing economies of scale in the treatment process and consolidated regulatory compliance. Additionally, sufficient golf course land is available within both developments to reuse 100 percent of the

recycled water for irrigation. Honua'ula Partners, LLC has had substantive discussions about this alternative with the Mākēna WWRF owner, Mākēna Wastewater Corporation, and they support the connection; however, formal agreements with Mākēna Wastewater Corporation have not yet been finalized. If formal agreements with Mākēna Wastewater Corporation are not finalized, Honua'ula Partners, LLC will proceed with the other alternative for wastewater treatment discussed in Section 4.8.2 (Wastewater System), which is to construct an on-site WWRF that is capable of treating all of the Honua'ula wastewater to R-1 standards.

Comment: It is also noted that the DEIS states under the listed "triggers" for the project's EIS:

"...While the specific nature of each improvement is not known at this time, this EIS is intended to address all current and future instances involving the use of State and/or County lands and/or funds relating to Honua'ula."

Under what future circumstances might the proposed action utilize public monies? This must be disclosed and included in the assessment of potential impacts relative to its use.

If the "specific nature" of a project action that may involve State and/or County land and/or funds is not known at this time, it is premature to submit a DEIS. A DEIS must include consideration of all phases of the action and consideration of all consequences on the environment (11-200-17 (I) HAR). Again, the EIS must provide the information necessary to permit an evaluation of potential environmental impacts. (11-200-17(E) HAR).

Response: In response to your concern, in the Final EIS Section 1.5 (Compliance With State Of Hawai'i And County Of Maui Environmental Laws) will be revised as follows:

Section 343-5, HRS, establishes nine "triggers" that require the preparation of an Environmental Assessment (EA) or EIS. The triggers for Honua'ula include, without limitation, the following:

- Extending Pīlani Highway from Wailea Ike Drive to Kauhāhi Street, a portion of which will be on right-of-way (ROW) owned by the State of Hawai'i; and
- Possible development of an on-site wastewater reclamation facility.

~~In addition, creation of Honua'ula may involve or impact State and/or County lands or funds relating to infrastructure improvements for public facilities, roadways, water, sewer utility, drainage, or other facilities. While the specific nature of each improvement is not known at this time, this EIS is intended to address all current and future instances involving the use of State and/or County lands and funds relating to Honua'ula.~~

CONCLUSION: DEIS APPLICATION IS INCOMPLETE AND PREMATURE

Comment: *Accepting agencies should find that the Honua'ula DEIS application is incomplete and premature. Critical components of the proposed action have not yet been decided and are therefore not discussed in sufficient detail to permit an evaluation of potential environmental impacts – the very purpose of an environmental impact statement and a requirement under Section 11-200-17(E) HAR.*

Response: The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawai'i EIS laws and rules (Chapter 343, HRS and Title 11, Chapter 200, HAR). The EIS laws and rules do not provide for the accepting authority to find a draft EIS "incomplete and

premature." Rather, the EIS laws and rules provide for the preparation of a draft EIS, a review process, and the preparation of a final EIS. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments, and our responses. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments.

Regarding your reference to 11-200-17(E) HAR, this section of the EIS rules specifically pertains to what is required for an EIS project description. The Honua'ula Draft EIS meets the criteria specified under Section 11-200-17(E), HAR regarding what is required for an adequate project description, along with all other subsections (A – P) of Section 11-200-17, HAR pertaining to the content requirements of a draft EIS.

Wastewater Treatment

Comment: *The applicant has not yet determined if it will build an on-site wastewater facility (as was represented to the County Council when obtaining a change in zoning) or run sewage lines to Mākēna Wastewater Reclamation Facility (MWRWF), which may need to be expanded to accommodate Honua'ula. Neither option is sufficiently discussed to determine potential adverse impacts, or even the feasibility of successful operation. Furthermore, the applicant has not provided authorization for the use of MWRWF.*

Until the actual wastewater system is determined, it is premature to submit a DEIS for evaluation and review.

Response: It was not "premature" to submit the Draft EIS when it was submitted and it is not necessary to determine which wastewater alternative will be implemented to be able to proceed with the Final EIS.

As explained in the above section of this letter with the heading "Z. Onsite Wastewater Treatment Facility," Section 4.8.2 (Wastewater System) of the Draft EIS discusses two alternatives for Honua'ula's wastewater system: 1) transport wastewater to the Mākēna WWRF for treatment; or 2) provide an on-site WWRF. Information on operations and potential impacts associated with both alternatives is also included.

Section 11-200-17(N), HAR of the EIS rules (Title 11, Chapter 200, HAR) provides that a draft EIS shall include a separate and distinct section that summarizes unresolved issues and contains either a discussion of how such issues will be resolved prior to commencement of the action, or what overriding reasons there are for proceeding without resolving the problems. In accordance with this requirement Section 7.5 (Unresolved Issue) of the Draft EIS includes discussion regarding the two alternatives for wastewater treatment and the status of agreements with Mākēna Wastewater Corporation regarding transporting wastewater to the Mākēna WWRF. To clarify how this issue will be resolved in the Final EIS, in the Final EIS Section 7.5 (Unresolved Issue) will be revised as follows:

7.5 UNRESOLVED ISSUE

Wastewater – As discussed in Section 4.8.2 (Wastewater System), Honua'ula Partners, LLC, will either transport wastewater to the Mākēna WWRF for treatment or provide a WWRF

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on-site. The preferred alternative is to transport wastewater to the Mākena WWRF. Transporting wastewater to the Mākena WWRF for treatment provides the benefit of consolidating wastewater services for both Honua'ula and Mākena, allowing economies of scale in the treatment process and consolidated regulatory compliance. Additionally, sufficient golf course land is available within both developments to reuse 100 percent of the recycled water for irrigation. Honua'ula Partners, LLC has had substantive discussions about this alternative with the Mākena WWRF owner, Mākena Wastewater Corporation, and they support the connection; however, formal agreements with Mākena Wastewater Corporation have not yet been finalized. If formal agreements with Mākena Wastewater Corporation are not finalized, Honua'ula Partners, LLC will proceed with the second alternative for wastewater treatment discussed in Section 4.8.2 (Wastewater System), which is to construct an on-site WWRF that is capable of treating all of the Honua'ula wastewater to R-1 standards.

Roadway Agreements

Comment: *The DEIS states on the bottom of page 104, "Proposed agreements regarding the roadway improvements will be incorporated in the Phase II application and will be finalized as part of Project District Phase II approval." As noted above, the applicant cannot postpone the disclosure of roadway agreements affecting [sic] the assessment of traffic impacts. Any roadway agreements must be disclosed in the DEIS.*

Response: Your concern regarding roadway agreements has been addressed in the above section of this letter with the heading **"1. Use of the state right-of-way for the Pīlani extension through the property to connect with Kaūkahiki Drive."** See the response to your comment: "The DEIS should also supply specific agreements the developers have with the state Department of Transportation for use of the right of way, to insure a transparent process."

As noted above, to elaborate on the consultation and agreement regarding roadway improvements to be implemented by Honua'ula Partners, LLC that has taken place with DOT and DPW, in the Final EIS, in the Final EIS: 1) correspondence between Honua'ula Partners, LLC and DOT and DPW will be provided in an appendix; and 2) Section 4.4 (Roadways and Traffic) and Section 5.2.3 (County of Maui Zoning) will be revised as shown in the above section of this letter.

However it is relevant to note that DOT's and DPW's review of, satisfaction with, and agreement of, the improvements required of, and proposed by, Honua'ula Partners, LLC was based on roadway improvements required by County of Maui Ordinance No. 3554 Condition 2 and also in accordance with the recommendations of TIARs prepared for Honua'ula, the widening of Pīlani Highway, and the Wailea Ike Drive/Wailea Alanui Drive intersection improvements. Therefore your concern regarding "roadway agreements effecting [sic] the assessment of traffic impacts" is unwarranted as DOT and DPW have thoroughly reviewed the proposed improvements and are satisfied and agree with the improvements. We believe that this was the intent of the Maui County Council in imposing County of Maui Ordinance No. 3554 Condition 18k, which requires: "Roadway improvements to the satisfaction of the State Department of Transportation and the County Department of Public Works and proposed agreements are incorporated in the application and site plan and finalized as part of Project District Phase II approval."

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Water Systems

Comment: *The DEIS includes extensive studies, and reports supporting analysis on traffic, noise, air quality, economics, and marketing but the Preliminary Engineering Report does not provide enough quantitative data on wastewater or water systems to permit any impact analysis. The DEIS provides declaratory data about these systems without supporting technical studies to substantiate its claims. There are no hydrology reports or a wastewater system analysis for a very elaborate system, regardless of which option is utilized.*

Response: Regarding wastewater systems, Section 4.8.2 (Wastewater System) of the Draft EIS discusses Honua'ula's wastewater system options as well as potential impacts and mitigation measures. The Preliminary Engineering report (Appendix P of the Draft EIS) also discusses Honua'ula's wastewater system options. While you may not consider the information provided as adequately addressing your concerns, the level of detail presented in the EIS is typical at this preliminary stage of design, and without more specific information regarding what you may consider inadequate we cannot provide a more detailed response. However we have addressed your previous more detailed comments regarding wastewater in the above sections of this letter with the headings **"2. Wastewater transmission line alignment for possible connection to the Mākena Resort Wastewater Reclamation Facility"** and **"7. Onsite Wastewater Treatment Facility."** Where noted in those sections of this letter, the Final EIS will be revised to address your concerns regarding wastewater and wastewater systems.

Regarding water systems, Section 4.8.1 (Water System) of the Draft EIS and the Preliminary Engineering Report (Appendix P) discuss Honua'ula's private water system, including impacts, design, average daily water use (demand), and conservation measures to reduce impacts. Honua'ula Partners, LLC's hydrologist, Tom Nance Water Resource Engineering (TNWRE) provided the technical expertise regarding Honua'ula's water resources that is the basis of the discussion of potable and non-potable water in Section 4.8.1 (Water System) of the Draft EIS and the Preliminary Engineering Report. Tom Nance of TNWRE has over 30 years of experience in the areas of groundwater and surface water development, hydraulics and water system design, flood control and drainage, and coastal engineering. Estimates of water demand are based on the DWS's standards and TNWRE's extensive experience. In their comment letter on the Draft EIS dated June 3, 2010, DWS confirmed that the water demand estimates in the Draft EIS are within the range of DWS's system standards.

Section 3.5.1 (Groundwater) of the Draft EIS and the technical hydrologic assessment by TNWRE contained in Appendix B of the Draft EIS discuss the potential impact on groundwater resources from the creation of Honua'ula and its water system. Section 3.5.1 (Groundwater) and the technical hydrologic assessment provide information on the sustainable yield of the Kamā'ole Aquifer, Honua'ula's water sources and demand, total average groundwater use, and the potential changes to groundwater in the area downgradient of Honua'ula. In their letter commenting on the Draft EIS dated May 20, 2010, the Commission on Water Resource Management stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues."

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Noise Impacts

Comment: *The DEIS does not address noise impacts from the widening of Pi'ilani Highway.*

Response: The Draft EIS does address noise from the widening of Pi'ilani Highway. For example, in Section 4.5 (Noise) of the Draft EIS it is stated:

The acoustic study concludes that the creation of Honua'ula will not cause increases in traffic noise levels that would exceed DOT's criteria signifying a substantial change, which is defined as an increase of 15 decibels (dB) or more over existing conditions. By the year 2022 maximum increases in traffic noise levels in the vicinity of Honua'ula should not increase more than 10 decibels (dB) along Pi'ilani Highway and 3.6 dB along Waialea like Drive as a result of: 1) regional growth in traffic volumes; 2) **the widening of Pi'ilani Highway [emphasis added]**; 3) the creation of Honua'ula; and 4) the planned extension of Pi'ilani Highway into Honua'ula to connect with Kauhahi Street.

While a substantial change in noise levels (as defined by DOT) will not occur, by the year 2022 the number of residences along Pi'ilani Highway subject to noise levels that exceed DOT residential noise standards is projected to increase from two residences under existing conditions to:

- 13 residences due to regional increases in traffic even if Pi'ilani Highway is not widened and Honua'ula is not built;
- **14 residences if Pi'ilani Highway is widened and Honua'ula is not built [emphasis added]**; and
- **16 residences if Pi'ilani Highway is widened and Honua'ula is built [emphasis added]**.

...To mitigate impacts to residences along Pi'ilani Highway subject to noise levels that exceed FHWA and DOT residential noise standards, sound attenuating walls are recommended in accordance with DOT's traffic noise abatement policy.

So while the Draft EIS does address noise impacts from the widening of Pi'ilani Highway, to provide additional information in the Final EIS, in the Final EIS Section 4.5 (Noise) will be revised as shown on the attachment labeled "Noise."

Comment: *The DEIS states on page 173, "An EA specifically addressing the impacts (including noise impacts) of the widening (of Pi'ilani Highway is being prepared and will be submitted to the State OEQC for public and State-agency review."*

Response: The sentence you quote is within Section 4.5 (Noise) of the Draft EIS and is on page 113, not page 173. Since the Draft EIS was completed, the State DOT has accepted the Pi'ilani Highway Widening Project Final EA and subsequently issued a Finding of No Significant Impact which was published in the OEQC's *The Environmental Notice* on May 8, 2012.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 4.5 (Noise) will be revised as shown on the attachment labeled "Noise."

Comment: *The applicant cannot segment portions of the project into separate reviews. The widening of Pi'ilani Highway is a necessary precedent to any construction of the proposed project (Change in Zoning Condition 2.a.) and must be included in this DEIS.*

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Response: This comment is addressed above in the section of this letter under the heading "**SEGMENTATION OF ACTIONS.**"

Comment: *The suggestion that noise-attenuating walls are recommended along the highway presents a serious impact that should be fully discussed in this DEIS.*

Response: As stated in the Section 4.5 (Noise) of the Draft EIS:

...by the year 2022 the number of residences along Pi'ilani Highway subject to noise levels that exceed DOT residential noise standards is projected to increase from two residences under existing conditions to:

- 13 residences due to regional increases in traffic even if Pi'ilani Highway is not widened and Honua'ula is not built;
- 14 residences if Pi'ilani Highway is widened and Honua'ula is not built; and
- 16 residences if Pi'ilani Highway is widened and Honua'ula is built.

In other words, noise levels along Pi'ilani Highway are projected to increase even if Pi'ilani Highway is not widened and Honua'ula is not built. Noise levels at two residences adjacent to Pi'ilani Highway currently exceed State DOT noise standards for residential structures. By 2022 this number will increase to 13 due to regional increases in traffic conditions even if Pi'ilani Highway is not widened and Honua'ula is not built. If Pi'ilani Highway is widened and Honua'ula is built, by 2022 noise levels at three additional residences adjacent to Pi'ilani Highway would exceed State DOT noise standards for residential structures. Thus, the direct impact of widening Pi'ilani Highway and building Honua'ula is that three additional residences adjacent to Pi'ilani Highway would exceed State DOT noise standards for residential structures compared to projected future conditions if Pi'ilani Highway is not widened and Honua'ula is not built. Therefore the primary noise impacts to residences adjacent to Pi'ilani Highway are from regional increases in traffic that are projected to occur even if Pi'ilani Highway is not widened and Honua'ula is not built, and not the direct result of the widening of Pi'ilani Highway and the building of Honua'ula.

As stated in Section 4.5 (Noise) of the Draft EIS, "To mitigate impacts to residences along Pi'ilani Highway subject to noise levels that exceed FHWA and DOT residential noise standards, sound attenuating walls are recommended in accordance with DOT's traffic noise abatement policy." To elaborate, under DOT's noise abatement policy if the cost of the sound attenuating wall does not exceed \$35,000 per benefited residence, construction of the wall can be considered to be reasonable and feasible. Walls fronting two lots mauka of Pi'ilani Highway and one lot makai of Pi'ilani Highway have a possibility of being considered as reasonable and feasible under the DOT traffic noise abatement policy.

In summary, the Draft EIS discusses noise due to the widening of Pi'ilani Highway and the building of Honua'ula. The direct impact of widening Pi'ilani Highway and building Honua'ula is that three additional residences adjacent to Pi'ilani Highway would exceed State DOT noise standards for residential structures compared to projected future conditions if Pi'ilani Highway is not widened and Honua'ula is not built. Therefore the primary noise impacts to residences adjacent to Pi'ilani Highway are from regional increases in traffic that are projected to occur even if Pi'ilani Highway is not widened and Honua'ula is not built, and not the direct result of the widening of Pi'ilani Highway and the building of Honua'ula. To mitigate impacts to residences along Pi'ilani

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Highway subject to noise in excess of State DOT noise standards for residential structures, sound attenuating walls are recommended in accordance with DOT's traffic noise abatement policy. Walls fronting two lots mauka of Prilani Highway and one lot makai of Prilani Highway have a possibility of being considered as reasonable and feasible under the DOT traffic noise abatement policy.

To incorporate the relevant above information, as well as responses to your other comments and comments from others regarding noise, into the Final EIS, in the Final EIS: 1) the Prilani Highway Widening Project Final EA will be included as an appendix; and 2) Section 4.5 (Noise) will be revised as shown on the attachment titled "Noise."

Comment: Section 11-200-7 HAR requires that a group of actions proposed by an applicant shall be treated as a single action when the individual project is a necessary precedent for a larger project.

Response: This comment is addressed above in the section of this letter under the heading "SEGMENTATION OF ACTIONS."

Electrical Infrastructure

Comment: The DEIS does not provide discussion of the "possible" expansion of the existing electrical substation even though it states on page 133 that "the Wailea Substation is nearly filled to capacity." The DEIS states that MECO needs more information before confirming the need for expansion. The applicant should provide the necessary information to include full discussion of the project's electrical needs and the actions needed to fulfill those needs. What will the expansion of the Wailea Substation entail?

Response: At this time, it has not yet been determined whether expansion of the existing substation will be necessary. Honua'ula Partners, LLC's electrical engineer has provided available information regarding Honua'ula to MECO for their review and planning purposes. MECO has stated that additional review is required during the design development stage of Honua'ula to determine if expansion of the existing substation will be necessary. MECO has also stated that although the current capacity of the MECO electrical system to serve Honua'ula may be limited, with continuously evolving demands for MECO's service, along with MECO's on-going efforts to upgrade and maintain their system to serve new and existing loads, capacity may be in place and adequate to serve Honua'ula by the time Honua'ula is under construction. MECO will continue to review its electrical system and requirements as Honua'ula progresses into the design development stage so that MECO will be able to evaluate: 1) the size of actual electrical loads that MECO is required to serve; 2) the dates when these loads need to be energized by MECO; and 3) the state of the MECO electrical system at the time when these loads are expected to be connected.

In anticipation of the need, Honua'ula Partners, LLC will continue to include an area for the expansion of the existing substation on Honua'ula plans. Should MECO not require additional area, the existing substation would not be expanded. Since MECO cannot make a determination until Honua'ula is within the design development stage, details on the requirements for serving Honua'ula are not available at this time. Should the substation be expanded, however, MECO's additional equipment (i.e. transformers, switchgear, cabling, etc.) and structures currently are anticipated to be similar to what is presently constructed at the existing substation.

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We have addressed your previous, more detailed comments regarding the possible expansion of the MECO electrical substation in the above section of this letter with the heading: "4. Possible expansion of the Maui Electric Company (MECO) electrical substation located within the Honua'ula property."

To incorporate the relevant above information, as well as responses to your other comments and comments from others regarding the possible expansion of the MECO substation, into the Final EIS, in the Final EIS Section 4.8.6 (Electrical System) will be revised as shown on the attachment titled "Electrical System."

Comment: What will be the impact to ratepayers for the expansion of the sub-station?

Response: As stated in the above section of this letter under the heading: "4. Possible expansion of the Maui Electric Company (MECO) electrical substation located within the Honua'ula property." MECO is regulated as a public utility by the State PUC. The PUC prescribes rates, tariffs, charges and fees, for public utilities.

SUMMARY OF NEEDED ACTION:

Comment: An applicant cannot ask for Chapter 343 approval for a possible trigger that has not been adequately evaluated within the scope of the DEIS.

The applicant cannot define or limit the scope of the EIS for his own purposes. Title 11, Chapter 200, Environmental Impact Statement Rules, prescribes the scope of an EIS. The proposed project and any proposed actions associated with it, whether "possible" or factual, form the scope of the EIS and must be included.

Response: To clarify your use of the word "action" we reiterate our point from the above section of this letter under the heading "SEGMENTATION OF ACTIONS" that not all of the items you cite constitute "actions" that trigger environmental review under Chapter 343, HRS. However the Honua'ula Draft EIS included discussion regarding all of the items listed in points 1 to 7 of your letter (both those that are and are not "actions" under Chapter 343, HRS) in conformance with Section 11-200-19, HAR, which provides, in part, that "Data and analyses in a statement shall be commensurate with the importance of the impact, and less important material may be summarized, consolidated, or simply referenced..." Where noted in this letter, and in the attachments to this letter, the Final EIS will include additional information to address your concerns.

Honua'ula Partners, LLC has not defined or limited the scope of the Draft EIS for its own purposes. Section 1.6 (Scope of this EIS) of the Draft EIS, to which we believe you are referring, was not intended to limit the scope of the EIS, rather it was intended to inform the reader that the EIS covers potential impacts relating to Honua'ula and potential off-site improvements such as extending Prilani Highway from Wailea Ika Drive to Kauhahi Street on a portion of the ROW owned by the State of Hawaii; the wastewater transmission line alignment for possible connection to the Makena Resort WWRF; the off-site wells, waterline, and storage tank; and the possible expansion of the MECO electrical substation. In other words, Section 1.6 (Scope of this EIS) of the Draft EIS was meant to inform the reader that the EIS covers not only potential impacts relating to

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Honua'ula on the Honua'ula Property (TMK (2) 2-1-08:056 and (2) 2-1-08:71)) but also potential impacts on off-site properties.

The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawai'i EIS laws and rules (Chapter 343, HRS and Title 11, Chapter 200, HAR), including all subsections of Section 11-200-17, HAR which pertain to the content requirements of a draft EIS. In accordance with 11-200-17(O), HAR, the Draft EIS includes a section that contains a list identifying all governmental agencies, other organizations, and private individuals consulted in preparing the Draft EIS. This consultation process was conducted as part of determining the scope of the Draft EIS and included sending out an Environmental Impact Statement Preparation Notice (EISP/N) to governmental agencies, citizen groups (including Maui Tomorrow), and concerned individuals to gather comments regarding the scope of the EIS. In fact this consultation process included two public comment periods which generated substantial comments, all of which were addressed in the Draft EIS.

To summarize the process, the Maui County Planning Department submitted the Honua'ula EISP/N to OEQC on February 23, 2009. Notice of the availability of the EISP/N was published in the March 8, 2009 edition of the OEQC's *The Environmental Notice*. The public comment period for the EISP/N began March 8, 2009 and ended April, 7, 2009.

Following the EISP/N public comment period, Honua'ula Partners, LLC consulted with OEQC to ensure that all applicable statutory and regulatory requirements were fulfilled. Regarding the EISP/N dated March 2009, the OEQC Director stated: "...the published document fulfills all the requirements and components [of an environmental assessment." Pursuant to the instructions of the OEQC Director, the Maui County Planning Department subsequently submitted an EA/EISP/N to OEQC on September 18, 2009. Notice of the availability of the EA/EISP/N was published in the October 8, 2009 edition of the OEQC's *The Environmental Notice*. The official public comment period on the EA/EISP/N was from October 8, 2009 to November 7, 2009; however Honua'ula Partners, LLC voluntarily extended the comment period until November 17, 2009 to allow all consulted parties ample time to provide comments.

Given that there were two public comment periods as part of the EISP/N process, one of which was extended by Honua'ula Partners, LLC of its own volition, and that all comments received during the public comment periods were addressed in the Draft EIS, we must respectfully disagree with your assertion that Honua'ula Partners, LLC has defined or limited the scope of the Draft EIS for its own purposes.

Going forward, the EIS laws and rules provide for the preparation of a draft EIS, a review process, and the preparation of a final EIS. Per the EIS rules, the Final EIS will incorporate substantive comments received during the review process, including your comments and our responses to your comments. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments. This would include the Maui Planning Department/Planning Commission determining whether the scope of the Final EIS was adequate.

As noted in several of the above sections of this letter, to incorporate responses to your comments, as well as the comments from others in the Final EIS, in the Final EIS several sections of the EIS will

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be revised as shown in specific sections of this letter and the several attachments to this letter. These changes include providing the Pi'ilani Highway Widening Project EA and the Wailea Ike Drive and Wailea Alanui Drive Intersection Improvements Final EA as appendices to the Final EIS and revising appropriate sections of the EIS to integrate relevant information from the EAs into the body of the Final EIS. Further, to indicate that the widening of Pi'ilani Highway from Kilohana Drive to Wailea Ike Drive and the Wailea Ike Drive and Wailea Alanui Drive intersection improvements are included within the scope of the EIS, in the Final EIS Section 1.6 (Scope of this EIS) will be revised as follows:

1.6 SCOPE OF THIS EIS

This EIS covers potential impacts relating to Honua'ula, "the Property" (TMK (2) 2-1-08:056 and (2) 2-1-08:71) and planned and potential off-site improvements, including:

- Extending Pi'ilani Highway from Wailea Ike Drive to Kauka'hi Street. (TMK (2) 2-1-08: 999 (portion));
- Widening Pi'ilani Highway from Kilohana Drive to Wailea Ike Drive. (TMK (2) 2-1-08:999 (portion)); (TMK (2) 2-1-26:999); (TMK (2) 2-1-3:999 (portion));
- Wailea Ike Drive and Wailea Alanui Drive intersection improvements. (TMK (2) 2-1-08:999 (portion)); TMK (2) 2-1-08:131 (portion)); TMK (2) 2-1-08:118 (portion)); (TMK (2) 2-1-08:134 (portion));
- Wastewater transmission line alignment for possible connection to the Makena Resort Wastewater Reclamation Facility (WWRF), which is located approximately one mile south of Honua'ula (TMK (2) 2-1-08: 090 (portion)); (TMK (2) 2-1-08: 108 (portion));
- Off-site wells, waterline, and storage tanks (TMK (2) 2-2-02:001 (portion)); (TMK (2) 2-2-02: 050 (portion)); (TMK (2) 2-2-02: 054 (portion)) (TMK (2) 2-1-08: 054 (portion)); (TMK (2) 2-1-08: 001 (portion)); and
- Possible expansion of the Maui Electric Company (MECO) electrical substation located within the Honua'ula property (TMK (2) 2-1-08: 043).

Comment: We request that reviewing agencies compel Honua'ula LLC to follow the law. The EIS should not segment or avoid discussion, evaluation and mitigations for these complex components of the whole project.

We request that the DEIS be redone to include required environmental evaluation of the planned and proposed offsite infrastructure and housing projects that are part of its original scope of approval.

Response: As stated above, the Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawai'i EIS laws and rules (Chapter 343, HRS and Title 11, Chapter 200, HAR).

Previous sections of this letter have addressed your specific concerns regarding: 1) the "EIS should not segment or avoid discussion, evaluation and mitigations for these complex components of the whole project;" and 2) "the DEIS be redone to include required environmental evaluation of the planned and proposed offsite infrastructure and housing projects that are part of its original scope of approval."

The EIS laws and rules do not provide for a draft EIS to be "redone." Rather the EIS laws and rules provide for the preparation of a draft EIS, a review process, and the preparation of a final EIS. Per

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the EIS rules, the Final EIS will incorporate substantive comments received during the review process, including your comments and our responses to your comments. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments.

Comment: *With the exception of the Environmental Assessment (EA) for Piliāni/Wailea Ike intersection improvements, the public has had no chance to evaluate these proposed actions. Even with the EA issued for the Wailea intersection improvements, there has not been an opportunity provided to evaluate need, impacts and mitigations in light of the larger scope of the Honua'ula project. It is not enough that these topics are included in the Final EIS where all opportunity for meaningful comments by the public and reviewing agencies will be foreclosed.*

Response: As noted in several of the above sections of this letter, to incorporate responses to your comments, as well as the comments from others in the Final EIS, in the Final EIS several sections of the EIS will be revised as shown in specific sections of this letter and the several attachments to this letter. These changes include providing the Piliāni Highway Widening Project Final EA and the Wailea Ike Drive and Wailea Alanui Drive Intersection Improvements Final EA as appendices to the Draft EIS and revising appropriate sections of the Draft EIS to integrate relevant information from the EAs into the body of the Draft EIS.

We strongly disagree with your statement that: "...the public has had no chance to evaluate these proposed actions." Given the EIS and EAs that have been prepared for Honua'ula, the widening of Piliāni Highway, and the Wailea Alanui/Wailea Ike Drive intersection improvements, every relevant aspect of the Honua'ula project has undergone the required environmental review, including disclosure of the environmental impacts and complete public review and comment. Further, in addition to the two public comment periods that were part of the Honua'ula EISPN process, subsequent to the EA/EISPN public comment period, notice of the availability of the Draft EIS was published in the April 23, 2010 edition of OEQC's The Environmental Notice. The official 45-day public comment period on the Draft EIS was from April 23, 2010 to June 7, 2010; however as a courtesy to those that requested more time to review the Draft EIS, Honua'ula Partners LLC—similar to the comment period for the EA/EISPN—voluntarily extended the comment period on the Draft EIS until June 30, 2010. Given that there have been three public comment periods as part of the EIS process, two of which have been extended by Honua'ula Partners, LLC of its own volition; we must respectfully disagree with your comment that "...the public has no chance to evaluate these proposed actions."

In addition, there was substantial opportunity for the consideration of public questions and concerns over an extended period of time prior to the current EIS process. During the County Council hearings for the Honua'ula Change in Zoning and Project District Phase I approval in 2008, the County Council heard extensive testimony from both the public and experts in various fields of study. In response to concerns raised at the hearings, the Council included comprehensive conditions as part of the Change in Zoning Ordinance (County of Maui Ordinance No. 3554) approval. These conditions reflect a range of concerns and ensure that any impacts of Honua'ula are mitigated and addressed in context with regional impacts and demands, including impacts related to traffic and demands related to infrastructure systems such as water and wastewater. Prior to the County Council hearings in 2008, the Council's Land Use Committee had held extensive public meetings over the course of 2006 and 2007 to consider Honua'ula, including an estimated

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10 public hearings where public testimony was heard. These Council and Committee meetings/hearings underscore the fact that the public has in no way been deprived of the opportunity to be heard during the consideration of Honua'ula.

As a result of the Council hearings, several of Honua'ula's off-site improvements, such as the widening of Piliāni Highway and the Wailea Alanui/Wailea Ike Drive intersection improvements, are conditions of Honua'ula's rezoning ordinance (County of Maui Ordinance No. 3554). As were all conditions, the conditions relating to the widening of Piliāni Highway and the Wailea Alanui/Wailea Ike Drive intersection improvements were openly discussed at the County Council hearings. Therefore we must respectfully disagree with your comment that "there has not been an opportunity provided to evaluate need, impacts and mitigations in light of the larger scope of the Honua'ula project."

In reviewing the Final EIS, the accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments.

Flora and Fauna

Comment: *The DEIS does not evaluate the relative merits of allowing hundreds of native plants to continue living in their preferred habitat, as was intended by Condition of Rezoning No. 27, against the biological viability of damaging existing habitat, and then transplanting or out planting native species in other locations in a 120 acre suburban setting. Conservation biologists do not support fragmenting existing habitat as a preferred survival strategy.*

Response: In response to comments on the Draft EIS requesting additional area to be set aside for native plant species, Honua'ula Partners, LLC proposes both on- and off-site measures.

For on-site measures, Honua'ula Partners, LLC will increase the area of the Native Plant Preservation Area on the Honua'ula property from 22 to 40 acres. This 40-acre area contains the highest density of native plants within the Property, and will include all five ʻāwīkīwīki plants that were alive in 2009 and the majority of the nehe plants at the Property. The Native Plant Preservation Area will be actively managed in accordance with the Conservation and Stewardship Plan (included as Appendix F of the Draft EIS). Management actions will include removal and exclusion of ungulates (deer, cattle, goats, and pigs), removal and control of noxious invasive weeds and plants, and propagation of native plants from seeds collected on the Property.

For off-site mitigation, Honua'ula Partners, LLC will:

1. Acquire a perpetual conservation easement of approximately 224-acres on a currently unprotected portion of property owned by Ulupalakua Ranch adjacent to the eastern boundary of the State of Hawaii Kanaloa Natural Area Reserve; and
2. Fund and implement the continuation and expansion of restoration efforts within the Auwahi Forest Restoration Project area, just north of the Kanaloa Natural Area Reserve, including fencing of approximately 130 acres, ungulate removal, and plant restoration activities.

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Together the on- and off-site mitigation areas provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of these dryland plants, including wiwili. Through the perpetual protection and enhancement of these areas, a stable core habitat area will be secured for the Blackburn's sphinx moth, providing net benefit to this species, as well as a large number of additional native dryland species. To implement the on- and off-site mitigation measures, Honua'ula Partners, LLC, will finalize its draft Habitat Conservation Plan in collaboration with USFWS and DLNR in accordance with Section 10(a)(1)(B) of the Endangered Species Act and Chapter 195D, HRS. The on- and off-site mitigation areas are subject to the approval of the Habitat Conservation Plan by USFWS and DLNR.

To include this information in the Final EIS, in the Final EIS Section 3.6 (Botanical Resources) will be revised as shown on the attachment labeled "Botanical Resources."

Comment: *The DEIS does not disclose that the 143-acre "Native Plant Enhancement area" will have no legal protection. The 143 acres cannot, and should not, be compared to a 130 acre contiguous, well established, naturally occurring dryland forest habitat area. If the project wishes to utilize native plants for landscaping in parks, gulches, golf course rough and common areas, that is sensible. But the DEIS provides no basis to conclude that this would be a more effective way of insuring viability of native species than preserving their existing habitat. The proposed out-planting should be practiced in conjunction with in situ preservation of 130 acres, not in lieu of that preservation.*

Response: Condition 27 requires that the Native Plant Preservation Area be established in a perpetual easement. Section 3.6 (Botanical Resources) of the Draft EIS notes that the scope of the Native Plant Preservation Area easement will be set forth in an agreement between Honua'ula Partners, LLC and the County of Maui (in conformance with County of Maui Ordinance No. 3554 Conditions 27a - 27d) that will include (among other things): 1) a commitment from Honua'ula Partners, LLC to protect and preserve the Native Plant Preservation Area for the protection of native Hawaiian plants; and 2) prohibiting development in the Native Plant Preservation Area other than erecting fences and enhancing trails. Section 5.2.3 (County of Maui Zoning) notes that Honua'ula Partners, LLC preparing a draft agreement setting forth the scope of the Easement.

To protect native plant species, Honua'ula Partners, LLC proposes both on- and off-site measures as noted above and in the Attachment labeled "Botanical Resources," which details changes to Section 3.6 (Botanical Resources) that will be included in the Final EIS.

Comment: *Condition 27 requires that the entire 130 acres of native lowland forest receive review and recommendations from Department of Land and Natural Resources (DLNR), U.S. Fish and Wildlife (USFW) and the U.S. Corps of Engineers (USACE) before determining the scope of the preservation easement. It appears that the responsible agencies are being brought into the decision making process after the landowners have already made their preservation decisions.*

Response: In compliance with Condition 27 Honua'ula Partners, LLC have consulted with the State DLNR, the USFWS, and the United States Corps of Engineers regarding the area of the Native Plant Preservation Area. As a result of this consultation Honua'ula Partners, LLC proposes both on- and off-site measures to protect and enhance native plants and habitat for the Blackburn's sphinx moth as noted above and in the Attachment labeled "Botanical Resources," which details changes to Section 3.6 (Botanical Resources) that will be included in the Final EIS.

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Comment: *No discussion is offered regarding the report titled "Remnant Wiwili Forest Habitat at Wailea 670, Maui, Hawaii" prepared by Dr. Lee Altenberg, substantiating the need to preserve the 130 native lowland forest and which the Maui County Council directed the applicant to submit to DLNR, USFW and USACE for their review prior to submitting recommendations on what does not merit preservation.*

Response: Section 3.6 (Botanical Resources) of the Draft EIS contains extensive discussion on the botanical resources of the Honua'ula Property. The Altenberg report is referenced in this section as one of the previous botanical surveys of the Property that have been conducted since 1988.

To obtain the best possible understanding of vegetation types and plant species present within the Honua'ula Property, SWCA conducted a thorough quantitative assessment of site vegetation. Appendix E of the Draft EIS contains this botanical assessment survey report. No Federal or State of Hawai'i listed threatened or endangered plant species were identified on the Property. However, a candidate endangered species, *awikiwiki (Canavalia pubescens)*, was identified. To protect and conserve the area that contains the highest density of representative native plant species, a Native Plant Preservation Area will be established in perpetuity under a conservation easement. The Native Plant Preservation Area will be in conformance with County of Maui Ordinance No. 3554 Condition 27.

Section 5.2.3 (County of Maui Zoning) of the Draft EIS states that the report titled: "Remnant Wiwili Forest Habitat at Wailea 670, Maui, Hawaii by Lee Altenberg, Ph.D.," will be provided to DLNR, the USFWS, and the U.S. Corps of Engineers for review and recommendations before Project District Phase II approval in compliance with Condition 27. This report was provided to the DLNR, the USFWS, and the U.S. Corps of Engineers along with the SWCA Environmental Consultants report on March 22, 2010. To include this updated information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

27. That Honua'ula Partners, LLC, its successors and permitted assigns, shall provide the report "Remnant Wiwili Forest Habitat at Wailea 670, Maui, Hawaii by Lee Altenberg, Ph.D.," along with a preservation/mitigation plan, to the State Department of Land and Natural Resources, the United States Fish and Wildlife Service, and the United States Corps of Engineers for review and recommendations prior to Project District Phase II approval. The Maui Planning Commission shall consider adoption of the plan prior to Project District Phase II approval.

Discussion: Honua'ula Partners, LLC will comply with ~~this condition~~ Condition 27. As discussed in Section 3.6 (Botanical Resources), SWCA Environmental Consultants (SWCA) prepared the *Honua'ula Conservation and Stewardship Plan* (2010b) to ensure the long-term conservation and stewardship of native plants within Honua'ula. The plan incorporates findings, conclusions, and recommendations from previous botanical surveys, wildlife surveys, and biological assessments of the Property and recommends proactive stewardship actions to manage the Native Plant Preservation Area and the Native Plant Conservation Areas (see discussion below and in Section 3.6 (Botanical Resources)). The *Honua'ula Conservation and Stewardship Plan*, along with the report titled: "Remnant Wiwili Forest Habitat at Wailea 670, Maui, Hawaii by Lee Altenberg, Ph.D.," ~~will be~~ was provided to DLNR, the USFWS, and the U.S. Corps of Engineers for review and recommendations on March 22, 2010, which is before Project District Phase II approval.

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Comment: Section 11-200-16 HAR requires the DEIS to include opposing views. "In order that the public can be fully informed and that the agency can make a sound decision based upon the full range of responsible opinion on environmental effects, a statement shall include responsible opposing views, if any, on significant environmental issues raised by the proposal."

Response: Various Federal, State, and County agencies, as well as organizations and members within the community, were consulted with or provided comments on the Environmental Assessment/Environmental Impact Statement Preparation Notice and the Draft EIS. These comments, including your comments, included opposing views which were addressed and included in the Draft EIS and will also be included in the Final EIS.

Comment: Cultural practitioners, who are part of Maui Tomorrow Foundation, have commented for many years regarding the deep connection between the native plants and animals found on the Waile'a 670 site and its importance as a traditional cultural landscape. Substantially destroying or altering the biological ecosystem alters the cultural integrity of the site and restricts the full practice of traditional and customary practices.

Response: As required by County of Maui Ordinance No. 3554 Condition 13, the Honua'ula project team has developed a Cultural Resources Preservation Plan (CRPP). This plan was developed as directed by the provisions of Condition 13 and represents a preservation plan reflecting not only the physical resources but the native plant resources on the Honua'ula property as well. The Native Plant Preservation Area required as part of County of Maui Ordinance No. 3554 Condition 27 incorporates both the native plants and cultural resources into one resource area responding to your concern relative to cultural integrity for the resources within Honua'ula. Additional information regarding the CRPP processes is provided below in response to your comment under the heading "**Cultural Resource Review.**"

Comment: We request that the DEIS be found not acceptable until the "Alternatives" section includes a discussion and map showing the project layout if a 130 acre contiguous preserve area, located south of 20 degrees 40'15", was set aside as critical habitat for endangered fauna, native plants and cultural preservation.

Response: To include discussion of a 130-acre Native Plant Preservation Area in the Final EIS, in the Final EIS Chapter 6 (Alternatives) will be revised to include the information shown on the attachment labeled "Alternatives."

Cultural Resource Review

Comment: The cultural review documents, although very bulky, are one of the most incomplete and inadequate sectors of the DEIS.

Response: The Cultural Impact Assessment (CIA), included as Appendix K of the Draft EIS, was conducted in accordance with the OEQC Guidelines for Assessing Cultural Impacts and includes archival research and interviews with people knowledgeable of Honua'ula and the surrounding area. Informant interviews with eight local residents were conducted in January 2008 by Keli'i Taur'a and Kimoeko Kapahulehua of Hana Pono LLC. Kimoeko Kapahulehua conducted an additional interview in March 2009.

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The CRPP, included as Appendix J of the Draft EIS, was developed as directed by the provisions of County of Maui Ordinance No. 3554 Condition 13. As discussed in Section 4.2 (Cultural Resources) and Section 5.2.2 (County of Maui Zoning) of the Draft EIS, Aki Simoto Consulting, LLC and Hana Pono, LLC prepared the CRPP. The CRPP sets forth (among other things) selection criteria for archaeological sites to be preserved and short- and long-term preservation measures, including buffer zones and interpretative signs, as appropriate for each site and types of native flora to be used for landscaping for buffer zones. The CRPP: 1) was prepared in consultation with interested and concerned parties, cultural advisors, Nā Kūpuna O Maui, the Maui County Cultural Resources Commission, the Maui/Lāna'i Island Burial Council, the DLNR Nā Ala Hele, SHPD, OHA, and various knowledgeable individuals; 2) will be submitted to SHPD and OHA for review and recommendations; and 3) will be provided to the Maui County Cultural Resources Commission for review and adoption after receipt of comments and recommendations from SHPD and OHA. Through this collaborative process specified by the Maui County Council the CRPP will be refined to provide additional information including: 1) the nature of access to religious, ceremonial, and confirmed burial sites; 2) determination of appropriate traditional protocols and practices; 3) establishment of educational and community stewardship programs; and 4) any other issues SHPD, OHA and the Maui County Cultural Resources Commission would like clarified and addressed. Appendix J contains the CRPP.

Since the Draft EIS was completed, the CRPP has been submitted to SHPD and OHA for review and recommendations. To reflect this updated information, as well as responses to your other comments and comments from others regarding cultural resources, in the Final EIS, in the Final EIS Section 4.2 (Cultural Resources) will be revised as shown in the attachment titled "Cultural Resources."

In addition, Section 5.2.2 (County of Maui Zoning) will be revised as follows:

13. That Honua'ula Partners, LLC, its successors and permitted assigns, shall prepare a Cultural Resources Preservation Plan ("CRPP"), in consultation with: Nā Kūpuna O Maui; lineal descendants of the area; other Native Hawaiian groups; the Maui County Cultural Resources Commission; the Maui/Lāna'i Island Burial Council; the Office of Hawaiian Affairs; the State Historic Preservation Division, Department of Land and Natural Resources; the Maui County Council; Nā Ala Hele; and all other interested parties. Prior to initiating this consultation process, Honua'ula Partners, LLC, its successors and permitted assigns, shall publish a single public notice in a Maui newspaper and a State-wide newspaper that are published weekly. The CRPP shall consider access to specific sites to be preserved, the manner and method of preservation of sites, the appropriate protocol for visitation to cultural sites, and recognition of public access in accordance with the Constitution of the State of Hawai'i, the Hawai'i Revised Statutes, and other laws, in Kīhei-Mākena Project District 9.

Upon completion of the CRPP, Honua'ula Partners, LLC, its successors and permitted assigns, shall submit the plan to the State Historic Preservation Division, Department of Land and Natural Resources, and the Office of Hawaiian Affairs for review and recommendations prior to Project District Phase II approval. Upon receipt of the above agencies' comments and recommendations, the CRPP shall be forwarded to the Maui County Cultural Resources Commission for its review and adoption prior to Project District Phase II approval.

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Discussion: As discussed in Section 4.2 (Cultural Resources), Aki Sinoto Consulting, LLC and Hana Pono, LLC prepared a CRPP. The CRPP sets forth (among other things) selection criteria for archaeological sites to be preserved and short- and long-term preservation measures, including buffer zones and interpretative signs, as appropriate for each site and types of native flora to be used for landscaping for buffer zones. The CRPP: 1) was prepared in consultation with interested and concerned parties, cultural advisors, Na Kūpuna O Maui, the Maui County Cultural Resources Commission, the Maui/Launā'i Island Burial Council, the DLNR Na Ala Hele, SHPD, OHA, and various knowledgeable individuals; 2) ~~will be~~ has been submitted to SHPD and OHA on March 18, 2010 for review and recommendations; and 3) will be provided to the Maui County Cultural Resources Commission for review and adoption after receipt of comments and recommendations from SHPD and OHA. Through this collaborative process the CRPP will be refined to provide additional information including: 1) the nature of access to religious, ceremonial, and confirmed burial sites; 2) determination of appropriate traditional protocols and practices; and 3) establishment of educational and community stewardship programs. Appendix J contains the CRPP.

Archaeological Inventory Survey

Comment: The AIS for this proposed project has been under consideration through HRS Chapter 6E Historic Preservation Review process since 2000. It has received three review letters on its inventory survey from State Historic Preservation Division (SHPD) dated August 29, 2000, August 28, 2001 and January 17, 2002, with each letter asking for revisions, including further inventory survey of both the northern and southern portions of the property, additional testing and specific justifications for significance evaluations. These letters and any other correspondences between the applicant and State are not included in the DEIS. The Office of Hawaiian Affairs also requested additional inventory level work on the site in several letters. These are also not disclosed in the DEIS.

Response: The Draft EIS was prepared in accordance with the State Environmental Impact Statement Law (Chapter 343, HRS) and Environmental Impact Statement Rules (Title 11, Chapter 200, HAR). The Draft EIS meets the content requirements for an EIS as specified under Section 11-200-17(G), HAR, which includes requirements for content relating to historic and archaeological resources.

The AIS (2010) included with the Draft EIS (Appendix I) incorporates the results of all archaeological work completed on the Property since 2000, including revisions requested by SHPD during reviews of previous archaeological surveys and fieldwork. SHPD has reviewed the AIS (2010) included as an appendix to the Draft EIS and, in their letter dated September 8, 2010, requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. In addition, the SHPD letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings." SHPD's letter dated September 8, 2010 will be included in the Final EIS along with a revised AIS.

Comment: Cultural practitioners have documented many additional historic sites and site complexes that have not been recorded in the applicant's AIS and have forwarded pictures and locations to SHPD.

Response: On August, 26, 2010 Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua

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participated in a site visit of the Honua'ula Property with several community members and SHPD staff. SHPD staff present were archaeologist Morgan Davis and cultural historian Hinano Rodrigues. Community members present included: Lucienne de Naie, Daniel Kanahēle, Janet Six, Elle Cochran, U'i'iani Kapu, Ke'eaumoku Kapu, Lee Allenberg, and 'Ekolu Lindsey. Some of the community members had previously: 1) presented testimony, or were present, at the Maui Planning Commission meeting on June 22, 2010 at which the Honua'ula Draft EIS was discussed; 2) submitted information to SHPD claiming that they had found archaeological sites on the Property that had not been included in the archaeological inventory survey dated March 2010 included in the Draft EIS (Appendix I); and 3) submitted written comments on the Draft EIS expressing concerns regarding archaeological sites on the Property.

Subsequent to the site visit, SHPD issued a letter dated September 8, 2010 stating that no significant unrecorded sites were noted at that time (i.e. during the August, 26, 2010 site visit). The letter also provides SHPD's review of the archaeological inventory survey (dated March 2010) and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. In addition, the SHPD letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings."

Cultural Resources Preservation Plan (CRPP)

Comment: No specific rationale is provided in the AIS or CRPP assessing the significance of each site. To be in compliance with State Historic Preservation law, the AIS and this DEIS must provide justification for classifying the significance of each site with supportive documentation provided. (Section 13-284-6d (1)(B) HAR). For an example, why are some caves – described as overhang shelters in the AIS – slated for preservation while others are not?

Response: The AIS, which includes significance assessments of each site, was submitted to SHPD for review on March 23, 2010. In a letter dated September 8, 2010, SHPD provided their review comments on the AIS and requested dated March 2010) and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. In their review comments SHPD did not disagree with significance assessments in the AIS; however several of the sites were previously recorded, and SHPD requested that the report be clarified as to whether there was a previous recommendation/determination of significance for the previously recorded sites. The final AIS will be revised to address this comment.

Permanent preservation recommendations for sites are not based solely on their significance. For instance, if multiple sites of the same type are recorded, a representative selection could be set aside for preservation and others may be specified for data recovery. Other considerations come into play such as the context of preservation; for example, other preservation sites in the area may enhance the interpretation of the selected site rather than preserving isolated sites within a vast project area. The significance evaluations are made employing the Hawai'i Register criteria.

Comment: Criteria used in evaluating significance in this AIS are those adopted by the Hawaii State Register. These are not the exact criteria specified in 13-284-6(b) 1-5 HAR, by which this AIS and DEIS must

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comply. Specifically, the Criterion "E" used in this AIS omits the following important language (underscored)

(5). Criterion 'e' Have an important value to the Native Hawaiian people, or to another ethnic group of the state due to associations with cultural practices once carried out, or still carried out, at the property or due to associations with traditional beliefs, events or oral accounts – these associations being important to the groups history and cultural identity.

Response: The AIS was prepared in accordance with: 1) the State Historic Preservation Law (Chapter 6E, HRS); and 2) the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). To clarify, the Rules Governing Procedures for Historic Preservation and Review to Comment on Section 6E-42, HRS Projects (Title 13, Chapter 284, HAR) to which you refer defines "significant historic property" as any historic property that meets the criteria of the Hawai'i Register of Historic Places or the criteria enumerated in subsection 13-275-6(b) or 13-284-6(b). As such, the AIS contained in the Draft EIS (Appendix I) evaluated site significance based on the five Hawai'i Register of Historic Places significance evaluation criteria and is in compliance with the Rules Governing Procedures for Historic Preservation and Review to Comment on Section 6E-42, HRS Projects (Title 13, Chapter 284, HAR) and the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR).

Furthermore, the AIS, which includes significance assessments of each site employing the Hawai'i Register criteria, was submitted to SHPD for review on March 23, 2010. In their review letter dated September 8, 2010 SHPD did not disagree with significance assessments in the AIS or state that employing the Hawai'i Register criteria for significance assessments was not acceptable. Therefore, the proper procedure was indeed followed regarding the AIS.

At the outset of the Honua'ula planning process, Honua'ula Partners, LLC voluntarily convened a cultural committee made up of Native Hawaiian cultural practitioners recognized by the community and other individuals as having expertise in this area. Contemporary significance was evaluated based on the cultural impact study that was conducted which indicated no evidence or knowledge of specific practices that took place within the boundaries of the Property.

In addition, the CRPP (Draft EIS, Appendix J) included a public consultation process which is documented in the CRPP; however the CRPP is a separate document from the AIS, which was prepared in compliance with County of Maui Ordinance No. 3554 (Condition 13) and is not subject to the same consultation process provided for in Title 13, Chapter 276, HAR.

As discussed in Section 4.2 (Cultural Resources) of the Draft EIS, during the initial planning stages of Honua'ula, several on-site tours and discussions involving archaeological and cultural components were held with various members of the community. An informational presentation was given to the Maui Cultural Resources Commission. Specific input was also sought from key individuals and the Native Hawaiian organization, Nā Kūpuna O Maui, and a number of valuable recommendations resulted from discussions with an in-house cultural group². Public input was

² The in-house cultural group included: Kimokeo Kapahulehua, Clifford Naeole, Hokulani Holt Padilla, Keli'i Tau'a, members of Nā Kūpuna O Maui, Lisa Rotunno-Hazuka, Aki Sinoto, and Charlie Jencks.

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also sought prior to preparation of the CRPP through publication of public notices in the *Honolulu Advertiser*, the *Mauī News* and *OHA's Newsletter*, *Ka Wai Ola*.

Comment: *Sites descriptions do not provide an assessment of site functions with reasonable and adequate supportive arguments or an assessment of site age as required by Section 13-276-5(d) (4) H & J HAR. The AIS must provide such assessments in order for this DES to have the information necessary to permit an evaluation of potential environmental impacts. (Section 11-200-17 I) HAR.*

Response: The AIS includes functional interpretations of sites when possible and a generalized table of relative origins for the sites (Draft EIS, Table 2). However, as discussed in the AIS, the absence of chromometric data, as well as the paucity of cultural deposition, makes pinpointing the age of sites difficult. In their review of the AIS (letter dated September 8, 2010) SHPD did not request additional information regarding site functions.

Comment: *The lack of adequate site assessments in the AIS is in part due to extremely limited testing, inadequate mapping of site complexes and minimal background research regarding kuleana land owners in the ahupua'a of Pa'e'ahu, Palaua'ea and Keaouhou. One example: no native or foreign testimony for the Land Commission Award (LCA) in the region is included. The excuse has been made that the rocky site terrain makes subsurface testing impractical, yet extensive testing has been done in exactly the same terrain throughout the makai sections of Palaua'ea and Keaouhou ahupuaa.*

Response: The AIS was prepared in accordance with the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). These rules require an AIS to: 1) indicate whether any Land Commission Awards (LCAs) were granted within a project area and within the greater ahupua'a; and 2) locate the awards on a map whenever possible. The AIS discusses LCAs in the three ahupua'a and notes that none of the LCAs appear to be within the boundaries of the Honua'ula Property. Location data is unavailable for the majority of the LCAs in the three ahupua'a, however the few LCAs that are located are either in the coastal areas or further inland.

Your statement that, "...yet extensive testing has been done in exactly the same terrain throughout the makai sections of Palaua'ea and Keaouhou ahupuaa," is misleading and incorrect as the makai sections of Palaua'ea and Keaouhou ahupuaa do not contain the same terrain as Honua'ula, which is at a significantly higher elevation. According to Honua'ula archaeologist Aki Sinoto, the most relevant investigation comparable to the terrain of Honua'ula would be the investigation undertaken in Parcel IV of the Mākena Prince North Golf Course in Keaouhou, Kailihi, Waipao, and Papa'anui ahupua'a, where soil and cultural deposition were found to be minimal.

The AIS was submitted to SHPD for review on March 23, 2010. In a letter dated September 8, 2010, SHPD provided their review comments on the AIS (dated March 2010) and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. In addition, the letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings."

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Cultural Impact Assessment

Comment: *The Cultural Impact [sic] Assessment (CIA), although lengthy, is missing key information needed by SHPD, OHA, the Maui Cultural Resources Commission and Maui Planning Commission to make sound decisions regarding cultural preservation on the project site.*

Response: As discussed above and in Section 4.2 (Cultural Resources) of the Draft EIS, the CIA contained in the Draft EIS (Appendix K) was conducted in accordance with the OEQC Guidelines for Assessing Cultural Impacts and includes archival research and interviews with people knowledgeable of Honua'ula and the surrounding area.

As a point of clarification, County of Maui Ordinance No. 3554 Condition 13 requires that the CRPP, not the CIA, be submitted to: 1) SHPD and OHA for review and recommendations; and 2) to the Maui County Cultural Resources Commission for review and adoption after receipt of comments and recommendations from SHPD and OHA. Through this collaborative process the CRPP will be refined to provide additional information including: 1) the nature of access to religious, ceremonial, and confirmed burial sites; 2) determination of appropriate traditional protocols and practices; and 3) establishment of educational and community stewardship programs. Appendix J contains the CRPP.

Protection for Historic Roads and Paths and Traditional Access

Comment: *The CIA should advocate for preservation of the current portion of the Kanaio-Kalama Park road to comply with the Kīhei-Mākena Community Plan policy: "Preserve and restore historical roads and paths as cultural resources, and require such resources to be available to the public."*

Response: As discussed in Section 4.3 (Trails and Access) of the Draft EIS, remnant segments of a road referred to as the Kanaio-Kalama roadway are present along a portion of an existing jeep road which was constructed atop the same alignment in the southeastern corner of the Property.

In response to your concern, the approximate route of the Kanaio-Kalama road will be incorporated into the Honua'ula trail system to further enhance mauka-makai access across the Property. This functionally equivalent route will approximate the alignment shown on the current TMK map (Figure 3 of the Draft EIS), and thus will run diagonally from Kaukahi Street, through the Native Plant Preservation Area, to the southeast corner of the Property.

To incorporate relevant new information from the above, as well as responses to others regarding trails and access, into the Final EIS, in the Final EIS Section 4.3 (Trails and Access) will be revised as follows:

In terms of the Kanaio-Kalama road, only a small modified segment still exists, with major segments of the original alignment altered by an existing jeep road. In addition, the integrity of the roadway has been lost outside of the Property both at the Kalama and Kanaio segments, which are under multiple ownerships. In a letter dated July 31, 2009, Nā Ala Hele of the D.L.N.R. Division of Forestry and Wildlife (DOFAW) states that no documentation of the Kanaio-Kalama roadway could be found in the royal grant patents of the Property that were awarded in 1850. Also, no record exists of the road being in existence prior to 1892, when the U.S. Highways Act was passed. Thus, the Kanaio-Kalama roadway is not considered to be a public highway. However, to further enhance mauka-makai access

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across the Property, the approximate route of the Kanaio-Kalama road will be incorporated into the Honua'ula trail system. This functionally equivalent route will approximate the alignment shown on the current TMK map (Figure 3), and thus will run diagonally from Kaukahi Street, through the Native Plant Preservation Area, to the southeast corner of the Property.

In addition Figure 13 (Trails Network) will be revised to show the Kanaio-Kalama Park Roadway as shown on the attachment titled "Figure 13."

Comment: *The CIA also failed to insist on greater research regarding the relationship of the area's cultural sites with extensive cultural complexes located seaward in the same ahupua'a.*

Response: As discussed above and in Section 4.2 (Cultural Resources) of the Draft EIS, the CIA contained in the Draft EIS (Appendix K) was conducted in accordance with the OEQC Guidelines for Assessing Cultural Impacts and includes archival research and interviews with people knowledgeable of Honua'ula and the surrounding area.

Comment: *The CIA refers to the Kumuhonua genealogy which is associated with Honua'ula through oral accounts and traditional beliefs, but fails to explain the extremely sacred connotation this genealogy confers onto the Honua'ula lands. This cultural connection with a famous genealogy must be disclosed and its significance to preservation decisions adequately discussed in the CIA.*

Response: The CIA contained in the Draft EIS (Appendix K) includes discussion of the genealogy of Honua'ula moku in story, chant and oral tradition. Section 4.2 (Cultural Resources) of the Draft EIS summarizes the findings of the CIA and other relevant information which states that one of the earliest accounts that describe the first inhabitants of Honua'ula came from genealogical chant. Between 1100 and 1400 A.D., chants recorded the long voyage of Chief Mo'rikeha from Tahiti to Hawai'i. At each landing, a family would disembark and the place would take on the family name. As such, one of the explanations for the name of the traditional moku known today as Honua'ula is that it is named after the Honua'ula family.

Comment: *Also, the CIA has made no effort to contact, interview, consult with or act upon recommendations of the numerous individuals who are cultural descendants of this land, although those individuals have identified themselves during public hearings.*

Response: As discussed above, the CIA included as Appendix K of the Draft EIS was conducted in accordance with the OEQC Guidelines for Assessing Cultural Impacts and includes archival research and interviews with people knowledgeable of Honua'ula and the surrounding area. Informant interviews with eight local residents were conducted in January 2008 by Keli'i Tau'a and Kimokeo Kapahulehua of Hana Pono LLC. Kimokeo Kapahulehua conducted an additional interview in March 2009. The complete transcript for each interview is appended to the CIA.

In addition, the CRPP (Draft EIS, Appendix J) included a public consultation process which is documented in the CRPP. As discussed in Section 4.2 (Cultural Resources) of the Draft EIS, during the initial planning stages of Honua'ula, several on-site tours and discussions involving archaeological and cultural components were held with various members of the community. An informational presentation was given to the Maui Cultural Resources Commission. Specific input was also sought from key individuals and the Native Hawaiian organization, Nā Kūpuna O Maui,

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and a number of valuable recommendations resulted from discussions with an in-house cultural group³. Public input was also sought prior to preparation of the CRPP through publication of public notices in the *Honolulu Advertiser*, the *Maui News* and OHA's Newsletter, *Ka Wai Ola*.

ACTION

Comment: *Maui Tomorrow Foundation, Inc. requests that the Honua'ula DEIS not be found acceptable. The DEIS is premature because it does not contain a complete and approved AIS for the project area. Without a complete AIS, it is premature to consider a CRPP. With this process incomplete, the necessary information to permit an evaluation of potential environmental impacts, as required by (11-200-17)(E) HAR, is not available.*

Response: The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with the State of Hawai'i EIS law (Chapter 343, HRS) and EIS rules (Title 11, Chapter 200, HAR). The EIS laws and rules do not provide for a draft EIS to be found "acceptable" or "not acceptable." Rather, the EIS laws and rules provide for the preparation of a draft EIS, a review process, and the preparation of a final EIS. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments and our responses to your comments. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to review comments.

Regarding your reference to 11-200-17(E) HAR, this section of the EIS rules specifically pertains to what is required for an EIS project description. The Honua'ula Draft EIS meets the criteria specified under Section 11-200-17(E) HAR regarding what is required for an adequate project description, along with all other subsections (A – P) of Section 11-200-17, HAR pertaining to the content requirements of a draft EIS.

The Environmental Impact Statement Rules do not require an EIS to contain an AIS that has been reviewed and approved by SHPD, and it is not common practice for EIS documents to contain an approved AIS. Rather, including a draft AIS in a Draft EIS affords SHPD other reviewing agencies, and the public the opportunity to review the draft AIS along with the Draft EIS.

Furthermore the EIS laws and rules do not require a Draft EIS to contain a CRPP. However the CRPP was provided in the Draft EIS to allow agencies and the public the opportunity to comment. As required by County of Maui Ordinance No. 3554 Condition 13, the CRPP: 1) has been submitted to SHPD and OHA for review and recommendations; and 2) will be submitted to the Maui County Cultural Resources Commission for review and adoption after receipt of comments and recommendations from SHPD and OHA and prior to Project District Phase II approval. Through this collaborative process specified by the Maui County Council the CRPP will be refined to provide additional information including: 1) the nature of access to religious, ceremonial, and confirmed burial sites; 2) determination of appropriate traditional protocols and practices; 3) establishment of educational and community stewardship programs; and 4) any other issues

³ The in-house cultural group included: Kimokeo Kapahulehua, Clifford Naeole, Hokulani Holt Padilla, Keli'i Tau'a, members of Nā Kūpuna O Maui, Lisa Rotunua-Hazuka, Aki Simoto, and Charlie Jencks.

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SHPD, OHA and the Maui County Cultural Resources Commission would like clarified and addressed. Appendix J contains the CRPP.

Conclusion

Honua'ula Partners, LLC is committed to respecting the Property and its history, and we have endeavored to include all information necessary to properly evaluate Honua'ula and its components. It is our firm belief that the Draft EIS and the forthcoming Final EIS are complete, comprehensive documents that properly address all material issues related to Honua'ula. We note that in commenting on the Draft EIS the Maui Planning Commission stated that the Honua'ula Draft EIS was "one of the better draft documents the commission has seen in terms of completeness."

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

Attachments: Archaeological and Historic Resources
Drainage System
Air Quality
Cumulative and Secondary Impacts
Botanical Resources
Water System
Figure 2 (Regional Location)
Electrical System
Wildlife Resources
Cultural Resources
Noise
Wastewater
Figure 13 (Trails Network)
Alternatives

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

June 30, 2010

is.

New Water Wells, Storage Tanks and Pipelines

We see a few maps that show new wells, tanks and pipelines, all on property outside of Waialea 670. There is no discussion of any reports on the natural and cultural features on the land where they will be located. These are private systems on private land. They are an essential part of this development. They need to be analyzed for impacts. We heard professor Dick Mayer say these tanks and pipelines are in the Upcountry Community Plan area, which is not allowed. Is this true? If so it should be explained.

Piihoni Road Extension

Will this state right of way become a private road? Not very much is discussed about arrangements between the state and Waialea 670 to use the corridor. Did the state get paid for the roadway? What can be allowed on the Ulupalakua section? We know more about the landscaping than the hard facts.

Widening of Piihoni Hwy past Kilohana

This is going to have its own Environmental Assessment according to the DEIS, but we believe it should be included in the discussion of the whole project as part of this EIS. We don't know for example if there will be materials stored on the Waialea 670 lands with heavy trucks coming in and out, rock crushing, grubbing or grading? Impacts need to be disclosed as part of the whole Waialea 670 project

Alternative plans for a wider buffer for Maui Meadows

For years we have heard Maui Meadows residents ask for a wide buffer zone of 200 ft between them and Waialea 670. Instead the DEIS shows only a 50 ft landscape area that is supposed to serve as a fire break, drainage, view plane buffer, park, community garden, native planting "enhancement" area and noise buffer. The DEIS repeatedly refers to a 100 ft buffer zone. In reality, half of that 100 feet is a road with traffic, and back yard easements. Who are we kidding? A 100 ft buffer is 100 ft with nothing but open space, not a road, not a back yard. This DEIS is incomplete because it doesn't show an alternative plan map with a real 100 ft buffer.

Water

It looks like the project may not have enough water. The DEIS talks about the private water company being able to restrict non-potable water use to certain hours or days and require every property owner to conform to an irrigation water budget.

When a sensible limit on watering during cooler hours was proposed by council member Anderson a few years ago, people from Waialea opposed it loudly. Does the DEIS ever discuss how practical it is going to be to enforce such a water budget? It looks like a volunteer homeowner's board is supposed to be doing all the enforcement of very complicated design standards, planting standards, etc. This does not sound very practical or likely.

RE: DRAFT EIS for proposed HONUUA'ULA Project

Mahalo for the chance to offer comments on this very large Draft EIS for the Honua'ula/Waialea 670 project. Maui Unite represents many kama'aina families who are too busy working to weigh in on things, as much as they would like to. Some of our folks have strong ties to the traditional moku of Honua'ula, including the ahupua'a of Pae'ahu, Palau'ea and Keauhou, where the Waialea 670 project is located.

While Maui Unite appreciates the fact that an EIS has finally been prepared for this very complex project, we must point out that it is missing a lot of important information.

We hope that the Planning Commission and Planning Department will take another look, and send the EIS back to get the whole story included. We don't believe that the missing information can just be added to some final EIS. If that is done, there will be no chance for public comment on the new information. We do not believe that this is what our laws say or intend. Here's what we find to be missing.

Affordable Housing Project in Kihei

No impacts are discussed for 250 affordable houses being built in Kihei. They are a legally required part of the Waialea 670 project. Where will these units get their water and send their trash and sewage, where will the kids go to school? What's on the land now? Was it used for ag chemicals, or is it clean? Are there archaeological sites there? What will be the price ranges of the rental apartments and condos? All we saw in the DEIS about this was a few paragraphs about traffic management.

Sewage Disposal Analysis

Members of Maui Unite sat through many long hours of county council hearings. We heard the council told again and again that the complete information about lots of important topics would be presented during Phase II approvals. The council trusted the applicants and supported rezoning missing key information. Here we are at Phase II, and the information is still missing.

One of the conditions of rezoning said that Honua'ula Partners, LLC, would provide a Sewage Disposal Analysis that has been reviewed and commented on by the State Department of Health, and other agencies, "prior to Project District Phase H approval."

The DEIS doesn't have this analysis or comment letters. In fact, the DEIS has no clear statement about what will happen with the sewage, listing it as "unresolved." In another section the DEIS says the Makana Resort Wastewater plant will be used. We didn't see analysis of why one location was chosen over another or what the needs of Makana Resort future homes were. If this information isn't available, the DEIS should wait until it

What will happen to all the existing golf course wells in Waialea and condo irrigation wells in South Kihei if the project over pumps its section of the aquifer that everyone shares? The DEIS says there will be some impacts, but gives no real facts about what will be done to fix the situation. There doesn't seem to be a back up plan for water needs, except to drill more wells further north. No proof is given that this will work. We need to see discussions of a smaller project that fits the dry area.

Beaches

No mention is made that the thousands of future residents and their guests will want to use nearby beaches. What impact does this have on fishing, camping, and cultural activities? Waialea 670 is just a few minutes from Palauea and Polo beach. The DEIS should include impacts and what the project can do to help keep our beaches available to local families.

Cultural sites

Maui Unite has commented many times on the need for better archaeological work on the Waialea 670 site. We find it very unlikely that the 480 acres in the north of the property has only one cultural site. We continue to regard the project's AIS as incomplete. Any preservation plan needs to be put on hold until we really know what is there.

We asked to be a consulted party on the Honua'ula cultural plan, sent in comments, and all we got was a form letter. We do not find that the project has a real interest in making it possible for all interested native Hawaiians to practice traditional and customary gathering and spiritual ceremonies.

We have members who have knowledge of these places and have documented additional cultural sites on the property, including many more stepping stone trails. There should be a real effort made to connect all the parts of the ancient trails into one map, no matter whose property they are on.

We also know kupuna who have used the Kanaio-Kalama Park road. It is part of our heritage and should be preserved. We believe that our South Maui Community plan says to protect roads and trails and allow access. The DEIS wants to make new trails and quietly get rid of the old ones that hold our history.

There are ancient stories connected with the moku of Honua'ula, like the genealogy of Kumuhonua. It is confusing and disrespectful to assign a housing development the sacred name of an entire district. Look at what has happened to Ka'anapali. Most folks have no idea that Ka'anapali is a legendary district of Maui, not a resort and real estate brand! Will this be the fate of Honua'ula?

Bottom line- no attempt has been made to locate and listen more lineal descendants of these lands and include them in the Historic Review process. The names of the kuleana holders and maps of their lands are not even included in the pages of these big documents.

Significant Walls

Cultural practitioners are also concerned the integrity of the long East-West wall (site 200 in the 2000 AIS) is being compromised by a proposed "preservation plan." Original archaeological survey maps of Waialea 670 showed site 200 in its entirety- running from the western to eastern boundary of the property. Those maps are not in the AIS.

The Site 200/ wall was described by Theresa Donham as a possible ahupua'a boundary wall, in the Project Ka eo book. This wall continues almost all the way to the ocean through Waialea golf course and the Palauea Cultural preserve site. This is a major wall. Mauka of the Waialea 670 project area, site 200 continues all the way east to Ulupalakua.

The current Archaeological site map in the AIS (Fig 6, P. 20) chops off several hundred feet of the wall's western end. In the AIS there is an aerial view with cultural sites. (Figure 6) This view shows site 200- (now re-labeled "site 1"), ending where it joins with a north-south wall, not at the western property boundary.

Our members are concerned about this wall. When the project spokesperson was asked if the wall could be included in the preservation area, he portrayed it as "broken down." Our cultural practitioners say the wall is in good shape at the western end.

No justification is given in the AIS or CRPP for leaving a large portion of this wall out of preservation. It has simply been allowed to disappear from the AIS map. It needs to be preserved and the other walls in Waialea 670 should also be preserved until we know more about the location of kuleana land claims.

Native Plants and Animals

The DEIS seems to be trying to get around the protections the county council tried to give our kupuna lau—native plants. When you look at the 143-acre "native plant enhancement" area it's just a lot of landscape planting. Ten years from now, new rules could go into effect for the subdivision and the plants could be replaced. It's good to use native plants for landscaping the homes, to save water, but this shouldn't be trade off for destroying the natural ecosystem where these plants already live healthy lives. This destruction is not acceptable. The DEIS really is deficient in showing how the project could be adapted to a 130 acre native plant preserve area. An AIS is supposed to present alternatives. We need that alternative presented. It needs to be a map. We need to see how it can be done.

What's going to happen if the native plants are given the treated sewage/ desal brine. Will they like it? Are there studies? What about pesticides and fertilizers from golf courses?

In conclusion: send this DEIS back for more work. Many sections are very incomplete and can't be an honest guide for future decisions. We were promised all the facts in Phase II. It's time to get them.

Gordon Cockett
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May 31, 2012

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Works reviewed and approved improvements necessary for the subdivision, including provisions for water, sewage disposal, electrical and communications lines, drainage and flood control, and connection with Pi'ilani Highway, including widening and traffic signal improvements. The State Department of Transportation (DOT) has also reviewed and approved the connection with Pi'ilani Highway, including widening and traffic signal improvements. Further, the construction of the improvements required for the subdivision has been guaranteed with a bond of over \$22 million.

Regional traffic growth, including from the Ka'ono'ulu Light Industrial Subdivision, is being taken into account as part of DOT's Long Range Land Transportation Plan (LRLTP), which is currently being updated in consideration of known proposed developments in the region and will serve as a guide for the development of major surface transportation facilities and programs to be implemented in the future.

Because Chapter 2.96, MCC requires the workforce affordable homes to be offered to Maui residents, the affordable homes will result in a redistribution of the existing Maui population as opposed to an incremental increase. As a result, there will be no impacts related to increased population, such as an overall increase in the need for State and County services. In addition to the workforce affordable homes, Honua'ula Partners, LLC will also provide a minimum two-acre park within Ka'ono'ulu Light Industrial Subdivision to meet the recreational needs of the workforce affordable home residents.

Impacts to schools will be addressed by Honua'ula Partners, LLC's compliance with County of Maui Ordinance No. 3554, Condition 22, which requires Honua'ula Partners, LLC to pay DOE at least \$3,000 per dwelling unit upon issuance of each building permit to be used, to the extent possible, for schools serving the Kihei-Mākena Community Plan area; provided that, should the State pass legislation imposing school impact fees that apply to Kihei-Mākena Project District 9, Honua'ula Partners, LLC will from that point forward comply with the State requirements, or contribute \$3,000 per dwelling unit, whichever is greater.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 7.2 (Cumulative and Secondary Impacts) will be revised as to include the following information:

One of the conditions imposed by the Council as part of Honua'ula's Change in Zoning Ordinance (County of Maui Ordinance No. 3554, Condition 5) requires Honua'ula Partners, LLC to provide workforce affordable homes in compliance with Chapter 2.96, MCC, with 250 of these required workforce affordable homes to be provided off-site at the Ka'ono'ulu Light Industrial Subdivision (TMK (2) 3-9-01: 16). The Ka'ono'ulu Light Industrial Subdivision is within the State Urban District and is within the County of Maui Light Industrial zoning district. Multifamily homes are a permitted use within the State Urban District and County Light Industrial zone.

Providing workforce affordable homes at the Ka'ono'ulu Light Industrial Subdivision does not trigger the need for an environmental assessment or environmental impact statement under Chapter 343, HRS. However, impacts related to the use of the property for urban uses and uses permitted under the property's Light Industrial zoning have previously been examined as part of the property's State Land Use District Boundary Amendment, County Change in Zoning, and County Subdivision approvals. No rare, threatened, or endangered plant species are expected to be impacted, as none were found during a botanical inventory survey of the property. An archaeological inventory survey and a related preservation plan

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Cockett:

Thank you for your letter dated June 30, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. The organization of this letter follows the headings of your letter.

Affordable Housing Project in Kihei

Comment: *No impacts are discussed for 250 affordable houses being built in Kihei. They are a legally required part of the Wailea 670 project. Where will these units get their water and send their trash and sewage, where will the kids go to school? What's on the land now? Was it used for ag chemicals, or is it clean? Are there archaeological sites there? What will be the price ranges of the rental apartments and condos? All we saw in the DEIS about this was a few paragraphs about traffic management.*

Response: As discussed in Section 4.9.3 (Housing) of the Draft EIS, Honua'ula Partners, LLC will provide workforce affordable homes in compliance with Chapter 2.96, MCC. As discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, in compliance with County of Maui Ordinance No. 3554 (Condition 5), 250 of the required workforce affordable homes will be provided off-site at the Ka'ono'ulu Light Industrial Subdivision (TMK (2) 3-9-01: 16). The Ka'ono'ulu Light Industrial Subdivision is within the State Urban District and is within the County of Maui Light Industrial zoning district. Multifamily homes are a permitted use within the State Urban District and County Light Industrial zone.

Providing workforce affordable homes at the Ka'ono'ulu Light Industrial Subdivision does not trigger the need for an environmental assessment or environmental impact statement under Chapter 343, HRS. However, impacts related to the use of the property for urban uses and uses permitted under the property's Light Industrial zoning have previously been examined as part of the property's State Land Use District Boundary Amendment, County Change in Zoning, and County Subdivision approvals. No rare, threatened, or endangered plant species are expected to be impacted, as none were found during a botanical inventory survey of the property. An archaeological inventory survey and a related preservation plan have been prepared to address impacts to archaeological resources and based on their approval of these documents, the State Historic Preservation Division has determined that no historic properties will be affected. As part of the subdivision process for the Ka'ono'ulu Light Industrial Subdivision, the County of Maui Department of Public

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

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have been prepared to address impacts to archaeological resources and, based on their approval of these documents, the State Historic Preservation Division has determined that no historic properties will be affected. As part of the subdivision process for the Ka'ono'uli Light Industrial Subdivision, the County of Maui Department of Public Works reviewed and approved improvements necessary for the subdivision, including provisions for water, sewage disposal, electrical and communications lines, drainage and flood control, and connection with Pi'ilani Highway, including widening and traffic signal improvements. The State DOI has also reviewed and approved the connection with Pi'ilani Highway, including widening and traffic signal improvements. Further, the construction of the improvements required for the subdivision has been guaranteed with a bond of over \$22 million.

Regional traffic growth, including from the Ka'ono'uli Light Industrial Subdivision, is being taken into account as part of DOT's Long Range Land Transportation Plan (LRTP), which is currently being updated in consideration of known proposed developments in the region and will serve as a guide for the development of major surface transportation facilities and programs to be implemented in the future.

Because Chapter 2.96, MCC requires the workforce affordable homes to be offered to Maui residents, the affordable homes will result in a redistribution of the existing Maui population as opposed to an incremental increase. As a result, there will be no impacts related to increased population, such as an overall increase in the need for State and County services. In addition to the workforce affordable homes, Honua'ula Partners, LLC will also provide a minimum two-acre park within Ka'ono'uli Light Industrial Subdivision to meet the recreational needs of the workforce affordable home residents.

Impacts to schools will be addressed by Honua'ula Partners, LLC's compliance with County of Maui Ordinance No. 3554, Condition 22, which requires Honua'ula Partners, LLC to pay DOE at least \$3,000 per dwelling unit upon issuance of each building permit to be used to the extent possible for schools serving the Kihei-Makena Community Plan area; provided that, should the State pass legislation imposing school impact fees that apply to Kihei-Makena Project District 9, Honua'ula Partners, LLC will from that point forward comply with the State requirements, or contribute \$3,000 per dwelling unit, whichever is greater.

Sewage Disposal Analysis

Comment: *One of the conditions of rezoning said that Honua'ula Partners, LLC, would provide a Sewage Disposal Analysis that has been reviewed and commented on by the State Department of Health, and other agencies, prior to Project District Phase H approval.*

The DEIS doesn't have this analysis or comment letters.

Response: County of Maui Ordinance No. 3554 Condition 16, to which you refer, does not require the Sewage Disposal Analysis to be included with the Draft EIS. Rather, Condition 16 requires the Sewage Disposal Analysis to be submitted to the Maui County Council following review by certain State and County agencies:

16. *That Honua'ula Partners, LLC, its successors and permitted assigns, shall provide a Sewage Disposal Analysis that has been reviewed and commented on by the State Department of Health, the State Department of Land and Natural Resources, the County Department of Environmental Management, and the County Department of Water Supply prior to Project District Phase II approval. The Sewage Disposal Analysis, along*

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with reviews and comments, shall be submitted to the Maui County Council for review and the project shall be subject to additional conditions or amendments by the Maui County Council if warranted by the Sewage Disposal Analysis.

As discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, in compliance with Condition 16:

...Honua'ula Partners, LLC has engaged Brown and Caldwell Engineers to prepare a Draft Honua'ula Sewage Disposal Analysis. In accordance with this condition, the Analysis will be submitted to the State DOH and DLNR and the County DEM and DWS for review and comment before Project District Phase II approval. The Analysis, along with reviews and comments, will then be submitted to the Maui County Council for review.

Since the time that the Draft EIS was completed, the Sewage Disposal Analysis (Analysis) has been completed and, in accordance with the requirements of Condition 16, has been provided to the State DOH, the State DLNR Commission on Water Resource Management (CWRM), the County Department of Environmental Management, and the County Department of Water Supply for review and comment. These agencies have since provided comments, and subsequently the Analysis, along with the agencies' reviews and comments, was submitted to the Maui County Council on May 11, 2010 for review. After receiving the Analysis, the Maui County Council accepted the Analysis and did not subject Honua'ula to any additional conditions or amendments. As a result, Condition 16 has been fully satisfied.

To reflect this updated information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

16. *That Honua'ula Partners, LLC, its successors and permitted assigns, shall provide a Sewage Disposal Analysis that has been reviewed and commented on by the State Department of Health, the State Department of Land and Natural Resources, the County Department of Environmental Management, and the County Department of Water Supply prior to Project District Phase II approval. The Sewage Disposal Analysis, along with reviews and comments, shall be submitted to the Maui County Council for review and the project shall be subject to additional conditions or amendments by the Maui County Council if warranted by the Sewage Disposal Analysis.*

Discussion: As discussed in Section 4.8.2 (Wastewater System) Honua'ula will not rely upon or burden any County wastewater system. Instead, Honua'ula Partners, LLC will either participate in the operation of a private WWRF and system that accommodates the needs of Honua'ula (Alternative 1) or provide a WWRF on-site (Alternative 2). The Preliminary Engineering Report prepared for Honua'ula (Appendix P) provides preliminary information regarding wastewater. For a more detailed analysis Honua'ula Partners, LLC has engaged Brown and Caldwell Engineers to prepare a Draft Honua'ula Sewage Disposal Analysis. In accordance with this condition, the Analysis will be submitted to the State DOH and DLNR and the County DEM and DWS for review and comment before Project District Phase II approval. These agencies have since provided comments and subsequently, the Analysis, along with reviews and comments, will be submitted to the Maui County Council on May 11, 2010 for review. After receiving the Analysis, the Maui County Council accepted the Analysis and did not subject Honua'ula to any additional conditions or amendments. As a result, Condition 16 has been fully satisfied.

Please note that the Draft EIS was, and the subsequent Final EIS will be, prepared in conformance with the State of Hawai'i EIS law (Chapter 343, HRS) and EIS rules (Title 11, Chapter 200, HAR). These laws and rules do not require an EIS to include a specific sewage disposal analysis; however Section 4.8.2 (Wastewater System) of the Honua'ula Draft EIS does contain analysis regarding Honua'ula's wastewater system, as does the Preliminary Engineering report, which is included as Appendix P of the Draft EIS.

Comment: *In fact, the DES has no clear statement about what will happen with the sewage, listing it as "unresolved." In another section the DES says the Makena Resort Wastewater plant will be used. We didn't see analysis of why one location was chosen over another or what the needs of Makena Resort future homes were. If this information isn't available, the DES should wait until it is.*

Response: Section 4.8.2 (Wastewater System) of the Draft EIS discusses two alternatives for Honua'ula's wastewater system: 1) transport wastewater to the Makena WWRF for treatment; or 2) develop, maintain, and operate a private on-site WWRF. The preferred alternative is to transport wastewater to the Makena WWRF for treatment and then pump recycled (R-1) water back to Honua'ula for golf course irrigation use. Section 4.8.2 (Wastewater System) of the Draft EIS also states:

- While there is currently unused capacity at the Makena WWRF, it may be necessary to expand certain portions of the Makena WWRF in the future to provide a small amount of additional capacity to accommodate the total projected Honua'ula wastewater flows along with the projected Makena Resort flows before each project is completely built out. As both Honua'ula and Makena Resort will be built out over a number of years, improvements can be implemented at the appropriate time, when needed.
- Honua'ula Partners, LLC has had substantive discussions about the alternative of transporting wastewater to the Makena WWRF with the Makena WWRF owner, Makena Wastewater Corporation, and they support the connection; however, formal agreements with Makena Wastewater Corporation have not yet been finalized.
- Wastewater system design, construction, and operation will be in accordance with County standards and all wastewater plans and facilities will conform to applicable provisions of Chapter 11-62, HAR (Wastewater Systems); Section 11-62-27, HAR (Recycled Water Systems); and Chapter 11-21, HAR (Cross-Connection and Backflow Control).
- The use of R-1 irrigation water is not expected to have negative impacts on groundwater or nearshore waters and Section 3.5 (Groundwater Resources and Water Quality) contains the complete discussion on potential impacts to groundwater and nearshore waters.

As further discussed in Section 4.8.2 (Wastewater System) of the Draft EIS, the Makena WWRF was designed to handle wastewater flows of 720,000 gallons per day (gpd). There is currently unused capacity at the Makena WWRF, but it may be necessary to expand the Makena WWRF to provide a small amount of additional capacity before both Honua'ula and Makena Resort are built out. As both Honua'ula and Makena Resort will be built out over a number of years, improvements can be implemented at the appropriate time, when needed.

To elaborate on this information already provided in the Draft EIS, while the Makena WWRF was designed to handle wastewater flows of 720,000 gpd, it was also designed to be expandable to 1.54 million gallons per day (mgd). Currently the facility is only handling 114,440 gpd, leaving an unused capacity of 605,560 gpd based on the current capacity of 720,000 gpd. Future development within Makena Resort is estimated to produce flows of 276,973 gpd. Therefore the total flow from Makena Resort is projected to be 391,413 gpd at build-out. See Table 1 below.

At build-out of Honua'ula, the total Honua'ula wastewater flow is projected to be 380,000 gpd. Combined with the total Makena Resort flow, the combined flow from both Makena Resort and Honua'ula would be 771,413 gpd, which is 51,413 gpd more than the current capacity of 720,000 gpd of the Makena WWRF. See Table 1 below. Preliminary indications are that the headworks, effluent filters, and UV disinfection systems would require modifications to handle the additional capacity. Expansion of the Makena WWRF will not be necessary until both Honua'ula and Makena Resort approach 90 percent of build out, which could be 10 to 20 years from now.

Table 1 Current and Projected Makena WWRF Capacities	
Description	GPD
Current Makena Resort flow	114,440
Future Makena Resort flow	276,973
Total Makena Resort flow at build-out	391,413
Honua'ula flow at build out	380,000
Total Makena Resort and Honua'ula flow at build-out	771,413
Current Makena WWRF Capacity	720,000
Additional capacity required to accommodate both Makena Resort and Honua'ula at build-out	51,413

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS Section 4.8.2 (Wastewater System) will be revised as shown on the attachment titled: "Wastewater System."

Discussion of the fact that Honua'ula Partners, LLC has had substantive discussions with Makena Wastewater Corporation and that formal agreements with Makena Wastewater Corporation have not yet been finalized is included in Section 7.5 (Unresolved Issue) of the Draft EIS. Section 11-200-17(N), HAR of the EIS rules (Title 11, Chapter 200, HAR) provides that a draft EIS shall include a separate and distinct section that summarizes unresolved issues and contains either a discussion of how such issues will be resolved prior to commencement of the action, or what overriding reasons there are for proceeding without resolving the problems. In accordance with this requirement, Section 7.5 (Unresolved Issue) of the Draft EIS includes discussion regarding the two alternatives for wastewater treatment and the status of the agreements with Makena Wastewater Corporation regarding transporting wastewater to the Makena WWRF. To clarify how this issue will be resolved in the Final EIS, in the Final EIS Section 7.5 (Unresolved Issue) will be revised as follows:

7.5 UNRESOLVED ISSUE

Wastewater – As discussed in Section 4.8.2 (Wastewater System), Honua'ula Partners, LLC, will either transport wastewater to the Mākena WWRF for treatment or provide a WWRF on-site. The preferred alternative is to transport wastewater to the Mākena WWRF. Transporting wastewater to the Mākena WWRF for treatment provides the benefit of consolidating wastewater services for both Honua'ula and Mākena, allowing economies of scale in the treatment process and consolidated regulatory compliance. Additionally, sufficient golf course land is available within both developments to reuse 100 percent of the recycled water for irrigation. Honua'ula Partners, LLC has had substantive discussions about this alternative with the Mākena WWRF owner, Mākena Wastewater Corporation, and they support the connection; however, formal agreements with Mākena Wastewater Corporation have not yet been finalized. If formal agreements with Mākena Wastewater Corporation are not finalized, Honua'ula Partners, LLC will proceed with the other alternative for wastewater treatment discussed in Section 4.8.2 (Wastewater System), which is to construct an on-site WWRF that is capable of treating all of the Honua'ula wastewater to R-1 standards.

New Water Wells, Storage Tanks and Pipelines

Comment: We see a few maps that show new wells, tanks and pipelines, all on property outside of Wailea 670. There is no discussion of any reports on the natural and cultural features on the land where they will be located. These are private systems on private land. They are an essential part of this development. They need to be analyzed for impacts.

Response: Appendix E of the Draft EIS contains botanical surveys for: 1) the Honua'ula Property; and 2) areas of alternative wastewater transmission line alignments for possible connection to the Mākena Resort wastewater reclamation facility (WWRF), which is located approximately one mile south of Honua'ula. The botanical survey report of the wastewater alignments includes a map of the alternative wastewater transmission line alignments. In addition, Figure 2 (Regional Location) of the Draft EIS shows the selected wastewater transmission line alignment. Discussion of botanical resources along the alternative wastewater transmission line alignments is discussed in Section 3.6 (Botanical Resources) of the Draft EIS as follows:

SWCA also completed a botanical survey of the areas of alternative wastewater transmission line alignments for possible connection to the Mākena Resort WWRF, which is located approximately one mile south of Honua'ula. The survey did not observe any Federal or State of Hawai'i listed threatened, endangered, or candidate plant species on any of the alignments; however the non-native tree tobacco (*Nicotiana glauca*) was also observed (SWCA 2009). Since the botanical survey of the areas of the wastewater transmission line alignments was conducted, a decision has been made regarding which alignment to use based upon potential construction impacts, costs, and permitting considerations. For more information see Section 4.8.2 (Wastewater System) and Figure 2. Appendix E contains the complete survey of the alternative wastewater transmission line alignments.

To address biological concerns regarding the off-site wells, transmission lines and storage tanks for potable and non-potable water, SWCA completed a biological survey of these areas. No Federal or State of Hawai'i candidate, proposed or listed threatened or endangered plant or animal species were observed within the area of the offsite wells, water transmission lines, or storage tanks. The majority of the species observed within these areas (82 percent of the flora and 100 percent of the fauna) are introduced to the Hawaiian Islands. Most of the native plants

observed during the survey are commonly found throughout Maui and the main Hawaiian Islands. Of the native plants in the survey area, only williwili has a limited distribution throughout the Hawaiian Islands, primarily because the species occurs in dry shrublands and forests. The Final EIS will contain the complete biological survey report of the areas of the offsite wells, water transmission lines, and storage tanks as an appendix.

To address concerns regarding archaeology Aki Sinoto Consulting, LLC, completed archaeological surveys for the areas of: 1) Honua'ula's off-site wells, storage tank, and waterline; and 2) the area of the selected wastewater transmission line alignment for possible connection to the Mākena Resort WWRF. No surface structural remains or any other features indicative of prehistoric period or traditional Hawaiian cultural activities were encountered in the areas of: 1) Honua'ula's off-site wells, storage tank, and waterline; and 2) the selected wastewater transmission line alignment for possible connection to the Mākena Resort WWRF. The AIS reports for the off-site water and wastewater infrastructure areas recommend that in view of the negative results of the survey, no further pre-construction archaeological procedures are warranted. However, archaeological monitoring of construction-related ground disturbing activities is recommended. When water and wastewater system plans are finalized, archaeological monitoring plans will be prepared and submitted to the State Historic Preservation Division (SHPD) for review and approval before commencement of any construction activities. The limited width of the water and wastewater transmission line corridors will facilitate avoidance of any inadvertent discoveries that may warrant preservation. The Final EIS will contain the archaeological inventory survey reports as appendices.

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS Section 3.6 (Botanical Resources) will be revised as shown on the attachment titled "Botanical Resources" and Section 4.1 (Archaeological and Historic Resources) will be re revised as shown on the attachment titled "Archaeological and Historic Resources."

Comment: We heard professor Dick Mayer say these tanks and pipelines are in the Upcountry Community Plan area, which is not allowed. Is this true? If so it should be explained.

Response: The Makawao-Pukalani-Kula Community Plan contains Water Objective & Policy # 4, which states:

4. Restrict the use of any water developed within or imported to the Upcountry region to consumption within the Upcountry region, with exception provided for agricultural use.

Honua'ula's private water system is not in conflict with this policy. Honua'ula's off-site wells are located in the Kīhei-Mākena Community Plan area in an area north of Maui Meadows. The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of the water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on-site and some will be transmitted to an off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted

through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the Makawao-Pukalani-Kula Community Plan.

Figure 2 (Regional Location) of the Draft EIS shows the location of Honua'ula's off-site water infrastructure. In the Final EIS, Figure 2 (Regional Location) will be revised to show: 1) the location of the off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation; and 2) the boundary between the Makawao-Pukalani-Kula Community Plan and the Kihai-Makena Community Plan regions. The attachment titled "Figure 2" shows the revised figure.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

1. *That Honua'ula Partners, LLC, its successors and permitted assigns, shall, at their own cost and expense, develop, maintain, and operate, or cause to be developed, maintained, and operated, a private water source, storage facilities, and transmission lines for the Wailea 670 (Honua'ula) project in accordance with Department of Water Supply standards and all applicable community plans. Honua'ula Partners, LLC, its successors and permitted assigns, shall comply with all reporting requirements of the State Commission on Water Resource Management.*

In addition, Honua'ula Partners, LLC, its successors and permitted assigns, shall comply with applicable water ordinances that pertain to the supply and transmission of water from the island of Maui when such ordinances are enacted.

At the time the project water system is completed, Honua'ula Partners, LLC, its successors and permitted assigns, shall offer to the County the right to purchase the project water system at the cost of development of such system.

The water rates for the residential workforce housing units shall be no higher than the general water consumer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, Maui County Code.

Discussion: As discussed in Section 4.8.1 (Water System), Honua'ula Partners, LLC will comply with this condition by providing a private water source, storage facilities, and transmission lines for Honua'ula in accordance with DWS standards and all applicable community plans. Further discussion is provided in Section 4.8.1 (Water System).

In comments on the Draft EIS some commenters referenced the The Makawao-Pukalani-Kula Community Plan and commented that Honua'ula's private water system was not in compliance with this plan. Specifically these comments pertained to Water Objective & Policy # 4 of the Makawao-Pukalani-Kula Community Plan, which states:

4. Restrict the use of any water developed within or imported to the Upcounty region to consumption within the Upcounty region, with exception provided for agricultural use.

Honua'ula's private water system is not in conflict with this policy. Honua'ula's off-site wells are located in the Kihai-Makena Community Plan region in an area north of Maui Meadows.

The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of the water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on site and some will be transmitted to an off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the Makawao-Pukalani-Kula Community Plan.

Figure 2 shows the location of Honua'ula's off-site water infrastructure and the boundary between the Makawao-Pukalani-Kula Community Plan and the Kihai-Makena Community Plan regions.

In further compliance with ~~the condition~~ Condition J, Honua'ula Partners, LLC will also: 1) offer the right to purchase the completed water system to the County; and 2) ensure that water rates for the residential workforce housing units will be no higher than the general water consumer rates set by the County, for as long as the units are subject to Chapter 2.96 of the County Code.

Pirilani Road Extension

Comment: *Will this state right of way become a private road? Not very much is discussed about arrangements between the state and Wailea 670 to use the corridor. Did the state get paid for the roadway? What can be allowed on the Ulupalakua section? We know more about the landscaping than the hard facts.*

Response: Honua'ula Partners, LLC will build all Honua'ula internal roadways which will remain private. It is not the intent of the developer to dedicate Honua'ula's internal roadways to the County. Honua'ula Partners, LLC will also extend Pirilani Highway to the south to intersect with Kaukahi Street. The portion of the extended Pirilani Highway within the State right of way will be owned by the State. The portion of the extended Pirilani Highway within the State right of way owned by Ulupalakua Ranch will remain private.

Widening of Pirilani Hwy past Kilohana

Comment: *This is going to have its own Environmental Assessment according to the DEIS, but we believe it should be included in the discussion of the whole project as part of this EIS. We don't know for example if there will be materials stored on the Wailea 670 lands with heavy trucks coming in and out, rock crushing, grubbing or grading? Impacts need to be disclosed as part of the whole Wailea 670 project*

Response: A draft and final environmental assessment (EA) for the widening of Pirilani Highway were prepared. The State Department of Transportation accepted the final EA and issued a

Finding of No Significant Impact. The Pi'ilani Highway Widening Project Final EA will be included as an appendix to the Final EIS.

Section 4.4.5 (Transportation Management) of the Draft EIS notes that the Honua'ula property will be used for construction parking and as a staging area during the widening of Pi'ilani Highway. The Pi'ilani Highway Widening Project Final EA discusses that a temporary construction baseyard and staging area for the Pi'ilani Highway widening project will be located on approximately five acres of the Honua'ula property directly across the Wailea Ike Drive intersection with Pi'ilani Highway. The construction baseyard and staging area will be used for construction offices, equipment and tool storage, repair facilities, parking, material storage, and a rock processing and crushing facility.

Section 4.4.5 (Transportation Management) of the Draft EIS discusses that a transportation demand management plan (TMP) has been prepared for construction of both Honua'ula and the Pi'ilani Highway widening project. The TMP proposes transportation management strategies to reduce construction-related traffic during the construction of Honua'ula and the widening of Pi'ilani Highway. Appendix M of the Draft EIS contains the complete TMP.

During the widening of Pi'ilani Highway, there will likely be noise impacts associated with operation of heavy construction machinery, paving equipment, and material transport vehicles. Blasting may be used during the widening of Pi'ilani Highway to fragment and/or dislodge rock during construction to reduce the total construction period and the amount of time required to remove rock compared to if only mechanical (such as hoe ram) equipment were used. Potential impacts from blasting include airborne noise and ground vibrations. Controlled blasting operations using relatively small charges may be feasible without causing adverse noise and vibration impacts at nearby residences. As an alternative to blasting, the use of chemical expansion to break or dislodge rock will be considered. Chemical demolition agents are non-toxic and provide environmentally-friendly, safe, controlled demolition. Expansive powers are mixed with water and poured into pre-drilled holes on rock. The non-explosive demolition agent swells and exerts significant expansive thrust on the hole-wall. After a certain period, the pressure induced by the chemical non-explosive demolition agent fractures the wall and splits the rock across the line of the drill holes. These chemicals easily split and fracture mass rock without producing any noise or vibration.

To reflect the relevant above information in the Final EIS, Section 4.5 (Noise) will be revised as follows:

Potential impacts on the ambient quality of the site and surrounding area due to the creation of Honua'ula and the widening of Pi'ilani Highway are primarily limited to short-term construction activity and, in the long-term, increases in traffic and human activity within the community.

Short-term Impacts – During the widening of Pi'ilani Highway and construction of Honua'ula, there will likely be noise impacts associated with operation of heavy construction machinery, paving equipment, and material transport vehicles. Blasting may be used during the widening of Pi'ilani Highway to fragment and/or dislodge rock during construction to reduce the total construction period and the amount of time required to remove rock compared to if only mechanical (such as hoe ram) equipment were used. Potential impacts from blasting include airborne noise and ground vibrations. Controlled

blasting operations using relatively small charges may be feasible without causing adverse noise and vibration impacts at nearby residences. As an alternative to blasting, the use of chemical expansion to break or dislodge rock will be considered. Chemical demolition agents are non-toxic and provide environmentally-friendly, safe, controlled demolition. Expansive powers are mixed with water and poured into pre-drilled holes on rock. The non-explosive demolition agent swells and exerts significant expansive thrust on the hole-wall. After a certain period, the pressure induced by the chemical non-explosive demolition agent fractures the wall and splits the rock across the line of the drill holes. These chemicals easily split and fracture mass rock without producing any noise or vibration.

Alternative plans for a wider buffer for Maui Meadows

Comment: For years we have heard Maui Meadows residents ask for a wide buffer zone of 200 ft between them and Wailea 670. Instead the DEIS shows only a 50 ft landscape area that is supposed to serve as a fire break, drainage, view plane buffer, park, community garden, native planting 'enhancement' area and noise buffer. The DEIS repeatedly refers to a 100 ft buffer zone. In reality, half of that 100 feet is a road with traffic, and back yard easements. Who are we kidding? A 100 ft buffer is 100 ft with nothing but open space, not a road, not a back yard. This DEIS is incomplete because it doesn't show an alternative plan map with a real 100 ft buffer.

Response: The Maui County Council considered the width of the buffer area between Maui Meadows and Honua'ula during its deliberations on the Honua'ula Change in Zoning and Project District Phase I approval in 2008. After considering extensive public input on many issues related to Honua'ula, including the appropriate width of the buffer area between Maui Meadows and Honua'ula, the Maui County Council passed Ordinance No. 3553 which established Chapter 19.90A, MCC (The Kihai-Makana Project District 9 Ordinance).

Section 19.90A.030(E)(5) of the Kihai-Makana Project District 9 Ordinance (Chapter 19.90A, Maui County Code (MCC)) specifies:

A minimum one hundred foot wide fire buffer area, with a minimum fifty-foot wide landscape buffer area within it, shall be provided between the southern boundary of the Maui Meadows subdivision and Kihai-Makana project district 9 (Wailea 670). No structures, except rear and side boundary walls or fences, shall be permitted in the buffer.

We believe the Council exercised due care to mitigate impacts to Maui Meadows in specifying a minimum buffer width of 100 feet when enacting this section of the Kihai-Makana Project District 9 Ordinance based on the concerns of Maui Meadows residents expressed at the Council hearings. In accordance with this requirement the concept plan shown in the Draft EIS (Figure 1) provides for a 100-foot buffer between Maui Meadows and any structure within Honua'ula.

While the items you list are not as directly stated in the Draft EIS regarding the buffer, we note that all of the proposed uses within the buffer area that you list and that are described in the Draft EIS could be generally described as "open space." In conformance with Section 19.90A.030(E)(5), MCC noted above, no structures, except rear and side boundary walls or fences, will be included in the buffer. We believe the uses described in the Draft EIS for buffer area (landscape buffer, firebreak, view shed, open space area, native plant area, etc.) are appropriate uses and in conformance with Section 19.90A.030(E)(5), MCC.

Water

Comment: *It looks like the project may not have enough water. The DEIS talks about the private water company being able to restrict non-potable water use to certain hours or days and require every property owner to conform to a [sic] irrigation water budget.*

When a sensible limit on watering during cooler hours was proposed by council member Anderson a few years ago, people from Wailea opposed it loudly. Does the DEIS ever discuss how practical it is going to be to enforce such a water budget? It looks like a volunteer homeowner's board is supposed to be doing all the enforcement of very complicated design standards, planting standards, etc. This does not sound very practical or likely.

Response: We are unclear as to why you think that Honua'ula's private water system will restrict non-potable water use to certain hours or days and impose an irrigation water budget. This not proposed or stated in the Draft EIS. To clarify, Section 4.8.1 (Water System) of the Draft EIS states:

Honua'ula Partners, LLC is committed to aggressive water conservation strategies to reduce consumption, conserve resources, and minimize water demands. The goal is to reduce the total water requirements through a combination of water saving equipment and strategies. To conserve water within Honua'ula, Honua'ula Partners, LLC will implement water conservation recommendations of the County of Maui Department of Water Supply, including:

- Using climate-adapted plants for landscaping;
- Preventing over watering by automated systems;
- Not allowing single pass cooling pursuant to Section 14.21.20, MCC;
- Installing low-flow fixtures and devices throughout the community pursuant to Section 16.20A.680, MCC; and
- Maintaining fixtures to prevent leaks.

Comment: *What will happen to all the existing golf course wells in Wailea and condo irrigation wells in South Kihei if the project over pumps its section of the aquifer that everyone shares? The DEIS says there will be some impacts, but gives no real facts about what will be done to fix the situation. There doesn't seem to be a back up plan for water needs, except to drill more wells further north. No proof is given that this will work. We need to see discussions of a smaller project that fits the dry area.*

Response: Section 3.5.1 (Groundwater) of the Draft EIS states that five of Wailea Resort's nine golf course irrigation wells are within this downgradient and lateral zone. According to the Commission on Water Resource Management (CWRM) records, the draft of these wells is approximately 1.4 MGD as a year-round average. However, because Wailea Resort's Well 2 (No. 4126-02) is nearly directly downgradient from Honua'ula's on-site wells, it is the only well in which there may be a potential increase in salinity due to the potential decrease of groundwater flow being taken up by the Honua'ula wells. Decreased pumping of Honua'ula's on-site wells would alleviate this potential impact.

Honua'ula's well system, with on-site and off-site wells, was specifically engineered to minimize impacts to Wailea Resort's golf course irrigation wells. Honua'ula's two on-site wells are fully

permitted by CWRM and have been in place for nearly 20 years; however they cannot supply all water needed for Honua'ula. Rather than drill additional wells on-site, which could lead to potentially adverse impacts to Wailea Resort's downgradient wells, Honua'ula's off-site wells will draw from groundwater flows removed from Wailea Resort's wells, in an area north of Maui Meadows that has far less downgradient water withdrawals. The use of this off-site water within Honua'ula lessens the need for groundwater withdrawals from on-site Honua'ula wells, thus preserving more groundwater flow to the downgradient Wailea Resort wells.

Regarding the water system, currently there are at least six private water companies on the Island of Maui that provide potable water to residential customers. Several of these companies have been in operation for more than 30 years. All private potable water companies are regulated as public utilities by the State Public Utility Commission (PUC). The PUC: 1) prescribes rates, tariffs, charges and fees; 2) determines the allowable rate of earnings in establishing rates; 3) issues guidelines concerning the general management of public utility businesses; and 4) acts on requests for the acquisition, sale, disposition or other exchange of utility properties, including mergers and consolidations.

Before start up, Honua'ula's private water system is subject to the approval of the DOH Safe Drinking Water Branch. As part of the DOH approval process the DOH requires that new private water companies demonstrate capacity requirements and satisfactory technical, managerial, and financial capabilities, including:

- An adequate water source to serve current and future water users;
- Adequate system technical performance;
- An infrastructure replacement plan that includes estimates of the useful life and plans for the eventual replacement of the public water system's infrastructure;
- An operational plan that includes a preventative and corrective maintenance program;
- A clear management organization and communication structure;
- An emergency response plan;
- Adequate financial capacity and dedicated sources of income, including income and cash reserves to pay annual operating expenses, unexpected significant repairs, and planned major work;
- Adequate budget controls, including performance reviews of actual expenditures and annual budgets, procedures to safeguard financial assets, and maintenance of detailed financial records that clearly identify sources of income and expenses involved in operating the public water system; and
- Demonstration of credit worthiness, including: 1) long-term dedicated revenue projections showing sufficient revenue for: a) operating and maintaining the public water system; b) performing anticipated repairs; c) replacement of major equipment; d) future expansion; and e) repayment of loans; and 2) credit reports that indicate that the public water system is financially healthy and credit worthy.

To include the relevant above information in the Final EIS, along with addressing comments regarding water issues from others, in the Final EIS Section 4.8.1 (Water System) will be revised as shown on the attachment titled "Water System."

Beaches

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Comment: *No mention is made that the thousands of future residents and their guests will want to use nearby beaches. What impact does this have on fishing, camping, and cultural activities? Wailea 670 is just a few minutes from Palaua and Polo beach. The DEIS should include impacts and what the project can do to help keep our beaches available to local families.*

Response: As discussed in Section 4.9.2 (Population) of the Draft EIS, population projections by the Maui Planning Department (Maui Planning Department 2006) indicate that the overall Maui Island population and Kihei-Mākena population is increasing. By 2025 the Maui Island population is expected to increase by 24 percent from the 2010 population, including a projected 28 percent increase in the Kihei-Mākena population. During the same period the average visitor census for Maui is projected to increase 28 percent with approximately 47 percent of Maui's visitors staying in the Kihei-Mākena region. These increases are projected with or without Honua'ula. The additional population will use public facilities, such as beaches, and increased beach use will occur with or without Honua'ula.

Section 4.9.2 (Population) of the Draft EIS notes that when fully built-out, the total population of Honua'ula is projected to be 1,833 persons, of which 1,541 will be full-time residents and 292 will be periodic users comprised of non-resident owners and their guests (Hallstrom 2009). It is important to realize that under the requirements of Chapter 2.96, MCC Honua'ula's 450 on-site workforce affordable homes must be offered for sale to Maui residents. Therefore, based on a household size of 2.5 people per household, approximately 1,125 (73 percent) of Honua'ula's future 1,541 full-time residents will most likely be existing Maui residents already making periodic use of public facilities such as beaches. As a result, the incremental increase in use of public facilities as a result of Honua'ula will be significantly less than the overall population of Honua'ula may indicate.

We acknowledge that some Honua'ula residents will go to Maui beaches; however the number of Honua'ula residents going to a specific beach on any given day cannot be known and it cannot be assumed that Honua'ula residents will patronize only the beaches you list; rather it is likely that they could be distributed among any beach in the Kihei-Mākena region or the entire island.

Cultural sites

Comment: *Maui Unite has commented many times on the need for better archaeological work on the Wailea 670 site. We find it very unlikely that the 480 acres in the north of the property has only one cultural site. We continue to regard the project's AIS as incomplete. Any preservation plan needs to be put on hold until we really know what is there.*

We asked to be a consulted party on the Honua'ula cultural plan, sent in comments, and all we got was a form letter. We do not find that the project has a real interest in making it possible for all interested native Hawaiians to practice traditional and customary gathering and spiritual ceremonies.

We have members who have knowledge of these places and have documented additional cultural sites on the property, including many more stepping stone trails. There should be a real effort

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made to connect all the parts of the ancient trails into one map, no matter whose property they are on.

Response: On August, 26, 2010 Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehū participated in a site visit of the Honua'ula Property with several community members and State Historic Preservation Division (SHPD) staff. SHPD staff present were archaeologist Morgan Davis and cultural historian Hinano Rodrigues. Community members present included: Lucienne de Naie, Daniel Kanahele, Janet Six, Elle Cochran, U'ilani Kapu, Ke'eaumoku Kapu, Lee Altenberg, and 'Ekolu Lindsey. Some of the community members had previously: 1) presented testimony, or were present, at the Maui Planning Commission meeting on June 22, 2010 at which the Honua'ula Draft EIS was discussed; 2) submitted information to SHPD claiming that they had found archaeological sites on the Property that had not been included in the archaeological inventory survey dated March 2010 included in the Draft EIS; and 3) submitted written comments on the Draft EIS expressing concerns regarding archaeological sites on the Property.

Subsequent to the site visit, SHPD issued a letter dated September 8, 2010 stating that no significant unrecorded sites were noted at that time (i.e. during the August, 26, 2010 site visit). The letter also provides SHPD's review of the archaeological inventory survey (dated March 2010) and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) a large plan map of the survey area with sites and features plotted be included. In addition, the SHPD letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings."

In response to SHPD's September 8, 2010 letter commenting on the archaeological inventory survey (dated March 2010), archaeologist Aki Sinoto: 1) revised the archaeological inventory survey report to address SHPD's concerns; and 2) submitted the revised archaeological inventory survey report to SHPD in April 2011.

In July and August of 2011, Daniel Kanahele of Maui Cultural Lands submitted letters to Honua'ula Partners, LLC's representative Charlie Jencks and SHPD providing additional comments on the archaeological inventory survey (dated March 2010) that was included in the Draft EIS. Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehū responded to these letters in writing. In the summer of 2011 Maui Cultural Lands members also made a presentation to SHPD regarding their inspections of the Property.

In response to the concerns Maui Cultural Lands members expressed to SHPD in the summer of 2011, on September 23, 2011 archaeologist Aki Sinoto and cultural advisor Kimokeo Kapahulehū met with SHPD archaeologist Morgan Davis and SHPD cultural historian Hinano Rodrigues at SHPD's Maui office. Subsequently, as recommended by SHPD, Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehū met with members of Maui Cultural Lands and other community members at Maui Community College on November 17, 2011. Maui Cultural Lands members and other community members present at the November 17, 2011 meeting included: Daniel Kanahele, Janet Six, 'Ekolu Lindsey, Lucienne de Naie, Jocelyn Costa, and Clifford Ornellas.

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Others present at the meeting included Stanley Solamillo, a cultural resource planner with the Maui Planning Department, and Tanya Lee Greig, the director of Cultural Surveys Hawaii's Maui office.

As a result of the November 17, 2011 meeting, the archaeological inventory survey report was further revised to: 1) recommend preservation of a section of a post-contact agricultural wall documented in the archaeological inventory survey but not previously recommended for preservation; 2) add descriptive narrative information for two post-contact agricultural walls; and 3) revise pertinent map figures in the report. Archaeologist Aki Sinoto submitted the further revised archaeological inventory survey report to SHPD in March 2012. Since the SHPD Maui archaeologist had recently resigned, copies of the revised archaeological inventory survey report were transmitted to SHPD's main office in Kapolei and to Dr. Theresa Donham, the interim SHPD chief of archaeology in Hilo. In April 2012, Dr. Donham notified archaeologist Aki Sinoto that the report was forwarded to the SHPD Maui office for review due to the hiring of replacement personnel. As of May 2012, SHPD has not completed its review of the revised (March 2012) archaeological inventory survey.

To include the relevant above information in the Final EIS, along with addressing comments regarding archaeological and historic resources from others, in the Final EIS Section 4.1 (Archaeological and Historic Resources) will be revised as shown on the attachment titled "Archaeological and Historic Resources."

Regarding your comments about the stepping stone trails, in the archaeological inventory survey report, two of the earlier recorded segments have been combined (Site 4951) and other smaller segments (Sites 4959 and 6797) have been recorded as isolated segments. Site 4959 also includes the intersection of a mauka-makai segment and a north-south segment. All of the recorded segments occur within preserves that will maintain the current landscape with no surface alterations, other than manual vegetation clearing in some areas. The AIS discussed trail segments leading east into 'Ulupalakua Ranch holdings as well as the segment near the coast within the same a'a flow within Palaua ahupua'a. With large segments disturbed or destroyed, the reconstruction of the original alignments linking specific trail segments is problematic. Also, with the original integrity lost through past disturbances or development of the intermediate areas between the coastal and subject areas, there exists no definitive confirmation that these segments indeed connected in the past.

Comment: *We also know kupuna who have used the Kanaio-Kalama Park road. It is part of our heritage and should be preserved. We believe that our South Maui Community plan says to protect roads and trails and allow access. The DHS wants to make new trails and quietly get rid of the old ones that hold our history.*

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Response: Regarding the Kanaio-Kalama Park roadway, remnant segments of the roadway are present along a portion of an existing jeep road which was constructed atop the same alignment in the southeastern corner of the Property. The approximate route of the Kanaio-Kalama road will be incorporated into the Honua'ula trail system to further enhance mauka-makai access across the Property. This functionally equivalent route will approximate the alignment shown on the current TMK map (Figure 3 of the Draft EIS), and thus will run diagonally from Kauka'ahi Street, through the Native Plant Preservation Area, to the southeast corner of the Property.

To include the relevant above information, as well as responses from others regarding trails and access, into the Final EIS, Section 4.3 (Trails and Access) will be revised as shown on the attachment titled "Trails and Access." In addition Figure 13 (Trails Network) will be revised as shown on the attachment titled "Figure 13."

Comment: *There are ancient stories connected with the moku of Honua'ula, like the genealogy of Kumuhonua. It is confusing and disrespectful to assign a housing development the sacred name of an entire district. Look at what has happened to Ka'anapali. Most folks have no idea that Ka'anapali is a legendary district of Maui, not a resort and real estate brand! Will this be the fate of Honua'ula?*

Response: We acknowledge your opinion regarding the naming of Honua'ula. Throughout Hawai'i, place names provide a living and intelligible history of the various districts and places. As keen observers of the climatic conditions, ecosystems and natural phenomenon, Hawaiians recorded these observations and experiences through names that vividly expressed their interpretations and feelings. Place names add expressions of affection and reverence to events and people of the past, and many of them have roots in history and legends that provide historical information of the land and its residents.

The name is significant in the Hawaiian tradition because it could determine the bearer's character, well-being and future failures or successes. A name could affect the destiny of an individual, place or object.

As discussed in Section 4.2.1 (Honua'ula Moku) of the Draft EIS, the literal meaning of the name Honua'ula is "red earth" or "red land," which may have been in reference to the distinctive red dust of Haleakalā (Handy et al. 1991). There are a number of alternative explanations for the name. In the cultural impact assessment, Tau'a and Kapahulehua (2009) state that the name connotes sacred earth based on the sacredness of the color red. Sterling (1998), in *Sites of Maui*, includes the following account by Fomander, of the chief, Mo'ikeha, who brought back companions from his voyage to Tahiti:

His canoes were equipped forthwith under the superintendence of Kamahualele, his astrologer and seer (Kihokilo), and with a goodly company of chiefs, retainers, and relatives, they set sail for Hawaii...The legends differ somewhat to the names of the followers of Mo'ikeha, but they all agree that a number of places in the Hawaiian group were named after such or such companions of Mo'ikeha, who were permitted to land here and there as the fleet coasted along the island shores, and who succeeded in establishing themselves where they landed. Thus were named the district of Honua'ula on Maui.

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This name reflects the vision for the Property, with an emphasis on building a community in harmony with nature. Honua'ula is meant to convey the meaning of its name by inspiring a strong social identity and a refreshing, well preserved island environment for the region.

Comment: *Bottom line- no attempt has been made to locate and listen more lineal descendants of these lands and include them in the Historic Review process. The names of the kuleana holders and maps of their lands are not even included in the pages of these big documents.*

The AIS included in the Draft EIS (dated March 2010, see Appendix I) was prepared in accordance with the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). These rules require an AIS to: 1) indicate whether any Land Commission Awards (LCAs) were granted within a project area and within the greater ahupua'a; and 2) locate the awards on a map whenever possible. The AIS discusses LCAs in the three ahupua'a and notes that none of the LCAs appear to be within the boundaries of the Honua'ula Property. Location data is unavailable for the majority of the LCAs in the three ahupua'a, however the few LCAs that are located are either in the coastal areas or further inland.

The AIS was submitted to SHPD for review on March 23, 2010. In a letter dated September 8, 2010, SHPD provided their review comments on the AIS and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. In addition, the letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings."

Significant Walls

Comment: *Cultural practitioners are also concerned the integrity of the long East-West wall (site 200 in the 2000 AIS) is being compromised by a proposed "preservation plan." Original archaeological survey maps of Waile'a 670 showed site 200 in its entirety- running from the western to eastern boundary of the property. Those maps are not in the AIS.*

The Site 200/ wall was described by Theresa Donham as a possible ahupua'a boundary wall, in the Project Ka'eo book. This wall continues almost all the way to the ocean through Waile'a golf course and the Palaua Cultural preserve site. This is a major wall. Mauka of the Waile'a 670 project area, site 200 continues all the way east to Ulupalakua.

The current Archaeological site map in the AIS (Fig 6, P. 20) chops off several hundred feet of the wall's western end. In the AIS there is a [sic] aerial view with cultural sites. (Figure 6) This view shows site 200- (now re-labeled "site 1"), ending where it joins with a north-south wall, not at the western property boundary.

Our members are concerned about this wall. When the project spokesperson was asked if the wall could be included in the preservation area, he portrayed it as "broken down." Our cultural practitioners say the wall is in good shape at the western end.

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No justification is given in the AIS or CRPP for leaving a large portion of this wall out of preservation. It has simply been allowed to disappear from the AIS map. It needs to be preserved and the other walls in Waile'a 670 should also be preserved until we know more about the location of kuleana land claims.

Response: Regarding the "East-West wall" identified as Site 200 in Section 4.1 (Archaeological and Historic Resources) of the Draft EIS, this wall was most likely not an ahupua'a boundary wall, but an enclosure wall built to keep cattle out of the 'a'ā lands. The wall is largely being preserved with dilapidated or previously breached segments planned to be restored and limited small segments slated to be breached by roadways and other development-related requirements. The structure of the wall consists primarily of free-standing segments, but also incorporates topographical features such as small cliffs, modified outcrops, and sections of retaining walls. In the Final EIS, Figure 1 (Conceptual Master Plan) will be revised to include the whole wall as extant within the boundaries of the Property. The attachment titled "Figure 1" shows the revised figure.

As noted above the AIS has been revised to include: 1) a large plan map of the survey area with sites and features plotted; 2) a recommendation to preserve of a section of a post-contact agricultural wall documented in the archaeological inventory survey but not previously recommended for preservation; 2) descriptive narrative information for two post-contact agricultural walls.

Native Plants and Animals

Comment: *The DEIS seems to be trying to get around the protections the county council tried to give our kupuna lau—native plants. When you look at the 143-acre "native plant enhancement" area it's just a lot of landscape planting. Ten years from now, new rules could go into effect for the subdivision and the plants could be replaced. It's good to use native plants for landscaping the homes, to save water, but this shouldn't be trade off for destroying the natural ecosystem where these plants already live healthy lives. This destruction is not acceptable. The DEIS really is deficient in showing how the project could be adapted to a 130 acre native plant preserve area. An EIS is supposed to present alternatives. We need that alternative presented. It needs to be a map. We need to see how it can be done.*

Response: In response to comments on the Draft EIS requesting additional area to be set aside for native plant species, Honua'ula Partners, LLC proposes both on- and off-site measures.

For on-site measures Honua'ula Partners, LLC will increase the area of the Native Plant Preservation Area on the Honua'ula property from 22 to 40 acres. This 40-acre area contains the highest density of native plants within the Property, and will include all five 'āwīkīwīki plants that were alive in 2009 and the majority of the nehe plants at the Property. The Native Plant Preservation Area will be actively managed in accordance with the Conservation and Stewardship Plan (included as Appendix F of the Draft EIS). Management actions will include removal and exclusion of ungulates (deer, cattle, goats, and pigs), removal and control of noxious invasive weeds and plants, and propagation of native plants from seeds collected on the Property.

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For off-site mitigation, Honua'ula Partners, LLC will:

1. Acquire a perpetual conservation easement of approximately 224-acres on a currently unprotected portion of property owned by Ulupalakua Ranch adjacent to the eastern boundary of the State of Hawaii Kanaio Natural Area Reserve; and
2. Fund and implement the continuation and expansion of restoration efforts within the Auwahi Forest Restoration Project area, just north of the Kanaio Natural Area Reserve, including fencing of approximately 130 acres, ungulate removal, and plant restoration activities.

Together the on- and off-site mitigation areas provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of native dryland plants, including wiliwili. Through the perpetual protection and enhancement of these areas, a stable core habitat area will be secured for the Blackburn's sphinx moth, providing net benefit to this species, as well as a large number of additional native dryland species. To implement the on- and off-site mitigation measures, Honua'ula Partners, LLC, will finalize its draft Habitat Conservation Plan in collaboration with the US Fish and Wildlife Service (USFWS) and State DLNR in accordance with Section 10(a)(1)(B) of the Endangered Species Act and Chapter 195D, Hawai'i Revised Statute. The on- and off-site mitigation areas are subject to the approval of the Habitat Conservation Plan by USFWS and DLNR.

To include this information in the Final EIS, in the Final EIS Section 3.6 (Botanical Resources) will be revised as shown on the attachment labeled "Botanical Resources."

To include discussion of a 130-acre Native Plant Preservation Area in the Final EIS, in the Final EIS Chapter 6 (Alternatives) will be revised to include the information shown on the attachment labeled "Alternatives."

Comment: *What's going to happen if the native plants are given the treated sewage/ desal brine. Will they like it? Are there studies? What about pesticides and fertilizers from golf courses?*

Response: To ensure the long-term conservation and stewardship of native plants within Honua'ula, and in conformance with County of Maui Ordinance No. 3554 Condition 27a, Honua'ula Partners, LLC's biological consultant SWCA Environmental Consultants prepared the Honua'ula Conservation and Stewardship Plan. The plan incorporates findings, conclusions, and recommendations from previous botanical surveys, wildlife surveys, and biological assessments of the Property and sets forth proactive stewardship actions to manage the native plant areas. Appendix F of the Draft EIS contains the complete Honua'ula Conservation and Stewardship Plan and Section 3.6 (Botanical Resources) of the Draft includes a summary of the plan.

To ensure that Honua'ula's golf course is developed and operated in an environmentally responsible manner and potential impacts to the surrounding environment are mitigated, Environmental & Turf Services, Inc., prepared a comprehensive report of Best Management Practices (BMPs) for the golf course. The overall goal of the Honua'ula golf course BMPs is to reduce the turf chemical and water inputs required to manage the 18-hole golf course and to minimize waste generation. The golf course will be designed to minimize impact on the surrounding environment and provide enhancement of ecological functions (i.e., buffer

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zones/strips, water features, natural topography, wildlife habitat). Appendix C of the Draft EIS contains the golf course BMP report and Section 3.5.1 (Groundwater) of the Draft EIS includes a summary of the report.

Comment: *In conclusion: send this DEIS back for more work. Many sections are very incomplete and can't be an honest guide for future decisions. We were promised all the facts in Phase II. It's time to get them.*

Response: The Draft EIS was, and the subsequent Final EIS will be, prepared in conformance with the State of Hawai'i EIS law (Chapter 343, HRS) and EIS rules (Title 11, Chapter 200, HAR). The EIS laws and rules provide for the preparation of a Draft EIS, a review process, and the preparation of a Final EIS. Per the EIS rules, the Final EIS will incorporate substantive comments received during the review process, including your comments and our responses to your comments. The accepting authority, the Maui Planning Department/Planning Commission, shall determine if the Final EIS, in its completed form, represents an informational instrument which fulfills the definition of an EIS and adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to review comments.

We note that in commenting on the Draft EIS the Maui Planning Commission stated that the "Honua'ula Draft EIS is one of the better draft documents the commission has seen in terms of completeness."

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachments: Wastewater System
Botanical Resources
Archaeological and Historic Resources
Figure 2 (Regional Location)
Water System
Trails and Access
Figure 13 (Trails Network)
Figure 1 (Conceptual Master Plan)
Alternatives

Sierra Club Maui Group
PO Box 791180, Paia, HI 96779

The DEIS you are considering is lacking much essential information. In the first place, state and local authorities have set their own standards and did not require an Environmental Assessment (EA) to be completed before the preparation of the EIS. The EA would have provided more detailed information to you, the decision makers about this project's plans, along with the comments of agencies and individual citizens. It would have given everyone a chance to help shape this plan in a better direction. Instead, a brief EIS Prep notice was issued which promised that all information would be forthcoming in the Draft EIS. There were no comments from agencies to inform the public or decision makers. That was all compressed into this one phase, making a huge document with a quick turn around time to review.

Sierra Club does appreciate that the applicant honored its request to extend the comment deadline to June 30. We submitted extensive comments when the EIS preparation notice came out. Today we want to ask you to consider one important point.

The EIS process is supposed to examine alternatives to the proposed action. Not just a "no action" alternative. Not just the plan as proposed 25 years ago alternative, but real options that can mitigate expected impacts. This document does not provide you with that type of analyses. Instead you will be provided with lovely artists' renditions of future homes and roadways and bikeways, and told that everything is going to be carefully done.

Every project makes extensive promises. Here are the brochures created for Wailea when it was being developed. They promised a real community for local residents and tourists, a car free environment where trams served transportation needs, a school and affordable housing, protection of the environment and cultural resources and a population of 50,000.

We all know that this is not what happened. Instead we have a very lovely resort community and golf courses where few of Maui's residents could afford to live and gated neighborhoods make sure that few can enter. The oceans off Wailea have declined, but no one knows why. Old Makena Road and its history disappeared in the resort development. Three hundred burials had to be displaced to build one hotel. Hundreds of cultural sites were destroyed. This tropical landscape created in a desert consumes more than half the water from the lao aquifer.

Yes, Wailea is an economic engine. Yes, Wailea 670 may become an economic engine, but the question remains: is there a better way to plan these types of places? Are their alternatives to golf course design that require minimum grading and disturbance? Is there a design for Wailea 670 that could protect up to 130 acres as habitat for the endangered Blackburn moth, and the rare and threatened native plants that already flourish there? This document needs to show you and us the public those choices. It needs to have maps and analyses that describe and truthfully evaluate those choices. Please ask to have the information you need to make good decisions. Promises sound great, but who will be accountable to see that they are kept? Projects like this require thoughtful alternatives to choose from and good conditions to insure that important resources are protected.

Mahalo, Daniel Grantham, for Sierra Club Maui Group



May 31, 2012

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SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Grantham:

Thank you for your letter sent to the Maui Planning Department regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments.

Comment: *The DEIS you are considering is lacking essential information.*

Response: The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawai'i EIS laws and rules (Chapter 343, Hawaii Revised Statutes) and Title 11, Chapter 200, Hawaii Administrative Rules (HAR). The EIS laws and rules provide for the preparation of a draft EIS, a review process, and the preparation of a final EIS. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments, and our responses. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments.

We note that in commenting on the Draft EIS the Maui Planning Commission stated that the Honua'ula Draft EIS was "one of the better draft documents the commission has seen in terms of completeness."

Comment: *In the first place state and local authorities have set their own standards and did not require an Environmental Assessment (EA) to be completed before the preparation of the EIS. The EA would have provided more detailed information to you, the decision makers about this project's plans, along with the comments of agencies and individual citizens. It would have given everyone a chance to help shape this plan in a better direction. Instead, a brief EIS Prep notice was issued which promised that all information would be forthcoming in the Draft EIS. There were no comments from agencies to inform the public or decision makers. That was all compressed into this one phase, making a huge document with a quick turn around time to review.*

Response: Honua'ula Partners, LLC has consulted with the Office of Environmental Quality Control (OEQC) to ensure that all applicable statutory and regulatory requirements regarding the Environmental Impact Statement (EIS) process have been fulfilled. Regarding the Environmental Impact Statement Preparation Notice (EISPN) dated March 2009, notice of which was published in the March 8, 2009 Environmental Notice, the OEQC Director stated: "...the published document fulfills all the

Daniel Grantham

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requirements and components [off an environmental assessment." The public comment period (which includes agency comment also) for the EISP began March 8, 2009 and ended April, 7, 2009.

Subsequent to the publication of the EISP dated March 2009, pursuant to the instructions of the OEQC Director, the Maui County Planning Department submitted an Environmental Assessment/Environmental Impact Statement Preparation Notice (EA/EISP) to OEQC on September 18, 2009. Notice of the availability of the EA/EISP was published in the October 8, 2009 edition of the OEQC's *The Environmental Notice*. The official public comment period (which includes agency comment also) on the EA/EISP was from October 8, 2009 to November 7, 2009; however Honua'ula Partners, LLC voluntarily extended the comment period until November 17, 2009 to allow all consulted parties ample time to provide comments.

After the EA/EISP public comment period, Maui County Planning Department submitted the Draft EIS to OEQC on April 13, 2010. Notice of the availability of the Draft EIS was published in the April 23, 2010 edition of OEQC's *The Environmental Notice*. The official 45-day public comment period (which includes agency comment also) on the Draft EIS was from April 23, 2010 to June 7, 2010; however as a courtesy to those that requested more time to review the Draft EIS, Honua'ula Partners, LLC voluntarily extended the comment period on the Draft EIS until June 30, 2010.

Given that there have been three public comment periods (which included agency review and comments) as part of the EIS process, two of which have been extended by Honua'ula Partners, LLC of its own volition, we must respectfully disagree with your contention that there was not ample opportunity for public and agency review and comment throughout the EIS process.

In addition to the current EIS process, there was substantial opportunity for the consideration of public and agency questions and concerns over an extended period of time prior during the County Council hearings for the Honua'ula Change in Zoning and Project District Phase I approval in 2008. At that time the County Council heard extensive testimony from the public, State and County agencies and experts in various fields of study. In response to concerns raised at the hearings, the Council included comprehensive conditions as part of the Change in Zoning Ordinance (County of Maui Ordinance No. 3554) approval. These conditions reflect a range of concerns and ensure that any impacts of Honua'ula are mitigated and addressed in context with regional impacts and demands, including impacts related to native plants, traffic, and infrastructure systems such as water and wastewater. Prior to the County Council hearings in 2008, the Council's Land Use Committee had held extensive public meetings over the course of 2006 and 2007 to consider Honua'ula, including an estimated ten public hearings where public testimony was heard. These Council and Committee hearings/meetings provided significant opportunity for the consideration of public questions and concerns.

Comment: *The EIS process is supposed to examine alternatives to the proposed action. Not just a "no action" alternative. Not just the plan as proposed 25 years ago alternative, but real options that can mitigate expected impacts. This document does not provide you with that type of analysis.*

Daniel Grantham

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

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Response: HAR Title 11, Department of Health (DOH), Chapter 200, EIS Rules, Section 11-200-17(F), states that a Draft EIS must contain a section discussing "alternatives **which could attain the objectives of the action [emphasis added]**, regardless of cost, in sufficient detail to explain why they were rejected."

The objectives of Honua'ula are rooted in the desire of Honua'ula Partners, LLC to implement the *Kihei-Mākena Community Plan* and create an appealing master-planned community with a variety of housing opportunities, village mixed uses, and abundant recreational amenities. Honua'ula will also foster preservation of natural and cultural resources while contributing to Maui's social fabric and economic diversity.

Land uses within the Honua'ula property are governed by the requirements of Chapter 19,90A (Kihei-Makena Project District 9 (Wailea 670), Maui County Code (MCC) which clearly articulates the uses that can be implemented within the property. Therefore there is not a limitless range of alternatives to consider.

Chapter 6 (Alternatives) of the Draft EIS examined six alternatives and explained why each specific alternative was rejected. The "no action" alternative was considered because it is one of the alternatives that the EIS rules specifically cite as an example of alternatives that should be considered in a draft EIS (see Section 11-200-17(F)(1), HAR)

Previously proposed plans for the property (see Section 6.5 (Resort/Residential with Two Golf Courses and Section 6.6 Resort Residential with One Golf Course of the Draft EIS) were considered as alternatives because they have been analyzed, studied, and refined over the course of more than two decades, therefore they illustrate the historical evolution of the project from Wailea 670 to Honua'ula and highlight alternatives that have been proposed and rejected.

While the alternatives discussed in the Draft EIS were ultimately rejected because they do not meet the purpose and intent of Chapter 19,90A, MCC, they are: 1) at least within the range of reasonable alternatives that could be considered; 2) illustrate the historical evolution of the project; and 3) and are in conformance with the requirements of HAR Title 11, DOH, Chapter 200, Section 11-200-17(F).

Comment: *Wailea 670 may become an economic engine, but the question remains: is there a better way to plan these types of places?*

Response: Honua'ula implements State and County planning policies for the property that have been thought-out, studied, and advanced for over 20 years. Honua'ula realizes and supports decisions regarding the use of the Property for residential, recreational, and commercial uses made by the State Land Use Commission, the Maui Planning Commission, and the Maui County Council. Honua'ula is also within the "urban growth boundary" of the current Directed Growth Maps of: 1) the Planning Department; 2) the Maui Planning Commission; and 3) the General Plan Advisory Committee. As such, Honua'ula realizes the vision for the property that has been formulated and refined over the course of more than two decades.

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Comment: *Are their alternatives to golf course design that require minimum grading and disturbance?*

Response: As discussed in Section 2.3.5 (Golf Course and Clubhouse) of the Draft EIS, the golf course layout is carefully routed to minimize impacts to the land, incorporate existing lava formations, and preserve and provide areas for native plants. Occupying approximately 110 acres, the Honua'ula golf course is already optimized to minimize grading compared to a traditional golf course that typically occupies 180 acres or more. As discussed in Section 3.2 (Geology and Topography) of the Draft EIS, topography is a key defining feature of Honua'ula, and one of the principal design and planning goals is to preserve and utilize this topography as much as possible. To the extent practicable, improvements will conform to the contours of the land to retain the existing rolling topography and natural drainage ways.

To ensure that Honua'ula's golf course is developed and operated in an environmentally responsible manner and potential impacts to the surrounding environment are mitigated, Environmental & Turf Services, Inc., prepared a comprehensive report of Best Management Practices (BMPs) for the golf course. Appendix C of the Draft EIS contains the golf course BMP report and Section 3.5.1 (Groundwater) of the Draft EIS includes a summary of the report.

Comment: *Is there a design for Waiitea 670 that could protect up to 130 acres as habitat for the endangered Blackburn moth, and the rare and threatened native plants that already flourish there? This document needs to show you and us the public those choices. It needs to have maps and analyses that describe and truthfully evaluate those choices.*

Response: Section 3.6 (Botanical Resources) of the Draft EIS details extensive measures that will be established to protect and conserve native plant species (including williwili trees), including: 1) establishing a Native Plant Preservation Area; and 2) implementing a conservation and stewardship plan that sets forth proactive stewardship actions to manage the native plant areas. Please note that no Federal or State of Hawai'i listed threatened or endangered plant species were identified on the Honua'ula property; however, a candidate endangered species, *ʻāwīkīwīkī* (*Canavalia pubescens*), was identified on the property.

In response to comments on the Draft EIS requesting additional area to be set aside for native plant species, Honua'ula Partners, LLC proposes both on- and off-site measures.

For on-site measures, Honua'ula Partners, LLC will increase the area of the Native Plant Preservation Area on the Honua'ula property from 22 to 40 acres. This 40-acre area contains the highest density of native plants within the Property, and will include all five ʻāwīkīwīkī plants that were alive in 2009 and the majority of the *nehe* plants at the Property. The Native Plant Preservation Area will be actively managed in accordance with the Conservation and Stewardship Plan (included as Appendix F of the Draft EIS). Management actions will include removal and exclusion of ungulates (deer, cattle, goats, and pigs), removal and control of noxious invasive weeds and plants, and propagation of native plants from seeds collected on the Property.

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For off-site mitigation, Honua'ula Partners, LLC will:

1. Acquire a perpetual conservation easement of approximately 224-acres on a currently unprotected portion of property owned by Ulupalakua Ranch adjacent to the eastern boundary of the State of Hawaii Kanaio Natural Area Reserve; and
2. Fund and implement the continuation and expansion of restoration efforts within the Auwahi Forest Restoration Project area, just north of the Kanaio Natural Area Reserve, including fencing of approximately 130 acres, ungulate removal, and plant restoration activities.

Together the on- and off-site mitigation areas provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of native dryland plants, including williwili. Through the perpetual protection and enhancement of these areas, a stable core habitat area will be secured for the Blackburn's sphinx moth, providing net benefit to this species, as well as a large number of additional native dryland species. To implement the on- and off-site mitigation measures, Honua'ula Partners, LLC, will finalize its draft Habitat Conservation Plan in collaboration with the US Fish and Wildlife Service (USEWS) and State Department of Land and Natural Resources (DLNR) in accordance with Section 10(a)(1)(B) of the Endangered Species Act and Chapter 195D, Hawai'i Revised Statute. The on- and off-site mitigation areas are subject to the approval of the Habitat Conservation Plan by USEWS and DLNR.

To include this information in the Final EIS, in the Final EIS Section 3.6 (Botanical Resources) will be revised as shown on the attachment labeled "Botanical Resources."

To include discussion of a 130-acre Native Plant Preservation Area in the Final EIS, in the Final EIS Chapter 6 (Alternatives) will be revised to include the information shown on the attachment labeled "Alternatives."

Comment: *Projects like this require thoughtful alternatives to choose from and good conditions to insure that important resources are protected.*

Response: As noted above, the alternatives discussed in the Draft EIS are: 1) within the range of reasonable alternatives that could be considered; 2) illustrate the historical evolution of the project; and 3) and are in conformance with the requirements of HAR Title 11, DOH, Chapter 200, Section 11-200-17(F).

Regarding "good conditions to insure that important resources are protected" the Maui County Council included comprehensive conditions as part of Honua'ula's Change in Zoning Ordinance (County of Maui Ordinance No. 3554) approval. These conditions reflect a range of concerns and ensure that any impacts of Honua'ula are mitigated and addressed in context with regional impacts and demands, including impacts related to native plants, traffic, and infrastructure systems such as water and wastewater. Section 5.2.3 (County of Maui Zoning) of the Draft EIS discusses Honua'ula Partners, LLC's compliance with these conditions. The State Land Use Commission has also implemented several other conditions as part of the State land use district boundary amendment that changed the state land use designation of the property from the Agricultural District to the Urban District.

Daniel Grantham
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT
DISTRICT PHASE II APPLICATION
May 31, 2012
Page 6 of 6

Sierra Club Maui Group
Po Box 791180
Paia, HI 96779
June 30, 2001

PBR Hawaii
Attn: Tom Schnell, AICP
1001 Bishop Street, Suite 650
Honolulu, Hawaii 96813

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachments: Botanical Resources
Alternatives

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RE: DRAFT EIS for proposed Honua'ula/Wailea 670 Project

Mahalo for this opportunity to offer comments on the Draft EIS for this project on behalf of the six hundred members of Sierra Club Maui Group. Sierra Club has offered input to this project since its expansion to 670 acres in the late 1980's. We have long felt that the sensitive characteristics of this site and the amount of modification proposed for golf course and housing warranted an updated EIS process. We appreciate the applicant's response to our request to extend the deadline for comments.

We are disappointed that the so-called EA issued in conjunction with this project, contained so little specific information about what was planned. This lack of two levels of review for a complex project, compressed the public's opportunity to provide meaningful comments into a very short time frame. While this DEIS is lengthy, it has many sections which appear to be cut and paste from previous sections, with no additional information being offered.

We also believe that this document does not meet the requirements set forth in HAR 11-200-17(E) which requires proposed actions to provide the information necessary to permit an evaluation of potential environmental impacts in their EIS.

Segmentation of Associated Actions

There are a number of actions associated with this project which are necessary precedents for the larger project and, to be in compliance with HAR 11-200-7 (B), these must be included in the DEIS to avoid segmentation of environmental review. A famous case here on Maui involving Kahana Sunset condominiums established this as an important legal precedent.

The Supreme Court opinion stated: "the Commission is the agency receiving the request for approval of the action, and it is therefore the agency responsible for preparation of the environmental assessment." In so holding, we recognized that "[i]solating only that particular component of the development for environmental assessment would be improper segmentation of the project."

This appears to be what is happening with a number of actions connected to the Honua'ula project. Widening of Piihahi Hwy from Kiloahana to Wailea Ike St. is a required condition of rezoning, as are improvements to Wailea Ike and other intersections. Environmental review for these actions has been done separately and is not included in any meaningful way in the project's DEIS.

Off-Site Affordable Housing

document incomplete and premature and request that the DEIS be resubmitted when the missing information can be included. To not take this action is to segment the project, in direct violation of HRS 343 and its applicable rules.

Major offsite Infrastructure

Likewise there is no discussion, evaluation or mitigation of the impacts of the proposed 250 affordable units in North Kihei (except a plan to reduce traffic impacts required by conditions of rezoning). These are part of the Honua'ula project, although they are located elsewhere.

MECO Power Station Expansion

Offsite wells, transmission lines and storage tanks for potable and non-potable water supplies and wastewater transmission lines are located on private land and will have no environmental review if they are not evaluated in the DEIS. Only the wastewater line has any discussion of botanical review, but no report or survey maps are included.

Basic information about the proposed MECO expansion should be included in the DEIS, since the expansion area adjoins a reservoir area to store brackish water for Wailea resort.

Do transformers contain toxic substances? Is there a minimum distance recommended between electrical equipment and homes, shops or public spaces? The DEIS should present as much information as available, whether MECO decides to expand or not.

While it is mentioned that the present overhead high voltage power lines that transect the property will be relocated underground, it is not mentioned if lines from the proposed Auwahi wind farm would likely be located above ground or below ground? Will specific archaeological review be done along the corridor where the high voltage lines are buried?

When will information be obtained from MECO to meet condition 18 of rezoning, since this information is part of Project District Phase II approval?

Wastewater Treatment Facility

The DEIS does not appear to have the Sewage Disposal Analysis reviewed and commented upon by state and county agencies, as required by condition of rezoning No. 16 **prior to Phase II approval**. Instead, it states that;

"For a more detailed analysis Honua'ula Partners, LLC has engaged Brown and Caldwell Engineers to prepare a Draft Honua'ula Sewage Disposal Analysis. In accordance with this condition, the Analysis will be submitted to the State DOH and DLNR and the County DEM and DWS for review and comment before Project District Phase II approval. The Analysis, along with reviews and comments, will then be submitted to the Maui County Council for review. "

Since the Planning Commission is responsible for granting the project's Phase II approval, and the Analysis must be submitted to various agencies for review before Phase II approval, this DEIS should already include the Sewage Disposal Analysis and related comments to provide adequate opportunity for meaningful review and comments by the public and the Planning Commission.

Especially important would be a discussion of comparative wastewater fees for residents. Since affordable homes are guaranteed parity with public facility rates, would Makana Resort's wastewater system be able to operate with half the customer base at lower fees? Policymakers should have access to this information as early in the process as possible.

Based upon the large volume of critically needed information lacking either any inclusion or review in this DEIS document, Sierra Club would request the accepting authorities to find the

3.6 Biological Resources

The proposed 22 biological preservation area is wholly inadequate, and ultimately neither sound conservation planning nor wise resource utilization. The 143 acres of fragmented preservation areas proposed around the golf course holes in the southern portion of the site does not offer the best strategy for successful management.

Dr. Jonathan Price, an expert in Hawaiian dryland forest preservation commented on the Honua'ula plan:

"the smaller the area preserved, the more intensive the management will need to be. A site of a few acres for example, particularly if divided into scattered smaller units, will require costly, intensive management, in order to maintain even a modicum of ecosystem integrity. On the other hand, setting aside an area of more than 100 acres would require some degree of management, albeit far less intensive than the former scenario."

The DEIS should analyze a Project Design layout in the Alternatives Section that includes a 130 acre botanical cultural preserve, to be in compliance with condition no 27 of rezoning.

4.1 Cultural Resources

The project's AIS is based upon methodologies that involve minimal testing (only six of 40 sites, most with one 1ft by 1ft test unit), inadequate mapping and incomplete fieldwork.

The AIS does not specify how many field sessions involving how many personnel, for how many days have taken place at the project site, nor does it elaborate on the transect areas covered. These are all standard disclosures in archaeological reviews. It is still unclear if actual transects have been completed of the northern 480 acres.

It is clear that when citizens reported during public testimony that numerous additional cultural sites were on the land, they were correct. Twelve new sites with nearly twenty features have been recorded since the last draft AIS in 2001. Citizens continue to submit pictures and locations of additional sites. It is clear that the AIS is far from being complete.

Site evaluation at Honua'ula project does not appear to actually be based upon the State Historic Preservation law process. Especially lacking is a clear assignment of significance Criterion E as specified by 13-284-6(b) 1-5 HAR, which this AIS and DEIS must comply with.

Criterion E is defined in the AIS as: "applies to sites or places perceived by the contemporary community as having traditional cultural value."

The AIS version of criteria E omits the following underscored language;

(5) Criterion 'e' Have an important value to the Native Hawaiian people, or to another ethnic group of the state due to associations with cultural practices once carried out, or still

carried out, at the property or due to associations with traditional beliefs, events or oral accounts – these associations being important to the groups history and cultural identity.

Only the three recorded stepping stone trail sites have been evaluated as significant under criteria E'. One segment of stepping stone trail recorded earlier, placed on a crude map and not assigned a number has seemed to disappear from the inventory survey. It is not explained whether this segment was not relocated, combined with another segment and assigned the same site number or has simply been forgotten. Cultural practitioners have shown photos of several additional unrecorded segments of stepping stone trails on the project site. Some of these trails appear to lead to planting areas. Some make connect with trail segments found on the Wailea golf course or in Palaua preserve further west. No accurate maps have been provided showing relationship of the trail sections. It is unclear whether all are being preserved in their original cultural setting.

4.8.1 Water

Preliminary Engineering Report relies on declaratory statements about the adequacy of the project's water systems without supporting technical studies to substantiate its claims. There is not enough quantitative data on water systems to permit any impact analysis. There are no independent hydrology reports. The USGS study referred to that purportedly supports higher available flows for Kamaole aquifer, only mentioned the aquifer as one entry in an aquifer chart. The USGS report offered no analysis of the aquifer's potential SY. The 1988 hydrology report for the project cautioned that Wailea 670's wells could impact downlope wells in Wailea and comments from Wailea Resort management made the same statement. The DEIS must analyze the proposed use of the Kamaole aquifer for the project's demand by researching and evaluating the entire range of existing users and the relative pumpage and salinity of their wells. Water fees for residents must also be discussed to comply with rezoning conditions.

4.8.3 Drainage

Drainage plans appear to be elaborate, but there is little quantitative data to provide assurance that the assumptions they are based upon will prove to be sufficient to mitigate impacts. For example, one of the larger areas of drainage flow impact, basins 1 through 5 at the north of the project site have a high concentration of high-density urban environment proposed, the lowest percentage of golf course lands to absorb run off, and drainage basin systems not scheduled to be completed until Phase II (2018) or Phase III (2022) of the project. The existing offsite drainage impacts to this area during a 100 yr / 24 storm are huge: over 2,100 cfs (1300 mgd). Currently two 10ft or more diameter culverts are installed to carry water from this sector of the project area under Pitlani highway and eventually to the ocean. Options, such as a larger natural buffer area between, Maui Meadows and Honua'ula should be discussed as viable alternatives to mitigate overflows in this high impact area. Currently, less than 4 acres is proposed for this buffer.

To give a blanket statement, that the project's theoretical system of drainage basins, and absorption by golf courses and open space will mitigate large storm event flows, seems highly speculative. No examples of similar successful designs were included in the DEIS discussion for comparison. It also seems risky to assume that pre-existing and off site flows will not need additional containment measures in order not to overwhelm facilities designed for only post development flows. If coastal impacts result from the project, what mitigations will be available to restore the health of public trust resources?

There is no plan for all-important maintenance of the retention basins in the "Master Drainage Plan."

4.10.5 Parks

One of the project's 3 private neighborhood parks is located along the makai boundary of the property in a natural gulch area currently subject to high velocity flows during storm events. A park location on either side of the natural gulch would be more practical.

Sierra Club Maui requests that the accepting authorities find this DEIS incomplete and premature. Without including the omitted studies and evaluation information in the DEIS, the project is not in compliance with the environmental review laws of the State of Hawaii. We appreciate this opportunity to share our remarks.

Sierra Club Maui Group,

Lucienne de Naie
Conservation Committee



Lucienne de Naité
SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
 May 31, 2012
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May 31, 2012

Sierra Club Maui Group
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SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Ms. de Naité:

Thank you for your letter dated June 30, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. The organization of this letter follows the headings of your letter.

Opening Comments

Comment: We are disappointed that the so-called EA issued in conjunction with this project, contained so little specific information about what is planned. This lack of two levels of review for a complex project compressed the public's opportunity to provide meaningful comments into a very short time frame.

Response: With respect to your statements regarding alleged deficiencies of the Honua'ula Environmental Assessment/Environmental Impact Statement Preparation Notice (EA/EISP/N), please note that the EA/EISP/N was preceded by the Honua'ula Environmental Impact Statement Preparation Notice (EISP/N). The Maui County Planning Department submitted the EISP/N to the State of Hawai'i Office of Environmental Quality Control (OEQC) on February 23, 2009. Notice of the availability of the EISP/N was published in the March 8, 2009 edition of the OEQC's *The Environmental Notice*. The public comment period for the EISP/N began March 8, 2009 and ended April 7, 2009.

Following the EISP/N public comment period, Honua'ula Partners, LLC consulted with the OEQC to ensure that all applicable statutory and regulatory requirements were fulfilled. Regarding the EISP/N dated March 2009, the OEQC Director stated: "...the published document fulfills all the requirements and components [of an environmental assessment." Pursuant to the instructions of the OEQC Director, the Maui County Planning Department subsequently submitted an EA/EISP/N to OEQC on September 18, 2009. Notice of the availability of the EA/EISP/N was published in the October 8, 2009 edition of the OEQC's *The Environmental Notice*. The official public comment period on the EA/EISP/N was from October 8, 2009 to November 7, 2009; however Honua'ula Partners, LLC voluntarily extended the comment period until November 17, 2009.

Subsequent to the EA/EISP/N public comment period, Maui County Planning Department submitted the Draft EIS to OEQC on April 13, 2010. Notice of the availability of the Draft EIS was published in the April 23, 2010 edition of OEQC's *The Environmental Notice*. The official 45-day public comment period on the Draft EIS was from April 23, 2010 to June 7, 2010; however as a courtesy to those that requested more time to review the Draft EIS, Honua'ula Partners, LLC voluntarily extended the comment period on the Draft EIS until June 30, 2010.

Given that there have been three public comment periods as part of the EIS process, two of which have been extended by Honua'ula Partners, LLC of its own volition; we must respectfully disagree with your comment that "the public's opportunity to provide meaningful comments" has been compressed "into a very short time frame".

In addition to the current EIS process, there was substantial opportunity for the consideration of public and agency questions and concerns over an extended period of time prior during the County Council hearings for the Honua'ula Change in Zoning and Project District Phase I approval in 2008. At that time the County Council heard extensive testimony from the public, State and County agencies, and experts in various fields of study. In response to concerns raised at the hearings, the Council included comprehensive conditions as part of the Change in Zoning Ordinance (County of Maui Ordinance No. 3554) approval. These conditions reflect a range of concerns and ensure that any impacts of Honua'ula are mitigated and addressed in context with regional impacts and demands, including impacts related to native plants, traffic, and infrastructure systems such as water and wastewater. Prior to the County Council hearings in 2008, the Council's Land Use Committee had held extensive public meetings over the course of 2006 and 2007 to consider Honua'ula, including an estimated ten public hearings where public testimony was heard. These Council and Committee hearings/meetings provided significant opportunity for the consideration of public questions and concerns.

Comment: We also believe that this document does not meet the requirements set forth in HAR 11-200-17(E) which requires proposed actions to provide the information necessary to permit an evaluation of potential environmental impacts in their EIS.

Response: The Draft EIS was, and the Final EIS will be, prepared in accordance with: 1) the State Environmental Impact Statement Law (Chapter 343, Hawai'i Revised Statutes (HRS)); and 2) the Environmental Impact Statement Rules (Title 11, Chapter 200, Hawai'i Administrative Rules (HAR)). Section 11-200-17(E), HAR, to which you refer specifically pertains to what is required in an EIS regarding a project description. The Honua'ula Draft EIS meets the criteria specified under Section 11-200-17(E), HAR along with all other subsections (A – P) of Section 11-200-17, HAR pertaining to the content requirements of a draft EIS.

Segmenting of Associated Actions

Comment: There are a number of actions associated with this project which are necessary precedents for the larger project and, to be in compliance with HAR 11-200-7 (B), these must be included in the DEIS to avoid segmentation of environmental review. A famous case here on Maui involving Kahana Sunset condominiums established this important legal precedent.

The Supreme Court opinion stated: "the Commission is the agency receiving the request for approval of the action, and it is therefore the agency responsible for the preparation of the environmental assessment." In holding so, we recognized that "[i]solating that particular component of the development for environmental assessment would be improper segmentation of the project."

This appears to be what is happening with a number of actions connected to the Honua'ula project. Widening of Pihani Hwy from Kiloahana to Wailea Iike St. is a required condition of rezoning, as are improvements to Wailea Iike and other intersections. Environmental review for these actions has been done separately and is not included in any meaningful way in the project's DEIS.

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Response: According to the Supreme Court of Hawai'i (Court) in its ruling in the 2007 Superferry case, *Sierra Club v. Department of Transportation*, 115 Haw. 299 (2007) ("Superferry I"), "Rules like HARS 11-200-7 are meant to keep applicants from escaping full environmental review by pursuing projects in a piecemeal fashion." As you are aware, the Superferry I case involved the State Department of Transportation's (DOT) determination that improvements to Kahului Harbor to accommodate the Superferry were exempt from the requirements to prepare an environmental assessment (EA). The Court ruled that DOT's determination was erroneous and that "the public was prevented from participating in an environmental review process for the Superferry project by DOT's grant of an exemption to the requirements of HRS chapter 343."

In the Kahana Sunset case (*Kahana Sunset Owners Ass'n v. County of Maui*, 86 Haw. 66 (1997) ("Kahana Sunset") to which you refer, the Court also held that an exemption to preparing an EA was improperly granted. Kahana Sunset concerned a situation where the County of Maui granted an exemption to preparing an EA for drainage improvements beneath a public street. The drainage improvements were necessary to facilitate the development of a condominium project (Napilihau Villages), for which there was no specific requirement to prepare an EA. In its ruling on Kahana Sunset, the Court held that an EA was necessary for the drainage improvements and that the EA had to include consideration of the larger project which would connect to the drainage improvements because the drainage system was a "necessary precedent" for the larger project and would have no independent utility—it would not be constructed except as part of the larger project.

The facts of the Superferry I and the Kahana Sunset cases are fundamentally different from the situation of Honua'ula, the widening of Pīlani Highway, and the Wailea Alanui/Wailea Ike Drive intersection improvements. According to the Court in Kahana Sunset and Superferry I, segmentation is improper where it permits incremental consideration of portions of a project in an attempt to avoid environmental review. Unlike the Superferry I and Kahana Sunset cases, no exemptions to preparing EAs have been sought or granted for any actions associated with Honua'ula and there has been no attempt whatsoever to avoid required environmental review. The Honua'ula Draft EIS provides in-depth environmental review of the Honua'ula project, which includes discussion of actions associated with Honua'ula such as the widening of Pīlani Highway from Kilohana Drive to Wailea Iki Drive (and related intersection improvements between these points). In addition, separate EAs have been prepared that provide further information about the widening of Pīlani Highway and the Wailea Alanui/Wailea Ike Drive intersection improvements. These environmental reviews have been subject to full public review and comment, in accordance with applicable law. Given that: 1) an EIS has been prepared for Honua'ula; 2) EAs have been prepared for the widening of Pīlani Highway and the Wailea Alanui/Wailea Ike Drive intersection improvements; and 3) each of these documents have undergone the requisite public comment period; there has been no attempt whatsoever to escape environmental review. Thus the harm from segmentation that the Kahana Sunset and Superferry I rulings are intended to prevent is not applicable here.

Further, while widening Pīlani Highway is a condition of Honua'ula's rezoning ordinance (County of Maui Ordinance No. 3554, Condition 2a), it is important to note that the need for this improvement has been long established and significantly predates the Honua'ula rezoning ordinance. Indeed, the need to widen Pīlani Highway from two lanes to four has been called for in various plans and studies as far back as 1996. For example the:

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- *Kihei Traffic Master Plan*, published in 1996 by the State DOT, DPWWM, and the Maui County Department of Planning recommended: "Widening of Pīlani Highway from two to four lanes from Mokulele Highway to south of Kilohana Drive." (Recommended Improvement No. 2)
- *County of Maui Long-Range Land Transportation Plan, Final Report*, published in 1997 by DOT, DPWWM, and the Maui County Department of Planning recommended that Pīlani Highway from Mokulele Highway to Wailea be widened "from two to four lanes" (Improvement No. 56).
- *Kihei-Makena Community Plan*, published in 1998 as County of Maui Ordinance No. 2641, Bill No. 5 states: "require adequate interregional highway capacity: including the widening of Pīlani and Mokulele Highways to four lanes".
- *Kihei Traffic Master Plan Study*, published in 2003 by Parsons Brinckerhoff Quade & Douglas for DPWWM recommended that the "Maximum Pīlani Highway Corridor" alternative be adopted; to achieve this Pīlani Highway in the interim would be widened from two to four lanes and ultimately Pīlani Highway would be widened to six lanes or an alternative parallel roadway would be constructed mauka of Pīlani Highway.

In addition, the current Traffic Impact Analysis Report (TIAR) prepared for Honua'ula (Appendix L of the Draft EIS) concluded that by 2016 the widening of Pīlani Highway to four lanes would be necessary even if Honua'ula is not built. Likewise, the TIAR also concluded that a signal at the Pīlani Highway/Okolani Drive/Mikioi Place intersection also would be necessary. The long-established need for the widening of Pīlani Highway, and the fact that it is not exclusive to Honua'ula, is also underscored by the fact that both Wailea and Makena Resorts are also being required to fund this improvement.

Thus the widening of Pīlani Highway to four lanes cannot be considered a necessary precedent solely for Honua'ula, as the need for widening has been long recognized, dating back to at least 1996, and even the most recent TIAR anticipates that regional traffic conditions will warrant the widening of the highway independent from Honua'ula. Therefore, unlike the Kahana Sunset case, where drainage improvements would not be necessary if the larger project were not built, the widening of Pīlani Highway would in fact be necessary even if Honua'ula were not built. This is a critical distinction in the context of Section 11-200-7 HAR.

Similar to the widening of Pīlani Highway, while the Wailea Alanui/Wailea Ike Drive intersection improvements are a condition of Honua'ula's rezoning ordinance (County of Maui Ordinance No. 3554, Condition 2f), these improvements are not needed solely because of Honua'ula, but rather are necessary due to the build-out of Wailea and Makena Resorts. Both the Wailea Resort and the Makena Resort developments are projected to place additional traffic demands on Wailea Alanui and its key intersections, as documented in:

- Traffic Impact Analysis Report, Wailea Resort, Revised Master Plan-2005 (Austin, Tsutsumi & Associates, Inc. 2005);
- Traffic Impact Analysis Report for the Proposed Makena Resort Master Plan, August 18, 1999 (The Traffic Management Consultant 1999); and
- Makena Resort Master Plan Traffic Study (Phillip Rowell and Associates 2007),

These traffic reports recommend modifications to the Wailea Alanui/Wailea Ike Drive intersection because of future traffic associated with the build-out of Wailea and Makena Resorts. Thus, the

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Wailea Alanui/Wailea Ike Drive intersection improvements are not exclusive to Honua'ula and cannot be considered a necessary precedent solely for Honua'ula. Similar to the widening of Pi'ilani Highway, the Wailea Alanui/Wailea Ike Drive intersection improvements would be necessary even if Honua'ula were not built, making this situation fundamentally distinguishable from the Kahana Sunset case.

The entire Kihei-Makena region benefits from the widening of Pi'ilani Highway, and the widening is a separate DOT project meant to address regional traffic impacts that is being implemented with private funding, with the DOT overseeing the design, permitting, and construction. The use of State lands triggers agency compliance with Chapter 343, HRS (The Environmental Impact Statement law). As such, it is proper that the EA for the widening of Pi'ilani Highway be processed separately from the Honua'ula Draft EIS with DOT as the accepting agency. Similarly, the Wailea Alanui/Wailea Ike Drive intersection improvements will provide regional improvements to a County roadway and therefore it is proper that the EA for the intersection improvements be processed separately from the Honua'ula Draft EIS with the County Department of Public Works as the accepting agency.

For the widening of Pi'ilani Highway to four lanes, along with the required intersection improvements at the Pi'ilani Highway/Okolani Drive/Mikioi Place intersection, the Pi'ilani Highway/Wailea Ike Drive intersection, and the Pi'ilani Highway/Kioloana Drive/Māpu Place intersection, preliminary design of these improvements has been completed and a draft and final EA has been prepared. The State DOT issued a Finding of No Significant Impact for the final EA which was published in the May 8, 2012 edition of the Office of Environmental Quality Control's (OEQC) *The Environmental Notice*.

For the Wailea Alanui/Wailea Ike Drive intersection improvements, design has been completed, a draft and final EA were prepared, and the County Department of Public Works has accepted the final EA and issued a Finding of No Significant Impact. The Maui Planning Commission has also approved a Special Management Area (SMA) Use Permit for the intersection improvements.

It should also be noted that the DOT and County of Maui have also been consulted and actively involved throughout the environmental review process for Honua'ula, the widening of Pi'ilani Highway, and the Wailea Alanui/Wailea Ike Drive intersection improvements. At no time has the DOT, the Maui County Department of Planning, or the Maui County Department of Public Works ever raised concerns regarding the separate processing of the EIS and the EAs or how the environmental review of these projects has proceeded.

In summary, the harm from segmentation that HAR§11-200-7 is intended to prevent is not relevant regarding Honua'ula, and the Honua'ula EIS is not in violation of HAR§11-200-7. The widening of Pi'ilani Highway and the Wailea Alanui/Wailea Ike Drive intersection improvements are not "necessary precedents" solely for Honua'ula and therefore fall outside the scope of what Section 11-200-7 HAR seeks to redress. Further, in Kahana Sunset and Superferry I, the Court determined that segmentation is improper where it permits incremental consideration of portions of a project in an attempt to avoid environmental review. Both Superferry I and Kahana Sunset involved instances where an agency or an applicant sought to avoid environmental review by seeking an exemption to preparing an EA. Unlike the Superferry I and Kahana Sunset cases; 1) no exemptions to preparing EAs have been sought or granted for any actions associated with Honua'ula; 2) there has been no attempt whatsoever to avoid required environmental review; and

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3) the public has not been prevented from participating in the environmental review process for any aspect regarding Honua'ula.

However, to elaborate on widening of Pi'ilani Highway and the Wailea Alanui/Wailea Ike Drive intersection improvements in the Final Honua'ula EIS, in the Final EIS:

- Section 3.6 (Botanical Resources) will be revised as shown on the attachment titled "Botanical Resources;"
- Section 3.7 (Wildlife Resources) will be revised as shown on the attachment titled "Wildlife Resources;"
- Section 4.1 (Archaeological and Historic Resources) will be revised as shown on the attachment titled "Archaeological and Historic Resources;"
- Section 4.2 (Cultural Resources) will be revised as shown on the attachment titled "Cultural Resources;"
- Section 4.5 (Noise) will be revised as shown on the attachment titled "Noise;"
- Section 4.6 (Air Quality) will be revised as shown on the attachment titled "Air Quality;"
- Section 4.8.3 (Drainage System) will be revised as shown on the attachment titled "Drainage System;" and
- Section 7.2 (Cumulative and Secondary Impacts) will be revised as shown on the attachment titled "Cumulative and Secondary Impacts."

In addition, the Pi'ilani Highway Widening Project Final EA and the Wailea Ike Drive and Wailea Alanui Drive Intersection Improvements Final EA will be included in the Final EIS as appendices.

Off-Site Affordable Housing

Comment: *Likewise there is no discussion, evaluation or mitigation of the impacts of the proposed 250 affordable units in North Kihei (except a plan to reduce traffic impacts required by conditions of rezoning). These are part of the Honua'ula project, although they are located elsewhere.*

Response: As discussed in Section 4.9.3 (Housing) of the Draft EIS, Honua'ula Partners, LLC will provide workforce affordable homes in compliance with Chapter 2.96, MCC. As discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, in compliance with County of Maui Ordinance No. 3554 (Condition 5), 250 of the required workforce affordable homes will be provided off-site at the Ka'ono'ulu Light Industrial Subdivision (TMK (2) 3-9-01: 16). The Ka'ono'ulu Light Industrial Subdivision is within the State Urban District and is within the County of Maui Light Industrial zoning district. Multifamily homes are a permitted use within the State Urban District and County Light Industrial zone.

Providing workforce affordable homes at the Ka'ono'ulu Light Industrial Subdivision does not trigger the need for an environmental assessment or environmental impact statement under Chapter 343, HRS. However, impacts related to the use of the property for urban uses and uses permitted under the property's Light Industrial zoning have previously been examined as part of the property's State Land Use District Boundary Amendment, County Change in Zoning, and County Subdivision approvals. No rare, threatened, or endangered plant species are expected to be impacted, as none were found during a botanical inventory survey of the property. An archaeological inventory survey and a related preservation plan have been prepared to address impacts to archaeological resources and, based on their approval of these documents, the State

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Historic Preservation Division (SHPD) has determined that no historic properties will be affected. As part of the subdivision process for the Ka'ono'ulu Light Industrial Subdivision, the County of Maui Department of Public Works reviewed and approved improvements necessary for the subdivision, including provisions for water, sewage disposal, electrical and communications lines, drainage and flood control, and connection with Pi'ilani Highway, including widening and traffic signal improvements. The State Department of Transportation (DOT) has also reviewed and approved the connection with Pi'ilani Highway, including widening and traffic signal improvements. Further, the construction of the improvements required for the subdivision has been guaranteed with a bond of over \$22 million.

Regional traffic growth, including from the Ka'ono'ulu Light Industrial Subdivision, is being taken into account as part of DOT's Long Range Land Transportation Plan (LRLTP), which is currently being updated in consideration of known proposed developments in the region and will serve as a guide for the development of major surface transportation facilities and programs to be implemented in the future.

Because Chapter 2.96, MCC requires the workforce-affordable homes to be offered to Maui residents, the affordable homes will result in a redistribution of the existing Maui population as opposed to an incremental increase. As a result, there will be no impacts related to increased population, such as an overall increase in the need for State and County services. In addition to the workforce-affordable homes, Honua'ula Partners, LLC will also provide a minimum two-acre park within Ka'ono'ulu Light Industrial Subdivision to meet the recreational needs of the workforce-affordable home residents.

Impacts to schools will be addressed by Honua'ula Partners, LLC's compliance with County of Maui Ordinance No. 3554, Condition 22, which requires Honua'ula Partners, LLC to pay DOE at least \$3,000 per dwelling unit upon issuance of each building permit to be used, to the extent possible, for schools serving the Kihei-Mākena Community Plan area; provided that, should the State pass legislation imposing school impact fees that apply to Kihei-Mākena Project District 9, Honua'ula Partners, LLC will from that point forward comply with the State requirements, or contribute \$3,000 per dwelling unit, whichever is greater.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 7.2 (Cumulative and Secondary Impacts) will be revised as shown on the attachment titled "Cumulative and Secondary Impacts."

Major Offsite Infrastructure

Comment: *Offsite wells, transmission lines and storage tanks for potable and non-potable water supplies and wastewater transmission lines are located on private land and will have no environmental review if they are not evaluated in the DEIS. Only the wastewater line has any discussion of botanical review, but no report or survey maps are included.*

Response: Appendix E of the Draft EIS contains botanical surveys for: 1) the Honua'ula Property; and 2) areas of alternative wastewater transmission line alignments for possible connection to the Mākena Resort wastewater reclamation facility (WWRF), which is located approximately one mile south of Honua'ula. The botanical survey report of the wastewater alignments includes a map of the alternative wastewater transmission line alignments. In addition, Figure 2 (Regional Location) of the Draft EIS shows the selected wastewater transmission line alignment. Discussion of

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botanical resources along the alternative wastewater transmission line alignments is discussed in Section 3.6 (Botanical Resources) of the Draft EIS as follows:

SWCA also completed a botanical survey of the areas of alternative wastewater transmission line alignments for possible connection to the Mākena Resort WWRF, which is located approximately one mile south of Honua'ula. The survey did not observe any Federal or State of Hawai'i listed threatened, endangered, or candidate plant species on any of the alignments; however the non-native tree tobacco (Nicotiana glauca) was also observed (SWCA 2009). Since the botanical survey of the areas of the wastewater transmission line alignments was conducted, a decision has been made regarding which alignment to use based upon potential construction impacts, costs, and permitting considerations. For more information see Section 4.8.2 (Wastewater System) and Figure 2. Appendix E contains the complete survey of the alternative wastewater transmission line alignments.

To address biological concerns regarding the off-site wells, transmission lines and storage tanks for potable and non-potable water, SWCA completed a biological survey of these areas. No Federal or State of Hawai'i candidate, proposed or listed threatened or endangered plant or animal species were observed within the area of the off-site wells, water transmission lines, or storage tanks. The majority of the species observed within these areas (82 percent of the flora and 100 percent of the fauna) are introduced to the Hawaiian Islands. Most of the native plants observed during the survey are commonly found throughout Maui and the main Hawaiian Islands. Of the native plants in the survey area, only willow has a limited distribution throughout the Hawaiian Islands, primarily because the species occurs in dry shrublands and forests. The Final EIS will contain the complete biological survey report of the areas of the off-site wells, water transmission lines, and storage tanks as an appendix.

To address concerns regarding archaeology Aki Sinoto Consulting, LLC, completed archaeological surveys for the areas of: 1) Honua'ula's off-site wells, storage tank, and waterline; and 2) the area of the selected wastewater transmission line alignment for possible connection to the Mākena Resort WWRF. No surface structural remains or any other features indicative of prehistoric period or traditional Hawaiian cultural activities were encountered in the areas of: 1) Honua'ula's off-site wells, storage tank, and waterline; and 2) the selected wastewater transmission line alignment for possible connection to the Mākena Resort WWRF. The AIS reports for the off-site water and wastewater infrastructure areas recommend that in view of the negative results of the survey, no further pre-construction archaeological procedures are warranted. However, archaeological monitoring of construction-related ground disturbing activities is recommended. When water and wastewater system plans are finalized, archaeological monitoring plans will be prepared and submitted to SHPD for review and approval before commencement of any construction activities. The limited width of the water and wastewater transmission line corridors will facilitate avoidance of any inadvertent discoveries that may warrant preservation. The Final EIS will contain the archaeological inventory survey reports as appendices.

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS Section 3.6 (Botanical Resources) will be revised as shown on the attachment titled "Botanical Resources" and Section 4.1 (Archaeological and Historic Resources) will be revised as shown on the attachment titled "Archaeological and Historic Resources."

MECO Power Station Expansion

Comment: Basic information about the proposed MECO expansion should be included in the DES, since the expansion area adjoins a reservoir area to store brackish water for Wailea resort. Do transformers contain toxic substances? Is there a minimum distance recommended between electrical equipment and homes, shops or public spaces? The DES should present as much information as available, whether MECO decides to expand or not.

Response: The reservoir to which you refer is a one million gallon covered water tank on a parcel adjacent to and to the south of the Honua'ula Property. The brackish water stored in the water tank is used for irrigation within the Wailea Resort. The existing Maui Electric Company (MECO) substation has been operating for many years near this water tank.

MECO strictly complies with all applicable Federal, State, and County regulations regarding public safety and the environment, and MECO designs its substations in accordance with current and applicable codes and standards. Presently, the National Electrical Code, 2008 Edition, and the Uniform Building Code, 1997 Edition, as approved by the County of Maui, along with the National Electrical Safety Code, 2002 Edition govern minimum separation and clearance requirements. In addition, MECO's substation equipment installations meet all applicable County, State, and Federal environmental regulations and guidelines and do not contain toxic substances.

It has not yet been determined whether expansion of the existing substation will be necessary. Honua'ula Partners, LLC's electrical engineer has provided available information regarding Honua'ula to MECO for their review and planning purposes. MECO has stated that additional review is required during the design development stage of Honua'ula to determine if expansion of the existing substation will be necessary. MECO has also stated that although the current capacity of the MECO electrical system to serve Honua'ula may be limited, with continuously evolving demands for MECO's service, along with MECO's on-going efforts to upgrade and maintain their system to serve new and existing loads, capacity may be in place and adequate to serve Honua'ula by the time Honua'ula is under construction. MECO will continue to review its electrical system and requirements as Honua'ula progresses into the design development stage so that MECO will be able to evaluate: 1) the size of actual electrical loads that MECO is required to serve; 2) the dates when these loads need to be energized by MECO; and 3) the state of the MECO electrical system at the time when these loads are expected to be connected.

In anticipation of the need, Honua'ula Partners, LLC will continue to include an area for the expansion of the existing substation on Honua'ula plans. Should MECO not require additional area, the existing substation would not be expanded. Since MECO cannot make a determination until Honua'ula is within the design development stage, details on the requirements for serving Honua'ula are not available at this time. Should the substation be expanded, however, MECO's additional equipment (i.e. transformers, switchgear, cabling, etc.) and structures currently are anticipated to be similar to what is presently constructed at the existing substation.

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS Section 4.8.6 (Electrical System) will be revised as shown on the attachment titled "Electrical System."

Comment: While it is mentioned that the present overhead high voltage power lines that transect the property will be relocated underground, it is not mentioned if lines from the proposed Auwahi wind farm would likely be located above ground or below ground?

Response: Honua'ula Partners, LLC is not associated in any way with the proposed Auwahi Wind Farm. The proposed Auwahi Wind Farm is a completely separate project from Honua'ula, and the Auwahi Wind Farm transmission lines will not cross the Honua'ula Property. Based on our review of the *Auwahi Wind Farm Final Environmental Impact Statement* (Tetra Tech EC, Inc. August 2011), it is our understanding that the wind farm site and transmission lines are located on land owned by Ulupalakua Ranch, although the transmission lines cross Pīlani Highway within a County easement and Kula Highway, which is owned by the State of Hawai'i. The *Auwahi Wind Farm Final Environmental Impact Statement* states that the transmission line will be mounted on poles.

Comment: Will specific archaeological review be done along the corridor where the high voltage lines are buried?

Response: The archaeological inventory survey contained in the Draft EIS (Appendix I) covers the entire Honua'ula Property. No surface remains exist within the boundaries of the existing electrical substation, indicating minimal to no potential for subsurface remains at the substation. The precise route of the underground lines within the Honua'ula Property has not been determined; however, since the archaeological inventory survey covers the entire Property, additional archeological review will not be needed when the route of the underground lines is determined. In determining the route of the underground lines, identified archaeological sites will be avoided. In addition, as stated in Section 4.1 (Archaeological and Historic Resources):

Honua'ula Partners, LLC and its contractors will comply with all State and County laws and rules regarding the preservation of archaeological and historic sites. Should historic remains such as artifacts, burials, concentrations of shell or charcoal be inadvertently encountered during the construction activities, work will cease immediately in the immediate vicinity of the find and the find will be protected. The contractor shall immediately contact SHPD, which will assess the significance of the find and recommend appropriate mitigation measures, if necessary.

Comment: When will information be obtained from MECO to meet condition 18 of rezoning, since this information is part of Project District Phase II approval?

Response: County of Maui Ordinance No. 3554 Condition 18j, to which you refer, requires that Honua'ula Partners, LLC shall address in their Project District Phase II application:

- j. Confirmation from Maui Electric Company, Ltd. ("MECO") that the proposal to relocate and/or landscape MECO facilities is incorporated in the application and site plan;

To clarify, Honua'ula Partners, LLC is not requesting that the existing MECO substation be relocated, instead Honua'ula Partners, LLC will: 1) provide area for the expansion of the existing substation in anticipation of need; and 2) provide landscaping around the MECO substation.

As discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, the current plans for the Property include an area for the expansion of the existing substation (see Draft EIS Figure 1). MECO is aware that Honua'ula Partners, LLC will provide area for the expansion of the existing

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substation, but at this time cannot confirm that the expansion area is needed without more detailed information, including projections for electrical demand for other proposed projects in the region. MECO has stated that they continuously attempt to plan for additional substation sites to meet the electrical demand of the community. Honua'ula Partners, LLC's electrical engineer will continue to coordinate with MECO regarding the need for expanding the substation, and Honua'ula Partners, LLC will continue to include an area for the expansion of the existing substation on Honua'ula plans.

To elaborate, Honua'ula Partners, LLC's electrical engineer has provided available information regarding Honua'ula to MECO for their review and planning purposes. MECO has stated that additional review is required during the design development stage of Honua'ula to determine if expansion of the existing substation will be necessary. MECO has also stated that although the current capacity of the MECO electrical system to serve Honua'ula may be limited, with continuously evolving demands for MECO's service, along with MECO's on-going efforts to upgrade and maintain their system to serve new and existing loads, capacity may be in place and adequate to serve Honua'ula by the time Honua'ula is under construction. MECO will continue to review its electrical system and requirements as Honua'ula progresses into the design development stage so that MECO will be able to evaluate: 1) the size of actual electrical loads that MECO is required to serve; 2) the dates when these loads need to be energized by MECO; and 3) the state of the MECO electrical system at the time when these loads are expected to be connected.

In anticipation of the need, Honua'ula Partners, LLC will continue to include an area for the expansion of the existing substation on Honua'ula plans. Should MECO not require additional area, the existing substation would not be expanded. Since MECO cannot make a determination until Honua'ula is within the design development stage, details on the requirements for serving Honua'ula are not available at this time. At MECO's request, landscaping plans will be submitted to MECO during the design development stage of Honua'ula for their review and approval. MECO's concerns regarding landscaping around their facilities pertain to potential operational, maintenance, and safety issues.

Given that:

- 1) Honua'ula Partners, LLC's electrical engineer has been coordinating with MECO regarding plans for Honua'ula;
- 2) This communication was discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, which serves as the Project District Phase II Application; and
- 3) The current plans for the Property include an area for the expansion of the existing substation (see Draft EIS Figure 1);

Honua'ula Partners, LLC has satisfied the condition to address in their Project District Phase II Application "Confirmation from Maui Electric Company, Ltd. ("MECO") that the proposal to relocate and/or landscape MECO facilities is incorporated in the application and site plan." However, to provide the above clarification and elaboration in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

- j. Confirmation from Maui Electric Company, Ltd. ("MECO") that the proposal to relocate and/or landscape MECO facilities is incorporated in the application and site plan;

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Discussion: The current plans for the Property include an area for the expansion of the existing substation (Figure 1). Honua'ula Partners, LLC is not requesting that the existing MECO substation be relocated. MECO is aware that Honua'ula Partners, LLC will provide expansion area is needed without more detailed information, including projections for electrical demand for other proposed projects in the region. MECO has stated that they continuously attempt to plan for additional substation sites to meet the electrical demand of the community. Honua'ula Partners, LLC's electrical engineer will continue to coordinate with MECO regarding the need for expanding the substation and Honua'ula Partners, LLC will continue to include an area for the expansion of the existing substation on Honua'ula plans.

Honua'ula Partners, LLC's electrical engineer has provided available information regarding Honua'ula to MECO for their review and planning purposes. MECO has stated that additional review is required during the design development stage of Honua'ula to determine if expansion of the existing substation will be necessary. MECO has also stated that although the current capacity of the MECO electrical system to serve Honua'ula may be limited, with continuously evolving demands for MECO's service, along with MECO's on-going efforts to upgrade and maintain their system to serve the new and existing loads, capacity may be in place and adequate to serve Honua'ula by the time Honua'ula is under construction. MECO will continue to review its electrical system and requirements as Honua'ula progresses into the design development stage so that MECO will be able to evaluate: 1) the size of actual electrical loads that MECO is required to serve; 2) the dates when these loads need to be energized by MECO; and 3) the state of the MECO electrical system at the time when these loads are expected to be connected.

In anticipation of the need, Honua'ula Partners, LLC will continue to include an area for the expansion of the existing substation on Honua'ula plans. Should MECO not require additional area, the existing substation would not be expanded. Since MECO cannot make a determination until Honua'ula is within the design development stage, details on the requirements for serving Honua'ula are not available at this time. At MECO's request, landscaping plans will be submitted to MECO during the design development stage of Honua'ula for their review and approval. MECO's concerns regarding landscaping around their facilities pertain to potential operational, maintenance, and safety issues.

Wastewater Treatment Facility

Comment: The DEIS does not appear to have the Sewage Disposal Analysis reviewed and commented upon by state and county agencies, as required by condition of rezoning No. 16 prior to Phase II approval.

Response: County of Maui Ordinance No. 3554 Condition 16, to which you refer, does not require the Sewage Disposal Analysis to be included with the Draft EIS. Rather, Condition 16 requires the Sewage Disposal Analysis to be submitted to the Maui County Council following review by certain State and County agencies:

16. That Honua'ula Partners, LLC, its successors and permitted assigns, shall provide a Sewage Disposal Analysis that has been reviewed and commented on by the State Department of Health, the State Department of Land and Natural Resources, the County Department of Environmental Management, and the County Department of Water Supply prior to Project District Phase II approval. The Sewage Disposal Analysis, along with reviews and comments, shall be submitted to the Maui County Council for review and the project shall be subject to additional conditions or amendments by the Maui County Council if warranted by the Sewage Disposal Analysis.

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As discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, in compliance with Condition 16:

...Honua'ula Partners, LLC has engaged Brown and Caldwell Engineers to prepare a Draft Honua'ula Sewage Disposal Analysis. In accordance with this condition, the Analysis will be submitted to the State DOH and DLNR and the County DEM and DWS for review and comment before Project District Phase II approval. The Analysis, along with reviews and comments, will then be submitted to the Maui County Council for review.

Since the time that the Draft EIS was completed, the Sewage Disposal Analysis (Analysis) has been completed and, in accordance with the requirements of Condition 16, has been provided to the State DOH, the State DLNR Commission on Water Resource Management (CWRM), the County Department of Environmental Management, and the County Department of Water Supply for review and comment. These agencies have since provided comments, and subsequently the Analysis, along with the agencies' reviews and comments, was submitted to the Maui County Council on May 11, 2010 for review. After receiving the Analysis, the Maui County Council accepted the Analysis and did not subject Honua'ula to any additional conditions or amendments. As a result, Condition 16 has been fully satisfied.

To reflect this updated information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

16. *That Honua'ula Partners, LLC, its successors and permitted assigns, shall provide a Sewage Disposal Analysis that has been reviewed and commented on by the State Department of Health, the State Department of Land and Natural Resources, the County Department of Environmental Management, and the County Department of Water Supply prior to Project District Phase II approval. The Sewage Disposal Analysis, along with reviews and comments, shall be submitted to the Maui County Council for review and the project shall be subject to additional conditions or amendments by the Maui County Council if warranted by the Sewage Disposal Analysis.*

Discussion: As discussed in Section 4.8.2 (Wastewater System) Honua'ula will not rely upon or burden any County wastewater system. Instead, Honua'ula Partners, LLC will either participate in the operation of a private WWRF and system that accommodates the needs of Honua'ula (Alternative 1) or provide a WWRF on-site (Alternative 2). The Preliminary Engineering Report prepared for Honua'ula (Appendix P) provides preliminary information regarding wastewater. For a more detailed analysis Honua'ula Partners, LLC has engaged Brown and Caldwell Engineers to prepare a Draft Honua'ula Sewage Disposal Analysis, in accordance with this condition, the Analysis ~~will be~~ has been submitted to the State DOH and DLNR and the County DEM and DWS for review and comment before Project District Phase II approval. These agencies have since provided comments and subsequently, ~~the~~ the Analysis, along with reviews and comments, ~~will then be~~ was submitted to the Maui County Council on May 11, 2010 for review. After receiving the Analysis, the Maui County Council ~~accepted the Analysis and did not subject Honua'ula to any additional conditions or amendments.~~ accepted the Analysis and did not subject Honua'ula to any additional conditions or amendments. As a result, Condition 16 has been fully satisfied.

Please note that the Draft EIS was, and the subsequent Final EIS will be, prepared in conformance with the State of Hawai'i ES law (Chapter 343, HRS) and EIS rules (Title 11, Chapter 200, HAR). These laws and rules do not require an EIS to include a specific sewage disposal analysis; however Section 4.8.2 (Wastewater System) of the Honua'ula Draft EIS does contain analysis

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regarding Honua'ula's wastewater system, as does the Preliminary Engineering report, which is included as Appendix P of the Draft EIS.

Comment: *Since the Planning Commission is responsible for granting the project's Phase II approval, and the Analysis must be submitted to various agencies for review before Phase II approval, this DEIS should already include the Sewage Disposal Analysis and related comments to provide adequate opportunity for meaningful review and comments by the public and the Planning Commission....*

Response: As noted above, the process set forth in Condition 16 regarding the Sewage Disposal Analysis is for: 1) review and comment by the State DOH and DLNR and the County DEM and DWS prior to Project District Phase II approval; and 2) subsequent review by the Maui County Council. Honua'ula Partners, LLC has followed this process in full compliance with Condition 16. The Sewage Disposal Analysis is not required to be part of the DEIS, and the review and comment required of multiple State and County agencies and the Maui County Council ensures more than adequate opportunity for meaningful review.

While the Planning Commission is the accepting authority for the EIS and the approving authority for the Project District Phase II Approval, it is important to note that the acceptance of the Final EIS by the Planning Commission is not the approval of the Project District Phase II application. The Planning Commission will take up the issue of whether to approve the Project District Phase II application at a separate hearing after the acceptance of the Final EIS. It is expected that the Council will take action on the Sewage Disposal Analysis before the Planning Commission takes action on the Project District Phase II Approval.

Comment: *Especially important would be a discussion of comparative wastewater fees for residents. Since affordable homes are guaranteed parity with public facility rates, would Makena Resort's wastewater system be able to operate with half the customer base at lower fees? Policymakers should have access to this information as early in the process as possible.*

Response: County of Maui Ordinance No. 3554 Condition 17 requires, in part, that:

The sewer rates for the residential workforce housing units shall be no higher than the residential sewer rates set by the County of Maui in its annual budget, for as long as the units are subject to Chapter 2.96, Maui County Code

As discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, in compliance with this condition "Honua'ula Partners, LLC will ensure that sewer rates for the residential workforce housing units will be no higher than the residential sewer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, MCC."

As discussed in Section 4.8.2 (Wastewater System) of the Draft EIS, Honua'ula Partners, LLC, will either transport wastewater to the Makena WWRF for treatment or provide a WWRF on-site. The preferred alternative is to transport wastewater to the Makena WWRF. Transporting wastewater to the Makena WWRF for treatment provides the benefit of consolidating wastewater services for both Honua'ula and Makena, allowing economies of scale in the treatment process and consolidated regulatory compliance.

Sewer rates for Honua'ula's market rate residential units have not yet been established; however, the Makena WWRF is regulated as a public utility by the State Public Utility Commission (PUC), as are all private wastewater companies. The PUC prescribes rates, tariffs, charges and fees, for

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public utilities. To include this information in the Final EIS, in the Final EIS Section 4.8.2 (Wastewater System) will include the following statement:

Sewer rates for Honua'ula's market rate residential units have not yet been established; however, the Mākena WWRF is regulated as a public utility by the State Public Utility Commission (PUC), as are all private wastewater companies. If an on-site WWTF is built at Honua'ula, it will also be a private facility. The PUC prescribes rates, tariffs, charges, and fees, for public utilities.

Regarding your question of whether the Mākena WWRF would be able to operate with half the customer base at lower fees, it is not clear to us what your basis is to assume that if Honua'ula were to transport wastewater to the Mākena WWRF that the Mākena WWRF would be operating with half its customer base at lower fees. First, it is not known at this time if sewer fees for the Honua'ula's market rate units would be different than residential sewer rates set by the County of Maui in its annual budget. Second, Honua'ula will contain a total of 1,150 residential units on the Property, of which 450, or approximately 40 percent of the total, will be subject to Chapter 2.96, MCC. Currently the Mākena WWRF services the Mākena Resort, including the hotel and golf course. Approximately 850 residential units could be built within the Mākena Resort based upon existing zoning. Combined with Honua'ula's 1,150 units, the Mākena WWRF could be handling approximately 2,000 units, 450 of which, or approximately 23 percent of the total, will be subject to Chapter 2.96, MCC and Honua'ula's condition for sewer rates for the residential workforce housing units to be no higher than the residential sewer rates set by the County of Maui in its annual budget. However, regardless of the amount of units subject to Chapter 2.96, MCC that will receive residential sewer rates the same as set by the County of Maui in its annual budget, Honua'ula Partners LLC will comply with County of Maui Ordinance No. 3554 Condition 17 and the PUC will prescribe rates for the balance of the units.

3.6 Biological Resources

Comment: *The proposed 22 biological preservation area is wholly inadequate, and ultimately neither sound conservation planning nor wise resource utilization. The 143 acres of fragmented preservation areas proposed around the golf course holes in the southern portion of the site does not offer the best strategy for successful management.*

Response: In response to comments on the Draft EIS requesting additional area to be set aside for native plant species, Honua'ula Partners, LLC proposes both on- and off-site measures.

For on-site measures Honua'ula Partners, LLC will increase the area of the Native Plant Preservation Area on the Honua'ula property from 22 to 40 acres. This 40-acre area contains the highest density of native plants within the Property, and will include all five 'āwīkīwīki plants that were alive in 2009 and the majority of the nehe plants at the Property. The Native Plant Preservation Area will be actively managed in accordance with the Conservation and Stewardship Plan (included as Appendix F of the Draft EIS). Management actions will include removal and exclusion of ungulates (deer, cattle, goats, and pigs), removal and control of noxious invasive weeds and plants, and propagation of native plants from seeds collected on the Property.

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For off-site mitigation, Honua'ula Partners, LLC will:

1. Acquire a perpetual conservation easement of approximately 224-acres on a currently unprotected portion of property owned by Ulupalakua Ranch adjacent to the eastern boundary of the State of Hawaii Kanaio Natural Area Reserve; and
2. Fund and implement the continuation and expansion of restoration efforts within the Auwahi Forest Restoration Project area, just north of the Kanaio Natural Area Reserve, including fencing of approximately 130 acres, ungulate removal, and plant restoration activities.

Together the on- and off-site mitigation areas provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of native dryland plants, including wīwīli. Through the perpetual protection and enhancement of these areas, a stable core habitat area will be secured for the Blackburn's sphinx moth, providing net benefit to this species, as well as a large number of additional native dryland species. To implement the on- and off-site mitigation measures, Honua'ula Partners, LLC will finalize its draft Habitat Conservation Plan in collaboration with the U.S. Fish and Wildlife Service (USFWS) and State DLNR in accordance with Section 10(a)(1)(B) of the Endangered Species Act and Chapter 195D, HRS. The on- and off-site mitigation areas are subject to the approval of the Habitat Conservation Plan by USFWS and DLNR.

To include this information in the Final EIS, in the Final EIS Section 3.6 (Botanical Resources) will be revised as shown on the attachment labeled "Botanical Resources."

Comment: *The DEIS should analyze a Project Design layout in the Alternatives Section that includes a 130 acre botanical cultural preserve; to be in compliance with condition no 27 of rezoning.*

Response: To include discussion of a 130-acre Native Plant Preservation Area in the Final EIS, in the Final EIS Chapter 6 (Alternatives) will be revised to include the information shown on the attachment labeled "Alternatives."

4.1 Cultural Resources

Comment: *The project's AIS is based upon methodologies that involve minimal testing (only six of 40 sites; most with one 1ft by 1 ft test unit), inadequate mapping, and incomplete fieldwork.*

Response: The AIS was prepared in accordance with: 1) the State Historic Preservation Law (Chapter 6E, HRS); and 2) the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). SHPD is the reviewing entity that evaluates the adequacy of the archaeological inventory survey in regard to scope of work and implemented work. The AIS was submitted to SHPD for review on March 23, 2010. In a letter dated September 8, 2010, SHPD provided their review comments on the AIS (dated March 2010) and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. In addition, the letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings." In response to SHPD's September 8, 2010 letter commenting on the archaeological inventory survey, archaeologist Aki Sinoto: 1) revised the

archaeological inventory survey report to address SHPD's concerns; and 2) submitted the revised archaeological inventory survey report to SHPD in April 2011.

Comment: *The AIS does not specify how many field sessions involving how many personnel, for how many days have taken place at the project site, nor does it elaborate on the transect areas covered. These are all standard disclosures in archaeological reviews. It is still unclear if actual transects have been completed of the northern 480 acres.*

Response: The AIS was prepared in accordance with: 1) the State Historic Preservation Law (Chapter 6E, HRS); and 2) the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). The northern sector of the Property underwent scrutiny on multiple occasions. The survey involved aerial photo analysis with ground checks and the surface survey included walking transects within gulches and other areas with cover vegetation. This strategy was discussed with SHPD and implemented with their approval. Aerial photos included as figures in the AIS depict the stark contrast in surface conditions between the northern and southern sectors. Per comments from SHPD in their September 8, 2010 letter commenting on the AIS, the AIS will be revised to include the total number of man-hours for the survey and to specify the spacing of transects for surveys done between August 2003 to June 2008.

Comment: *It is clear that when citizens reported during public testimony that numerous additional cultural sites were on the land, they were correct. Twelve new sites with nearly twenty features have been recorded since the last draft AIS in 2001. Citizens continue to submit pictures and locations of additional sites. It is clear that the AIS is far from being complete.*

Response: As explained in Section 4.1 (Archaeological and Historic Resources) of the Draft EIS, the AIS included in the Draft EIS (Appendix I) is a revised archaeological inventory survey of the Property. Survey work was completed in 2008 and the survey report was completed in 2010. The revised archaeological inventory survey report incorporates the results of two previous surveys together with the results of additional fieldwork. In April 2000, Sinoto & Pantaleo conducted an archaeological inventory within the 190-acre southern third of the Property (Sinoto & Pantaleo, 2000). Subsequently, in 2001, Sinoto & Pantaleo conducted an inventory survey of the northern two-thirds of the Property (Sinoto & Pantaleo, 2001). Multiple field sessions were conducted between August 2003 and June 2008 to supplement the two initial surveys. The revised archaeological inventory survey included in the Draft EIS includes the results of the previous surveys and additional field work.

In response to claims from citizens regarding additional archaeological sites in the northern portion of Honua'ula not included in the AIS, on August, 26, 2010 Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua participated in a site visit of the Honua'ula Property with several community members (including you) and SHPD staff. SHPD staff present were archaeologist Morgan Davis and cultural historian Hinano Rodrigues. Community members present included: you, Daniel Kanahale, Janet Six, Elle Cochran, U'ilani Kapu, Ke'eaumoku Kapu, Lee Altenberg, and 'E'kolu Lindsey. Some of the community members had previously: 1) presented testimony, or were present, at the Maui Planning Commission meeting on June 22, 2010 at which the Honua'ula Draft EIS was discussed; 2) submitted information to SHPD claiming that they had found archaeological sites on the Property that had not been included in the archaeological inventory survey included in the Draft EIS (Appendix I); and 3) submitted written comments on the Draft EIS expressing concerns regarding archaeological sites on the Property.

Subsequent to the site visit, SHPD issued a letter dated September 8, 2010 stating that no significant unrecorded sites were noted at that time (i.e. during the August, 26, 2010 site visit). The letter also provides SHPD's review of the archaeological inventory survey (dated March 2010) and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. In addition, the SHPD letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings."

In response to SHPD's September 8, 2010 letter commenting on the archaeological inventory survey, consultant archaeologist Aki Sinoto: 1) revised the archaeological inventory survey to address SHPD's concerns; and 2) submitted the revised archaeological inventory survey to SHPD in April 2011.

In July and August of 2011, Daniel Kanahale of Maui Cultural Lands submitted letters to Honua'ula Partners, LLC's representative Charlie Jencks and SHPD providing additional comments on the archaeological inventory survey (dated March 2010) that was included in the Draft EIS. Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua responded to these letters in writing. In the summer of 2011 Maui Cultural Lands members also made a presentation to SHPD regarding their inspections of the Property.

In response to the concerns Maui Cultural Lands members expressed to SHPD in the summer of 2011, on September 23, 2011 archaeologist Aki Sinoto and cultural advisor Kimokeo Kapahulehua met with SHPD archaeologist Morgan Davis and SHPD cultural historian Hinano Rodrigues at SHPD's Maui office. Subsequently, as recommended by SHPD, Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consulting cultural advisor Kimokeo Kapahulehua met with members of Maui Cultural Lands (including you) and other community members at Maui Community College on November 17, 2011. Maui Cultural Lands members and other community members present at the November 17, 2011 meeting included: you, Janet Six, 'E'kolu Lindsey, Daniel Kanahale, Jocelyn Costa, and Clifford Omellas. Others present at the meeting included Stanley Lee Greig, a cultural resource planner with the Maui Planning Department, and Tanya Lee Greig, the director of Cultural Surveys Hawaii's Maui office.

As a result of the November 17, 2011 meeting, the archaeological inventory survey report was further revised to: 1) recommend preservation of a section of a post-contact agricultural wall documented in the archaeological inventory survey but not previously recommended for preservation; 2) add descriptive narrative information for two post-contact agricultural walls; and 3) revise pertinent map figures in the report. Archaeologist Aki Sinoto submitted the further revised archaeological inventory survey report to SHPD in March 2012. Since the SHPD Maui archaeologist had recently resigned, copies of the revised archaeological inventory survey report were transmitted to SHPD's main office in Kapolei and to Dr. Theresa Donham, the interim SHPD chief of archaeology in Hilo. In April 2012, Dr. Donham notified archaeologist Aki Sinoto that the report was forwarded to the SHPD Maui office for review due to the hiring of replacement personnel. As of May 2012, SHPD has not completed its review of the revised (March 2012) archaeological inventory survey.

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To include the relevant above information in the Final EIS, along with addressing comments regarding archaeological and historic resources from others, in the Final EIS Section 4.1 (Archaeological and Historic Resources) will be revised as shown on the attachment titled "Archaeological and Historic Resources."

Comment: *Site evaluation at Honua'ūla project does not appear to actually be based upon the State Historic Preservation law process. Especially lacking is a clear assignment of significance Criterion E as specified by 13-284-6(b) 1-5 HAR, which this AIS and DEIS must comply with.*

Response: The AIS was prepared in accordance with: 1) the State Historic Preservation Law (Chapter 6E, HRS); and 2) the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). To clarify, the Rules Governing Procedures for Historic Preservation and Review to Comment on Section 6E-42, HRS Projects (Title 13, Chapter 284, HAR) to which you refer defines "significant historic property" as any historic property that meets the criteria of the Hawai'i Register of Historic Places or the criteria enumerated in subsection 13-275-6(b) or 13-284-6(b). The AIS contained in the Draft EIS (Appendix I) evaluated site significance based on the Hawai'i Register of Historic Places significance evaluation criteria and is in compliance with the Rules Governing Procedures for Historic Preservation and Review to Comment on Section 6E-42, HRS Projects (Title 13, Chapter 284, HAR) and the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR).

Furthermore, the AIS, which includes significance assessments of each site employing the Hawai'i Register criteria, was submitted to SHPD for review on March 23, 2010. In their review letter dated September 8, 2010 SHPD did not disagree with significance assessments in the AIS or state that employing the Hawai'i Register criteria for significance assessments was not acceptable. Therefore, the proper procedure was indeed followed regarding the AIS.

At the outset of the Honua'ūla planning process, Honua'ūla Partners, LLC voluntarily convened a cultural committee made up of Native Hawaiian cultural practitioners recognized by the community and other individuals as having expertise in this area. Contemporary significance was evaluated based on the cultural impact study that was conducted which indicated no evidence or knowledge of specific practices that took place within the boundaries of the Property.

In addition, the Cultural Resources Preservation Plan (CRPP) (Draft EIS, Appendix J) included a public consultation process which is documented in the CRPP; however the CRPP is a separate document from the AIS, which was prepared in compliance with County of Maui Ordinance No. 3554 (Condition 13) and is not subject to the same consultation process provided for in Title 13, Chapter 276, HAR.

As discussed in Section 4.2 (Cultural Resources) of the Draft EIS, during the initial planning stages of Honua'ūla, several on-site tours and discussions involving archaeological and cultural components were held with various members of the community. An informational presentation was given to the Maui Cultural Resources Commission. Specific input was also sought from key individuals and the Native Hawaiian organization, Nā Kūpuna O Maui, and a number of valuable recommendations resulted from discussions with an in-house cultural group¹. Public input was

¹ The in-house cultural group included: Kimokeo Kapahulehua, Clifford Naeole, Hokulani Holt Padilla, Kelri'ī Tau'ā, members of Nā Kūpuna O Maui, Lisa Kotummo-Hazuka, Aki Sinoto, and Charlie Jencks.

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also sought prior to preparation of the CRPP through publication of public notices in the *Honolulu Advertiser*, the *Maui News* and *OHAS' Newsletter*, *Ka Wai Ola*.

Comment: *Only the three recorded stepping stone trail sites have been evaluated as significant under criteria E¹. One segment of stepping stone trail recorded earlier, placed on a crude map and not assigned a number has seemed to disappear from the inventory survey. It is not explained whether this segment was not relocated, combined with another segment and assigned the same site number or has simply been forgotten. Cultural practitioners have shown photos of several additional unrecorded segments of stepping stone trails on the project site. Some of these trails appear to lead to planting areas. Some make connect with trail segments found on the Wailea golf course or in Palaua preserve further west. No accurate maps have been provided showing relationship of the trail sections. It is unclear whether all are being preserved in their original cultural setting.*

Response: Two of the earlier recorded segments have been combined (Site 4951) and other smaller segments (Sites 4959 and 6797) have been recorded as isolated segments. Site 4959 is associated with pits and may be the "planting area" that is referred to. This site also includes the intersection of a *mauka-makai* segment and a north-south segment. All of the recorded segments occur within areas that will maintain the current landscape with no surface alterations, other than manual vegetation clearing in some areas. The AIS discussed trail segments leading east into Ulupalakua Ranch holdings as well as the segment near the coast within the same a flow within Palaua *ahupua'a*. With large segments disturbed or destroyed, the reconstruction of the original alignments linking specific trail segments is problematic. Also, with the original integrity lost through past disturbances or development of the intermediate areas between the coastal and subject areas, there exists no definitive confirmation that these segments indeed connected in the past.

4.8.1 Water

Comment: *Preliminary Engineering Report relies on declaratory statements about the adequacy of the project's water systems without supporting technical studies to substantiate its claims. There is not enough quantitative data on water systems to permit any impact analysis. There are no independent hydrology reports.*

Response: Section 4.8.1 (Water System) of the Draft EIS and the Preliminary Engineering Report (Appendix P) discuss Honua'ūla's private water system. Honua'ūla Partners, LLC's hydrologist, Tom Nance Water Resource Engineering (TNWRE) provided the technical expertise regarding Honua'ūla's water resources that is the basis of the discussion of potable and non-potable water in the Preliminary Engineering Report. Tom Nance of TNWRE has over 30 years of experience in the areas of groundwater and surface water development, hydraulics and water system design, flood control and drainage, and coastal engineering. Estimates of water demand are based on the DWS's standards and TNWRE's extensive experience. In their comment letter on the Draft EIS dated June 3, 2010, DWS confirmed that the water demand estimates in the Draft EIS are within the range of DWS's system standards.

Section 3.5.1 (Groundwater) of the Draft EIS and the technical hydrologic assessment by TNWRE contained in Appendix B of the Draft EIS discuss the potential impact on groundwater resources from the creation of Honua'ūla. Section 3.5.1 (Groundwater) and the technical hydrologic assessment provide information on the sustainable yield of the Kama'ōle Aquifer, Honua'ūla's water sources and demand, total average groundwater use, and the potential changes to groundwater in the area downgradient of Honua'ūla. In their letter commenting on the Draft EIS

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dated May 20, 2010, the CWRM stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues."

Comment: *The USGS study referred to that purportedly supports higher available flows for Kamaole aquifer, only mentioned the aquifer as one entry in an aquifer chart. The USGS report offered no analysis of the aquifer's potential SY.*

Response: Section 3.5.1 (Groundwater) of the Draft EIS and the technical hydrologic assessment by TNWRE contained in Appendix B of the Draft EIS actually cited three studies that support a higher sustainable yield of the Kama'ole Aquifer than the sustainable yield set by CWRM in 1990. These more detailed and sophisticated studies on the aquifer's recharge are:

- United States Geological Survey; Pat Shade, 1999. *Water Budget of East Maui, Hawaii; USGS Water Resources Investigations Report 98-04159;*
- Waimea Water Services, Inc. 2004. *Water Resources Review of the Kama'ole Aquifer;* and
- United States Geological Survey; John Engott and Thomas Vana. 2007. *Effects of Agricultural Land-Use Changes and Rainfall Recharge in Central and West Maui, Hawaii, 1926-2004; USGS Scientific Investigations Report 2007-5103.*

From your comment we infer that you are referring to the 2007 United States Geological Survey (USGS) study titled: "Effects of Agricultural Land-Use Changes and Rainfall Recharge in Central and West Maui, Hawaii." The study includes several figures (including on the cover) that show the extent of the study area, which encompasses all of West Maui, the entire central valley, and the western slopes of Haleakala starting from the north shore east of Paia, extending south above Makawao and Pukalani, continuing toward 'Ulupalakua, and then extending west down to the ocean at a point south of Mākena. Figure 15 of the study (titled: "Locations of aquifer systems and surficial sedimentary deposits in central and west Maui, Hawaii") shows the locations of the aquifers included in the study with the Kama'ole aquifer clearly shown as within the study area. Figure 15 of the study is attached with this letter for your reference.

We believe the "aquifer chart" that you refer to is Table 14 in the 2007 USGS study. This table compares the results of the study with 1990 CWRM estimates of aquifer recharge for all of the aquifers in the study area. You state that "The USGS report offered no analysis of the aquifer's potential SY", yet the entire study is an analysis of the recharge rate of all the aquifers in the study area, with a detailed water budget method for calculating daily groundwater recharge in the study area. As stated in the executive summary of the study: "To ensure prudent management of ground water resources and plan for sustainable growth on the island, the County of Maui Department of Water Supply entered into a cooperative agreement with the U.S. Geological Survey to increase overall understanding of the groundwater flow system and recharge processes in central and west Maui." The entire study is an investigation of the long-term sustainability of current and future ground-water-withdrawal scenarios within the study area, which includes the Kama'ole aquifer. Therefore, your statement that "The USGS report offered no analysis of the aquifer's potential SY" is clearly incorrect.

Comment: *The 1988 hydrology report for the project cautioned that Wailea 670's wells could impact downslope wells in Wailea and comments from Wailea Resort management made the same statement.*

Response: Section 3.5.1 (Groundwater) of the Draft EIS and the technical hydrologic assessment by TNWRE contained in Appendix B of the Draft EIS (Assessment of the Potential Impacts of

Lucienne de Naïe

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Water Resources of the Honua'ula Project in Wailea, Maui, TNWRE, 2010) discuss the potential impact on groundwater resources from the creation of Honua'ula. Included are potential impacts to groundwater downgradient of: 1) Honua'ula (i.e. Wailea Resort Well No. 2); and 2) the off-site Kama'ole Wells. The TNWRE hydrologic assessment, prepared in 2010, presents the most accurate and up-to-date information regarding potential groundwater impacts based on: 1) current conditions; 2) estimated demands based on the present site plan; and 3) actually proposed water infrastructure.

Comment: *The DEIS must analyze the proposed use of the Kamaole aquifer for the project's demand by researching and evaluating the entire range of existing users and the relative pumpage and salinity of their wells. Water fees for residents must also be discussed to comply with rezoning conditions.*

Response: In response to a similar comment from the Maui Planning Commission, TNWRE: 1) obtained data (including available data on chlorides and water levels) for all wells in the Kama'ole Aquifer available from the CWRM; and 2) prepared a supplemental report containing this data, which will be included in the Final EIS.

According to CWRM records, there are a total of 134 wells within the Kama'ole Aquifer System, many of which are more than 60 years old and no longer in use. Of the 134 wells, 43 are known or presumed to be in use, 47 are no longer in use or do not draw from the basal lens, and 44 are of unknown status relative to their use.

Examination of CWRM data shows that reporting of chlorides and water levels to CWRM is minimal. Only three of the 43 wells in the aquifer that are known or presumed to still be active are presently reporting that information. For wells for which TNWRE has independent data, chloride levels have been stable for a decade of monthly sampling.

To include the relevant above information in the Final EIS, in the Final EIS Section 3.5.1 (Groundwater) will be revised as shown on the attachment titled "Groundwater." In addition the supplemental report from TNWRE will be included in Appendix B of the Final EIS.

Comment: *Water fees for residents must also be discussed to comply with rezoning conditions.*

Response: County of Maui Ordinance No. 3554 Condition 17, to which you refer, requires, in part, that:

The water rates for the residential workforce housing units shall be no higher than the general water consumer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, Maui County Code.

As discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, in compliance with this condition Honua'ula Partners, LLC will ensure that water rates for the residential workforce housing units will be no higher than the general water consumer rates set by the County, for as long as the units are subject to Chapter 2.96 of the County Code. However in response to a similar concern from the Maui Planning Commission comment regarding the cost for the operation of the reverse osmosis system, cost analysis to consumers, and the market price housing for water, TNWRE prepared cost estimates based on several assumptions. The estimates are summarized below.

The estimated potable and non-potable water infrastructure cost is \$21 million. This includes costs for: construction and testing the required off-site wells, piping from the off-site wells to the on-site storage tank, booster pumps, on- and off-site potable and non-potable storage tanks, and the RO plant. It does not include piping for distribution to individual Honua'ula homes and businesses.

Based on infrastructure costs and assumptions such as infrastructure efficiencies, electrical power costs, and costs for operating personnel, administration, and maintenance, the daily operating cost for both potable and non-potable systems would be \$3,000 per day. The cost of capital recovery would be \$4,950 per day. The cost to consumers, with and without capital recovery would be as follows:

Cost Items Included	Potable Water	Non-Potable Water
Based on Operation and Maintenance Exclusively (No Capital Recovery)	\$4.00	\$2.00
Based on Operation, Maintenance, and Full Capital Recovery	\$10.64	\$5.32

For fiscal year 2010-2011 the cost for potable water for general water consumers set by the County in its annual budget is \$1.70 per 1,000 gallons for users that use up to 10,000 gallons bi-monthly. The price increases for users that use more than 10,000 gallons bi-monthly. In compliance with County of Maui Ordinance No. 3554 (Condition 1) water rates for the residential workforce housing units will be no higher than the general water consumer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, MCC.

To include the relevant above information in the Final EIS, along with addressing comments regarding water from others, in the Final EIS Section 4.8.1 (Water System) will be revised as shown on the attachment titled "Water System."

4.8.3 Drainage

Comment: *Drainage plans appear to be elaborate, but there is little quantitative data to provide assurance that the assumptions they are based upon will prove to be sufficient to mitigate impacts. For example, one of the larger areas of drainage flow impact, basins 1 through 5 at the north of the project site have a high concentration of high-density urban environment proposed, the lowest percentage of golf course lands to absorb run off, and drainage-basin systems not scheduled to be completed until Phase II (2018) or Phase III (2022) of the project. The existing on-site drainage impacts to this area during a 100 yr / 24 storm are huge: over 2,100 cfs (1300 mgd). Currently two 10ft or more diameter culverts are installed to carry water from this sector of the project area under Pihani highway and eventually to the ocean.*

Response: As discussed in Section 4.8.3 (Drainage System) of the Draft EIS and further elaborated on in the Preliminary Engineering Report (Appendix P of the Draft EIS), all drainage systems and detention basins will be designed in accordance with the County of Maui Department of Public Works "Rules for the Design of Storm Drainage Facilities in the County of Maui." In accordance with these rules, all drainage improvements will be designed so that there will be no increase in the peak rate of stormwater runoff leaving the Property compared to existing conditions.

While Drainage Basins 1 to 5 have a high concentration of high-density urban environment proposed, each high-density development will have its own detention basin to: 1) reduce the flow rate from it after Honua'ula is built to the existing flow rate; and 2) absorb the increased volume of runoff by impervious surfaces. The detention basins for the high-density area located adjacent to the golf course will be located within the golf course. The runoff from these detention basins will flow (sheetflow) through the vegetated golf course to filter/percolate the runoff. The detention basins will be designed in accordance with "Rules for the Design of Storm Drainage Facilities in the County of Maui" and will be constructed along with the construction of each development area except for the detention basins located within the golf course land, which will be constructed along with the golf course construction.

In addition, while the existing off-site drainage impacts to this area during a 100-year/24-hour storm are significant, it is important to note that Honua'ula will not increase the off-site drainage flows over existing conditions, but rather will just allow the existing off-site runoff to flow through the Property through the natural ditches and gulches as it currently does. In other words, drainage improvements will be designed to capture the additional runoff due to the built environment of Honua'ula so that there will be no increase in the peak rate of stormwater runoff leaving the Property compared to existing conditions, in accordance with the "Rules for the Design of Storm Drainage Facilities in the County of Maui."

The drainage plans and quantitative data in the DEIS and Preliminary Engineering Report are typical and adequate at this stage of design/development. Further design will be provided at later design stages, and detailed plans and calculations will be provided and reviewed by the Department of Public Works in conformance with County rules and requirements.

Comment: *Options, such as a larger natural buffer area between, Maui Meadows and Honua'ula should be discussed as viable alternatives to mitigate overflows in this high impact area. Currently, less than 4 acres is proposed for this buffer.*

Response: In compliance with Section 19.90A.030(E)(5), Maui County Code, a minimum one hundred foot wide fire buffer area, with a minimum fifty-foot wide landscape buffer area within it, will be provided between the southern boundary of Maui Meadows and Honua'ula. This buffer area will be approximately 7.5 acres in size. No structures, except rear and side boundary walls or fences, will be permitted in the buffer. The border between Honua'ula and Maui Meadows is in a mauka to makai (i.e. downhill) direction. Stormwater along the Maui Meadows border flows downhill. Currently there are no built obstructions to alter the flow on the Honua'ula side of the border.

The purpose of this buffer is not for drainage retention capacity, and a wider buffer area will not significantly increase retention capacity in this area—it would be similar to existing conditions with water flowing downhill. A buffer wider than 100 feet would possibly have somewhat less impervious surfaces than a 100 foot wide buffer because less structures or pavement would be in the wider area, however this would not be significant in the ability of the buffer area to retain drainage as: 1) this area currently does not retain drainage and the purpose of the buffer is not to retain drainage; and 2) the current plan for detention basins takes into account impervious surfaces from structures or pavement. Increasing the buffer area would not result in: 1) significant decreases in impervious surfaces in consideration of the total project area; and 2) the need to decrease the area or size of planned retention basins.

However to address your concerns about drainage options and alternatives, in addition to the drainage improvements discussed in Section 4.8.3 (Drainage System) of the Draft EIS, Low Impact Development (LID) techniques will be incorporated into the design of Honua'ūla to supplement the detention system where appropriate. LID comprises a set of approaches and practices designed to reduce runoff of water and pollutants from the site at which they are generated. By means of infiltration, evapotranspiration, and rainwater reuse, LID techniques manage water and water pollutants at the source, thereby reducing stormwater flows to detention basins. A goal of LID is to maintain or closely replicate predevelopment hydrology of the site with an understanding that rainwater is not merely a waste product to be disposed of, but a resource to be reused.

With LID techniques small-scale practices are employed to control stormwater runoff on-site. The practices are designed to work in concert with other stormwater best management practices, such as detention basins. While LID techniques span a wide range of design considerations, infiltration and filtration are two primary practices. Infiltration practices are engineered structures or landscape features designed to capture and infiltrate runoff. Infiltration can both reduce the volume of water discharged from the site and contribute to groundwater recharge. Examples of infiltration practices include: 1) infiltration basins and trenches which are shallow depressions designed to infiltrate stormwater through permeable soils; 2) rain gardens and other vegetated treatment systems that provide a planted depression to collect rainwater (usually from a single home) and allow absorption on-site; and 3) disconnected down spouts, which are roof gutter downspouts that are not connected to the sewer system to allow roof water to drain to lawns and gardens (or rainwater storage barrels) and allow plants and soils to filter pollutants.

Similar to infiltration practices, filtration practices treat runoff by filtering it through media designed to capture pollutants (such as sand or vegetation). Like infiltration, filtration can both reduce the volume of water discharged from the site and contribute to groundwater recharge, but filtration practices have the added advantage of providing increased pollutant removal. Examples of filtration practices include: 1) bioswales, which are landscaped drainage courses with gently sloped sides filled with vegetation, compost and/or rocks designed to slow down water flows and trap pollutants and silt; 2) vegetated swales which are smaller, broad, shallow, channels with dense vegetation covering the side slopes and bottom to trap pollutants, promote infiltration, and reduce flow velocity; and 3) vegetated filter strips, which are bands of vegetation intended to treat sheet flow from adjacent impervious areas (such as parking lots) by slowing runoff velocities, filtering out sediment and other pollutants, and providing some infiltration into underlying soils.

LID practices can also effectively treat and manage non-point source pollution from drainage by filtering "first flush" runoff volumes. Non-point source pollution typically results from rainwater washing across impermeable surfaces such as roadways, parking lots, and sidewalks and with it picking up pollutants such as oil, detergents, pesticides, fertilizer, and pet wastes. Most surface pollutants are collected during the first one-half inch, or "first flush" of a storm event. LID practices can filter these pollutants before they reach detention basins. Traditional conveyance systems, such as drains and catch basins in parking lots and roadways can also be designed to capture this first flush with installed filtering materials.

Strategically integrated LID practices applied throughout the Property—from individual building sites to larger areas such as parking lots and roadways—can lessen stormwater flows to detention basins and increase the length of time for flows to travel to detention basins. The increased time allows for greater opportunities for groundwater recharge, filtration, and evapotranspiration. LID

practices can result in enhanced environmental performance, while at the same time reducing costs compared to traditional stormwater management approaches.

To include the relevant above information, along with addressing comments regarding drainage from others, in the Final EIS, in the Final EIS 4.8.3 (Drainage System) will be revised as shown on the attachment titled "Drainage System."

Comment: *To give a blanket statement, that the project's theoretical system of drainage basins, and absorption by golf courses and open space will mitigate large storm event flows, seems highly speculative. No examples of similar successful designs were included in the DES discussion for comparison. It [sic] also seems risky to assume that pre-existing and off site flows will not need additional containment measures in order not to overwhelm facilities designed for only post development flows. If coastal impacts result from the project, what mitigations will be available to restore the health of public trust resources?*

Response: The drainage study included in the Preliminary Engineering Report (Appendix P of the Draft EIS) was prepared using standard engineering methodologies and in accordance with the County of Maui Department of Public Works' "Rules for the Design of Storm Drainage Facilities in the County of Maui." In accordance with these rules, all drainage improvements will be designed so that there will be no increase in the peak rate of stormwater runoff leaving the Property compared to existing conditions. To calculate drainage requirements, first peak runoff rates for a 100 year – 24 hour event were calculated for: 1) existing, pre-development conditions; and 2) post-development conditions. Then, using the calculated peak runoff rates, runoff volumes for a 100 year – 24 hour event were calculated for: 1) pre-development; and 2) post-development conditions. The difference between pre-development and post-development runoff volumes was then used to size detention basins so that the future runoff volume will not exceed the existing volume. In their comments on the Draft EIS dated June 10, 2010, the Department of Public Works did not question the methodology of the drainage study or ask for any revisions or clarification.

Regarding drainage exiting the Property, as discussed in Section 4.8.3 (Drainage System) of the Draft EIS, the detention basins will have a drainage outlet consisting, in part, of a vertical perforated pipe within a gravel mound which will act as a filter. In addition to reducing the peak runoff rate by detention storage, this configuration will also capture floatables and suspended solids in the basin, thus reducing sediments in the water released from the detention basins. With the use of detention basins, the peak rate of runoff leaving the Property will not increase over current conditions and seepage of water into the ground from the detention basins will actually increase the amount of percolation to groundwater.

To further address drainage concerns, as explained above, in addition to the drainage improvements discussed in Section 4.8.3 (Drainage System) of the Draft EIS, LID techniques will be incorporated into the design of Honua'ūla to supplement the detention system where appropriate. Please refer to the above response and the attachment titled "Drainage System" for more information on LID techniques.

Specific to your concern regarding coastal impacts, as discussed in Section 3.5.2 of the Draft EIS, the results of a nearshore water quality assessment (Appendix D of the Draft EIS) and further evaluation of the potential changes to groundwater composition indicate that there is little or no potential for alteration of the marine environment or negative impacts to marine waters due to Honua'ūla. The assessment concludes that: "the estimates of changes to groundwater and surface water would result in a decrease in nutrient and sediment loading to the ocean relative to the

existing condition. With such a scenario, it is evident that there would be no expected impacts to the nearshore marine ecosystem owing to development of Honua'ula." As further discussed in Section 3.5.2 and in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, in compliance with County of Maui Ordinance No. 3554 Condition 20:

- Current and future nearshore water quality monitoring assessments provide, and will provide, water quality data necessary to assess compliance with Section 11 54-06, HAR (Open Coastal Waters of the DOH Water Quality Standards);
- Current and future Honua'ula nearshore water quality monitoring assessments were done, and will continue to be done, in accordance with the current (and as may be amended) DOH methodology for Clean Water Act Section 305(b) water quality assessment, including the use of approved analytical methods and quality control/quality assurance measures; and
- After construction commences water quality data will be submitted annually to DOH for use in future Hawai'i Water Quality Monitoring and Assessment Reports prepared under Clean Water Act Sections 303(d) and 305(b) (i.e., Integrated Reports).

Comment: *There is no plan for all-important maintenance of the retention basins in the "Master Drainage Plan."*

Response: The detention basins will be maintained so that the capacity is not impaired. As design progresses a maintenance program will be developed. In general, the detention basins will contain markers so that the depth of silt at the bottom can be measured. When the silt reaches a certain level, the silt will be removed and properly disposed of.

To include the relevant above information, along with addressing comments regarding drainage from others, in the Final EIS, in the Final EIS 4.8.3 (Drainage System) will be revised as shown on the attachment titled "Drainage System."

4.10.5 Parks

Comment: *One of the project's 3 private neighborhood parks is located along the makai boundary of the property in a natural gulch area currently subject to high velocity flows during storm events. A park location on either side of the natural gulch would be more practical.*

Response: The park area you refer to is intended as a passive park meant to function as a drainage/retention area during high volume storms. The passive nature of the park also is meant to allow for view corridors from the adjacent multi-family and village mixed use areas due to the lower topography. Honua'ula's other two parks total more than six acres, are more centrally located to residential areas, and will serve as more active neighborhood parks. All Honua'ula parks will be open to the public, privately maintained, and will not be used to satisfy the park assessment requirements under Section 18.16.320, Maui County Code, or for future credits under the subdivision ordinance.

Closing Comments

Comment: *Sierra Club Maui requests that the accepting authorities find this DEIS incomplete and premature. Without including the omitted studies and evaluation information in the DEIS, the project is not in compliance with the environmental review laws of the State of Hawaii.*

Response: The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with the State of Hawai'i EIS law (Chapter 343, HRS) and EIS rules (Title 11, Chapter 200, HAR). The EIS laws and rules do not provide for a draft EIS to be found "incomplete and premature." Rather, the EIS laws and rules provide for the preparation of a draft EIS, a review process, and the preparation of a final EIS. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments and our responses to your comments. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to review comments.

We note that in commenting on the Draft EIS the Maui Planning Commission stated that the Honua'ula Draft EIS was "one of the better draft documents the commission has seen in terms of completeness."

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachment: Botanical Resources
Wildlife Resources
Archaeological and Historic Resources
Cultural Resources
Noise
Air Quality
Drainage System
Cumulative and Secondary Impacts
Electrical System
Alternatives
Figure 15 (from USGS Water Study)
Groundwater
Water System

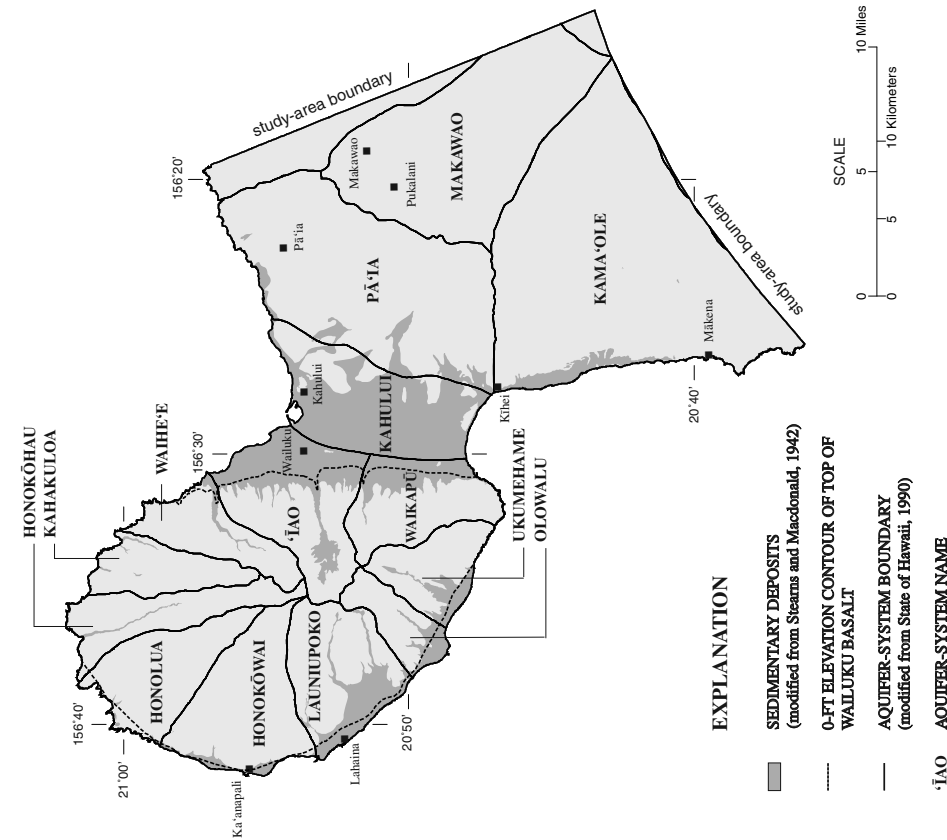


Figure 15. Locations of aquifer systems and surficial sedimentary deposits in central and west Maui, Hawaii.



Surfrider Foundation, Maui Chapter
P.O. Box 790549
Paia, HI 96779

June 29, 2010

PBR Hawaii

Attn: Tom Schnell, AICP
1001 Bishop Street, Suite 650
Honolulu, Hawaii 96813

RE: Comments on DRAFT EIS for HONUUA'ULA (WAILEA 670)

Mahalo for this opportunity to offer comments on the Draft EIS (DEIS) for this development project. Surfrider Foundation Maui is the local branch of an international non-profit environmental organization dedicated to the protection and enhancement of our local waves, water and beaches through CARE (conservation, activism, research and education).

As an advocate for clean, healthy oceans Surfrider Foundation requests the Honua'ula DEIS provide more specific information on several topics.

Expected Project Population:

We feel the DEIS should make clear whether the demand for services, traffic, water and wastewater needs are based upon a projected population of 2.5 persons per household in the Honua'ula Project District? We note that the US Census uses a figure of 2.9 per household. The General Plan Update used a figure of 2.8 per household. Also the assumption that part time residents will be on site for only 20% of the year does not appear to have considerable supporting evidence.

If these assumptions are questionable, and Honua'ula population levels are larger than now being discussed by up to 500 residents, then the conclusions about impacts to water supplies, traffic counts, wastewater disposal, police and fire protection, recreational area access and other services are not likely to be accurate. We would request that the EIS offer several population scenarios, including the 2.9 persons/unit and give comparative figures for water, traffic, wastewater, recreational use demands based on these more supportable assumptions.

Impacts of Increased Resident Population on use of Beach Areas:

Objective A 9 of Hawaii State Recreation Functional Plan concerns the need for developments to consider the part their project would play in the "saturation of the capacity of beach parks and nearshore waters."

Honua'ula replied that this policy was "Not Applicable" to its project. This does not seem to be a logical conclusion.

Nowhere in section 5.2.2 of the EIS, where recreation is discussed, does the EIS acknowledge that the project's residents will be using local beaches. The DEIS states:

"Honua'ula is not located on a shoreline therefore policies regarding shoreline resources are not applicable."

We find it disappointing that this project, located five minutes from some of South Maui's most popular beaches, declines to discuss that future residents will, without a doubt, want to access those nearby beaches. We request that the EIS discuss potential impacts on Ulua, Wailea, Polo, Palaua, Po'olenalena, Keawakapu and Makema beach parks; and facilities like Kihēi boat ramp.

The Kihēi-Makema Community Plan states a goal directly related to the region where the proposed Honua'ula project is located:

"Provide adequate landscaped public access to shoreline areas with significant recreational and scenic value. Provide adequate lateral public access along the shoreline to connect significant shoreline areas and to establish continuity of the public shoreline areas. Particular attention shall be directed toward southern shoreline resources from Polo Beach southwards, and between Kama'ole Parks II and III."

This policy does not just apply to coastal development projects, but rather is a goal for the entire community to work towards. Every development generates potential beach users. Every development needs to consider how it can be part of the solution.

The EIS should include research on average numbers of trips to beach by south Maui / Wailea residents. Use those figures to project future use by Honua'ula residents. Expected increase in demands for beach parking and beach space, camping spaces, boat launch facilities, etc, based upon increased residential population, should also be discussed.

The EIS should also fully acknowledge that by national planning standards South Maui, with its resident and year round visitor population, has a shortage of beach park facilities, which leads to user conflicts. Palaua, for example is a popular fishing beach. When Honua'ula has five hundred residences built, will there be a change in the number and frequency of visitors to this now out-of-the-way-beach? Will there still be room for the weekend fisherman and his family? The EIS should provide this information and mitigation for anticipated impacts.

A project one mile from the beach, in a world famous beach resort area, should not have its EIS considered adequate, unless potential impacts of increased residential population to shoreline recreation areas are discussed.

Earlier Wailea 670 project discussions mentioned mitigation funding for increased parking spaces at Keawakapu beach. Appropriate mitigation would seem to be improved parking at Palaua beach. The County's 2005 Ocean Resources Management Plan recommended Palaua Beach for expanded access and parking improvements, and specifically cited as justification for the expanded need, plans for over 1000 new housing units proposed immediately uphill, in what was then called Wailea 670.

It is likely that future advertising for the project's homesites will included information that the location "is just minutes from beautiful beaches." This connection should be a part of the EIS discussion.

Wastewater Treatment

A number of statements are made in the DEIS regarding potential water quality impacts which the project has successfully mitigated. One of those statements is that "No reclaimed water will be placed into injection wells."

It is our understanding that the Makema Resort wastewater treatment plant or the proposed onsite Wastewater facility would be required by the state Department of Health to have injection wells for backup purposes. If this is the case for these facilities, that fact should be clearly explained in the EIS.

We request that the EIS also include additional information about the capacity of the onsite and offsite treated wastewater storage areas. It is mentioned that treated effluent will be stored on the project's golf course, but no mention is made of the potential storage capacity. Are there extra areas that can be used to retain peak levels of treated effluent, estimated at 2.19 mgd, in the event of heavy rainstorms? It is not discussed if that peak level included more than runoff water seeping into pipes. Does it also include rainwater filling existing open air storage basins? If so, is there a plan to contain any overflows?

The EIS should discuss the relative benefits and drawbacks of the proposed onsite membrane reactor and the existing activated sludge process at the Makema facility, including water quality factors and cost to consumers.

The wastewater section of the EIS seems to be more theoretical than specific. It states: "This section reviews the existing wastewater system and describes proposed improvements to meet the demands of the project. The proposed improvements are subject to change based on the refinement of plans and availability of more detailed information."

The EIS should discuss when that more detailed information would be available? Will it be during the Phase II project District review process as promised during the Council hearings?

Drainage Impacts to Nearshore Waters

A great deal of water already passes through this site during large storm events. Ocean water quality in Wailea and Palaua has been impacted, along with reefs and nearshore habitats during past storms. The DEIS makes a number of unsubstantiated claims regarding containment and reduction of both onsite and off site flows.

We request that the EIS include discussion of the capacity of the existing Wailea golf course to retain and absorb run-off and a comparison to the proposed Project golf course. It is our understanding that the younger, more porous volcanic soils of the southern portion of the project area behave very differently than the northern soils. Wailea G.C. has similar soils in its southern portion.

The EIS should discuss the effect of the volcanic soils on the ability of future retention basins and golf course areas to retain and filter heavy run off. The existing Wailea Gold



May 31, 2012

Surfrider Foundation, Maui Chapter
Executive Committee
c/o Tim Lara, Chair
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and Blue Golf courses have been overwhelmed by heavy rain flows during past storm events. The statement that the project's golf course will absorb more water than current conditions should be backed up by proof.

More discussion is needed on the specifics of drainage. Is the Drainage map included in the Preliminary Engineering Report the "Master Drainage Report" called for in the Reasoning Conditions? If not, when will that report be issued?

Based upon past volumes of water seen in this area, it seems unlikely that even the proposed detention basins, pipes etc will keep up with a large storm event. It also does not appear that the project's water quality monitoring project is following protocols that will reveal run-off impacts to nearshore waters. We request that the EIS include an analyses of drainage retention capacity expansion that would come from expanded buffer areas between Honua'ula and Maui Meadows and along Pillani Highway.

Will individual buildings be designed to minimize and capture run-off on site through rain gardens, etc?

Muddy, turbid waters impact our reefs and make for unhealthy conditions for ocean users. We request that the DEIS discuss the project's commitment to reduction of both existing and post development flows on site and off site, even though County rules do not request pre-development conditions to be mitigated.

Include Full Review of Offsite Infrastructure Facilities in the Honua'ula EIS

We request the EIS include information about the option of future expansion of the Makana Wastewater Plant. An analyses of that potential expansion as well as the construction of transmission lines for water and wastewater, additional well sites and offsite potable and non-potable water storage tanks should all be included in this EIS. Review should include archaeological and botanical surveys of the off site project areas, discussion of drainage and traffic impacts and other data needed by decision makers and the public to guide responsible decision making. Lack of such information creates segmentation of the project, which is not allowed under state Environmental Review statutes. Since these are private systems on private lands, this would be their only opportunity for environmental review.

Mahalo for giving us a chance to share our comments

**Executive Committee
Surfrider Foundation - Maui Chapter**

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Chair Lara and Executive Committee Members:

Thank you for the Surfrider Foundation Maui Chapter Executive Committee (Executive Committee) letter dated June 29, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to the comments in the letter. The organization of this letter follows the headings of the Executive Committee letter.

Expected Project Population

Comment: We feel the DEIS should make clear whether the demand for services, traffic, water and wastewater needs are based upon a projected population of 2.5 persons per household in the Honua'ula Project District? We note that the US Census uses a figure of 2.9 per household. The General Plan Update used a figure of 2.8 per household.

Response: The figure of 2.9 persons per household that you provide is the 2000 US Census average household size for Maui County as a whole.

US Census data for the Kihei-Makena region¹ shows an average household size of:

- 2.62 people in 1990
- 2.57 people in 2000
- 2.45 people in 2010

In the Maui Planning Department report titled "Socio-Economic Forecast: The Economic Projections for the County of Maui General Plan 2030" (Maui Planning Department 2006) the Planning Department provides the following historical and projected average household sizes for the Kihei-Makena region:

- 2.59 people in 1990
- 2.55 people in 2000
- 2.49 people in 2010
- 2.46 people in 2020
- 2.44 people in 2030

¹ US Census data from the Kihei, Wailea-Makena (1990 and 2000) and the Kihei, Wailea, and Makena (2010) Census Designated Places (CDP) where combined to obtain the average household size for the Kihei-Makena region.

We note that the figure of 2.8 persons per household that you cite was the figure that the Maui County General Plan Advisory Committee recommended to be used in preparing the General Plan Update; however this was not the number projected by the Maui Planning Department which was actually used for the General Plan Update.

In light of historical trends, current data, and Maui Planning Department forecasts (Maui Planning Department 2006), the use of an average size of 2.5 persons per full-time resident household at Honua'ula is moderate to conservative and is higher than the 2.44 persons projected by the Maui Planning Department for the time when Honua'ula is fully built-out. As illustrated above with the US Census and Maui Planning Department data for 1990, 2000, and 2010, the trend in declining household size has been occurring over several decades and Kihei-Mākena households have gotten smaller with each passing census. The movement toward smaller households is an indisputable demographic trend, brought about by the coalescing of numerous factors (including longer life spans, higher incomes, more divorces and single parent households, and cultural evolutions). The application of an average household size of 2.8 or 2.9 at Honua'ula is not supported by US Census data or Maui Planning Department projections.

Regarding your comment that "We feel the DEIS should make clear whether the demand for services, traffic, water and wastewater needs are based upon a projected population of 2.5 persons per household," please note that calculations used in various studies included in the Draft EIS are not based simply on average household size. For example, traffic projections take into account not only Honua'ula's residential units, but other uses as well, such as retail areas and recreational facilities, and are based on trip generation rates in accordance with nationally recognized standards published by the Institute of Traffic Engineers and locally developed standards accepted by the State of Hawai'i Department of Transportation. Similarly water demand rates are based on factors more complex than average household size, such as housing type (i.e. single-family or multi-family) and physical size, commercial and recreational use, and overall landscape irrigation requirements. Likewise, wastewater needs are projected based on more complex data than just average household size. To base projections for various demands simply on average household size would not yield accurate projections for Honua'ula overall and would not be in accordance with accepted traffic and civil engineering standards.

Comment: Also the assumption that part time residents will be on site for only 20% of the year does not appear to have considerable supporting evidence.

Response: As stated in Section 4.9.2 (Population) and more fully explained in Appendix Q (Market Study, Economic Impact Analysis, and Public Costs/Benefits Assessment) of the Draft EIS, to arrive at an accurate population projection for Honua'ula, the number of homes that would be occupied by full-time residents and part-time residents was first determined to be 629 full-time residences and 521 part-time residences. Then, average household size was forecasted based on full-time or part-time use. For full-time residents, it was assumed that homes would be occupied 98 percent of the time with an average household size of 2.5 people per household. For part-time residents (i.e. non-Maui residents), it was assumed that homes would be occupied 20 percent of the time with an average party size of 2.8 people per home. The part-time resident average party size of 2.8 people per home was calculated based on the average resident household size of 2.5 persons per household, plus 10 percent to account for guests.

It is important to note that Honua'ula will not contain transient vacation rentals (TVR), and therefore homes owned by non-Maui residents will be vacant when owners are not on Maui.

Numerous studies on the use of non-resident, non-TRV homes in Maui and West Hawai'i resorts indicate occupancy ranging from six to 20 percent of the time, with an average of approximately 14 percent. This is based on surveys of owners, realtors, maintenance companies, and resort personnel in Kapalua (Plantation and Pineapple Hill subdivisions), Ka'anapali (mauka), Wailea (non-TRV units), Mauna Kea, Mauna Lani, and Hualālai.

Comment: We would request that the EIS offer several population scenarios, including the 2.9 persons/unit and give comparative figures for water, traffic, wastewater, recreational use demands based on these more supportable assumptions.

Response: As explained above: 1) the application of an average household size of 2.8 or 2.9 at Honua'ula is not supported by US Census data or by Maui Planning Department projections; and 2) to base projections for various demands simply on average household size would not yield accurate projections for Honua'ula overall and would not be in accordance with accepted traffic and civil engineering standards.

Impacts of Increased Resident Population on use of Beach Areas

Comment: Objective A 9 of Hawaii State Recreation Functional Plan concerns the need for developments to consider the part their project would play in the "saturation of the capacity of beach parks and nearshore waters."

Honua'ula replied that this policy was "Not Applicable" to its project. This does not seem to be a logical conclusion.

Response: The 1991 Recreation State Functional Plan to which you refer is one of 14 State Functional Plans required to be formulated under the Hawai'i State Plan. The purpose of the State Functional Plans is to guide State programs, actions, and resource allocation decisions.² As stated on page 2 of the Recreation State Functional Plan: "...State Functional Plans are ... not to be interpreted as law or statutory mandates, nor do they mandate County or private sector actions."

Recreation State Functional Plan Objective I.A, to which you refer, states, "Address the problem of saturation of the capacity of beach parks and nearshore waters." Policy I-A(1), which follows Objective I.A, states: "Acquire additional beach parkland and rights-of-way to remaining undeveloped shorelines to provide increased capacity for future public recreational use." Implementing Action I-A(1)(a) which follows then sets out a list of beach areas on each island to be acquired by the State with the Department of Land and Natural Resources (DLNR) State Park Division being the lead organization to acquire the lands, subject to the availability of funds. In context with the accompanying policy, implementing action, and other relevant information regarding the purpose of the State Functional Plans, it is clear that Objective I.A is directed toward DLNR State Parks Division and thus is not applicable to Honua'ula.

Comment: Nowhere in section 5.2.2 of the EIS, where recreation is discussed, does the EIS acknowledge that the project's residents will be using local beaches. The DEIS states: "Honua'ula is not located on a shoreline therefore policies regarding shoreline resources are not applicable."

Response: Section 5.2.2 (Kihei-Mākena Community Plan) of the Draft EIS discusses the objectives and policies of the Kihei-Mākena Community Plan relevant to Honua'ula, including the objectives

² See State Recreation Functional Plan, page ii, Preface.

and policies regarding recreation. For a more detailed discussion on Honua'ula's potential impacts, proposed mitigation measures, and contributions regarding recreational facilities in the Kihei-Mākena region, please see Section 4.10.5 (Recreational Facilities) of the Draft EIS. In response to your comments below regarding potential impacts to beaches, in the Final EIS Section 4.10.5 (Recreational Facilities) will be revised as explained below and on the attachment titled "Recreational Facilities."

Comment: *We find it disappointing that this project, located five minutes from some of South Maui's most popular beaches, declines to discuss that future residents will, without a doubt, want to access those nearby beaches. We request that the EIS discuss potential impacts on Ulua, Wailea, Polo, Palatua, Po'olenalena, Keawakapu and Makena beach parks; and facilities like Kihei boat ramp.*

Response: As discussed in Section 4.9.2 (Population) of the Draft EIS, population projections by the Maui Planning Department (Maui Planning Department 2006) indicate that the overall Maui Island population and Kihei-Mākena population is increasing. By 2025 the Maui Island population is expected to increase by 24 percent from the 2010 population, including a projected 28 percent increase in the Kihei-Mākena population. During the same period the average visitor census for Maui is projected to increase 28 percent with approximately 47 percent of Maui's visitors staying in the Kihei-Mākena region. These increases are projected with or without Honua'ula. The additional population will use public facilities, such as beaches and boat ramps and increased beach and boat ramp use and associated impacts will occur with or without Honua'ula.

Section 4.9.2 (Population) of the Draft EIS notes that when fully built-out, the total population of Honua'ula is projected to be 1,833 persons, of which 1,541 will be full-time residents and 292 will be periodic users comprised of non-resident owners and their guests (Hallstrom 2009). It is important to realize that under the requirements of Chapter 2.96, MCC Honua'ula's 450 on-site workforce affordable homes must be offered for sale to Maui residents. Therefore, based on a household size of 2.5 people per household, approximately 1,125 (73 percent) of Honua'ula's future 1,541 full-time residents will most likely be existing Maui residents already making periodic use of public facilities such as beaches and boat ramps. As a result, the incremental increase in use of public facilities as a result of Honua'ula will be significantly less than the overall population of Honua'ula may indicate.

We acknowledge that some Honua'ula residents will go to Maui beaches; however the number of Honua'ula residents going to a specific beach on any given day cannot be known and it cannot be assumed that Honua'ula residents will patronize only the beaches you list; rather it is likely that they could be distributed among any beach in the Kihei-Mākena region or the entire island.

Regarding the Kihei Boat Ramp and boat ramp facilities on Maui in general, the report titled *Public Facilities Assessment Update County of Maui* (R.M. Towill Corporation 2007) projects the need for three additional boat ramps island wide by 2030 based on the island wide population increase (an increase of approximately 46,000 people from 2010 to 2030) projected by the Maui Planning Department. Again this population increase is projected with or without Honua'ula. It is not anticipated that Honua'ula will trigger the need for additional boat ramp facilities considering that: 1) the County projects a population increase with or without Honua'ula; 2) approximately 73 percent of Honua'ula's future residents may already be existing Maui residents; and 3) relatively few new boat ramps will be necessary by 2030 to support the projected island wide population increase.

Comment: *The Kihei-Makena Community Plan states a goal directly related to the region where the proposed Honua'ula project is located:*

"Provide adequate landscaped public access to shoreline areas with significant recreational and scenic value. Provide adequate lateral public access along the shoreline to connect significant shoreline areas and to establish continuity of the public shoreline areas. Particular attention shall be directed toward southern shoreline resources from Polo Beach southwards, and between Kama'ole Parks II and III."

This policy does not just apply to coastal development projects, but rather is a goal for the entire community to work towards. Every development generates potential beach users. Every development needs to consider how it can be part of the solution.

Response: In full, this policy from the Kihei-Makena Community Plan states:

- (f) *Improve public access to shoreline and near-shore resources through the following measures:*
 1. *Develop and implement a plan for public access to the shoreline, which includes both existing and future accesses, based on the location of significant shoreline resources. Accesses shall be consistent with the characteristics of resources to be reached.*
 2. *Provide adequate landscaped public access to shoreline areas with significant recreational and scenic value. Provide adequate lateral public access along the shoreline to connect significant shoreline areas and to establish continuity of the public shoreline areas. Particular attention shall be directed toward southern shoreline resources from Polo Beach southwards, and between Kama'ole Parks II and III.*
 3. *Require setbacks to include recreational space on lands behind the legally defined public shoreline zone wherever possible. This allows for adequate recreational activities and proper management of the shoreline.*
 4. *Provide setback areas with landscaping to enhance recreational use and scenic quality. Recreational amenities should be commensurate with the scale of the setback area, intended use, and resource characteristics.*

This policy is clearly focused on improving public access to the shoreline, and in particular item 2 that you cite is concerned with providing adequate landscaped public access to the shoreline and lateral public access along the shoreline. We respectfully disagree that this policy applies to projects that are not on the shoreline or projects that do not provide direct access to the shoreline. As your comments acknowledge, Honua'ula is one mile from the shoreline. There are several properties between Honua'ula and the shoreline. Honua'ula Partners, LLC does not own these properties and it is not possible for Honua'ula Partners, LLC to provide access to the shoreline through properties it does not own or to provide lateral public access along the shoreline in front of properties it does not own. Similarly, it is not possible for Honua'ula Partners, LLC to provide or control landscaping along public shoreline access ways that are not adjacent or even nearby its property.

Comment: *The EIS should include research on average numbers of trips to beach by south Maui / Wailea residents. Use those figures to project future use by Honua'ula residents. Expected increase in demands for beach parking and beach space, camping spaces, boat launch facilities, etc, based upon increased resident population, should also be discussed.*

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Response: According to the report titled *Public Facilities Assessment Update County of Maui* (R.M. Towill Corporation 2007), beaches are considered "Special Use Parks," that serve a regional or islandwide populace because their activities or points of interest are tied to a specific location. Maui's beaches provide ocean recreation opportunities for all Maui residents and visitors regardless of location or where people live or are staying; it cannot be assumed that people living or staying near a specific beach will frequent the beach nearest to them.

As discussed above, the Maui Island and the Kihei-Mākena population is increasing. This increase is projected with or without Honua'ula. The additional population will use public facilities, such as beaches and boat ramps and additional beach use and associated impacts will occur with or without Honua'ula. In addition, as previously noted, many future Honua'ula residents may already be existing Maui residents making periodic use of Maui beaches, including beaches and boat ramps in the Kihei-Mākena region.

As discussed in Section 4.10.5 (Recreational Facilities) of the Draft EIS, to help alleviate the shortage of park space and facilities in the Kihei-Mākena region, Honua'ula Partners, LLC will develop six acres of private parks and 84 acres of open space within Honua'ula in compliance with County of Maui Ordinance No. 3554 (Condition 1). The private parks will be open to the public and privately maintained. Furthermore, the private parks and open space will not be used to satisfy the park assessment requirements under Section 18.16.320, MCC, or for future credits under the subdivision ordinance. The Director of Parks and Recreation and Honua'ula Partners, LLC agree that Honua'ula's park assessment requirements will be satisfied with an in-lieu cash contribution for the entire project. This cash contribution will be used to upgrade Maui County parks and facilities, which may include beach parks, as determined by the Department of Parks and Recreation (DPR) in accordance with their park facility priorities. In addition, Honua'ula Partners, LLC will pay at least \$5,000,000 to the County upon Project District Phase II approval specifically for the development of the South Maui Community Park in compliance with County of Maui Ordinance No. 3554 (Condition 10).

Comment: *The EIS should also fully acknowledge that by national planning standards South Maui, with its resident and year round visitor population, has a shortage of beach park facilities, which leads to user conflicts.*

Response: According to the *Public Facilities Assessment Update County of Maui* (R.M. Towill Corporation 2007) there are currently 28.8 acres of County beach parks in the Kihei-Mākena region. This does not include Ulua, Wailea, Polo, Palaua, and Keawakapu beaches that you mention above, which are not County beach parks. It also does not include Mākena State Park, which is a State park. Using a standard of 40 square feet of beach park space per person, the *Public Facilities Assessment Update County of Maui* projects a need for an additional 37 acres of County beach park space by 2030, based on the population projections of the Maui Planning Department. Because it is a State park, the 164 acres of Mākena State Park is not included in the inventory of County beach parks provided in the *Public Facilities Assessment Update County of Maui* (R.M. Towill Corporation 2007), nor is the area of Mākena State Park considered in relation to the projected need for an additional 37 acres of County beach park space by 2030. The park planning standards used in the *Public Facilities Assessment Update County of Maui* were obtained from: 1) Department of Parks and Recreation, City and County of Honolulu (1980); 2) Department of Parks and Recreation, County of Maui, *Open Space and Outdoor Recreation Plan* (2002); and 3) the National Recreation and Parks Association (NHPA 2000).

Surfrider Foundation, Maui Chapter

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Comment: *Palaua, for example is a popular fishing beach. When Honua'ula has five hundred residences built, will there be a change in the number and frequency of visitors to this now out-of-the-island way-beach? Will there be room for the weekend fisherman and his family? The EIS should provide this information and mitigation for anticipated impacts.*

Response: As explained above, Maui Planning Department population projections indicate that the Maui and the Kihei-Mākena population is increasing. This increase is projected with or without Honua'ula. The additional population will use public facilities, such as beaches. Therefore increased beach use and associated impacts will occur with or without Honua'ula. Some Honua'ula residents will go to Maui beaches; however the number of Honua'ula residents going to a specific beach on any given day cannot be known; it is likely that they could be distributed among any beach in the Kihei-Mākena region or the entire island. In addition, as previously noted, many future Honua'ula residents may already be existing Maui residents making periodic use of Maui beaches, including beaches in the Kihei-Mākena region.

Comment: *A project one mile from the beach, in a world famous beach resort area, should not have its EIS considered adequate, unless potential impacts of increased residential population to shoreline recreation areas are discussed.*

Response: In response to your preceding comments regarding potential impacts to beaches and boating facilities, in the Final EIS Section 4.10.5 (Recreational Facilities) will be revised to incorporate the relative information discussed above, as shown on the attachment titled "Recreational Facilities."

Comment: *Earlier Wailea 670 project discussions mentioned mitigation funding for increased parking spaces at Keawakapu beach. Appropriate mitigation would seem to be improved parking at Palaua beach. The County's 2005 Ocean Resources Management Plan recommended Palaua Beach for expanded access and parking improvements, and specifically cited as justification for the expanded need, plans for over 1000 new housing units proposed immediately uphill, in what was then called Wailea 670.*

Response: When you refer to the "County's 2005 Ocean Resources Management Plan" we are not clear if you are actually referring to the State "Hawaii Ocean Resources Management Plan" (ORMP), dated December 2006. We could not find a "County Ocean Resources Management Plan;" however we did check the State ORMP but could find no mention of a recommendation for expanded access and parking improvements at Palaua Beach.

Regardless, the determination of what mitigation measures are appropriate is a function of government agencies, which have a broad view of community needs and can appropriately balance consideration of overall project benefits with potential impacts and mitigation measures.

In their comment letter on the Environmental Assessment/Environmental Impact Statement Preparation Notice, DPR stated that they have no objections to Honua'ula. DPR stated further:

The 6 acres of private parks and 84 acres of open space proposed to be developed outside of park assessment requirements, in addition to the agreement to satisfy the provisions of Section 18.16.320, Maui County Code, with an in-lieu cash contribution for the entire project, meets with our approval. The applicant's offer of payment not less than \$5,000,000 to the County in lieu of the dedication of a Little League Field, upon Project District Phase II approval for the development of the South Maui Community Park is also acceptable. Finally, the applicant's

agreement to support Maui Junior Golf, MIL athletic groups, and provide reduced rates for kama'aina is a favorable commitment.

In addition, in their comment letter on the Draft EIS DPR stated:

The Draft Environmental Impact Statement for the subject project adequately addresses the concerns of the Department of Parks and Recreation. We have no additional comments or objections to the subject project at this time.

Comment: *It is likely that future advertising for the project's home sites will include information that the location "is just minutes from beautiful beaches." This connection should be a part of the EIS discussion."*

Response: Advertising for Honua'ula has not yet been considered, however an EIS is not a sales brochure or tool. EIS documents disclose a project's potential impacts and provide information on mitigation measures. How a project is advertised is not a subject of relevance for an EIS.

Wastewater Treatment

Comment: *It is our understanding that the Makena Resort wastewater treatment plant or the proposed onsite Wastewater facility would be required by the State Department of Health to have injection wells for backup purposes. If this is the case for these facilities, that fact should be clearly explained in the EIS.*

Response: Section 4.8.2 (Wastewater System) of the Draft EIS states that all wastewater will be treated at either an on-site wastewater reclamation facility (WWRF) or the existing Makena WWRF, then used for irrigation and that none of the recycled water will be placed into injection wells in compliance with County of Maui Ordinance No. 3554 (Condition 17). Sufficient golf course land is available within both Honua'ula and the Makena Resort to reuse 100 percent of the recycled water for irrigation. Wastewater system design, construction, and operation (whether at a new on-site WWRF or at the Makena WWRF) will be in accordance with County standards and in compliance with all applicable provisions of the State Department of Health (DOH) Administrative Rules (DOH rules) regarding wastewater systems (Chapter 11-62, Hawaii Administrative Rules (HAR)).

The DOH rules regarding wastewater systems (Chapter 11-62, (HAR)) do not require injection wells for wastewater system back up purposes. Backup disposal systems or adequate storage basin(s) are required; however there are other options for back up besides injection wells. The Makena WWRF does not have injection wells, but rather includes an unlined wet weather storage/disposal basin in conformance with DOH rules. Treated water discharged into the basin either percolates or evaporates. If an on-site WWRF is built for Honua'ula, a similar wet weather storage/disposal basin will be provided. Treated water stored in the wet weather storage basin will percolate, evaporate, or be pumped back to the treatment plant for additional treatment and then used for irrigation. The basin will be designed to accommodate the peak recycled water flow rate and therefore no recycled water will be discharged. Disposal of treated wastewater in this manner is allowed under DOH rules.

Comment: *We request that the EIS also include additional information about the capacity of the onsite and offsite treated wastewater storage areas. It is mentioned that treated effluent will be stored on the project's golf course, but no mention is made of the potential storage capacity (sic). Are there extra areas that can be used to retain peak levels of treated effluent, estimated at 2.19 mgd, in the event of heavy rainstorms? It is not*

discussed if that peak level included more than runoff water seeping into pipes. Does it also include rainwater filling existing open air storage basins? If so, is there a plan to contain any overflows?

Response: As explained in Section 4.8.2 (Wastewater System) of the Draft EIS, after treatment—at either the possible on-site WWRF or the existing Makena WWRF—recycled water will be stored in lined water features located on the golf course.

As discussed above, if an on-site WWRF is built for Honua'ula, a wet weather storage/disposal basin similar to what is in use at the Makena WWRF will be provided for management of treated water during extended wet weather periods after the golf course water features are full. Water stored in the wet weather storage basin will percolate, evaporate, or be pumped back to the treatment plant for additional treatment. The basin will be designed to accommodate the peak recycled water flow rate and therefore no recycled water will be discharged.

The peak wet weather flow projection of 2.19 MGD includes storm water runoff entering the wastewater system from any source.

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS Section 4.8.2 (Wastewater System) will be revised as show on the attachment titled: "Wastewater System."

Comment: *The EIS should discuss the relative benefits and drawbacks of the proposed onsite membrane reactor and the existing activated sludge process at the Makena facility, including water quality factors and cost to consumers.*

Response: As discussed in Section 4.8.2 (Wastewater System) of the Draft EIS, if a WWRF were provided on-site, a membrane bioreactor (MBR) wastewater treatment system is proposed to produce R-1 quality water for non-potable use. The MBR process is a biological process (activated sludge process) combined with a separation process (membrane system). MBR systems are widely used throughout the world and are considered an industry standard for the production of reliable R-1 recycled water. In addition, MBR systems have the smallest footprint of the various biological treatment systems available and provide the highest quality recycled water.

The main difference between MBRs and other R-1 treatment technologies (such as the extended aeration activated sludge/coagulation/filtration process used at the Makena and County Kihei WWRFs) is the method of separating the suspended solids from the water. MBRs have thin membranes with many thousands of micro-perforations, which are too small for the passage of suspended solids and microorganisms present in the wastewater, but large enough to allow the passage of water molecules. In the extended aeration activated sludge/coagulation/filtration process, combination flocculants like ferric chloride and/or polymer are added to treated water to agglomerate small particles into larger particles that can be removed by a granular media filtration process. When coupled with a suitable disinfection system, both MBR systems and extended aeration activated sludge/coagulation/filtration systems are capable of reliably producing R-1 quality water that meets all DOH R-1 water quality standards. In addition, MBR systems require less land area to treat a given flow than extended aeration activated sludge/coagulation/filtration systems. This is because the MBR membranes perform the equivalent treatment of gravity sedimentation and filtration in one tank.

review and comment. These agencies have since provided comments, and subsequently the Analysis, along with the agencies' reviews and comments, was submitted to the Maui County Council on May 11, 2010 for review. After receiving the Analysis, the Maui County Council accepted the Analysis and did not subject Honua'ula to any additional conditions or amendments. As a result, Condition 16 has been fully satisfied.

To reflect this updated information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

16. *That Honua'ula Partners, LLC, its successors and permitted assigns, shall provide a Sewage Disposal Analysis that has been reviewed and commented on by the State Department of Health, the State Department of Land and Natural Resources, the County Department of Environmental Management, and the County Department of Water Supply prior to Project District Phase II approval. The Sewage Disposal Analysis, along with reviews and comments shall be submitted to the Maui County Council for review and the project shall be subject to additional conditions or amendments by the Maui County Council if warranted by the Sewage Disposal Analysis.*

Discussion: As discussed in Section 4.8.2 (Wastewater System) Honua'ula will not rely upon or burden any County wastewater system. Instead, Honua'ula Partners, LLC will either participate in the operation of a private WWRF and system that accommodates the needs of Honua'ula (Alternative 1) or provide a WWRF on-site (Alternative 2). The Preliminary Engineering Report prepared for Honua'ula (Appendix P) provides preliminary information regarding wastewater. For a more detailed analysis Honua'ula Partners, LLC has engaged Brown and Caldwell Engineers to prepare a Draft Honua'ula Sewage Disposal Analysis. In accordance with this condition, the Analysis ~~will be~~ has been submitted to the State DOH and DLNR and the County DEM and DWS for review and comment before Project District Phase II approval. These agencies have since provided comments and subsequently, ~~the~~ the Analysis, along with reviews and comments, ~~will then be~~ was submitted to the Maui County Council on May 11, 2010 for review. After receiving the Analysis, the Maui County Council accepted the Analysis and did not subject Honua'ula to any additional conditions or amendments. As a result, Condition 16 has been fully satisfied.

Drainage Impacts to Nearshore Waters

Comment: We request that the EIS include discussion of the capacity of the existing Wailea golf course to retain and absorb run-off and a comparison to the proposed Project golf course. It is our understanding that the younger, more porous volcanic soils of the southern portion of the project area behave very differently than the northern soils. Wailea G.C. has similar soils in its southern portion.

Response: As discussed in Section 3.3 (Soils) and as shown on Figure 8 (Soil Classification) of the Draft EIS, permeability of the various types of soil within the Property varies from moderate to moderately rapid as designated by the U.S. Department of Agriculture, Soil Conservation Service.

As discussed in section 4.8.3 (Drainage System) of the Draft EIS, drainage from Honua'ula is not expected to have a significant adverse effect on groundwater, downstream properties, or marine waters. In accordance with the County of Maui's "Rules for the Design of Storm Drainage Facilities," all drainage improvements will be designed so that there will be no increase in the peak rate of stormwater runoff leaving the Property compared to existing conditions. Detention

Regarding cost to consumers, as stated in Section 4.8.2 (Wastewater System) of the Draft EIS, in compliance with County of Maui Ordinance No. 3554 Condition 17, Honua'ula Partners, LLC will ensure that sewer rates for the residential workforce housing units will be no higher than the residential sewer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, Maui County Code.

Sewer rates for Honua'ula's market rate residential units have not yet been established; however, the Mākena WWRF is regulated as a public utility by the State Public Utility Commission (PUC), as are all private wastewater companies. If an on-site WWTF is built at Honua'ula, it will also be a private facility. The PUC prescribes rates, tariffs, charges and fees, for public utilities. As stated in Section 4.8.2 (Wastewater System) of the Draft EIS, transporting wastewater to the Mākena WWRF for treatment provides the benefit of consolidating wastewater services for both Honua'ula and Mākena, allowing economies of scale in the treatment process and consolidated regulatory compliance.

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS Section 4.8.2 (Wastewater System) will be revised as show on the attachment titled: "Wastewater System."

Comment: The wastewater section of the EIS seems to be more theoretical than specific. It states: "This section reviews the existing wastewater system and describes proposed improvements to meet the demands of the project. The proposed improvements are subject to change based on the refinement of plans and availability of more detailed information."

The EIS should discuss when that more detailed (proposed improvements) information would be available? Will it be during the Phase II project District review process as promised during the Council hearings?

Response: The sentences that you quote are actually from the Preliminary Engineering Report (Appendix P of the Draft EIS). The level of detail presented in the Preliminary Engineering Report and Section 4.8.2 (Wastewater System) of the Draft EIS is typical at this preliminary stage of design. With your question "Will it be during the Phase II Project District review process as promised during the Council hearings?" we infer that you are referring to County of Maui Ordinance No. 3554 Condition 16, which requires Honua'ula Partners, LLC to provide a sewage disposal analysis to the Maui County Council that has been reviewed and commented on by DOH, DLNR, the County Department of Environmental Management, and DWS before Project District Phase II approval. As discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, in compliance with Condition 16:

...The Preliminary Engineering Report prepared for Honua'ula (Appendix P) provides preliminary information regarding wastewater. For a more detailed analysis Honua'ula Partners, LLC has engaged Brown and Caldwell Engineers to prepare a Draft Honua'ula Sewage Disposal Analysis. In accordance with this condition, the Analysis will be submitted to the State DOH and DLNR and the County DEM and DWS for review and comment before Project District Phase II approval. The Analysis, along with reviews and comments, will then be submitted to the Maui County Council for review.

Since the time that the Draft EIS was completed, the Sewage Disposal Analysis (Analysis) has been completed and, in accordance with the requirements of Condition 16, has been provided to the State DOH, the State DLNR Commission on Water Resource Management (CWRM), the County Department of Environmental Management, and the County Department of Water Supply for

basins within Honua'ula will be sized appropriately, based on projected runoff and soil permeability, to comply with the County drainage regulations. With the use of detention basins, the peak rate of runoff leaving the Property will not increase over current conditions and seepage of water into the ground from the detention basins will actually increase the amount of percolation to groundwater.

As the peak rate of stormwater runoff leaving the Property and thus flowing downstream to existing Wailea golf course will not change compared to existing conditions, the capacity of existing Wailea golf course to retain and absorb runoff will not have to be increased to accommodate drainage from Honua'ula.

Comment: *The EIS should discuss the effect of the volcanic soils on the ability of future retention basins and golf course areas to retain and filter heavy run off. The existing Wailea Gold and Blue Golf courses have been overwhelmed by heavy rain flows during past storm events. The statement that the project's golf course will absorb more water than current conditions should be backed up by proof.*

Response: All soils in Hawai'i are volcanic. An inherent assumption of the Drainage Master Plan prepared for the Draft EIS and included in Appendix P (Preliminary Engineering Report) of the Draft EIS was that the soils are volcanic and porous. As noted above, and also in the Drainage Master Plan, permeability of the various types of soil within the Property varies from moderate to moderately rapid as designated by the U.S. Department of Agriculture, Soil Conservation Service. All drainage improvements will be designed so that there will be no increase in the peak rate of stormwater runoff leaving the Property compared to existing conditions. Detention basins within Honua'ula will be sized appropriately, based on projected runoff and soil permeability, to comply with the County drainage regulations.

The use of detention basins within Honua'ula and the golf course will cause water that currently flows through the property with no obstruction to be detained on site. Detaining more water on site than is currently detained will allow more water to absorb into the ground compared to existing conditions.

Comment: *More discussion is needed on the specifics of drainage. Is the Drainage map included in the Preliminary Engineering Report the "Master Drainage Report" called for in the Rezoning Conditions? If not, when will that report be issued?*

Response: In compliance with County of Maui Ordinance No. 3554 (Condition 6), the Preliminary Engineering Report (Appendix P) includes a Drainage Master Plan and Phasing Plan of improvements. The Drainage Master Plan includes the map you refer to as well as the additional information on drainage contained in Section 4 (Drainage) of the Preliminary Engineering Report.

Comment: *We request that the EIS include an analysis of drainage retention capacity expansion that would come from expanded buffer areas between Honua'ula and Maui Meadows and along Piilani Highway.*

Response: Drainage basins within Honua'ula will be sized appropriately so that there will be no increase in the peak rate of stormwater runoff leaving the Property compared to existing conditions. The border between Honua'ula and Maui Meadows is in a mauka to makai (i.e. downhill) direction. Stormwater along the Maui Meadows border flows downhill. Currently there are no built obstructions to alter the flow on the Honua'ula side of the border.

In compliance with Section 19.90A.030(E)(5), Maui County Code, a minimum 100 foot wide fire buffer area, with a minimum fifty-foot wide landscape buffer area within it, will be provided between the southern boundary of Maui Meadows and Honua'ula. No structures, except rear and side boundary walls or fences, will be permitted in the buffer. The purpose of this buffer is not for drainage retention capacity, and a wider buffer area will not significantly increase retention capacity in this area—it would be similar to existing conditions with water flowing downhill. A buffer wider than 100 feet would possibly have somewhat less impervious surfaces than a 100 foot wide buffer because less structures or pavement would be in the wider area, however this would not be significant in the ability of the buffer area to retain drainage as: 1) this area currently does not retain drainage and the purpose of the buffer is not to retain drainage; and 2) the current plan for detention basins takes into account impervious surfaces from structures or pavement. Increasing the buffer area would not result in: 1) significant decreases in impervious surfaces in consideration of the total project area; and 2) the need to decrease the area or size of planned retention basins.

Comment: *Will individual buildings be designed to minimize and capture run-off on site through rain gardens, etc?*

Response: In addition to the drainage improvements discussed in Section 4.8.3 (Drainage System) of the Draft EIS, Low Impact Development (LID) techniques will be incorporated into the design of Honua'ula to supplement the detention system where appropriate. LID comprises a set of approaches and practices designed to reduce runoff of water and pollutants from the site at which they are generated. By means of infiltration, evapotranspiration, and rainwater reuse, LID techniques manage water and water pollutants at the source, thereby reducing stormwater flows to detention basins. A goal of LID is to maintain or closely replicate predevelopment hydrology of the site with an understanding that rainwater is not merely a waste product to be disposed of, but a resource to be reused.

With LID techniques small-scale practices are employed to control stormwater runoff on-site. The practices are designed to work in concert with other stormwater best management practices, such as detention basins. While LID techniques span a wide range of design considerations, infiltration and filtration are two primary practices. Infiltration practices are engineered structures or landscape features designed to capture and infiltrate runoff. Infiltration can both reduce the volume of water discharged from the site and contribute to groundwater recharge. Examples of infiltration practices include: 1) infiltration basins and trenches which are shallow depressions designed to infiltrate stormwater through permeable soils; 2) rain gardens and other vegetated treatment systems that provide a planted depression to collect rainwater (usually from a single home) and allow absorption on-site; and 3) disconnected down spouts, which are roof gutter downspouts that are not connected to the sewer system to allow roof water to drain to lawns and gardens (or rainwater storage barrels) and allow plants and soils to filter pollutants.

Similar to infiltration practices, filtration practices treat runoff by filtering it through media designed to capture pollutants (such as sand or vegetation). Like infiltration, filtration can both reduce the volume of water discharged from the site and contribute to groundwater recharge, but filtration practices have the added advantage of providing increased pollutant removal. Examples of filtration practices include: 1) bioswales, which are landscaped drainage courses with gently sloped sides filled with vegetation, compost and/or rocks designed to slow down water flows and trap pollutants and silt; 2) vegetated swales which are smaller, broad, shallow, channels with dense vegetation covering the side slopes and bottom to trap pollutants, promote infiltration, and

To elaborate on this information already provided in the Draft EIS, while the Mākena WWRF was designed to handle wastewater flows of 720,000 gpd, it was also designed to be expandable to 1.54 million gallons per day (mgd). Currently the facility is only handling 114,440 gpd, leaving an unused capacity of 605,560 gpd based on the current capacity of 720,000 gpd. Future development within Mākena Resort is estimated to produce flows of 276,973 gpd. Therefore the total flow from Mākena Resort is projected to be 391,413 gpd at build-out. See Table 1 below.

reduce flow velocity; and 3) vegetated filter strips, which are bands of vegetation intended to treat sheet flow from adjacent impervious areas (such as parking lots) by slowing runoff velocities, filtering out sediment and other pollutants, and providing some infiltration into underlying soils.

LID practices can also effectively treat and manage non-point source pollution from drainage by filtering “first flush” runoff volumes. Non-point source pollution typically results from rainwater washing across impermeable surfaces such as roadways, parking lots, and sidewalks and with it picking up pollutants such as oil, detergents, pesticides, fertilizer, and pet wastes. Most surface pollutants are collected during the first one-half inch, or “first flush” of a storm event. LID practices can filter these pollutants before they reach detention basins. Traditional conveyance systems, such as drains and catch basins in parking lots and roadways can also be designed to capture this first flush with installed filtering materials.

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Strategically integrated LID practices applied throughout the Property—from individual building sites to larger areas such as parking lots and roadways—can lessen stormwater flows to detention basins and increase the length of time for flows to travel to detention basins. The increased time allows for greater opportunities for groundwater recharge, filtration, and evapotranspiration. LID practices can result in enhanced environmental performance, while at the same time reducing costs compared to traditional stormwater management approaches.

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To include the relevant above information, along with addressing comments regarding drainage from others, in the Final EIS, in the Final EIS 4.8.3 (Drainage System) will be revised as shown on the attachment titled “Drainage System.”

To include the relevant above information, along with addressing comments regarding drainage from others, in the Final EIS, in the Final EIS 4.8.3 (Drainage System) will be revised as shown on the attachment titled “Drainage System.”

Comment: *Muddy, turbid waters impact our reefs and make for unhealthy conditions for ocean users. We request that the DEIS discuss the project's commitment to reduction of both existing and post development flows on site and off site, even though County rules do not request pre-development conditions be mitigated.*

Comment: *Muddy, turbid waters impact our reefs and make for unhealthy conditions for ocean users. We request that the DEIS discuss the project's commitment to reduction of both existing and post development flows on site and off site, even though County rules do not request pre-development conditions be mitigated.*

Response: All drainage systems and detention basins will be designed in accordance with the “Rules for the Design of Storm Drainage Facilities in the County of Maui.” In addition, LID techniques, as discussed above, will be incorporated into the design of Honua’ula to supplement the detention system where appropriate. Section 3.5.2 (Nearshore Marine Environment) of the Draft EIS contains discussion on potential impacts to ocean water quality. The nearshore water quality assessment (Appendix D of the Draft EIS) concludes that: “the estimates of changes to groundwater and surface water would result in a decrease in nutrient and sediment loading to the ocean relative to the existing conditions. With such a scenario, it is evident that there would be no expected impacts to the nearshore marine ecosystem owing to development of Honua’ula.”

Response: All drainage systems and detention basins will be designed in accordance with the “Rules for the Design of Storm Drainage Facilities in the County of Maui.” In addition, LID techniques, as discussed above, will be incorporated into the design of Honua’ula to supplement the detention system where appropriate. Section 3.5.2 (Nearshore Marine Environment) of the Draft EIS contains discussion on potential impacts to ocean water quality. The nearshore water quality assessment (Appendix D of the Draft EIS) concludes that: “the estimates of changes to groundwater and surface water would result in a decrease in nutrient and sediment loading to the ocean relative to the existing conditions. With such a scenario, it is evident that there would be no expected impacts to the nearshore marine ecosystem owing to development of Honua’ula.”

Include Full Review of Offsite Infrastructure Facilities in the Honua’ula EIS
Comment: *We request that the EIS include information about the option of future expansion of the Mākena WWRF.*

Include Full Review of Offsite Infrastructure Facilities in the Honua’ula EIS
Comment: *We request that the EIS include information about the option of future expansion of the Mākena WWRF.*

Response: As discussed in Section 4.8.2 (Wastewater System) of the Draft EIS, the Mākena WWRF was designed to handle wastewater flows of 720,000 gallons per day (gpd). There is currently unused capacity at the Mākena WWRF, but it may be necessary to expand the Mākena WWRF to provide a small amount of additional capacity before both Honua’ula and Mākena Resort are built out. As both Honua’ula and Mākena Resort will be built out over a number of years, improvements can be implemented at the appropriate time, when needed.

Response: As discussed in Section 4.8.2 (Wastewater System) of the Draft EIS, the Mākena WWRF was designed to handle wastewater flows of 720,000 gallons per day (gpd). There is currently unused capacity at the Mākena WWRF, but it may be necessary to expand the Mākena WWRF to provide a small amount of additional capacity before both Honua’ula and Mākena Resort are built out. As both Honua’ula and Mākena Resort will be built out over a number of years, improvements can be implemented at the appropriate time, when needed.

• Section 3.6 (Botanical Resources) will be revised as shown on the attachment titled “Botanical Resources.”

• Section 3.6 (Botanical Resources) will be revised as shown on the attachment titled “Botanical Resources.”

Table 1 Current and Projected Mākena WWRF Capacities

Description	GPD
Current Mākena Resort flow	114,440
Future Mākena Resort flow	276,973
Total Mākena Resort flow at build-out	391,413
Honua’ula flow at build out	380,000
Total Mākena Resort and Honua’ula flow at build-out	771,413
Current Mākena WWRF Capacity	720,000
Additional capacity required to accommodate both Mākena Resort and Honua’ula at build-out	51,413

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS Section 4.8.2 (Wastewater System) will be revised as shown on the attachment titled: “Wastewater System.”

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS Section 4.8.2 (Wastewater System) will be revised as shown on the attachment titled: “Wastewater System.”

Comment: *An analyses of that potential expansion as well as the construction of transmission lines for water and wastewater, additional well sites and offsite potable and non-potable water storage tanks should all be included in this EIS. Review should include archaeological and botanical surveys of the off-site project areas; discussion of drainage and traffic impacts and other data needed by decision makers and the public to guide responsible decision making.*

Comment: *An analyses of that potential expansion as well as the construction of transmission lines for water and wastewater, additional well sites and offsite potable and non-potable water storage tanks should all be included in this EIS. Review should include archaeological and botanical surveys of the off-site project areas; discussion of drainage and traffic impacts and other data needed by decision makers and the public to guide responsible decision making.*

Response: In response to your comment, and comments from others, the Final EIS will contain analysis of: 1) the wastewater transmission line alignment for possible connection to the Mākena Resort WWRF; and 2) the off-site well sites, water transmission lines, and storage tank. This analysis will include: 1) archaeological and botanical surveys of these areas; 2) discussion of drainage impacts; and 3) other data. To incorporate the relevant information into the Final EIS, in the Final EIS:

Response: In response to your comment, and comments from others, the Final EIS will contain analysis of: 1) the wastewater transmission line alignment for possible connection to the Mākena Resort WWRF; and 2) the off-site well sites, water transmission lines, and storage tank. This analysis will include: 1) archaeological and botanical surveys of these areas; 2) discussion of drainage impacts; and 3) other data. To incorporate the relevant information into the Final EIS, in the Final EIS:

- Section 4.1 (Archaeological and Historic Resources) will be revised as shown on the attachment titled "Archaeological and Historic Resources;"
- Section 4.2 (Cultural Resources) will be revised as shown on the attachment titled "Cultural Resources;"
- Section 4.5 (Noise) will be revised as shown on the attachment titled "Noise;"
- Section 4.6 (Air Quality) will be revised as shown on the attachment titled "Air Quality;"
- Section 4.8.1 (Water System) will be revised as shown on the attachment titled "Water System;"
- Section 4.8.3 (Drainage System) will be re revised as shown on the attachment titled "Drainage System;" and
- Section 7.2 (Cumulative and Secondary Impacts) will be revised as shown on the attachment labeled "Cumulative and Secondary Impacts."

In addition, the Final EIS will contain as appendices:

1. The archaeological assessment survey reports for: a) the wastewater transmission line alignment for possible connection to the Mākena Resort WWRF; and b) the off-site well sites, water transmission lines, and storage tank; and
2. The biological survey for the off-site well sites, water transmission lines, and storage tank.

Please note that Appendix E of the Draft EIS contained a botanical survey of the wastewater transmission line alignment for possible connection to the Mākena Resort WWRF.

Traffic impacts are not expected to be different from what was already presented in the Draft EIS regarding: 1) the wastewater transmission line alignment for possible connection to the Mākena Resort WWRF; and 2) the off-site well sites, water transmission lines, and storage tank. These facilities will be on private property with limited vehicle access, primarily limited to periodic maintenance.

Comment: *Lack of such information creates segmentation of the project, which is not allowed under the state Environmental Review statutes. Since these are private systems on private lands, this would be their only opportunity for environmental review.*

Response: The Draft EIS included discussion of the: 1) wastewater transmission line alignment for possible connection to the Mākena Resort WWRF; and 2) off-site well sites, water transmission lines, and storage tank. However these off-site infrastructure facilities are not "actions" that independently trigger environmental review under Chapter 343, HRS (The Environmental Impact Statement Law). In conformance with the EIS rules (Section 11-200-19, HAR), in the Draft EIS care was taken to concentrate on the important issues associated with the potential impacts of the greater Honua'ula project, with lesser emphasis on less important material related to other items such as the off-site infrastructure. While there may be potential impacts associated with the off-site infrastructure, data and analyses of these potential impacts were not considered commensurate with the importance of the data and analyses necessary to address the impacts of the greater Honua'ula project. Hence in the Draft EIS not all items were addressed with the same level of detail as the greater Honua'ula project. However there has been no attempt to "segment" the project to avoid environmental review. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process—including your comments—regarding the level of detail provided in the Draft EIS pertaining to the: 1) wastewater transmission line alignment for possible connection to the Mākena Resort WWRF; and 2) off-site well sites, water transmission lines, and storage tank. In this regard, to address your comments

and concerns, in the Final EIS several sections will be revised as explained above and as shown in the several attachments included with this letter.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachments:

Recreational Facilities
Wastewater System
Drainage System
Botanical Resources
Archaeological and Historic Resources
Cultural Resources
Noise
Air Quality
Water System
Drainage System
Cumulative and Secondary Impacts



Valley Isle Building Products Corp.

June 22, 2010.

Maui Planning Commission
Wailuku, HI 96793

10 JUN 22 09:04
DEPT OF PLANNING
COUNTY OF MAUI
RECEIVED

RE: Honua'ula EIS Document

Please give support and approval to the Honua'ula project at Makena, Maui. This project will help Maui in many ways:

1. Provide much needed affordable housing.
2. Provide construction and related jobs for Maui residents.
3. Increase Maui's property tax income for our island.

Sincerely,

Mike Williams, President
Valley Isle Building Products



May 31, 2012

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Mike Williams
Valley Isle Building Products
1766 Lower Main Street
Wailuku, Hawaii'i 96793

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Williams:

Thank you for your letter dated June 22, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we thank you for your supportive comments.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

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Honolulu, Hawaii, 96813-2419
Fax: 808-586-4186

Mr. Charles Jencks
Honua'ula Partners, LLC
POB 220,
Kihei, HI 96753
Fax: 808-879-6724

RE: Comments on DRAFT EIS for HONUUA'ULA (WAILEA 670)

Summary: Honua'ula/Wailea 670's DEIS fails to adequately disclose the impacts of the proposed project to the cultural resources and practices of the affected area and to mitigate those impacts as provided under HRS CHAPTER 343. The DEIS fails to provide a Reasonable Range of Alternatives to the proposed action with an analyses of the impacts of each alternative.

June 30, 2010

I would like to make comments on the DEIS of the Wailea 670 project. I attended the planning commission meeting for comments on the DEIS. There were statements made to this commission that are false. I take offence at the representative of the development team who said that there are no cultural practitioners or cultural practices being done at this project area. I reported earlier during this very hearing for the planning commission that there was a cultural access and protocol that I attended on this property a day before. For the past three years, there has been a small group of people who observe solstices, eclipses, and the Makahiki as a cultural practice. Make sure you correct that in your final EIS.

You did not address the negative effect upon my/others cultural practices and access to this area. Preservation of cultural features that have to do with seasonal changes and alignments have not been considered. As an example, will having golf tees and green in areas of pohaku formations that line up with Kahoolawe and the rising sun at Winter solstice? Yes. It has been my practice to reflect upon the brilliance of the ancestors that lived in this land as I mark the passage of time in the alignments I have visited.

There is a real and eminent danger that the Developers' team is avoiding dealing with the fact that Hawaiian people lived and own this land. I want to know that the following will not happen, (From the National Park Service publication on Traditional Cultural Properties)

"In some cases a traditional cultural property can also lose its significance through alteration of its setting or environment. For example, a location used by an American Indian group for traditional spirit questing is unlikely to retain its significance for this purpose if it has come to be surrounded by housing tracts or shopping malls."

I ask again for Mr. Jenks to make good his promise to the Maui County Council that he has the full chain of title and deeds to this area of Wailea 670. The issue of lineal descendants, royal patents and LCAs has not been addressed. It must be addressed clearly and with real proof and documents not with unfulfilled promises.

Look forward to your responses.

Clare Apana
Clare Apana Wailuku, Maui 242-4189



May 31, 2012

Clare Apana
260 Halemanani Drive
Wailuku, HI 96793

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Clare Apana
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
May 31, 2012
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If you have accessed the Property to observe solstices, eclipses, and the Makahiki as a cultural practice for the past three years, you have done so without Honua'ula Partners, LLC's knowledge.

2. You did not address the negative effect upon my/others cultural practices and access to this area.

Response: The Draft EIS discusses archaeological and historic resources (Section 4.1 and Appendix I), cultural resources (Section 4.2 and Appendix K), and trails and access (Section 4.3). The CIA included in the Draft EIS (Appendix K) was conducted in accordance with the Office of Environmental Quality Control's *Guidelines for Assessing Cultural Impacts* and includes archival research and interviews with people knowledgeable of Honua'ula and the surrounding area. As discussed in Section 4.3 (Trails and Access) of the Draft EIS, the creation of Honua'ula will make the Property much more accessible relative to the current limited access. Further, Honua'ula will not be designed to exclude access to any cultural or archaeological resources.

As recommended by the CIA, Honua'ula will provide traditional native Hawaiian mauka-makai access trails across the Property (*ala i ke kai* (pathway to the ocean) and the *ala i ke Kula* (pathway to the uplands)).

3. Preservation of cultural features that have to do with seasonal changes and alignments have not been considered. As an example, will having golf tees and green in areas of pohaku formations that line up with Kahoolawe and the rising sun at Winter solstice? Yes. It has been my practice to reflect upon the brilliance of the ancestors that lived in this land as I mark the passage of time in the alignments I have visited.

Response: Honua'ula Partners, LLC and its contractors will comply with all State and County laws and rules regarding the preservation of archaeological and historic sites. In addition, to preserve cultural resources within Honua'ula, a Cultural Resources Preservation Plan (CRPP) has been prepared in compliance with County of Maui Ordinance No. 3554 (Condition 13). The CRPP also serves as the archaeological preservation/mitigation plan and sets forth (among other things) selection criteria for sites to be preserved and short- and long-term preservation measures, including buffer zones and interpretative signs, as appropriate for each site to be preserved. In compliance with County of Maui Ordinance No. 3554 (Condition 13) the CRPP has been submitted to the State Historic Preservation Division (SHPD) and the Office of Hawaiian Affairs (OHA) for review and recommendations. Upon receipt of comments and recommendations from SHPD and OHA, the CRPP will be provided to the Maui County Cultural Resources Commission for review and adoption.

4. There is a real and eminent danger that the Developers' team is avoiding dealing with the fact that Hawaiian people lived and own this land. I want to know that the following will not happen. (From the National Park Service publication on Traditional Cultural Properties)

"In some cases a traditional cultural property can also lose its significance through alteration of its setting or environment. For example, a location used by an American Indian group for traditional spirit questing is unlikely to retain its significance for this purpose if it has come to be surrounded by housing tracts or shopping malls."

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Ms. Apana:

Thank you for your letter dated June 30, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the Planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. For clarity, we have numbered each specific question or comment.

1. ...I attended the planning commission meeting for comments on the DEIS. There were statements made to this commission that are false. I take offense at the representative of the development team who said that there are no cultural practitioners or cultural practices being done at this project area. I reported earlier during this very hearing for the planning commission that there was a cultural access [sic] and protocol that I attended on this property a day before. For the past three years, there has been a small group of people who observe solstices [sic], eclipses, and the Makahiki as a cultural practice. Make sure you correct that in your final EIS.

Response: We are not clear on what you are referring to regarding "statements made to this commission that are false." If you are referring to statements made by Honua'ula representatives at the June 22, 2010 Planning Commission meeting on the Draft EIS regarding cultural resources, we have reviewed the transcript of that meeting and did not find any statements made by Honua'ula representatives declaring that "there are no cultural practitioners or cultural practices being done at this project area." What was said is "Regarding cultural resources, the Cultural Impact Assessment concludes that there are no known gathering practices or access concerns." This is the conclusion of the Cultural Impact Assessment (CIA) that was prepared by Hana Pono, LLC and included in the Draft EIS (Appendix K) and the statement made at the Planning Commission meeting is an accurate statement regarding what is stated in the CIA.

At the outset of the Honua'ula planning process, Honua'ula Partners, LLC voluntarily convened a cultural committee made up of Native Hawaiian cultural practitioners recognized by the community and other individuals as having expertise in this area. The committee then made recommendations regarding archaeological and cultural resources.

We acknowledge that in June 2010 a group requested access to the Property for the exercise of Summer Solstice traditional and customary Native Hawaiian practices and was permitted access to the Property on June 21, 2010 (a day before the Planning Commission meeting on the Draft EIS). We note that this was the first time landowner Honua'ula Partners, LLC had received a request to access the site for the exercise of Summer Solstice traditional and customary Native Hawaiian practices, although Honua'ula Partners, LLC has owned the Property for over ten years.

Clare Apana

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Response: Honua'ula Partners, LLC is not avoiding the presence of archaeological and cultural resources within Honua'ula. As discussed above, the Draft EIS discusses archaeological and historic resources (Section 4.1 and Appendix I) and cultural resources (Section 4.2 and Appendix K) found within the Honua'ula Property. Honua'ula Partners, LLC and its contractors will comply with all State and County laws and rules regarding the preservation of archaeological and historic sites. In addition, to preserve cultural resources within Honua'ula, a CRPP has been prepared in compliance with County of Maui Ordinance No. 3554 (Condition 13). The CRPP also serves as the archaeological preservation/mitigation plan and sets forth (among other things) selection criteria for sites to be preserved and short- and long-term preservation measures, including buffer zones and interpretative signs, as appropriate for each site to be preserved. In compliance with County of Maui Ordinance No. 3554 (Condition 13) the CRPP has been submitted to the SHPD and OHA for review and recommendations. Upon receipt of comments and recommendations from SHPD and OHA, the CRPP will be provided to the Maui County Cultural Resources Commission for review and adoption.

5. *I ask again for Mr. Jencks [sic] to make good his promise to the Maui County Council that he has the full chain of title and deeds to this area of Wailea 670. The issue of lineal descendants, royal patents and LCAs has not been addressed. It must be addressed clearly and with real proof and documents not with unfulfilled promises.*

Response: Honua'ula Partners, LLC has full legal title to the Honua'ula Property, identified as Tax Map Keys (2)2-1-08:056 and (2)2-1-08:071. A property deed that shows Honua'ula Partners, LLC is the legal property owner was provided in the Project District Phase II application that was submitted to the County of Maui Planning Department on March 9, 2010.

Investigations conducted for the Archaeological Inventory Survey (AIS) and CIA did not generate information regarding lineal descendants specific to the Honua'ula Property. Persons citing association to the ahupua'a or district would be considered "cultural" descendants.

Regarding Land Commission Awards (LCAs), the Honua'ula AIS (Appendix I of the Draft EIS) addresses LCAs in accordance with the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). These rules require an AIS to: 1) indicate whether any LCAs were granted within a project area and within the greater ahupua'a; and 2) locate the awards on a map whenever possible. The AIS discusses LCAs in the three ahupua'a and notes that none of the LCAs appear to be within the boundaries of the Honua'ula Property. Location data is unavailable for the majority of the LCAs in the three ahupua'a, however the few LCAs that are located are beyond the boundaries of the Honua'ula Property, either in the coastal areas or further inland.

Regarding Royal Patents, since no LCAs are known on the Honua'ula Property it is concluded that there are no Royal Patents. This is further confirmed by the fact that Honua'ula Partners, LLC has full legal title to the Honua'ula Property, identified as Tax Map Keys (2)2-1-08:056 and (2)2-1-08:071.

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Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

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Re: Honua'ula/Wailea 670's Draft Environmental Impact Statement

My name is Daniel Kanahele and I live in the Maui Meadows subdivision which is located immediately to the North of the Honua'ula/Wailea 670 project area. I am giving comments on the Honua'ula DEIS as a private citizen. Specifically, I will be addressing concerns that I have as a resident of Maui Meadows and the impacts this project will have on my neighborhood and me.

MAJOR BUFFER ZONES

2.3.3 Recreation and Open Space/Utility Sub-district

"One of the major buffer zones will be located between Maui Meadows and Honua'ula. This buffer area will be at least 100 feet wide, consisting of a 50-foot wide landscape buffer and a landscaped roadway. Other major buffer areas will include areas bordering Pi'ilani Highway."

COMMENTS:

The DEIS does not state the total acreage of the Maui Meadows or Pi'ilani Highway buffer Zones.

How many acres total will make up the buffer zone between Maui Meadows and Honua'ula?
How many acres total will be in the buffer Zone areas bordering Pi'ilani Highway?

The list of proposed uses/applications for the Maui Meadow/ Honua'ula buffer zone as described in the DEIS include:

RECREATIONAL
OPEN SPACE AREA
LANDSCAPE BUFFER
EROSION CONTROL
DRAINAGE WAY
DRAINAGE CONTROL AREA
COMMUNITY PARKS AND GARDENS
FIRE BUFFER AREA
FIRE BREAK
SCENIC VIEW CORRIDOR MAUKA AND MAKAI
VIEWSHED
PUBLIC SCENIC VIEW CORRIDOR
MAINTAIN THE UNIQUE TOPOGRAPHIC AND LANDSCAPE CHARACTER OF LAND
NATIVE PLANTING AREA
MITIGATION FOR ENVIRONMENTAL CONFLICTS AND ENHANCE SCENIC AMENITIES
BUFFER ZONE BETWEEN NEIGHBORHOODS TO MITIGATE IMPACTS OF PROPOSED PROJECT, I.E.,
NOISE, VIEW, LIGHT, BUILDING DENSITY, NATURAL HAZARDS, CONSTRUCTION, AND OTHER
ENVIRONMENTAL CONFLICTS.

Given the long list of proposed uses for this buffer zone in the DEIS, an alternative to the proposed action with a wider more adequate buffer zone needs to be presented in the EIS. Also, many Maui Meadows residents have asked that the buffer zone between Maui Meadows and Honua'ula be wider than that proposed by the applicant in order to mitigate impacts of the proposed action on Maui Meadow residents. I would like to ask that an alternative plan be provided with a wider buffer zone of at least 200 feet wide, consisting of a 100-foot wide landscape buffer zone with no road way included as part of the buffer zone. A buffer zone of this size would more adequately mitigate

impacts to Maui Meadows, allow for a cleaner transition between neighborhoods, and provide a larger area more suited for the many proposed uses for it as described in the DEIS.

"9. Maui Meadows Landscape Buffer – A mixture of medium-sized canopy trees, large native shrubs, and small trees will function as a landscape buffer. In addition, portions of the buffer could be utilized for community parks and gardens."

Comments:

Nothing planted in the buffer zone should block the view corridors currently enjoyed by Maui Meadows residents.

"Lighting:

POTENTIAL IMPACTS AND MITIGATION MEASURES

"To mitigate potential impacts to views of existing Maui Meadows properties, a minimum one hundred foot wide fire buffer area, with a minimum fifty-foot wide landscape buffer area within it, will be provided between the southern boundary of Maui Meadows and Honua'ula. No structures, except rear and side boundary walls or fences, will be permitted in the buffer."

COMMENT:

Again, a wider buffer zone alternative to mitigate impacts to Maui Meadows and the environment needs to be included in the DEIS. There should be no lighting at all in the buffer zone area as this would only add to night-time light pollution and make it more difficult for Maui Meadow residents to see and enjoy the night sky as we now do.

7.1 RELATIONSHIP BETWEEN THE SHORT-TERM USES OF ENVIRONMENTAL RESOURCES AND LONG-TERM PRODUCTIVITY

"In the short-term, construction activities will impact the area. Grading and construction will be visible from Pili'ani Highway and adjacent areas, such as Maui Meadows and parts of Wailea Resort. Construction may impact noise levels, possibly ambient air quality, and possibly traffic conditions

As discussed previously in this EIS, all of the foregoing construction-related impacts will be mitigated."

COMMENTS:

Yes, all construction-related impacts will need to be mitigated. As of today, none of the construction related impacts have been mitigated.

The plans to mitigate construction impacts to Maui Meadow residents, i.e., noise, dust, earth movement, traffic, and etc., needs to be discussed in the greatest detail in the EIS. I recommend that the EIS include a schedule of planned meetings between the owner's representative and the Maui Meadows residents to address their ongoing concerns. This schedule should include a proposed time, place, and date for these meetings, preferably in the evenings.

HOUSING DENSITY IMPACTS ALONG MAUI MEADOWS SOUTH BORDER

COMMENTS:

Certain things that Maui Meadows residents (MMR) were told about Honua'ula/Wailea 670 in the past have changed from studying the recent DEIS. I consider these things a negative impact on the rural area of Maui Meadows. Maps shown by the developers representative from years ago to MMR show all single family homes along our southern border with the project area. The new plot map in the DEIS now shows multifamily units have replace the single family units on the old map. Also the density descriptions that were given to MMR in the EISPN and those found in the current DEIS have changed.

I would ask the EIS to include an alternative version of the plan with single family houses along the entire south side of the Maui Meadows southern border in order to better match the rural zoning of our subdivision.

Also in a recent Urban Design Review meeting it was moved by the board and agreed upon by the owner's representative of the project area to lower multi-family unit building heights along the Maui Meadows border from 50 feet to 30 feet. The minutes of that discussion should be included in the DEIS.

WIDENING OF P'ILANI HIGHWAY AND TRAFFIC IMPACTS

COMMENTS:

The DEIS states on the bottom of page 104, "Proposed agreements regarding the roadway improvements will be incorporated in the Phase II application and will be finalized as part of Project District Phase II approval." The applicant cannot postpone the disclosure of roadway agreements effecting the assessment of traffic impacts. Any roadway agreements must be disclosed in the DEIS.

The DEIS does not address noise impacts from the widening of P'ili'ani Highway. The DEIS states on page 173, "An EA specifically addressing the impacts (including noise impacts) of the widening (of) Pili'ani Highway is being prepared and will be submitted to the State OEQC for public and State agency review."

The applicant cannot segment portions of the project into separate reviews. The widening of P'ili'ani Hwy is a necessary precedent to any construction of the proposed project (Change in Zoning Condition 2.a.) and must be included in this DEIS. The suggestion that noise attenuating walls are recommended

along the highway presents a serious impact that should be fully discussed in this DEIS. Section 11-200-7 HAR requires that a group of actions proposed by an applicant shall be treated as a single action when the individual project is a necessary precedent for a larger project.

ELECTRICAL POWER RESOURCES IMPACTS

COMMENTS:

The DEIS does not provide discussion of the "possible" expansion of the existing electrical substation even though it states on page 133 that "the Wailea Substation is nearly filled to capacity." What will the expansion of the Wailea Substation entail? What will be the impact to ratepayers, like me, for the expansion of the substation?

The DEIS states that MECO needs more information before confirming the need for expansion. The applicant needs to provide the necessary information to include full discussion of the projects electrical needs and the actions needed to fulfill those needs.

WASTE WATER TREATMENT IMPACTS

COMMENTS:

The applicant has not yet determined if it will build an on-site wastewater facility (as it represented to the County Council when obtaining a change in zoning) or run sewage lines to the Makena Wastewater Facility, which may need to be expanded to accommodate Honua'ula. Neither option is sufficiently discussed to determine potential adverse impacts or even the feasibility of successful operation. Furthermore, the applicant has not provided authorization for the use of Makena Wastewater Facility.

The applicant's choice of options may impact options Maui Meadows residents may have for handling our wastewater.

Until the actual wastewater system is determined, it is premature to submit a DEIS for evaluation and review.

IMPACTS OF PROJECT TO SOUTH MAUI BEACHES

COMMENTS:

I use all of south Maui's beaches. What will be the impact of increased resident population as a result of this development on the use of these beach areas by current south Maui residents? This should be discussed in the DEIS.

Surfrider Foundation in their comments on the Honua'ula DEIS have express views that our equal to my own. So I have included them in my comments below.

"Objective A 9 of Hawaii State Recreation Functional Plan concerns the need for developments to consider the part their project would play in the "saturation of the capacity of beach parks and near shore waters."

Honua'ula replied that this policy was "Not Applicable" to its project. This does not seem to be a logical conclusion.

Nowhere in section 5.2.2 of the EIS, where recreation is discussed, does the EIS acknowledge that the project's residents will be using local beaches. The DEIS states: "Honua'ula is not located on a shoreline therefore policies regarding shoreline resources are not applicable."

We find it disappointing that this project, located five minutes from some of South Maui's most popular beaches, declines to discuss that future residents will, without a doubt, want to access those nearby beaches. We request that the EIS discuss potential impacts on Ulua, Wailea, Polo, Palauea, Po'olenalena, Keawakapu and Makena beach parks. Also facilities like Kihei boat ramp.

The Kihei-Makena Community Plan states a goal directly related to the region where the proposed Honua'ula project is located:

"Provide adequate landscaped public access to shoreline areas with significant recreational and scenic value. Provide adequate lateral public access along the shoreline to connect significant shoreline areas and to establish continuity of the public shoreline areas. Particular attention shall be directed toward southern shoreline resources from Polo Beach southwards, and between Kama Ole Parks II and III."

This policy does not just apply to coastal development projects, but rather is a goal for the entire community to work towards. Every development generates potential beach users. Every development needs to consider how it can be part of the solution.

The EIS should include research on average numbers of trips to beach by south Maui / Wailea residents. Use those figures to project future use by Honua'ula residents. Expected increase in demands for beach parking and beach space, camping spaces, boat launch facilities, etc, based upon increased residential population, should also be discussed.

The EIS should also fully acknowledge that by national planning standards South Maui, with its resident and year round visitor population, has a shortage of beach park facilities, which leads to user conflicts. Palauea, for example is a popular fishing beach. When Honua'ula has five hundred residences built, will there be a change in the number and frequency of visitors to this now out-of-the-way-beach? Will there still be room for the weekend fisherman and his family? The EIS should provide this information and mitigation for anticipated impacts.

A project one mile from the beach, in a world famous beach resort area, should not have its EIS considered adequate, unless potential impacts of increased residential population to shoreline recreation areas are discussed.

Earlier, Wailea 670 project discussions mentioned mitigation funding for increased parking spaces at Keawakapu beach. Appropriate mitigation would seem to be improved parking at Palauea beach. The County's 2005 Ocean Resources Management Plan recommended Palauea Beach for expanded access

and parking improvements, and specifically cited as justification for the expanded need, plans for over 1000 new housing units proposed immediately uphill, in what was then called Waialea 670.

It is likely that future advertising for the project's home sites will include information that the location "is just minutes from beautiful beaches." This connection should be a part of the EIS discussion."

Tim Lara, Chair
Maui Chapter of Surfrider Foundation

GATED COMMUNITIES

COMMENTS:

Is Honua'ula a gated or non-gated community?

Will there be any gated communities within the project area? If yes...how many?

Maui Meadows is not a gated community, but we do have one gated neighborhood within the larger subdivision. Personally I favor non-gated communities in Wailea so that we don't divide and separate ourselves from the other neighborhoods and communities around us. Open neighborhoods are, in my opinion (IMHO), more in-keeping with the spirit of aloha, hospitality, and 'ohana which are important values of the host cultural.

CHOSING THE NAME "HONUUA'ULA" INSTEAD OF WAILLEA 670 FOR THE PROPOSED PROJECT

In the DEIS there is a section that discusses the conformance of the project to the Kihei-Makena Community Plan. That discussion talks about the selection of the name "Honua'ula" for the project area.

"Provide a sense of history and define a sense of place for the Kihei-Makena region."

"RESPONSE: Honua'ula's design will incorporate many existing archaeological features to maintain the area's Hawaiian cultural landscape.

The more culturally-appropriate and site-sensitive name of "Honua'ula" will be used instead of Wailea 670."

COMMENTS:

As a kanaka I have found the choice of "Honua'ula" for the name of this project very troubling. Customarily, when a Hawaiians tell others where they live or where they come from, they will say the name of their ahupua'a and moku. For example, I live in the ahupua'a of Paeahu in the moku of Honua'ula. Not the Honua'ula of this DEIS but the moku or district of HONUUA'ULA".

This name, "Honua'ula", which really belongs to the entire traditional district of HONUUA'ULA, has and is creating confusion among local people. My concern is that the knowledge of the existence of the traditional district of HONUUA'ULA will be diminished in time by the use of the self-proclaimed name of "Honua'ula" given to this project. Place names in Hawaiian culture are very important. The moku of HONUUA'ULA was given that name for a very special reason. The reason that name is important is tied to the kumuhonua genealogy. To call a 670 acre subset of the greater moku of HONUUA'ULA by that same name is, IMHO, culturally inappropriate.

Therefore, I respectfully ask that the DEIS explain how, by who, and for what reason was "Honua'ula" picked as the current name of the project area. And how does selecting a name that is already connected culturally and historically to a larger district or moku provide a sense of authentic history or sense of place for the project area? If someone can answer that for me and other Hawaiians out there who want to know, I would be grateful.

Sincerely,

Daniel Kanahele



May 31, 2012

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Open space in the Recreation and Open Space/Utility sub-district will include landscaped buffers, drainage ways, and steep topographic features. One of the major buffer zones will be located between Maui Meadows and Honua'ula. This buffer area will be at least 100 feet wide, consisting of a 50-foot wide landscape buffer and a landscaped roadway; provided there will be no roads within the 100-foot buffer area between Maui Meadows and any multi-family units. The total area of the buffer will be at approximately 7.5 acres. Other major buffer areas will include areas bordering Pi'ilani Highway. Minimum twenty-foot wide landscape buffer areas will be provided for single-family and multi-family areas adjoining the Pi'ilani Highway extension corridor. The total area of buffers bordering the Pi'ilani Highway extension adjoining single-family and multi-family areas will be approximately 7.8 acres.

Comment: Given the long list of proposed uses for this buffer zone in the DEIS, an alternative to the proposed action with a wider more adequate buffer zone needs to be presented in the EIS. I would like to ask that an alternative plan be provided with a wider buffer zone of at least 200 feet wide, consisting of a 100-foot wide landscape buffer zone with no road way included as part of the buffer zone. A buffer zone of this size would more adequately mitigate impacts to Maui Meadows, allow for a cleaner transition between neighborhoods, and provide a larger area more suited for the many proposed uses for it as described in the DEIS.

Response: We note that all of the proposed uses within the buffer area that you list in your letter and that are described in the Draft EIS could be generally described as "open space." In conformance with Section 19.90A.030(E)(5), MCC noted above, no structures, except rear and side boundary walls or fences, will be included in the buffer. We believe the uses described in the Draft EIS for buffer area (landscape buffer, firebreak view shed, open space area, native plant area, etc.) are appropriate uses and in conformance with Section 19.90A.030(E)(5), MCC.

The Maui County Council considered the width of the buffer area between Maui Meadows and Honua'ula during its deliberations on the Honua'ula Change in Zoning and Project District Phase I approval in 2008. After considering extensive public input on many issues related to Honua'ula, including the appropriate width of the buffer area between Maui Meadows and Honua'ula, the Maui County Council passed Ordinance No. 3553 which established Chapter 19.90A, MCC (The Kihei-Mākena Project District 9 Ordinance). As noted above, the width of the buffer area between Maui Meadows and Honua'ula is specified in Section 19.90A.030(E)(5) of the Kihei-Mākena Project District 9 Ordinance (Chapter 19.90A, MCC). We believe the Council exercised due care to mitigate impacts to Maui Meadows in specifying a minimum buffer width of 100 feet when drafting this section of the Kihei-Mākena Project District 9 Ordinance based on the concerns of Maui Meadows residents expressed at the Council hearings.

Comment: "9. Maui Meadows Landscape Buffer – A mixture of medium-sized canopy trees, large native shrubs, and small trees will function as a landscape buffer. In addition, portions of the buffer could be utilized for community parks and gardens;"

Comments:

Nothing planted in the buffer zone should block the view corridors currently enjoyed by Maui Meadows residents.

SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Kanahele:

Thank you for your letter sent on June 30, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. The organization of this letter generally follows the headings of your letter.

Major Buffer Zones

Comment: The DEIS does not state the total acreage of the Maui Meadows or Pi'ilani Highway buffer Zones. How many acres total will make up the buffer zone between Maui Meadows and Honua'ula? How many acres total will be in the buffer Zone areas bordering Pi'ilani Highway?

Response: Section 19.90A.030(E)(5) of the Kihei-Mākena Project District 9 Ordinance (Chapter 19.90A, Maui County Code (MCC)) specifies:

A minimum one hundred foot wide fire buffer area, with a minimum fifty-foot wide landscape buffer area within it, shall be provided between the southern boundary of the Maui Meadows subdivision and Kihei-Mākena project district 9 (Wailea 670). No structures, except rear and side boundary walls or fences, shall be permitted in the buffer.

Based on these requirements the buffer area between Maui Meadows and Honua'ula will be at approximately 7.5 acres.

Section 19.90A.030(E)(6) of the Kihei-Mākena Project District 9 Ordinance (Chapter 19.90A, Maui County Code) specifies:

A minimum twenty-foot wide landscape buffer area shall be provided for single-family and multifamily development adjoining the Pi'ilani Highway extension corridor.

Based on these requirements the buffer area along the Pi'ilani Highway extension adjoining single-family and multi-family development areas will be a total of approximately 7.8 acres.

To include this information in the Final EIS, in the Final EIS Section 2.3.3 (Recreation and Open Space/Utility Sub-district) will be revised as follows:

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Response: As summarized in Section 3.6 (Botanical Resources) and elaborated on in Appendix G (Landscape Master Plan) of the Draft EIS, the landscape treatment for the Maui Meadows buffer will consist of a mixture of native and non-native medium canopy trees informally planted. Large native shrubs/small trees will be used as an understory and will function as a physical barrier between the two properties.

Comment: "Lighting;

POTENTIAL IMPACTS AND MITIGATION MEASURES

"To mitigate potential impacts to views of existing Maui Meadows properties, a minimum one hundred foot wide fire buffer area, with a minimum fifty-foot wide landscape buffer area within it, will be provided between the southern boundary of Maui Meadows and Honua'ula. No structures, except rear and side boundary walls or fences, will be permitted in the buffer."

COMMENT:

Again, a wider buffer zone alternative to mitigate impacts to Maui Meadows and the environment needs to be included in the DEIS. There should be no lighting at all in the buffer zone area as this would only add to night-time light pollution and make it more difficult for Maui Meadow residents to see and enjoy the night sky as we now do.

Response: Your quote above is from Section 19.90A.030(E)5) of the Kihei-Mākena Project District 9 Ordinance (Chapter 19.90A, MCC). We believe the Council exercised due care to mitigate impacts to Maui Meadows in specifying a minimum buffer width of 100 feet when enacting this section of the Kihei-Mākena Project District 9 Ordinance based on the concerns of Maui Meadows residents expressed at the Council hearings.

In addition to the Maui Meadows buffer width, the Council also specified lighting requirements in regard to adjacent residential properties as part of Honua'ula's Change in Zoning Ordinance (County of Maui Ordinance No. 3554). Specifically, Condition 21 requires that all exterior lighting be shielded from adjacent residential properties and near shore waters. Honua'ula Partners, LLC will comply with this condition as stated in Section 4.7 (Visual Resources) of the Draft EIS. As further discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, all Honua'ula outdoor lighting will be in compliance with Chapter 20.35 (Outdoor Lighting), MCC. In addition, as discussed in the Landscape Master Plan (Appendix G of the Draft EIS), the landscape lighting for Honua'ula will reinforce the overall rural ambiance by: 1) using low intensity, indirect light sources to the extent required for safety and subtle drama; and 2) using down lighting to the greatest extent possible, preserving the dark sky ambiance.

7.1 Relationship Between the Short-term Uses of Environmental Resources and Long-Term Productivity

Comment: "In the short-term, construction activities will impact the area. Grading and construction will be visible from Pihani Highway and adjacent areas, such as Maui Meadows and parts of Wailea Resort. Construction may impact noise levels, possibly ambient air quality, and possibly traffic conditions

As discussed previously in this EIS, all of the foregoing construction-related impacts will be mitigated."

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COMMENTS:

Yes, all construction-related impacts will need to be mitigated. As of today, none of the construction related impacts have been mitigated.

The plans to mitigate construction impacts to Maui Meadow residents, i.e., noise, dust, earth movement, traffic, and etc., needs to be discussed in the greatest detail in the EIS. I recommend that the EIS include a schedule of planned meetings between the owner's representative and the Maui Meadows residents to address their ongoing concerns. This schedule should include a proposed time, place, and date for these meetings, preferably in the evenings.

Response: As you are aware, no construction has commenced, and thus there have been no construction-related impacts, much less the need to commence mitigation of impacts.

The quote you provide above is from Section 7.1 (Relationship Between the Short-term Uses of Environmental Resources and Long-Term Productivity) of the Draft EIS. This section effectively summarizes information contained throughout the Draft EIS. For more detailed construction mitigation measures related to:

- Noise, please refer to Section 4.5 (Noise) of the Draft EIS;
- Dust, please refer to Section 4.6 (Air Quality) of the Draft EIS;
- Earth movement (i.e. grading), please refer to Section 3.3 (Soils) of the Draft EIS;
- Traffic, please refer to Section 4.4 (Roadways and Traffic), of the Draft EIS and specifically Section 4.4.5 (Transportation Management) which summarizes the construction transportation management plan, which is contained in Appendix M of the Draft EIS.

Regarding your request for the EIS to contain a schedule of planned meetings between the owner's representative and Maui Meadows residents with proposed times, places, and dates for meetings, it is not possible to provide this level of detail in the Final EIS, as there are several approvals still necessary for Honua'ula to proceed and it is not known when these approvals will be received from the Maui Planning Commission, the Planning Department, and other State and County agencies. However, Honua'ula Partners, LLC's representative will communicate with Maui Meadows residents and other community groups as planning for Honua'ula progresses.

Housing Density Impacts along Maui Meadows South Border

Comment: *Certain things that Maui Meadows residents (MMR) were told about Honua'ula/Wailea 670 in the past have changed from studying the recent DEIS. I consider these things a negative impact on the rural area of Maui Meadows. Maps shown by the developers representative from years ago to MMR show all single family homes along our southern border with the project area. The new plot map in the DEIS now shows multifamily units have replace the single family units on the old map. Also the density descriptions that were given to MMR in the EISPN and those found in the current DEIS have changed.*

Response: Plans for Honua'ula have evolved over the course of several years in response to community concerns, the requirements of the Kihei-Mākena Project District 9 Ordinance (Chapter 19.90A, MCC), and various other factors, such as infrastructure requirements and native plant preservation areas. However, these changes are still consistent with the basic goals and objectives

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of Honua'ula which have been consistently put forth by the owner's representative at many public meetings, including meetings with Maui Meadows residents, the Wailea Community Association, and hearings before the Maui Planning Commission and County Council. In addition, the conceptual master plan contained in the Draft EIS is consistent with the conceptual land use map attached to the Kiheti-Mākena Project District 9 Ordinance (Chapter 19.90A, MCC), as required by Section 19.90A.020(D) of the Ordinance.

The change in land use designations from single-family to multi-family along a portion of the Maui Meadows boundary is the result of multiple conditions imposed on Honua'ula by the Maui County Council. The most significant condition driving changes to the concept plan shown in the Draft EIS (Figure 1) is the condition requiring establishment of a native plant preservation area within the south end of Honua'ula. This condition, coupled with the required percentages of multiple and single family units, resulted in housing designation shifts in the concept plan. Given the topography of the property, combined with restrictions placed on grading and density, the placement of multi-family areas is limited to areas that do not require extensive grading. The northwest area of Honua'ula near Maui Meadows is one such area that is suitable for multi-family units.

Section 19.90A.030(E)(5) of the Kiheti-Mākena Project District 9 Ordinance (Chapter 19.90A, Maui County Code (MCC)) specifies:

A minimum one hundred foot wide fire buffer area, with a minimum fifty-foot wide landscape buffer area within it, shall be provided between the southern boundary of the Maui Meadows subdivision and Kiheti-Mākena project district 9 (Wailea 670). No structures, except rear and side boundary walls or fences, shall be permitted in the buffer.

We believe the Council exercised due care to mitigate impacts to Maui Meadows in specifying a minimum buffer width of 100 feet when enacting this section of the Kiheti-Mākena Project District 9 Ordinance based on the concerns of Maui Meadows residents expressed at the Council hearings. In accordance with this requirement the concept plan shown in the Draft EIS (Figure 1) provides for a 100 foot buffer between Maui Meadows and any structure within Honua'ula.

Comment: *I would ask the EIS to include an alternative version of the plan with single-family houses along the entire south side of the Maui Meadows southern border in order to better match the rural zoning of our subdivision.*

Response: The conceptual master plan for Honua'ula contained in the Draft EIS shows single family homes bordering Maui Meadows for approximately half of the boundary length. At its meeting on June 1, 2010, the Urban Design Review Board (UDRB) recommended: "That the multi-family area closest to Maui Meadows on the northern boundary [i.e., southern boundary of Maui Meadows] of the site be limited to 30 ft. in height." A 30 foot height limit is consistent with the height limit for single family homes in Honua'ula. Considered in context with the 100 foot buffer between Maui Meadows, the 30 foot building height limit is a reasonable response from the UDRB to address concerns regarding the transition from Maui Meadows to Honua'ula, and Honua'ula Partners, LLC will implement this recommendation.

Comment: *Also in a recent Urban Design Review Board meeting it was moved by the board and agreed upon by the owner's representative of the project area to lower multi-family unit building heights along the*

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Maui Meadows border from 50 feet to 30 feet. The minutes of that discussion should be included in the DEIS.

Response: At its meeting on June 1, 2010, the Urban Design Review Board (UDRB) recommended: "That the multi-family area closest to Maui Meadows on the northern boundary of the site be limited to 30 ft. in height." Before the UDRB made this recommendation there was discussion regarding height limits for multifamily homes nearest to Maui Meadows, however, the UDRB did not seek agreement from Honua'ula Partners, LLC's representative before making a motion on, and approving, this recommendation. However Honua'ula Partners, LLC will implement the recommendation of the UDRB to limit the multi-family area closest to Maui Meadows on the northern boundary of the site to 30 feet. in height.

The letter from the Planning Department to the Planning Commission which contains the recommendations of the UDRB are attached to this letter and will be included in the Final EIS as reproduced with this letter. The minutes of the June 1, 2010 UDRB meeting are available from the Planning Department. As the recommendations of the UDRB are clear, we do not see the need to include the minutes of the meeting in the Final EIS.

Widening of Pihani Highway and Traffic Impacts

Comment: *The DEIS states on the bottom of page 104, "Proposed agreements regarding the roadway improvements will be incorporated in the Phase II application and will be finalized as part of Project District Phase II approval." The applicant cannot postpone the disclosure of roadway agreements effecting the assessment of traffic impacts. Any roadway agreements must be disclosed in the DEIS.*

Response: Section 4.4 (Roadways and Traffic) of the Draft EIS states:

In compliance with County of Maui Ordinance No. 3554, Honua'ula Partners, LLC will consult with the State DOT and the County Department of Public Works to ensure that the proposed roadway improvements meet with their satisfaction (Condition 18k). Proposed agreements regarding the roadway improvements will be incorporated in the Phase II application and will be finalized as part of Project District Phase II approval. Honua'ula Partners, LLC has requested verification from the State DOT and County Department of Public Works that the proposed roadway improvements meet with their satisfaction. Honua'ula Partners, LLC will provide verification when received from State DOT and County Department of Public Works.

To update and elaborate on the consultation regarding roadway improvements that has taken place with the State DOT and the County DPW, Honua'ula's rezoning ordinance (County of Maui Ordinance No. 3554) specifies several conditions relating to: 1) roadway improvements that Honua'ula is required to implement; and 2) the satisfaction and agreement of the DOT and DPW regarding the specific roadway improvements Honua'ula will implement. Generally DOT is responsible for State highways and DPW is responsible for County roadways.

Specific County of Maui Ordinance No. 3554 conditions relating to roadway improvements include:

2. That Honua'ula Partners, LLC, its successors and permitted assigns, shall implement the following traffic improvements:

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- a. Upgrade P'i'ilani Highway, from Kilohana Drive to Wailea Ike Drive, to four lanes of traffic. The improvements shall be completed prior to the commencement of any construction on the site, with the exception of grading.
- b. Extend P'i'ilani Highway for two lanes from Wailea Ike Drive to Kauhahi Street. The improvement shall be constructed at or prior to the completion for 50 percent of the project. Said improvement shall be maintained by Honua'ula Partners, LLC, its successors and permitted assigns.
- c. Signalize the P'i'ilani Highway/Okolani Drive/Mikioi Place intersection and provide an exclusive left-turn lane on Okolani Drive prior to occupancy of the first unit in Kihai-Makana Project District 9.
- d. Modify the P'i'ilani Highway/Wailea Ike Drive intersection into a signalized intersection and provide a free right-turn lane from P'i'ilani Highway to Wailea Ike Drive and a second right-turn lane from Wailea Ike Drive to northbound P'i'ilani Highway prior to occupancy of the first unit in Kihai-Makana Project District 9.
- e. Modify the Wailea Alanui/Wailea Ike Drive intersection to add a signalized double right-turn movement from northbound to eastbound turning traffic and provide two left-turn lanes for southbound traffic from Wailea Ike Drive prior to occupancy of the first unit in Kihai-Makana Project District 9.
- f. Modify the P'i'ilani Highway/Kilohana Drive/Mapu Place intersection to provide an exclusive left-turn lane, and the southbound P'i'ilani Highway approach to provide an exclusive right-turn lane into Mapu Place prior to occupancy of the first unit in Kihai-Makana Project District 9.
- g. Signalize the Wailea Ike Drive/kālai Wa'a Street intersection in coordination with Wailea Resort and Makana Resort when warranted.
- h. Signalize the Wailea/Kauhahi Drive/Kauhahi Street intersection in coordination with Wailea Resort and Makana Resort when warranted.

Specific County of Maui Ordinance No. 3554 conditions relating to the satisfaction and agreement of DOT and DPW with the roadway improvements include:

4. That Honua'ula Partners, LLC, its successors and permitted assigns, shall be responsible for all required infrastructural improvements for the project, including water source and system improvements for potable and nonpotable use and fire protection, drainage improvements, traffic-related improvements, wastewater system improvements and utility upgrades, as determined by the appropriate governmental agencies and public utility companies. Except as otherwise provided by more specific conditions of zoning, said improvements shall be constructed and implemented concurrently with the development of each phase of Kihai-Makana Project District 9, and shall be completed prior to issuance of any certificate of occupancy of final subdivision approval, unless improvements are bonded by Honua'ula Partners, LLC, its successors and permitted assigns. Honua'ula Partners, LLC shall execute appropriate agreements with governmental agencies regarding participation in improvements of infrastructure and public facilities as determined by the agencies.
18. That Honua'ula Partners, LLC, its successors and permitted assigns, shall address in their Project District Phase II application the following:
 - k. Roadway improvements to the satisfaction of the State Department of Transportation and the County Department of Public Works and proposed agreements are incorporated in the application and site plan and finalized as part of Project District Phase II approval.
19. That Honua'ula Partners, LLC, its successors and permitted assigns, shall execute appropriate agreements with the State of Hawaii and County of Maui agencies regarding participation in improvements of infrastructure and public facilities where such improvements are reasonably related to Honua'ula Partners, LLC's project.

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In compliance with County of Maui Ordinance No. 3554, Honua'ula Partners, LLC has engaged in extensive consultation and correspondence with the DOT and DPW regarding roadway improvements that Honua'ula Partners, LLC are required to implement. The consultation has involved ensuring that the design of the proposed improvements is to the satisfaction of: 1) DOT regarding State Highway improvements; and 2) DPW regarding County roadway improvements.

In correspondence from DOT dated March 24, 2010, DOT stated:

The improvements to be performed by Honua'ula Partners LLC as stated in Condition 2 are consistent with the improvements identified in the Traffic Impact Assessment Report (TIAR) dated 29, 2009¹. These improvements are understood to be considered the 'fair share' for highway related improvements of the affected area.

Note that Condition 2b pertains to extending P'i'ilani Highway on the State ROW. In their March 24, 2010 letter DOT also specifically addressed extending P'i'ilani Highway on the State ROW by specifying their design requirements for the extension. In so specifying it is implicit that they are in agreement with extending P'i'ilani Highway over the ROW.

In further correspondence from DOT dated August 23, 2010, DOT concurred with the design provided by Honua'ula Partners, LLC to widen P'i'ilani Highway to four lanes from Kilohana Drive to Wailea Ike Drive.

In correspondence from DPW dated February 24, 2010 DWS stated: "We confirm that Honua'ula Partners, LLC is in compliance with and has initiated implementation of Condition Nos. 2e, g and h as defined in the conditions of zoning for the Honua'ula project." Note that Condition Nos. 2e, g, and h pertain to improvements to County roadways.

The correspondence between Honua'ula Partners, LLC and DOT and DPW indicates the satisfaction of DOT and DPW with the improvements that Honua'ula Partners, LLC will provide and constitutes these agencies' agreement with the improvements as designed thus far. Further satisfaction and agreement with the proposed improvements is evidenced by the environment assessments (EAs) for the widening of P'i'ilani Highway and the Wailea Ike Drive/Wailea Alanui Drive intersection improvements. Specifically the Final EA for the widening of P'i'ilani Highway contains design details and—as the accepting authority for the EA—DOT has reviewed the draft and final EA, accepted the final EA, and issued a Finding of No Significant Impact. Similarly, the EA for the Wailea Ike Drive/Wailea Alanui Drive intersection improvements includes design details and DPW—as the accepting authority for the EA—has reviewed the draft and final EA, accepted the final EA, and issued a Finding of No Significant Impact.

In summary, the consultation and subsequent written correspondence between Honua'ula Partners, LLC and DOT and DPW demonstrates the efforts of all involved to work cooperatively to

¹ The TIAR dated October 29, 2009, pertains to the widening of P'i'ilani Highway from Kilohana Drive to Wailea Ike Drive, including improvements at the intersections of: 1) P'i'ilani Highway/Okolani Drive/Mikioi Place; and 2) P'i'ilani Highway/Kilohana Drive/Mapu Place. The TIAR contained in the Draft EIS is dated March 2, 2010, and identifies the same recommended improvements to these intersections.

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implement the required roadway improvements. This is further evidenced by DOT's and DPW's review and acceptance of the EAs covering the respective improvements these agencies are responsible for overseeing. These agencies' review of, and satisfaction with, the improvements required of, and proposed by, Honua'ula Partners LLC constitutes their agreement with use of the State and County ROWs necessary to implement the improvements. Collectively, DOT's and DPW's satisfaction with, and agreement of, the improvements constitutes Honua'ula Partners, LLC's compliance with County of Maui Ordinance No. 3554 Condition 18k, which requires: "Roadway improvements to the satisfaction of the State Department of Transportation and the County Department of Public Works and proposed agreements are incorporated in the application and site plan and finalized as part of Project District Phase II approval."

To provide this update and elaboration on the consultation and agreement regarding roadway improvements to be implemented by Honua'ula Partners, LLC that has taken place with DOT and DPW in the Final EIS, in the Final EIS; 1) the correspondence between Honua'ula Partners, LLC and DOT and DPW will be provided in an appendix; and 2) Section 4.4 (Roadways and Traffic) will be revised as follows:

~~in compliance with County of Maui Ordinance No. 3554, Honua'ula Partners, LLC will consult with the State DOT and the County Department of Public Works to ensure that the proposed roadway improvements meet with their satisfaction (Condition 18k). Proposed agreements regarding the roadway improvements will be incorporated in the Phase II application and will be finalized as part of Project District Phase II approval. Honua'ula Partners, LLC has requested verification from the State DOT and County Department of Public Works that the proposed roadway improvements meet with their satisfaction. Honua'ula Partners, LLC will provide verification when received from State DOT and County Department of Public Works.~~

In compliance with County of Maui Ordinance No. 3554 (Condition 18k), Honua'ula Partners, LLC has engaged in extensive consultation and correspondence with the DOT and DPW regarding roadway improvements that Honua'ula Partners, LLC are required to implement. These include the regional traffic improvements noted above under the heading "Regional Traffic Improvements" and the Honua'ula-related traffic improvements noted above under the heading "Honua'ula-Related Traffic Improvements." These improvements are all provided in compliance with County of Maui Ordinance No. 3554 Condition 2, which includes multiple sub-conditions as noted above. The consultation involved ensuring that the design of the proposed improvements is to the satisfaction and agreement of: 1) DOT regarding State Highway improvements; and 2) DPW regarding County roadway improvements.

In correspondence from DOT dated March 24, 2010, DOT stated:

The improvements to be performed by Honua'ula Partners, LLC as stated in Condition 2 are consistent with the improvements identified in the Traffic Impact Assessment Report (TIAR) dated 29, 2009²². These improvements are understood to

²² The TIAR dated October 29, 2009, pertains to the widening of Pili'ani Highway from Kilo'hana Drive to Wailea I'ike Drive, including improvements at the intersections of: 1) Pili'ani Highway/Okolani Drive/Mikioti Place; and 2) Pili'ani Highway/Kilo'hana Drive/Mapu Place. The TIAR contained in the Draft EIS and this Final EIS is dated March 2, 2010, and identifies the same recommended improvements to these intersections.

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be considered the 'fair share' for highway related improvements of the affected area.

In their March 24, 2010 letter, DOT also specifically addressed extending Pili'ani Highway into Honua'ula from Wailea I'ike Drive to Kauhahi Street (Condition 2b), a portion of which will be on State-owned ROW, by specifying their design requirements for the extension. In so specifying it is implicit that DOT is in agreement with extending Pili'ani Highway over the State-owned ROW. Regarding the widening of Pili'ani Highway to four lanes from Kilo'hana Drive to Wailea I'ike Drive (Condition 2a), in further correspondence from DOT dated August 23, 2010, DOT concurred with the design of the widening provided by Honua'ula Partners, LLC.

In correspondence from DWS dated February 24, 2010 DWS stated: "We confirm that Honua'ula Partners, LLC is in compliance with and has initiated implementation of Condition Nos. 2e, g, and h as defined in the conditions of zoning for the Honua'ula project." Conditions 2e, 2g, and 2h pertain to improvements to County roadways.

The correspondence between Honua'ula Partners, LLC and DOT and DPW indicates the satisfaction of DOT and DPW with the improvements that Honua'ula Partners, LLC will provide and constitutes these agencies' agreement with the improvements as designed by far. Further satisfaction and agreement with the proposed improvements is evidenced by the environment assessments (EAs) for the widening of Pili'ani Highway and the Wailea I'ike Drive/Wailea Alanui Drive intersection improvements. Specifically the Final EA for the widening of Pili'ani Highway (Appendix R) contains design details and—as the accepting authority for the EA—DOT has reviewed the draft and final EA, accepted the final EA, and issued a Finding of No Significant Impact. Similarly, the Wailea I'ike Drive and Wailea Alanui Drive Intersection Improvements Final EA (Appendix S) includes design details and DPW—as the accepting authority for the EA—has reviewed the draft and final EA, accepted the final EA, and issued a Finding of No Significant Impact.

In summary, the consultation and subsequent written correspondence between Honua'ula Partners, LLC and DOT and DPW demonstrates the efforts of all involved to work cooperatively to implement the required roadway improvements. This is further evidenced by DOT's and DPW's review acceptance of with the EAs covering the respective improvements these agencies are responsible for overseeing. These agencies' review of, and satisfaction with, the improvements required of, and proposed by, Honua'ula Partners, LLC constitutes their agreement with the improvements and the use of the State and County ROWs necessary to implement the improvements. Collectively, DOT's and DPW's satisfaction with, and agreement of, the improvements constitutes Honua'ula Partners, LLC's compliance with County of Maui Ordinance No. 3554 Condition 18k, which requires: "Roadway improvements to the satisfaction of the State Department of Transportation and the County Department of Public Works and proposed agreements are incorporated in the application and site plan and finalized as part of Project District Phase II approval."

Appendix L includes the above referenced correspondence between Honua'ula Partners, LLC and DOT and DPW. Appendix R contains the Pili'ani Highway Widening Project Final EA. Appendix S contains the Wailea I'ike Drive and Wailea Alanui Drive Intersection Improvements Final EA.

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In addition, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

- k. *Roadway improvements to the satisfaction of the State Department of Transportation and the County Department of Public Works and proposed agreements are incorporated in the application and site plan and finalized as part of Project District Phase II approval.*

Discussion: ~~Honua'ula Partners, LLC has requested verification from the State DOT and County Department of Public Works that the proposed roadway improvements meet with their satisfaction. Honua'ula Partners, LLC will provide verification when received from State DOT and County Department of Public Works.~~

Honua'ula Partners, LLC has engaged in extensive consultation and correspondence with the DOT and DPW regarding roadway improvements that Honua'ula Partners, LLC are required to implement. These include the regional traffic improvements noted above under the heading "Regional Traffic Improvements" and the Honua'ula-related traffic improvements noted above under the heading "Honua'ula-Related Traffic Improvements." These improvements are all provided in compliance with County of Maui Ordinance No. 3554 Condition 2, which includes multiple sub-conditions as noted above. The consultation involved ensuring that the design of the proposed improvements is to the satisfaction and agreement of: 1) DOT regarding State Highway improvements; and 2) DPW regarding County roadway improvements.

In correspondence from DOT dated March 24, 2010, DOT stated:

The improvements to be performed by Honua'ula Partners, LLC as stated in Condition 2 are consistent with the improvements identified in the Traffic Impact Assessment Report (TIAR) dated 29, 2009²². These improvements are understood to be considered the "fair share" for highway-related improvements of the affected area.

In their March 24, 2010 letter DOT also specifically addressed extending Pili'ani Highway into Honua'ula from Wailea Ike Drive to Kauhahi Street (Condition 2b), a portion of which will be on State-owned ROW by specifying their design requirements for the extension. In so specifying it is implicit that DOT is in agreement with extending Pili'ani Highway over the State-owned ROW. Regarding the widening of Pili'ani Highway to four lanes from Kilo'hana Drive to Wailea Ike Drive (Condition 2a), in further correspondence from DOT dated August 23, 2010, DOT concurred with the design of the widening provided by Honua'ula Partners, LLC.

In correspondence from DPW dated February 24, 2010 DPW stated: "We confirm that Honua'ula Partners, LLC is in compliance with and has initiated implementation of Condition Nos. 2e, g and h as defined in the conditions of zoning for the Honua'ula project." Conditions 2e, 2g, and 2h pertain to improvements to County roadways.

The correspondence between Honua'ula Partners, LLC and DOT and DPW indicates the satisfaction of DOT and DPW with the improvements that Honua'ula Partners, LLC will

²² The TIAR dated October 29, 2009, pertains to the widening of Pili'ani Highway from Kilo'hana Drive to Wailea Ike Drive, including improvements at the intersections of 1) Pili'ani Highway/Okolani Drive/Mikoi Place; and 2) Pili'ani Highway/Kilo'hana Drive/Mapu Place. The TIAR contained in the Draft EIS and this Final EIS is dated March 2, 2010, and identifies the same recommended improvements to these intersections.

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provide and constitutes these agencies' agreement with the improvements as designed thus far. Further satisfaction and agreement with the proposed improvements is evidenced by the environment assessments (EAs) for the widening of Pili'ani Highway and the Wailea Ike Drive/Wailea Alanui Drive intersection improvements. Specifically the Final EA for the widening of Pili'ani Highway (Appendix R) contains design details and—as the accepting authority for the EA—DOT has reviewed the draft and final EA, accepted the final EA, and issued a Finding of No Significant Impact. Similarly, the Wailea Ike Drive and Wailea Alanui Drive Intersection Improvements Final EA (Appendix S) includes design details and DPW—as the accepting authority for the EA—has reviewed the draft and final EA, accepted the final EA, and issued a Finding of No Significant Impact.

In summary, the consultation and subsequent written correspondence between Honua'ula Partners, LLC and DOT and DPW demonstrates the efforts of all involved to work cooperatively to implement the required roadway improvements. This is further evidenced by DOT's and DPW's review and acceptance of the EAs covering the respective improvements these agencies are responsible for overseeing. These agencies review of, and satisfaction with, the improvements required of, and proposed by, Honua'ula Partners, LLC constitutes their agreement with the improvements and the use of the State and County ROWs necessary to implement the improvements. Collectively, DOT's and DPW's satisfaction with, and agreement of, the improvements constitutes Honua'ula Partners, LLC's compliance with Condition 18k.

Appendix L includes the above referenced correspondence between Honua'ula Partners, LLC and DOT and DPW. Appendix R contains the Pili'ani Highway Widening Project Final EA. Appendix S contains the Wailea Ike Drive and Wailea Alanui Drive Intersection Improvements Final EA.

Comment: *The DEIS does not address noise impacts from the widening of Pili'ani Highway.*

Response: The Draft EIS does address noise from the widening of Pili'ani Highway. For example, in Section 4.5 (Noise) of the Draft EIS it is stated:

The acoustic study concludes that the creation of Honua'ula will not cause increases in traffic noise levels that would exceed DOT's criteria signifying a substantial change, which is defined as an increase of 15 decibels (dB) or more over existing conditions. By the year 2022 maximum increases in traffic noise levels in the vicinity of Honua'ula should increase more than 10 decibels (dB) along Pili'ani Highway and 3.6 db along Wailea Ike Drive as a result of: 1) regional growth in traffic volumes; 2) **the widening of Pili'ani Highway (emphasis added)**; 3) the creation of Honua'ula; and 4) the planned extension of Pili'ani Highway into Honua'ula to connect with Kauhahi Street.

While a substantial change in noise levels (as defined by DOT) will not occur, by the year 2022 the number of residences along Pili'ani Highway subject to noise levels that exceed DOT residential noise standards is projected to increase from two residences under existing conditions to:

- 13 residences due to regional increases in traffic even if Pili'ani Highway is not widened and Honua'ula is not built;
- **14 residences if Pili'ani Highway is widened and Honua'ula is not built (emphasis added);** and
- **16 residences if Pili'ani Highway is widened and Honua'ula is built (emphasis added).**

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...To mitigate impacts to residences along Pīlani Highway subject to noise levels that exceed FHWA and DOT residential noise standards, sound attenuating walls are recommended in accordance with DOT's traffic noise abatement policy.

So while the Draft EIS does address noise impacts from the widening of Pīlani Highway, to provide additional information in the Final EIS, in the Final EIS Section 4.5 (Noise) will be revised as shown on the attachment labeled "Noise."

Comment: *The DEIS states on page 173, "An EA specifically addressing the impacts (including noise impacts) of the widening (of) Pīlani Highway is being prepared and will be submitted to the State OEQC for public and State agency review."*

Response: The sentence you quote is within Section 4.5 (Noise) of the Draft EIS and is on page 113, not page 173. Since the Draft EIS was completed, the State DOT has accepted the Pīlani Highway Widening Project Final EA and subsequently issued a Finding of No Significant Impact which was published in the OEQC's *The Environmental Notice* on May 8, 2012.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 4.5 (Noise) will be revised as shown on the attachment labeled "Noise."

Comment: *The applicant cannot segment portions of the project into separate reviews. The widening of Pīlani Hwy is a necessary precedent to any construction of the proposed project (Change in Zoning Condition 2.a.) and must be included in this DEIS.*

Response: The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawai'i EIS laws and rules (Chapter 343, Hawai'i Revised Statutes (HRS) and Title 11, Chapter 200, Hawai'i Administrative Rules (HAR)). Section 11-200-7, HAR addresses the issue of when a group of actions subject to environmental review must be treated as a single action. In two landmark rulings, the Supreme Court of Hawai'i (Court) clarified the intent of Section 11-200-7, HAR and established what constitutes a "necessary precedent" in regard environmental review.

According to the Supreme Court of Hawai'i (Court) in its ruling in the 2007 Superferry case, *Sierra Club v. Department of Transportation*, 115 Haw. 299 (2007) ("Superferry I"), "Rules like HARS 11-200-7 are meant to keep applicants from escaping full environmental review by pursuing projects in a piecemeal fashion." As you are aware, the Superferry I case involved the State Department of Transportation's (DOT) determination that improvements to Kahului Harbor to accommodate the Superferry were exempt from the requirements to prepare an environmental assessment (EA). The Court ruled that DOT's determination was erroneous and that "the public was prevented from participating in an environmental review process for the Superferry project by DOT's grant of an exemption to the requirements of HRS chapter 343."

In the Kahana Sunset case (*Kahana Sunset Owners Ass'n v. County of Maui 86 Haw. 66 (1997)*) ("Kahana Sunset") the Court also held that an exemption to preparing an EA was improperly granted. *Kahana Sunset* concerned a situation where the County of Maui granted an exemption to preparing an EA for drainage improvements beneath a public street. The drainage improvements were necessary to facilitate the development of a condominium project (Napilihaui Villages), for which there was no specific requirement to prepare an EA. In its ruling on *Kahana Sunset*, the

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Court held that an EA was necessary for the drainage improvements and that the EA had to include consideration of the larger project which would connect to the drainage improvements because the drainage system was a "necessary precedent" for the larger project and would have no independent utility—it would not be constructed except as part of the larger project.

The facts of the Superferry I and the Kahana Sunset cases are fundamentally different from the situation of Honua'ula and the widening of Pīlani Highway. According to the Court in *Kahana Sunset* and Superferry I, segmentation is improper where it permits incremental consideration of portions of a project in an attempt to avoid environmental review. Unlike the Superferry I and Kahana Sunset cases, no exemptions to preparing EAs have been sought or granted for any actions associated with Honua'ula and there has been no attempt whatsoever to avoid required environmental review. The Honua'ula Draft EIS provides in-depth environmental review of the Honua'ula project, which includes discussion of actions associated with Honua'ula such as the widening of Pīlani Highway from Kiloahana Drive to Wailea Iki Drive (and related intersection improvements between these points). These environmental reviews have been subject to full public review and comment, in accordance with applicable law. Given that: 1) an EIS has been prepared for Honua'ula; 2) an EA has been prepared for the widening of Pīlani Highway; and 3) each of these documents have undergone the requisite public comment period; there has been no attempt whatsoever to escape environmental review. Thus the harm from segmentation that the *Kahana Sunset* and Superferry I rulings are intended to prevent is not applicable here.

Further, while widening Pīlani Highway is a condition of Honua'ula's rezoning ordinance (County of Maui Ordinance No. 3554, Condition 2a), it is important to note that the need for this improvement has been long established and significantly predates the Honua'ula rezoning ordinance. Indeed, the need to widen Pīlani Highway from two lanes to four has been called for in various plans and studies as far back as 1996. For example the:

- *Kihei Traffic Master Plan*, published in 1996 by the State DOT, DPWWM, and the Maui County Department of Planning recommended: "Widening of Pīlani Highway from two to four lanes from Mokulele Highway to south of Kiloahana Drive." (Recommended Improvement No. 2)
- *County of Maui Long-Range Land Transportation Plan, Final Report*, published in 1997 by DOT, DPWWM, and the Maui County Department of Planning recommended that Pīlani Highway from Mokulele Highway to Wailea be widened "from two to four lanes" (Improvement No. 56).
- *Kihei-Makena Community Plan*, published in 1998 as County of Maui Ordinance No. 2641, Bill No. 5 states: "require adequate interregional highway capacity; including the widening of Pīlani and Mokulele Highways to four lanes".
- *Kihei Traffic Master Plan Study*, published in 2003 by Parsons Brinckerhoff Quade & Douglas for DPWWM recommended that the "Maximum Pīlani Highway Corridor" alternative be adopted; to achieve this Pīlani Highway in the interim would be widened from two to four lanes and ultimately Pīlani Highway would be widened to six lanes or an alternative parallel roadway would be constructed mauka of Pīlani Highway.

In addition, the current Traffic Impact Analysis Report (TIAR) prepared for Honua'ula (Appendix L of the Draft EIS) concluded that by 2016 the widening of Pīlani Highway to four lanes would be necessary even if Honua'ula is not built. Likewise, the TIAR also concluded that a signal at the

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Pi'ilani Highway/Okolani Drive/Mikioi Place intersection also would be necessary. The long-established need for the widening of Pi'ilani Highway, and the fact that it is not exclusive to Honua'ula, is also underscored by the fact that both Wailea and Makena Resorts are also being required to fund this improvement.

Thus the widening of Pi'ilani Highway to four lanes cannot be considered a necessary precedent solely for Honua'ula, as the need for widening has been long recognized, dating back to at least 1996, and even the most recent TIAR anticipates that regional traffic conditions will warrant the widening of the highway independent from Honua'ula. Therefore, unlike the Kahana Sunset case, where drainage improvements would not be necessary if the larger project were not built, the widening of Pi'ilani Highway would in fact be necessary even if Honua'ula were not built. This is a critical distinction in the context of Section 11-200-7 HAR.

The entire Kihei-Makena region benefits from the widening of Pi'ilani Highway, and the widening is a separate DOT project meant to address regional traffic impacts that is being implemented with private funding, with the DOT overseeing the design, permitting, and construction. The use of State lands triggers agency compliance with Chapter 343, HRS (The Environmental Impact Statement law). As such, it is proper that the EA for the widening of Pi'ilani Highway be processed separately from the Honua'ula Draft EIS with DOT as the accepting agency.

For the widening of Pi'ilani Highway to four lanes, along with the required intersection improvements at the Pi'ilani Highway/Okolani Drive/Mikioi Place intersection, the Pi'ilani Highway/Wailea Ike Drive intersection, and the Pi'ilani Highway/Kioloeha Drive/Māpu Place intersection, preliminary design of these improvements has been completed and a draft final EA has been prepared. The State DOT issued a Finding of No Significant Impact for the final EA which was published in the May 8, 2012 edition of the Office of Environmental Quality Control's (OEQC) *The Environmental Notice*.

It should also be noted that the DOT has been consulted and actively involved throughout the environmental review process for Honua'ula and the widening of Pi'ilani Highway. At no time has the DOT or the Maui County Department of Planning ever raised concerns regarding the separate processing of the EIS and the EA or how the environmental review of these projects has proceeded.

In summary, the harm from segmentation that HAR§11-200-7 is intended to prevent is not relevant regarding Honua'ula, and the Honua'ula EIS is not in violation of HAR§11-200-7. The widening of Pi'ilani Highway is not a "necessary precedent" solely for Honua'ula and therefore it falls outside the scope of what Section 11-200-7 HAR seeks to redress. Further, in Kahana Sunset and Superferry I, the Court determined that segmentation is improper where it permits incremental consideration of portions of a project in an attempt to avoid environmental review. Both Superferry I and Kahana Sunset involved instances where an agency or an applicant sought to avoid environmental review by seeking an exemption to preparing an EA. Unlike the Superferry I and Kahana Sunset cases: 1) no exemptions to preparing EAs have been sought or granted for any actions associated with Honua'ula; 2) there has been no attempt whatsoever to avoid required environmental review; and 3) the public has not been prevented from participating in the environmental review process for any aspect regarding Honua'ula.

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However, to elaborate on widening of Pi'ilani Highway in the Final Honua'ula EIS, in the Final EIS:

- Section 3.6 (Botanical Resources) will be revised as shown on the attachment titled "Botanical Resources;"
- Section 3.7 (Wildlife Resources) will be revised as shown on the attachment titled "Wildlife Resources;"
- Section 4.1 (Archaeological and Historic Resources) will be revised as shown on the attachment titled "Archaeological and Historic Resources;"
- Section 4.2 (Cultural Resources) will be revised as shown on the attachment titled "Cultural Resources;"
- Section 4.5 (Noise) will be revised as shown on the attachment titled "Noise;"
- Section 4.6 (Air Quality) will be revised as shown on the attachment titled "Air Quality;"
- Section 4.8.3 (Drainage System) will be revised as shown on the attachment titled "Drainage System;" and
- Section 7.2 (Cumulative and Secondary Impacts) will be revised as shown on the attachment titled "Cumulative and Secondary Impacts."

In addition, the Pi'ilani Highway Widening Project Final EA will be included in the Final EIS as an appendix.

Comment: *The suggestion that noise attenuating walls are recommended along the highway presents a serious impact that should be fully discussed in this DEIS.*

Response: As stated in the Section 4.5 (Noise) of the Draft EIS:

- ...by the year 2022 the number of residences along Pi'ilani Highway subject to noise levels that exceed DOT residential noise standards is projected to increase from two residences under existing conditions to:
- 13 residences due to regional increases in traffic even if Pi'ilani Highway is not widened and Honua'ula is not built;
 - 14 residences if Pi'ilani Highway is widened and Honua'ula is not built; and
 - 16 residences if Pi'ilani Highway is widened and Honua'ula is built.

In other words, noise levels along Pi'ilani Highway are projected to increase even if Pi'ilani Highway is not widened and Honua'ula is not built. Noise levels at two residences adjacent to Pi'ilani Highway currently exceed State DOT noise standards for residential structures. By 2022 this number will increase to 13 due to regional increases in traffic conditions even if Pi'ilani Highway is not widened and Honua'ula is not built. If Pi'ilani Highway is widened and Honua'ula is built, by 2022 noise levels at three additional residences adjacent to Pi'ilani Highway would exceed State DOT noise standards for residential structures. Thus, the direct impact of widening Pi'ilani Highway and building Honua'ula is that three additional residences adjacent to Pi'ilani Highway would exceed State DOT noise standards for residential structures compared to projected future conditions if Pi'ilani Highway is not widened and Honua'ula is not built. Therefore the primary noise impacts to residences adjacent to Pi'ilani Highway are from regional increases in traffic that are projected to occur even if Pi'ilani Highway is not widened and Honua'ula is not built, and not the direct result of the widening of Pi'ilani Highway and the building of Honua'ula.

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As stated in Section 4.5 (Noise) of the Draft EIS, "To mitigate impacts to residences along Pi'ilani Highway subject to noise levels that exceed FHWA and DOT residential noise standards, sound attenuating walls are recommended in accordance with DOT's traffic noise abatement policy." To elaborate, under DOT's noise abatement policy if the cost of the sound attenuating wall does not exceed \$35,000 per benefited residence, construction of the wall can be considered to be reasonable and feasible. Walls fronting two lots mauka of Pi'ilani Highway and one lot makai of Pi'ilani Highway have a possibility of being considered as reasonable and feasible under the DOT traffic noise abatement policy.

In summary, the Draft EIS discusses noise due to the widening of Pi'ilani Highway and the build-out of Honua'ula. The direct impact of widening Pi'ilani Highway and building Honua'ula is that three additional residences adjacent to Pi'ilani Highway would exceed State DOT noise standards for residential structures compared to projected future conditions if Pi'ilani Highway is not widened and Honua'ula is not built. Therefore the primary noise impacts to residences adjacent to Pi'ilani Highway are from regional increases in traffic that are projected to occur even if Pi'ilani Highway is not widened and Honua'ula is not built, and not the direct result of the widening of Pi'ilani Highway and the building of Honua'ula. To mitigate impacts to residences along Pi'ilani Highway subject to noise in excess of State DOT noise standards for residential structures, sound attenuating walls are recommended in accordance with DOT's traffic noise abatement policy. Walls fronting two lots mauka of Pi'ilani Highway and one lot makai of Pi'ilani Highway have a possibility of being considered as reasonable and feasible under the current DOT traffic noise abatement policy.

To incorporate the relevant above information, as well as responses to your other comments and comments from others regarding noise, into the Final EIS, in the Final EIS: 1) the Pi'ilani Highway Widening Project Final EA will be included as an appendix; and 2) Section 4.5 (Noise) will be revised as shown on the attachment titled "Noise."

Comment: Section 11- 200-7 HAR requires that a group of actions proposed by an applicant shall be treated as a single action when the individual project is a necessary precedent for a larger project.

Response: This comment is addressed above in response to your comment "The applicant cannot segment portions of the project into separate reviews."

Electrical Power Resources Impacts

Comment: The DEIS does not provide discussion of the "possible" expansion of the existing electrical substation even though it states on page 133 that "the Wailea Substation is nearly filled to capacity." What will the expansion of the Wailea Substation entail? What will be the impact to ratepayers, like me, for the expansion of the substation?

The DEIS states that MECO needs more information before confirming the need for expansion. The applicant needs to provide the necessary information to include full discussion of the projects electrical needs and the actions needed to fulfill those needs.

Response: It has not yet been determined whether expansion of the existing substation will be necessary. Honua'ula Partners, LLC's electrical engineer has provided available information

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regarding Honua'ula to MECO for their review and planning purposes. MECO has stated that additional review is required during the design development stage of Honua'ula to determine if expansion of the existing substation will be necessary. MECO has also stated that although the current capacity of the MECO electrical system to serve Honua'ula may be limited, with continuously evolving demands for MECO's service, along with MECO's on-going efforts to upgrade and maintain their system to serve new and existing loads, capacity may be in place and adequate to serve Honua'ula by the time Honua'ula is under construction. MECO will continue to review its electrical system and requirements as Honua'ula progresses into the design development stage so that MECO will be able to evaluate: 1) the size of actual electrical loads that MECO is required to serve; 2) the dates when these loads need to be energized by MECO; and 3) the state of the MECO electrical system at the time when these loads are expected to be connected.

In anticipation of the need, Honua'ula Partners, LLC will continue to include an area for the expansion of the existing substation on Honua'ula plans. Should MECO not require additional area, the existing substation would not be expanded. Since MECO cannot make a determination until Honua'ula is within the design development stage, details on the requirements for serving Honua'ula are not available at this time. Should the substation be expanded, however, MECO's additional equipment (i.e. transformers, switchgear, cabling, etc.) and structures currently are anticipated to be similar to what is presently constructed at the existing substation.

MECO strictly complies with all applicable Federal, State, and County regulations regarding public safety and the environment, and MECO designs its substations in accordance with current and applicable codes and standards. Presently, the National Electrical Code, 2008 Edition, and the Uniform Building Code, 1997 Edition, as approved by the County of Maui, along with the National Electrical Safety Code, 2002 Edition govern minimum separation and clearance requirements. In addition, MECO's substation equipment installations meet all applicable County, State, and Federal environmental regulations and guidelines and do not contain toxic substances.

To incorporate the relevant above information, as well as responses to your other comments and comments from others regarding the possible expansion of the MECO substation, into the Final EIS, in the Final EIS Section 4.8.6 (Electrical System) will be revised as shown on the attachment titled "Electrical System."

Regarding your comment: "What will be the impact to ratepayers, like me, for the expansion of the substation?" MECO is regulated as a public utility by the State Public Utility Commission (PUC). The PUC prescribes rates, tariffs, charges and fees, for public utilities.

Wastewater Treatment Impacts

Comment: The applicant has not yet determined if it will build an on-site wastewater facility (as it represented to the County Council when obtaining a change in zoning) or run sewage lines to the Makena Wastewater Facility, which may need to be expanded to accommodate Honua'ula. Neither option is sufficiently discussed to determine potential adverse impacts or even the feasibility of successful operation. Furthermore, the applicant has not provided authorization for the use of Makena Wastewater Facility.

Response: Section 4.8.2 (Wastewater System) of the Draft EIS discusses two alternatives for Honua'ula's wastewater system: 1) transport wastewater to the Makena WWRF for treatment; or 2) develop, maintain, and operate a private on-site WWRF. The preferred alternative is to transport

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wastewater to the Mākēna WWRF for treatment and then pump recycled (R-1) water back to Honua'ūla for golf course irrigation use. Section 4.8.2 (Wastewater System) of the Draft EIS also states:

- While there is currently unused capacity at the Mākēna WWRF, it may be necessary to expand certain portions of the Mākēna WWRF in the future to provide a small amount of additional capacity to accommodate the total projected Honua'ūla wastewater flows along with the projected Mākēna Resort flows before each project is completely built out. As both Honua'ūla and Mākēna Resort will be built out over a number of years, improvements can be implemented at the appropriate time, when needed.
- Honua'ūla Partners, LLC has had substantive discussions about the alternative of transporting wastewater to the Mākēna WWRF with the Mākēna WWRF owner, Mākēna Wastewater Corporation, and they support the connection; however, formal agreements with Mākēna Wastewater Corporation have not yet been finalized.
- Wastewater system design, construction, and operation will be in accordance with County standards and all wastewater plans and facilities will conform to applicable provisions of: Chapter 11-62, HAR (Wastewater Systems); Section 11-62-27, HAR (Recycled Water Systems); and Chapter 11-21, HAR (Cross-Connection and Backflow Control).
- The use of R-1 irrigation water is not expected to have negative impacts on groundwater or nearshore waters and Section 3.5 (Groundwater Resources and Water Quality) contains the complete discussion on potential impacts to groundwater and nearshore waters.

As further discussed in Section 4.8.2 (Wastewater System) of the Draft EIS, the Mākēna WWRF was designed to handle wastewater flows of 720,000 gallons per day (gpd). There is currently unused capacity at the Mākēna WWRF, but it may be necessary to expand the Mākēna WWRF to provide a small amount of additional capacity before both Honua'ūla and Mākēna Resort are built out. As both Honua'ūla and Mākēna Resort will be built out over a number of years, improvements can be implemented at the appropriate time, when needed.

To elaborate on this information already provided in the Draft EIS, while the Mākēna WWRF was designed to handle wastewater flows of 720,000 gpd, it was also designed to be expandable to 1.54 million gallons per day (mgd). Currently the facility is only handling 114,440 gpd, leaving an unused capacity of 605,560 gpd based on the current capacity of 720,000 gpd. Future development within Mākēna Resort is estimated to produce flows of 276,973 gpd. Therefore the total flow from Mākēna Resort is projected to be 391,413 gpd at build-out. See Table 1 below.

At build-out of Honua'ūla, the total Honua'ūla wastewater flow is projected to be 380,000 gpd. Combined with the total Mākēna Resort flow, the combined flow from both Mākēna Resort and Honua'ūla would be 771,413 gpd, which is 51,413 gpd more than the current capacity of 720,000 gpd of the Mākēna WWRF. See Table 1 below. Preliminary indications are that the headworks, effluent filters, and UV disinfection systems would require modifications to handle the additional capacity. Expansion of the Mākēna WWRF will not be necessary until both Honua'ūla and Mākēna Resort approach 90 percent of build out, which could be 10 to 20 years from now.

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Table 1 Current and Projected Mākēna WWRF Capacities

Description	GPD
Current Mākēna Resort flow	114,440
Future Mākēna Resort flow	276,973
Total Mākēna Resort flow at build-out	391,413
Honua'ūla flow at build out	380,000
Total Mākēna Resort and Honua'ūla flow at build-out	771,413
Current Mākēna WWRF Capacity	720,000
Additional capacity required to accommodate both Mākēna Resort and Honua'ūla at build-out	51,413

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS Section 4.8.2 (Wastewater System) will be revised as shown on the attachment titled: "Wastewater System."

Discussion of the fact that Honua'ūla Partners, LLC has had substantive discussions with Mākēna Wastewater Corporation and that formal agreements with Mākēna Wastewater Corporation have not yet been finalized is also included in Section 7.5 (Unresolved Issue) of the Draft EIS. Section 11-200-17(N), HAR of the EIS rules (Title 11, Chapter 200, HAR) provides that a draft EIS shall include a separate and distinct section that summarizes unresolved issues and contains either a discussion of how such issues will be resolved prior to commencement of the action, or what overriding reasons there are for proceeding without resolving the problems. In accordance with this requirement, Section 7.5 (Unresolved Issue) of the Draft EIS includes discussion regarding the two alternatives for wastewater treatment and the status of the agreements with Mākēna Wastewater Corporation regarding transporting wastewater to the Mākēna WWRF. To clarify how this issue will be resolved in the Final EIS, in the Final EIS Section 7.5 (Unresolved Issue) will be revised as follows:

7.5 UNRESOLVED ISSUE

Wastewater – As discussed in Section 4.8.2 (Wastewater System), Honua'ūla Partners, LLC, will either transport wastewater to the Mākēna WWRF for treatment or provide a WWRF on-site. The preferred alternative is to transport wastewater to the Mākēna WWRF. Transporting wastewater to the Mākēna WWRF for treatment provides the benefit of consolidating wastewater services for both Honua'ūla and Mākēna, allowing economies of scale in the treatment process and consolidated regulatory compliance. Additionally, sufficient golf course land is available within both developments to reuse 100 percent of the recycled water for irrigation. Honua'ūla Partners, LLC has had substantive discussions about this alternative with the Mākēna WWRF owner, Mākēna Wastewater Corporation, and they support the connection; however, formal agreements with Mākēna Wastewater Corporation have not yet been finalized. If formal agreements with Mākēna Wastewater Corporation are not finalized, Honua'ūla Partners, LLC will proceed with the other alternative for wastewater treatment discussed in Section 4.8.2 (Wastewater System), which is to construct an on-site WWRF that is capable of treating all of the Honua'ūla wastewater to R-1 standards.

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Comment: *The applicant's choice of options may impact options Maui Meadows residents may have for handling our wastewater.*

Response: We fail to see how either alternative for Honua'ula's wastewater system impacts options Maui Meadows residents may have for handling wastewater. Homes in Maui Meadows are currently using either individual cesspool or septic tank systems. Honua'ula will either transport wastewater to the private Mākēna WWRF for treatment or provide its own private on-site WWRF. These alternatives will not preclude Maui Meadows from: 1) continuing to operate under its cesspool/septic tank systems; 2) connecting to the County WWRF in Kihei; or 3) connecting to any private WWRF it may be able to negotiate a deal with.

Comment: *Until the actual wastewater system is determined, it is premature to submit a DEIS for evaluation and review.*

Response: It was not "premature" to submit the Draft EIS when it was submitted and it is not necessary to determine which wastewater alternative will be implemented to be able to proceed with the Final EIS. As explained above, Section 4.8.2 (Wastewater System) of the Draft EIS discusses two alternatives for Honua'ula's wastewater system: 1) transport wastewater to the Mākēna WWRF for treatment; or 2) provide an on-site WWRF. Information on operations and potential impacts associated with both alternatives is also included.

Section 11-200-17(N), HAR of the EIS rules (Title 11, Chapter 200, HAR) provides that a draft EIS shall include a separate and distinct section that summarizes unresolved issues and contains either a discussion of how such issues will be resolved prior to commencement of the action, or what overriding reasons there are for proceeding without resolving the problems. In accordance with this requirement Section 7.5 (Unresolved Issue) of the Draft EIS includes discussion regarding the two alternatives for wastewater treatment and the status of agreements with Mākēna Wastewater Corporation regarding transporting wastewater to the Mākēna WWRF. To clarify how this issue will be resolved in the Final EIS, in the Final EIS Section 7.5 (Unresolved Issue) will be revised as follows:

7.5 UNRESOLVED ISSUE

Wastewater – As discussed in Section 4.8.2 (Wastewater System), Honua'ula Partners, LLC, will either transport wastewater to the Mākēna WWRF for treatment or provide a WWRF on-site. The preferred alternative is to transport wastewater to the Mākēna WWRF. Transporting wastewater to the Mākēna WWRF for treatment provides the benefit of consolidating wastewater services for both Honua'ula and Mākēna, allowing economies of scale in the treatment process and consolidated regulatory compliance. Additionally, sufficient golf course land is available within both developments to reuse 100 percent of the recycled water for irrigation. Honua'ula Partners, LLC has had substantive discussions about this alternative with the Mākēna WWRF owner, Mākēna Wastewater Corporation, and they support the connection; however, formal agreements with Mākēna Wastewater Corporation have not yet been finalized. If formal agreements with Mākēna Wastewater Corporation are not finalized, Honua'ula Partners, LLC will proceed with the second alternative for wastewater treatment discussed in Section 4.8.2 (Wastewater System), which is to construct an on-site WWRF that is capable of treating all of the Honua'ula wastewater to R-1 standards.

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Impacts of Project to South Maui Beaches

Comment: *What will be the impact of increased resident population as a result of this development on the use of these beach areas by current south Maui residents? This should be discussed in the DEIS.*

Response: As discussed in Section 4.9.2 (Population) of the Draft EIS, population projections by the Maui Planning Department (Maui Planning Department 2006) indicate that the overall Maui Island population and Kihei-Mākēna population is increasing. By 2025 the Maui Island population is expected to increase by 24 percent from the 2010 population, including a projected 28 percent increase in the Kihei-Mākēna population. During the same period the average visitor census for Maui is projected to increase 28 percent with approximately 47 percent of Maui's visitors staying in the Kihei-Mākēna region. These increases are projected with or without Honua'ula. The additional population will use public facilities, such as beaches and boat ramps and increased beach and boat ramp use and associated impacts will occur with or without Honua'ula.

Section 4.9.2 (Population) of the Draft EIS notes that when fully built-out, the total population of Honua'ula is projected to be 1,833 persons, of which 1,541 will be full-time residents and 292 will be periodic users comprised of non-resident owners and their guests (Hallstrom 2009). It is important to realize that under the requirements of Chapter 2.96, MCC Honua'ula's 450 on-site workforce affordable homes must be offered for sale to Maui residents. Therefore, based on a household size of 2.5 people per household, approximately 1,125 (73 percent) of Honua'ula's future 1,541 full-time residents will most likely be existing Maui residents already making periodic use of public facilities such as beaches. As a result, the incremental increase in use of public beaches as a result of Honua'ula will be significantly less than the overall population of Honua'ula may indicate.

We acknowledge that some Honua'ula residents will go to Maui beaches; however the number of Honua'ula residents going to a specific beach on any given day cannot be known and it cannot be assumed that Honua'ula residents will patronize only the beaches you list; rather it is likely that they could be distributed among any beach in the Kihei-Mākēna region or the entire island.

Comment: *Objective A 9 of Hawaii State Recreation Functional Plan concerns the need for developments to consider the part their project would play in the "saturation of the capacity of beach parks and near shore waters."*

Honua'ula replied that this policy was "Not Applicable" to its project. This does not seem to be a logical conclusion.

Response: The 1991 Recreation State Functional Plan to which you refer is one of 14 State Functional Plans required to be formulated under the Hawai'i State Plan. The purpose of the State Functional Plans is to guide State programs, actions, and resource allocation decisions. As stated on page 2 of the Recreation State Functional Plan: "...State Functional Plans are ... not to be interpreted as law or statutory mandates, nor do they mandate County or private sector actions."

Recreation State Functional Plan Objective I.A, to which you refer, states, "Address the problem of saturation of the capacity of beach parks and nearshore waters." Policy I-A(1), which follows

Daniel Kanahele

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Objective 1.A, states: "Acquire additional beach parkland and rights-of-way to remaining undeveloped shorelines to provide increased capacity for future public recreational use." Implementing Action 1-A(1)(a) which follows then sets out a list of beach areas on each island to be acquired by the State with the Department of Land and Natural Resources (DLNR) State Park Division being the lead organization to acquire the lands, subject to the availability of funds. In context with the accompanying policy, implementing action, and other relevant information regarding the purpose of the State Functional Plans, it is clear that Objective 1.A is directed toward DLNR State Parks Division and thus is not applicable to Honua'ula.

Comment: *Nowhere in section 5.2.2 of the EIS, where recreation is discussed, does the EIS acknowledge that the project's residents will be using local beaches. The DEIS states: "Honua'ula is not located on a shoreline therefore policies regarding shoreline resources are not applicable."*

Response: Section 5.2.2 (Kihei-Mākena Community Plan) of the Draft EIS discusses the objectives and policies of the Kihei-Mākena Community Plan relevant to Honua'ula, including the objectives and policies regarding recreation. For a more detailed discussion on Honua'ula's potential impacts, proposed mitigation measures, and contributions regarding recreational facilities in the Kihei-Mākena region, please see Section 4.10.5 (Recreational Facilities) of the Draft EIS. In response to your comments below regarding potential impacts to beaches, in the Final EIS Section 4.10.5 (Recreational Facilities) will be revised as explained below and on the attachment titled "Recreational Facilities."

Comment: *We find it disappointing that this project, located five minutes from some of South Maui's most popular beaches, declines to discuss that future residents will, without a doubt, want to access those nearby beaches. We request that the EIS discuss potential impacts on Ulua, Wailua, Polo, Palaua, Po'olenalena, Keawakapu and Makena beach parks. Also facilities like Kihei boat ramp.*

Response: As discussed in Section 4.9.2 (Population) of the Draft EIS, population projections by the Maui Planning Department (Maui Planning Department 2006) indicate that the overall Maui Island population and Kihei-Mākena population is increasing. By 2025 the Maui Island population is expected to increase by 24 percent from the 2010 population, including a projected 28 percent increase in the Kihei-Mākena population. During the same period the average visitor census for Maui is projected to increase 28 percent with approximately 47 percent of Maui's visitors staying in the Kihei-Mākena region. These increases are projected with or without Honua'ula. The additional population will use public facilities, such as beaches and boat ramps and increased beach and boat ramp use and associated impacts will occur with or without Honua'ula.

Section 4.9.2 (Population) of the Draft EIS notes that when fully built-out, the total population of Honua'ula is projected to be 1,833 persons, of which 1,541 will be full-time residents and 292 will be periodic users comprised of non-resident owners and their guests (Hallstrom 2009). It is important to realize that under the requirements of Chapter 2.96, MCC Honua'ula's 450 on-site workforce affordable homes must be offered for sale to Maui residents. Therefore, based on a household size of 2.5 people per household, approximately 1,125 (73 percent) of Honua'ula's future 1,541 full-time residents will most likely be existing Maui residents already making periodic use of public facilities such as beaches and boat ramps. As a result, the incremental increase in use of public facilities as a result of Honua'ula will be significantly less than the overall population of Honua'ula may indicate.

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We acknowledge that some Honua'ula residents will go to Maui beaches; however the number of Honua'ula residents going to a specific beach on any given day cannot be known and it cannot be assumed that Honua'ula residents will patronize only the beaches you list; rather it is likely that they could be distributed among any beach in the Kihei-Mākena region or the entire island.

Regarding the Kihei Boat Ramp and boat ramp facilities on Maui in general, the report titled Public Facilities Assessment Update County of Maui (R.M. Towill Corporation 2007) projects the need for three additional boat ramps island wide by 2030 based on the island wide population increase (an increase of approximately 46,000 people from 2010 to 2030) projected by the Maui Planning Department. Again this population increase is projected with or without Honua'ula. It is not anticipated that Honua'ula will trigger the need for additional boat ramp facilities considering that: 1) the County projects a population increase with or without Honua'ula; 2) approximately 73 percent of Honua'ula's future residents may already be existing Maui residents; and 3) relatively few new boat ramps will be necessary by 2030 to support the projected island wide population increase.

Comment: *The Kihei-Mākena Community Plan states a goal directly related to the region where the proposed Honua'ula project is located:*

"Provide adequate landscaped public access to shoreline areas with significant recreational and scenic value. Provide adequate lateral public access along the shoreline to connect significant shoreline areas and to establish continuity of the public shoreline areas. Particular attention shall be directed toward southern shoreline resources from Polo Beach southwards, and between Kama'ole Parks II and III."

This policy does not just apply to coastal development projects, but rather is a goal for the entire community to work towards. Every development generates potential beach users. Every development needs to consider how it can be part of the solution.

Response: In full, this policy from the Kihei-Mākena Community Plan states:

- (i) *Improve public access to shoreline and nearshore resources through the following measures:*
 1. *Develop and implement a plan for public access to the shoreline, which includes both existing and future accesses, based on the location of significant shoreline resources. Accesses shall be consistent with the characteristics of resources to be reached.*
 2. *Provide adequate landscaped public access to shoreline areas with significant recreational and scenic value. Provide adequate lateral public access along the shoreline to connect significant shoreline areas and to establish continuity of the public shoreline areas. Particular attention shall be directed toward southern shoreline resources from Polo Beach southwards, and between Kama'ole Parks II and III.*
 3. *Require setbacks to include recreational space on lands behind the legally defined public shoreline zone wherever possible. This allows for adequate recreational activities and proper management of the shoreline.*

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4. Provide setback areas with landscaping to enhance recreational use and scenic quality. Recreational amenities should be commensurate with the scale of the setback area, intended use, and resource characteristics.

This policy is clearly focused on improving public access to the shoreline, and in particular item 2 that you cite is concerned with providing adequate landscaped public access to the shoreline and lateral public access along the shoreline. We respectfully disagree that this policy applies to projects that are not on the shoreline or projects that do not provide direct access to the shoreline. As your comments acknowledge, Honua'ula is one mile from the shoreline. There are several properties between Honua'ula and the shoreline. Honua'ula Partners, LLC does not own these properties and it is not possible for Honua'ula Partners, LLC to provide access to the shoreline through properties it does not own or to provide lateral public access along the shoreline in front of properties it does not own. Similarly, it is not possible for Honua'ula Partners, LLC to provide or control landscaping along public shoreline access ways that are not adjacent or even nearby its property.

Comment: The EIS should include research on average numbers of trips to beach by south Maui / Wailea residents. Use those figures to project future use by Honua'ula residents. Expected increase in demands for beach parking and beach space, camping spaces, boat launch facilities, etc. based upon increased residential population, should also be discussed.

Response: According to the report titled Public Facilities Assessment Update County of Maui (R.M. Towill Corporation 2007), beaches are considered "Special Use Parks" that serve a regional or islandwide populace because their activities or points of interest are tied to a specific location. Maui's beaches provide ocean recreation opportunities for all Maui residents and visitors regardless of location or where people live or are staying; it cannot be assumed that people living or staying near a specific beach will frequent the beach nearest to them.

As discussed above, the Maui Island and the Kihei-Mākena population is increasing. This increase is projected with or without Honua'ula. The additional population will use public facilities, such as beaches and boat ramps and additional beach use and associated impacts will occur with or without Honua'ula. In addition, as previously noted, many future Honua'ula residents may already be existing Maui residents making periodic use of Maui beaches, including beaches and boat ramps in the Kihei-Mākena region.

As discussed in Section 4.10.5 (Recreational Facilities) of the Draft EIS, to help alleviate the shortage of park space and facilities in the Kihei-Mākena region, Honua'ula Partners, LLC will develop six acres of private parks and 84 acres of open space within Honua'ula in compliance with County of Maui Ordinance No. 3554 (Condition 11). The private parks will be open to the public and privately maintained. Furthermore, the private parks and open space will not be used to satisfy the park assessment requirements under Section 18.16.320, MCC, or for future credits under the subdivision ordinance. The Director of Parks and Recreation and Honua'ula Partners, LLC agree that Honua'ula's park assessment requirements will be satisfied with an in-lieu cash contribution for the entire project. This cash contribution will be used to upgrade Maui County parks and facilities, which may include beach parks, as determined by the Department of Parks and Recreation (DPR) in accordance with their park facility priorities. In addition, Honua'ula Partners, LLC will pay at least \$5,000,000 to the County upon Project District Phase II approval

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specifically for the development of the South Maui Community Park in compliance with County of Maui Ordinance No. 3554 (Condition 10).

Comment: The EIS should also fully acknowledge that by national planning standards South Maui, with its resident and year round visitor population, has a shortage of beach park facilities, which leads to user conflicts.

Response: According to the Public Facilities Assessment Update County of Maui (R.M. Towill Corporation 2007) there are currently 28.8 acres of County beach parks in the Kihei-Mākena region. This does not include Ulua, Wailea, Polo, Palauaea, and Keawakapu beaches that you mention above, which are not County beach parks. It also does not include Mākena State Park, which is a State park. Using a standard of 40 square feet of beach park space per person, the Public Facilities Assessment Update County of Maui projects a need for an additional 37 acres of County beach park space by 2030, based on the population projections of the Maui Planning Department. Because it is a State park, the 164 acres of Mākena State Park is not included in the inventory of County beach parks provided in the Public Facilities Assessment Update County of Maui (R.M. Towill Corporation 2007), nor is the area of Mākena State Park considered in relation to the projected need for an additional 37 acres of County beach park space by 2030. The park planning standards used in the Public Facilities Assessment Update County of Maui were obtained from: 1) Department of Parks and Recreation, City and County of Honolulu (1980); 2) Department of Parks and Recreation, County of Maui, Open Space and Outdoor Recreation Plan (2002); and 3) the National Recreation and Parks Association (NHPA 2000).

Comment: Palauaea, for example is a popular fishing beach. When Honua'ula has five hundred residences built, will there be a change in the number and frequency of visitors to this now out-of-the-way-beach? Will there still be room for the weekend fisherman and his family? The EIS should provide this information and mitigation for anticipated impacts.

Response: According to the Public Facilities Assessment Update County of Maui (R.M. Towill Corporation 2007) there are currently 28.8 acres of County beach parks in the Kihei-Mākena region. This does not include Ulua, Wailea, Polo, Palauaea, and Keawakapu beaches that you mention above, which are not County beach parks. It also does not include Mākena State Park, which is a State park. Using a standard of 40 square feet of beach park space per person, the Public Facilities Assessment Update County of Maui projects a need for an additional 37 acres of County beach park space by 2030, based on the population projections of the Maui Planning Department. Because it is a State park, the 164 acres of Mākena State Park is not included in the inventory of County beach parks provided in the Public Facilities Assessment Update County of Maui (R.M. Towill Corporation 2007), nor is the area of Mākena State Park considered in relation to the projected need for an additional 37 acres of County beach park space by 2030. The park planning standards used in the Public Facilities Assessment Update County of Maui were obtained from: 1) Department of Parks and Recreation, City and County of Honolulu (1980); 2) Department of Parks and Recreation, County of Maui, Open Space and Outdoor Recreation Plan (2002); and 3) the National Recreation and Parks Association (NHPA 2000).

Comment: A project one mile from the beach, in a world famous beach resort area, should not have its EIS considered adequate, unless potential impacts of increased residential population to shoreline recreation areas are discussed.

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Response: In response to your preceding comments regarding potential impacts to beaches and boating facilities, in the Final EIS Section 4.10.5 (Recreational Facilities) will be revised to incorporate the relative information discussed above, as shown on the attachment titled "Recreational Facilities."

Comment: *Earlier Wailea 670 project discussions mentioned mitigation funding for increased parking spaces at Keawakapu beach. Appropriate mitigation would seem to be improved parking at Palaua beach. The County's 2005 Ocean Resources Management Plan recommended Palaua Beach for expanded access and parking improvements, and specifically cited as justification for the expanded need, plans for over 1000 new housing units proposed immediately uphill, in what was then called Wailea 670.*

Response: When you refer to the "County's 2005 Ocean Resources Management Plan" we are not clear if you are actually referring to the State "Hawaii Ocean Resources Management Plan" (ORMP), dated December 2006. We could not find a "County Ocean Resources Management Plan," however we did check the State ORMP but could find no mention of a recommendation for expanded access and parking improvements at Palaua Beach.

Regardless, the determination of what mitigation measures are appropriate is a function of government agencies, which have a broad view of community needs and can appropriately balance consideration of overall project benefits with potential impacts and mitigation measures.

In their comment letter on the Environmental Assessment/Environmental Impact Statement Preparation Notice, DPR stated that they have no objections to Honua'ula. DPR stated further:

The 6 acres of private parks and 84 acres of open space proposed to be developed outside of park assessment requirements, in addition to the agreement to satisfy the provisions of Section 18.16.320, Maui County Code, with an in-lieu cash contribution for the entire project, meets with our approval. The applicant's offer of payment not less than \$5,000,000 to the County in lieu of the dedication of a Little League Field, upon Project District Phase II approval for the development of the South Maui Community Park is also acceptable. Finally, the applicant's agreement to support Maui Junior Golf, MIL athletic groups, and provide reduced rates for kama'aina is a favorable commitment.

In addition, in their comment letter on the Draft EIS DPR stated:

The Draft Environmental Impact Statement for the subject project adequately addresses the concerns of the Department of Parks and Recreation. We have no additional comments or objections to the subject project at this time.

Comment: *It is likely that future advertising for the project's home sites will include information that the location "is just minutes from beautiful beaches." This connection should be a part of the EIS discussion."*

Response: Advertising for Honua'ula has not yet been considered, however an EIS is not a sales brochure or tool. EIS documents disclose a project's potential impacts and provide information on mitigation measures. How a project is advertised is not a subject of relevance for an EIS.

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Gated Communities

Comment: *Is Honua'ula a gated or non-gated community? Will there be any gated communities within the project area? If yes...how many?*

Response: Overall, Honua'ula will not be a gated community; however if builders of some individual areas or if specific homeowner's associations or residents choose to gate individual areas, they should have the right to make that decision.

To include the above information, as well as responses to others regarding gated communities, into the Final EIS, in the Final EIS Section 4.3 (Trails and Access) will be revised as shown on the attachment titled "Trails and Access."

Comment: *Maui Meadows is not a gated community, but we do have one gated neighborhood within the larger subdivision. Personally I favor non-gated communities in Wailea so that we don't divide and separate ourselves from the other neighborhoods and communities around us. Open neighborhoods are, in my opinion (IMHO), more in-keeping with the spirit of aloha, hospitality, and 'ohana which are important values of the host cultural.*

Response: We acknowledge your opinion.

Choosing the name "Honua'ula" instead of Wailea 670 for the Proposed Project

Comment: *As a Kanaka I have found the choice of "Honua'ula" for the name of this project very troubling. Customarily, when a Hawaiian tells others where they live or where they come from, they will say the name of their ahupua'a and moku. For example, I live in the ahupua'a of Paeehu in the moku of Honua'ula. Not the Honua'ula of this DEIS but the moku or district of HONU'UA'ULA."*

This name, "Honua'ula", which really belongs to the entire traditional district of HONU'UA'ULA, has and is creating confusion among local people. My concern is that the knowledge of the existence of the traditional district of HONU'UA'ULA will be diminished in time by the use of the self-proclaimed name of "Honua'ula" given to this project. Place names in Hawaiian culture are very important. The moku of HONU'UA'ULA was given that name for a very special reason. The reason that name is important is tied to the kumuhouua genealogy. To call a 670 acre subset of the greater moku of HONU'UA'ULA by that same name is, IMHO, culturally inappropriate.

Response: Section 4.1 (Archaeological and Historic Resources) and Section 4.2 (Cultural Resources) of the Draft EIS discuss the Honua'ula moku as distinguished from the Honua'ula Property. In particular Section 4.2.1 (Honua'ula Moku) of the Draft EIS explains that the Honua'ula moku was one of 12 ancient districts of Maui Island and goes on to provide extensive discussion on the Honua'ula moku.

We acknowledge that, in your opinion, the name "Honua'ula" for the project is culturally inappropriate.

Comment: *Therefore, I respectfully ask that the DEIS explain how, by who, and for what reason was "Honua'ula" picked as the current name of the project area. And how does selecting a name that is already connected culturally and historically to a larger district or moku provide a sense of authentic history or sense of place for the project area?*

Daniel Kanahele
**SUBJECT: HONU'A'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND
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May 31, 2012
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CHARMAINE TAVARES
Mayor
KATHLEEN ROSS AOKI
Director
ANN T. CIA
Deputy Director



COUNTY OF MAUI
DEPARTMENT OF PLANNING

June 9, 2010

Response: The project name was selected by a cultural team including the following individuals: Mr. Clifford Naeole, Ms. Hokulani Holt Padilla and Mr. Kimoko Kapahulehua. An extensive historical data search for cultural activity within the project area was conducted including oral interviews with individuals and families known to inhabit the general area. Once the historic context was completed, names were recommended and presented to the project cultural team as well as other cultural practitioners in the Makena area including Mr. Leslie Kuloloio. The project name was deemed to be appropriate by the cultural team and practitioners and relevant to the project area and culture.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
Senior Associate

cc: Will Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachments: Planning Department Letter

Noise
Botanical Resources
Wildlife Resources
Archaeological and Historic Resources
Cultural Resources
Air Quality
Drainage System
Cumulative and Secondary Impacts
Electrical System
Wastewater System
Recreational Facilities
Trails and Access

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Mr. Jonathan Starr, Chair
and Members of the Maui Planning Commission
County of Maui
250 South High Street
Wailuku, Hawaii 96793

Dear Chair Starr:

**SUBJECT: URBAN DESIGN REVIEW BOARD (UDRB) COMMENTS ON
PROPOSED DESIGN GUIDELINES AND THE PROJECT DISTRICT PHASE II
APPLICATION FOR HONU'A'ULA, A MASTER PLANNED COMMUNITY
CONSISTING OF SINGLE FAMILY AND MULTI-FAMILY HOMES, VILLAGE
MIXED USE AREAS WITH SUPPORTING COMMERCIAL, OPEN SPACE,
RECREATION, AND RELATED OFF-SITE IMPROVEMENTS LOCATED IN
WALIEA, KIHEI-MAKENA, MAUI, HAWAII (PHZ 2010/0001)**

THE PROPERTY: 670 ACRES -
TMK'S: (2) 2-1-008:056
(2) 2-1-008:071

OFF-SITE IMPROVEMENTS: 30 ACRES -
TMK'S: (2) 2-1-08: 999 (POR) STATE OF HAWAII
(2) 2-1-08: 043 (POR) MAUI ELECTRIC COMPANY LTD
(2) 2-1-08: 090 (POR) MAKENA GOLF LLC
(2) 2-1-08: 108 (POR) MAKENA GOLF LLC
(2) 2-1-08: 054 (POR) ULUPALAKUA RANCH
(2) 2-1-08: 001 (POR) ULUPALAKUA RANCH
(2) 2-2-02: 050 (POR) HALEAKALA RANCH CO.
(2) 2-2-02: 054 (POR) HALEAKALA RANCH CO.

At its regular meeting on June 1, 2010, the UDRB reviewed the design guidelines, landscaping, architectural plans, and related aspects of the proposed project referenced above. Based on those considerations within the UDRB's purview, it offered the following comments on the project:

1. That consideration be given to incorporating sidewalks within project culdesacs and making bike paths and sidewalks more consistent from area to area;

250 SOUTH HIGH STREET, WAILUKU, MAUI, HAWAII 96793
MAIN LINE (808) 270-7735; FACSIMILE (808) 270-7634
CURRENT DIVISION (808) 270-8205; LONG RANGE DIVISION (808) 270-7214; ZONING DIVISION (808) 270-7253

Mr. Jonathan Starr, Chair
and Members of the Maui Planning Commission
June 9, 2010
Page 2

DAVID B. MERCHANT

2145 Walls Street, Suite 303, Waialua, HI 96793
Phone: (808) 242-5700
Email: dbrm@nmaui.com

June 30, 2010

2. That existing rock walls and stepping stone trails with in the project site be incorporated in the project's design;
3. That consideration be given to incorporating recreational courts within the project; and
4. That the Multi-Family area closest to Maui Meadows on the northern boundary of the site be limited to 30 ft. in height. The Planning Department notes that the allowable height for the Multi-Family subdistrict is 4 stories or 50 ft.

Thank you for your cooperation. If additional clarification is required, please contact the undersigned or Deputy Planning Director Ann Cua at ann.cua@mauicounty.gov or 270-7521.

Sincerely,



for LINDA KAY OKAMOTO, Chair
Maui Urban Design Review Board

xc: Ann Cua, Deputy Planning Director
Clayton I. Yoshida, AICP, Planning Program Administrator
Gwen Hiraga, Munekiyo & Hiraga, Inc.
Tom Schnell, AICP, PBR Hawaii,
Project File
General File

LKO:ATC:aw

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PBR Hawaii
Attn: Tom Schnell, AICP
1001 Bishop Street, Suite 650
Honolulu, Hawaii 96813
tschnell@pbrhawaii.com

Honua'ula Partners, LLC
Attn: Mr. Charles Jencks
381 Huku Li'i Place Suite 202
Kihei, HI. 96753
Charlie@gbimaui.com

Director, Planning Department
County of Maui Kalana Pakui Building, Suite 200
250 High Street Wailuku, Hawaii 96793
kathleen.aoki@mauicounty.gov
planning@mauicounty.gov

Hawaii State Office of Environmental Quality
235 South Beretaina Street
Honolulu, Hawaii, 96813-2419
oeqc@doh.hawaii.gov

Re: DRAFT EIS for HONUA'ULA (WAILEA 670)

I am writing in my individual capacity to address concerns regarding the Draft Environmental Impact Statement ("Draft EIS") for the Honua'ula Project, formerly known as Wailea 670 (the "Project"). My comments will be limited to the failure to provide meaningful alternatives in the Draft EIS and the use of misleading foot traffic information.

I. Failure to Discuss Meaningful Alternatives

The requirement for providing alternatives is set forth in HAR § 11-200-17 (F), which reads in full:

- F. The draft EIS shall describe in a separate and distinct section alternatives which could attain the objectives of the action, regardless of cost, in sufficient detail to explain why they were rejected. The section shall include a rigorous exploration and objective evaluation of the environmental impacts of all such

alternative actions. Particular attention shall be given to alternatives that might enhance environmental quality or avoid, reduce, or minimize some or all of the adverse environmental effects, costs, and risks. Examples of alternatives include:

1. The alternative of no action;
2. Alternatives requiring actions of a significantly different nature which would provide similar benefits with different environmental impacts;
3. Alternatives related to different designs or details of the proposed actions which would present different environmental impacts;
4. The alternative of postponing action pending further study; and,
5. Alternative locations for the proposed project.

In each case, the analysis shall be sufficiently detailed to allow the comparative evaluation of the environmental benefits, costs, and risks of the proposed action and each reasonable alternative. For any agency actions, the discussion of alternatives shall include, where relevant, those alternatives not within the existing authority of the agency.

The Draft EIS purports to provide six different alternatives, including a "no action" alternative and a "postpone pending further study" alternative. *Draft EIS* at 296-304. The four alternatives that involve moving forward with a Project do not satisfy the requirements set forth above:

- Two of the alternatives (6.5 Resort/Residential With Two Golf Courses; and 6.6 Resort Residential With One Golf Course) are not analyzed, but merely discussed and dismissed as being contrary to Project goals or for historical reasons. These are "make-weight" alternatives which should invite further scrutiny of the remaining two alternatives. These alternatives appear to be the only two that contemplate development of less than the entire Parcel, but there is no discussion whatsoever of the impact of developing less than the full parcel.
- All viable alternatives assume development of the entire 670-acre parcel. As described and depicted, the Project will involve development of a 670-acre rectangular parcel, with straight edges between the developed areas and the surrounding fields. An alternative should be provided and analyzed that incorporates geographic and topographic features into the siting of various Project elements. Maui Meadows is already a big rectangle on the hill; there should be some analysis of whether a new straight-edged rectangle should be built.
- All viable alternatives assume uniform development across the entire parcel. Each alternative describes a development without any attempt to control sprawl or define communities. Open spaces are either golf courses or minor greenbelts

generally located in gullies. An alternative should be provided and analyzed that confines development to defined communities within the parcel. Conceptually, an alternative design should be provided that has "islands" of development within the parcel, as opposed to the current alternatives which have "islands" of open space within the fully-developed parcel.

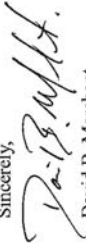
- Viable alternatives assume a Project of essentially the same size. There is no analysis of an alternative that contemplates a smaller Project in terms of unit numbers.
- There is no alternative analyzed that would have a lesser environmental impact than the proposed Project. This should be a minimum requirement, and it is not met.
- There is no discussion of alternative locations for the Project. The "no action" alternative discusses reasons for Honua'ula to be built (as opposed to not being built), but there is no discussion of alternative locations for the housing and infrastructure benefits that apparently will flow from Honua'ula.

2. Misleading Walking Times

Throughout the Draft EIS, reference is made to "smart-growth" concepts which include bike paths and walking paths. For example, on page 110, the Draft EIS states that "most residential areas will be within approximately a half-mile or less of commercial and residential facilities." In addition to being a fundamentally vague statement, a review of the maps provided with the Draft EIS shows that the measurement being referred to is an "as the crow flies" distance that has no bearing on reality. See Figure 1, "Conceptual Master Plan". Walking distances for various portions of the Project can be calculated, and the EIS should do so. Walking times can be calculated as well, which would incorporate considerations of hills. Only with this information can the Draft EIS' claims of incorporating walking and biking into its plans be realistically analyzed.

Thank you for your consideration.

Sincerely,



David B. Merchant



May 31, 2012

PRINCIPALS
THOMAS WITTEN, ASLA
President
R. STAN DUNCAN, ASLA
Executive Vice-President
RUSSELL Y. CHUNG, FASLA, LEED* AP
Executive Vice-President

VINCENT SHIGEKUNI
Vice-President
GRANT T. MURAKAMI, AICP, LEED* AP
Principal

W. FRANK BRANDT, FASLA
Chairman Emeritus
RUSSELL Y. CHUNG, FASLA, LEED* AP
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David Merchant
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
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These alternatives appear to be the only two that contemplate development of less than the entire Parcel, but there is no discussion whatsoever of the impact of developing less than the full parcel.

Response: Previously proposed plans for the property (see Section 6.5 (Resort/Residential with Two Golf Courses and Section 6.6 Resort Residential with One Golf Course of the Draft EIS) were considered as alternatives to the proposed action because they have been analyzed, studied, and refined over the course of more than two decades.

As discussed in Section 6 (Alternatives), with the desire of Honua'ula Partners, LLC to implement the *Kihei-Mākena Community Plan* to create an appealing master-planned community, the current objectives of Honua'ula took shape, and the previously proposed alternatives were refined to the current Honua'ula plan. This extensive process resulted in a plan that is responsive to community concerns and reflects the approvals received (and conditions imposed) from the State Land Use Commission, the Maui Planning Commission, and the Maui County Council. As such, the previously proposed plans are no longer viable alternatives and the current plan, as elaborated on throughout the Draft EIS, is the established, preferred alternative.

Comment: *All viable alternatives assume development of the entire 670-acre parcel. As described and depicted, the Project will involve development of a 670-acre rectangular parcel, with straight edges between the developed areas and the surrounding fields. An alternative should be provided and analyzed that incorporates geographic and topographic features into the siting of various Project elements. Maui Meadows is already a big rectangle on the hill; there should be some analysis of whether a new straight-edged rectangle should be built.*

Response: As discussed in Chapter 2 (Honua'ula Description) of the Draft EIS, the Honua'ula property is comprised of two parcels totaling 670 acres designated as Project District 9 in the *Kihei-Mākena Community Plan*. Honua'ula implements Chapter 19.90A (Kihei-Mākena Project District 9 (Wailea 670), MCC, which establishes permissible land uses and appropriate standards of development for a residential community consisting of single-family and multi-family dwellings complemented with village mixed uses, all integrated with an 18-hole homeowner's golf course and other recreational amenities.

As planned, Honua'ula will be in character with surrounding uses and will complement the pattern of development in the Kihei-Mākena region in a way that is consistent with the State Land Use Urban designation of the Property and envisioned in the *Kihei-Mākena Community Plan*. As discussed in Section 3.2 (Geology and Topography) of the Draft EIS, topography is a key defining feature of Honua'ula, and one of the principal design and planning goals is to preserve and utilize this topography as much as possible. To the extent practicable, improvements will conform to the contours of the land to retain the existing rolling topography and natural drainage ways. As discussed in Section 2.3 (Honua'ula Description) and Section 4.9.1 (Community Character) of the Draft EIS, Honua'ula will integrate natural and human-made boundaries and landmarks to craft a sense of place within a defined community and feature distinctive architecture to create a unique and compelling community in context with the Kihei-Mākena region.

Regarding your suggestion that "there should be some analysis of whether a new straight-edged rectangle should be built," please note that the boundaries of the Honua'ula property are in the form of a "straight-edged rectangle." This is a typical delineation of property lines for inland properties on Maui. Honua'ula Partners, LLC does not own or control the property to the north

David Merchant
2145 Wells Street, Suite 303
Wailuku, Hawaii 96793

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Merchant:

Thank you for your letter dated June 30, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. The organization of this letter follows the headings of your letter.

1. Failure to Discuss Meaningful Alternatives

We note that this section of your letter references Hawai'i Administrative Rules (HAR) Title 11, DOH, Chapter 200, EIS Rules, Section 17(F) regarding alternatives.

We are aware of the requirements set forth under HAR Title 11, DOH, Chapter 200, EIS Rules, Section 11-200-17(F) regarding alternatives. As discussed in Chapter 6 (Alternatives) of the Draft EIS, in compliance with HAR Title 11, DOH, Chapter 200, Section 11-200-17(F), alternatives **that could attain the project objectives**, regardless of cost, have been provided in sufficient detail.

The objectives of Honua'ula are rooted in the desire of Honua'ula Partners, LLC to implement the *Kihei-Mākena Community Plan* and create an appealing master-planned community with a variety of housing opportunities, village mixed uses, and abundant recreational amenities. Honua'ula will also foster preservation of natural and cultural resources while contributing to Maui's social fabric and economic diversity.

Land uses within the Honua'ula property are governed by the requirements of Chapter 19.90A (Kihei-Mākena Project District 9 (Wailea 670), Maui County Code (MCC) which clearly articulates the uses that can be implemented within the property. Therefore there is not a limitless range of alternatives to consider and alternatives such as those you suggest are not practical considerations. While the alternatives discussed in the Draft EIS were ultimately rejected because they do not meet the purpose and intent of Chapter 19.90A, MCC, they are: 1) at least within the range of reasonable alternatives that could be considered; 2) illustrate the historical evolution of the project; and 3) and are in conformance with the requirements of HAR Title 11, DOH, Chapter 200, Section 11-200-17(F).

Comment: *Two of the alternatives (6.5 Resort/Residential With Two Golf Courses; and 6.6 Resort Residential With One Golf Course) are not analyzed, but merely discussed and dismissed as being contrary to Project goals or for historical reasons. These are "make-weight" alternatives which should invite further scrutiny of the remaining two alternatives.*

David Merchant

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(Maui Meadows), east (Ulupalakua Ranch), south (Makana Resort), or west (Wailea Resort). Therefore it is not possible for Honua'ula Partners, LLC to exceed the boundaries of the Honua'ula property.

Comment: *All viable alternatives assume uniform development across the entire parcel. Each alternative describes a development without any attempt to control sprawl or define communities. Open spaces are either golf courses or minor greenbelts generally located in gullies. An alternative should be provided and analyzed that confines development to defined communities within the parcel. Conceptually, an alternative design should be provided that has "islands" of development within the parcel, as opposed to the current alternatives which have "islands" of open space within the fully-developed parcel.*

Response: As discussed in Section 2.3 (Honua'ula Description) of the Draft EIS, Honua'ula will be a master-planned community embracing "smart growth" principles such as diverse residential opportunities, village mixed uses, on-site recreational amenities, and integrated bicycle and pedestrian networks. Honua'ula will integrate natural and human-made boundaries and landmarks to craft a sense of place within a defined community. This plan, as elaborated on throughout the EIS, is the established, preferred alternative.

We are somewhat confused regarding what you consider "islands of development" vs. "islands of open space." We suggest these can actually be considered the same thing, and the conceptual design of Honua'ula (see Figure 1 of the Draft EIS) contains both "islands of development" and "islands of open space."

Comment: *Viable alternatives assume a Project of essentially the same size. There is no analysis of an alternative that contemplates a smaller Project in terms of unit numbers.*

Response: Honua'ula as currently proposed includes provisions for 1,400 homes (including affordable workforce homes in conformance with the County's Residential Workforce Housing Policy (Chapter 2.96, MCC), 250 of which will be provided off-site, thus reducing the total number of homes on-site to 1,150, village mixed uses, a single homeowners golf course, and other recreational amenities. The current master plan is significantly smaller in scale than the previously accepted 1988 plan, which proposed 2,100 housing units, two 18-hole golf courses, a 480-room resort and lodge, and six acres of commercial property. The current plan, as elaborated on throughout the EIS, is the established, preferred alternative.

A smaller project in terms of unit numbers would not implement the objectives of Honua'ula and the purpose and intent of Chapter 19.90A, MCC. A smaller project would also: 1) result in significantly less economic benefits to the State and County; and 2) not be economically feasible considering the significant expenditures Honua'ula Partners, LLC will incur to provide infrastructure improvements for Honua'ula and in the surrounding community.

However several comments on the Draft EIS requested that the EIS include an alternative discussing a Native Plant Preservation Area of 130 acres. To include discussion of a 130-acre Native Plant Preservation Area in the Final EIS, in the Final EIS Chapter 6 (Alternatives) will be revised to include the information shown on the attachment labeled "Alternatives."

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Comment: *There is no alternative analyzed that would have a lesser environmental impact than the proposed Project. This should be a minimum requirement, and it is not met.*

Response: HAR Title 11, DOH, Chapter 200, EIS Rules, Section 11-200-17(F), states that a Draft EIS must contain a section discussing "alternatives **which could attain the objectives of the action [emphasis added]**, regardless of cost, in sufficient detail to explain why they were rejected." As discussed above, the objectives of Honua'ula are rooted in the desire of Honua'ula Partners, LLC to implement the Kihei-Makana Community Plan and create an appealing master-planned community with a variety of housing opportunities, village mixed uses, and abundant recreational amenities. In addition, land uses within the Honua'ula property are governed by the requirements Chapter 19.90A (Kihei-Makana Project District 9 (Wailea 670), MCC), which clearly articulates the uses that can be implemented within the property. While the alternatives discussed in the Draft EIS were ultimately rejected because they do not meet the purpose and intent of Chapter 19.90A, MCC, they are: 1) at least within the range of reasonable alternatives that could be considered; 2) illustrate the historical evolution of the project; and 3) and are in conformance with the requirements of HAR Title 11, DOH, Chapter 200, Section 11-200-17(F).

Comment: *There is no discussion of alternative locations for the Project. The "no action" alternative discusses reasons for Honua'ula to be built (as opposed to not being built) but there is no discussion of alternative locations for the housing and infrastructure benefits that apparently will flow from Honua'ula.*

Response: Honua'ula Partners, LLC does not own alternative land on Maui comparable in size to the Honua'ula property, and therefore it is not practical to consider alternative locations for Honua'ula. In addition the Honua'ula property is designated as Project District 9 in the Kihei-Makana Community Plan. The Property is also zoned Project District 9 under Chapter 19.90A, MCC. In compliance with Chapter 19.90A, MCC, Honua'ula will be located east of Wailea Resort, south of Maui Meadows, north of Seibu Mauka, in Paeahu, Palaua, Keahuhou, Honua'ula, District of Makawao, Maui, Hawai'i.

2. Misleading Walking Times

Comment: *Throughout the Draft EIS, reference is made to "smart-growth" concepts which include bike paths and walking paths. For example, on page 110, the Draft EIS states that "most residential areas will be within approximately a half-mile or less of commercial and residential facilities." In addition to being a fundamentally vague statement, a review of the maps provided with the Draft EIS shows that the measurement being referred to is an "as the crow flies" distance that has no bearing on reality. Various walking distances for various portions of the Project can be calculated, and the EIS should do so. Walking times can be calculated as well, which would incorporate considerations of hills. Only with this information can the Draft EIS' claims of incorporating walking and biking into its plans be realistically analyzed.*

Response: We acknowledge that the Figures (such as Figure 1, Conceptual Master Plan) in the Draft EIS show conceptual walking radiuses that would be "as the crow flies;" however these are: 1) provided for general information to gauge distances; and 2) are not meant to provide "on the ground" measurements based on actual roadway and path distances from point to point. Nonetheless Honua'ula is designed to provide connectivity between uses to encourage walking and biking.

David Merchant
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DISTRICT PHASE II APPLICATION**
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As discussed in Section 4.3 (Trails and Access) and as shown on Figure 13 (Trail Plan) of the Draft EIS Honua'ula will include a system of pedestrian and bike trails along the community's roadways, gulches, and drainage ways. This secondary circulation system of linked pedestrian/bike trails will connect residential areas to the village mixed use areas, neighborhood parks, golf course clubhouse, and other areas and will provide residents a meaningful alternative to driving within the community. Whether Honua'ula residents choose to use this trail system will be a matter of personal choice.

We disagree that calculating walking times and providing this information in the EIS would lead to a better analysis of the overall impacts of Honua'ula already discussed in the Draft EIS. We note that the Traffic Impact Analysis Report prepared for Honua'ula (Appendix L of the Draft EIS) used standard traffic engineering methods. This was done in conformance with State DOT standards and preferences and resulted in conservative (or worst case) analyses that did not account for reductions in traffic impacts due to walking and biking. Therefore any reductions in traffic impacts due to walking and biking can be viewed as a net benefit.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachment: Alternatives

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June 28, 2010

Via Federal Express
Planning Department
County of Maui
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Wailuku, HI 96793

Via Federal Express
PBR Hawaii
Attn: Tom Schnell
1001 Bishop Street, Suite 650
Honolulu, HI 96813

Via Federal Express
Hawaii State Office of Environmental Quality
235 South Beretaina Street
Honolulu, HI 98613-2419

Honua'ula Partners, LLC
Charles Jencks
c/o Goodfellow Brothers, Inc.
PO Box 220
Kihei, HI 96753

Re: *Wailea 670 Draft Environmental Impact Statement*

Dear Sirs:

I am writing personally as an owner of an interest in a condominium at Maui Kamaole, 2777 S. Kihei Road G102, Kihei, Hawaii 96753 (no mail), and as a director of the Association of Apartment Owners of Maui Kamaole ("AOAO"). The AOAO represents the owners of 316 condominium units at Maui Kamaole. Please add me to the contact list for the above referenced project, using my mainland address above.

On the merits, personally and on behalf of the AOAO I adopt the excellent points and arguments set forth by Mark G. Hyde in correspondence on file in this matter, copies of which are enclosed. The material submitted by the developer states conclusively that the wells proposed by Wailea 670 will diminish flowrate at downslope wells, including the well at Maui Kamaole, by 27% while increasing the salinity rate. This result would seriously undermine the AOAO's management of its water resources and increase homeowner costs for access to water for both landscaping and domestic uses. In short, the Draft Environmental Impact Statement fails to provide support for a sustainable water source for the project. Thus, the Statement fails to meet the requirements of Hawaii environmental law and the project poses a significant environmental risk to the aquifer itself, to existing aquifer users, and to the people, economy, and well-being of Maui as a whole. I urge you to reject the statement and require the developer to demonstrate conclusively how the project can be implemented without such a negative impact.

Planning Department, County of Maui
PBR Hawaii, Attn: Tom Schnell
Hawaii State Office of Environmental Quality
Honua'ula Partners, LLC, Charles Jencks
June 28, 2010
Page 2

Finally, I enclose copies of the AOAO's Annual Ground Water Use Reports for 2006 forward for your reference.

Thank you for your consideration. Please contact me if you have any questions.

Very truly yours,



Dean T. Sandow

DTS/rz

Enclosures

cc: Grant Girard (via email only w/o enclosures)
John Gilbert (via email only w/o enclosures)
Brian Noble (via email only w/o enclosures)
Mark G. Hyde (via email only w/o enclosures)

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PBR Hawaii
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Hawaii State Office of Environmental Quality
235 South Beretaina Street
Honolulu, Hawaii, 96813-2419

Re: Wailea 670's Draft Environmental Impact Statement

Summary: Wailea 670's DEIS fails to provide support for a sustainable water source for the project. The Kamaole aquifer upon which it relies for water is untested; the aquifer's estimated 11 MGD sustainable yield (which the developer erroneously assumes is fact) is characterized by state water experts and state agencies as "speculative" and "uncertain." The DEIS provides no evidence to the contrary. Accordingly,

- (1) The DEIS fails to meet the requirements of Hawaii's environmental protection laws, and
- (2) The project poses a significant environmental risk to the aquifer itself, to existing aquifer users and to the people, economy and well-being of Maui as a whole.

I.

The Kamaole Aquifer is Poorly Understood; the DEIS Fails to Provide Clarity

The Kamaole aquifer is poorly understood; its use has been slight and hydrologic data is almost nonexistent. Although a sustainable yield of 11 MGD has been assigned to it, state water experts and agencies have clearly indicated that this is no more than an educated guess.

According to the June 2008 "Hawaii Resource Protection Plan" prepared for the Hawaii Commission of Water Resource Management (CWRM), the 11 MGD sustainable yield calculation assigned to the aquifer is rated at the lowest confidence level: "3 – Least Confident – Limited to No Hydrologic Data."¹ In explanation, the Commission writes: "The CWRM recognizes the adopted Sustainable Yield as a reasonable planning Sustainable Yield until more detailed geologic and hydrologic information is available for these aquifer system areas. There is significant uncertainty associated with this Sustainable Yield due to the lack of hydrogeologic and pumpage information." (Emphasis added.)

George A. L. Yuen described the Kamaole aquifer's sustainable yield as "speculative" in "Water Resources Protection Plan ["WRPP"], Volumes I & II", 1990, p. V-21, because "no exploration [of the Kamaole aquifer] has taken place beyond a mile or so from the coast." Yuen cautions that estimates of sustainable yield "are not meant to be an exact number which could be used in final planning documents. The estimates are constrained not only by the scant data base but also by the fact that they do not consider the feasibility of developing the groundwater. The estimates should not be equated to developable groundwater." (WRPP, p. V-3; Emphasis added.) "Good estimates of sustainable yield need a reliable data base. In most of the State not enough is known about the extent and behavior of groundwater to allow more than a weak estimate of sustainable yields. Only in Southern Oahu, Lanai and West Maui, where many years of investigation have been devoted to unraveling the complexities of groundwater occurrence, can the sustainable yields be accepted with confidence." (WRPP, p. V-2; Emphasis added.)

The DEIS makes no mention of any of these all-important qualifying remarks and instead misrepresents the Kamaole aquifer's estimated sustainable yield as gospel. It is not.

In fact, where the state has investigated estimated sustainable yields in greater depth, yields have consistently been found to be less than that previously estimated, raising the inference that once studied the Kamaole aquifer's sustainable yield will be lower as well.

¹ This information should appear in the DEIS; the fact that it does not speaks volumes about the worth of the document.

In a June 2002 "Draft Supplemental Environmental Impact Statement for the East Maui Water Development Plan" written by Mink & Yuen, the authors note that "numerous exploratory wells would be required" to determine the worth of the Kamaole, Paia and Makawao aquifers. (Emphasis added.) "The likelihood that a significant supply of fresh water could be developed at acceptable cost is slim."

Undeterred, the DEIS suggests that the aquifer's sustainable yield may even be higher than 11 MGD, citing USGS Scientific Investigations Report 2007-5103 in which higher recharge assumptions are assigned for all Maui aquifers. However, the assumptions are unsupported by additional hydrogeologic and pumpage information, at least in terms of the Kamaole aquifer. Furthermore, this study (which precedes the CWRM's 2008 resource plan referenced above that retained a level 3 credibility factor for the aquifer) speaks primarily to the Iao aquifer, which has been extensively studied. Additionally, the study notes that Maui rainfall patterns have changed over time with the most recent period of study subject to drought: "Ground-water recharge is one of the most important factors controlling ground-water availability. . . . Decreasing irrigation has coincided recently with periods of below-average rainfall, creating the potential for substantially reduced ground-water recharge rates in many areas." (p. 1.)

USGS Report 2007-5103 examines a number of different scenarios in an effort to determine likely recharge based on a variety of historical rainfall patterns, estimating Maui's 2000 - 2004 aquifer recharge at 66% of that experienced during 1926 - 1979. (p. 31.) Using 1998 - 2002 rainfall data, the USGS found: "The worst-case scenario for recharge in central and west Maui (pastureland with drought) . . . was created by applying the 1998 - 2002 (drought) rainfall time series to the 'land use III' (no agriculture) scenario. The mean recharge for the entire study area was estimated to be . . . 46% less . . ." (p. 45.) None of this is revealed or discussed in the DEIS while it cites the study in support of speculation that the aquifer's recharge rate might be higher than previously assumed. The presence of bias is notable.

Clearly, a project intended to last well beyond this century, one that exists in a designated drought zone in an atmosphere of rising temperatures, declining rainfall, rising seas and dependence on an untested aquifer with an uncertain sustainable yield, cries out, at the very least, for rigorous analysis of the kind conducted by the USGS, employing various future-state assumptions predicated on actual trended rainfall data coupled with current observations (extreme and persistent drought) and accompanied by professional analysis of the kind befitting a project of this size, scope and longevity. The DEIS fails to meet this burden.

Keeping to this theme, one would expect the DEIS to at least acknowledge, if not distinguish, the existence of an exploratory well drilled by the Hawaii Department of Land and Natural

Resources in 2006 on a site located between the Project and its wells north of Maui Meadows. (See Central Maui Exploratory Well, Final Environmental Assessment, June 2004: "The purpose of the project is to develop an exploratory well which, if found to be hydrogeologically favorable, would serve as a future production well providing a potable water source for the State of Hawaii projects.") This is, after all, the kind of real hydrologic data identified by CWRM and Mink & Yuen as that needed to assess the sustainable yield of Kamaole aquifer, making its omission especially noteworthy. Unfortunately, the well was found to be insufficient, both in terms of water volume (only producing 172,800 gallons per day) and water quality (chloride levels exceeded acceptable standards).

ii.

Insufficient Data is Supplied to Enable Examination of Many DEIS Conclusions

Section 11-200-17, subsection E., paragraph 3, requires a draft EIS to contain project data sufficient to permit "evaluation and review of the environmental impact". In many instances the DEIS either fails to report critical data or uses average data that prevents understanding and analysis.

Vagary is a hallmark of this project. When the Maui County Department of Water Supply was asked to comment on the project's water strategy, Jeffrey Eng, Maui County Director of Water Supply, wrote the following in an August 2007 letter addressed to Mayor Chairmaine Tavares and Land Use Committee Chair Michael Molina: "[I] would like to offer the following comments of general concern related to the development's proposed water system. I would like to preface my comments by mentioning that in my opinion, the applicant has been somewhat vague in his presentation of the water system and wastewater system plans. Therefore, my comments may be somewhat assumptive."

The following deficiencies, without limitation, are noted:

- Comprehensive pump test data for all wells drilled by the developer are not included in the report. Robust presentation of this data is essential to enable examination of the developer's claim that the Kamaole aquifer is adequate to support the Project's water needs now and in the future.
- Table 3 of Tom Nance's February 2010 engineering report presents average data for Wailea wells. Average data spanning 1991 – 2009 is insufficient to allow detection and comprehension of trends, month to month and year to year. The public needs to know whether golf course irrigation is increasing, decreasing, or remaining the same over

time. Likewise, chloride concentration trends need visibility since they reflect the directional health of the aquifer.

Need for this information is particularly relevant given remarks made by John Mink in a study entitled "Wailea 670 Irrigation Well 1. Drilling and Testing Results," dated June 3, 1991 (p. 3):

"The future demand for lower Wailea is projected as 3 to 3.5 mgd, while for Wailea 670 the projected demand for two golf courses is 1 mgd. Total demand for the two areas will average 4.5 mgd along an equivalent shore line reach of three miles toward which a natural flux of 6 to 9 mgd moves. The demand as a fraction of flux probably corresponds to or somewhat exceeds sustainable yield. For these values of flux and demand, the lower Wailea wells are apt to suffer an increase in salinity over the long run, but the increase many not be great enough to eliminate the wells as sources of useable irrigation water. In fact, the lower Wailea wells are likely to experience quality deterioration more from the addition of new wells and increase in pumpage with the area than from the Wailea 670 wells." (Emphasis added.)

- The DEIS notes that the Project's water draw will increase in summer and decrease in winter. Monthly data is needed rather than bald statements without detail.
 - The DEIS makes broad assumptions about recharge without examination. Should average aquifer recharge be assumed throughout the year, or will anticipated summer water draw mis-align with lower seasonal rainfall? If a mismatch is likely, the lack of congruity should be analyzed to determine short and long term effect.
 - The DEIS states that current "groundwater pumpage from the aquifer is estimated to be a little more than four MGD". (Engineering Report, Tom Nance, p. 9.) No source is given and it is at odds with a February 2005 report given by the Commission on Water Source Management to the Maui County Board of Water Supply indicating existing withdrawal of 5.76 MGD from the Kamaole aquifer by nearby irrigation wells. Section 11-200-17, subsection E., 3, requires a draft EIS to include "technical characteristics". The requirement is not met here. The difference between an "estimated" 4 MGD and a measured 5.76 is material since it equates to 15% of the aquifer's speculative sustainable yield.
- Furthermore, Table 4 of Tom Nance's report entitled "Wells in the Downgradient Area Potentially Impacted by the Honua'ula Offsite Kamaole Wells" (p. 12) identifies only 20 wells that might be impacted by the Project and omits highly relevant chloride

concentration and volume data for each, whether on a one time basis or historically. By contrast, USGS Scientific Investigations Report 2006-5283 depicts 87 wells in the south Maui area, 67 makai of Pʻilani Highway and 20 mauka, most with fairly high chloride concentration levels, putting them at greater risk of adverse impact in the event the developer's water strategy results in increased chloride concentrations in the aquifer. To the extent the developer believes, based on scientific principles and study, that some of these 87 wells are not likely to be affected, they should be identified and a rationale given to exclude them from the class of wells at risk. In any event, state guidelines for preparation of engineering reports for new drinking water sources require thorough investigation of nearby wells (See, e.g., Hawaii State Department of Health, Safe Drinking Water Branch, Guidelines for Preparation of Engineering Reports for New Drinking Water Sources for Regulated Public Water Systems, Well Information: . . . 3. **Water quality data on any existing wells in the area. . . .**" (Emphasis added.) The DEIS falls far short of meeting this requirement.

- The DEIS states that the area's average rainfall is 18 inches a year (Engineering Report, Tom Nance, p. 13). No source is cited. Accurate rainfall data is essential to understanding sustainable yield. ("Two major contributors to ground-water recharge in central and west Maui are agricultural irrigation and rainfall." USGS Scientific Investigations Report 2007-5103, p. 1.) The amount stated, 18 inches a year, is at odds with documented, credible rainfall data for Kihei. For example, USGS Scientific Report 2007-5103 (p. 16) states that mean monthly rainfall for months with complete rainfall records at National Weather Service rain gage # 4489 (located in Kihei) is .92 inches, or 11 inches per year, 39% less than the amount reported by the developer and its expert. A casual Google search for Kihei rain totals produces support for the USGS number and none for the developer's.
- The DEIS omits discussion and data relative to the relationship of the Project to other land use plans in the affected area. (See HAR 11-200-17, subsection H.) A large public high school and police station are planned to be built mauka of Pʻilani Highway in the vicinity of the Project and Makena Resort is located immediately south of the Project. Where will these projects obtain potable water, and what impact, if any, will they have on the Kamaole aquifer, alone and in combination with the Project?
- The developer's consulting hydrologist should present *his* professional opinion regarding the integrity, sustainability and reliability of the Kamaole aquifer since the developer is placing total reliance on the aquifer to support the Project, now and in the future.

Instead, the developer's consultant parrots carefully edited statements by others, portraying the Project's water supply in the best light while ignoring negative information. Certification of the water strategy by the developer and its expert hydrologist is essential.

III.

Mitigation Measures are Non-existent

Because the DEIS is predicated upon an unsupported sustainable yield, discussion of mitigation measures, required by HAR 11-200-17, subsection M, cannot be undertaken. Once a credible assessment of the Kamaole aquifer's sustainable yield is secured, mitigating strategies must be considered to align the Project with the capacity of its water source. Until then, no meaningful discussion of mitigation measures can be undertaken.

IV.

Water and Climate are Not Static; the DEIS Must Consider Likely Future States

The DEIS approaches the question of water supply as a snapshot in time, turning a blind eye to climactic trends.

HAR 11-200-17, subsection J, requires a DEIS to consider both short term and long term effects: "The draft EIS shall include in a separate and distinct section a description of the relationship between local short term uses of humanity's environment and the maintenance and enhancement of long-term productivity. . . . The discussion shall include the extent to which the proposed action . . . poses long-term risks to health or safety." (Emphasis added.)

Potential ruination of the Kamaole aquifer² due to miscalculation (or here, no calculation) is a potential outcome of the Project. In the face of this possible horrendous outcome, the developer takes what appears to be British Petroleum's approach to risk management: making unjustifiable assumptions predicated on speculative sustainable yield estimates and assuming everything will work out. Humanity is frequently and painfully reminded that things don't always work out the way we hope, particularly when risk is imprudently assessed and taken. Indeed, this is why we have environmental protection laws and require environmental impact statements to be prepared.

² Water in the Kamaole aquifer is held in public trust and must be treated with due care.

Because the Project will, if constructed, exist beyond this century³, the DEIS should take into account observable climatic trends and professional projections co-existent with its life expectancy. The following is a partial list of data, observable trends and professional opinion not mentioned in the DEIS needing consideration to provide a better assessment of the Project's long term water sourcing plans:

A. Rainfall is Declining; Temperatures and Sea Levels are Rising in Hawaii and World-wide

EPA Circular 236-F-007e issued in 1988 states, "In Honolulu, Hawaii, the average temperature has increased 4.4 degrees F over the last century, and precipitation has decreased approximately 20% over the last 90 years." Temperature increases are expected to produce a rise in sea level with collateral impact on freshwater lenses in Hawaii. (See, e.g., Global Climate Change Impacts in the United States, U.S. Global Change Research Project, www.globalchange.gov/usimpacts.)

If these trends continue, how will the Kamaole aquifer be affected? Will recharge decline? Will evaporation increase? Will vegetation suffer, causing greater runoff and less absorption? And if the aquifer's salinity levels rise, will the ability to produce potable water be impaired and, if so, to what degree? Will down-gradient wells be impacted, with consequential impact on the greater south Maui community? Does the project need a back-up plan in case saline levels become unmanageable? If so, what is the plan?

B. Drought Conditions are Extreme and are Expected to Become more Prevalent and Persistent

- Experts warn that climate change will likely produce more extreme drought conditions that will last for extended periods of time compared to the past. Drought now plagues Hawaii.
- The National Weather Service recently reported that the 2009 – 2010 "wet season" in Hawaii (October to April) was the driest in 55 years.
- The U. S. Drought Monitor recently proclaimed the area from Wailea to Lahaina in extreme drought; current drought conditions in Hawaii are rated the most extreme in the nation.
- The Hawaii Drought Plan, 2005 Update, identifies the Project area as being among the most vulnerable to drought.

³ The one contingency that might cause an early end to the Project is lack of a reliable supply of water.

- A representative of Haleakala Ranch recently reported persistent drought has caused a high-level water source on the ranch to go dry, the "first time . . . in anyone's memory." (*Maui News*, April 23, 2010.) Some of the Project's wells are located on Haleakala Ranch lands.
- A representative of Ulupalakua Ranch recently stated that "We've not seen normal . . . anywhere near normal rainfall for quite some time." (*Maui News*, April 23, 2010.) Ulupalakua Ranch is located immediately above the Project.

- In Scientific Investigations Report 2007-5103, the USGS estimates that Maui's 1998-2002 drought conditions resulted in a 27% reduction in aquifer recharge.
- The U.S. government and several credible federal agencies predict that climate change will intensify drought conditions, particularly in dry areas like the Project site: "Deserts and drylands are likely to become hotter and drier, feeding a self-reinforcing cycle of invasive plants, fire and erosion." ("Global Climate Change Impacts in the United States", U.S. Global Change Research Program, www.globalchange.gov/usimpacts.)

The DEIS must acknowledge and consider the impact climate trend will have on the Project's proposed water supply. (HAR 11-200-17, subsection 1.) Hawaii's State Department of Health, Safe Drinking Water Branch, Guidelines for Preparation of Engineering Reports for New Drinking Water Sources for Regulated Public Water Systems, item 6, explicitly details what is required: "Data relating to quality and quantity of the source waters under normal conditions and during stress conditions such as drought or heavy precipitation, as determined by field and laboratory analyses and investigations of available records. If records are not available or are inadequate to determine expected quality and quantity during stress conditions, an estimate of expected quality and quantity during stress conditions should be established and related to the hydrologic budget to the aquifer or isopiestic area." None of this is provided by the developer.

Observed climate trends raise a variety of questions:

- What effect will higher average temperatures have on evaporation rates, aquifer recharge, chloride concentration levels and sustainable yield?
- What will lower average precipitation mean to aquifer recharge, chloride concentration levels, and sustainable yield?
- How will a rising sea level impact the Project's water source?

- How will extreme drought effect evaporation rates, recharge, chloride levels and down-gradient well water quality?
- What factors and assumptions should be included in development of a worst case scenario; what outcome would it produce?
- What is the back-up plan should the Kamaole aquifer fail to support the Project?
- If current aquifer users are negatively impacted by the Project and/or climate change how will their water needs be met/replaced?
- How will the County of Maui or the state respond, if at all, to a large, failed project in need of water?
- What impact will a failed project have on the island's economy and on real property values and tax revenues?

Answers to these questions are particularly relevant since the Central Maui water system is incapable of serving the Project or supporting current down-gradient users in the event of failure. ("Remaining capacity of the Central system currently cannot meet the demand of this project." March 13, 2006, letter from the director of Maui County's Department of Water Supply to the mayor of Maui County.)

V.

No Wastewater Treatment Solution is Identified/Studied; the Project is Not Ripe for Review

Obviously, an environmental impact statement must articulate what is planned. The developer concedes it does not have a wastewater treatment plan at this time. Perhaps it will rely on Makena Resort (an entity in foreclosure with an uncertain future); perhaps it will not. We are left to guess. In addition, no detail or analysis of either approach is supplied. Because wastewater treatment and disposition are key components of the Project's overall water strategy, the DEIS fails to meet the requirements of HAR 11-200-16 and -17.

VI.

The Project is Located in a Wildfire Zone

According to the Hawaii Drought Plan, 2005 Update, the Project is located in a wildfire zone. In fact, the area just north of Maui Meadows recently experienced wildfire. Obviously, water is

needed to fight fire. The source(s) and amount of water for firefighting need to be identified and means to protect wells located in the wildfire zone explained.

VII.

The Project's Water Strategy May Violate the Upcountry Community Plan

The DEIS indicates that at least some of the Project's wells will be located north of Maui Meadows. The locations of transmission lines from these wells and water storage facilities for the Project are not shown. Unless water transmission lines and associated storage tanks are exclusively located within the Kihei/Makena Community Plan District, water transmission of any kind over or through the Upcountry Community Plan District is strictly prohibited. In anticipation of conflict between the Upcountry Community Plan and the developer's water transmission and storage plan, it is critical that water transmission lines and storage facilities be identified and mapped; compliance with law must be demonstrated. (11-200-16, H: "The draft EIS shall include a statement of the relationship of the proposed action to land use plans, policies, and controls for the affected area.")

VIII.

Large Development + Unsubstantiated Water Source = High Risk

Wailea 670's size coupled with dependence on a poorly understood water source necessarily makes the project high risk. The absence of a back-up plan elevates the risk posed. If the Project fails for lack of a sustainable water source, several potential negative consequences may result:

- The Kamaole aquifer may be damaged, now and for future generations, caused by over-pumping and consequent rise in chloride concentrations;
- Nearby wells may be rendered unusable due to rising chloride levels. Because nearby wells currently draw approximately 5.7 MGD from the Kamaole aquifer, this volume would need to be replaced. However, since the Central Maui system has no additional capacity, how this would be done is not explained. Simply drilling more wells in an aquifer in distress, as the developer proposes, will not, on its face, be a solution. If the wells serving Wailea and Makena golf courses become unusable, negative economic effect will be wide-spread, with consequential damage to nearby hotels, residences and county revenue.

- Maui County's "brand" would be degraded with consequential damage to the island's economy, much of which is tied to real estate, real estate development and tourism.

High risk projects merit a commensurate level of analysis and scrutiny. The water component of the DEIS falls far short of this. In legal terminology, the DEIS fails to meet the letter and spirit of Hawaii's environmental laws specific to environmental impact statements. In general terms, it simply fails to provide evidence of sustainability upon which to construct a 1,400 unit development complete with a golf course and commercial center.

Nothing in the DEIS refutes expert and state agency opinion that the sustainable yield of the Kamaole aquifer is anything but "uncertain" and "speculative". The DEIS is devoid of hydrologic test data needed to provide a level of confidence upon which to give the Project's water strategy a green light. Assuming the developer's plan is not to "pump and dump," it is high time for the developer to commit the resources necessary, financial and professional, to prove (or disprove) the adequacy of the Project's water source.

Respectfully submitted,

Mark G. Hyde

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June 17, 2010

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County of Maui
250 High Street
Kalana Pakui Building, Suite 200
Wailuku, Hawaii 96793

PBR Hawaii
Attn: Tom Schnell
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Kihei, Hawaii 96753

Hawaii State Office of Environmental Quality
235 South Beretaina Street
Honolulu, Hawaii, 96813-2419

Re: Wailea 670's Draft Environmental Impact Statement
Addendum No. 1

Key Points:

- I. Under Hawaii water law, Wailea 670's [the Project] use of wells on Haleakala Ranch land relegates it to inferior water use priority and status, that of "appropriator." Appropriators' water rights are subordinate to those of overlying landowners and subject to extinguishment.
- II. Existing users of the Kamaole aquifer must be documented to benchmark the current situation against which the Project's future use can be measured.

III. Current aquifer users are entitled to unhindered use of their wells.

IV. Well monitoring is needed to guard against potential disruption of aquifer equilibrium.

V. DEIS deficiency check list.

I.

Three Kinds of Water Rights Exist Under Hawaii Common Law; the Project's Haleakala Ranch Wells Have Low Water Priority

Hawaii common law recognizes three distinct categories of water rights: "(1) *riparian rights*, which are water rights of land adjacent to a stream; (2) *appurtenant rights*, which are water rights attaching to a specific piece of property; and (3) *correlative rights*, which are water rights of land to its underlying groundwater." (Lawrence H. Milke, Water and the Law in Hawaii, p. 96 (c. 2004).)

Here, streams and/or surface water are absent on or near the subject parcel, leaving only correlative rights to use water beneath the Project's land. Unfortunately for the developer, the water sourcing strategy outlined in the DEIS relies not so much on wells within the Project's boundary as upon wells located offsite on Haleakala Ranch property. This relegates the Project to the status of a water "appropriator" under the law.

" . . . correlative rights, however, extend only to uses on lands overlying the water source. Parties transporting water to distant lands are deemed mere 'appropriators,' subordinate in right to overlying landowners. . . . [T]he correlative rights rule grants overlying landowners a right only to such water as necessary for reasonable use. Until overlying landowners develop an actual need to use ground water, nonoverlying parties may use any available 'surplus.'" (2000 Waiahole Ditch Contested Case, 94 Haw. 97, at p. 171.)

Milke illustrates how these rights apply, using an example that is four square with the facts here:

"Example 2: A party wants to use groundwater on other than the overlying land (i.e., an overlying landowner or another party with permission from the overlying landowner to drill a well).

a. Not in a designated water management area

2

1. Under the common law, the party can do so as long as the use is reasonable and does not interfere with the correlative uses of overlying landowners.

2. If an overlying landowner decides to exercise his correlative rights and the proposed use is reasonable but would interfere with the uses of other overlying landowners, he can take that amount of water from the appropriating party."

(Water and the Law in Hawaii, p. 216.)

Thus, once the exercise of correlative water rights meets or exceeds the capacity of an underlying water source, the "rights" of appropriators are extinguished. Stated another way, when other land owners overlying the Kamaole aquifer tap into the source such that the source is at capacity, the Project's right to continued withdrawals from Haleakala Ranch wells will diminish and/or end.

The developer may argue that the Kamaole aquifer is a seamless, singular body of underground water such that the taking of water anywhere within the aquifer's boundary amounts to overlying use. This argument, if advanced, fails. First, it is well established that aquifer characteristics vary from place to place. This is evident first hand from, among other things, the poor results obtained by the DLNR from its exploratory well drilled just above Maui Meadows in 2006. Second, the developer's own water strategy bespeaks aquifer variability: rather than obtaining water exclusively from wells beneath the Project's land, the developer has turned to more productive wells located off site on Haleakala Ranch land.

The fact is, water beneath the Project is inadequate to produce the kind and volume of water needed to support 1,400 homes, a golf course and commercial center and thus it has sought water elsewhere. Furthermore, to the extent the Project actually resorted to well water within and beneath its boundary, degradation of critical Wailea golf course wells may result, which is perhaps why it has chosen to appropriate water from elsewhere.

The relevance of this to the DEIS is obvious since the draft fails to address any of this. Assuming the Project proceeds with use of offsite wells and assuming south Maui property owners look increasingly to the Kamaole aquifer for irrigation water as many are now doing (see below), how will the Project secure water when its appropriative rights are diminished or extinguished?

II.

¹ Milke explains that these "rights" are not of ownership, but rights of priority: they give the holder priority over the use of the water to which the rights attach. (Water and the Law in Hawaii, p. 96.)

The DEIS Must Identify and Quantify Existing Aquifer Users

It is elementary that we must know the baseline parameters of seasonal well draws from existing Kamaole aquifer users. Once captured, the data will provide a springboard for discussion of probable future aquifer use in the water-starved, arid south Maui region.

A logical starting point is Hawaii's Commission on Water Resource Management (CWRM) ground water well index for the Kamaole aquifer, listing 134 installed wells with a total capacity of 19.23 mgd. (See attached list and maps.) While some of these wells are likely dormant or abandoned, it is notable that over 30 wells have been drilled into the aquifer during the past 10 years, many by large properties that may use significant volumes of water for irrigation, such as the Makena Surf condominiums in Makena; the Kea Lani Hotel in Wailea; Grand Champions Villas in Wailea; and the Maui Kamaole, Maui Vista, Ke Ali'i and Kihei Akahi condominiums in Kihei. These wells are additive to those serving the Wailea and Makena golf courses that draw substantial volumes of water from the aquifer for irrigation, particularly during hot, dry summer months. For example, Makena Land LLC's May 2007 water use report to the CWRM indicates a daily water draw of 2,770,533 gallons; Wailea Resort reported a daily draw of 2,728,709 gallons in the month of August 1998. (See attached.) Combined, the two reports show dry season water withdrawals equal to 5.5 mgd, wholly aside from draws by other area well owners.

Unfortunately, well owner compliance with CWRM well water reporting requirements is spotty, and the CWRM reports inability to compel owner compliance with reporting requirements. This, however, does not excuse the developer from gathering all available information and, in fact, heightens the need for it because without baseline data the risk posed to the environment by the Project becomes nothing more than a gamble. Gambling on water for a project of this size does not meet the purposes of the state's environmental laws, rules and regulations.

Here's what we need in the DEIS: (1) identification of all existing, operative Kamaole aquifer wells; (2) quantification of the seasonal use of each operative well in terms of volume of water withdrawn and water quality achieved; and (3) assessment of likely future well demand.

The utility of this information is obvious and elementary. First, current usage and water quality, measured over time, must be assessed to serve as a benchmark against which the Project's activity can be measured. Second, current pumpage volumes will shed light on the aquifer's sustainable yield and current surplus, if any. Third, pumpage data will provide a platform from which future water need scenarios can be modeled. This is particularly relevant given (a) lack of capacity of the Central Maui water system to meet new water needs, (b) persistent and continuing arid/drought conditions in south Maui, (c) continued local population growth and

associated development pressure and (d) the tenuous nature of the Project's proposed "appropriator" water rights.

III.

Existing Kamaole Aquifer Users Are Entitled to Unhindered Use of Their Wells

"[T]he rights of all land owners over a common basin, saturated strata, or underground reservoir, are coequal or correlative, and . . . one land owner can not extract more than his share of the water even for use on his own lands, where the rights of others are injured thereby." (Water and the Law in Hawaii, p. 105, quoting Waiahole II, p. 74.)

To the extent Wailea 670's water extraction injures other wells or the utility of the aquifer in general, other well users will be damaged, irreparably if the aquifer as a whole "salts up" and/or individual producing wells are degraded. The DEIS must calculate the risk of a negative outcome and develop alternate water sourcing plans in the event the developer's assumptions about its water use are incorrect. The use of scenario planning techniques would be helpful.

IV.

Well Monitoring is Needed to Guard Against Potential Disruption of Aquifer Equilibrium

In Water and the Law in Hawaii, Milke notes that sustainable yield is a management concept requiring periodic monitoring, particularly when withdrawals approach sustainable yield. Where the sustainable yield is speculative, as it is here, effective monitoring is particularly critical to protection of the environment.

"Monitoring includes deep monitor wells, water-level observation wells, spring chemistry data, and water use/chloride data from production wells. Deep monitor wells measure the size and stability of the freshwater lens. Such monitoring can follow the stability of the transition zone." (Water and the Law in Hawaii, p. 7.)

The DEIS makes no reference to industry-standard monitoring strategies. Given the risky approach to water development proposed here, monitoring wells present the best means to guard against potential disruption of aquifer equilibrium. Accordingly, a monitoring regimen needs to be articulated in the DEIS (and ultimately deployed).

V.

Key DEIS Deficiency Check List

The following items need to be included in the water component of the Project's DEIS:

1. Identification of all existing Kamaole aquifer users, including
 - a. pumpage/volume and water quality data,
 - b. reported seasonally, if not monthly,
 - c. covering an extended period of time, preferably not less than 5 years, and
 - d. updated not less than annually.
2. An irrevocable and continuous plan for periodic measurement and transparent reporting of the above information.
3. Articulation of an irrevocable and continuous professional well monitoring scheme designed to protect the equilibrium of the Kamaole aquifer.
4. Examination of an array of possible future states, paying particular attention to current and likely future weather and water conditions in and around the Project site. Best and worst case water availability scenarios for the Project need to be developed and possible outcomes reported, paying particular attention to the Project's tenuous hold on Haleakala Ranch well water.
5. Development and articulation of carefully calculated and operationally feasible water sourcing contingency plans in the event the Project's water strategy fails.
6. Identification/location of all water lines and storage facilities intended to support the Project. To the extent these plans violate the Upcountry Community Plan, explain how conflicts will be resolved.
7. Reassessment of average rainfall assumptions contained in the current DEIS, with citation to reliable/credible sources substantiating the data used. If reassessment results in lower average rainfall data, adjust all internal calculations, particularly those relating to expected aquifer recharge and seasonal water draws for irrigation.
8. Admit the uncertain status of the sustainable yield estimate for the Kamaole aquifer and discuss the implications of uncertainty. Describe how the Project will respond if the sustainable yield is less than the current uncertain estimate.
9. Develop and report comprehensive wastewater and desalination plans; meet all the requirements of HAR sections 11-200, *et seq.*

Sincerely,

Mark G. Hyde

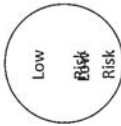
Attachments:

- (1) CWRM Ground Water Well Index (7 pages)
- (2) Well Maps (2 pages)
- (3) Makana Land LLC May 2007 Well/Water Report to CWRM
- (4) Wailea Resort August 1998 Well/Water Report to CWRM

WAILAEA 670 RISK PROFILE



Large Development



Small Development

Certain Water Source Uncertain Water Source

Risk Profile - Water:

Wailea 670's risk profile is high: it is a large development reliant on an uncertain, brackish private water source using, in large part, offsite wells.

Sources of Water Risk Apparent from DEIS:

- Private water source – of necessity
- No ability to fall back on public water source
 - And no water contingency plan in DEIS if/when the Project's water source fails
- Brackish water source requiring desalination; no potable water
- No articulated plan for desalination or for treatment of wastewater
- The Kamaole aquifer's SY is described by state agencies/experts as "substantially uncertain" – Level 3 categorization
 - The DEIS omits these qualifying words and represents the SY as established fact
 - Lack of hydrologic/pumpage information obligates a level 3 categorization per CWRM Mink & Yuen: numerous exploratory wells needed to assess capacity
 - No independent assessment of SY to reduce/overcome uncertainty in DEIS
- Reliance on offsite wells:
 - No beneficial surface water flow, or riparian or appurtenant water access/rights
 - Only extinguishable "Appropriator" water rights to offsite Haleakala Ranch wells
- No consideration of possible/probable future states re Maui water: 100 + year project
 - No scenario planning
 - No stress testing under possible/probable drought conditions/diminished rainfall

- No recognition or discussion of observed climate changes, trends and projections
- Large Project with matching water needs
- Arid location; located in state-designated drought and wildfire zones
- No assessment/benchmarking of current Kamaole aquifer use
 - No measurement of existing well volumes, water quality, seasonal variation, etc.
 - 134 Kamaole aquifer wells per CWRM data
 - No additional public water capacity in south Maui = more private wells probable
 - 30 new irrigation wells drilled into the Kamaole aquifer the past 10 years, including Makena Surf, Kea Lani Hotel, Grand Champions, Maui Kamaole, Maui Vista, Kihet Akahi, etc.
- No down-gradient well water quality monitoring program (despite developer's experts' prediction that Project's wells will negatively impact lower-gradient users); no monitoring wells planned

The DEIS Does Not Accurately or Thoroughly Evaluate These Risks: Next Steps

Please ask the Applicant to include the following in the final EIS:

- Analysis and discussion of the Kamaole aquifer's SY, addressing the fact that the CWRM rates the aquifer's SY at level 3 - substantial uncertainty - due to the absence of hydrologic and pumpage data
- Discussion of a back-up/contingency plan in the event the aquifer's SY is less than anticipated or other users tap its capacity
- Provision of benchmark data for existing wells, including volumes and chloride levels
- Inclusion of ongoing well and aquifer monitoring plans
- Discussion of peak water demand and seasonality on aquifer performance and recharge, including long term effects of climate change and persistent drought conditions
- Evaluation of the range of best and worst case water availability scenarios consistent with the expected life of the development
- Discussion of alternative responses to compromised water availability, such as fewer housing units, a redesigned golf course, etc.
- Discussion of water "rights" with respect to offsite wells
- Robust discussion of the desalination process, costs and disposal of contaminants, etc.
- Analysis of pros/cons of offsite vs. onsite wastewater treatment including discussion of Makena Resort wastewater capacity and sustainability given economic vulnerabilities

For Official Use Only:

State of Hawaii
COMMISSION ON WATER RESOURCE MANAGEMENT
Department of Land and Natural Resources
ANNUAL GROUND WATER USE REPORT



Name: Resident Manager
 Company: Maui Kamaole AOA
 Address: 2777 South Kihei Rd.
 Kihei, HI 96753
 Telephone No.: 874-9381 Fax No.: 891-8432
 State Well No.: 4226-16 Well Name: Maui Kamaole AOA Irrigation Well Year: 2006

INSTRUCTIONS: Please TYPE OR PRINT CLEARLY. Complete this form to report total monthly ground water use, and, if required, other information from each of your well sources. Mail to: Commission on Water Resource Management, P.O. Box 621, Honolulu, HI 96809. For assistance, please call (808) 587-0265.

State Well No.	Period Begin Date (mm/dd/yy)	Period End Date (mm/dd/yy)	Quantity Pumped (gallons)	Method of Measurement*	Chloride (mg/l)	Temp (F)	Non-Pumping Water Level (ft. above msl)**
January	01/01/06	02/01/06	est. 1056810	Source meter not read	nr	nr	nr
February	2/01/06	3/02/06	est. 2368822	Source meter not read	nr	nr	nr
March	3/02/06	4/02/06	est. 1113262	Flow Meter	180	70	129.9
April	4/02/06	05/02/06	est. 2884000	Source Meter broken	165	70	129R
May	5/02/06	6/02/06	est. 1740566	Source Meter broken	150	70	128.7
June	6/02/06	7/02/06	est. 2581010	Source Meter broken	155	70	128.3
July	7/02/06	8/02/06	est. 2591980	"	160	70	128.4
August	8/02/06	9/02/06	est. 4344236	"	165	70	128
September	9/02/06	10/02/06	est. 4282936	"	160	70	128.2
October	10/02/06	11/02/06	est. 3214711	"	160	70	127.9
November	11/02/06	12/02/06	est. 3094379	"	170	70	128
December	12/02/06	1/02/07	est. 2500821	"	170	70	128.2

* Flow meter, electrical consumption, weir or flume, not metered (estimated).
 ** Measurement should be taken while pump is NOT running just prior to a pumping cycle; if measurement is taken while pump is running, please indicate so.

Other comments or additional information (e.g., date and method of chloride measurement, how pumpage amounts are estimated, etc.):
 Transition between resident managers. Readings weren't taken. Interim Manager was unaware of groundwater use report requirements of D.L.N.R.

Submitted by (print): Rob Martin Title: Resident Manager
 Signature: _____ Date: January 2, 2006

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Department of Land and Natural Resources
ANNUAL GROUND WATER USE REPORT



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January	1/01/06	1/31/06	1056810	Flow Meter	175	70	128' 3"
February	2/01/06	3/01/06	2368822	Flow meter	170	70	128' 1"
March	3/1/06	4/01/06	1115228	Flow Meter	180	70	128' 1/2"
April	4/01/06	5/01/06	2884000	Flow Meter	150	70	128' 1/2"
May	5/01/06	6/01/06	1740566	Flow Meter	145	70	128' 7"
June	6/01/06	7/01/06	2581010	Flow Meter	165	70	128' 4"
July	7/01/06	8/01/06	2591980	Flow Meter	165	70	128' 6"
August	8/01/06	9/01/06	4344236	Flow Meter	165	70	128' 2"
September	9/01/06	10/02/06	4282936	Flow Meter	160	70	128' 4"
October	10/02/06	10/31/06	3214711	Flow Meter	160	70	128' 1"
November	11/01/06	12/04/06	3094379	Flow Meter	170	70	127' 9"
December	12/1/06	1/1/07	Not Read	Flow Meter	nr	nr	nr

* Flow meter, electrical consumption, weir or flume, not metered (estimated).
 ** Measurement should be taken while pump is NOT running just prior to a pumping cycle; if measurement is taken while pump is running, please indicate so.

Other comments or additional information (e.g., date and method of chloride measurement, how pumpage amounts are estimated, etc.):
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 Year: 2009

INSTRUCTIONS: Please TYPE OR PRINT CLEARLY. Complete this form to report total monthly ground water use, and, if required, other information from each of your well sources. Mail to: Commission on Water Resource Management, P.O. Box 621, Honolulu, HI 96809. For assistance, please call (808) 587-0265.

State Well No.	Period Begin Date (mm/dd/yy)	Period End Date (mm/dd/yy)	Quantity Pumped (gallons)	Method of Measurement*	Chloride (mg/l)	Temp (°F)	Non-Pumping Water Level (ft. above sea)**
January	01/01/09	2/1/09	Est. 3,250,000	Flow meter Broken	120	70	126.7
February	2/1/09	3/1/09	Est. 3,001,453	Flow meter Broke	130	70	127.2
March	3/1/09	4/1/09	Est. 2,727,007	Flow meter Broken	140	70	127.
April	4/1/09	5/1/09	Est. 3,267,260	Flow meter Broken	130	70	127.6
May	5/1/09	6/1/09	Est. 2,462,150	*Flow meter broken	120	70	128.1
June	6/2/09	7/1/09	Est 3100160	Flow meter broken	140	70	128.3
July	7/2/09	8/1/09	Est. 3,500,700	Flow meter broken	130	70	128.5
August	8/2/09	9/1/09	3,237,650	Flow Meter	135	70	127.8
September	9/2/09	10/1/09	3,102,240	Flow meter	120	70	128
October	10/2/09	11/1/09	2,731,320	Flow meter	125	70	128.2
November	11/2/09	12/1/09	2,745,100	Flow meter	110	70	127.9
December	12/2/09	1/1/10	2,758,990	Flow meter	100	70	128.3

* Flow meter, electrical consumption, weir or flume, not metered (estimated).
 ** Measurement should be taken while pump is NOT running just prior to a pumping cycle;
 If measurement is taken while pump is running, please indicate so.

Other comments or additional information (e.g., date and method of chloride measurement, how pumpage amounts are estimated, etc.):

Submitted by (print): _____ Title: _____
 Signature: _____ Date: _____

For Official Use Only:

State of Hawaii
COMMISSION ON WATER RESOURCE MANAGEMENT
Department of Land and Natural Resources
ANNUAL GROUND WATER USE REPORT



Name: Resident Manager
 Company: Maui Kamaole AOA
 Address: 2777 South Kihei Rd.
 Kihei, HI 96753
 Telephone No.: 874-9381
 State Well No.: 4226-16
 Fax No.: 891-8432
 Well Name: Maui Kamaole AOA Irrigation Well
 Year: 2008

INSTRUCTIONS: Please TYPE OR PRINT CLEARLY. Complete this form to report total monthly ground water use, and, if required, other information from each of your well sources. Mail to: Commission on Water Resource Management, P.O. Box 621, Honolulu, HI 96809. For assistance, please call (808) 587-0265.

State Well No.	Period Begin Date (mm/dd/yy)	Period End Date (mm/dd/yy)	Quantity Pumped (gallons)	Method of Measurement*	Chloride (mg/l)	Temp (°F)	Non-Pumping Water Level (ft. above sea)**
January	01/01/08	02/01/08	est. 1518750	Flow Meter broken	165	70	nr
February	2/01/08	3/01/08	3,001,453	Flow meter repaired	165	70	nr
March	3/01/08	4/01/08	2,727,907	Flow Meter	180	70	128.3
April	4/1/08	5/2/08	3,267,260	Flow Meter	165	70	128.9
May	5/2/08	6/4/08	2,462,150	Flow Meter	180	70	128.6
June	6/1/08	7/5/08	3,100,160	Flow Meter	170	70	128.7
July	7/5/08	8/1/08	3,547,730	Flow Meter	160	70	128.4
August	8/1/08	9/1/08	3,637,650	Flow Meter	165	70	128.5
September	9/1/08	10/3/08	3,252,460	Flow Meter	165	70	128.3
October	10/3/08	11/1/08	3,547,780	Flow Meter	165	70	128.3
November	11/1/08	12/1/08	est 3,094,379	Flow Meter Broken	160	70	128.1
December	12/1/08	1/1/08	est 2,500,821	Flow Meter Broken	160	70	128

* Flow meter, electrical consumption, weir or flume, not metered (estimated).
 ** Measurement should be taken while pump is NOT running just prior to a pumping cycle;
 If measurement is taken while pump is running, please indicate so.

Other comments or additional information (e.g., date and method of chloride measurement, how pumpage amounts are estimated, etc.):
 Estimates for January, November, and December based on previous years.

Submitted by (print): Brian Noble
 Signature: _____ Title: Resident Manager
 Date: February 9, 2009



State of Hawaii
COMMISSION ON WATER RESOURCE MANAGEMENT
 Department of Land and Natural Resources
ANNUAL GROUND WATER USE REPORT

For Official Use Only:

Name: Maui Kaimoale AOA
 Company: 2777 South Kihei Rd
 Address: Kihei HI 96753
 Telephone No.: 874-9381 Fax No.: _____
 State Well No.: _____ Well Name: _____ Year: 2010

INSTRUCTIONS: Please TYPE OR PRINT CLEARLY. Complete this form to report total monthly ground water use, and, if required, other information from each of your well sources. Mail to: Commission on Water Resource Management, P.O. Box 521, Honolulu, HI 96809. For assistance, please call (808) 587-0265.

State Well No.	Period Begin Date (mm/dd/yy)	Period End Date (mm/dd/yy)	Quantity Pumped (gallons)	Method of Measurement*	Chloride (mg/l)	Temp. (F)	Non-Pumping Water Level (ft. above msl)**
	1/1/10	2/1/10	EST3,000,000	Flow meter broken	100	70	128.3
	2/1/10	3/1/10	est 3,001,453	Flow meter broken	105	70	128.2
	3/1/10	4/1/10	est 2,727,007	Flow meter broken	95	70	128.2
	4/1/10	5/1/10	est 3,267,260	Flow meter broken	100	70	128.5
	5/1/10	6/1/10	est	Flow meter broken	100	70	128.6
	6/1/10	6/25/10	est	Flow meter broken	105	70	128.5

* Flow meter, electrical consumption, weir or flume, not metered (estimated).
 ** Measurement should be taken while pump is NOT running just prior to a pumping cycle;
 If measurement is taken while pump is running, please indicate so.

Other comments or additional information (e.g., date and method of chloride measurement, how pumpage amounts are estimated, etc.):

Submitted by (print): _____ Title: _____
 Signature: _____ Date: _____

GWUR-ANN FORM (06/10/2004)



May 31, 2012

Dean T. Sandow
 32588 Dutch Canyon Road
 Scappoose, Oregon 97056

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SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Sandow:

Thank you for your letter dated June 28, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. We are also in receipt of the letters from Mark G. Hyde and copies of the Association of Apartment Owners of Maui Kama'ole's (AOAO) Annual Ground Water Use Reports for 2006 to June 2010, which were attached to your letter. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments.

We acknowledge your concern regarding the potential impact to downgradient wells, including the well at Maui Kama'ole, Tom Nance Water Resource Engineering (TNWRE) conducted an assessment of the potential impact on groundwater resources from the creation of Honua'ula. Section 3.5.1 (Groundwater) of the Draft EIS includes a summary of this assessment and the complete assessment is included as Appendix B of the Draft EIS. Hydrologist Tom Nance of TNWRE has over 30 years experience in the areas of groundwater and surface water development, hydraulics and water system design, flood control and drainage, and coastal engineering.

As stated in Section 3.5.1 (Groundwater) of the Draft EIS, approximately six active downgradient wells may be impacted by a potential increase in salinity due to reduced flowrate resulting from Honua'ula's off-site wells. It is not known if the increase in salinity would materially impair the utility of the wells; however if the utility of the wells is materially impaired, additional wells (pumping the same combined amount of water) in the area north of Maui Meadows would distribute the draft over a greater area and would alleviate the impact downgradient. Honua'ula Partners, LLC commits to providing these additional wells if the utility of active downgradient wells is materially impaired.

All existing on- and off-site wells are fully permitted by the Commission on Water Resource Management (CWRM). All new wells will be developed in compliance with all requirements of Chapter 174C, HRS (State Water Code) and HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code. The CWRM application process for well construction permits requires an extensive application process with thorough review by the State Department of Health (DOH) for compliance with DOH rules and standards, including the appropriateness of the well location.

Honua'ula Partners, LLC will also comply with: 1) DOH Engineering and Capacity report requirements; and 2) the County's Water Availability Policy, codified as Chapter 14-12, Maui County Code (MCC), which requires verification of a long-term, reliable supply of water before subdivisions are approved. In accordance with Section 14.12.050 MCC, in reviewing and commenting on water source engineering reports the DWS Director shall consider (among other things) the following factors:

Dean Sandow

SUBJECT: HONUA'ULIA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

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- Cumulative impacts;
- CWRM's Water Resources Protection Plan;
- The general plan and relevant community plans;
- The adverse impacts on surrounding aquifers and stream systems, including:
 - o Water levels;
 - o Water quality, including salinity levels;
 - o Surface water-groundwater interactions; and
 - o Adverse impacts on other existing, future, or planned wells;
- The adverse impacts on the water needs of residents currently being served and projected to be served by DWS;
- The adverse impacts on environmental resources that are rare or unique to the region and the project site (including natural, cultural, or human-made resources of historic, archaeological, or aesthetic significance);
- The adverse impacts on the exercise of traditional and customary Native Hawaiian rights and practices;
- United States Geological Survey studies;
- Whether the applicant is in full compliance with the State water code and County's water reporting laws;
- Whether the affected water source, including groundwater, surface water, or other source of water will exceed:
 - o 90 percent of the sustainable yield;
 - o Instream flow standards, or
 - o Interim instream flow standards;
- The adverse impacts to the water needs of residents currently on a County "wait list" for water meters;

In light of the comprehensive State and County laws, rules, and policies regarding new water source and well development, there will be extensive analysis, review, and evaluation of potential impacts of any new wells.

In their letter commenting on the Draft EIS dated May 20, 2010, CWRM stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues."

In response to your comment regarding a sustainable water source for Honua'ula, please note that Honua'ula and the wells that will supply it are located in the Kama'ole Aquifer System. As discussed in Section 3.5.1 (Groundwater) of the Draft EIS, in 1990, the CWRM set the sustainable yield of the Kama'ole Aquifer at 11 million gallons per day (MGD); however, more recent studies from the United States Geological Survey and others indicate that the actual sustainable yield of the aquifer may be as much as 50 percent greater than the 1990 CWRM estimate. TNWRE estimates that actual aquifer pumpage (use) of the aquifer is approximately 4.0 MGD. At full build-out, Honua'ula's total average groundwater use is projected to be approximately 1.7 MGD. Combining the current pumpage of approximately 4.0 MGD with Honua'ula's estimated pumpage of 1.7 MGD at build-out, totals 5.7 MGD, which is well within the Kama'ole Aquifer sustainable yield of 11 MGD established by CWRM in 1990.

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Regarding the requirements of Hawai'i EIS laws, please note that the Draft EIS has been, and the Final EIS will be, prepared in conformance with State of Hawai'i EIS laws (Chapter 343, Hawai'i Revised Statutes) and rules (Title 11, Chapter 200, Hawai'i Administrative Rules). The EIS laws and rules provide for the preparation of a Draft EIS, a review process, and the preparation of a Final EIS. Per the EIS rules, the Final EIS will incorporate substantive comments received during the comment period, including your comments and our responses to your comments. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an information instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to review comments.

As you reference the comments of Mark Hyde in your comments, attached are our letters to Mr. Hyde in response to his concerns.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachment: Letters to Mark Hyde

O:\JOB19\1905\08_Honua'ula-EIS\DEIS\DEIS Comments\Responses\Public\Final\Dean_Sandow.doc



Mark Hyde
SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
 May 31, 2012
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process, and the preparation of a final EIS. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments, and our responses. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments.

2. We disagree that Honua'ula poses a significant environmental risk to: the aquifer itself; existing aquifer users; and the people, economy and well-being of Maui as a whole. As stated in Section 3.5.1 (Groundwater) of the Draft EIS, all existing on- and off-site wells are fully permitted by CWRM. All new wells will be developed in compliance with all requirements of Chapter 174C, HRS (State Water Code) and HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code. The CWRM application process for well construction permits requires an extensive application process with thorough review by the State Department of Health (DOH) for compliance with DOH rules and standards, including the appropriateness of the well location.

Honua'ula Partners, LLC will also comply with: 1) DOH Engineering and Capacity report requirements; and 2) the County's Water Availability Policy, codified as Chapter 14.12, Maui County Code (MCC), which requires verification of a long-term, reliable supply of water before subdivisions are approved. In accordance with Section 14.12.050 MCC, in reviewing and commenting on water source engineering reports the DWS Director shall consider (among other things) the following factors:

- Cumulative impacts;
- CWRM's Water Resources Protection Plan;
- The general plan and relevant community plans;
- The adverse impacts on surrounding aquifers and stream systems, including:
 - Water levels,
 - Water quality, including salinity levels,
 - Surface water-groundwater interactions, and
 - Adverse impacts on other existing, future, or planned wells;
- The adverse impacts on the water needs of residents currently being served and projected to be served by DWS;
- The adverse impacts on environmental resources that are rare or unique to the region and the project site (including natural, cultural, or human-made resources of historic, archaeological) or aesthetic significance);
- The adverse impacts on the exercise of traditional and customary Native Hawaiian rights and practices;
- United States Geological Survey studies;
- Whether the applicant is in full compliance with the State water code and County's water reporting laws;

SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Hyde:

Thank you for your letter, which was not dated but was received in June 2010, regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II Application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. Honua'ula Partners, LLC's hydrologist, Tom Nance, of Tom Nance Water Resources Engineering, Inc., contributed to the responses in this letter. The organization of this letter follows the general headings of your letter.

Summary

Comment: Wailea 670's DEIS fails to provide support for a sustainable water source for the project. The Kama'ole aquifer upon which it relies for water is untested; the aquifer's estimated 11 MGD sustainable yield (which the developer erroneously assumes is fact) is characterized by state water experts and state agencies as "speculative" and "uncertain." The DEIS provides no evidence to the contrary. Accordingly,

- (1) The DEIS fails to meet the requirements of Hawaii's environmental protection laws, and
- (2) The project poses a significant environmental risk to the aquifer itself, to existing aquifer users and to the people, economy and well-being of Maui as a whole.

Response: In response to your general comment, the 11 MGD sustainable yield adopted by the State Commission on Water Resource Management (CWRM) for the Kama'ole Aquifer is based on computations of rainfall-recharge using average annual values of rainfall and evaporation. Subsequent and far more sophisticated recharge calculations by the USGS and others, which were done with a shorter computation time step and, for some, the inclusion of fog drip in the upper elevation areas, have all derived greater amounts of recharge to the aquifer. All suggest that the sustainable yield is actually greater than the CWRM's adopted figure. Section 3.51 (Groundwater) of the Draft EIS notes and references these more sophisticated recharge calculation studies by the USGS and others.

In their letter commenting on the Draft EIS dated May 20, 2010, CWRM stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues" and made no mention of any issue related to Honua'ula's impact on the sustainable yield of the Kama'ole Aquifer.

In response to your specific points:

1. The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawai'i EIS laws and rules (Chapter 343, Hawai'i Revised Statutes (HRS) and Title 11, Chapter 200, Hawai'i Administrative Rules (HAR)). The EIS laws and rules provide for the preparation of a draft EIS, a review

Mark Hyde

SUBJECT: HONUA'U'IA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

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- Whether the affected water source, including groundwater, surface water, or other source of water will exceed:
 - o 90 percent of the sustainable yield;
 - o Instream flow standards, or
 - o Interim instream flow standards;
- The adverse impacts to the water needs of residents currently on a County "wait list" for water meters;

In light of the comprehensive State and County laws, rules, and policies regarding new water source and well development, there will be extensive analysis, review, and evaluation of potential impacts of any new wells.

I. The Kamaole Aquifer is Poorly Understood; the DEIS Fails to Provide Clarity

Comment: *The Kamaole aquifer is poorly understood; its use has been slight and hydrologic data is almost nonexistent. Although a sustainable yield of 11 MGD has been assigned to it, state water experts and agencies have clearly indicated that this is no more than an educated guess.*

Response: In 1990 when the aquifer's sustainable yield was adopted by the CWRM, well development was limited to irrigation wells for the Wailea and Makana Resorts and small-capacity wells along the Kihei shoreline. Since that time, a number of wells have been drilled to the north and at higher elevations which produce potable-quality water and a number of others have been drilled at mid-elevation and produce slightly brackish water. In addition, geophysical work has been done over a significant portion of the aquifer. In other words, a substantial amount of hydrologic information has been developed since 1990, all of which indicates that the aquifer's sustainable yield is likely to be more than 11 MGD.

Comment: *According to the June 2008 "Hawaii Resource Protection Plan" prepared for the Hawaii Commission of Water Resource Management (CWRM), the 11 MGD sustainable yield calculation assigned to the aquifer is rated at the lowest confidence level: "3 - Least Confident - Limited to No Hydrologic Data." In explanation, the Commission writes: "The CWRM recognizes the adopted Sustainable Yield as a reasonable-planning Sustainable Yield until more detailed geologic and hydrologic information is available for these aquifer system areas. There is significant uncertainty associated with this Sustainable Yield due to the lack of hydrogeologic and pumpage information." (Emphasis added.)*

Response: As previously discussed in the above responses, the 11 MGD sustainable yield adopted by the CWRM for the Kama'ole Aquifer is based on computations of rainfall-recharge using average annual values of rainfall and evaporation. Subsequent and far more sophisticated recharge calculations by the USGS and others, which were done with a shorter computation time step and, for some, the inclusion of fog drip in the upper elevation areas, have all derived greater amounts of recharge to the aquifer. All suggest that the sustainable yield is actually greater than the CWRM's adopted figure. Section 3.51 (Groundwater) of the Draft EIS notes and references these more sophisticated recharge calculation studies by the USGS and others.

Comment: *George A. L. Yuen described the Kamaole aquifer's sustainable yield as "speculative" in "Water Resources Protection Plan [WRPP]", Volumes I & II", 1990, p. V-21, because "no exploration [of the Kamaole aquifer] has taken place beyond a mile or so from the coast." Yuen cautions that estimates of sustainable yield "are not meant to be an exact number which could be used in final planning documents.*

Mark Hyde

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The estimates are constrained not only by the scant data base but also by the fact that they do not consider the feasibility of developing the groundwater. The estimates should not be equated to developable groundwater." (WRPP, p. V-3; Emphasis added.) "Good estimates of sustainable yield need a reliable data base. In most of the State not enough is known about the extent and behavior of groundwater to allow more than a weak estimate of sustainable yields. Only in Southern Oahu, Lanai, and West Maui, where many years of investigation have been devoted to unraveling the complexities of groundwater occurrence, can the sustainable yields be accepted with confidence." (WRPP, p. V-2; Emphasis added.)

Response: As previously discussed in the above responses, far more sophisticated recharge calculations and more hydrologic information has been developed since 1990.

Comment: *The DEIS makes no mention of any of these all-important qualifying remarks and instead misrepresents the Kamaole aquifer's estimated sustainable yield as gospel. It is not.*

In fact, where the state has investigated estimated sustainable yields in greater depth, yields have consistently been found to be less than that previously estimated, raising the inference that once studied the Kamaole aquifer's sustainable yield will be lower as well.

Response: Your statement regarding the reductions of sustainable yields due to investigations "in greater depth" is not correct. Only one aquifer statewide has been investigated "in greater depth" since 1990 and has had its sustainable yield reduced. That aquifer is Waipahu-Waiawa on O'ahu and its reduction was based on the closure of O'ahu Sugar resulting in the loss of irrigation return and less importation of water via Waihole Ditch.

Comment: *In a June 2002 "Draft Supplemental Environmental Impact Statement for the East Maui Water Development Plan" written by Mink & Yuen, the authors note that "numerous exploratory wells would be required" to determine the worth of the Kamaole, Paia and Makawao aquifers. (Emphasis added.) "The likelihood that a significant supply of fresh water could be developed at acceptable cost is slim."*

Response: As noted above a number of wells across the aquifer actually have been developed. Wells have been drilled to the north and at higher elevations which produce potable quality water and a number of others have been drilled at mid-elevation and produce slightly brackish water. In addition, geophysical work has been done over a significant portion of the aquifer. In other words, a substantial amount of hydrologic information has been developed, all of which indicates that the aquifer's sustainable yield is likely to be more than 11 MGD.

Comment: *Undeterred, the DEIS suggests that the aquifer's sustainable yield may even be higher than 11 MGD, citing USGS Scientific Investigations Report 2007-5103 in which higher recharge assumptions are assigned for all Maui aquifers. However, the assumptions are unsupported by additional hydrogeologic and pumpage information, at least in terms of the Kamaole aquifer. Furthermore, this study (which precedes the CWRM's 2008 resource plan referenced above that retained a level 3 credibility factor for the aquifer) speaks primarily to the lao aquifer, which has been extensively studied. Additionally, the study notes that Maui rainfall patterns have changed over time with the most recent period of study subject to drought: "Groundwater recharge is one of the most important factors controlling ground-water availability. . . . Decreasing irrigation has coincided recently with periods of below-average rainfall, creating the potential for substantially reduced ground-water recharge rates in many areas." (p. 1.)*

Response: The USGS study you cite used far more sophisticated methods to compute aquifer recharge than the estimates used in 1990. Your characterization that "...recharge assumptions are

Mark Hyde

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assigned for all Maui aquifer's" is not correct. All were based on detailed, aquifer specific calculations.

Comment: USGS Report 2007-5103 examines a number of different scenarios in an effort to determine likely recharge based on a variety of historical rainfall patterns, estimating Maui's 2000 - 2004 aquifer recharge at 66% of that experienced during 1926 - 1979. (p. 31.) Using 1998 - 2002 rainfall data, the USGS found: "The worst-case scenario for recharge in central and west Maui (pastureland with drought) . . . was created by applying the 1998 - 2002 (drought) rainfall time series to the 'land use III' (no agriculture) scenario. The mean recharge for the entire study area was estimated to be . . . 46% less . . ." (p. 45). None of this is revealed or discussed in the DEIS while it cites the study in support of speculation that the aquifer's recharge rate might be higher than previously assumed. The presence of bias is notable.

Response: Sustainable yields are based on long-term average data, not on short term periods such as the 1998 to 2002 period. The reason for this is that aquifer storage is far greater than pumpage at the sustainable yield rate. For example, groundwater storage in the Kama'ole aquifer is greater than pumping 11 MGD every day for more than 50 years.

Comment: Clearly, a project intended to last well beyond this century, one that exists in a designated drought zone in an atmosphere of rising temperatures, declining rainfall, rising seas and dependent on an untested aquifer with an uncertain sustainable yield, cries out, at the very least, for rigorous analysis of the kind conducted by the USGS, employing various future-state assumptions predicated on actual trended rainfall data coupled with current observations (extreme and persistent drought) and accompanied by professional analysis of the kind befitting a project of this size, scope and longevity. The DEIS fails to meet this burden.

Response: For the reasons explained in the responses above and elsewhere in this letter, we disagree with your conclusions regarding the sustainable yield of the aquifer, and the impact to the aquifer based on short-term trends pertaining to rising temperatures, declining rainfall, rising seas, etc. Therefore we do not agree with your conclusion that the DEIS should include the additional analysis as you describe. We note that in their letter commenting on the Draft EIS dated May 20, 2010, CWRM did not call for the additional information you suggest and stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues."

Comment: Keeping to this theme, one would expect the DEIS to at least acknowledge, if not distinguish, the existence of an exploratory well drilled by the Hawaii Department of Land and Natural Resources in 2006 on a site located between the Project and its wells north of Maui Meadows. (See Central Maui Exploratory Well, Final Environmental Assessment, June 2004; "The purpose of the project is to develop an exploratory well which, if found to be hydrogeologically favorable, would serve as a future production well providing a potable water source for the State of Hawaii projects.") This is, after all, the kind of real hydrologic data identified by CWRM and Mink & Yuen as that needed to assess the sustainable yield of Kamaole aquifer, making its omission especially noteworthy. Unfortunately, the well was found to be insufficient, both in terms of water volume (only producing 172,800 gallons per day) and water quality (chloride levels exceeded acceptable standards).

Response: We wish to clarify your interpretation of the results of Well 4225-01 at the DWS tank site above Maui Meadows. Localized subsurface anomalies, such as poorly permeable lava flows or intrusive structures with no surface expression, do exist. If drilled into or just downgradient of this type of soil, the same results will occur. However, this result explains the anomalously good results for the two Honua'ula wells immediately to the south. Groundwater is preferentially flowing around the low permeability feature to the benefit of wells to the north and south.

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II. Insufficient Data is Supplied to Enable Examination of Many DEIS Conclusions

Comment: Section 11-200-17, subsection E, paragraph 3, requires a draft EIS to contain project data sufficient to permit "evaluation and review of the environmental impact". In many instances the DEIS either fails to report critical data or uses average data that prevents understanding and analysis.

Response: We are somewhat confused by your reference to Section 11-200-17(E)(3), HAR as this section calls for a "General description of the action's technical, economic, social, and environmental characteristics;" Perhaps you were referring to Section 11-200-17(E) HAR, which states: "The draft EIS shall contain a project description which shall include the following information, **but need not supply extensive detail** [emphasis added] beyond that needed for evaluation and review of the environmental impact:." In either case the Draft EIS has been prepared in accordance with both Section 11-200-17(E) HAR and Section 11-200-17(E)(3), HAR and all other applicable provisions of Title 11, Chapter 200, HAR.

We disagree that the Draft EIS "fails to report critical data." Regarding use of average data, for reasons explained above in previous responses sustainable yields are based on long-term average data, and not on short term periods.

Comment: Vagary is a hallmark of this project. When the Maui County Department of Water Supply was asked to comment on the project's water strategy, Jeffrey Eng, Maui County Director of Water Supply, wrote the following in an August 2007 letter addressed to Mayor Chamaine Tavares and Land Use Committee Chair Michael Molina: "I would like to offer the following comments of general concern related to the development's proposed water system. I would like to preface my comments by mentioning that in my opinion, the applicant has been somewhat vague in his presentation of the water system and wastewater system plans. Therefore, my comments may be somewhat assumptive."

Response: In August 2007, Jeff Eng's statement is a reasonably accurate characterization. Plans for Honua'ula's water and wastewater systems were not developed until the 2009 to 2010 period. Subsequently these plans have been discussed in the Draft EIS. In the Department of Water Supply's (DWS) comment letter on the Draft EIS dated June 10, 2010, DWS Director Jeff Eng did not express concerns regarding the water system and wastewater system plans being vague.

Comment: The following deficiencies, without limitation, are noted:

- Comprehensive pump test data for all wells drilled by the developer are not included in the report. Robust presentation of this data is essential to enable examination of the developer's claim that the Kamaole aquifer is adequate to support the Project's water needs now and in the future.

Response: The pump test data are a matter of public record and are available from the State CWRM. However, they are tests of each well's hydraulic performance and localized groundwater conditions. They are not tests of the 89-square mile aquifer.

- Table 3 of Tom Nance's February 2010 engineering report presents average data for Wailea wells. Average data spanning 1991 - 2009 is insufficient to allow detection and comprehension of trends, month to month and year to year. The public needs to know whether golf course irrigation is increasing, decreasing, or remaining the same over time. Likewise, chloride concentration trends need visibility since they reflect the directional health of the aquifer.

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Response: The data in the table you refer to are limited to nutrients and salinity as averages over an 18-year period. The data are proprietary and would only be released in this form.

- Need for this information is particularly relevant given remarks made by John Mink in a study entitled "Wailea 670 Irrigation Well 1, Drilling and Testing Results," dated June 3, 1991 (p. 3):

"The future demand for lower Wailea is projected as 3 to 3.5 mgd, while for Wailea 670 the projected demand for two golf courses is 1 mgd. Total demand for the two areas will average 4.5 mgd along an equivalent shore line reach of three miles toward which a natural flux of 6 to 9 mgd moves. The demand as a fraction of flux probably corresponds to or somewhat exceeds sustainable yield. For these values of flux and demand, the lower Wailea wells are apt to suffer an increase in salinity over the long run, but the increase may not be great enough to eliminate the wells as sources of usable irrigation water. In fact, the lower Wailea wells are likely to experience quality deterioration more from the addition of new wells and increase in pumpage with the area than from the Wailea 670 wells." (Emphasis added.)

Response: In general, we do not disagree with John Mink's characterizations. It is the main reason that well sites to the north of Maui Meadows will be supplying Honua'ula.

- The DEIS notes that the Project's water draw will increase in summer and decrease in winter. Monthly data is needed rather than bald statements without detail.

Response: For any land use with a significant amount of landscape irrigation, water use in dry periods is greater than in wet periods. It is a well-established fact.

- The DEIS makes broad assumptions about recharge without examination. Should average aquifer recharge be assumed throughout the year, or will anticipated summer water draw mis-align with lower seasonal rainfall? If a mismatch is likely, the lack of congruity should be analyzed to determine short and long term effect.

Response: As indicated previously, aquifer storage is very large in comparison to annual use. Because of this, within-year variations of recharge and pumpage by wells is not critical in assessing long term sustainability.

- The DEIS states that current "groundwater pumpage from the aquifer is estimated to be a little more than four MGD". (Engineering Report, Tom Nance, p. 9). No source is given and it is at odds with a February 2005 report given by the Commission on Water Source Management to the Maui County Board of Water Supply indicating existing withdrawal of 5.76 MGD from the Kamaole aquifer by nearby irrigation wells. Section 11-200-17, subsection E., 3, requires a draft EIS to include "technical characteristics". The requirement is not met here. The difference between an "estimated" 4 MGD and a measured 5.76 is material since it equates to 15% of the aquifer's speculative sustainable yield.

Response: Estimates of groundwater pumpage from the aquifer are the professional opinion of Tom Nance, who has over 30 years of experience in the areas of groundwater and surface water development. According to CWRM records, there are a total of 134 wells within the Kamaole Aquifer System, many of which are more than 60 years old and no longer in use. Of the 134 wells, 43 are known or presumed to be in use, 47 are no longer in use or do not draw from the basal lens, and 44 are of unknown status relative to their use. We could not locate the February 2005 report given by the Commission on Water Source Management to the Maui County Board of

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Water Supply that you cite and therefore could not verify the 5.76 MGD withdrawal you reference.

Section 11-200-17(E)(3) HAR, which you cite actually requires: "General description of the action's technical, economic, social, and environmental characteristics;" The Draft EIS meets this requirement and is not deficient in this regard. We note that in their letter commenting on the Draft EIS dated May 20, 2010, CWRM did not question the estimate of groundwater pumpage from the aquifer provided by Tom Nance and stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues."

Furthermore, Table 4 of Tom Nance's report entitled "Wells in the Downgradient Area Potentially Impacted by the Honua'ula Offsite Kamaole Wells" (p. 12) identifies only 20 wells that might be impacted by the Project and omits highly relevant chloride concentration and volume data for each, whether on a one time basis or historically. By contrast, USGS Scientific Investigations Report 2006-5283 depicts 87 wells in the south Maui area, 67 makai of Pihani Highway and 20 mauka, most with fairly high chloride concentration levels, putting them at greater risk of adverse impact in the event the developer's water strategy results in increased chloride concentrations in the aquifer. To the extent the developer believes, based on scientific principles and study, that some of these 87 wells are not likely to be affected, they should be identified and a rationale given to exclude them from the class of wells at risk. In any event, state guidelines for preparation of engineering reports for new drinking water sources require thorough investigation of nearby wells (See, e.g., Hawaii State Department of Health, Safe Drinking Water Branch, Guidelines for Preparation of Engineering Reports for New Drinking Water Sources for Regulated Public Water Systems, Well Information: . . . 3. Water quality data on any existing wells in the area. . . . " (Emphasis added.) The DEIS falls far short of meeting this requirement.

Response: The wells identified in Table 4 of Tom Nance's report included in the Draft EIS that you cite are downgradient from Honua'ula's existing and potential future wells. They are the wells that may be impacted. Potential impacts are limited to the downgradient wells because groundwater flows downhill and does not easily flow laterally. In other words, wells at a higher elevation draw from downhill flows thereby potentially impacting downhill wells, but this does not extend very far laterally; however Tom Nance's report accounts for a lateral dispersion on the order of 10 degrees. Pumpage and salinity data for the wells are unfortunately not available. The owner/operators have elected not to submit the data required by their CWRM permits. Analysis of nearby wells in satisfaction of requirements pertaining to state guidelines for preparation of engineering reports for new drinking water sources will be done for the engineering report submitted to the Department of Health to certify the project's wells for drinking water use. That is the appropriate form for such analysis.

- The DEIS states that the area's average rainfall is 18 inches a year (Engineering Report, Tom Nance, p. 13). No source is cited. Accurate rainfall data is essential to understanding sustainable yield. ("Two major contributors to ground-water recharge in central and west Maui are agricultural irrigation and rainfall," USGS Scientific Investigations Report 2007-5103, p. 1.) The amount stated, 18 inches a year, is at odds with documented, credible rainfall data for Kihai. For example, USGS Scientific Report 2007-5103 (p. 16) states that mean monthly rainfall for months with complete rainfall records at National Weather Service rain gage # 4489 (located in Kihai) is .92 inches, or 11 inches per year, 39% less than the amount reported by the developer and its expert. A casual Google search for Kihai rain totals produces support for the USGS number and none for the developer's.

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Response: Actually, on page 13 of the report titled "Assessment of the Potential Impact on Water Resources of the Honua'ula Project in Wailea Maui" (Appendix B of the Draft EIS) which you cite, it is stated that rainfall on the site (as opposed to "the area" which you state) averages 18 inches a year. Section 3.1 (Climate) of the Draft EIS states that average rainfall distribution for the Kihei-Makena region varies from under 10 inches per year to more than 20 inches per year. As noted in the Draft EIS the source of this information is the 2008 Maui County Data Book. While not broken down in the Draft EIS, the 2008 Maui County Data Book records the higher end of this range (i.e. 20 inches per year) as occurring at the Makena Golf Course. Therefore, the average rainfall of 18 inches per year stated in Appendix B is within the range reported in the 2008 Maui County Data Book, and since Honua'ula is near the Makena end of the Kihei-Makena region, it is consistent with the higher rainfall averages reported for the Makena Golf Course. Regardless, rainfall on the Honua'ula site, an inconsequential part of the 89-square mile aquifer, has little to do with the aquifer's sustainable yield.

- *The DEIS omits discussion and data relative to the relationship of the Project to other land use plans in the affected area. (See HAR 11-200-17, subsection H.) A large public high school and police station are planned to be built mauka of Pi'ilani Highway in the vicinity of the Project and Makena Resort is located immediately south of the Project. Where will these projects obtain potable water, and what impact, if any, will they have on the Kamaole aquifer, alone and in combination with the Project?*

Response: Chapter 5 (Land Use Conformance) of the Draft EIS includes discussion of State of Hawai'i and Maui County land use plans, policies, and ordinances relevant to Honua'ula. Section 7.2 (Cumulative and Secondary Impacts) of the Draft EIS discusses cumulative and secondary impacts. In this section it is noted that the availability of water "is a critical factor in determining whether a project can proceed and may be a limiting factor with respect to a specific project moving forward, especially in the Kihei region with its restricted water resources." Section 7.2 (Cumulative and Secondary Impacts) of the Draft EIS also states: "The feasibility of a project proceeding is based on many factors, including the State Land Use District classification, the Community Plan and zoning designations, other necessary approvals, overall economic conditions, the demand for the proposed product, and the willingness of a landowner or developer (or in the case of the Kihei High School and the police station, the State of Hawaii and County of Maui) to risk the capital required for development." So at this point, regarding the projects that you mention, it is speculative as to whether these projects will proceed or be built as currently proposed. Furthermore, because of the multi-stage land use approval and permitting process that exists in Hawai'i, there are many approvals of a project at various levels of government and at different points in time. At each step, decision-makers involved in the process evaluate a project in the context of the existing regional conditions, including infrastructure capacity and other factors.

Specifically regarding the Kihei High School, according to the *Kihei High School Draft Environmental Impact Statement* prepared by Group 70 in December 2011: "It is anticipated that potable water will be supplied by the County's Central Maui Water System and that brackish water wells to be located at the school site would serve as the non-potable source of irrigation water." *The Kihei High School Draft Environmental Impact Statement* also states: "the wells are not expected to have any adverse impact on the existing water supply (fresh and brackish) and nearby wells."

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Regarding Makena Resort, it is not known at what point when or if this project will proceed and what would be built. It would speculative to assume that it is moving forward and in any case, when and if the project does move forward the developer will have to determine a source of water and what impact, if any, that source would have on the aquifer, similar to what Honua'ula is doing with their Draft EIS and subsequent required approvals.

If the source of water for the Kihei High School, the proposed police station, and the Makena Resort is the County's DWS Central Maui Water System the water will come from DWS sources in the 'Iao and Waihe'e aquifers and have no impact on the Kama'ole Aquifer. DWS has no water sources in the Kama'ole Aquifer.

- *The developer's consulting hydrologist should present his professional opinion regarding the integrity, sustainability and reliability of the Kamaole aquifer since the developer is placing total reliance on the aquifer to support the Project, now and in the future. Instead, the developer's consultant patrols carefully edited statements by others, portraying the Project's water supply in the best light while ignoring negative information. Certification of the water strategy by the developer and its expert hydrologist is essential.*

Response: Professional opinions of Honua'ula Partners, LLC's hydrologist, Tom Nance, of Tom Nance Water Resources Engineering, Inc., are incorporated in the reports he has prepared.

III. Mitigation Measures are Non-existent

Comment: *Because the DEIS is predicated upon an unsupported sustainable yield, discussion of mitigation measures, required by HAR 11-200-17, subsection M, cannot be undertaken. Once a credible assessment of the Kamaole aquifer's sustainable yield is secured, mitigating strategies must be considered to align the Project with the capacity of its water source. Until then, no meaningful discussion of mitigation measures can be undertaken.*

Response: As discussed above we disagree with your conclusions regarding the sustainable yield of the Kama'ole Aquifer. Section 4.8.1 (Water System) and Appendix B of the Draft EIS discuss potential impacts and proposed mitigation measures in regard to ground water resources. As more fully discussed in Section 4.8.1 (Water System) and Appendix B of the Draft EIS, mitigation of impacts to groundwater will be achieved by well spacing and operating modes. The option to drill additional wells further to the north, if need be, also exists.

The Draft EIS has been prepared in compliance with Section 11-200-17(M) regarding mitigation measures, not only in regard to groundwater resources, but for all other pertinent resources.

IV. Water and Climate are Not Static; the DEIS Must Consider Likely Future States

Comment: *The DEIS approaches the question of water supply as a snapshot in time, turning a blind eye to climatic trends.*

HAR 11-200-17, subsection J, requires a DEIS to consider both short term and long term effects: "The draft EIS shall include in a separate and distinct section a description of the relationship between local short term uses of humanity's environment and the maintenance and enhancement of long-term productivity. . . . The discussion shall include the extent to which the proposed action . . . poses long-term risks to health or safety." (Emphasis added.)

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Response: Section 7.1 (Relationship Between The Short-Term Uses Of Environmental Resources And Long-Term Productivity) of the Draft EIS fulfills the requirements of Section 11-200-170). We disagree with your insinuation that Honua'ula's water system "poses long-term risks to health or safety." Section 4.8.1 (Water System) and Appendix B of the Draft EIS discuss potential impacts and proposed mitigation measures in regard to ground water resources. As indicated in previous responses, aquifer storage enables the sustainable yield to be based on long-term averages.

Comment: Potential ruination of the Kamaole aquifer² due to miscalculation (or here, no calculation) is a potential outcome of the Project. In the face of this possible horrendous outcome, the developer takes what appears to be British Petroleum's approach to risk management: making unjustifiable assumptions predicated on speculative sustainable yield estimates and assuming everything will work out. Humanity is frequently and painfully reminded that things don't always work out the way we hope, particularly when risk is imprudently assessed and taken. Indeed, this is why we have environmental protection laws and require environmental impact statements to be prepared.

Because the Project will, if constructed, exist beyond this century³, the DEIS should take into account observable climatic trends and professional projections co-existent with its life expectancy....

Response: Long-term climate change, if it occurs, will be a large scale phenomenon with impacts not limited to the Kama'ole Aquifer. The impacts will be to all aquifers and sources pumping from those aquifers statewide. To date, this has not been a consideration of the CWRM in regulating groundwater use.

Please also refer to points 1 and 2 in response to your first comment at the beginning of the letter regarding: 1) satisfaction of the requirements the State of Hawai'i EIS laws and rules (Chapter 343, HRS and Title 11, Chapter 200, HAR) and 2) compliance with all requirements of the State Water Code (Chapter 174C, HRS) and rules pertaining to CWRM and administration of the State Water Code (Chapters 13-167 to 13-171, HAR as applicable).

Comment: The following is a partial list of data, observable trends and professional opinion not mentioned in the DEIS needing consideration to provide a better assessment of the Project's long term water sourcing plans:

A. Rainfall is Declining; Temperatures and Sea Levels are Rising in Hawaii and World-wide

Comment: EPA Circular 236-F-007e issued in 1988 states, "In Honolulu, Hawaii, the average temperature has increased 4.4 degrees F over the last century, and precipitation has decreased approximately 20% over the last 90 years." Temperature increases are expected to produce a rise in sea level with collateral impact on freshwater lenses in Hawaii. (See, e.g., Global Climate Change Impacts in the United States, U.S. Global Change Research Project, www.globalchange.gov/usimpacts.)

Response: A sea level rise of the magnitude possible by global temperature rise will not have "...collateral impact on freshwater lenses in Hawaii." These lenses float on saltwater beneath them. If sea level rises, the lenses will simply rise up by a similar amount with no adverse impact.

Comment: If these trends continue, how will the Kamaole aquifer be affected? Will recharge decline? Will evaporation increase? Will vegetation suffer, causing greater runoff and less absorption? And if the aquifer's salinity levels rise, will the ability to produce potable water be impaired and, if so, to what degree? Will

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down-gradient wells be impacted, with consequential impact on the greater south Maui community? Does the project need a back-up plan in case saline levels become unmanageable? If so, what is the plan?

Response: As indicated above, a sea level rise will not adversely impact basal groundwater in the Kamaole aquifer.

B. Drought Conditions are Extreme and are Expected to Become more Prevalent and Persistent

- Experts warn that climate change will likely produce more extreme drought conditions that will last for extended periods of time compared to the past. Drought now plagues Hawaii.
- The National Weather Service recently reported that the 2009 – 2010 "wet season" in Hawaii (October to April) was the driest in 55 years.
- The U. S. Drought Monitor recently proclaimed the area from Wailea to Lahaina in extreme drought; current drought conditions in Hawaii are rated the most extreme in the nation.
- The Hawaii Drought Plan, 2005 Update, identifies the Project area as being among the most vulnerable to drought.
- A representative of Haleakala Ranch recently reported persistent drought has caused a high-level water source on the ranch to go dry, the "first time . . . in anyone's memory." (Maui News, April 23, 2010.) Some of the Project's wells are located on Haleakala Ranch lands.
- A representative of Ulupalakua Ranch recently stated that "We've not seen normal . . . anywhere near normal rainfall for quite some time." (Maui News, April 23, 2010.) Ulupalakua Ranch is located immediately above the Project.
- In Scientific Investigations Report 2007-5103, the USGS estimates that Maui's 1998-2002 drought conditions resulted in a 2.7% reduction in aquifer recharge.

• The U.S. government and several credible federal agencies predict that climate change will intensify drought conditions, particularly in dry areas like the Project site: "Deserts and drylands are likely to become hotter and drier, feeding a self-reinforcing cycle of invasive plants, fire and erosion." ("Global Climate Change Impacts in the United States", U.S. Global Change Research Program, www.globalchange.gov/usimpacts.)

Response: Observations of recent drought conditions do not prove the long-term trend. Generally, wet and dry periods have been cyclical in Hawai'i for as long as records have been kept. In any event, groundwater management regulations in Hawai'i do not reflect and/or incorporate a continuous trend to dryer conditions.

Comment: The DEIS must acknowledge and consider the impact climate trend will have on the Project's proposed water supply. (HAR 11-200-17, subsection I.) Hawaii's State Department of Health, State Drinking Water Branch, Guidelines for Preparation of Engineering Reports for New Drinking Water Sources for Regulated Public Water Systems, item 6, explicitly details what is required: "Data relating to quality and quantity of the source waters under normal conditions and during stress conditions such as drought or heavy precipitation, as determined by field and laboratory analyses and investigations of available records. If records are not available or are inadequate to determine expected quality and quantity during stress

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conditions, an estimate of expected quality, and quantity during stress conditions should be established and related to the hydrologic budget to the aquifer or isotopic area." None of this is provided by the developer.

Response: Data relating to quality and quantity of source waters in satisfaction of requirements pertaining to state guidelines for preparation of engineering reports for new drinking water sources will be done for the engineering report submitted to the Department of Health to certify the Honua'ula's wells for drinking water use. That is the appropriate form for such analysis.

Comment: *Observed climate trends raise a variety of questions:*

- *What effect will higher average temperatures have on evaporation rates, aquifer recharge, chloride concentration levels and sustainable yield?*
- *What will lower average precipitation mean to aquifer recharge, chloride concentration levels, and sustainable yield?*
- *How will a rising sea level impact the Project's water source?*
- *How will extreme drought effect evaporation rates, recharge, chloride levels and down-gradient well water quality?*
- *What factors and assumptions should be included in development of a worst case scenario; what outcome would it produce?*
- *What is the back-up plan should the Kamaole aquifer fail to support the Project?*

Response: If there is, in fact, a many decades long reduction of rainfall-recharge, it will impact groundwater resources. The most notable impact will be that nearshore wells will experience salinity increases. This will not be a problem limited to the Kama'ole Aquifer. It will be a large-scale phenomenon impacting groundwater use throughout the State.

- *If current aquifer users are negatively impacted by the Project and/or climate change how will their water needs be met/replaced?*

Response: If current Kama'ole Aquifer users are adversely impacted by pumpage of Honua'ula's wells, that pumpage will be reduced and shifted to other existing or new wells. This is discussed in Section 4.8.1 (Water System) and Appendix B of the Draft EIS. If the impact is due to climate change, that is not within Honua'ula's control.

- *How will the County of Maui or the state respond, if at all, to a large, failed project in need of water?*

Response: It is highly unlikely that Honua'ula will become "a large, failed project in need of water." There is extensive government oversight of all new well development. All new wells will be developed in compliance with all requirements of Chapter 174C, HRS (State Water Code) and HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code. The CWRM application process for well construction permits requires an extensive application process with thorough review by the State Department of Health (DOH) for

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compliance DOH rules and standards, including the appropriateness of the well location. Therefore, there will be analysis, review, and evaluation of potential impacts of any new wells.

Honua'ula Partners, LLC will also comply with: 1) DOH Engineering and Capacity report requirements; and 2) the County's Water Availability Policy, codified as Chapter 14.12, Maui County Code (MCC), which requires verification of a long-term, reliable supply of water before subdivisions are approved. In accordance with Section 14.12.050 MCC, in reviewing and commenting on water source engineering reports the DWS Director shall consider (among other things) the following factors:

- Cumulative impacts;
- CWRM's Water Resources Protection Plan;
- The general plan and relevant community plans;
- The adverse impacts on surrounding aquifers and stream systems, including:
 - Water levels,
 - Water quality, including salinity levels,
 - Surface water-groundwater interactions, and
 - Adverse impacts on other existing, future, or planned wells;
- The adverse impacts on the water needs of residents currently being served and projected to be served by DWS;
- The adverse impacts on environmental resources that are rare or unique to the region and the project site (including natural, cultural, or human-made resources of historic, archaeological, or aesthetic significance);
- The adverse impacts on the exercise of traditional and customary Native Hawaiian rights and practices;
- United States Geological Survey studies;
- Whether the applicant is in full compliance with the State water code and County's water reporting laws;
- Whether the affected water source, including groundwater, surface water, or other source of water will exceed:
 - 90 percent of the sustainable yield;
 - Instream flow standards, or
 - Interim instream flow standards;
- The adverse impacts to the water needs of residents currently on a County "wait list" for water meters;

Finally, Honua'ula will be built out over a period of 13 years, thus allowing for: 1) incremental monitoring of any potential adverse impacts to groundwater sources and quality; 2) corrective actions, if necessary, to ensure groundwater source availability and quality as build-out proceeds.

- *What impact will a failed project have on the island's economy and on real property values and tax revenues?*

Response: For the reasons discussed above, it is highly unlikely that Honua'ula will become a "failed project" based on lack of water resources or impacts to groundwater quality.

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Comment: *Answers to these questions are particularly relevant since the Central Maui water system is incapable of serving the Project or supporting current down-gradient users in the event of failure. ("Remaining capacity of the Central system currently cannot meet the demand of this project." March 13, 2006, letter from the director of Maui County's Department of Water Supply to the mayor of Maui County.)*

Response: The ability of the County's Central Maui Water System to supply Honua'ula with water is irrelevant since County Maui Ordinance No. 3554 Condition 1 requires Honua'ula to develop, maintain, and operate a private water source.

V. No Wastewater Treatment Solution is Identified/Studied; the Project is Not Ripe for Review

Comment: *Obviously, an environmental impact statement must articulate what is planned. The developer concedes it does not have a wastewater treatment plan at this time. Perhaps it will rely on Makana Resort (an entity in foreclosure with an uncertain future); perhaps it will not. We are left to guess. In addition, no detail or analysis of either approach is supplied. Because wastewater treatment and disposition are key components of the Project's overall water strategy, the DEIS fails to meet the requirements of HAR 11-2001-16 and -17.*

Response: Section 4.8.2 (Wastewater System) of the Draft EIS discusses that Honua'ula Partners, LLC will either: 1) participate in the operation of a private WWRF and system that accommodates the needs of Honua'ula (Alternative 1); or 2) provide a WWRF on-site (Alternative 2). Both of these alternatives are in compliance with County of Maui Ordinance No. 3554 Condition 17. Section 4.8.2 (Wastewater System) of the Draft EIS and the Preliminary Engineering Report contained in Appendix P of the Draft EIS, provide preliminary details and analysis of both alternatives. On May 11, 2010 Honua'ula Partners, LLC submitted a sewage disposal analysis to the Maui County Council in compliance with County of Maui Ordinance No. 3554 Condition 16. After receiving the sewage disposal analysis the Maui County Council did not subject Honua'ula to any additional conditions or amendments as a result of the sewage disposal analysis.

VI. The Project is Located in a Wildfire Zone

Comment: *According to the Hawaii Drought Plan, 2005 Update, the Project is located in a wildfire zone. In fact, the area just north of Maui Meadows recently experienced wildfire. Obviously, water is needed to fight fire. The source(s) and amount of water for firefighting need to be identified and means to protect wells located in the wildfire zone explained.*

Response: Section 3.4 (Natural Hazards) of the Draft EIS discusses potential impacts and mitigation measures related to wildfires. Water demand estimates provided in Section 4.8.1 (Waster System) and Appendix P (Preliminary Engineering Report) include the demand for water necessary for fire protection. In addition the sizes of Honua'ula's reservoirs take into account the storage capacity necessary to provide water for fire protection in accordance with DWS and Fire Department standards.

VII. The Project's Water Strategy May Violate the Upcountry Community Plan

Comment: *The DEIS indicates that at least some of the Project's wells will be located north of Maui Meadows. The locations of transmission lines from these wells and water storage facilities for the Project are*

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not shown. Unless water transmission lines and associated storage tanks are exclusively located within the Kihei/Makana Community Plan District, water transmission of any kind over or through the Upcountry Community Plan District is strictly prohibited. In anticipation of conflict between the Upcountry Community Plan and the developer's water transmission and storage plan, it is critical that water transmission lines and storage facilities be identified and mapped; compliance with law must be demonstrated. (11-2001-16, H: "The draft EIS shall include a statement of the relationship of the proposed action to land use plans, policies, and controls for the affected area.")

Response: In conformance with Section 11-2001-17(H), HAR, Chapter 5 (Land Use Conformance) of the Draft EIS includes discussion of State of Hawai'i and Maui County land use plans, policies, and ordinances relevant to Honua'ula.

The Makawao-Pukalani-Kula Community Plan contains Water Objective & Policy # 4, which states:

4. Restrict the use of any water developed within or imported to the Upcountry region to consumption within the Upcountry region, with exception provided for agricultural use.

Honua'ula's private water system is not in conflict with this policy. Honua'ula's off-site wells are located in the Kihei-Makana Community Plan area in an area north of Maui Meadows. The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of the water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on-site and some will be transmitted to an off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the Makawao-Pukalani-Kula Community Plan.

Figure 2 (Regional Location) of the Draft EIS shows the location of Honua'ula's off-site water infrastructure. In the Final EIS, Figure 2 (Regional Location) will be revised to show: 1) the location of the off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation; and 2) the boundary between the Makawao-Pukalani-Kula Community Plan and the Kihei-Makana Community Plan regions. The attachment titled "Figure 2" shows the revised figure.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

1. That Honua'ula Partners, LLC, its successors and permitted assigns, shall, at their own cost and expense, develop, maintain, and operate, or cause to be developed, maintained, and operated, a private water source, storage facilities, and transmission lines for the Waieka 670 (Honua'ula) project in accordance with Department of Water Supply standards and all applicable community plans. Honua'ula Partners, LLC, its

successors and permitted assigns, shall comply with all reporting requirements of the State Commission on Water Resource Management.

In addition, Honua'ula Partners, LLC, its successors and permitted assigns, shall comply with applicable water ordinances that pertain to the supply and transmission of water from the island of Maui when such ordinances are enacted.

At the time the project water system is completed, Honua'ula Partners, LLC, its successors and permitted assigns, shall offer to the County the right to purchase the project water system at the cost of development of such system.

The water rates for the residential workforce housing units shall be no higher than the general water consumer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, Maui County Code.

Discussion: As discussed in Section 4.8.1 (Water System), Honua'ula Partners, LLC will comply with this condition by providing a private water source, storage facilities, and transmission lines for Honua'ula in accordance with DWS standards and all applicable community plans. Further discussion is provided in Section 4.8.1 (Water System).

In comments on the Draft EIS some commenters referenced the The Makawao-Pukalani-Kula Community Plan and commented that Honua'ula's private water system was not in compliance with this plan. Specifically these comments pertained to Water Objective & Policy # 4 of the Makawao-Pukalani-Kula Community Plan, which states:

4. Restrict the use of any water developed within or imported to the Upcountry region to consumption within the Upcountry region, with exception provided for agricultural use.

Honua'ula's private water system is not in conflict with this policy. Honua'ula's off-site wells are located in the Kihai-Makena Community Plan region in an area north of Maui Meadows. The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of the water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on site and some will be transmitted to an off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region, and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the Makawao-Pukalani-Kula Community Plan.

Figure 2 shows the location of Honua'ula's off-site water infrastructure and the boundary between the Makawao-Pukalani-Kula Community Plan and the Kihai-Makena Community Plan regions.

In further compliance with ~~this condition~~ Condition J, Honua'ula Partners, LLC will also: 1) offer the right to purchase the completed water system to the County; and 2) ensure that

water rates for the residential workforce housing units will be no higher than the general water consumer rates set by the County, for as long as the units are subject to Chapter 2.96 of the County Code.

VIII. Large Development + Unsubstantiated Water Source = High Risk

Comment: Wailea 670's size coupled with dependence on a poorly understood water source necessarily makes the project high risk. The absence of a back-up plan elevates the risk posed.

Response: We disagree with your assessment of Honua'ula being "high risk." As we have discussed throughout this letter, many of your statements and assumptions regarding the Kama'ole Aquifer, its sustainable yield, and recharge rates based on short-term climatic trends are incorrect or unproven. In addition, as also explained in previous responses, there is extensive government oversight of all new well and water source development. Honua'ula Partners, LLC will comply with all State and County regulations and rules pertaining to well and water source development and new drinking water sources. Further the potable and non-potable systems will each have back up supply capacity, which is discussed in Section 4.8.1 (Water System) of the Draft EIS.

Comment: If the Project fails for lack of a sustainable water source, several potential negative consequences may result:

- The Kamaole aquifer may be damaged, now and for future generations, caused by over-pumping and consequent rise in chloride concentrations;

Response: For reasons discussed in previous responses it is highly unlikely that the Kama'ole Aquifer will be damaged as a result of Honua'ula. In addition, salinity of Honua'ula's wells will be closely monitored and pumping will be shifted to other wells, if needed. A salinity rise due to pumping is not a permanent or even long-lingering "damage" to the aquifer. After pumping is reduced appropriately, salinity typically returns to previous levels in weeks or even a shorter time.

- Nearby wells may be rendered unusable due to rising chloride levels. Because nearby wells currently draw approximately 5.7 MGD from the Kamaole aquifer, this volume would need to be replaced. However, since the Central Maui system has no additional capacity, how this would be done is not explained. Simply drilling more wells in an aquifer in distress, as the developer proposes, will not, on its face, be a solution. If the wells serving Wailea and Makena golf courses become unusable, negative economic effect will be wide-spread, with consequential damage to nearby hotels, residences and county revenue.

Response: Localized overpumping and consequent salinity rise does not impact the entire aquifer. We are not clear on your logic when you state "this volume would need to be replaced." This statement may be a result of your misunderstanding of sustainable yield and aquifer hydrology, but all of the pumpages throughout the aquifer will never need to be "replaced."

- Maui County's "brand" would be degraded with consequential damage to the island's economy, much of which is tied to real estate, real estate development and tourism.

Response: Again, as noted in previous responses to similar statements (see responses to "How will the County of Maui or the state respond, if at all, to a large, failed project in need of water?" and "What impact will a failed project have on the island's economy and on real property values and

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tax revenues?" based on lack of water resources or impacts to groundwater quality it is highly unlikely that Honua'ula will become a "failed project," thus cause damage to the island's economy.

Comment: High risk projects merit a commensurate level of analysis and scrutiny. The water component of the DEIS falls far short of this. In legal terminology, the DEIS fails to meet the letter and spirit of Hawaii's environmental laws specific to environmental impact statements. In general terms, it simply fails to provide evidence of sustainability upon which to construct a 1,400 unit development complete with a golf course and commercial center.

Response: We disagree with these statements. First, Honua'ula is not a "high risk" project in terms of water resources or impacts to groundwater quality. There is extensive government oversight of all new well and water source development. Honua'ula Partners, LLC will comply with all State and County regulations and rules pertaining to well and water source development and new drinking water sources. Further the potable and non-potable systems will each have back up supply capacity, which is discussed in Section 4.8.1 (Water System) of the Draft EIS.

Second, in their letter commenting on the Draft EIS dated May 20, 2010, CWRM stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues" and did not call for additional analysis and scrutiny.

Third, the Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawai'i EIS laws and rules (Chapter 343, HRS) and Title 11, Chapter 200, HAR). The EIS laws and rules provide for the preparation of a draft EIS, a review process, and the preparation of a final EIS. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments, and our responses. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments.

Comment: Nothing in the DEIS refutes expert and state agency opinion that the sustainable yield of the Kamaole aquifer is anything but "uncertain" and "speculative". The DEIS is devoid of hydrologic test data needed to provide a level of confidence upon which to give the Project's water strategy a green light. Assuming the developer's plan is not to "pump and dump," it is high time for the developer to commit the resources necessary, financial and professional, to prove (or disprove) the adequacy of the Project's water source.

Response: As we have discussed throughout this letter, many of your statements and assumptions regarding the Kamaole Aquifer, its sustainable yield, and recharge rates based on short-term climatic trends are incorrect or unproven. The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawai'i EIS laws and rules (Chapter 343, HRS) and Title 11, Chapter 200, Hawai'i HAR) and contain an appropriate level of detail pertaining to water resources at this point of time. At the appropriate time additional analysis regarding water resources will be performed in compliance with: 1) all requirements of Chapter 174C, HRS (State Water Code); 2) HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code; and 3) the requirements for engineering report submitted to the Department of Health to certify the project's wells for drinking water use.

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Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachment: Figure 2 (Regional Location)

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¹ This information should appear in the DEIS; the fact that it does not speaks volumes about the worth of the document.

² Water in the Kamaole aquifer is held in public trust and must be treated with due care.

³ The one contingency that might cause an early end to the Project is lack of a reliable supply of water.



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"...correlative rights, however, extend only to uses on lands overlying the water source. Parties transporting water to distant lands are deemed mere 'appropriators,' subordinate in right to overlying landowners....[T]he correlative rights rule grants overlying landowners a right only to such water as necessary for reasonable use. Until overlying landowners develop an actual need to use ground water, nonoverlying parties may use any available 'surplus.'" (2000 Waialeale Ditch Contested Case, 94 Haw. 97, at p. 171.)

Milke illustrates how these rights apply, using an example that is four square with the facts here:

"Example 2: A party wants to use groundwater on other than the overlying land (i.e., an overlying landowner or another party with permission from the overlying landowner to drill a well).

- a. Not in a designated water management area
- 1. Under the common law, the party can do so as long as the use is reasonable and does not interfere with the correlative uses of overlying landowners.
- 2. If an overlying landowner decides to exercise his correlative rights and the proposed use is reasonable but would interfere with the uses of other overlying landowners, he can take that amount of water from the appropriating party."

(Water and the Law in Hawaii, p. 216.)

Thus, once the exercise of correlative water rights meets or exceeds the capacity of an underlying water source, the "right" of appropriators are extinguished. Stated another way, when other land owners overlying the Kamaole aquifer tap into the source such that the source is at capacity, the Project's right to continued withdrawals from Haleakala Ranch wells will diminish and/or end.

The developer may argue that the Kamaole aquifer is a seamless, singular body of underground water such that the taking of water anywhere within the aquifer's boundary amounts to overlying use. This argument, if advanced, fails. First, it is well established that aquifer characteristics vary from place to place. This is evident first hand from, among other things, the poor results obtained by the DINR from its exploratory well drilled just above Maui Meadows in 2006. Second, the developer's own water strategy bespeaks aquifer variability: rather than obtaining water exclusively from wells beneath the Project's land, the developer has turned to more productive wells located off site on Haleakala Ranch land.

The fact is, water beneath the Project is inadequate to produce the kind and volume of water needed to support 1,400 homes, a golf course and commercial center and thus it has sought water elsewhere. Furthermore, to the extent the Project actually resorted to well water within and beneath its boundary, degradation of critical Wailea golf course wells may result, which is perhaps why it has chosen to appropriate water from elsewhere.

The relevance of this to the DEIS is obvious since the draft fails to address any of this. Assuming the Project proceeds with use of offsite wells and assuming south Maui property owners look increasingly to the Kamaole aquifer for irrigation water as many are now doing (see below), how will the Project secure water when its appropriate rights are diminished or extinguished?

Response: There is extensive government oversight of all new well development, water source development, and drinking water systems. As discussed in Section 3.5.1 (Groundwater) of the Draft EIS, all existing on- and off-site wells are fully permitted by Commission on Water Resource Management (CWRM). All new wells will be developed in compliance with all requirements of

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Dear Mr. Hyde:

Thank you for your letter dated June 17, 2010 (second letter) regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II Application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. Honua'ula Partners, LLC's hydrologist, Tom Nance, of Tom Nance Water Resources Engineering, Inc., contributed to the responses in this letter. The organization of this letter follows the headings of your letter.

Key Points

- I. Under Hawaii water law, Wailea 670's [the Project] use of wells on Haleakala Ranch land delegates it to inferior water use priority and status; that of "appropriator." Appropriators' water rights are subordinate to those of overlying landowners and subject to extinguishment.
- II. Existing users of the Kamaole aquifer must be documented to benchmark the current situation against which the Project's future use can be measured.
- III. Current aquifer users are entitled to unhindered use of their wells.
- IV. Well monitoring is needed to guard against potential disruption of aquifer equilibrium.
- V. DEIS deficiency check list.

Response: Responses to your key points are provided below in our responses to your more detailed comments.

I. Three Kinds of Water Rights Exist Under Hawaii Common Law; the Project's Haleakala Ranch Wells Have Low Water Priority

Comment: Hawaii common law recognizes three district categories of water rights: "(1) riparian rights, which are water rights of land adjacent to a stream; (2) appurtenant rights, which are water rights attaching to a specific piece of property; and (3) correlative rights, which are water rights of land to its underlying groundwater." (Lawrence H. Milke, Water and the Law in Hawaii, p. 96 C. 2004.)

Here, streams and/or surface water are absent on or near the subject parcel, leaving only correlative rights to use water beneath the Project's land. Unfortunately for the developer, the water sourcing strategy outlined in the DEIS relies not so much on wells within the Project's boundary as upon wells located offsite on Haleakala Ranch property. This relegates the Project to the status of a water "appropriator" under the law.

Chapter 174C, Hawai'i Revised Statutes (HRS) (State Water Code) and Hawai'i Administrative Rules (HAR) Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code. All new wells will be developed in compliance with all requirements of Chapter 174C, HRS (State Water Code) and HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code. The CWRM application process for well construction permits requires an extensive application process with thorough review by the State Department of Health (DOH) for compliance DOH rules and standards, including the appropriateness of the well location.

Further, the County's Water Availability Policy, codified as Chapter 14.12, Maui County Code (MCC), requires verification of a long-term, reliable supply of water before subdivisions are approved. In accordance with Section 14.12.050 MCC, in reviewing and commenting on water source engineering reports the Department of Water Supply (DWS) Director shall consider (among other things) the following factors:

- Cumulative impacts;
- CWRM's Water Resources Protection Plan;
- The general plan and relevant community plans;
- The adverse impacts on surrounding aquifers and stream systems, including:
 - Water levels;
 - Water quality, including salinity levels;
 - Surface water-groundwater interactions; and
 - Adverse impacts on other existing, future, or planned wells;
- The adverse impacts on the water needs of residents currently being served and projected to be served by DWS;
- The adverse impacts on environmental resources that are rare or unique to the region and the project site (including natural, cultural, or human-made resources of historic, archaeological, or aesthetic significance);
- The adverse impacts on the exercise of traditional and customary Native Hawaiian rights and practices;
- United States Geological Survey studies;
- Whether the applicant is in full compliance with the State water code and County's water reporting laws;
- Whether the affected water source, including groundwater, surface water, or other source of water will exceed:
 - 90 percent of the sustainable yield;
 - Instream flow standards; or
 - Interim instream flow standards; and
- The adverse impacts to the water needs of residents currently on a County "wait list" for water meters.

Honua'ula's private water system also is subject to the approval of the State Department of Health (DOH) Safe Drinking Water Branch, Under HAR Chapter 11-20 (Potable Water Systems) as part of the DOH approval process the DOH requires that new private water companies demonstrate capacity requirements and satisfactory technical, managerial, and financial capabilities, including:

- Demonstration of capacity requirements and satisfactory technical, managerial, and financial capabilities to enable the system to comply with safe drinking water standards and requirements, including:
 - An adequate water source to serve current and future water users;
 - Adequate system technical performance;
 - An infrastructure replacement plan that includes estimates of the useful life and plans for the eventual replacement of the public water system's infrastructure;
 - An operational plan that includes a preventative and corrective maintenance program;
 - A clear management organization and communication structure;
 - An emergency response plan;
 - Adequate financial capacity and dedicated sources of income, including income and cash reserves to pay annual operating expenses, unexpected significant repairs, and planned major work;
 - Adequate budget controls, including performance reviews of actual expenditures and annual budgets, procedures to safeguard financial assets, and maintenance of detailed financial records that clearly identify sources of income and expenses involved in operating the public water system; and
 - Demonstration of credit worthiness, including: 1) long-term dedicated revenue projections showing sufficient revenue for: a) operating and maintaining the public water system; b) performing anticipated repairs; c) replacement of major equipment; d) future expansion; and e) repayment of loans; and 2) credit reports that indicate that the public water system is financially healthy and credit worthy.
- Approval of the Director of Health prior to use, which is based upon the submission of a satisfactory engineering report meeting requirements of DOH;
- Identification (within the engineering report) of all potential sources of contamination and evaluation of alternative control measures that could be implemented to reduce or eliminate the potential for contamination, including treatment of the water source; water quality analysis for all regulated contaminants, performed by the State Laboratories Division of the State of Hawaii, will be submitted to DOH to demonstrate compliance with all drinking water standards;
- Assessment to delineate a source water protection area and creation of a source water protection plan, including activities to protect the source of drinking water;
- Operation of the system by certified distribution and water treatment plant operators meeting the requirements of DOH;
- Design and operation of the potable system to prevent the cross-connection with the non-potable system and the possibility of backflow of water from the non-potable system to the drinking water system—the two systems must be clearly labeled and physically separated by air gaps or reduced pressure principle backflow prevention devices to avoid contaminating the drinking water supply and all non-potable spigots and irrigated areas must be clearly labeled with warning signs to prevent the inadvertent consumption of non-potable water; and
- Addressing the potential of contaminating activities (as identified in the Hawaii Source Water Assessment Plan) within the source water protection area and activities that will be implemented to prevent or reduce the potential for contamination of the drinking water source.

To include the relevant above information in the Final EIS, along with addressing comments regarding water issues from others, in the Final EIS Section 4.8.1 (Water System) will be revised as shown on the attachment titled "Water System."

II. The DEIS Must Identify and Quantify Existing Aquifer Users

Comment: It is elementary that we must know the baseline parameters of seasonal well draws from existing Kamaole aquifer users. Once captured, the data will provide a springboard for discussion of probably future aquifer use in the water-starved, arid South Maui region.

A logical starting point is Hawaii's Commission on Water Resource Management (CWRM) ground water well index for the Kamaole aquifer, listing 134 installed wells with a total capacity of 19.23 mgd. (See attached list and maps.) While some of these wells are likely dormant or abandoned, it is notable that over 30 wells have been drilled into the aquifer during the past 10 years, many by large properties that may use significant volumes of water for irrigation, such as the Makena Surf condominiums in Makena; the Kea Lani Hotel in Wailea; Grand Champions Villas in Wailea; and the Maui Kamaole, Maui Vista, Ke Alif, and Kihel Akahi condominiums in substantial volumes of water from the aquifer for irrigation, particularly during hot, dry summer months. For example, Makena Land LLC's May 2007 water use report to the CWRM indicates a daily water draw of 2,770,553 gallons; Wailea Resort reported a daily draw of 2,728,709 gallons in the month of August 1998. (See attached.) Combined, the two reports show dry season water withdrawals equal to 5.5 mgd, wholly aside from draws by other area well owners.

Unfortunately, well owner compliance with CWRM well water reporting requirements is spotty, and the CWRM reports inability to compel owner compliance with reporting requirements. This, however, does not excuse the developer from gathering all available information and, in fact, heightens the need for it because without baseline data the risk posed to the environment by the Project becomes nothing more than a gamble. Gambling on water for a project of this size does not meet the purposes of the state's environmental laws, rules and regulations.

Here's what we need in the DEIS: (1) identification of all existing, operative Kamaole aquifer wells; (2) quantification of the seasonal use of each operative well in terms of volume of water withdrawn and water quality achieved; and (3) assessment of likely future well demand.

The utility of this information is obvious and elementary. First, current usage and water quality, measured over time, must be assessed to serve as a benchmark against which the Project's activity can be measured. Second, current pumpage volumes will shed light on the aquifer's sustainable yield and current surplus, if any. Third, pumpage data will provide a platform from which future water need scenarios can be modeled. This is particularly relevant given (a) lack of capacity of the Central Maui water system to meet new water needs, (b) persistent and continuing arid/drought conditions in south Maui, (c) continued local population growth and associated development pressure and (d) the tenuous nature of the Project's proposed "appropriator" water rights.

Response: Tom Nance Water Resource Engineering (TNWRE) has prepared a supplemental report which contains data for all wells in the Kama'ole Aquifer available from the CWRM, including reported: 1) pumpage; and 2) chlorides and water levels. The Final EIS will include this supplemental report.

According to CWRM records, there are a total of 134 wells within the Kama'ole Aquifer System, many of which are more than 60 years old and no longer in use. Of the 134 wells, 43 are known

or presumed to be in use, 47 are no longer in use or do not draw from the basal lens, and 44 are of unknown status relative to their use.

Examination of CWRM data shows that reporting of chlorides and water levels to CWRM is minimal. Only three of the 43 wells in the aquifer that are known or presumed to still be active are presently reporting that information. For wells for which TNWRE has independent data, chloride levels have been stable for a decade of monthly sampling.

To include the relevant above information in the Final EIS, in the Final EIS Section 3.5.1 (Groundwater) will be revised as shown on the attachment titled "Groundwater." In addition the supplemental report from TNWRE will be included in Appendix B of the Final EIS.

Regarding your request for "assessment of likely future well demand" for operating Kama'ole Aquifer wells, any estimate of future demand would be highly speculative at this point. In Section 7.2 (Cumulative and Secondary Impacts) of the Draft EIS it is noted that the availability of water "is a critical factor in determining whether a project can proceed and may be a limiting factor with respect to a specific project moving forward, especially in the Kihai region with its restricted water resources." Section 7.2 (Cumulative and Secondary Impacts) of the Draft EIS also states: "The feasibility of a project proceeding is based on many factors, including the State Land Use District classification, the Community Plan and zoning designations, other necessary approvals, overall economic conditions, the demand for the proposed product, and the willingness of a landowner or developer for public agency as the case may be to risk the capital required for development." Furthermore, because of the multi-stage land use approval and permitting process that exists in Hawai'i, there are many approvals of a project at various levels of government and at different points in time, including for public projects such as high schools. At each step, decision-makers involved in the process evaluate a project in the context of the existing regional conditions, including infrastructure capacity and other factors. Therefore it is speculative to make assumptions about any projects moving forward. When and if a proposed project does move forward the developer will have to determine a source of water and what impact, if any, that source would have on the aquifer, similar to what Honua'ula is doing with their Draft EIS and subsequent required approvals.

III. Existing Kamaole Aquifer Users Are Entitled to Unhindered Use of Their Wells

Comment: "[T]he rights of all land owners over a common basin, saturated strata, or underground reservoir, are coequal or correlative, and...one land owner can not extract more than his share of the water even for use on his own lands, where the rights of others are injured thereby." (Water and the Law in Hawaii, p. 105, quoting Waiahole II, P. 74.)

To the extent Wailea 670's water extraction injures other wells or the utility of the aquifer in general, other well users will be damaged, irreparably if the aquifer as a whole "salls up" and/or individual producing wells are degraded. The DEIS must calculate the risk of a negative outcome and develop alternate water sourcing plans in the event the developer's assumptions about its water use are incorrect. The use of scenario planning techniques would be helpful.

Response: As noted in the response above, examination of CWRM data shows that reporting of chlorides and water levels to CWRM is minimal. Only three of the 43 wells in the aquifer that are known or presumed to still be active are presently reporting that information. For wells for which

TNWRE has independent data, chloride levels have been stable for a decade of monthly sampling.

Section 3.5.1 (Groundwater) and Appendix B of the Draft EIS discuss potential impacts and proposed mitigation measures in regard to ground water resources. As discussed in Section 3.5.1 (Groundwater):

- Because Wailea Resort's Well 2 (No. 4126-02) is nearly directly downgradient from Honua'ula's on-site wells, it is the only well in which there may be a potential increase in salinity due to the potential decrease of groundwater flow being taken up by the on-site Honua'ula wells. Decreased pumping of Honua'ula's on-site wells would alleviate this potential impact.
- An estimated six active downgradient wells may be impacted by a potential increase in salinity due to reduced flowrate resulting from Honua'ula's off-site wells, which current calculations indicate may be on the order of five percent. These downgradient brackish wells were developed to provide landscape irrigation for individual condominium parcels, and the combined draft of all of these wells is relatively small (in the range of 0.12 to 0.30 MGD as a year round average). It is not known if the increase in salinity would materially impair the utility of the wells; however if the utility of the wells is materially impaired, additional wells (pumping the same combined amount of water) in the area north of Maui Meadows would distribute the draft over a greater area and would alleviate the impact downgradient.

IV. **Well Monitoring is Needed to Guard Against Potential Disruption of Aquifer Equilibrium**

Comment: *In Water and the Law in Hawaii, Mitke notes that sustainable yield is a management concept requiring periodic monitoring, particularly when withdrawals approach sustainable yield. Where the sustainable yield is speculative, as it is here, effective monitoring is particularly critical to protection of the environment.*

"Monitoring includes deep monitor wells, water-level observation wells, spring chemistry data, and water use/chloride data from production wells. Deep monitor wells measure the size and stability of the freshwater lens. Such monitoring can follow the stability of the transition zone." (Water and the Law in Hawaii, p. 7.)

The DES makes no reference to industry-standard monitoring strategies. Given the risky approach to water development proposed here, monitoring wells present the best means to guard against potential disruption of aquifer equilibrium. Accordingly, a monitoring regimen needs to be articulated in the DES (and ultimately deployed).

Response: As discussed in Section 3.5.1 (Groundwater) of the Draft EIS, groundwater in the Kama'ole Aquifer exists as a basal lens from the shoreline as far inland as the 1,700-foot contour. The direction of groundwater flow in the basal lens is mauka-to-makai.

According to Honua'ula Partners LLC's hydrologist, TNWRE, nothing in the available data from wells across the entire Kama'ole Aquifer, and more specifically in the mauka-makai corridor that may be affected by Honua'ula's wells, suggests that a monitor well is needed. Nevertheless,

Honua'ula Partners LLC will construct an upgradient golf course monitor well to a depth that will allow the well to also be used to monitor the transition zone below the basal lens. The monitor well will be installed prior to the start of use of Honua'ula's production wells. Periodic profiling of salinity and temperature through the monitor well's water column will be performed. This data will be used to track salinity in the basal lens and the movement, if any, of the transition zone.

To include the relevant above information in the Final EIS, in the Final EIS Section 3.5.1 (Groundwater) will be revised as shown on the attachment titled "Groundwater."

V. **Key DEIS Deficiency Check List**

The following items need to be included in the water component of the Project's DEIS:

Comment: *Identification of all existing Kamaole aquifer users, including*
a. pumpage/volume and water quality data,
b. reported seasonally, if not monthly,
c. covering an extended period of time, preferably not less than 5 years, and
d. updated not less than annually.

Response: As noted above in a previous response, TNWRE has prepared a supplemental report which contains data for all wells in the Kamaole Aquifer available from the CWRM, including reported: 1) pumpage; and 2) chlorides and water levels. The Final EIS will include this supplemental report.

According to CWRM records, there are a total of 134 wells within the Kama'ole Aquifer System, many of which are more than 60 years old and no longer in use. Of the 134 wells, 43 are known or presumed to be in use, 47 are no longer in use or do not draw from the basal lens, and 44 are of unknown status relative to their use.

Examination of CWRM data shows that reporting of chlorides and water levels to CWRM is minimal. Only three of the 43 wells in the aquifer that are known or presumed to still be active are presently reporting that information. For wells for which TNWRE has independent data, chloride levels have been stable for a decade of monthly sampling.

To include the relevant above information in the Final EIS, in the Final EIS Section 3.5.1 (Groundwater) will be revised as shown on the attachment titled "Groundwater." In addition the supplemental report from TNWRE will be included in Appendix B of the Final EIS.

Comment: *An irrevocable and continuous plan for periodic measurement and transparent reporting of the above information.*

Response: As noted above in a previous response Honua'ula Partners LLC will construct an upgradient golf course monitor well to a depth that will allow the well to also be used to monitor the transition zone below the basal lens. The monitor well will be installed prior to the start of use of Honua'ula's production wells. Periodic profiling of salinity and temperature through the monitor well's water column will be performed. This data will be used to track salinity in the basal lens and the movement, if any, of the transition zone. Honua'ula Partners LLC will comply with all CWRM monitoring and reporting requirements.

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Comment: *Articulation of an irrevocable and continuous professional well monitoring scheme designed to protect the equilibrium of the Kamaole aquifer.*

Response: As noted above in a previous response, Honua'ula Partners LLC will construct an upgradient golf course monitor well to a depth that will allow the well to also be used to monitor the transition zone below the basal lens. The monitor well will be installed prior to the start of use of Honua'ula's production wells. Periodic profiling of salinity and temperature through the monitor well's water column will be performed. This data will be used to track salinity in the basal lens and the movement, if any, of the transition zone. Honua'ula Partners LLC will comply with all CWRM monitoring and reporting requirements.

Comment: *Examination of an array of possible future states, paying particular attention to current and likely future weather and water conditions in and around the Project site. Best and worst case water availability scenarios for the Project need to be developed and possible outcomes reported, paying particular attention to the Project's tenuous hold on Haleakala Ranch well water.*

Response: As noted above in a previous response, there is extensive government oversight of all new well development and drinking water systems. Honua'ula Partners, LLC will comply with all State and County regulations and rules pertaining to well and water source development and new drinking water sources, including: 1) all requirements of Chapter 174C, HRS (State Water Code) and HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code; 2) the County's Water Availability Policy, Chapter 14.12, MCC; and 3) DOH Safe Drinking Water Branch rules pertaining to potable water systems HAR Chapter 11-20 (Potable Water Systems). To the extent that these laws and rules require "examination of an array of possible future states," Honua'ula will provide the requisite information.

Comment: *Development and articulation of carefully calculated and operationally feasible water sourcing contingency plans in the event the Project's water strategy fails.*

Response: It is highly unlikely that Honua'ula's private water system will fail. As noted above in a previous response, there is extensive government oversight of all new well development and drinking water systems. Honua'ula Partners, LLC will comply with all State and County regulations and rules pertaining to well and water source development and new drinking water sources, including: 1) all requirements of Chapter 174C, HRS (State Water Code) and HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code; 2) the County's Water Availability Policy, Chapter 14.12, MCC; and 3) DOH Safe Drinking Water Branch rules pertaining to potable water systems HAR Chapter 11-20 (Potable Water Systems). To the extent that these laws and rules require "development and articulation of carefully calculated and operationally feasible water sourcing contingency plans" Honua'ula will provide the requisite information.

Comment: *Identification/location of all water lines and storage facilities intended to support the project. To the extent these plans violate the Upcountry Community Plan, explain how conflicts will be resolved.*

Response: The Makawao-Pukalani-Kula Community Plan contains Water Objective & Policy # 4, which states:

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4. *Restrict the use of any water developed within or imported to the Upcountry region to consumption within the Upcountry region, with exception provided for agricultural use.*

Honua'ula's private water system is not in conflict with this policy. Honua'ula's off-site wells are located in the Kihei-Makana Community Plan area in an area north of Maui Meadows. The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of this water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on-site and some will be transmitted to an off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the Makawao-Pukalani-Kula Community Plan.

Figure 2 (Regional Location) of the Draft EIS shows the location of Honua'ula's off-site water infrastructure. In the Final EIS, Figure 2 (Regional Location) will be revised to show: 1) the location of the off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation; and 2) the boundary between the Makawao-Pukalani-Kula Community Plan and the Kihei-Makana Community Plan regions. The attachment titled "Figure 2" shows the revised figure.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

1. *That Honua'ula Partners, LLC, its successors and permitted assigns, shall, at their own cost and expense, develop, maintain, and operate, or cause to be developed, maintained, and operated, a private water source, storage facilities, and transmission lines for the Wailea 670 (Honua'ula) project in accordance with Department of Water Supply standards and all applicable community plans. Honua'ula Partners, LLC, its successors and permitted assigns, shall comply with all reporting requirements of the State Commission on Water Resource Management.*

In addition, Honua'ula Partners, LLC, its successors and permitted assigns, shall comply with applicable water ordinances that pertain to the supply and transmission of water from the island of Maui when such ordinances are enacted.

At the time the project water system is completed, Honua'ula Partners, LLC, its successors and permitted assigns, shall offer to the County the right to purchase the project water system at the cost of development of such system.

The water rates for the residential workforce housing units shall be no higher than the general water consumer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, Maui County Code.

Discussion: As discussed in Section 4.8.1 (Water System), Honua'ula Partners, LLC will comply with this condition by providing a private water source, storage facilities, and transmission lines for Honua'ula in accordance with DWS standards and all applicable community plans. Further discussion is provided in Section 4.8.1 (Water System).

In comments on the Draft EIS some commenters referenced the *The Makawao-Pukalani-Kula Community Plan* and commented that Honua'ula's private water system was not in compliance with this plan. Specifically these comments pertained to Water Objective & Policy # 4 of the *Makawao-Pukalani-Kula Community Plan*, which states:

4. Restrict the use of any water developed within or imported to the Upcounty region to consumption within the Upcounty region, with exception provided for agricultural use.

Honua'ula's private water system is not in conflict with this policy. Honua'ula's off-site wells are located in the Kiheti-Makena Community Plan region in an area north of Maui Meadows. The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of the water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on site and some will be transmitted to an off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the *Makawao-Pukalani-Kula Community Plan*.

Figure 2 shows the location of Honua'ula's off-site water infrastructure and the boundary between the Makawao-Pukalani-Kula Community Plan and the Kiheti-Makena Community Plan regions.

In further compliance with ~~the same~~ Condition 1, Honua'ula Partners, LLC will also: 1) offer the right to purchase the completed water system to the County; and 2) ensure that water rates for the residential workforce housing units will be no higher than the general water consumer rates set by the County, for as long as the units are subject to Chapter 2.96 of the County Code.

Comment: *Reassessing the average rainfall assumptions contained in the current DEIS, with citation to reliable/credible sources substantiating the data used. If reassessment results in lower average rainfall data, adjust all internal calculations, particularly those relating to expected aquifer recharge and seasonal water draws for irrigation.*

Response: Section 3.1 (Climate) of the Draft EIS states that average rainfall distribution for the Kiheti-Makena region varies from under 10 inches per year to more than 20 inches per year. As noted in the Draft EIS the source of this information is the 2008 Maui County Data Book. While not broken down in the Draft EIS, the 2008 Maui County Data Book records the higher end of this range (i.e., 20 inches per year) as occurring at the Makena Golf Course. The average rainfall of 18

inches per year stated in the report titled "Assessment of the Potential Impact on Water Resources of the Honua'ula Project in Wailea Maui" (Appendix B of the Draft EIS) is within the range reported in the 2008 Maui County Data Book, and since Honua'ula is near the Makena end of the Kiheti-Makena region, it is consistent with the higher rainfall averages reported for the Makena Golf Course. Regardless, rainfall on the Honua'ula site, an inconsequential part of the 89-square mile aquifer, has little to do with the aquifer's sustainable yield.

The addition of Honua'ula's wells and water system would still have total aquifer pumpage significantly less than the CWRM's adopted sustainable yield of 11 MGD in 1990. Subsequent well development and more sophisticated studies of rainfall-recharge suggest that 11 MGD in 1990. Subsequent well development and more sophisticated studies of rainfall-recharge suggest that 11 MGD is likely to be conservative.

Comment: *Admit the uncertain status of the sustainable yield estimate for the Kamaole aquifer and discuss the implications of uncertainty. Describe how the Project will respond if the sustainable yield is less than the current uncertain estimate.*

Response: As explained in our responses to your June 2010 letter, the 11 MGD sustainable yield adopted by the CWRM for the Kama'ole Aquifer is based on computations of rainfall-recharge using average annual values of rainfall and evaporation. Subsequent and far more sophisticated recharge calculations by the U.S. Geological Survey (USGS) and others, which were done with a shorter computation time step and, for some, the inclusion of fog drip in the upper elevation areas, have all derived greater amounts of recharge to the aquifer. All suggest that the sustainable yield is actually greater than the CWRM's adopted figure. Section 3.51 (Groundwater) of the Draft EIS notes and references these more sophisticated recharge calculation studies by the USGS and others.

In 1990 when the aquifer's sustainable yield was adopted by the CWRM, well development was limited to irrigation wells for the Wailea and Makena Resorts and small-capacity wells along the Kiheti shoreline. Since that time, a number of wells have been drilled to the north and at higher elevations which produce potable quality water and a number of others have been drilled at mid-elevation and produce slightly brackish water. In addition, geophysical work has been done over a significant portion of the aquifer. In other words, a substantial amount of hydrologic information has been developed since 1990, all of which indicates that the aquifer's sustainable yield is likely to be more than 11 MGD.

Given the hydrologic information that has been developed since 1990, the aquifer's actual sustainable yield is not a limitation on development of Honua'ula.

Comment: *Develop and report comprehensive wastewater and desalination plans; meet all the requirements of HAR sections 11-200, et seq.*

Response: The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawaii's EIS laws and rules (Chapter 343, HRS) and Title 11, Chapter 200, HAR). The EIS laws and rules provide for the preparation of a draft EIS, a review process, and the preparation of a final EIS. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments, and our responses. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final

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EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments.

Section 4.8.1 (Water System) and Appendix P (Preliminary Engineering Report) of the Draft EIS include information regarding Honua'ula reverse osmosis (RO) system. As stated in Section 4.8.1 (Water System) of the Draft EIS, RO plant will be subject to regulation as a public water system and will meet requirements of the State DOH, including HAR Chapters 11-20 (Potable Water Systems), 11-21 (Cross-Connection & Backflow Control), and 11-25 (Operating Personnel in Water Treatment Plants).

Section 4.8.2 (Wastewater System) and Appendix P (Preliminary Engineering Report) of the Draft EIS discuss two alternatives for Honua'ula's wastewater system: 1) transport wastewater to the Mākena Wastewater Reclamation Facility (WWRF) for treatment; or 2) provide an on-site WWRF. Preliminary details and analysis of both alternatives is also provided. Section 4.8.2 (Wastewater System) Draft EIS also states that wastewater system design, construction, and operation (whether at a new on-site WWRF or at the Mākena WWRF) will be in accordance with County standards and in compliance with all applicable provisions of the State DOH Administrative Rules (DOH rules) regarding wastewater systems (Chapter 11-62, Hawaii Administrative Rules (HAR)). To provide additional information on both alternatives, in the Final EIS Section 4.8.2 (Wastewater System) will be revised as shown on the attachment labeled "Wastewater System."

In addition, in compliance with County of Maui Ordinance No. 3554 Condition 16, on May 11, 2010 Honua'ula Partners, LLC submitted a sewage disposal analysis (Analysis) to the Maui County Council. After receiving the Analysis, the Maui County Council accepted the Analysis and did not subject Honua'ula to any additional conditions or amendments. As a result, Condition 16 has been fully satisfied.

To reflect this updated information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

16. That Honua'ula Partners, LLC, its successors and permitted assigns, shall provide a Sewage Disposal Analysis that has been reviewed and commented on by the State Department of Health, the State Department of Land and Natural Resources, the County Department of Environmental Management, and the County Department of Water Supply prior to Project District Phase II approval. The Sewage Disposal Analysis, along with reviews and comments, shall be submitted to the Maui County Council for review and the project shall be subject to additional conditions or amendments by the Maui County Council if warranted by the Sewage Disposal Analysis.

Discussion: As discussed in Section 4.8.2 (Wastewater System) Honua'ula will not rely upon or burden any County wastewater system. Instead, Honua'ula Partners, LLC will either participate in the operation of a private WWRF and system that accommodates the needs of Honua'ula (Alternative 1) or provide a WWRF on-site (Alternative 2). The Preliminary Engineering Report prepared for Honua'ula (Appendix P) provides preliminary information regarding wastewater. For a more detailed analysis Honua'ula Partners, LLC has engaged Brown and Caldwell Engineers to prepare a Draft Honua'ula Sewage Disposal Analysis. In accordance with this condition, the Analysis ~~will be~~ has been submitted to the State DOH and DLNR and the County DEM and DWS for review and comment before Project District Phase II approval. These agencies have since provided comments and

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subsequently. ~~The~~ the Analysis, along with reviews and comments, ~~will then be~~ was submitted to the Maui County Council on May 11, 2010 for review. After receiving the Analysis, the Maui County Council accepted the Analysis and did not subject Honua'ula to any additional conditions or amendments. As a result, Condition 16 has been fully satisfied.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachments: Water System
Groundwater
Figure 2
Wastewater System

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¹ Milke explains that these "rights" are not of ownership, but rights of priority; they give the holder priority over the use of the water to which the rights attach. (Water and the Law in Hawaii, p. 96.)

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June 29, 2010

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Re: DRAFT EIS for HONUUA'ULA (WAILEA 670)

Proposed Illegal Water Transmission System

SUMMARY of WATER ISSUE: The proposed water transmission system for this project is illegal because it does not comply with Honua'ula Zoning Condition #1 and the Upcountry Community Plan. The applicant should seek a water transmission system that completely complies with County law. This compliance should be clearly discussed and mapped in the Final EIS.

Honua'ula Zoning Condition #1 explicitly states that the project **MUST** comply with " ... all applicable community plans".

Honua'ula Zoning Condition #1

That Honua'ula Partners, LLC, its successors and permitted assigns, shall, at their own cost and expense, develop, maintain, and operate, or cause to be developed, maintained, and operated, a private water source, **storage facilities, and transmission lines** for the Wailea 670 project in accordance with Department of Water Supply standards **and all applicable community plans**. Honua'ula Partners, LLC, its successors and permitted assigns, shall comply with all reporting requirements of the State Commission on Water Resource Management.

One of Maui Island's community plans is the **Makawao-Pukalani-Kula (Upcountry Maui) Community Plan**. It is very clear on water transmitted out of the Upcountry District. The relevant requirement is contained on Page 36 of the Upcountry Plan.

" 4. **Restrict the use of any water** developed within or imported to the **Upcountry region to consumption within the Upcountry region**, with exception provided for agricultural use."

Water transmission lines are NOT legally allowed to pass through any part of the Makawao-Pukalani-Kula (Upcountry Maui) Community Plan District and then back into the Kihei-Makena (South Maui) Community Plan District.

However, the Draft EIS shows Honua'ula (Wailea 670) intends to send water into and then illegally out-of the Upcountry district utilizing water transmission lines AND two 810' elevation water tanks which are both located within the upcountry district.

According to the text of the DEIS, the proposed **potable** water transmission line will go mauka of the Maui Meadows sub-division (passing through the Upcountry District) and then up-hill to a 810' elevation water tank clearly within the Upcountry (Makawao-Pukalani-Kula) Community Plan District. The proposed water transmission route would then pass through the Upcountry District and illegally back into the South Maui District to serve the non-agricultural Honua'ula (Wailea 670) development.

Similarly, the **non-potable** water will pass from a water tank at the 810' elevation out of the Upcountry Community Plan district and illegally into the Kihei-Makena (South Maui) Community Plan district.

The County's Corporation Counsel previously advised the County Council that water being transmitted out of the Upcountry (Makawao-Pukalani-Kula) Community Plan District to this project would clearly be illegal. The applicant is very aware of this ruling and has had almost a decade (since 2001) to resolve this matter without breaking the law..

The DEIS completely fails to mention the relevant sections of the Upcountry Community Plan, nor does it indicate the actual location of the 810' elevation water tank on the relevant map.

I am very certain about the intention of item #4 above, since I was the Vice-Chairman of the Upcountry Citizens Advisory Committee (CAC) that proposed the restriction. I also have recently checked with the CAC Chair (former Maui Mayor Elmer Cravalho) on the specific intent of that water restriction and he verified what I have written here.



May 31, 2012

PRINCIPALS
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Principal

R STAN DUNCAN, ASIA
Executive Vice-President

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Figure 2 (Regional Location) of the Draft EIS shows the location of Honua'ula's off-site water infrastructure. In the Final EIS, Figure 2 (Regional Location) will be revised to show: 1) the location of the off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation; and 2) the boundary between the Makawao-Pukalani-Kula Community Plan and the Kihai-Makena Community Plan regions. The attachment titled "Figure 2" shows the revised figure.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

1. That Honua'ula Partners, LLC, its successors and permitted assigns, shall, at their own cost and expense, develop, maintain, and operate, or cause to be developed, maintained, and operated, a private water source, storage facilities, and transmission lines for the Wailea 670 (Honua'ula) project in accordance with Department of Water Supply standards and all applicable community plans Honua'ula Partners, LLC, its successors and permitted assigns, shall comply with all reporting requirements of the State Commission on Water Resource Management.

In addition, Honua'ula Partners, LLC, its successors and permitted assigns, shall comply with applicable water ordinances that pertain to the supply and transmission of water from the island of Maui when such ordinances are enacted.

At the time the project water system is completed, Honua'ula Partners, LLC, its successors and permitted assigns, shall offer to the County the right to purchase the project water system at the cost of development of such system.

The water rates for the residential workforce housing units shall be no higher than the general water consumer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, Maui County Code.

Discussion: As discussed in Section 4.8.1 (Water System), Honua'ula Partners, LLC will comply with this condition by providing a private water source, storage facilities, and transmission lines for Honua'ula in accordance with DWS standards and all applicable community plans. Further discussion is provided in Section 4.8.1 (Water System).

In comments on the Draft EIS some commenters referenced the *The Makawao-Pukalani-Kula Community Plan* and commented that Honua'ula's private water system was not in compliance with this plan. Specifically these comments pertained to Water Objective & Policy # 4 of the *Makawao-Pukalani-Kula Community Plan*, which states:

4. Restrict the use of any water developed within or imported to the Upcountry region to consumption within the Upcountry region, with exception provided for agricultural use.

Honua'ula's private water system is not in conflict with this policy. Honua'ula's off-site wells are located in the Kihai-Makena Community Plan region in an area north of Maui Meadows. The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of the water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on site and some will be transmitted to an off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and

Thank you for your letter dated June 29, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments regarding Honua'ula's compliance with County of Maui Ordinance No. 3554 Condition 1 and the *Makawao-Pukalani-Kula Community Plan* (Upcountry Community Plan).

Comment: The proposed water transmission system for this project is illegal because it does not comply with Honua'ula Zoning Condition #1 and the Upcountry Community Plan. The applicant should seek a water transmission system that completely complies with County law. This compliance should be clearly discussed and mapped in the Final EIS.

Response: The Makawao-Pukalani-Kula Community Plan contains Water Objective & Policy # 4, which states:

4. Restrict the use of any water developed within or imported to the Upcountry region to consumption within the Upcountry region, with exception provided for agricultural use.

Honua'ula's private water system is not in conflict with this policy. Honua'ula's off-site wells are located in the Kihai-Makena Community Plan area in an area north of Maui Meadows. The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of the water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on-site and some will be transmitted to an off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the *Makawao-Pukalani-Kula Community Plan*.

Dick Mayer
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
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storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the Makawao-Pukalani-Kula Community Plan.

Figure 2 shows the location of Honua'ula's off-site water infrastructure and the boundary between the Makawao-Pukalani-Kula Community Plan and the Kihei-Makana Community Plan regions.

In further compliance with ~~the conditions~~ Condition J, Honua'ula Partners, LLC will also: 1) offer the right to purchase the completed water system to the County; and 2) ensure that water rates for the residential workforce housing units will be no higher than the general water consumer rates set by the County, for as long as the units are subject to Chapter 2.96 of the County Code.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachment: Figure 2 (Regional Location)

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Prof. Dick Mayer
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June 30, 2010

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Supplementary Comments on Draft EIS for HONUA'ULA (WAILEA 670)

This letter is a supplement to the comments contained in my June 29, 2010 letter.

The following are some of the issues that are examined in this letter:

1. Questionable Basic Assumptions and Practices
2. The Appropriate "Region"
3. Traffic Impacts along Piliame Highway (Appendix L)
4. Questionable Net Benefits to the County and State
5. Traffic Counts
6. Inconsistency In Utilizing Projected Population Growth Rates
7. Beach Club
8. Wildfires
9. Draft EIS – Deceptive Response to my Letter

#1 QUESTIONABLE BASIC ASSUMPTIONS and PRACTICES

The Draft EIS has made a number of questionable assumptions that need to be corrected in the final EIS. These questionable assumptions are very significant, and cast into doubt the validity of a number of the sections throughout the whole document.

The Draft EIS assumes that there are only 1,150 units generating impacts. Consequently, the Draft EIS has committed one of the cardinal sins that should be avoided in preparing an EIS document, i.e. segmentation, and the consequent inability to evaluate cumulative impacts/effects. The Draft EIS has only looked at a portion of the Honua'ula (Wailea 670) project. The Honua'ula (Wailea 670) project has a total of 1,400 units; unfortunately, throughout the document 250 of those units have been totally segmented and neglected, perhaps, awaiting a separate EIS. This is wrong.

Although they are not located within the 669 acres, the **250 workforce housing units** are an integral part of this project, as can be clearly recognized in the conditions placed in the Maui County Council ordinance (County condition #5). By neglecting these 250 units, the Draft EIS has segmented this project and has not fully addressed the cumulative impacts of the Honua'ula (Waialea 670) project.

Why is this important? By neglecting to analyze the impacts of the 250 workforce housing units, the Draft EIS has not considered the impact of those units and of those residents on schools, water, traffic, wastewater, energy, parks, etc.

A related assumption relates to the MIS-calculations used throughout the Draft EIS with regard to the **projected population increase** resulting from the Honua'ula (Waialea 670) project. The "population increase" estimates can be found in Volume 1, page 137, and in Appendix Q, Table 19.

The Draft EIS predicts (Volume 1, page 137) an increase of only 1,833 people as a result of the development of this project. This is most certainly an underestimate and consequently it has serious implications for the many calculations which are made throughout the Draft EIS with regard to such areas as traffic, student enrollments, water use, solid waste production, energy needs, etc.

Why is the population projection of 1,833 an under-estimate?

- The residents of the 250 workforce housing units have not been included;
- the Draft EIS estimates that there will be only 2.5 residents per full-time resident household. This number is significantly lower than the estimates used by the Maui County Planning Department in preparing its projections for Maui's housing needs over the next 20 years. A figure of 2.8 is recommended by the County's General Plan Advisory Committee and would probably be more appropriate and would result in a higher overall population projection; and
- the Draft EIS estimates that the non-resident housing will be occupied only 20% of the time. This percentage is significantly lower than the market housing found close by in the Wailea Golf Estates which has about 50% full-time occupancy. If the 20% figure is appropriately changed to a higher number, it will result in a higher estimate of the projected population.

Finally, there is a need to differentiate between average population numbers and maximum population. The Draft EIS uses a figure of 1,833 as the projected population. However, during certain times of the year, such as Christmas and mid-summer, the population will rise because of the influx of the non-residents. These higher population numbers will result in higher impacts on specific components of the environment: energy use, water use, traffic, and perhaps others. Because the 1,833 figure assumes that only 20% of the non-resident housing is being occupied, it is quite conceivable that the population during peak periods may rise considerably. What will the population be during these peak periods? What will be the impacts of this larger population?

SUMMARY: In the Final EIS the 1,833 figure should be increased to account for: a) the 250 workforce housing units; b) a figure of 2.8 residents per household in all of the units; and c) an occupancy rate of approximately 50% in the non-resident housing

units. Utilizing the higher population figure, the Final EIS should reassess and correct all of the impacts, traffic, student enrollments, water use, solid waste production, energy needs, etc.

#2 THE APPROPRIATE "REGION"

The Draft EIS has used several descriptions of the appropriate "region". When the DEIS authors wish to diminish the impacts of the Honua'ula (Waialea 670) project, the region is geographically constrained, as for example, when discussing traffic impacts the only intersections discussed are those in the immediate area around the Waialea 670 site and no further away than the entrance to Maui Meadows. On the other hand when it is useful to describe the benefits of this Honua'ula (Waialea 670) project, the geographic region is expanded to include all of South Maui (including the high-tech park, the proposed high school, etc.).

SUMMARY: A single, consistent description of a geographic region should be utilized throughout the Final EIS. Because this project is so large, and because it involves the 250 workforce housing units in North Kihei, it would be appropriate to include all of South Maui as the region impacted by the Honua'ula (Waialea 670) project.

#3 TRAFFIC IMPACTS ALONG PIILANI HIGHWAY (Appendix L)

The Director of the State DOT has publicly stated that the State will not be building a mauka alignment parallel to Piilani Highway; and the County does not have the revenue to build this mauka highway. Consequently, Piilani Highway will need to be carefully evaluated as to whether it can handle, within its very constraining right-of-way, the cumulative traffic from the many already entitled projects plus the Honua'ula (Waialea 670) project.

Unfortunately, the Draft EIS has limited its traffic analysis to intersections only in the immediate vicinity of the Honua'ula (Waialea 670) project. The analysis is further short-changed by the inclusion of only two off-site projects, Makena resort and Waialea resort.

In other chapters the Draft EIS clearly points out that there will be many other projects built in Makena, Waialea, South and North Kihei. The table on page 308 indicates that there are in the South Maui region over 3,500 units already entitled in addition to the Honua'ula (Waialea 670) project. Makena resort and Waialea resort make up only a portion of the fully entitled projects. In addition to the big projects, there are many vacant lots and ohanas to be added to the unit counts.

SUMMARY: I agree with the analysis when it discounts the probability that many of the proposed projects will never be built. However, to leave out the impacts of the several thousand other already entitled units is highly misleading. The Final EIS must present a traffic analysis of the impacts of the Honua'ula (Waialea 670) project added to all of the other already entitled projects. When this analysis is done, it will show the cumulative impacts/effects on Piilani Highway. At least two additional Piilani Highway intersections should be added to the traffic analysis. As a minimum, I would suggest: Kamalii School and Lipoa Street. Will Piilani Highway be able to handle all of the Honua'ula (Waialea 670) project's traffic in addition to that generated by all of the other entitled projects, vacant lots and ohanas?

#4 QUESTIONABLE NET BENEFITS TO THE COUNTY AND STATE

Over and over again the Draft EIS over-estimates the revenue to be received by the State and County governments, and concurrently, under-estimates the costs which these governments will have to absorb in order to service the Honua'ula (Wailea) residents. Most of this analysis can be found in detail within Appendix Q, pp. 60-69. A summary of this analysis is found in volume 1, pages 142.

It is possible that this economic analysis is flawed, because the person at Hallstrom who wrote the analysis has no professional training in economics and has only a BA degree in communications/journalism. That is a fine degree to write up the report, but it does not serve as professional background for economic impact analysis. (Appendix Q, last page)

Several errors creep into the economic analysis:

a) Government Expenses: The population of the 1,400 units in the Honua'ula (Wailea 670) project is under-estimated at 1,150. Consequently, there is a severe under-estimate of the costs which both the County and State will have to spend to serve the needs of this larger population.

In Appendix Q on pages 63+64, the Draft EIS assumes a per capita County cost of \$3,082, and a per capita State expenditure of \$5,346. The Final EIS should include the 250 workforce housing units with their 2.8 residents per household for a total of 700 additional residents.

These 700 residents will cost the **County an additional 700 * \$3,082= \$2,157,400.**
These 700 residents will cost the **State an additional 700 * \$5,346= \$3,742,200.**

b) Government Revenues: The income levels generated by the commercial establishments in the Honua'ula (Wailea 670) resort are used as a basis for calculating how much excise and income taxes would be generated by the project. However, according to the analysis in Appendix Q, p. 57, the majority (55%) of customers at these businesses will be coming from off-site. Their spending should be entirely discounted from the excise tax base because they will be merely shifting their spending from other Maui businesses to the Honua'ula (Wailea 670) project. There will be no net increase in income to Maui/Hawaii, and consequently no net increase in excise taxes or income taxes as a result of their shifting their spending from other businesses to those in the Honua'ula (Wailea 670) project.

Therefore, according to the analysis in Appendix Q, p. 58, the spending by off-site consumers would be approximately \$49.7 million per year. Subtracting this amount from the excise tax base will **reduce the State's expected excise tax collections by \$2.06 million per year.**

Furthermore, the analysis assumes that the non-residents in the market-priced houses will be spending \$400 per day per person. This seems unrealistically high, given the fact that these people will be living in their own home and will not be paying for a resort-type accommodation or eating out exclusively in restaurants.

c) Net Costs instead of Net Benefits The cumulative net impact of the increased government expenditures, coupled with the reduction in State revenues, means that the public sector will be subsidizing this project. The Final EIS needs to incorporate these corrections to the analysis done in the Draft EIS. The Final EIS needs to very carefully point out that the overall net impact of the Honua'ula (Wailea 670) project will be negative as far as its impact on both the County and State governments are concerned, i.e., the Honua'ula (Wailea 670) project will produce net costs to both the State and County governments, rather than net benefits as is shown in the Draft EIS.

#5 TRAFFIC COUNTS

Appendix L contains much misleading information because the traffic counts were conducted during a period of lower traffic volume. By selecting a date at the end of June, the traffic consultants were analyzing minimum traffic flows and traffic delays. The date which were selected were during non-school days and before the impact of the summer tourist season. The Final EIS should conduct traffic counts on a typical school day, and again during the mid-summer and/or Christmas tourist seasons. Will there be serious delays at any of the intersections or along Piilani Highway?

#6 INCONSISTENCY IN UTILIZING PROJECTED POPULATION GROWTH RATES

Appendix L assumed that the population will grow at the very slow growth rate of 0.5% per year for a total of only 7.2% over the construction timeframe. On the other hand, Appendix Q, Page 22, analyzing the economic impacts, has utilized a significantly higher population growth rate of 1.5% - 2%. The 0.5% growth rate seems much too low and probably is underestimating the traffic impacts. The Final EIS should utilize a consistent growth rate throughout the document.

#7 BEACH CLUB

Appendix Q, page 49 mentions a "beach club" as part of this project. Where is the location of this facility and what are the impacts?

#8 WILDFIRES

Volume 1, Pages 36 + 37, describes the danger of wildfires, but minimizes their significance. The Draft EIS totally neglects to point out that the major threat of wildfires is from the very dry, inaccessible lands immediately mauka of the project. This serious, and very real threat needs to be discussed at length in the final EIS. What preventive measures can be taken to protect the whole project? Who will pay for these protective measures? And how will access to a mauka wildfire be accomplished?

#9 DRAFT EIS – DECEPTIVE RESPONSE TO MY LETTER

Volume 1, PDF Pages 556+557, contains two letters. One is my letter describing my concern regarding the illegal water export from the Upcountry Community Plan district. The second letter is a response by the applicant's consultant stating that "Honua'ula's water system will be in accordance with ... all applicable community plans."

Unfortunately, the draft EIS indicates that the proposed water transmission system will export water from the Upcountry Community Plan district, thus violating the Upcountry Community Plan. The final EIS should show a water transmission system that completely conforms to the Upcountry Community Plan.



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Change in Zoning, and County Subdivision approvals. No rare, threatened, or endangered plant species are expected to be impacted, as none were found during a botanical inventory survey of the property. An archaeological inventory survey and a related preservation plan have been prepared to address impacts to archaeological resources and, based on their approval of these documents, the State Historic Preservation Division has determined that no historic properties will be affected. As part of the subdivision process for the Ka'ono'ulu Light Industrial Subdivision, the County of Maui Department of Public Works reviewed and approved improvements necessary for the subdivision, including provisions for water, sewage disposal, electrical and communications lines, drainage and flood control, and connection with Pi'ilani Highway, including widening and traffic signal improvements. The State Department of Transportation (DOT) has also reviewed approved the connection with Pi'ilani Highway, including widening and traffic signal improvements. Further, the construction of the improvements required for the subdivision has been guaranteed with a bond of over \$22 million.

Regional traffic growth, including from the Ka'ono'ulu Light Industrial Subdivision, is being taken into account as part of DOT's Long Range Land Transportation Plan (LRLTP), which is currently being updated in consideration of known proposed developments in the region and will serve as a guide for the development of major surface transportation facilities and programs to be implemented in the future.

Because Chapter 2.96, MCC requires the workforce affordable homes to be offered to Maui residents, the affordable homes will result in a redistribution of the existing Maui population as opposed to an incremental increase. As a result, there will be no impacts related to increased population, such as an overall increase in the need for State and County services. In addition to the workforce affordable homes, Honua'ula Partners, LLC will also provide a minimum two-acre park within Ka'ono'ulu Light Industrial Subdivision to meet the recreational needs of the workforce affordable home residents.

Impacts to schools will be addressed by Honua'ula Partners, LLC's compliance with County of Maui Ordinance No. 3554, Condition 22, which requires Honua'ula Partners, LLC to pay DOE at least \$3,000 per dwelling unit upon issuance of each building permit to be used, to the extent possible, for schools serving the Kihei-Mākena Community Plan area; provided that, should the State pass legislation imposing school impact fees that apply to Kihei-Mākena Project District 9, Honua'ula Partners, LLC will from that point forward comply with the State requirements, or contribute \$3,000 per dwelling unit, whichever is greater.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 7.2 (Cumulative and Secondary Impacts) will be revised as to include the following information:

One of the conditions imposed by the Council as part of Honua'ula's Change in Zoning Ordinance (County of Maui Ordinance No. 3554, Condition 5) requires Honua'ula Partners, LLC to provide workforce affordable homes in compliance with Chapter 2.96, MCC, with 250 of these required workforce affordable homes to be provided off-site at the Ka'ono'ulu Light Industrial Subdivision (TMK (2) 3-9-01:16). The Ka'ono'ulu Light Industrial Subdivision is within the State Urban District and is within the County of Maui Light Industrial zoning district. Multifamily homes are a permitted use within the State Urban District and County Light Industrial zone.

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Mayer:

Thank you for your letter dated June 30, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. The organization of this letter follows the headings of your letter.

#1 Questionable Basic Assumptions and Practices

COMMENT: The Draft EIS assumes that there are only 1,150 units generating impacts. Consequently, the Draft EIS has committed one of the cardinal sins that should be avoided in preparing and EIS document, i.e. segmentation, and the consequent inability to evaluate cumulative impacts/effects. The Draft EIS has only looked at a portion of the Honua'ula (Wailea 670) project. The Honua'ula (Wailea 670) project has a total of 1,400 units; unfortunately, throughout the document 250 of those units have been totally segmented and neglected, perhaps, awaiting a separate EIS. This is wrong.

Although they are not located within the 669 acres, the 250 workforce housing units are an integral part of this project, as can be clearly recognized in the conditions placed in the Maui County Council ordinance (County condition #5). By neglecting these 250 units, the DES has segmented this project and has not fully addressed the cumulative impacts of the Honua'ula (Wailea 670) project.

Why is this important? By neglecting to analyze the impacts of the 250 workforce housing units, the Draft EIS has not considered the impact of those units and of those residents on schools, water, traffic, wastewater, energy, parks, etc.

RESPONSE: As discussed in Section 4.9.3 (Housing) of the Draft EIS, Honua'ula Partners, LLC will provide workforce affordable homes in compliance with Chapter 2.96, Maui County Code (MCC). As discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, in compliance with County of Maui Ordinance No. 3554 (Condition 5), 250 of the required workforce affordable homes will be provided off-site at the Ka'ono'ulu Light Industrial Subdivision (TMK (2) 3-9-01:16). The Ka'ono'ulu Light Industrial Subdivision is within the State Urban District and is within the County of Maui Light Industrial zoning district. Multi-family homes are a permitted use within the State Urban District and County Light Industrial zone.

Providing workforce affordable homes at the Ka'ono'ulu Light Industrial Subdivision does not trigger the need for an environmental assessment or environmental impact statement under Chapter 343, HRS. However, impacts related to the use of the property for urban uses and uses permitted under the property's Light Industrial zoning have previously been examined as part of the property's State Land Use District Boundary Amendment, County

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Providing workforce affordable homes at the Ka'ono'olu Light Industrial Subdivision does not trigger the need for an environmental assessment or environmental impact statement under Chapter 343, HRS. However, impacts related to the use of the property for urban uses and uses permitted under the property's Light Industrial zoning have previously been examined as part of the property's State Land Use District Boundary Amendment, County Change in Zoning, and County Subdivision approvals. No rare, threatened, or endangered plant species are expected to be impacted, as none were found during a botanical inventory survey of the property. An archaeological inventory survey and a related preservation plan have been prepared to address impacts to archaeological resources and, based on approval of these documents, the State Historic Preservation Division has determined that no historic properties will be affected. As part of the subdivision process for the Ka'ono'olu Light Industrial Subdivision, the County of Maui Department of Public Works reviewed and approved improvements necessary for the subdivision, including provisions for water, sewage disposal, electrical and communications lines, drainage and flood control, and connection with Pihlani Highway, including widening and traffic signal improvements. The State DOT has also reviewed and approved the connection with Pihlani Highway, including widening and traffic signal improvements. Further, the construction of the improvements required for the subdivision has been guaranteed with a bond of over \$22 million.

Regional traffic growth, including from the Ka'ono'olu Light Industrial Subdivision, is being taken into account as part of DOT's Long Range Land Transportation Plan (LRLTP), which is currently being updated in consideration of known proposed developments in the region and will serve as a guide for the development of major surface transportation facilities and programs to be implemented in the future.

Because Chapter 296, MCC requires the workforce affordable homes to be offered to Maui residents, the affordable homes will result in a redistribution of the existing Maui population as opposed to an incremental increase. As a result, there will be no impacts related to increased population, such as an overall increase in the need for State and County services. In addition to the workforce affordable homes, Honua'ula Partners, LLC will also provide a minimum two-acre park within Ka'ono'olu Light Industrial Subdivision to meet the recreational needs of the workforce affordable home residents.

Impacts to schools will be addressed by Honua'ula Partners, LLC's compliance with County of Maui Ordinance No. 3554, Condition 22, which requires Honua'ula Partners, LLC to pay DOE at least \$3,000 per dwelling unit upon issuance of each building permit to be used to the extent possible, for schools serving the Kihei-Mākena Community Plan area; provided that should the State pass legislation imposing school impact fees that apply to Kihei-Mākena Project District 9, Honua'ula Partners, LLC will from that point forward comply with the State requirements, or contribute \$3,000 per dwelling unit, whichever is greater.

COMMENT: A related assumption relates to the MIS-calculations used throughout the Draft EIS with regard to the **projected population increase** resulting from the Honua'ula (Wailea 670) project. The "population increase" estimates can be found in Volume I, page 137, and in Appendix Q, Table 19.

The Draft EIS predicts (Volume I, page 137) an increase of only 1,833 people as a result of the development of this project, this is most certainly an underestimate and consequently it has serious implications for the many calculations which are made throughout the Draft EIS with regard to such areas as traffic, student enrollments, water use, solid waste production, energy needs, etc.

Why is the population projection of 1,833 an under-estimate?

a) The residents of the 250 workforce housing units have not been included;

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RESPONSE: Section 4.9.2 (Population) of the Draft EIS notes that when fully built-out, the total population of Honua'ula is projected to be 1,833 persons, of which 1,541 will be full-time residents and 292 will be periodic users comprised of non-resident owners and their guests (Hallstrom 2009).

The population figure stated in the Draft EIS does not include the 250 workforce houses at the Ka'ono'olu Light Industrial Subdivision because, as explained above, Chapter 296, MCC requires the workforce affordable homes to be offered to Maui residents, therefore the workforce affordable homes will result in a redistribution of the existing Maui population as opposed to an incremental increase.

Regarding your comment that the population projection used in the Draft EIS "has serious implications for the many calculations which are made throughout the Draft EIS...", please note that calculations used in various studies included in the Draft EIS are not based simply on population or average household size. For example, traffic projections take into account not only Honua'ula's residential units, but other uses as well, such as retail areas and recreational facilities, and are based on trip generation rates in accordance with nationally recognized standards published by the Institute of Traffic Engineers and locally developed standards accepted by the State of Hawai'i Department of Transportation. Similarly water demand rates are based on factors more complex than population or average household size, such as housing type (i.e. single-family or multi-family) and physical size, commercial and recreational use, and overall landscape irrigation requirements. Likewise, wastewater needs are projected based on more complex data than just population or average household size. To base projections for various demands simply on population or average household size would not yield accurate projections for Honua'ula overall and would not be in accordance with accepted traffic and civil engineering standards.

COMMENT: b) The Draft EIS estimates that there will be only 2.5 residents per full-time resident household. This number is significantly lower than the estimates used by the Maui County Planning Department in preparing its projections for Maui's housing needs over the next 20 years. A figure of 2.8 is recommended by the County's General Plan Advisory Committee and would probably be more appropriate and would result in a higher overall population projection;

RESPONSE: An estimate of 2.5 residents per full-time resident household is not lower than estimates used by the Maui County Planning Department in preparing its projections for Maui's housing needs over the next 20 years. In fact, for 2010 the Maui Planning Department estimates the average household size in Kihei-Mākena to be 2.49 persons (Maui Planning Department 2006¹). For 2030, the Maui Planning Department estimates the average household size in Kihei-Mākena to decline to 2.44 persons (Maui Planning Department 2006).

We note that the figure of 2.8 persons per household that you cite was the figure that the Maui County General Plan Advisory Committee recommended to be used in preparing the General Plan Update; however this was not the number projected by the Maui Planning Department that was actually used for the General Plan Update.

¹ Maui Planning Department, 2006, Socio-Economic Forecast: The Economic Projections for the County of Maui General Plan 2030.

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US Census data for the Kihei-Makena region² shows an average household size of:

- 2.62 people in 1990
- 2.57 people in 2000
- 2.45 people in 2010

In the Maui Planning Department report titled "Socio-Economic Forecast: The Economic Projections for the County of Maui General Plan 2030" (Maui Planning Department 2006) the Planning Department provides the following historical and projected average household sizes for the Kihei-Makena region:

- 2.59 people in 1990
- 2.55 people in 2000
- 2.49 people in 2010
- 2.46 people in 2020
- 2.44 people in 2030

In light of historical trends, current data, and Maui Planning Department forecasts (Maui Planning Department 2006), the use of an average size of 2.5 persons per full-time resident household at Honua'ula is moderate to conservative and is higher than the 2.44 persons projected by the Maui Planning Department for the time when Honua'ula is fully built-out. As illustrated above with the US Census and Maui Planning Department data for 1990, 2000, and 2010, the trend in declining household size has been occurring over several decades and Kihei-Makena households have gotten smaller with each passing census. The movement toward smaller households is an indisputable demographic trend, brought about by the coalescing of numerous factors (including longer life spans, higher incomes, more divorcees and single parent households, and cultural evolutions). The application of an average household size of 2.8 at Honua'ula is not supported by US Census data or by Maui Planning Department projections.

COMMENT: *c) the Draft EIS estimates that the non-resident housing will be occupied only 20% of the time. This percentage is significantly lower than the market housing found close by in the Wailea Golf Estates which has about 50% full-time occupancy. If the 20% figure is appropriately changed to a higher number, it will result in a higher estimate of the projected population.*

RESPONSE: As stated in Section 4.9.2 (Population) and more fully explained in Appendix Q (Market Study, Economic Impact Analysis, and Public Costs/Benefits Assessment) of the Draft EIS, when fully built out, the total population of Honua'ula is projected to be 1,833 persons, of which 1,541 will be full-time residents and 292 will be periodic users comprised of non-resident owners and their guests. By definition, a non-resident housing unit is occupied less than 50 percent of the time by the owners; otherwise it would be their primary residence. Generally, such owners occupy their units far less than half the time.

To arrive at an accurate population projection for Honua'ula, the number of homes that would be occupied by full-time residents and part-time residents was first determined to be 629 full-time

² US Census data from the Kihei, Wailea-Makena (1990 and 2000) and the Kihei, Wailea, and Makena (2010) Census Designated Places (CDP) were combined to obtain the average household size for the Kihei-Makena region.

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residences and 521 part-time residences (1,150 total units). Then, average household size was forecasted based on full-time or part time use. For full time residents it was assumed that homes would be occupied 98 percent of the time with an average household size of 2.5 people per household.

For part-time residents (i.e. non-Maui residents) it was assumed that homes would be occupied 20 percent of the time with an average party size of 2.8 people per home. The part-time resident average party size of 2.8 people per home was calculated based on the average resident household size of 2.5 persons per household, plus 10 percent to account for guests. It is important to note that Honua'ula will not contain transient vacation rentals (TVR), and therefore homes owned by non-Maui residents will be vacant when owners are not on Maui. Numerous studies on the use of non-resident, non-TRV homes in Maui and West Hawai'i resorts indicate occupancy ranging from six to 20 percent of the time, with an average of approximately 14 percent. This is based on surveys of owners, realtors, maintenance companies, and resort personnel in Kapalua (Plantation Estates and Pineapple Hill subdivisions), Ka'anapali (mauka), Wailea (non-TRV units), Mauna Kea, Mauna Lani, and Hualalai.

The Honua'ula population estimate of 1,833 persons at full build-out is based on projections of the number of homes that would be occupied by full-time residents and part-time residents (i.e. non-Maui residents) and corresponding household size of each, combined with the fact that part-time resident households would only be occupied 20 percent of the time—on the very high end of the occupancy range for other prominent communities in Hawaii, as discussed above.

Regarding your specific comparison of Honua'ula's non-resident housing with "the market housing found close by in the Wailea Golf Estates which has about 50% full-time occupancy," it is not accurate to compare occupancy of general "market housing" with "non-resident housing." "Market housing" may include units owned and occupied by both residents and non-residents, while "non-resident housing," by definition are units occupied less than 50 percent of the time by the owners. Hence it would be expected that market housing would have a higher occupancy than "non-resident housing," as both residents and non-residents may occupy market rate housing. A critical distinction between Wailea Golf Estates and Honua'ula is that TVRs are allowed at Wailea Golf Estates, while TVRs are specifically not allowed at Honua'ula. Thus Honua'ula's market units will either be occupied by full-time residents or part-time non-resident owners, but will not be rented out to non-residents when not occupied.

COMMENT: *Finally, there is a need to differentiate between average population numbers and maximum population. The Draft EIS uses a figure of 1,833 as the projected population. However, during certain times of the year, such as Christmas and mid-summer, the population will rise because of the influx of the non-residents. These higher population numbers will result in higher impacts on specific components of the environment: energy use, water use, traffic, and perhaps others. Because the 1,833 figure assumes that only 20% of the non-resident housing is being occupied, it is quite conceivable that the population during peak periods may rise considerably. What will the population be during these peak periods? What will be the impacts of this larger population?*

RESPONSE: We acknowledge that the de facto population of Honua'ula will vary nominally month-to-month, as the number of non-residents fluctuates. According to Department of Business Economic Development and Tourism monthly visitor statistics "Island highlights" table figures, the daily visitor count on Maui in 2011 ranged from a low of 38,400 persons in May to a high of

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55,800 in February, with an average of 47,900 per month. The difference between the average and the extreme is about 16.5 percent.

As discussed above, on average, the daily non-resident "population" of Honua'ula will be 292 persons. Based on island-wide statistics noted above (a 16.5 percent variance), the maximum population of the daily non-resident "population" of Honua'ula would be approximately 340 persons at peak visitor periods, or an increase of only 48 persons. This equates to only a 2.6 percent increase above the average population of 1,833 persons at Honua'ula. We do not believe this peak variance represents a material unaccounted for impact on community wide systems or components of the environment (energy use, water use, traffic, etc).

#2. The Appropriate "Region"

COMMENT: A single consistent description of a geographic region should be utilized throughout the Final EIS. Because this project is so large, and because it involves the 250 workforce housing units in North Kihei, it would be appropriate to include all of South Maui as the region impacted by the Honua'ula (Waialea 670) project.

RESPONSE: In the Draft EIS we believe the meaning of "region" is clear as used in context with each specific section.

#3. Traffic Impacts Along Pīlani Highway (Appendix L)

COMMENT: ...Unfortunately, the Draft EIS has limited its traffic analysis to intersections only in the immediate vicinity of the Honua'ula (Waialea 670) project. The analysis is further short-changed by the inclusion on only two-off site projects, Makena resort and Waialea resort.

In other chapters the Draft EIS clearly points out that there will be many other projects built in Makena, Waialea, South and North Kihei. The table on page 308 indicates that there are in the South Maui region over 3,500 units already entitled in addition to the Honua'ula (Waialea 670) project. Makena resort and Waialea resort make up only a portion of the fully entitled projects. In addition to big projects, there are many vacant lots and ohanas to be added to the unit counts.

SUMMARY: I agree with the analysis when it discounts the probability that many of the proposed projects will never be built. However, to leave out the impacts of the several thousand other already entitled units is highly misleading. The Final EIS must present a traffic analysis of the impacts of the Honua'ula (Waialea 670) project added to all of the other already entitled projects. When the analysis is done, it will show the cumulative impacts/effects on Pīlani Highway. At least two additional Pīlani Highway intersections should be added to the traffic analysis. As a minimum, I would suggest: Kamalii School and Lipoa Street. Will Pīlani Highway be able to handle all of the Honua'ula (Waialea 670) project's traffic in addition to that generated by all of the other entitled projects, vacant lots and ohanas?

RESPONSE: As discussed in Section 4.4 (Roadways and Traffic) of the Draft EIS, the Honua'ula Traffic Impact Analysis Report (TIAR) (Appendix L of the Draft EIS) takes into account cumulative regional traffic growth in addition to projected traffic from Waialea Resort and Makena Resort. To project future regional traffic growth, the Maui Travel Demand Forecasting Model (which is consistent with the 2030 Maui County General Plan) was used to determine a de facto growth rate in the vicinity. Then projected traffic from the build out of the Waialea and Makena Resorts was added to the regional traffic growth.

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Prior to completion of the TIAR, it was agreed with the State Department of Transportation (DOT) that Honua'ula, in collaboration with Waialea Resort and Makena Resort, would look at the required mitigation measures from the Pīlani Highway/Kīlohana Drive/Mapu Place intersection south to Honua'ula.

Honua'ula Partners, LLC has engaged in extensive consultation and correspondence with DOT and County of Maui Department of Public Works regarding roadway improvements that Honua'ula Partners, LLC are required to implement in compliance with County of Maui Ordinance No. 3554 Condition 2. In correspondence from DOT dated March 24, 2010, DOT stated:

The improvements to be performed by Honua'ula Partners LLC as stated in Condition 2 are consistent with the improvements identified in the Traffic Impact Assessment Report (TIAR) dated 29, 2009. These improvements are understood to be considered the 'fair share' for highway related improvements of the affected area.

DOT is currently updating the Long Range Land Transportation Plan (LRLTP), which serves as a guide for the development of the major surface transportation facilities and programs to be implemented and takes into consideration all known proposed developments, including Honua'ula.

COMMENT: At least two additional Pīlani Highway intersections should be added to the traffic analysis. As a minimum, I would suggest: Kamalii School and Lipoa Street.

RESPONSE: Before completion of the TIAR, it was agreed with the State Department of Transportation (DOT) that Honua'ula, in collaboration with Waialea Resort and Makena Resort, would look at the required mitigation measures from the Pīlani Highway/Kīlohana Drive/Mapu Place intersection south to Honua'ula. It has been further agreed upon with DOT that necessary improvements north of Pīlani Highway/Kīlohana Drive/Mapu Place intersection would be the responsibility of DOT.

COMMENT: Will Pīlani Highway be able to handle all of the Honua'ula (Waialea 670) project's traffic in addition to that generated by all of the other entitled projects, vacant lots and ohanas?

Response: Section 4.4 (Roadways and Traffic) of the Draft EIS and the TIAR (Appendix L of the Draft EIS) provide detailed analysis of projected traffic conditions at the Pīlani Highway study intersections along with other roads and intersections in the vicinity. The analysis includes: 1) both "without Honua'ula" and "with Honua'ula" scenarios; and 2) the projected level of service at each intersection for each scenario. As appropriate, mitigation measures and recommended roadway configurations are provided to ensure acceptable levels of service at each intersection in accordance with State and County standards.

Traffic on Pīlani Highway and other roads is expected to increase even if Honua'ula is not built, and Honua'ula Partners, LLC will pay for and build many regional traffic improvements that would be necessary even if Honua'ula were not built. Therefore, the creation of Honua'ula will address regional traffic impacts to the benefit of the entire Kihei-Mākena region.

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Honua'ula will be part of the regional traffic solution by: 1) upgrading Pi'ilani Highway to four lanes from Kilohana Drive to Wailea Ike Drive; 2) modifying the Wailea Alanui/Wailea Ike Drive intersection to add a signalized double right-turn movement from northbound to eastbound turning traffic and provide two left-turn lanes for southbound traffic from Wailea Ike Drive; 3) signalizing the Pi'ilani Highway/Okolani Drive/Mikioi Place intersection and providing an exclusive left-turn lane on Okolani Drive; 4) modifying the Pi'ilani Highway/Kilohana Drive/Mapu Place intersection to provide an exclusive left-turn lane, and the southbound Pi'ilani Highway/Mapu Place intersection to provide an exclusive right-turn lane into Mapu Place; and 5) providing a contribution of \$5,000 per unit (totaling \$5.75 million) to the County for traffic improvements.

#4 Questionable Net Benefits to the County and State

COMMENT: Over and over again the Draft EIS over-estimates the revenue to be received by the State or County governments, and concurrently, underestimates the costs which these governments will have to absorb in order to service the Honua'ula (Wailea) residents. Most of this analysis can be found on detail within Appendix Q, pp. 60-69. A summary of this analysis is found in volume 1, pages 142.

RESPONSE: The revenue projections summarized in Section 4.9.5 (Economy) of the Draft EIS and provided detail in the Market Study, Economic Impact Analysis, and Public Costs/Benefits Assessment (Analysis) (Appendix Q of the Draft EIS) are not over-estimated. In fact, it is likely the County revenues are meaningfully understated. Within the analysis model, County revenues are limited to real property taxes, a straightforward calculation comprised of real property values, tax rates, and exemptions.

The Analysis uses exceptionally moderate valuation guidelines for Maui (direct costs plus 12 percent) and also takes into account the current tax rate and exemption structure. Real estate appreciation on Maui typically escalates faster than the costs of living and/or government services, and current rates are relatively low and exemptions high.

Most importantly, however, is that total revenues flowing to Maui County from Honua'ula will be much greater than the direct base levels indicated in the model.

Just as real property taxes comprise only 37 percent of County general fund revenues, with other revenues coming from various minor taxes, levies, and fees associated with daily business and personal life, the total County revenues flowing from Honua'ula's development and economic activity would not be limited to real property taxes either. It would be expected that total County receipts created by Honua'ula would be up to twice the real property tax payments estimated.

Similarly, the estimated base tax receipts flowing to the State from Honua'ula are understated relative to the total tax benefits the State will get from all sources with the actualization of Honua'ula. The State receives approximately 80 percent of its general fund revenues from income and gross excise taxes (the two State revenue-producers shown in the Analysis model), the remainder from secondary sources paid by business and persons. If these secondary taxes and fees are also included in the calculation, the State would receive up to 25 percent in additional funds beyond the Analysis model estimates.

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Further, if multipliers from the "Hawaii State Input-Output Study: 2007 Benchmark Report" (approved July 2011) are applied against Honua'ula's investment, wages and economic activity, the taxes flowing to the State increase significantly beyond Analysis base model forecasts; in addition to showing greater job creation and higher indirect/induced economic benefits to the State.

The costs to provide State and County government services to Honua'ula are based on State-wide (State of Hawaii) and island-wide (Maui County) per capita averages which assume that every person present in the jurisdiction, both resident and visitor, creates an equal demand (and associated expense) for all governmental services. This is the most fiscally conservative and socially responsible method for estimating future impacts, and typically overstates costs relative to the direct, actual, marginal expenses incurred by the government which are associated with new development.

Given the anticipated income characteristics of Honua'ula households (both market rate and workforce affordable homes), the need for governmental welfare services and subsidies will be nominal (if any). Further, with Honua'ula's private infrastructure systems (water, wastewater, roads, etc.) there will be no cost to government to provide and maintain these systems.

COMMENT: It is possible that this economic analysis is flawed, because the person at Hallstrom who wrote the analysis has no professional training in economics and has only a BA degree in communications/journalism. That is a fine degree to write up the report, but it does not serve as a professional background for economic impact analysis (Appendix Q, last page)

RESPONSE: The Hallstrom Group's market study, economic impact analysis and public fiscal assessment team has completed studies for dozens of major proposed developments in Hawaii for nearly three decades. Tom Holliday, who has undertaken an extensive post-university professional training regimen in real property economics and appraisal, has been the supervisor and senior analyst of the team for over 20 years.

The Hallstrom Group provides real estate economic consulting, valuation, arbitration, and projection/modeling services for Hawaii's leading financial institutions; land owners, government agencies, hoteliers, and others, upon which hundreds of billions of dollars in investment have been made.

We note the issues raised regarding The Hallstrom Group, Inc.'s economic and fiscal reports are over selection of the variables used in the economic models; and, with a single exception, not regarding the models themselves or the underlying methodology.

COMMENT: Several errors creep into the economic analysis.

a) *Government Expenses:* The population of the 1,400 unit in the Honua'ula (Wailea 670) project is under-estimated at 1,150. Consequently, there is a severe under-estimate of the costs which both the County and the State will have to spend to serve the needs of this larger population

In Appendix Q on pages 63-64, the Draft EIS assumes a per capita County cost of \$3,082, and a per capita State expenditure of \$5,346. The Final should include the 250 workforce housing units with their 2.8 residents per household for a total of 700 additional residents.

These 700 residents will cost the County an additional $700 * \$3,082 = \$2,157,400$.
These 700 residents will cost the State and additional $700 * \$5,346 = \$3,742,200$.

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RESPONSE: The Market Study, Economic Impact Analysis, and Public Costs/Benefits Assessment contained in Appendix Q of the Draft EIS addressed the direct economic impacts of Honua'ula. The 250 workforce affordable homes will be provided off-site at the Ka'ono'ulu Light Industrial Subdivision, which is within the State Urban District and the County Light Industrial zoning district. As previously stated, impacts related to the use of the Ka'ono'ulu Light Industrial Subdivision for urban uses and uses permitted under property's Light Industrial zoning have previously been examined as part of the property's State Land Use District Boundary Amendment, County Change in Zoning, and County Subdivision approvals. Further, because Chapter 2.96, MCC requires the workforce affordable homes to be provided to Maui residents, there will be no impacts related to increased population, such as the increased need for State and County services.

Regarding the calculations you have provided, we note that the residents of the proposed 250 off-site units will have jobs upon which they pay income taxes. They will create tax revenues from their expenditures in the community and will also generate real property taxes (either as renters or owners). These tax revenue amounts must be included in your calculations equations to accurately assess the overall economic impact.

COMMENT: b) *The income levels generated by the commercial establishments in the Honua'ula (Wailea 670) resort are used as a basis for calculating how much excise and income taxes would be generated by the project. However, according to the analysis in Appendix Q, p. 57, the majority (65%) of customers at these businesses will be coming from off-site. Their spending should be entirely discounted from the excise tax base because they will be merely shifting their spending from other Maui businesses to the Honua'ula (Wailea 670) project. There will be no net increase in income to Maui/Hawaii, and consequently no net increase in excise taxes or income taxes as a result of their shifting their spending from other businesses to those in the Honua'ula (Wailea 670) project.*

Therefore, according to the analysis in Appendix Q, p. 58, the spending by off-site consumers would be approximately \$49.7 million per year. Subtracting this amount from the excise tax base will reduce the State's expected excise tax collection by \$2.06 million a year.

RESPONSE: The economic analysis assumes that customers that do not live in Honua'ula will patronize businesses within Honua'ula; about half of the expenditures comprising the on-going Honua'ula commercial business activity will be from residents and users of other new developments in the Wailea/Ma'kena areas, and some will be a relocation of spending by existing area residents and visitors from other businesses to Honua'ula businesses.

Existing area residents that shift their spending to Honua'ula businesses do not represent entirely new spending in the region. Some of this spending will be new expenditures associated with rising household income and consumerism in Maui Meadows, Wailea, and other nearby neighborhoods, however much will be in movement from distant businesses into the natural (and desirable "trade area" for these homes; a primary Honua'ula planning goal.

Currently, for example, Maui Meadows residents must travel 3.2 miles from the subdivision entrance on Pi'ilani Highway to reach the nearest major grocery store (Foodland in the Kihei Town Center) or 4.2 miles to the Safeway on Pi'ikea Avenue. This is several miles and minutes of travel outside the optimum trade area for neighborhood commercial services, and represents

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hours in lost travel time annually, additional travel costs (several dollars for each shopping trip), unnecessary traffic and congestion, wasted energy, and increased pollution.

The Honua'ula commercial components will help establish an effective and competitive trade area for residents and visitors in Maui Meadows, Wailea, and other nearby neighborhoods.

This anticipated relocation of some spending taking place over several decades, is not expected to hamper existing business activities in central Kihei. The regional economy will continue to grow, benefiting existing businesses and creating demand for additional commercial development; and the central Kihei patronage "lost" through relocation to Honua'ula will be replaced by other new developments within those trade areas.

The goal of the Market Study, Economic Impact Analysis, and Public Cost/Benefits Analysis was specifically to ascertain the direct economic impacts associated with Honua'ula arising from its creation.

We believe that your suggestion that State gross excise tax revenues are overstated by \$2.06 million annually is incorrect, as:

- A meaningful portion of the outside patronage will be from new development in Wailea and Ma'kena, and from other in-fill development in the nearby area, with the Honua'ula facilities being the most proximate neighborhood commercial shopping opportunity.
- Significant non-resident patronage sales will be to employees in Honua'ula, who would not have the means to make such purchases without their jobs at Honua'ula.
- Increasing household incomes over time will result in additional expenditures by the in-place trade area populace.
- Some of the outside patronage sales will be to passer-bys of the high-exposure location (particularly tourists) that might otherwise not choose to purchase goods and services.

COMMENT: *Furthermore, the analysis assumes that the non-residents in the market-priced houses will be spending \$400 per day per person. This seems unrealistically high, given the fact that these people will be living in their own home and will not be paying for a resort type accommodation or eating out exclusively in restaurants.*

RESPONSE: The average Maui visitor spends approximately \$125 to \$150 dollars per day apart from lodging costs. The non-residents who will purchase the single- and multi-family units in Honua'ula represent only a small, upper-most income, percent of the total Honua'ula population.

However these upper-most income Honua'ula owners will have household incomes and/or the equivalent wealth at five to ten times that of the average tourist, the equivalent of \$400,000 annually and above, and are expected to spend accordingly in a disproportionate manner than an average person. Non-resident residential/resort owners are the visitors most likely to golf, partake in costly pay activities, eat at the finer restaurants, and patronize the higher-end shops.

Expenditures of approximately two to three times that of the average visitor, which would still be less than their income/wealth ratio to the general visitor group, would moderately amount to between \$250 and \$450 per person per day while on-island.

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Additionally, the costs of initially furnishing a spacious multi-million dollar residence can easily reach several hundred thousand dollars, the large majority of which would be spent in Maui stores and galleries as both a "going-in" and "on-going" expense over time. These expenditures must also be accounted for ("recaptured" or "capitalized") within the economic projection model. A \$225,000 furnishings budget over a 10-year period for a family of three spending and average of 75 days a year in their Honua'ula second home equates to spending of \$100 per person per day.

Combining "visitor" estimated expenditures of \$250 to \$450 per day with the discretionary expenses associated with "homeownership", amortized over time at \$100 per day, the average spending forecasts of \$400 per person per day for Honua'ula second-home owners and their guests is reasonable.

COMMENT: c) Net costs instead of Net Benefits *The cumulative net impact of the increased government expenditures, coupled with the reduction in State revenues, means that the public sector will be subsidizing this project. The Final EIS needs to incorporate these corrections to the analysis done in the Draft EIS. The Final EIS needs to very carefully point out that the overall net impact of the Honua'ula (Wailea 670) project will be negative as far as its impact on both the County and State governments are concerned, i.e., the Honua'ula (Wailea 670) project will produce net costs to both the State and County governments, rather than net benefits as is shown in the Draft EIS.*

RESPONSE: We disagree with your contention that the State or the County will be subsidizing Honua'ula and that it will present a negative impact for either government. As has been explained in the above sections of this letter, we have shown that the assumptions you build this conclusion on are not accurate and cannot be cumulatively applied to conclude that there will be a net cost to State and County governments due to Honua'ula.

As previously discussed, the projections of County of Maui real property tax receipts are meaningfully understated. Projections show that the County will receive net fiscal benefits of \$1.6 million annually after build out relative to costs. And, this is excluding the more than \$29 million in development fees Honua'ula Partners LLC will pay to the County along with land donations.

Further the costs to provide State and County government services to Honua'ula are based on State-wide (State of Hawaii) and island-wide (for Maui County) per capita averages which assume that every person present in the jurisdiction, both resident and visitor, creates an equal demand (and associated expense) for all governmental services. This is the most fiscally conservative and socially responsible method for estimating future impacts, and typically overstates costs relative to the direct, actual, marginal expenses incurred by the government which are associated with new development.

Even if an adjustment is made to the gross excise tax receipts paid to omit the non-Honua'ula patronage dollars relocated to the subject facilities, it would certainly be less than the \$1.5 million in annual net benefits projected to be received by the State on a stabilized basis, and it would make only a fractional impact on the \$97million it is forecast to receive during the build-out period.

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#5 Traffic Counts

COMMENT: *The Final EIS should conduct traffic counts on a typical school day, and again during the mid-summer and/or Christmas tourist seasons.*

RESPONSE: As discussed in the TIAR (Appendix L) contained in the Draft EIS, the traffic count data was taken in June for the following reasons:

- Wailea is a resort community and caters to visitor traffic which is highest during the summer months;
- The nearest school to Wailea is located more than a mile north of the Pi'ilani Highway/Kilohana Drive/Mapu Place intersection; and
- Existing peak hour volumes entering and exiting the Maui Meadows Subdivision (Pi'ilani Highway/Kilohana Drive/Mapu Place and Pi'ilani Highway/Okolani Drive/Mikioi Place intersections) during the AM peak hour of traffic were similar to the existing volumes obtained from the TIAR for Wailea Resort 2005 Update (count data taken in October 2004). This comparison shows that for Maui Meadows, a local residential subdivision with no recent expansion, traffic volumes are similar during the summer break session than the school session. The PM peak hour of traffic occurred after school hours.

Additionally, per information from the Wailea Community Association, the summer months typically have the highest occupancy rates and therefore traffic volumes in the vicinity of the resorts would be the highest at this time.

The Christmas season is only two weeks of the year and would not represent an average day of the year.

COMMENT: *Will there be serious delays at any of the intersections or along Piilani Highway?*

RESPONSE: As explained above, Section 4.4 (Roadways and Traffic) of the Draft EIS and the TIAR (Appendix L of the Draft EIS) provide detailed analysis of projected traffic conditions at the Pi'ilani Highway study intersections along with other roads and intersections in the vicinity. The analysis includes: 1) both "without Honua'ula" and "with Honua'ula" scenarios; and 2) the projected level of service at each intersection for each scenario. As appropriate, mitigation measures and recommended roadway configurations are provided to ensure acceptable levels of service at each intersection in accordance with State and County standards.

#6 Inconsistency in Utilizing Projected Population Growth Rates

COMMENT: *Appendix L assumed that the population will grow at the very slow growth rate of 0.5% per year for a total of only 7.2% over the construction timeframe. On the other hand, Appendix Q, Page 22, analyzing the economic impacts, has utilized a significantly higher population growth rate of 1.5% - 2%. The 0.5% growth rate seems much too low and probably is underestimating the traffic impacts. The Final EIS should utilize a consistent growth rate throughout the document.*

RESPONSE: The Traffic Impact Analysis Report (Appendix L of the Draft EIS) discusses that the Maui Travel Demand Forecasting Model (which is consistent with the 2030 Maui County General

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Plan) was used to determine a de facto growth rate in the vicinity and that the results from this model show a de facto growth rate of approximately 0.5 percent per year. To clarify, the Maui Travel Demand Forecasting Model was used to determine a de facto traffic growth rate in the vicinity and the results from this model show a de facto traffic growth rate of approximately 0.5 percent per year. Travel demand forecasting models allow traffic engineers to predict the volume of traffic that will use a given transportation facility in the future and are not the same as population projections. A 0.5 percent de facto traffic growth rate is not analogous to a 0.5 population growth rate.

The Market Study, Economic Impact Analysis, and Public Costs/Benefits Assessment (Appendix Q of the Draft EIS) relied on population projections prepared by the Maui County Planning Department in their report "Socio-Economic Forecast: The Economic Projections for the County of Maui General Plan 2030" (Maui Planning Department 2006). This report provides population projections using a "baseline" model and a "historical trend run" model. The resulting population projections using these models are equivalent to a compounded annual growth rate range of 1.5 to 2 percent.

Both the Traffic Impact Analysis Report and the Market Study, Economic Impact Analysis, and Public Costs/Benefits Assessment used the appropriate predictive models to project growth relative to the subject matter of the reports; the Traffic Impact Analysis Report used the County of Maui's Maui Travel Demand Forecasting Model to project traffic growth and the Market Study, Economic Impact Analysis, and Public Costs/Benefits Assessment used the Maui County Planning Department's methodology to project population growth. There is no inconsistency in the Draft EIS regarding "growth rates" as it is not accurate to characterize traffic and population growth rates using the same rate.

#7 Beach Club

COMMENT: Appendix Q, page 49 mentions a "beach club" as part of this project. Where is the location of this facility and what are the impacts?

RESPONSE: The inclusion of this reference was in error, as a beach club facility had previously been considered in conjunction with Honua'ula, but is not currently seen as viable. Costs estimates provided in the Market Study, Economic Impact Analysis, and Public Costs/Benefits Assessment (Appendix Q of the Draft EIS) do not include a beach club and in the Final EIS the Market Study, Economic Impact Analysis, and Public Costs/Benefits Assessment will be revised to omit this single reference to a beach club.

#8 Wildfires

COMMENT: Volume 1, Pages 36 + 37, describe the danger of wildfires, but minimize their significance. The Draft EIS totally neglects to point out that the major threat of wildfires is from the very dry, inaccessible lands immediately mauka of the project. This serious, and very real threat needs to be discussed at length in the final EIS. What preventative measures can be taken to protect the whole project? Who will pay for these protective measures? And how will access to a mauka wildfire be accomplished?

RESPONSE: To address your comment regarding additional information on wildfires, in the Final EIS Section 3.4.5 (Wildfires) will be revised as follows:

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Wildfires

Currently, vegetation on the Property includes ~~kiawe~~ non-native buffel grass (*Cenchrus ciliaris*), non-native kiawe trees (*Prosopis pallida*), native willow trees (*Erythrina sandwicensis*), and a dense understory of native 'ilima shrubs (*Sida fallax*). ~~Kiawe~~ Buffel grass, which is the most common grass on the Property, can easily carry fire.

Human carelessness is the number one cause of fires in Hawai'i. In Maui County the number of wildfires has increased from 118 in 2000 to 271 in 2003. Human error combined with the spread of non-native invasive grasses, shrubs, and trees, has led to an increased susceptibility to wildfires. According to Maui Fire Department data, Kihei-Mākena's susceptibility of wildfire is high. Between 2005 and 2010 there were 201 wildfires in the Kihei-Mākena area. The majority of those fires were of undetermined cause. 32 were caused by operating equipment, four were from a type of arch or flame, five were caused by fireworks, and five were from smoking materials. Approximately 2,180 acres were burned during this five-year period.

POTENTIAL IMPACTS AND MITIGATION MEASURES

The occurrence of natural hazards cannot be predicted, and should one occur, it could pose a risk to life and property. Honua'ula, however, will neither exacerbate any natural hazard conditions nor increase the Property's susceptibility or exposure to any natural hazards.

Due to its location and elevation, the probability of the Property being affected by flooding or tsunami is minimal. However, to protect against natural hazards, including earthquakes and wildfires, all structures at Honua'ula will be constructed in compliance with requirements of the Uniform Building Code (UBC), and other County, State, and Federal standards. Fire apparatus access roads and water supply for fire protection will be provided in compliance with the Uniform Fire Code.

The creation of Honua'ula will mitigate the potential for wildfires on the Property through its landscape design and plant palette. In large part, vegetative fuel for fires, such as non-native kiawe trees and buffel grass, will be replaced by buildings and landscaping of the community, thereby decreasing the Property's susceptibility to wildfires. Honua'ula Partners, LLC will implement a fire control program in coordination with the Maui County Department of Fire and Public Safety and resource agencies, which will include firebreaks to help protect native plant preservation and conservation areas (see Section 3.6, Botanical Resources) to insure the success of plant propagation and conservation efforts. Buffer areas between Honua'ula and Maui Meadows and along Pi'ilani Highway will also act as fire breaks, as will the golf course. Other fire mitigation measures include the use of lava rock and other non-flammable materials in building and landscaping, and creating a trail system, which will act as a fire break.

The USFWS recommends fire suppression resource response by fire engines and heavy equipment be within the first 45 minutes of fire ignition. The Maui Fire Department is responsible for fire suppression in the district. The fire station nearest Honua'ula is the newly built Wailea Fire Station located at the intersection of Kiloahana Drive and Kapili Street between Pi'ilani Highway and South Kihei Road, less than five minutes away. The Wailea Station is approximately one half mile from the Property and is equipped with a 1,500 gallon per minute apparatus, a 95-foot mid-mount ladder truck and a 3,500 gallon water tanker.

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truck. In addition, an emergency help pad and fuel dispensing station is located mauka of the fire station (see Section 4.10.3 (Fire) for information regarding fire control and response).

To help address the growing need for fire prevention and emergency services, in compliance with County of Maui Ordinance No. 3554 (Condition 24), Honua'ula Partners, LLC will provide the County with two acres of land that has direct access to the Pi'ilani Highway extension for the development of fire control facilities within the Honua'ula's Village Mixed-Use sub-district. This land will be donated at the time 50 percent of the total unit/lot count has received either a certificate of occupancy or final subdivision approval. The land provided will have roadway and full utility services provided to the parcel.

Impacts from natural hazards can be further mitigated by adherence to appropriate civil defense evacuation procedures. Honua'ula will coordinate with the State of Hawai'i Department of Defense, Office of Civil Defense and the County of Maui Civil Defense Agency regarding civil defense measures, such as sirens, necessary to serve Honua'ula.

#9 Draft EIS – Deceptive Response Letter To My Letter

COMMENT: Unfortunately, the draft EIS indicates that the proposed water transmission system will export water from the Upcountry Community Plan district, thus violating the Upcountry Community Plan. The final EIS should show a water transmission system that completely conforms to the Upcountry Community Plan.

RESPONSE: The Makawao-Pukalani-Kula Community Plan contains Water Objective & Policy # 4, which states:

4. Restrict the use of any water developed within or imported to the Upcountry region to consumption within the Upcountry region, with exception provided for agricultural use.

Honua'ula's private water system is not in conflict with this policy. Honua'ula's off-site wells are located in the Kihei-Makena Community Plan area in an area north of Maui Meadows. The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of the water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on-site and some will be transmitted to an off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the Makawao-Pukalani-Kula Community Plan.

Figure 2 (Regional Location) of the Draft EIS shows the location of Honua'ula's off-site water infrastructure. In the Final EIS, Figure 2 (Regional Location) will be revised to show: 1) the location of the off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation; and 2) the boundary between the Makawao-Pukalani-Kula Community Plan and the Kihei-Makena Community Plan regions. The attachment titled "Figure 2" shows the revised figure.

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To reflect the relevant above information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

1. That Honua'ula Partners, LLC, its successors and permitted assigns, shall, at their own cost and expense, develop, maintain, and operate, or cause to be developed, maintained, and operated, a private water source, storage facilities, and transmission lines for the Wailea 670 (Honua'ula) project in accordance with Department of Water Supply standards and all applicable community plans. Honua'ula Partners, LLC, its successors and permitted assigns, shall comply with all reporting requirements of the State Commission on Water Resource Management.

In addition, Honua'ula Partners, LLC, its successors and permitted assigns, shall comply with applicable water ordinances that pertain to the supply and transmission of water from the island of Maui when such ordinances are enacted.

At the time the project water system is completed, Honua'ula Partners, LLC, its successors and permitted assigns, shall offer to the County the right to purchase the project water system at the cost of development of such system.

The water rates for the residential workforce-housing units shall be no higher than the general water consumer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, Maui County Code.

Discussion: As discussed in Section 4.8.1 (Water System), Honua'ula Partners, LLC will comply with this condition by providing a private water source, storage facilities, and transmission lines for Honua'ula in accordance with DWS standards and all applicable community plans. Further discussion is provided in Section 4.8.1 (Water System).

In comments on the Draft EIS some commenters referenced the The Makawao-Pukalani-Kula Community Plan and commented that Honua'ula's private water system was not in compliance with this plan. Specifically these comments pertained to Water Objective & Policy # 4 of the Makawao-Pukalani-Kula Community Plan, which states:

4. Restrict the use of any water developed within or imported to the Upcountry region to consumption within the Upcountry region, with exception provided for agricultural use.

Honua'ula's private water system is not in conflict with this policy. Honua'ula's off-site wells are located in the Kihei-Makena Community Plan region in an area north of Maui Meadows. The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of the water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on site and some will be transmitted to an off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being

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transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the Makawao-Pukalani-Kula Community Plan.

Figure 2 shows the location of Honua'ula's off-site water infrastructure and the boundary between the Makawao-Pukalani-Kula Community Plan and the Kihei-Makema Community Plan regions.

In further compliance with ~~the conditions~~ Condition L, Honua'ula Partners, LLC will also: 1) offer the right to purchase the completed water system to the County; and 2) ensure that water rates for the residential workforce housing units will be no higher than the general water consumer rates set by the County, for as long as the units are subject to Chapter 2.96 of the County Code.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachments: Figure 2 (Regional Location)

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-----Original Message-----
From: Ann Cua [mailto:Ann.Cua@co.mauai.hi.us]
Sent: Thursday, June 17, 2010 4:28 PM
To: Gwen Hiraga; Tom Schnell
Subject: Fwd: UDRB June 1st testimony

FYI

>>> <blazeonmaui@aim.com> 6/17/2010 10:58 AM >>>

Aloha Maui County Urban County Review Board, Planning Commission, County Council Members, &/or others whom this is of concern &/or interest.

Thank you for hearing my observations, feelings, needs, & concerns; & allowing me to be part of your process.

My name is Gene Weaver & I live on the south edge of Maui Meadows, directly impacted by what happens in Wailea 670.

I feel scared & concerned, because I do not know what will really happen next to us & in front of us.

My two biggest concerns are the buffer zones between Maui Meadows & 670 & the multi family dwellings that the developer would like to locate directly next to Maui Meadows Subdivision.

The residents of Maui Meadows (myself included) enjoy & appreciate as well as depend on for our sustainability, our gardens, fruit trees, and our rural setting & lifestyle.

Though the developer is mandated to create a 50' planted strip along our Maui Meadows Neighborhood, what will he do next to us, next to that 50' planted strip? IT IS SCARY FOR ME TO THINK!

The developers revealed in his power point presentation on June 1st to the URBAN COUNTY REVIEW BOARD, that they are planning to place multi-family dwellings right next to Maui Meadows Subdivision south border.

The Developers then went on to describe their plan for these multi-family dwellings to be up to 50' tall.

Buildings of this height and density do not belong along the border of Maui Meadows. Perhaps these multi-family units would be best placed away from the neighboring subdivision of Maui Meadows Please help this situation be pono

GENE WEAVER
808 8708297



Gene Weaver
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
 May 31, 2012
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PRINCIPALS
 THOMAS WITTEN, ASLA
Principal
 R. STAN DUNCAN, ASLA
Executive Vice-President
 RUSSELL Y. CHUNG, FASLA, LEED® AP
Executive Vice-President
 VINCENT SHIGEKUNI
Vice-President

GRANT T. MURAKAMI, AICP, LEED® AP
Principal
 W. FRANK BRANDT, FASLA
Chairman Emeritus

ASSOCIATES
 TOM SCHNELL, AICP
Senior Associate
 RAYMOND T. HIGA, ASLA
Senior Associate

KEYSKA NISHIKAWA, ASLA
Associate
 KIMI MIKAMI YUEN, LEED® AP
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SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Weaver:

Thank you for your e-mail dated June 17, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments.

Maui Meadows Buffer. *The residents of Maui Meadows (myself included) enjoy & appreciate as well as depend on for our sustainability, our gardens, fruit trees, and our rural setting & lifestyle. Though the developer is mandated to create a 50' planted strip along our Maui Meadows Neighborhood. What will he do next to us, next to that 50' planted strip?*

Response: Regarding the buffer (i.e. "planted strip") between Maui Meadows and Honua'ula, Section 19.90A.030(E)(5) of the Kiheti-Makena Project District 9 Ordinance (Chapter 19.90A, Maui County Code (MCC)) specifies:

A minimum one hundred foot wide fire buffer area, with a minimum fifty-foot wide landscape buffer area within it, shall be provided between the southern boundary of the Maui Meadows subdivision and Kiheti-Makena project district 9 (Wailea 670). No structures, except rear and side boundary walls or fences, shall be permitted in the buffer.

As required no structures, except rear and side boundary walls or fences, will be permitted in the buffer between Maui Meadows and Honua'ula. In addition, Honua'ula Partners, LLC has agreed that there will be no roads within the 100-foot buffer area between Maui Meadows and any multi-family units within Honua'ula next to the buffer.

The landscape treatment for the Maui Meadows buffer will consist of a mixture of native and non-native medium canopy trees informally planted. Large native shrubs/small trees will be used as an understory and will function as a physical barrier between the two properties. This information about landscaping within the buffer area is summarized in Section 3.6 (Botanical Resources) of the Draft EIS and elaborated on in Appendix G (Landscape Master Plan) of the Draft EIS.

Multi-Family Dwellings. *The developers revealed in his power point presentation on June 1st to the URBAN COUNTY REVIEW BOARD, That they are planning to place multi-family dwellings right next to Maui Meadows Subdivision south border. The Developers then went on to describe their plan for these multi-family dwellings to be up to 50' tall. Buildings of this height and density do not belong along the border of Maui Meadows. Perhaps these multi-family units would be best placed away from the neighboring subdivision of Maui Meadows Please help this situation be pono.*

Response: To address your concerns about multi-family units next to Maui Meadows, Honua'ula Partners, LLC will implement the recommendation of the Urban Design Review Board (UDRB) in its review of Honua'ula. At its meeting on June 1, 2010, the UDRB recommended: "That the multi-family area closest to Maui Meadows on the northern boundary [i.e. southern boundary of Maui Meadows] of the site be limited to 30 ft. in height." This height limitation is consistent with the height limit for single family homes in Honua'ula and will result in structures not exceeding the maximum single family height originally planned for the area.

As specified in Section 19.90A.030(E)(5) MCC, there will be a 100-foot buffer area between Maui Meadows and Honua'ula, so there will be no multi-family units "right next to Maui Meadows Subdivision south border" as stated in your comment.

In addition to the 30-foot height limitation recommended by the UDRB, as stated above Honua'ula Partners, LLC will ensure that there will be no roads within the 100-foot buffer area between Maui Meadows and any multi-family units.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
 Senior Associate

cc: William Spence, Maui Planning Department
 Charles Jencks, Honua'ula Partners, LLC

June 28 2010

Director, Planning Department

County of Maui
250 High Street
Kalana Pakui Building
Wailuku Hawaii 96793
Fax, 808 2707634

PBR Hawaii
Attn. Tom Schnell, AICP
1001 Bishop Street, Suite 650
Honolulu, Hawaii 96813
Fax, 808 5231402

Hawaii State Office of Environmental Quality
235 South Beretaina Street
Honolulu Hawaii 96813 - 2419
Fax, 808 5864186

Mr. Charles Jencks
Honua'ula, Partners, LLC
P.O. BOX 220
Kinei, Hawaii 96753
Fax, 808 8796724

Aloha & Mahalo , Thank you for hearing my concerns, & allowing me to be part of your process.
My name is Gene Weaver & I am a residing homeowner on the south edge of the Maui Meadows Subdivision.
My family & many other's will be directly impacted by what happens in Wailea 670.

I am asking that the EIS include an alternative version of the plan with a 100 foot landscaped buffer between w670 and Maui Meadows and single family houses along the entire south side of it.
The Maui Meadows Community has been asking for a 200' buffer zone between us through w670 's long history.
The developer is planning the minimum allowable buffer - - - 50'.
The developer says that a road may be put next to the buffer. (VEHICLES ACCELERATING UP HILL ARE VERY LOUD & IMPACTING.)
In meetings with developers in previous years the plot plan showed ONLY SINGLE FAMILY HOMES ALONG THE BORDER OF MAUI MEADOWS.
NOW the developer is planning to put his multi - family dwellings right up next to our subdivision (Maui Meadows). (because it is an easy spot to build he says)

The developer is planning for these multi - family dwellings to be 50' tall, obscuring many Maui Meadows residents view corridor . Buildings of this height & density do not belong along the border of Maui Meadows Subdivision.
A buffer of 100' or more, with NO ROADWAY IN IT would better mitigate NOISE IMPACTS.
Construction may also impact noise levels, ambient air quality, and traffic.

ON JUNE 1ST the URBAN DESIGN REVIEW BOARD COMMENTED & RECOMMENDED THAT BUILDING HEIGHTS NOT EXCEED 30 FEET NEAR MAUI MEADOWS SUBDIVISION.
I would like to see THE COMMENTS FROM THE URBAN DESIGN REVIEW BOARD CONSIDERED & PUT IN THE DEIS.

I would like to see the developer offer ALTERNATIVES TO THE PLANNED BUFFER & ALTERNATIVES TO PUTTING MULTI-FAMILY DWELLINGS NEAR THE MAUI MEADOWS SUBDIVISION.

MYSELF & MANY NEIGHBORS DO NOT AGREE THAT IMPACTS ARE MITIGATED.

THE BUFFER ZONE IS BEING USED AS, or IS REFERRED TO; AS

1. a firebreak
2. A major drainage absorption area
3. Part of the 143 acre native plant "enhancement area"
4. Potential community garden area
5. a park
6. a mitigation to protect maui Meadows viewsheds
7. open space
8. Landscape buffer
9. Mitigation for lighting impacts to maui meadows.
10. " To mitigate environmental conflicts and enhance scenic amenities"

I AM ASKING FOR THE ACTUAL ACREAGE OF THE BUFFER ZONE BE INCLUDED IN THE DEIS.
I AM ASKING FOR A REAL 100 FOOT BUFFER SINCE IT IS BEING USED TO SATISFY ALL OF THESE DIFFERENT REQUIREMENTS.

P. S. I AM ALSO INCLUDING A LETTER TO MR. JENCKS FROM EDWARD KENNEDY REFERENCING A 2005 MEETING WHERE JENCKS ASSURES US THAT A 150 FOOT WIDE BUFFER ZONE WOULD BE CONSTRUCTED ALONG THE PROJECT'S NORTHERN BORDER.
This letter also talks of many other concerns Maui Meadows Residents have SUCH AS OUR CONCERN THAT AKALA DRIVE, HOALA DRIVE, LAU

35 Kohala Street
Kihei, HI 96753
May 17, 2007

Mr. Charley Jenks
Owner's Representative
Wailea 670
381 Huku Lii Place, Suite 202
Kihei, HI 96753

PLACE, or LANIHAU PLACE (NOT) BE CONNECTED TO THE STREETS OF W670.
Please look this letter over carefully.
PLEASE INCLUDE THE ENCLOSED LETTER FROM EDWARD KENNEDY (President of the Maui Meadows Home Owners Association at that time) IN THE DEIS.

Aloha & Mahalo,
GENE WEAVER

Dear Mr. Jenks:

Ms. Chandrika McLaughlin was good enough to share with me the April 16 letter you sent to her regarding her concerns about Wailea 670.

In that letter you said: "On July 28, 2005, I held a meeting specifically for both the Maui Meadows Neighborhood and Homeowners Associations at the Kihei Community Center with the intent of addressing any remaining concerns. Of the people attending, I had a few calls regarding view impacts and have committed to work with the folks in your community as part of our Phase II submittal documents to address their concerns."

As President of the Maui Meadows Homeowners Association, I take great offense at the insinuation that our only concerns were view impacts. Since the inception of your project, our association and residents have objected to your plans. We have attended your meetings, written directly to you and have testified before the Land Use Committee with respect to our major concerns: Traffic, water and over-development of South Maui before the County puts needed infrastructure in place. We have also written and testified about our secondary concerns: A buffer zone between Wailea 670 and Maui Meadows, the threat of roads connecting your development and Maui Meadows, view obstruction for our residents on the south side of Maui Meadows and finally, to protest your statements that Wailea 670 would not be a gated community, but that it would be OK if individual developers gated their portions of the project.

For years you told us that contributing \$500,000 to making the Piliiani Highway four lanes from the Mokelele Highway to Mapu/Kiuhana was all you were going to do for traffic mitigation, and that we should be grateful for that. Your tune changed when the State Department of Transportation said that unless the major developers of Wailea, Makana and Wailea 670 funded widening of the Piliiani Highway from Mapu/Kiuhana to Wailea like Drive, they could not approve your plans. Now you say you are taking the lead in this widening. That is like a condemned man saying he is taking the lead to the gas chamber. You are being

forced into doing what needs to be done and it must be completed before the county gives you any further approvals.

Two years ago you assured us that you had solved your water problem by securing the right to drill wells on the Haleakala Ranch land above and north of Maui Meadows. We didn't believe that was a viable solution then, and we don't believe it now. We have insisted and will continue to insist that you must develop your water supply system, prove it meets all the state and county requirements to serve your project and then turn it over to county for operation and use as part of the public water system of Maui. Where is your proof Mr. Jenks? Take it to the County Water Department and State Water Board and get their approval before you turn one shovel full of earth on your project.

We are firmly of the opinion that your project will have a bad impact on south Maui for years to come unless we, and you, insist that the county take a "peoples" point of view with respect to infrastructure improvement conditions which must be met before you can proceed.

Our secondary concerns address protecting us from the intrusions we see coming from your project. At the July 25, 2005, meeting you referenced, you assured us that a 150 foot wide buffer zone would be constructed along your project's northern boundary. You agreed that it would be landscaped with shrubs, not trees, and that it would include part of your trails system and have walking path connections to Maui Meadows. Now we understand that you plan to put a road in the middle of that buffer strip, which will turn it into a collector road for your project. Why can't you keep your word, Mr. Jenks? A collector road is not a buffer strip. We remain concerned that you will try to extend Akala Drive, Hoala Drive, Lauu Place, or Lanihou Place to connect with your streets. This would greatly increase the probability of traffic from your development, both from construction vehicles and from Wailea 670 residents, using our small roads (which have no sidewalks) as "short cuts" to get to or from Wailea 670. This threat is especially true during the years of construction you have said your project will take. Again, we think this should be a condition upon your project: Mitigate the traffic impact on and in existing neighborhoods.

You have stated that you are addressing our concerns regarding view impact for our south side residents. This means that your project must include view protection and restoration conditions in your CC&Rs, and that they must be enforceable by both your own residents and by Maui Meadows residents. Without such conditions, view protection promises are just more arm waving.

Why are we concerned about your gating segments of your project? Because gating destroys public access. If you allow it, your trail system will be a series of short walks from walled enclaves to walled enclaves. Your claims for a mixed use villages connected by walkways will fade away, and you will be just like Wailea: only the major streets will be open for walking. In contrast, our "primitive"

development has many lots which have been made private, but all the streets are open and our residents walk them daily. It is one of the features that makes a development a neighborhood. We would welcome the opportunity to expand our walking routes, but not at the expense of our streets being the real trail system for Wailea 670.

If you want to work with us Mr. Jenks:

- Put the needs of south Maui first and wait until the island's infrastructure can support your plans.
- Keep the promises you make to your neighbors.
- Take our criticisms seriously.

Sincerely,



Edward R. Kennedy

Copy: Mayor Charmaine Tavares
Council Member Michelle Anderson
Council Member Michael Molina
Jeff Hunt, Planning Director
Maui County Planning Commission
Edwin Tanji, Editor, Maui News



May 31, 2012

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Gene Weaver
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLIATION
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Maui Meadows residents, the Wailea Community Association, and hearings before the Maui Planning Commission and County Council.

The change in land use designations from single-family to multi-family along a portion of the Maui Meadows boundary is the result of multiple conditions imposed on Honua'ula by the Maui County Council. The most significant condition driving changes to the concept plan shown in the Draft EIS (Figure 1) is the condition requiring establishment of a native plant preservation area within the south end of Honua'ula. This condition, coupled with the required percentages of multiple and single family units, resulted in housing designation shifts in the concept plan. Given the topography of the property, combined with restrictions placed on grading and density, the placement of multifamily areas is limited to areas that do not require extensive grading. The northwest area of Honua'ula near Maui Meadows is one such area that is suitable for multifamily units.

Comment: *The developer is planning for these multi-family dwellings to be 50' tall, obscuring many Maui Meadows residents view corridor. Buildings of this height & density do not belong along the border of Maui Meadows subdivision.*

Response: To address your concerns about multi-family units next to Maui Meadows, Honua'ula Partners, LLC will implement the recommendation of the Urban Design Review Board (UDRB) in its review of Honua'ula. At its meeting on June 1, 2010, the UDRB recommended: "That the multi-family area closest to Maui Meadows on the northern boundary i.e., southern boundary of Maui Meadows) of the site be limited to 30 ft. in height." This height limitation is consistent with the height limit for single family homes in Honua'ula and will result in structures not exceeding the maximum single family height originally planned for the area.

Comment: *A buffer of 100' or more, with NO ROADWAY IN IT would better mitigate NOISE IMPACTS. Construction may also impact noise levels, ambient air quality, and traffic.*

Response: In addition to the 30-foot height limitation recommended by the UDRB, Honua'ula Partners, LLC will ensure that there will be no roads within the 100-foot buffer area between Maui Meadows and any multi-family units. We believe that the 100-foot buffer and the fact that there will be no roads within the 100 foot buffer area between Maui Meadows and any multi-family units will adequately mitigate impacts from potential noise associated with the multi-family units.

Regarding your concerns about construction impacts:

- **Noise:** Section 4.5 (Noise) of the Draft EIS discusses potential impacts pertaining to noise, including construction noise. In particular, proper mitigating measures will be employed to minimize construction-related noise and comply with all Federal and State noise control regulations. Increased noise activity due to construction will be limited to daytime hours and persist only during the construction period. Noise from construction activities will be short-term and will comply with State DOH noise regulations (HAR, Chapter 11-46, Community Noise Control). When construction noise exceeds, or is expected to exceed, the DOH's allowable limits, a permit must be obtained from the DOH.

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLIATION

Dear Mr. Weaver:

Thank you for your fax dated June 28, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. For clarity we have numbered each specific comment or concern.

Comment: *I am asking that the EIS include an alternative version of the plan with a 100 foot landscape-buffer between w670 and Maui Meadows and single family houses along the entire south side of it. The Maui Meadows Community has been asking for a 200' buffer zone between us through w670's long history. The developer is planning the minimum allowable buffer - - - 50'. The developer says that a road may be put next to the buffer. (VEHICLES ACCELERATING UP HILL ARE VERY LOUD & IMPACTING.)*

Response: Section 19.90A.030(E)(5) of the Kihai-Mākena Project District 9 Ordinance (Chapter 19.90A, Maui County Code (MCC)) specifies:

A minimum one hundred foot wide fire buffer area, with a minimum fifty-foot wide landscape buffer area within it, shall be provided between the southern boundary of the Maui Meadows subdivision and Kihai-Mākena project district 9 (Wailea 670). No structures, except rear and side boundary walls or fences, shall be permitted in the buffer.

We believe the Council exercised due care to mitigate impacts to Maui Meadows in specifying a minimum buffer width of 100 feet when enacting this section of the Kihai-Mākena Project District 9 Ordinance based on the concerns of Maui Meadows residents expressed at the Council hearings. In accordance with this requirement the concept plan shown in the Draft EIS (Figure 1) provides for a 100-foot buffer between Maui Meadows and any structure within Honua'ula.

Comment: *In meetings with developers in previous years the plot plan showed ONLY SINGLE FAMILY HOMES ALONG THE BORDER OF MAUI MEADOWS; NOW the developer is planning to put his multi-family dwellings right up next to our subdivision (Maui Meadows). (because it is an easy spot to build he says)*

Response: Plans for Honua'ula have evolved over the course of several years in response to community concerns, the requirements of the Kihai-Mākena Project District 9 Ordinance (Chapter 19.90A, MCC), and various other factors, such as infrastructure requirements and native plant preservation areas. However, these changes are still consistent with the basic goals and objectives of Honua'ula which have been consistently put forth by the owner's representative at many public meetings, including meetings with

Gene Weaver

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLIATION

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The acoustic study (see Appendix N of the Draft EIS) concludes that adverse impacts from construction noise are not expected to affect public health and welfare due to the temporary nature of the work and the administrative controls regulating noise impacts.

- **Air Quality:** Section 4.6 (Air Quality) of the Draft EIS discusses potential impacts to air quality, including those from construction. In particular, no State or Federal air quality standards are anticipated to be violated during or after the construction of Honua'ula. Short-term impacts from fugitive dust will likely occur during construction; however, mitigation measures, including the implementation of a dust control plan and frequent watering of exposed surfaces, will help to reduce and control such releases, and all construction activities will comply with the provisions of HAR, Chapter 11-60.1, Air Pollution Control, and Section 11-60.1-3.3, Fugitive Dust.
- **Traffic:** In compliance with County of Maui Ordinance No. 3554 Condition 28 a construction transportation management plan has been prepared to reduce construction-related traffic during the construction of Honua'ula and the widening of Pi'ilani Highway. Section 4.4.5 (Transportation Management) of the Draft EIS contains a summary of the construction transportation management plan and Appendix M of the Draft EIS contains the complete plan. The State Department of Transportation, the County Department of Public Works, and the County Department of Transportation have all reviewed and approved the construction transportation management plan.

Comment: ON JUNE 1st the URBAN DESIGN REVIEW BOARD COMMENTED & RECOMMENDED THAT BUILDING HEIGHTS NOT EXCEED 30 FEET NEAR MAUI MEADOWS SUBDIVISION. I would like to see THE COMMENTS FROM THE URBAN DESIGN REVIEW BOARD CONSIDERED & PUT IN THE DEIS.

Response: As discussed above, Honua'ula Partners, LLC will implement the recommendation of the Urban Design Review Board (UDRB) and will limit the height of any multi-family units in the area closest to Maui Meadows to 30 feet in height.

The letter from the Planning Department to the Planning Commission which contains the recommendations of the UDRB are attached to this letter and will be included in the Final EIS as reproduced with this letter.

Comment: I would like to see the developer offer ALTERNATIVES TO THE PLANNED BUFFER & ALTERNATIVES TO PUTTING MULTI-FAMILY DWELLINGS NEAR THE MAUI MEADOWS SUBDIVISION.

Response: To address your concerns, Honua'ula Partners, LLC will implement the restrictions discussed above. In summary any multi-family units in the area closest to Maui Meadows will be limited to 30 feet in height and Honua'ula Partners, LLC will ensure that there will be no roads within the 100-foot buffer area between Maui Meadows and any multi-family units. The height limitation of 30 feet for multi-family units in the area closest to Maui Meadows is consistent with the height limit for single family homes in Honua'ula and will result in structures not exceeding the maximum single family height originally planned for the area.

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Comment: MYSELF & MANY NEIGHBORS DO NOT AGREE THAT IMPACTS ARE MITIGATED.

Response: We acknowledge your opinion and hope that the clarifications in this letter (such as the correct information regarding the width of the buffer area between Maui Meadows and Honua'ula and other information you have sought regarding construction noise, air quality, and traffic impact) address your concerns.

The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawai'i EIS laws and rules (Chapter 343, Hawai'i Revised Statutes (HRS) and Title 11, Chapter 200, Hawai'i Administrative Rules (HAR)). The EIS laws and rules provide for the preparation of a draft EIS, a review process, and the preparation of a final EIS. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments, and our responses. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments.

Comment: THE BUFFER AREA IS BEING USED, or IS BEING REFERRED TO: AS

1. a firebreak
 2. A major drainage absorption area
 3. Part of the 143 acre native plant "enhancement area"
 4. Potential community garden area
 5. a park
 6. a mitigation to protect maui Meadows viewsheds
 7. open space
 8. Landscape buffer
 9. Mitigation for lighting impacts to maui meadows
 10. "To mitigate environmental conflicts and enhance scenic amenities"
- I AM ASKING FOR THE ACTUAL ACREAGE OF THE BUFFER ZONE BE INCLUDED IN THE DEIS.
I AM ASKING FOR A REAL 100 FOOT BUFFER SINCE IT IS BEING USED TO SATISFY ALL OF THESE DIFFERENT REQUIREMENTS.

Response: While the items you list above in your letter are not as directly stated in the Draft EIS regarding the buffer, we note that all of the proposed uses within the buffer area that you list could be generally described as "open space." In conformance with Section 19.90A.030(E)(5), MCC noted above, no structures, except rear and side boundary walls or fences, will be included in the buffer. We believe the uses described in the Draft EIS for buffer area (e.g. landscape buffer, firebreak, view shed, open space area, native plant area) are appropriate uses and in conformance with Section 19.90A.030(E)(5), MCC.

Based on the requirements for the buffer area between Maui Meadows and Honua'ula as specified in Section 19.90A.030(E)(5) MCC, the area of the buffer between Maui Meadows and Honua'ula will be approximately 7.5 acres. To include this information in the Final EIS, as well as other relevant information provided in this letter, in the Final EIS Section 2.3.3 (Recreation and Open Space/Utility Sub-district) will be revised as follows:

Open space in the Recreation and Open Space/Utility sub-district will include landscaped buffers, drainage ways, and steep topographic features. One of the major buffer zones will

CHARMAINE TAVARES
Mayor
KATHLEEN ROSS AOKI
Director
ANN T. CIA
Deputy Director



COUNTY OF MAUI
DEPARTMENT OF PLANNING

June 9, 2010

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be located between Maui Meadows and Honua'ula. This buffer area will be at least 100 feet wide, consisting of a 50-foot wide landscape buffer and a landscaped roadway; provided there will be no roads within the 100-foot buffer area between Maui Meadows and any multi-family units. The total area of the buffer will be at approximately 7.5 acres.

Comment: P.S. I AM ALSO INCLUDING A LETTER TO MR. JENKS FROM EDWARD KENNEDY REFERRING A 2005 MEETING WHERE JENKS ASSURES US THAT A 150 FOOT WIDE BUFFER ZONE WOULD BE CONSTRUCTED ALONG THE PROJECT'S NORTHERN BORDER. This letter also talks of many other concerns Maui Meadows Residents have SUCH AS OUR CONCERN THAT AKALA DRIVE, HOMALA DRIVE, LAU PLACE, or LANIHAI PLACE (NOT) BE CONNECTED TO THE STREETS OF W6670.

Please look this letter over carefully.
PLEASE INCLUDE THE ENCLOSED LETTER FROM EDWARD KENNEDY (President of the Maui Meadows Home Owners Association at that time) IN THE DEIS.

Response: The letter dated May 7, 2007 from Edward Kennedy to "Mr Charley Jenks" will be included in the Final EIS as attached to your comment letter. We cannot include it in the Draft EIS as you request because the Draft EIS was published in April 2010.

Primary access to Honua'ula will be from Pi'ilani Highway. Kaukahi Street, a private two-lane street within Wailea, will provide a second, controlled access. Honua'ula's internal roadway system will not connect to the Maui Meadows roadway system with the exception of Akala Drive for emergency access purposes only; no through traffic from Honua'ula to Maui Meadows will be allowed.

Thank you for reviewing the Draft EIS. Your letter and the letter from Edward Kennedy will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
Senior Associate

Attachment: Planning Department Letter

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

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Mr. Jonathan Starr, Chair
and Members of the Maui Planning Commission
County of Maui
250 South High Street
Wailuku, Hawaii 96793

Dear Chair Starr:

SUBJECT: URBAN DESIGN REVIEW BOARD (UDRB) COMMENTS ON PROPOSED DESIGN GUIDELINES AND THE PROJECT DISTRICT PHASE II APPLICATION FOR HONUA'ULA, A MASTER PLANNED COMMUNITY CONSISTING OF SINGLE FAMILY AND MULTI-FAMILY HOMES, VILLAGE MIXED USE AREAS WITH SUPPORTING COMMERCIAL, OPEN SPACE, RECREATION, AND RELATED OFF-SITE IMPROVEMENTS LOCATED IN WAILIEA, KIHEI-MAKENA, MAUI, HAWAII (PHZ 2010/00001)

THE PROPERTY: 670 ACRES -
TMK'S: (2) 2-1-008:056
(2) 2-1-008:071

OFF-SITE IMPROVEMENTS: 30 ACRES -
TMK'S: (2) 2-1-08: 999 (POR) STATE OF HAWAII
(2) 2-1-08: 043 (POR) MAUI ELECTRIC COMPANY LTD
(2) 2-1-08: 090 (POR) MAKENA GOLF LLC
(2) 2-1-08: 108 (POR) MAKENA GOLF LLC
(2) 2-1-08: 054 (POR) ULUPALAKUA RANCH
(2) 2-1-08: 001 (POR) ULUPALAKUA RANCH
(2) 2-2-02: 050 (POR) HALEAKALA RANCH CO.
(2) 2-2-02: 054 (POR) HALEAKALA RANCH CO.

At its regular meeting on June 1, 2010, the UDRB reviewed the design guidelines, landscaping, architectural plans, and related aspects of the proposed project referenced above. Based on those considerations within the UDRB's purview, it offered the following comments on the project:

1. That consideration be given to incorporating sidewalks within project culdesacs and making bike paths and sidewalks more consistent from area to area;

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MAIN LINE (808) 270-7735; FACSIMILE (808) 270-7634
CURRENT DIVISION (808) 270-8205; LONG RANGE DIVISION (808) 270-7214; ZONING DIVISION (808) 270-7253

Mr. Jonathan Starr, Chair
and Members of the Maui Planning Commission
June 9, 2010
Page 2

Dr. George R. Harker
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DrLeisure1@aol.com

2. That existing rock walls and stepping stone trails with in the project site be incorporated in the project's design;
3. That consideration be given to incorporating recreational courts within the project; and
4. That the Multi-Family area closest to Maui Meadows on the northern boundary of the site be limited to 30 ft. in height. The Planning Department notes that the allowable height for the Multi-Family subdistrict is 4 stories or 50 ft.

Thank you for your cooperation. If additional clarification is required, please contact the undersigned or Deputy Planning Director Ann Cua at ann.cua@mauicounty.gov or 270-7521.

Sincerely,



for LINDA KAY OKAMOTO, Chair
Maui Urban Design Review Board

xc: Ann Cua, Deputy Planning Director
Clayton I. Yoshida, AICP, Planning Program Administrator
Gwen Hiraga, Munekiyo & Hiraga, Inc.
Tom Schnell, AICP, PBR Hawaii,
Project File
General File

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521-5631

Maui Planning Department/Maui Planning Commission
Jeff Hunt, Director
County of Maui
Planning Department
250 South High Street
Wailuku, Hawaii 96793
808-270-7735

June 30, 2010

Gentlemen:

My comments on the Draft Environmental Impact Statement (EIS) for Honua'ula

Some reactions to the Honua'ula Draft Environmental Impact Statement. It was most informative to see the information on this project drawn together in one series of documents. After reading the documents it was difficult to see how this project could be justified. The destruction of limited resources in an effort to produce a high end product that recent local history demonstrates is of little market value makes no sense. The most obvious examples: 1) Makena Resort taken over by creditors and 2) Maluaka scaled down from numerous condominium to a dozen or so building lots of questionable value. These examples and others suggest to me that Honua'ula will not come to pass in any form resembling what is proposed. The issue is really how much environmental damage will be done in the process of proceeding.

My analysis: 3.5 GROUNDWATER RESOURCES AND WATER QUALITY.

3.5.1 Groundwater

The report notes that the groundwater is already brackish from the start and how things will be done not to impact significantly the brackish water use of Wailea Resorts five wells. No mention is made of the fact that the brackish nature of the groundwater is indicative of a very real problem



May 31, 2012

George Harker
P.O. Box 1137
Kihei, Hawaii 96753

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SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Harker:

Thank you for your letter dated June 30, 2010, regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. The organization of this letter follows the headings of your letter.

Comment: After reading the document it is difficult to see how this project can be justified. The destruction of limited resources in an effort to produce a high end product that recent local history demonstrates is of little market value makes no sense. The most obvious examples: 1) Makena Resort taken over by creditors and 2) Malakoa scaled down from numerous condominium lots to a dozen or so building lots of questionable value. These examples and others suggest to me that Honua'ula will not come to pass in any form resembling what is proposed.

As stated in the Draft EIS, the purpose and intent of Honua'ula is to implement the Project District 9 ordinance (Chapter 19.90A, Maui County Code) governing the Property which establishes permissible land uses and appropriate standards of development for the property. As planned, Honua'ula will complement the pattern of development in the Kihei-Makena region in a way that is consistent with the Project District 9 ordinance and envisioned in the *Kihei-Makena Community Plan*. Honua'ula also will include homes priced for a wide range of consumer groups, including workforce affordable homes in compliance with Chapter 2.96, MCC (Residential Workforce Housing Policy).

Honua'ula also implements State and County planning policies for the Property that have been thought-out, studied, and advanced for over 20 years. Honua'ula realizes and supports decisions regarding the use of the property for residential, recreational, and commercial uses made by the State Land Use Commission, the Maui Planning Commission, and the Maui County Council. Honua'ula is also within the "urban growth boundary" of the current Directed Growth Maps of: 1) the Planning Department; 2) the Maui Planning Commission; and 3) the General Plan Advisory Committee. As such, Honua'ula realizes the vision for the Property that has been formulated and refined over the course of more than two decades.

Comment: The issue is really how much environmental damage will be done in the process of proceeding.

Response: The very purpose of an EIS is to identify the environmental impacts of a proposed project and propose appropriate mitigation measures. The Honua'ula Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with the State of Hawai'i EIS law (Chapter 343, Hawai'i Revised Statutes (HRS)) and EIS rules (Title 11, Chapter 200, Hawai'i Administrative Rules (HAR)). The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its

with natural ecology of the area. The solution to the problem and its negative effects is not to pump more wells but rather to stop pumping existing wells.

3.5.2 Nearshore Marine Environment

Marine Water Quality

The report notes that project is not on the shoreline and relates that coastal water studies were made to document what is there now. It is reported that State ocean water quality standards were not being met.

It is stated that "If there is an impact from Honua'ula, corrective actions will be taken." Further, "the Property is separated from the ocean by the Wailea Resort, which has been in existence for several decades. Hence, marine communities downslope from Honua'ula have been influenced by land uses of the Wailea Resort, and do not represent "pristine" conditions." (p 52)

I found no reference to Hawaiian fish ponds in the report. It is known that such ponds were able to feed an indigenous population of Hawaii larger than present today and not so very long ago.

It is also known that the fresh water flow is essential to the estuaries and the biota of these coastal areas. It would be useful to understand the extent of the fish ponds along this shoreline and what it would take to restore them as a source of food production.

The nutrient load from the golf course and the diversion of water only exacerbate the problems of the Marine environment.

Conclusions:

It appears to me that Honua'ula as it is now formulated would exponentially exacerbate problems that are already present in the area and correctly associated with other similar resort complexes. Economic conditions are deteriorating for Maui significantly with no upturn in site. Indeed the international and national scene suggest a collapse of the world financial system is underway. The pillaging of our natural resources in a quest for financial gain has had devastating effects on the Gulf Coast States. The bottom line is not more jobs, it is enough food for ones family. All the money in the world is irrelevant if one can not get access to food and water.

The things of which I speak are rather self evident and are a sufficient basis to stop this project. Thanks for an opportunity to be heard.

Sincerely,

George R. Harker

completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to review comments.

3.5.1 Groundwater

Comment: *The report notes that the groundwater is already brackish from the start and how things will be done not to impact significantly the brackish water use of Wailea Resorts five wells. No mention is made of the fact that the brackish nature of the groundwater is indicative of a very real problem with natural ecology of the area. The solution to the problem and its negative effects is not to pump more wells but rather to stop pumping existing wells.*

Response: The fact that the existing wells are brackish is not “indicative of a very real problem with the natural ecology of the area.” The groundwater was brackish before the start of any pumping. This is a result of the contact with saline groundwater at the depth of the wells, the permeability of the ground, and the rate of rainfall recharge. In addition there has not been an increase in salinity since then due to pumping.

We would also like to note that in their letter commenting on the Draft EIS dated May 20, 2010, the State Commission on Water Resource Management stated that the Draft EIS “thoughtfully discusses groundwater and surface water issues.”

3.5.2 Nearshore Marine Environment

Comment: *I found no reference to Hawaiian fish ponds in the report. It is known that such ponds were able to feed an indigenous population of Hawaii larger than present today and not very long ago.*

It is also known that the fresh water flow is essential to the estuaries and biota of these coastal areas. It would be useful to understand the extent of the fish ponds along this shoreline and what it would take to restore them as a source of food.

Response: Section 4.2 (Cultural Resources) of the Draft EIS makes reference to Kalepolepo and Kō'ie'e fishponds. The Cultural Impact Assessment contained in the Draft EIS (Appendix K) provides further discussion on fishing, fishponds (Loko I'a), and fishing grounds. As stated on page 20 of the Cultural Impact Assessment: "...the Honua'ula shoreline has abundant marine life that served as a source of sustenance for many people. The fresh water seeping into the ocean at the shoreline produces a large array of sea life." Fishponds were used to ensure that these marine resources would be available for the community.

So while the Draft EIS contains references and information regarding fishponds in context with the cultural and historic resources of the greater Honua'ula moku (traditional district), the Honua'ula property—which is the primary subject of the Draft EIS—is more than a half mile from the shoreline with several properties between Honua'ula and the shoreline. While we can appreciate your thought that it would be useful to understand the extent of the fishponds along this shoreline and what it would take to restore them as a source of food, this is beyond the scope of the Draft EIS as: 1) the Honua'ula property is not on the shoreline; 2) Honua'ula Partners, LLC does not own the properties between Honua'ula and the shoreline; and 3) the restoration of fishponds as a source of food would not alter the analyses provided in the Draft EIS regarding the Honua'ula property.

Comment: *The nutrient load from the golf course and the diversion of water only exacerbate the problems of the Marine Environment.*

Response: As discussed in Section 3.5.2 (Nearshore Marine Environment) of the Draft EIS, the results of the Marine Water Quality Assessment (Appendix D of the Draft EIS) and further evaluation of the potential changes to groundwater composition indicate that there is little or no potential for alteration of the marine environment or negative impacts to marine waters due to Honua'ula. The assessment concludes that: “the estimates of changes to groundwater and surface water would result in a decrease in nutrient and sediment loading to the ocean relative to the existing condition. With such a scenario, it is evident that there would be no expected impacts to the nearshore marine ecosystem owing to development of Honua'ula.”

Conclusions

Comment: *It appears to me that Honua'ula as it is now formulated would exponentially exacerbate problems that are already present in the area and correctly associated with other similar resort complexes. Economic conditions are deteriorating for Maui significantly with no upturn in site [sic]. Indeed the international and national scene suggest a collapse of the world financial system is underway. The pillaging of our natural resources in a quest for financial gain has had devastating effects on the Gulf Coast States. The bottom line is not more jobs, it is enough food for ones [sic] family. All the money in the world is irrelevant if one cannot get access to food and water.*

Response: Section 7.2 (Cumulative and Secondary Impacts) of the Draft EIS discusses the cumulative and secondary impacts of Honua'ula in context with existing and potential additional development in the Kīhei-Mākena area; however it is not contemplated that Honua'ula will along with other proposed South Maui development projects are likely to include increased population and greater demands on public infrastructure systems and services. However, the population of the Kīhei-Mākena region is projected to grow and the needs of a growing population relating to traffic, infrastructure, public services, and other issues will need to be addressed regardless if some or all of these projects are built. Of all the projects currently proposed within South Maui, Honua'ula stands out as contributing its fair share and more to address cumulative and secondary impacts. Potential environmental impacts resulting from the creation of Honua'ula have been discussed throughout the Draft EIS, along with appropriate mitigation measures. It should also be noted that Honua'ula will have a substantial positive attributes, including:

- Compliance with the Kīhei-Mākena Community Plan, which designates the Property as “Project District 9” and the Project District 9 ordinance (Chapter 19.90A, MCC) which provides for a residential community consisting of single-family and multi-family dwellings complemented with village mixed uses, all integrated with an eighteen-hole golf course and other recreational amenities;
- Native plant and endangered species habitat preservation;
- Significant long-term community benefits provided by Honua'ula in compliance with the conditions of zoning under County of Maui Ordinance No. 3554; and
- Significant economic benefits.

George Harker
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
May 31, 2012
Page 4 of 4

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

O:\0819\1905_08_Honua'ula-EIS\DES\DES\Comments\Responses\Public\Final\George_Harker.doc

From: Irene Newhouse [mailto:inew@hotmial.com]

Sent: Monday, June 28, 2010 9:58 PM

To: Charlie Jencks; planning@mauicounty.gov; kathleen.aoki@co.maui.hi.us; oecq@doh.hawaii.gov

Subject: comments on Honalua native plant perservation

I believe that the whole, or nearly the whole, of the wiliwili area on the Honalua property should be preserved, whether or not it is degraded. There are only a handful of such areas left on Maui, and it would take only one or two more fires such as Maui has had recently to reduce significantly the number of extant wiliwili forest areas.

The Michigan Nature Association owns or has a conservation easement on a small remnant sand prairie. The plants unique to it are adapted for dry conditions, not because it doesn't rain, but because the sand results in rains draining away rapidly. Adjacent acreage is irrigated in summer to grow corn. This seasonal irrigation introduced enough additional water into the prairie remnant to decrease the viability of the plants there, and there were discussions about ways to raise funds to add a buffer zone to mitigate this effect. I point this out to suggest that remnant areas surrounded by golf course will probably be adversely affected by the year-round irrigation around them. Therefore, it would be far safer to set aside a monolithic section of the property.

I live in south Kihei, and am growing native plants on our property. I've noticed that a'il'i do not tolerate irrigation well, even when they are planted at the property's edge, thus at the edge of the irrigated area, so get less water than the grass. They are susceptible to being blown away by high winds because the trunks are moldy at the soil surface, and they break off there. Note that those few of my plants which have survived are 10 years old, yet have never set seed. I have tried growing canevalia three times. All three succumbed to pests, whose viability was probably enhanced by the availability of irrigation water. I was given five plants of the Honalua Lipochoeta rockii variant which were left over from outplanting and had become potbound. Although they seemed to thrive for a time, they died after setting seed, and none of the seed sprouted. I had them planted in an area set aside for dry land plants, with reduced irrigation.

I was once given a large number of cuttings of pa'uohi'iaka. They went crazy, but they all died off after about 18 months. I still have the odd volunteer coming up occasionally -- there are two right now -- but they've never again grown as luxuriantly as they did the first time.

Furthermore, construction dust nearby can be fatal to native plants. Our lot is 10000 sq. ft. When the lot to the northwest of us was being built on, even our plumeria trees were extremely stressed, sporting black mold on the upper leaf surfaces and large numbers of papaya mealy bug underneath. During this period, my 3 5-year-old ohai plants, which had, up to then, been quite healthy, died. The a'il'i closest to that lot has never really regained its health. About a year after construction was completed, the plumerias perked up, w/out our ever having sprayed them, and they've not had black mold on their leaves in the 3 years since then, though papaya mealy bug & whitefly continue to occur at greatly reduced levels. It's hard for me to imagine how this effect worked, as the area being built on was Kihei dry, so it couldn't have been that the pests were coming from that dry & unvegetated plot. And no, our plants were not so close to the property line that their roots were compacted during construction.

The effects of irrigation and cultivation on native plants appear to be complex, and it is far better to leave an area alone as much as possible, removing alien species carefully, than to hope to maintain a viable population in cultivated areas. Although I am not a master gardener, I did grow up on a dairy farm where we raised nearly all our own vegetables, and I have had advice from some very successful growers of native plants.

Irene Newhouse
129 Waiua Place Kihei Hawaii



May 31, 2012

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Irene Newhouse
SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
May 31, 2012
Page 2 of 5

Together the on- and off-site mitigation areas provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of native dryland plants, including willow. Through the perpetual protection and enhancement of these areas, a stable core habitat area will be secured for the Blackburn's sphinx moth, providing net benefit to this species, as well as a large number of additional native dryland species. To implement the on- and off-site mitigation measures, Honua'ula Partners, LLC, will finalize its draft Habitat Conservation Plan in collaboration with the US Fish and Wildlife Service (USFWS) and State Department of Land and Natural Resources (DLNR) in accordance with Section 10(a)(1)(B) of the Endangered Species Act and Chapter 195D, Hawaii Revised Statute. The on- and off-site mitigation areas are subject to the approval of the Habitat Conservation Plan by USFWS and DLNR.

To include this information in the Final EIS, in the Final EIS Section 3.6 (Botanical Resources) will be revised as shown on the attachment labeled "Botanical Resources."

To include discussion of a 130-acre Native Plant Preservation Area in the Final EIS, in the Final EIS Chapter 6 (Alternatives) will be revised to include the information shown on the attachment labeled "Alternatives."

2. *There are only a handful of such areas left on Maui, and it would take only one or two fires such as Maui has had recently to reduce significantly the number of extant willow forest areas.*

Response: As recommended and as stated in Section 3.4.5 (Wildfires) and Section 3.6 (Botanical Resources) of the Draft EIS, Honua'ula will implement a fire control program in coordination with the Maui County Department of Fire and Public Safety and resource agencies, which will include firebreaks, to help protect native plant preservation and conservation areas. The program will include the creation of a fire break immediately outside of the perimeter of the Native Plant Preservation Area. The golf course, which will abut portions of the Native Plant Preservation Area and other Native Plant Areas, will act as a fire break to protect native plants. Other fire mitigation measures include the use of lava rock and other non-flammable materials in building and landscaping.

To include the relevant above information in the Final EIS, Section 3.4.5 (Wildfires) will be revised as follows:

Wildfires

Currently, vegetation on the Property includes ~~kiawe~~~~buffel~~~~grasses~~ non-native buffel grass (*Cenchrus ciliaris*), non-native kiawe trees (*Prosopis pallida*), native willow trees (*Erythrina sandwicensis*), and a dense understory of native 'ilima shrubs (*Sida fallax*). ~~Kiawe~~~~buffel~~ Buffel grass, which is the most common grass on the Property, can easily carry fire.

Human carelessness is the number one cause of fires in Hawaii. In Maui County the number of wildfires has increased from 118 in 2000 to 271 in 2003. Human error combined with the spread of non-native invasive grasses, shrubs, and trees, has led to an increased susceptibility to wildfires. According to Maui Fire Department data, Kihei-Makena's susceptibility of wildfire is high. Between 2005 and 2010 there were 201 wildfires in the Kihei-Makena area. The majority of those fires were of undetermined cause. 32 were caused by operating equipment, four were from a type of arch or flame, five were caused by fireworks, and five were from smoking materials. Approximately 2,180 acres were burned during this five-year period.

SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Ms. Newhouse:

Thank you for your e-mail dated June 28, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. For clarity, we have numbered each specific comment or concern.

1. I believe that the whole, or nearly the whole, of the willow area on the Honua'ula property should be preserved, whether or not it is degraded.

Response: Section 3.6 (Botanical Resources) of the Draft EIS details extensive measures that will be established to protect and conserve native plant species (including willow trees), including: 1) establishing a Native Plant Preservation Area; and 2) implementing a conservation and stewardship plan that sets forth proactive stewardship actions to manage the native plant areas. Please note that no Federal or State of Hawaii listed threatened or endangered plant species were identified on the Honua'ula property; however, a candidate endangered species, *'awikiwiki* (*Canavalia pubescens*), was identified on the property.

In response to comments on the Draft EIS requesting additional area to be set aside for native plant species, Honua'ula Partners, LLC proposes both on- and off-site measures.

For on-site measures Honua'ula Partners, LLC will increase the area of the Native Plant Preservation Area on the Honua'ula property from 22 to 40 acres. This 40-acre area contains the highest density of native plants within the Property, and will include all five 'awikiwiki plants that were alive in 2009 and the majority of the nehe plants at the Property. The Native Plant Preservation Area will be actively managed in accordance with the Conservation and Stewardship Plan (included as Appendix F of the Draft EIS). Management actions will include removal and exclusion of ungulates (deer, cattle, goats, and pigs), removal and control of noxious invasive weeds and plants, and propagation of native plants from seeds collected on the Property.

For off-site mitigation, Honua'ula Partners, LLC will:

1. Acquire a perpetual conservation easement of approximately 224-acres on a currently unprotected portion of property owned by Ulupalakua Ranch adjacent to the eastern boundary of the State of Hawaii Kanaoia Natural Area Reserve; and
2. Fund and implement the continuation and expansion of restoration efforts within the Auwahi Forest Restoration Project area, just north of the Kanaoia Natural Area Reserve, including fencing of approximately 130 acres, ungulate removal, and plant restoration activities.

POTENTIAL IMPACTS AND MITIGATION MEASURES

The occurrence of natural hazards cannot be predicted, and should one occur, it could pose a risk to life and property. Honua'ula, however, will neither exacerbate any natural hazard conditions nor increase the Property's susceptibility or exposure to any natural hazards.

Due to its location and elevation, the probability of the Property being affected by flooding or tsunami is minimal. However, to protect against natural hazards, including earthquakes and wildfires, all structures at Honua'ula will be constructed in compliance with requirements of the Uniform Building Code (UBC), and other County, State, and Federal standards. Fire apparatus access roads and water supply for fire protection will be provided in compliance with the Uniform Fire Code.

The creation of Honua'ula will mitigate the potential for wildfires on the Property through its landscape design and plant palette. In large part, vegetative fuel for fires, such as non-native kawe trees and buffel grass, will be replaced by buildings and landscaping of the community, thereby decreasing the Property's susceptibility to wildfires. Honua'ula Partners, LLC will implement a fire control program in coordination with the Maui County Department of Fire and Public Safety and resource agencies, which will include firebreaks to help protect native plant preservation and conservation areas (see Section 3.6, Botanical Resources) to insure the success of plant propagation and conservation efforts. Buffer areas between Honua'ula and Maui Meadows and along P'ilani Highway will also act as fire breaks, as will the golf course. Other fire mitigation measures include the use of lava rock and other non-flammable materials in building and landscaping, and creating a trail system, which will act as a fire break.

The USFWS recommends fire suppression resource response by fire engines and heavy equipment be within the first 45 minutes of fire ignition. The Maui Fire Department is responsible for fire suppression in the district. The fire station nearest Honua'ula is the newly built Wailea Fire Station located at the intersection of Kilohana Drive and Kapili Street between P'ilani Highway and South Kihei Road, less than five minutes away. The Wailea Station is approximately one-half mile from the Property and is equipped with a 1,500 gallon per minute apparatus, a 95-foot mid-mount ladder truck and a 3,500 gallon water tanker truck. In addition, an emergency helipad and fuel dispensing station is located mauka of the fire station (see Section 4.10.3 (Fire) for information regarding fire control and response).

To help address the growing need for fire prevention and emergency services, in compliance with County of Maui Ordinance No. 3554 (Condition 24), Honua'ula Partners, LLC will provide the County with two acres of land that has direct access to the P'ilani Highway extension for the development of fire control facilities within the Honua'ula's Village Mixed-Use sub-district. This land will be donated at the time 50 percent of the total unit/lot count has received either a certificate of occupancy or final subdivision approval. The land provided will have roadway and full utility services provided to the parcel.

Impacts from natural hazards can be further mitigated by adherence to appropriate civil defense evacuation procedures. Honua'ula will coordinate with the State of Hawai'i Department of Defense, Office of Civil Defense and the County of Maui Civil Defense Agency regarding civil defense measures, such as sirens, necessary to serve Honua'ula.

3. *...remnant areas surrounded by golf course will probably be adversely affected by the year-round irrigation around them. Therefore, it would be far safer to set aside a monolithic section of the property.*

Response: To ensure that Honua'ula's golf course is developed and operated in an environmentally responsible manner and potential impacts to the surrounding environment are mitigated, Environmental & Turf Services, Inc., prepared a comprehensive report of Best Management Practices (BMPs) for the golf course. Appendix C of the Draft EIS contains the golf course BMP report and Section 3.5.1 (Groundwater) of the Draft EIS includes a summary of the report.

The overall goal of the Honua'ula golf course BMPs is to reduce the turf chemical and water inputs required to manage the 18-hole golf course and to minimize waste generation. The golf course will be designed to minimize impact on the surrounding environment and provide enhancement of ecological functions (i.e., buffer zones/strips, water features, natural topography, wildlife habitat).

The goals of the design and management of the Honua'ula Golf Course are as follows:

1. Be leaders in environmental management and environmental monitoring.
2. Be protective of the physical and environmental resources of the site.
3. Develop pest management strategies with an emphasis on reducing the use of pesticides.
4. Provide water conservation materials and methods to maximize usage of water efficiently.
5. Hire and maintain qualified personnel sensitive to the environmental issues of the site.
6. Establish earthen berms and vegetative swales functioning as buffers to prevent surface discharge off the site.
7. Minimize the amount of waste products generated on-site as well as the exporting of materials off-site.

In response to your concern regarding irrigation, water conservation is central to the functioning of the golf course. While non-potable water will be used for all golf course irrigation, the golf course will also include a modern irrigation system designed to use non-potable water efficiently. The key component of the irrigation system will be a central computer to store information for every sprinkler, including the type of sprinkler, nozzle sizes, location, soil type, slope, infiltration, exposure, etc., so that the exact amount of water needed is applied (i.e., not just turning on sprinklers for a set duration). Cycle/soak features will prevent runoff when heavy irrigation is needed. Flow management features will ensure optimum pressure and amount to every sprinkler.

Records of irrigation procedures will be maintained for each management zone. Each management zone will be treated independently; the highest priority zones (greens, tees, fairways) will receive the highest amounts of water, while lower priority zones (secondary roughs, natural areas) will receive less water. Golf course irrigation water will be stored in lined water features located on the golf course.

See the below response to comment #5 for further discussion regarding protection and conservation of native plants within Honua'ula.

Irene Newhouse
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT
DISTRICT PHASE II APPLICATION
May 31, 2012
Page 5 of 5

4. Construction dust nearby can be fatal to native plants.

Response: As discussed in Section 4-6 (Air Quality) of the Draft EIS, no State or Federal air quality standards are anticipated to be violated during or after the construction of Honua'ula. In the short term, construction of Honua'ula will likely contribute to air pollutant concentrations due to fugitive dust releases at construction areas. However, mitigation measures, including the implementation of a dust control plan and frequent watering of exposed surfaces, will help to reduce and control such releases, and all construction activities will comply with the provisions of Hawaii Administrative Rules, Chapter 11-60.1, Air Pollution Control, and Section 11-60.1-33, Fugitive Dust.

5. The effects of irrigation and cultivation on native plants appear to be complex, and it is far better to leave an area alone as much as possible, removing alien species carefully, than to hope to maintain a viable population in cultivated areas.

Response: As discussed in Section 3.6 (Botanical Resources) of the Draft EIS, a Native Plant Preservation Area will be established in perpetuity under a conservation easement to protect and ensure the long-term genetic viability and survival of native plants within Honua'ula. The Native Plant Preservation Area will remain undisturbed and development will be prohibited, with the exception of a nature/cultural trail that will border the Native Plant Preservation Area.

In addition, to ensure the long-term conservation and stewardship of native plants within Honua'ula, and in conformance with County of Maui Ordinance No. 3554 Condition 27a, Honua'ula Partners, LLC's biological consultant SWCA Environmental Consultants prepared the *Honua'ula Conservation and Stewardship Plan*. The plan incorporates findings, conclusions, and recommendations from previous botanical surveys, wildlife surveys, and biological assessments of the Property and sets forth proactive stewardship actions to manage the native plant areas. Appendix F of the Draft EIS contains the complete *Honua'ula Conservation and Stewardship Plan* and Section 3.6 (Botanical Resources) of the Draft includes a summary of the plan.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachments: Botanical Resources
Alternatives

June 30, 2010

Tom Schnell, AICP
Senior Associate
PBR Hawaii & Associates, Inc.
1001 Bishop Street, Suite 650
Honolulu, HI 96813-1402
Fax: (808) 523-1420

Re: Honua'ula EA/EIS/SPN / ~~Draft~~

Dear Mr. Schnell

Aloha,

I would like to resubmit my last comments, because they were never addressed. I believe the comment period is to answer any reasonable question that may arise. I also want to share that I participated in a right to access in Honua'ula. The gathering went smoothly. Mr. Jencks arranged the lock to be removed from the gate hence recognizing our rights to gather and access for cultural and traditional practices.

That evening on June 21, 2010, we as practicing people and lineal descendants created another significant area on the gravel flat on the southern end. There needs to be documented in the report testimony to the event that took place that night. As I walk up to where we all were to meet, I noticed something on the ground. It was cow droppings. I inquired, when did the cattle come in? The reply was that cattle were there for a long time about three years. I had gone up for about the last 1 1/2 - 2 yrs and I saw no trace of cattle until the last year. The lwi kupuna told us "Waiahuaka" that is where we practice "malama ka aina", is where we should use as a starting point to "malama". My father once asked, why we chose so far in to start, and my answer was we did not choose the spot it chose us. At that time I saw no cow droppings. In my previous comments the report read about how cattle would damage lots of the archeological sites yet cattle is roaming freely upon the area most concentrated with sites and native plants. I'd like an explanation as to this sort of practice on the part of the management upon the now planned preservation area? Besides the cattle and due to the deer population, project management allows hunting which people come in on quads to traverse the area referred in the words of Mr. Jencks, [filled with sensitive features]. One could also conclude these hunters were a way of security for the property. On occasion on my many [holo holo] I would be confronted and intimidated.

My prayer for this project is for it to be more than the usually formed report saying the necessary thing to receive entitlements that may not be had. The northern or approximately 2/3 of the project should bring up red flags in your mind about the absence of information. You should be asking yourself "how can 1/3 of the project contain a wealth of data and features and within the same ahupuaa there contains only one on the remaining 2/3s? I find this highly inconsistent with discoveries already made.

Please [makaala] the historical and current practices and [moolelo] so as not to extinguish or injure what exists. By intentionally or unintentionally omitting crucial information it will distort the truth and create a new version of the history and identity of the place. These reports were intended to preserve and respect the Hawaii we live on. These reports, I hope, are not intended to rewrite history and allow creative thinking to cloud what is fact.



I only hope best for all involved and that the truth and care prevail for ko Hawaii Pae Aina. We have not done a caring job so far with the many lwi kupuna still in boxes at SHPD. The interpretation on features located, become insignificant and makes room for destruction after data retrieval. Who is making this determination the families of the place, the native testimonies or due to the lack of discoveries assumptions?

Mahalo for this opportunity for me to bring concerns and offer myself to become the solution. I invite all of you to our closing to the protocol done on the 21st of this month. Let the spirit guide you.

Joyclynn Costa©

Cc: Honuaula Partners LLC
 Director, Planning Department
 Hawaii State Office of Environmental Quality

[Please confirm receipt of fax.]

May 31, 2012

Joyclynn Costa
 P.O. Box 777
 Ha'ikū, HI 96708

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Ms. Costa:

Thank you for your fax dated June 30, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. For clarity, we have numbered each specific comment or concern.

1. I would like to resubmit my last comments, because they were never addressed.

Response: Regarding your comments on the Honua'ula Environmental Impact Statement Preparation Notice (EISPN) (letter dated April 9, 2009) and EA/EISPN (e-mail dated November 16, 2009), in our letter dated March 9, 2010, we provided a response to each of your concerns. Many of these responses were to state that specific concerns would be addressed in the Draft EIS or specific studies would be provided in the Draft EIS. Subsequently, the stated concern was addressed or the specific study was provided in the Draft EIS. Therefore, we believe that we did in fact address your comments. While you may not consider the specific information or study provided in the Draft EIS as adequately addressing your concern, without more specific information regarding what you may consider inadequate we cannot provide a more detailed response.

2. That evening, on June 21, 2010, we as practicing people and lineal descendants created another significant area on the gravel flat on the southern end. There needs to be documented in the report testimony to the event that took place that night.

Response: We acknowledge that in June 2010 a group requested access to the Property for the exercise of Summer Solstice traditional and customary Native Hawaiian practices and was permitted access to the Property on June 21, 2010 (a day before the Planning Commission meeting on the Draft EIS). We note that this was the first time landowner Honua'ula Partners, LLC had received a request to access the site for the exercise of Summer Solstice traditional and customary Native Hawaiian practices, although Honua'ula Partners, LLC has owned the Property for over ten years.

In response to your claim regarding your creation of an additional "significant area," on the Honua'ula Property on June 21, 2010, both the State Historic Preservation Law (Chapter 6E, HRS) and the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR) define "historic property" as: "any building, structure, object, district, area, or site, including heiau and underwater site, which is over fifty years old."

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Joyclynn Costa

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

May 31, 2012

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Honua'ula Partners, LLC and its contractors will comply with all State and County laws and rules regarding the preservation of archaeological and historic sites. In addition, to preserve cultural resources within Honua'ula, a Cultural Resources Preservation Plan (CRPP) has been prepared in compliance with County of Maui Ordinance No. 3554 (Condition 13). The CRPP also serves as the archaeological preservation/mitigation plan and sets forth (among other things) selection criteria for sites to be preserved and short- and long-term preservation measures, including buffer zones and interpretative signs, as appropriate for each site to be preserved.

In compliance with County of Maui Ordinance No. 3554 (Condition 13) the CRPP has been submitted to the State Historic Preservation Division (SHPD) and the Office of Hawaiian Affairs (OHA) for review and recommendations. Upon receipt of comments and recommendations from SHPD and OHA, the CRPP will be provided to the Maui County Cultural Resources Commission for review and adoption.

3. *In my previous comments the report read about how cattle would damage lots of the archaeological sites yet cattle is roaming freely upon the area most concentrated with sites and native plants. I'd like an explanation as to this sort of practice on the part of the management upon the now planned preservation area? Besides the cattle and due to the deer population, project management allows hunting which people come in on quads to traverse the areaterred in the words of Mr. Jencks, filled with sensitive features). One could also conclude these hunters were a way of security for the property. On occasion on my many [holo holo] I would be confronted and intimidated.*

Response: Historically cattle have been grazed in the Kihei-Mākena region. The "report" you are referring to regarding cattle in relation to archaeological sites is the Honua'ula EA/EISPN. In the EA/EISPN, ranching activities were cited in a historical context regarding previous environmental problems in the Honua'ula moku (district) following the overthrow of the Hawaiian monarchy.

Cattle have been grazed within the Honua'ula Property. Most recently (over a year ago) cattle were grazed in the northern two thirds of the Property as a way to suppress vegetation and prevent fires. The northern two thirds of the Property contains only one recorded archaeological site, which is in a gulch that would be difficult for cattle to enter and disturb. To keep cattle out of the southern third of the Property, which contains the highest concentration of archaeological sites and native plants, a wall was repaired and gates were put up.

Regarding your contention that you have been "confronted and intimidated" on your "many [holo holo]," it is not clear when this may have occurred. If you have been on the Honua'ula Property over the last two and a half to three years, Honua'ula Partners, LLC was not aware that you were on the Property previous to you accessing the Property in June 2010. We ask that in the future you request permission to access the Property so that the owner knows who is on the Property and for what reason. It should also be noted that while hunters have on occasion been allowed on the Property, they are neither employees of Honua'ula Partners, LLC, nor have they ever acted on our behalf. Any confrontation or intimidation felt by you or anyone else was not at the instruction or acquiescence of Honua'ula Partners, LLC.

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4. *The northern or approximately 2/3 of the project should bring up red flags in your mind about the absence of information. You should be asking yourself "how can 1/3 of the project contain a wealth of data and features and within the same ahupuaa there contains only one on the remaining 2/3s? I find this highly inconsistent with discoveries already made.*

Response: In response to claims regarding additional archaeological sites in the northern portion of Honua'ula not included in the AIS, on August, 26, 2010 Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua participated in a site visit of the Honua'ula Property with several community members and SHPD staff. SHPD staff present were archaeologist Morgan Davis and cultural historian Hinano Rodrigues. Community members present included: Lucienne de Nāte, Daniel Kanahele, Janet Six, Elle Cochran, U'ilani Kapu, Ke'eaumoku Kapu, Lee Altenberg, and 'Ekolu Lindsey. Some of the community members had previously: 1) presented testimony, or were present, at the Maui Planning Commission meeting on June 22, 2010 at which the Honua'ula Draft EIS was discussed; 2) submitted information to SHPD claiming that they had found archaeological sites on the Property that had not been included in the archaeological inventory survey dated March 2010 included in the Draft EIS (Appendix D); and 3) submitted written comments on the Draft EIS expressing concerns regarding archaeological sites on the Property.

Subsequent to the site visit, SHPD issued its letter dated September 8, 2010 stating that no significant unrecorded sites were noted at that time (i.e. during the August, 26, 2010 site visit). The letter also provides SHPD's review of the archaeological inventory survey (dated March 2010) and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) that a large plan map of the survey area with sites and features plotted be included. In addition, the SHPD letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings."

In response to SHPD's September 8, 2010 letter commenting on the archaeological inventory survey, archaeologist Aki Sinoto: 1) revised the archaeological inventory survey report to address SHPD's concerns; and 2) submitted the revised archaeological inventory survey report to SHPD in April 2011.

In July and August of 2011, Daniel Kanahele of Maui Cultural Lands submitted letters to Honua'ula Partners, LLC's representative Charlie Jencks and SHPD providing additional comments on the archaeological inventory survey (dated March 2010) that was included in the Draft EIS. Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua responded to these letters in writing. In the summer of 2011 Maui Cultural Lands members also made a presentation to SHPD regarding their inspections of the Property.

In response to the concerns Maui Cultural Lands members expressed to SHPD in the summer of 2011, on September 23, 2011 archaeologist Aki Sinoto and cultural advisor Kimokeo Kapahulehua met with SHPD archaeologist Morgan Davis and SHPD cultural historian Hinano Rodrigues at SHPD's Maui office. Subsequently, as recommended by SHPD, Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua met with members of Maui Cultural

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Lands and other community members at Maui Community College on November 17, 2011. Maui Cultural Lands members and other community members present at the November 17, 2011 meeting included: you, Daniel Kanahale, Janet Six, 'Ekolu Lindsey, Lucienne de Nate, and Clifford Omellas. Others present at the meeting included Stanley Solamillo, a cultural resource planner with the Maui Planning Department, and Tanya Lee Greig, the director of Cultural Surveys Hawaii's Maui office.

As a result of the November 17, 2011 meeting, the archaeological inventory survey report was further revised to: 1) recommend preservation of a section of a post-contact agricultural wall documented in the archaeological inventory survey but not previously recommended for preservation; 2) add descriptive narrative information for two post-contact agricultural walls; and 3) revise pertinent map figures in the report. Archaeologist Aki Sinoto submitted the further revised archaeological inventory survey report to SHPD in March 2012. Since the SHPD Maui archaeologist had recently resigned, copies of the revised archaeological inventory survey report were transmitted to SHPD's main office in Kapolei and to Dr. Theresa Donham, the interim SHPD chief of archaeology in Hilo. In April 2012, Dr. Donham notified archaeologist Aki Sinoto that the report was forwarded to the SHPD Maui office for review due to the hiring of replacement personnel. As of May 2012, SHPD has not completed its review of the revised (March 2012) archaeological inventory survey.

To include the relevant above information in the Final EIS, along with addressing comments regarding archaeological and historic resources from others, in the Final EIS Section 4.1 (Archaeological and Historic Resources) will be revised as shown on the attachment titled "Archaeological and Historic Resources."

5. *Please [makaala] the historical and current practices and [mooolelo] so as not to extinguish or injure what exists. By intentionally or unintentionally omitting crucial information it will distort the truth and create a new version of the history and identity of the place.*

Response: Honua'ula Partners, LLC is not avoiding the presence of archaeological and cultural resources within Honua'ula. The Draft EIS discusses archaeological and historic resources (Section 4.1 and Appendix I) and cultural resources (Section 4.2 and Appendix K) found within the Honua'ula Property. Honua'ula Partners, LLC and its contractors will comply with all State and County laws and rules regarding the preservation of archaeological and historic sites. In addition, to preserve cultural resources within Honua'ula, a CRPP has been prepared in compliance with County of Maui Ordinance No. 3554 (Condition 13). The CRPP also serves as the archaeological preservation/mitigation plan and sets forth (among other things) selection criteria for sites to be preserved and short- and long-term preservation measures, including buffer zones and interpretative signs, as appropriate for each site to be preserved. In compliance with County of Maui Ordinance No. 3554 (Condition 13) the CRPP has been submitted to the SHPD and OHA for review and recommendations. Upon receipt of comments and recommendations from SHPD and OHA, the CRPP will be provided to the Maui County Cultural Resources Commission for review and adoption.

The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawai'i EIS laws (Chapter 343, HRS) and rules (Title 11, Chapter 200, HAR). The EIS laws and rules provide for the preparation of a Draft EIS, a review process, and the

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preparation of a Final EIS. Per the EIS rules, the Final EIS will incorporate substantive comments received during the review process, including your comments and our responses to your comments. The accepting authority is the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to review comments.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachments: Archaeological and Historic Resources

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JUL 01 2010
PACIFIC RIM LAND, INC.
MAUI - MAHI

Kuleana Ku'ikahi LLC., P. O. Box 11524 Lahaina
HI 96761

Draft Environmental Impact Statement For Honua'ula

6/29/2010

To: PBR Hawaii & Associates
Attn: Mr. Tom Schnell
1001 Bishop Street, Suite 650
Honolulu, Hawaii 96813-3484

Director, Planning Department County of Maui
250 High Street Kalana Pakui Building, Suite 200
Wailuku Hawaii 96793

Hawaii State Office of Environmental Quality
235 South Beretania Street Honolulu Hawaii
96813-2419

Mr Charles Jencks *[Signature]*
Honua'ula Partners, LLC *P.O. Box 226*
Kihei, Hawaii 96753

Draft Environmental impact statement

6/29 2010

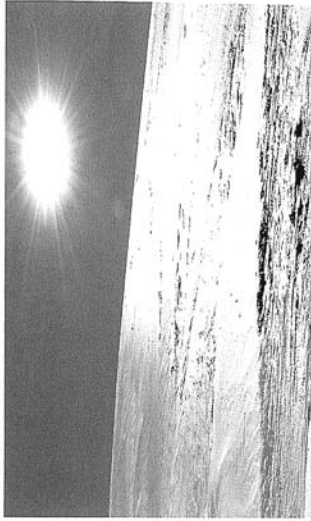
Aloha mai kakou,

O Ke'eaumoku Kapu keia, I would like to add my mana'o to the importance of this environmental impact statement and the tools that is needed to assist in the welfare and management of these properties for the benefit of all within the moku of Honua'ula and the adjoining ahupua'a of Pac'ahu, Palau'ea and Keauhou.

When resource management procedures for large land holdings can be planned and implemented warrant consideration of pertinent factors such as budgetary constraints, and serious consideration of existing regulatory compliance procedures. Historic preservation mandates articulate that significance for some sites is manifested in the data generated through the study of physical remains or by the potential for yielding data should be open to a consultation program of the (TCP) Traditional Cultural Property Model. Thus, a well-planned and executed program of historic preservation balances the avoidance and keep-in-place component with a data recovery component that will enhance the interpretive value of the Physical remains.

In an ideal world, and if we were not 'swimming against the tide' of convention, so to speak, we would simply present our study according to the methods, logic, and interpretive models we believe are most appropriate. This would be an easier and more enjoyable exercise. Under different conditions, for example, if Traditional Cultural Property (TCP) studies were more widely practiced, and if the system was fair and effective, we would not need to delve into a

critique of the status quo practice of historic preservation in Hawai'i. Ours would simply be one of many, integrated studies of traditional Hawaiian landscapes and culture, told by the people who know it best. The destruction of the current 'site model' paradigm and all its inadequacies is not a pleasant or easy task because it involves an arduous review of all previous work conducted in and around the Pae'alu, Palau'ea, and Keaouhou ahupua'a TCP, including the methods, theory, and results, much of which we strongly disagree with; as well as a general review of how historic preservation studies are conducted in Hawai'i, in order to bring into sharp contrast the shortcomings and failure of the current system. In a sense, we have to explain everything, since there is so much about our study that is new and different from the standard work of historic preservations



Kaulana no 'oe o Haleakala (Majestic stands the house of the sun)

It is also important to note that both federal and state laws, regulations, and rules of historic preservation indicate that any and all reputable and reliable information regarding the historic significance of historic properties is valid and must be taken into account. The laws and rules do 'take sides' with the largest number of people or most powerful group, although the majority opinion may 'win the day' in the political arena. In fact, politics is expressly prohibited from the laws and rules of historic preservation. One often reads in archaeological reports, for example, the Honua'ula was a dry, hot and dusty place where relatively few people lived, the implied message being that it was/is less important than more fertile and populated parts of Mau'i (e.g., the Kihei Coast). We will clear up the misconception of Honua'ula as simply a 'dry, hot, and dusty place'. What is important here is that the laws and rules do not quantify 'historic significance', which is a binary entity: something either is or is not significant based on its eligibility for historic registers. In fact, one can turn the entire argument on its head for Honua'ula and argue that its very significance stems in large part from the fact that not everyone could make a living there in traditional times. Honua'ula has always required special

management and care, and there have always been easier places to make a living on Mau'i. We recommend to the laws, rules and guidelines governing historic preservation and environmental assessments in Hawai'i in two areas: traditional cultural properties and consultation.

Traditional Cultural Properties

Depending on one's perspective, the failure of the state historic preservation laws and rules to include the term "traditional cultural property," in spite of the fact that this term is included in the state's *environmental assessment* guidelines and is defined in federal law, can be viewed in one of two ways. First, it may simply reflect an ineffective system whereby different agencies do not adequately consult each other when they should. Or second, and more troubling if true, it reflects a conscious effort on the part of state agencies to undermine the assessment of traditional cultural properties, which are potentially quite powerful types of 'historic property.' We recommend the following changes, which would bring state language in line with the federal, and ensure consistency between state environmental and historic preservation law:

Consultation

Effective consultation is a prerequisite for TCP assessment, and a cornerstone of the historic preservation review process, in general. Federal laws and regulations on consultation are relatively clear on this topic. For example, the section 106 regulations (36 CFR, Part 800 -"Protection of Historic Properties," amended August 5, 2005) identify a wide variety of potential participants in the historic preservation process (§800.2), including "Indian tribes and Native Hawaiian organizations," "[c]ertain individuals and organizations with a demonstrated interest in the undertaking...due to...there concern with the undertaking's effects on historic properties," and "the public." These federal regulations also quite clearly state that this wide range of consulting parties must be included in the entire review process, before (§800.3), during (§800.4 and after (§800.5) fieldwork is conducted.

State laws and rules on consultation are more ambiguous and less useful than their federal counterparts. Several general statements are included in the state laws and rules regarding the need to gather input from public. For example, according to HAR §13-275-1(c) and HAR §13-284-1(c), "[p]articipants in the historic preservation review process" include "...those organizations and individuals that are concerned with the effect of a project on historic properties." And, according to HAR§13-275-2 and HAR§13-284-2,

"[C]onsultation process" means notifying interested organizations and individuals that a Project could affect historic properties of interest to them; seeking their views on the Identification, significance evaluations, and mitigation treatment of these properties; and Considering their views in the good faith and appropriate manner during the review process."

These general statements, however, are not supported with specific guidelines as to how these objectives are to be met. For example, as stated above (“Legal and Administrative Definitions”), a close reading of HAR§6E, HAR§13-275 and HAR§13-284 shows that there is no specific language on indigenous (native) input regarding the *identification* of historic properties. The most explicit language relevant to Native Hawaiian input is not found until “evaluation of [historic property] significance” is discussed (*i.e.*, after historic properties have been identified).

Inexplicably, according to HAR§13-276-6 (c), consultation with “ethnic groups” or individuals (*e.g.*, Native Hawaiian) is only specifically **mandated** when a ‘historic property’ is thought to be eligible under criterion “e” (*i.e.*, “[has] an important value to the native Hawaiian people or to another ethnic group of the state due to associations with traditional beliefs, events or oral accounts—these associations being important to the group’s history and cultural identity”). It should be obvious, at this point, that, if knowledgeable Hawaiians are *not* included in the process—before, during, and after fieldwork, then potentially significant sites may be missed or misinterpreted. This is especially true of TCFs, which may not be recognized as “historic properties” under the dominant ‘site model.’ The bottom line is that consultation language needs to be strengthened and made more specific, otherwise Hawaiians will continue to be left out of the most important parts of the process (*i.e.*, before and during field assessments).

Noting the term ‘consultation,’ ‘consult,’ ‘consulting’ occur in five sections of HRS§6E, none of which are directly relevant to our fundamental problem.

1. HRS §6E-3(17) governs rules for access permits to visit historic properties.
2. HRS §6E-3.5 governs the treatment of aviation artifacts.
3. HRS §6E-7 governs state title (ownership) of historic properties.
4. HRS §6E-8(b) states that the Department of Hawaiian Home Lands (DHHL) shall consult with the SHPD regarding projects on DHHL lands.
5. HRS §6E-43, 43.6 govern the treatment of burials and standards for the island burial councils, which is but a small (albeit important) subset of historic properties (*i. e.*, burial sites).

Finally, the SHPD is not currently living up to its commitment, spelled out in several places in HAR §13-275 and HAR §13-284, to inform the public, including Native Hawaiians, about proposed projects that may affect historic resources; about ongoing historic preservation work (*e.g.*, archaeological inventory surveys); and, about reports in review and / or that have been accepted. The SHPD is supposed to be making this information available to the public, who may request weekly updates by walking into SHPD office and/ or by going on-line, however this mandate is not being effectively carried out.

For example, according to HAR §13-275-3 (f),

The SHPD shall consider interested persons’ [participants in the consultation process] Comments on any submitted in writing to the SHPD *within thirty days* of the SHPD’s posting notice of “no historic properties affected” determination or posting a notice of SHPD receipt of information. The SHPD shall post notice every Friday of receipt of relevant documents and of issuance of “no historic properties affected” or receipt of information. *The notice shall be posted at the SHPD’s office and on the SHPD’s website.* (brackets added for clarity, italics added for emphasis)

A check of the SHPD’s website (<http://us/dlnr/hpd/hpgrteing.htm>). Thus, participants in the consultation process do not have access to timely information. There are several other mentions of SHPD’s mandate to provide timely information to the public in HAR §13-275, and also HAR §13-284.

We recommend the following for *consultation*:

1. In the ahupua’a of Pae’ahu, Palau’ea, and Keaouhou open discussion and dialog to all sites as to how they are related to each other for it would delineated the misconception on the relationship to adjoining sites and properties.
2. To mandate a 30 day period to all proposed undertaking sent to the SHPD for review. The agency or individual proposing the undertaking must publish a legal notice in the relevant island’s largest-circulation newspaper announcing the submittal of a historic preservation review request.
3. To mandate a thirty (30) day period of public review prior to all preservation studies conducted by agencies or individuals in support of their proposed undertaking, with the exception of burial treatment studies, which are covered under HAR § 13-300. The agency or individual conducting the historic preservation study must publish a legal notice in the relevant island’s largest-circulation newspaper announcing the planned historic preservation study.

The last two recommendations are designed to involve potential-interested parties early in the process, which is the key to successful consultation, in general, and TCP assessment, specifically.

"An EIS is meaningless without the conscientious application of the EIS process as a whole, and shall not be merely a self-serving recitation of benefits and a rationalization of the proposed action. Agencies shall insure that statements are prepared at the earliest opportunity in the planning and decision making process. This shall insure that an early open forum for discussion of adverse effects and available alternatives, and that the decision makers will be enlightened to any environmental consequences of the proposed action" (11-200-14 HAR General Provisions).

- A preservation/mitigation plan pursuant to Chapter 6E, HRS that has been approved by SHPD, OHA and other native Hawaiian Organizations, prior to any phase approval.
- A cultural Resource Preservation plan that has received the review and recommendations of SHPD, OHA, other Native Hawaiian Organization and the subsequent approval of the Maui County Cultural Resources Commission prior to any approval.

The document lacks available technical studies and instead merely informs the public that they will be included as appendices to the draft EIS. For instance, the report submitted to the county council.

N: (1) lacks disclosures of all potential environmental impacts and consequences of the proposed action; (2) fails to provide the relevant data, necessary studies, and other information necessary "In order that the public can be fully informed and the agency can make a sound decision based upon the full range of responsible opinion on environmental effects." (See HAR, Title 11, Chapter 200, sec. 11-200-16). The EISPN simply outlines the general scope of the project, while presenting unclear options without specific details or choices.

It is extremely concerning that this document fails to provide the required information and instead promises that information will be available at a later date. This is the same tactic used by the applicant when the issue was before the Maui County Council – where the applicant assured five members who voted in support of the project that more information would be provided and reviewed.

The document fails to include discussion of funding sources, impacts to ground water resources, traffic, drainage, cultural sites, cultural access and native flora and fauna. Where any hint of this information is mentioned, pertinent information is either omitted or portrayed inaccurately. The status of the required documents is also vague. It is never mentioned that the project has no approved AIS, yet the applicant writes as if all inventory level work has been completed and reviewed.

We are very much interested in a working relationship with all agencies to achieve a clear and acceptable Environmental impact statement for the benefit of our Past, Present as well as our Future generations tomorrow. Mahalo no kaula, if you have any questions we can be reach at 808-250-1479 or e-mail kuleanavalley@yahoo.com

Na ke akua e ho'opomaika'i 'a'e malama ia kakou
Ke'eaumoku Kapu

3/20/2016, 1:00 PM



Ke'eaumoku Kapu
SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
 May 31, 2012
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May 31, 2012

PRINCIPALS
 THOMAS WITTEN, ASIA
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R. STAN DUNCAN, ASIA
 Executive Vice-President

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The organization of the balance of this letter follows the general headings provided in your letter or references specific page numbers of your letter.

Traditional Cultural Properties

Regarding your comments on page 4 of your letter in regard to “the failure of the state historic preservation laws and rules to include the term ‘traditional cultural property,’” we acknowledge your perspectives and your recommended changes to “bring state language in line with federal, and ensure consistency between state environmental and historic preservation law.” However, Honua’ula Partners, LLC is not in a position to advocate changes to the State EIS laws and rules or the State historic preservation law and rules, and instead must operate in accordance with existing laws and rules. Therefore the Draft EIS and studies included in the Draft EIS have been prepared in accordance with existing laws and rules as cited above.

Consultation

Regarding your recommendations about changes to the historic preservation review consultation process, again we acknowledge your recommendations; however the Draft EIS and studies included in the Draft EIS have been prepared in accordance with existing laws and rules as cited above. Regarding consultation, the AIS was prepared in accordance with the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR). At the outset of the Honua’ula planning process, Honua’ula Partners, LLC voluntarily convened a cultural committee made up of Native Hawaiian cultural practitioners recognized by the community and other individuals as having expertise in this area. The committee then made recommendations regarding archaeological and cultural resources.

In addition, the CRPP (Draft EIS, Appendix J) included a public consultation process which is documented in the CRPP; however the CRPP is a separate document from the AIS which was prepared in compliance with County of Maui Ordinance No. 3554 (Condition 13) and is not subject to the same consultation process provided for in Title 13, Chapter 276, HAR.

As discussed in Section 4.2 (Cultural Resources) of the Draft EIS, during the initial planning stages of Honua’ula, several on-site tours and discussions involving archaeological and cultural components were held with various members of the community. An informational presentation was given to the Maui Cultural Resources Commission. Specific input was also sought from key individuals and the Native Hawaiian organization, Nā Kūpuna O Maui, and a number of valuable recommendations resulted from discussions with an in-house cultural group¹. Public input was also sought prior to preparation of the CRPP through publication of public notices in the *Honolulu Advertiser*, the *Maui News* and OHA’s Newsletter, *Ka Wai Ola*.

Statements and Comments on Page 7

We note that on page 7 of your letter you: 1) quote from the Environmental Impact Statement Rules (Section 11-200-14, HAR); 2) include two bullet points regarding requirements of County of

¹ The in-house cultural group included: Kimokeo Kapahulehua, Clifford Naeole, Hokulani Holt-Padilla, Keli’i Tau’ā, members of Nā Kūpuna O Maui, Lisa Rotunio-Hazuka, Aki Shinoto, and Charlie Jencks.

SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Kapu:

Thank you for your letter dated June 29, 2010 regarding the Honua’ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua’ula Partners, LLC, we are responding to your comments.

To begin, throughout your letter it is requested that a “traditional cultural property” (TCP) assessment be used to determine historic properties as opposed to the current State Historic Preservation Division (SHPD) review process. In general we note that your letter contains: 1) citations from various Federal and State laws and rules governing historic preservation; 2) discussions regarding the deficiencies of SHPD operations in several mandated activities; and 3) recommendations pertaining to traditional cultural properties and consultation. While we appreciate your thoughts regarding reforming the historic preservation review process and your recommendations regarding cultural resources, our responses below address your specific comments regarding what you consider to be deficiencies of the Draft EIS. In general, please note that:

- The Draft EIS was prepared in accordance with: 1) the State Environmental Impact Statement Law (Chapter 343, Hawaii Revised Statutes (HRS)); and 2) the Environmental Impact Statement Rules (Title 11, Chapter 200, Hawai’i Administrative Rules (HAR)).
- The Archaeological Inventory Survey (AIS), included as Appendix I of the Draft EIS, was prepared in accordance with: 1) the State Historic Preservation Law (Chapter 6E, HRS); and 2) the Rules Governing Standards for Archaeological Inventory Surveys and Reports (Title 13, Chapter 276, HAR).
- The Cultural Impact Assessment (CIA) included as Appendix K of the Draft EIS, was conducted in accordance with the OEQC *Guidelines for Assessing Cultural Impacts*.
- The Cultural Resources Preservation Plan (CRPP), included as Appendix J of the Draft EIS, was prepared in compliance with County of Maui Ordinance No. 3554 Condition 13.

Honua’ula Partners, LLC and its contractors will comply with all State and County laws and rules regarding the preservation of archaeological and historic sites. In addition, the CRPP sets forth a plan to preserve cultural resources within Honua’ula, as mandated under County of Maui Ordinance No. 3554 Condition 13.

Ke'eaumoku Kapu

SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

May 31, 2012

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Maui Ordinance No. 3554; and 3) provide comments regarding the Honua'ula Environmental Impact Statement Preparation Notice (EISPN).

Regarding compliance with the Environmental Impact Statement Rules (Section 11-200-14, HAR), the Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawai'i EIS laws (Chapter 343, HRS) and rules (Title 11, Chapter 200, HAR), including Section 11-200-14, HAR.

Regarding your two bullet points pertaining to the requirements of County of Maui Ordinance No. 3554:

- *A preservation/mitigation plan pursuant to Chapter 6E, HRS that has been approved by SHPD, OHA and other native Hawaiian Organizations, prior to any phase approval.*

This bullet point refers to County of Maui Ordinance No. 3554 Condition 26. The actual condition states:

That Honua'ula Partners, LLC, its successors and permitted assigns, shall provide a preservation/mitigation plan pursuant to Chapter 6E, Hawai'i Revised Statutes, that has been approved by the State Historic Preservation Division, Department of Land and Natural Resources, and the Office of Hawaiian Affairs prior to Project District Phase II approval.

As discussed in Section 4.1 (Archaeological and Historic Resources) of the Draft EIS, a CRPP has been prepared which also, serves as the archaeological preservation/mitigation plan pursuant to Chapter 6E, HRS. The CRPP sets forth (among other things) selection criteria for sites to be preserved and short- and long-term preservation measures, including buffer zones and interpretive signs, as appropriate for each site to be preserved, and the types of native plants to be used for landscaping buffer zones. The CRPP has been provided to SHPD, DLNR and OHA for approval prior to Project District Phase II approval.

- *A cultural Resource Preservation plan that has received the review and recommendations of SHPD, OHA, other Native Hawaiian Organization and the subsequent approval of the Maui County Cultural Resources Commission prior to any approval.*

This bullet point refers to County of Maui Ordinance No. 3554 Condition 26. The actual condition states:

That Honua'ula Partners, LLC, its successors and permitted assigns, shall prepare a Cultural Resources Preservation Plan ("CRPP"), in consultation with: Na Kupuna O Maui; lineal descendants of the area; other Native Hawaiian groups; the Maui County Cultural Resources Commission; the Maui/Lāna'i Island Burial Council; the Office of Hawaiian Affairs; the State Historic Preservation Division, Department of Land and Natural Resources; the Maui County Council; Na Ala Hele; and all other interested parties. Prior to initiating this consultation process, Honua'ula Partners, LLC, its successors and permitted assigns, shall publish a single public notice in a Maui newspaper and a State-wide newspaper that are published weekly. The CRPP shall consider access to specific sites to be preserved, the manner and method of preservation of sites, the appropriate protocol for visitation

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to cultural sites, and recognition of public access in accordance with the Constitution of the State of Hawai'i, the Hawai'i Revised Statutes, and other laws, in Kīhei-Mākena Project District 9.

Upon completion of the CRPP, Honua'ula Partners, LLC, its successors and permitted assigns, shall submit the plan to the State Historic Preservation Division, Department of Land and Natural Resources, and the Office of Hawaiian Affairs for review and recommendations prior to Project District Phase II approval. Upon receipt of the above-agencies' comments and recommendations, the CRPP shall be forwarded to the Maui County Cultural Resources Commission for its review and adoption prior to Project District Phase II approval.

The CRPP (Appendix I) contained in the Draft EIS was prepared in consultation with interested and concerned parties, cultural advisors, Nā Kūpuna O Maui, the Maui County Cultural Resources Commission, the Maui/Lāna'i Island Burial Council, the DLNR Nā Ala Hele, SHPD, OHA, and various knowledgeable individuals.

In compliance with County of Maui Ordinance No. 3554 (Condition 13) the CRPP has been submitted to SHPD and OHA for review and recommendations. Upon receipt of comments and recommendations from SHPD and OHA, the CRPP will be provided to the Maui County Cultural Resources Commission for review and adoption before Project District Phase II approval.

Regarding your comment "The document lacks available technical studies and instead merely informs the public that they will be included as appendices to the Draft EIS," it appears you are referring to the Honua'ula EISPN. Please note that the EISPN was a notice document intended to set forth the proposed scope of the Draft EIS for the purpose of seeking comment. It did not contain all technical studies, as these were intended to be included and are provided in the Draft EIS. The Draft EIS is the full disclosure document that: 1) discussed potential environmental impacts; and 2) included specific technical studies and other relevant data. Specific to your comments, the Draft EIS contains discussion of funding sources (statements throughout Draft EIS stating Honua'ula Partners, LLC's commitments to pay for specific improvements), impacts to groundwater resources (Section 3.5 (Groundwater Resources and Water Quality)), traffic (Section 4.4 (Roadways and Traffic)), drainage (Section 4.8.3 (Drainage System)), cultural sites (Section 4.2 (Cultural Resources)), access (Section 4.3 (Trails and Access)), and native flora and fauna (Section 3.6 (Botanical Resources) and Section 3.7 (Wildlife Resources)).

Regarding your comments on the status of the AIS, the Environmental Impact Statement Rules do not require an EIS to contain an AIS that has been reviewed and approved by the State Historic Preservation Division (SHPD) and it is not common practice for EIS documents to contain an approved AIS. Rather, including a draft AIS in a Draft EIS affords SHPD, other reviewing agencies, and the public the opportunity to review the draft AIS along with the Draft EIS.

In March 2010 the archaeological inventory survey report incorporating all previous surveys and included as an appendix to the Draft EIS (Sinoto 2010) was submitted to the State Historic Preservation Division (SHPD) for review.

On June 22, 2010 the Maui Planning Commission held a meeting to discuss the Draft EIS. At this meeting Lucienne De Naie, testifying on behalf of Maui Tomorrow, and Clare Apana, testifying on behalf of Maui Cultural Lands, stated that they thought the archaeological inventory survey report in the Draft EIS was inadequate that there are more archaeological sites on the Property

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than were recorded in the archaeological inventory survey report. Clare Apana also provided to the Commission a copy of a letter from Daniel Kanahele addressed to SHPD explaining what he considered were the inadequacies of the archeological inventory survey. In their comments on the Draft EIS the Maui Planning Commission directed Honua'ula Partners, LLC's representative Charlie Jencks to: "Work with people that have provided comments regarding the archaeology of the site to clarify findings".

In response to the Maui Planning Commission's directive, on August, 26, 2010 Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua participated in a site visit of the Honua'ula Property with several community members and SHPD staff. SHPD staff present were archaeologist Morgan Davis and cultural historian Hinano Rodrigues. Community members present included: you, Lucienne de Naie, Daniel Kanahele, Janet Six, Elle Cochran, U'ilani Kapu, Lee Altenberg, and 'Ekolu Lindsey. Some of the community members had previously: 1) presented testimony, or were present, at the Maui Planning Commission meeting on June 22, 2010 at which the Honua'ula Draft EIS was discussed; 2) submitted information to SHPD claiming that they had found archaeological sites on the Property that had not been included in the archaeological inventory survey dated March 2010 included in the Draft EIS; and 3) submitted written comments on the Draft EIS expressing concerns regarding archaeological sites on the Property.

Subsequent to the site visit, SHPD issued a letter dated September 8, 2010 stating that no significant unrecorded sites were noted at that time (i.e., during the August, 26, 2010 site visit). The letter also provides SHPD's review of the archaeological inventory survey (dated March 2010) and requested revisions, including: 1) editorial changes; 2) that the total number of survey man-hours and the spacing of survey transects be noted; and 3) a large plan map of the survey area with sites and features plotted be included. In addition, the SHPD letter states: "This report presents a comprehensive summary of past archaeological work in this area and nicely incorporates previous surveys in the discussion of current findings."

In response to SHPD's September 8, 2010 letter commenting on the archaeological inventory survey (dated March 2010), archaeologist Aki Sinoto: 1) revised the archaeological inventory survey report to address SHPD's concerns; and 2) submitted the revised archaeological inventory survey report to SHPD in April 2011.

In July and August of 2011, Daniel Kanahele of Maui Cultural Lands submitted letters to Honua'ula Partners, LLC's representative Charlie Jencks and SHPD providing additional comments on the archaeological inventory survey (dated March 2010) that was included in the Draft EIS. Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural advisor Kimokeo Kapahulehua responded to these letters in writing. In the summer of 2011 Maui Cultural Lands members also made a presentation to SHPD regarding their inspections of the Property.

In response to the concerns Maui Cultural Lands members expressed to SHPD in the summer of 2011, on September 23, 2011 archaeologist Aki Sinoto and cultural advisor Kimokeo Kapahulehua met with SHPD archaeologist Morgan Davis and SHPD cultural historian Hinano Rodrigues at SHPD's Maui office. Subsequently, as recommended by SHPD, Honua'ula Partners, LLC's representative Charlie Jencks, consultant archaeologist Aki Sinoto, and consultant cultural

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advisor Kimokeo Kapahulehua met with members of Maui Cultural Lands and other community members at Maui Community College on November 17, 2011. Maui Cultural Lands members and other community members present at the November 17, 2011 meeting included: Daniel Kanahele, Janet Six, 'Ekolu Lindsey, Lucienne de Naie, Jocelyn Costa, and Clifford Omellas. Others present at the meeting included Stanley Solamillo, a cultural resource planner with the Maui Planning Department, and Tanya Lee Greig, the director of Cultural Surveys Hawaii's Maui office.

As a result of the November 17, 2011 meeting, the archaeological inventory survey report was further revised to: 1) recommend preservation of a section of a post-contact agricultural wall documented in the archaeological inventory survey but not previously recommended for preservation; 2) add descriptive narrative information for two post-contact agricultural walls; and 3) revise pertinent map figures in the report. Archaeologist Aki Sinoto submitted the further revised archaeological inventory survey report to SHPD in March 2012. Since the SHPD Maui archaeologist had recently resigned, copies of the revised archaeological inventory survey report were transmitted to SHPD's main office in Kapolei and to Dr. Theresa Donham, the interim SHPD chief of archaeology in Hilo. In April 2012, Dr. Donham notified archaeologist Aki Sinoto that the report was forwarded to the SHPD Maui office for review due to the hiring of replacement personnel. As of May 2012, SHPD has not completed its review of the revised (March 2012) archaeological inventory survey.

To include the relevant above information in the Final EIS, along with addressing comments regarding archaeological and historic resources from others, in the Final EIS Section 4.1 (Archaeological and Historic Resources) will be revised as shown on the attachment titled "Archaeological and Historic Resources."

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachment: Archaeological and Historic Resources

Comments on the Draft Environmental Impact Statement for Wailea 670,
"Honua`ula"

Lee Altenberg, Ph.D.
June 30, 2010

June 30, 2010

To all whom it may concern:

Attached are my comments on the Draft Environmental Impact Statement by
Honua`ula Partners.

Sincerely,



Dr. Lee Altenberg
2605 Lihoholo Place
Kihei, Maui, Hawaii 96753

Summary:

The proposed project represents the largest deliberate destruction of lowland Hawaiian dry forest ecosystem to occur on Maui in decades. Lowland Hawaiian dry forest ecosystem is among the twenty most endangered ecosystems in the United States. The DEIS compares this remnant with other remnants to denigrate its conservation value, and justify the proposed destruction of some 72% of the remnant, and severe fragmentation of another 14%. But it is silent on the importance of large, unfragmented habitat for conservation of biodiversity, and the fact that the project contains about the fourth largest of eight remaining large contiguous remnants of lowland dry forest on Maui. Moreover, the remnant is some 4 miles from Pu`u O Kali, which contains a number of listed endangered plant species, and it is likely that it could serve as critical habitat in their recovery. All of these eight remnants of this endangered ecosystem should be preserved and dedicated to restoration efforts.

Lowland Hawaiian dry forest is an endangered ecosystem. Government and private actions have allowed this ecosystem to be reduced to amounts and states of degradation that threaten its long-term existence. No more than 5% of the original habitat survives in any degree, and that 5% is heavily invaded by alien plant and animal species.

The additional *déliberate* destruction of remnant habitat of this ecosystem, which is proposed by Honua`ula Partners, should be prohibited by local, state, and federal policy; private interests that propose such destruction should face universal social approbation.

Some 160 acres of lowland dry forest survive in the Wailea 670 project area, nicely demarcated by the Historic Wall that runs mauka to makai bordering the HKEA (Bergmanis et al. 2000) `a`a flow. Any destruction of portions of this 160 acres is the opposite of what should be happening---these 160 acres should be managed for restoration.

The current proposal of the Honua`ula Partners reflects its history. It represents probably about as much conservation as one could squeeze into the site plan developed before 2003. But this level of conservation is still catastrophic to the habitat --- a reduction of c. 160 acres of remnant lowland dry forest to 22 contiguous acres under conservation easement, and 23 acres of mostly linear fragments of ungraded land bordering the golf course greens. The plan violates the two most important features of reserve design:

- A large reserve will hold more species than a small reserve because of the species-area relationships described in Chapter 8.
- A single large reserve is preferable to several small reserves of equal total area, assuming they all represent the same ecosystem type.

Conservationists prefer large reserves to small reserves for two main reasons. First, large reserves will, on average, contain a wider range of environmental conditions and thus more species than small reserves. Additionally, some species

will be absent from small reserves ... simply because they live at low densities and by chance alone are unlikely to be in a small reserve (e.g. many rare plants). ...

Second, large reserves are more secure and easier to manage (at least per unit area) than small reserves for three reasons: (1) large reserves have relatively large populations that are less likely to become extinct (recall Chapter 7); (2) large reserves have a relatively shorter edge than small reserves and thus are less susceptible to external disturbances such as invasions of exotic species and poachers...; and (3) large reserves are less vulnerable to a catastrophic event... — Hunter and Gibbs, p. 235

So, the proposal represents at least complete destruction of 72% of the habitat, and severe degradation through fragmentation of another 14%, leaving only 14% that is getting the treatment that 100% of this habitat should be receiving due to the endangered state of this ecosystem.

In case it is not obvious why remnant habitat of endangered ecosystems should not be deliberately destroyed, here are some specific reasons:

1. Habitat loss means alteration of the physical environment or destruction of the established organisms to an extent that natural reproduction of the organisms cannot reestablish their community. This is what has happened to at least 95% of lowland dry forest in Hawaii and on Maui in particular.
2. The plan of Honouliuli Partners destroys the ability of the native species to live and reproduce on 72% of the remnant habitat, and imperils their ability to sustain long term survival on the remaining 28% of the habitat by reducing its contiguous area and by reducing the total populations of all organisms.
3. A habitat consists of microsites of soil scattered among clinker lava. Dispersed seeds have to fall upon a habitable microsite before the parent plant dies. This makes it a metapopulation, which survives through extinction and recolonization dynamics. The fewer the total number of microsites, the greater the probability of local extinction, and the faster the time to extinction (Bascombe, Possingham, and Roughgarden, 2002; No amount of cultivation of native plants is a substitute for ecosystem preservation. First, cultivation is human intervention to sustain plants that would die without this intervention. Plants have survived and evolved for thousands of years without human intervention in their native habitat. No one can propose that cultivation of the native plants will be guaranteed for thousands of years into the future. Second, landscaping with native plants does not bring along all of the other species with which they form an ecosystem --- soil microbes, pollinators, the invertebrate ecosystem, and other plant species. Third, cultivation causes allele extinction and adaptation of species to the conditions of cultivation, making the resulting plants unable to resume life even in intact habitat.

The maintenance of genetic variation under cultivation is a complex management problem and one of the main difficulties of such *ex situ* plant conservation. Furthermore, *ex situ* plant conservation --- the only use of cultivation for conservation --- is premised upon the idea that cultivation is a temporary measure awaiting the time when the habitat of the plants is ready for their reintroduction (Guerrant, Havens, Maunder, 2004). This is the strategy being pursued for *Hibiscus brackenridgei* at the Maui Nui Botanical Garden, for reintroduction to their site of origin, Pu'u O Kali. *Ex situ* conservation is never designed as a way to justify the destruction of the habitat of

origin.

5. The proposed reduction of population sizes of all native through habitat destruction increases the chance that the remaining population falls below the *minimum viable population size* (Hanski, Moilanen, and Gyllenberg, 1996), where stochastic processes and genetic mutational meltdown (Higgins and Lynch, 2001) cause the eventual local extinction of the species:

Theory suggests that the risk of extinction by mutation accumulation can be comparable to that by environmental stochasticity for an isolated population smaller than a few thousand individuals. Here we show that metapopulation structure, habitat loss or fragmentation, and environmental stochasticity can be expected to greatly accelerate the accumulation of mildly deleterious mutations, lowering the genetic effective size to such a degree that even large metapopulations may be at risk of extinction. Because of mutation accumulation, viable metapopulations may need to be far larger and better connected than would be required under just stochastic demography.

It is the potential of large contiguous areas of habitat to support large metapopulations that makes the HKEA remnant lowland dry forest habitat especially valuable for conservation, and which the proposed plan destroys.

The pre-2003 site plan should be jettisoned, and a new site plan developed that protects all of the habitat south of the Historic Wall. Such a site plan would have to increase the density of the 76% of the property without native biota by 30% to include all of the currently planned units and features. If the conservation area is kept to the 130 acres mandated by the Unilateral Agreement should DLNR and USFWS find it merits preservation, the revised site plan would be able to develop 81% of the 670 acres, and could maintain all the planned items by a 24% increase in density. Such increased density is a high priority among the "Smart Growth" principles advocated by Honouliuli Partners.

SWCA Environmental Consultants (SWCA) appears to be aware of this situation, but faces the dilemma of providing a product that is satisfactory to their client, Honouliuli Partners. The resulting product reflects the limits of how true to conservation biology a hired consultant can remain within their contractual relationship.

SWCA's botanical survey of the property is unparalleled in its conception, execution, and exposition. It sets a new high bar on what should be expected from an EIS. Moreover, the data in their study provides an invaluable baseline from which to monitor the effects of habitat protection and restoration for the habitat in coming decades --- should the habitat survive intact from the current plans of its client, Honouliuli Partners.

But the attempts in SWCA's report to justify their client's development proposal are unfortunate. They resort to several rhetorical tactics:

1. Denigrating the conservation value of the habitat remnant on a flow HKEA;
2. Exaggerating the conservation value of their mitigation efforts --- namely, counting the acreage of ungraded, unprotected fragments of land, and counting the acreage of landscaping where native plants are proposed to be used;
3. Using the fact that other Hawaiian dry forest are receiving conservation efforts as justification for destruction of the habitat on HKEA.
4. Using the fact that a few other remnants of lowland dry forest have higher remaining

plant biodiversity than HKEA to justify the destruction of habitat on HKEA.

5. Using the fact that other reserves have been forced to work with small acreages as justification for destroying the large acreage of habitat on HKEA.

Comments by Section

The Botanical Survey gives an excellent review, and I have no criticisms, until p. 4, where it cites my report incorrectly:

Recently, Altenberg (2007) drew attention to the southern portion of the Property which he claimed to be among the best examples of a remnant native lowland dry forest remaining on Maui. ... Altenberg (2007) identified eight williwili (E. sandwicensis) forests in southeast Maui including Kanaio, Pu`u O Kali, Honua`ula / Wailealea 670, Makena, La Perouse, Kaupo, Luailailua, and Waikapu.

Nowhere did I claim it "among the best examples"; the word "best" was used only once---to refer to the best data available on the extent of remnant williwili habitat on Maui, the maps of Jonathan Price. It is Price's map, not I, that show eight remaining large contiguous areas of williwili habitat, among which Wailealea 670 can be seen to be around the fourth largest among these 8. Hence, the large contiguous williwili habitat in Wailealea 670 is not "among the best examples", but among the *only* examples of large, contiguous lowland dry forest left on Maui.

The rhetorical denigration of the remnant continues on p. 5:

Hence, the southern portion of the Property may be described more accurately as a highly disturbed, remnant native coastal dry shrubland (sensu Gagne and Cuddihy 1999) in which williwili (Erythrina sandwicensis) has become a common inhabitant. Medeiros (USGS, pers. comm.) suggested that mature williwili (Erythrina sandwicensis) trees may be found throughout southeastern Maui, often in abundance and greater densities than those encountered in the Property.

...Price et al. (2007) recently developed methods using bioclimatic data to map habitat quality for and range of two widespread plant species including williwili (Erythrina sandwicensis) and two rare plant species throughout the Hawaiian Islands. The area encompassed by the Property appears on these maps as 'medium' to 'low' habitat quality for williwili (E. sandwicensis) (Price et al. 2007). However, numerous areas in southeastern Maui located between Pu`u Ola`i and Kaupo outside the Property did appear as having 'high' habitat characteristics on the maps prepared by Price et al (2007).

So, here perhaps see why SWCA misquoted me as saying HKEA was among the "best" examples, so that they could discredit me by showing "other, better examples" exist. But here is what Price and colleagues have to say about the overall situation of Hawaiian dry forest:

Hawaiian dry forests were once considered to be the most diverse forest ecosystem on the Hawaiian Islands (Rock 1913), however, today they are extremely deforested and degraded. Our results show that forty-five percent of Hawaiian dry forest taxa are at risk of endangerment and that patterns of endangerment in Hawaiian dry forests are unique compared to other Hawaiian forest types. ... There is currently no data on the number of tropical dry forest fragments remaining on the Hawaiian Islands and no species lists for these fragments. Future research should begin by identifying the remaining extent and

distribution of Hawaiian dry forest fragments because they are clearly endangered. The effects of habitat destruction, fragmentation, and the breakdown of native ecosystem functions play a large role in determining patterns of diversity that cannot be fully explained by island age and area. Examining patterns of species richness, composition, and structure among these remaining forest fragments would produce valuable information for understanding patterns of diversity in an increasingly endangered forest type. (Pau, Gillespie and Price, 2009)

Now, once the text moves into the actual botanical survey, Sections 2 and 3 (pp. 5-17), we find quite excellent work and reporting. The areas of williwili habitat shown in Price's map find confirmation in SWCA's aerial reconnaissance:

Our aerial reconnaissance confirmed input from others (A.C. Medeiros, USGS, pers. comm.; Altenberg 2007) suggesting that several additional high density williwili (E. sandwicensis) groves may be found near Pu`u Ola'i, Kanaio, Pu`u O Kali, Makena (Figure 12), La Perouse, Kaupo, and Luailailua. (p. 17, 3.5 Aerial Reconnaissance Survey)

However, in the Discussion, Section 4, the rhetoric returns.

Similarly, there have been no previous efforts by any Federal, State, local government agency, or conservation Non-governmental organizations (NGOs) to acquire and protect any portion of the Property.

Very few have the resources "to acquire and protect" property. The most recent actions putting dry forest into conservation were made by current owners, not by acquisition. The Erdmans put thousands of acres in to conservation easement, and Hawaiian Homelands put c. 250 acres of Pu`u O Kali into conservation. In contrast, Honua`ula Partners propose to put only 22 acres into conservation easement. And while not having the resources to acquire, several NGOs have put efforts into protecting the habitat at Wailealea 670, including the Native Hawaiian Plant Society, Maui Tomorrow, the Sierra Club, and Maui Cultural Lands, and many others without resources to acquire have submitted testimony in favor of complete preservation.

The remnant native vegetation in the remnant mixed kiawe-wiliwili shrubland represents a highly degraded lowland dry shrubland in which williwili trees (E. sandwicensis) are a natural component. High density williwili (E. sandwicensis) stands occur in other locations throughout the region. Altenberg (2007) identified eight areas in southeast Maui, including the Property, where williwili (E. sandwicensis) groves are found. In this study, we also found dense williwili (E. sandwicensis) groves east of Pu`u Ola'i.

Far from being pristine, this dry shrubland has been degraded by human activities including unrestricted grazing by ungulates, cattle grazing, invasive plant species, road works, kiawe (P. pallida) logging, and military activities. Only 26 of the 146 species reported from the parcel are native, 14 of these are endemic, and 120 are introduced non-native species (Figure 6).

More denigrating language, and language intended to make it seem like the ecosystem represented here is common. No comparison is given between the species list at HKEA and at Pu`u O Kali. A 2004 list of species at Pu`u O Kali (Forest Starr) shows 35 native species, compared to 26 found by SWCA at HKEA. So, while describing Pu`u O Kali thus: "Pu`u O Kali Forest Reserve is a remnant williwili (E. sandwicensis) forest on the slopes of east Maui above

Khei. It is among the most diverse and intact lowland dry forests on Maui which also supports endangered flora." (p. 23) it describes HKEA as "highly degraded lowland dry shrubland" even though it as 72% of the native plant biodiversity of Pu'u O Kali.

The comparisons with the very best surviving dry forest remnants in Hawaii are clearly intended to justify the destruction and degradation of most of the HKEA remnant, and its removal from among the 8 large contiguous lowland dry forest areas that survive on Maui. But that is a fallacious line of reasoning. The fact that a particular Da Vinci painting may not be as well preserved as others does not justify its destruction. The fact that three grandparents may be healthier than one does not justify denying that one the best chance at longevity. Lowland Hawaiian dry forest is an endangered ecosystem, and all surviving remnants of that ecosystem deserve maximal preservation and restoration.

The DEIS emphasizes numerous times that no currently listed endangered plant species are found on the property. But the purpose of the Endangered Species Act is not discussed:

ENDANGERED SPECIES ACT OF 1973 [Public Law 93-205, Approved Dec. 28, 1973, 87 Stat. 884] [As Amended Through Public Law 107-136, Jan. 24, 2002]

(b) PURPOSES. The purposes of this Act are to provide a means whereby the ecosystems upon which endangered species and threatened species depend may be conserved, to provide a program for the conservation of such endangered species and threatened species, and to take such steps as may be appropriate to achieve the purposes of the treaties and conventions set forth in subsection (a) of this section.

(5)(A) The term "critical habitat" for a threatened or endangered species means—

(i) the specific areas within the geographical area occupied by the species, at the time it is listed in accordance with the provisions of section 4 of this Act, on which are found those physical or biological features (I) essential to the conservation of the species and (II) which may require special management considerations or protection; and

(ii) specific areas outside the geographical area occupied by the species at the time it is listed in accordance with the provisions of section 4 of this Act, upon a determination by the Secretary that such areas are essential for the conservation of the species.

Because the extirpation of species is an ongoing process in lowland dry forest on Maui (having been seen for *Hibiscus brackenridgei* in Pu'u O Kali in the 1990s, and for *Chamaecybe celastroides* var. *lorifolia* on HKEA in 2007), the absence of species from remnants that are present on nearby remnants must be considered to be the result of local extinction, most likely by ungulate grazing. It is likely that the listed endangered species at Pu'u O Kali would recolonize HKEA if reintroduced, so HKEA needs to be considered as critical habitat for their recovery.

The wildlife survey does not consider invertebrate species such as native Hawaiian bees, which are under discussion for listing as endangered species. It is completely unknown what impacts the proposed habitat destruction may have on the native bee species. A great deal is unknown about lowland Hawaiian dry forest ecology. The HKEA remnant is a potential study site to learn more, and for this reason, should also be preserved in its entirety.

While the destruction and fragmentation proposed for all but 22 of the c. 160 acres of lowland Hawaiian dry forest remaining on the site is unacceptable treatment for an endangered ecosystem, the treatment proposed for the area in the Conservation Easement is well thought out conservation management. This management should be applied to a Conservation Easement comprising the entire 160 acres south of the Historic Wall, and I trust will be mandated by lack of any findings from DLNR and USFWS that any area in the HKEA habitat does not merit preservation.

However, two points should be mentioned.

1. First, the cultivation of native plant species using cultivars derived from outside HKEA for species found in HKEA can be detrimental to their survival and scientific value. In Hawaii, extremely local adaptation and genetic differentiation are common phenomena, and hybridization of the local gene pool with exogenous genotypes brought in for landscaping would ruin the possibility of studying local genetic differentiation, and could compromise the survival by shifting the phenotypes away from adaptations to local conditions. For example, at nearby One Palaua Bay, the very popular "naio papa" is being used in landscaping. Naio papa is a prostrate variety of *Myoporum sandwicense* that evolved around South Point on Hawaii Island. It would doubtless hybridize with the *Myoporum sandwicense* remaining at HKEA and produce offspring that are not adapted to the local conditions.

I applaud the DEIS for making the point that cultivars for native plant landscaping and outplanting should be derived from populations found on the site --- a fine point often missed even by conservationists in other efforts on Maui. I think that strong measures should be made to protect the gene pools of the remnant populations at HKEA. This could be achieved through covenants for all future owners of subdivisions of the entire project property. A covenant should prohibit the use of cultivars derived from offsite populations for any of the 26 endemic and indigenous species (even indigenous species show local adaptation and variation in Hawaii) found on HKEA.

2. Second, it is not really known why native species persist on HKEA. The obvious candidates are 1) that a substrate gives a competitive advantage to native over invasive species such as buffel grass, which outcompetes native species on deep soil substrate, and that 2) a substrate is so sparse with soil microsites that the canopy is too sparse for fire to percolate through the habitat, thus sparing it from the firestorms that regularly consume portions of the leeward lands. But this is speculation, and has not been verified empirically.

So it is not really known if the presence of any of the alien species on the property might actually benefit the persistence of the native biota. Besides obvious competitive interactions, there can be subtle higher order effects (e.g. keystone species) that produce counterintuitive interactions. Therefore, an empirical approach needs to be taken with the proposed removal of alien invasive species. Clearly, Axis deer and other alien animals with proven detrimental effects on native ecosystems should be immediately removed from the property and fences installed to prevent their re-entry. It is even conceivable that eradication of rats and fencing that prevents their re-entry could be feasible for a 130 acre Conservation Easement. Similarly, alien plant species where there is a record of experience with their removal --- such as *Leucaena leucocephala* --- should be commenced immediately. Other species that are long naturalized, such as *Prosopis pallida*, should be removed on an experimental basis, with monitoring to see



May 31, 2012

Lee Altenberg
2605 Lihoholo Place
Kihei, Hawaii 96753-7118

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Altenberg:

Thank you for your letter dated June 30, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. SWCA Environmental Consultants contributed to the responses in this letter. The organization of this letter follows the general headings of your letter.

SUMMARY

Comment: The proposed project represents the largest deliberate destruction of lowland Hawaiian dry forest ecosystem to occur on Maui in decades. Lowland Hawaiian dry forest ecosystem is among the twenty most endangered ecosystems in the United States. The DES compares this remnant with other remnants to denigrate its conservation value, and justify the proposed destruction of some 72% of the remnant, and severe fragmentation of another 14%. But it is silent on the importance of large, unfragmented habitat for conservation of biodiversity, and the fact that the project contains about the fourth largest of eight remaining large contiguous remnants of lowland dry forest on Maui. Moreover, the remnant is some 4 miles from Pu'u O Kali, which contains a number of listed endangered plant species, and it is likely that it could serve as critical habitat in their recovery. All of these eight remnants of this endangered ecosystem should be preserved and dedicated to restoration efforts.

Response: The purpose of Honua'ula is not to deliberately destroy a lowland Hawaiian dry forest ecosystem. To protect and enhance native plants on the property Honua'ula Partners, LLC will establish a perpetual on-site conservation easement (Native Plant Preservation Area) over an area of approximately 40 acres within the Kiawe-wiwiili shrubland south of latitude 20°40'15.00"N. This preserve will contain a high density of native plants within a single, 40-acre, contiguous area. The loss of the remaining approximately 130 acres of kiawe-wiwiili shrubland, which is surrounded by a matrix of highly degraded kiawe-buffelgrass grassland and bordered on two sides by golf courses, will be offset with protection and restoration of approximately 364 acres of near-contiguous threatened dryland ecosystems at Kanato and Auwahi, in addition to the 40 acre on-site preserve. These off-site areas are immediately adjacent to additional protected areas, and together offer protection and recovery benefit to a very large area, including some of the most highly valued remnants of native dryland ecosystems. Together, the perpetual on- and off-site mitigation areas are expected to result in a net benefit for the endangered Blackburn's sphinx moth by enhancing the number and diversity of known native host plants on currently unprotected lands.

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the effects on other invasive species as well as the natives. For example, at nearby One Palaea Bay, in the cultural reserve, one observes that Capparis sandwichiana grows along the edge of the Prosopis pallida canopy; is that because Prosopis is competitively excluding Capparis from all but its edges, or because Prosopis is enhancing the microsite in some way favorable to Capparis, by shade or nitrogen from seeds? I am not aware of any studies that answer this.

Therefore, I recommend that an experimental design for removal of Prosopis be developed and the effects on vegetation be monitored to acquire empirical experience with the effects of removal.

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Comment: *Lowland Hawaiian dry forest is an endangered ecosystem. Government and private actions have allowed this ecosystem to be reduced to amounts and states of degradation that threaten its long-term existence. No more than 5% of the original habitat survives in any degree, and that 5% is heavily invaded by alien plant and animal species.*

Response: The proposed on- and off-site measures to protect native plants and Blackburn's sphinx moth habitat proposed by Honua'ula Partners, LLC provide a net conservation benefit through: a) the protection and propagation of additional native host plants for both larval and adult Blackburn's sphinx moth (including the native host species 'aiea (*Nothocestrum spp.*) and halapepe (*Pleomele spp.*)); and b) creation and protection of a higher number species of native host plants than currently exists on the Property. The proposed on- and off-site mitigation areas together provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of native dryland plants, including wiliwili. Through the perpetual protection and enhancement of these areas, a stable core habitat area will be secured for the moth, providing net benefit to this covered species, as well as a large number of additional native dryland species.

Comment: *The additional deliberate destruction of remnant habitat of this ecosystem, which is proposed by Honua'ula Partners, should be prohibited by local, state, and federal policy; private interests that propose such destruction should face universal social approbation.*

Response: Local, state, and federal regulatory agencies have been consulted through numerous extensive legal land use processes involving public meetings and government agency reviews since the 1980's. An EIS was published in 1988 to address the first proposed development of this 670-acre property, and no significant botanical or wildlife resources were identified within the Property by consultants or government regulatory agencies at that time. State Division of Forestry and Wildlife (DOFAW) recommendations were limited to fencing and removal of ungulates. In 1992, a Community Plan Amendment was approved, establishing the 670 acre property as Project District 9 in the Kihei/Makana Community Plan. Also in 1992, Project District zoning approval was received for the entire project area, designating over 400 acres for two golf courses and accessory uses. Updated botanical and wildlife surveys at that time revealed no new findings. In 1994, the State Land Use Commission issued its Decision and Order to reclassify the entire 670-acre property from the State Agricultural District to the State Urban District. In 2004, updated botanical and wildlife surveys were conducted with no new findings. The first mention of the area as a remnant native dry shrubland ecosystem appeared in SWCA's 2006 survey reports.

Honua'ula Partners, LLC will comply with all applicable local, state, and federal laws and regulations. The incidental take of approximately 130 acres of kiawe-wiliwili shrubland habitat for endangered Blackburn's sphinx moths will be mitigated in accordance with County of Maui Ordinance No. 3554 Condition 27, Section 10(a)(1)(B) of the federal Endangered Species Act (ESA) of 1973, as amended, and Chapter 195D, Hawaii's Revised Statutes (HRS).

Comment: *Some 160 acres of lowland dry forest survive in the Wailea 670 project area, nicely demarcated by the Historic Wall that runs mauka to makai bordering the HKEA (Begmanis et al. 2000) 'a a flow. Any destruction of portions of this 160 acres is the opposite of what should be happening--these 160 acres should be managed for restoration.*

Response: The area south of the historic stone wall within the Property totals 170 acres. The maximum area south of latitude 20°40'15.00"N called for in County of Maui Ordinance No. 3554

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Condition 27 is 130 acres. Honua'ula Partners, LLC maintain that protection of this entire area is infeasible. Honua'ula Partners, LLC have therefore proposed means to avoid and minimize disturbance to the largest contiguous area possible within the overall design limitations, and to mitigate the unavoidable loss of habitat through perpetual preservation and enhancement of currently unprotected and physically similar habitats off-site. These actions will result in an increase in the number and diversity of native dry forest plants and host plants for the endangered Blackburn's sphinx moth, leading to a net benefit for the species in accordance with the requirements of Chapter 195D Hawaii Revised Statutes.

Comment: *The current proposal of the Honua'ula Partners reflects its history. It represents probably about as much conservation as one could squeeze into the site plan developed before 2003. But this level of conservation is still catastrophic to the habitat -- a reduction of c. 160 acres of remnant lowland dry forest to 22 contiguous acres under conservation easement, and 23 acres of mostly linear fragments of ungraded land bordering the golf course greens. The plan violates the two most important features of reserve design:*

- *A large reserve will hold more species than a small reserve because of the species-area relationships described in Chapter 6.*
- *A single large reserve is preferable to several small reserves of equal total area, assuming they all represent the same ecosystem type.*

Response: Since June of 2010 Honua'ula Partners, LLC has met with the State Department of Land and Natural Resources (DLNR), Division of Forestry and Wildlife (DOFAW) and the U.S. Fish and Wildlife Service (USFWS) on many occasions to reach agreement regarding satisfaction of County of Maui Ordinance No. 3554 Condition 27, which requires the establishment of a Native Plant Preservation Area that "shall not be less than 18 acres and shall not exceed 130 acres" on "the portion of the [Honua'ula] property south of latitude 20°40'15.00"N." The area of Property south of latitude 20°40'15.00"N. comprises an approximately 170-acre 'a'a lava flow characterized as kiawe-wiliwili shrubland.

As a result of the meetings with DLNR and USFWS, Honua'ula Partners, LLC proposes both on- and off-site measures to protect and enhance native plants and habitat for the Blackburn's sphinx moth.

For on-site measures Honua'ula Partners, LLC will increase the area of the Native Plant Preservation Area on the Honua'ula property from 22 to 40 acres. This 40-acre area contains the highest density of native plants within the Property, and will include all five awikiwili plants that were alive in 2009 and the majority of the nehe plants at the Property. The Native Plant Preservation Area will be actively managed in accordance with the Conservation and Stewardship Plan (included as Appendix F of the Draft EIS). Management actions will include removal and exclusion of ungulates (deer, cattle, goats, and pigs), removal and control of noxious invasive weeds and plants, and propagation of native plants from seeds collected on the Property.

For off-site mitigation, Honua'ula Partners, LLC will:

1. Acquire a perpetual conservation easement of approximately 224-acres on a currently unprotected portion of property owned by Ulupalakua Ranch adjacent to the eastern boundary of the State of Hawaii Kanaio Natural Area Reserve; and

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2. Fund and implement the continuation and expansion of restoration efforts within the Auwahi Forest Restoration Project area, just north of the Kanao Natural Area Reserve, including fencing of approximately 130 acres, ungulate removal, and plant restoration activities.

The Kanao and Auwahi areas have been pinpointed by USFWS, USGS, Medeiros, Loope, and Chimeria (1993), VanGelder and Conant (1998), Price et al (2007), and The Nature Conservancy to be of high value for Blackburn's sphinx moth habitat and native dryland forest and shrubland species including williwili and a number of threatened and endangered species.

Together the on- and off-site mitigation areas provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of native dryland plants, including williwili. Through the perpetual protection and enhancement of these areas, a stable core habitat area will be secured for the Blackburn's sphinx moth, providing net benefit to this species, as well as a large number of additional native dryland species. To implement the on- and off-site mitigation measures, Honua'ula Partners, LLC, will finalize its draft Habitat Conservation Plan (HCP) in collaboration with the USFWS and State DLNR in accordance with Section 10(a)(1)(B) of the Endangered Species Act and Chapter 195D, HRS. The on- and off-site mitigation areas are subject to the approval of the HCP by USFWS and DLNR.

To include the relevant information above in the Final EIS, in the Final EIS Section 3.6 (Botanical Resources) and Section 3.7 (Wildlife Resources) will be revised as shown on the attachments titled "Botanical Resources" and "Wildlife Resources."

Comment: *Conservationists prefer large reserves to small reserves for two main reasons. First, large reserves will, on average, contain a wider range of environmental conditions and thus more species than small reserves. Additionally, some species will be absent from small reserves ... simply because they live at low densities and by chance alone are unlikely to be in a small reserve (e.g. many rare plants). ...*

Response: We acknowledge your comments.

Comment: *Second, large reserves are more secure and easier to manage (at least per unit area) than small reserves for three reasons: (1) large reserves have relatively large populations that are less likely to become extinct (recall Chapter 7); (2) large reserves have a relatively shorter edge than small reserves and thus are less susceptible to external disturbances such as invasions of exotic species and poachers...; and (3) large reserves are less vulnerable to a catastrophic event... — Hunter and Gibbs, p. 235*

Response: We acknowledge your comments.

Comment: *So, the proposal represents at least complete destruction of 72% of the habitat, and severe degradation through fragmentation of another 14%, leaving only 14% that is getting the treatment that 100% of this habitat should be receiving due to the endangered state of this ecosystem.*

Response: As mentioned above, Honua'ula Partners, LLC will establish a perpetual on-site conservation easement (Native Plant Preservation Area) over an area of approximately 40 acres within the kiawe-wilwili shrubland south of latitude 20°40'15.00"N, loss of the remaining approximately 130 acres of kiawe-wilwili shrubland, which USFWS considers Blackburn's sphinx moth habitat, will be mitigated in accordance with Section 10(a)(1)(B) of the federal Endangered

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Species Act (ESA) of 1973, as amended, and Chapter 195D, HRS. The status of the kiawe-wilwili shrubland ecosystem has not been evaluated, and aside from the Blackburn's sphinx moth, no threatened or endangered species will be impacted by Honua'ula.

Comment: *In case it is not obvious why remnant habitat of endangered ecosystems should not be deliberately destroyed, here are some specific reasons:*

1. *Habitat loss means alteration of the physical environment or destruction of the established organisms to an extent that natural reproduction of the organisms cannot reestablish their community. This is what has happened to at least 95% of lowland dry forest in Hawaii and on Maui in particular.*

2. *The plan of Honua'ula Partners destroys the ability of the native species to live and reproduce on 72% of the remnant habitat, and imperils their ability to sustain long-term survival on the remaining 28% of the habitat by reducing its contiguous area and by reducing the total populations of all organisms.*

3. *'A'a habitat consists of soil scattered among clinker lava. Dispersed seeds have to fall upon a habitable microsite before the parent plant dies. This makes it a metapopulation, which survives through extinction and recolonization dynamics. The fewer the total number of microsites, the greater the probability of local extinction, and the faster the time to extinction (Bascombe, Possingham, and Roughgarden, 2002).*

4. *No amount of cultivation of native plants is a substitute for ecosystem preservation. First, cultivation is human intervention to sustain plants that would die without this intervention. Plants have survived and evolved for thousands of years without human intervention in their native habitat. No one can propose that cultivation of the native plants will be guaranteed for thousands of years into the future. Second, landscaping with native plants does not bring along all of the other species with which they form an ecosystem --- soil microbes, pollinators, the invertebrate ecosystem, and other plant species. Third, cultivation causes allele extinction and adaptation of species to the conditions of cultivation, making the resulting plants unable to resume life even in intact habitat.*

The maintenance of genetic variation under cultivation is a complex management problem and one of the main difficulties of such ex situ plant conservation. Furthermore, ex situ plant conservation---the only use of cultivation for conservation---is premised upon the idea that cultivation is a temporary measure awaiting the time when the habitat of the plants is ready for their reintroduction. This is the strategy being pursued for Hibiscus brackenridgei at the Maui Nui Botanical Garden, for reintroduction to their site of origin, Pu'u O Kali. Ex situ conservation is never designed as a way to justify the destruction of the habitat of origin.

5. *The proposed reduction of population sizes of all native through habitat destruction increases the chance that the remaining population falls below the minimum viable population size (Hanski, Moilanen, and Gyllenberg, 1996), where stochastic processes and genetic mutational meltdown (Higgins and Lynch, 2001) cause the eventual local extinction of the species:*

Theory suggests that the risk of extinction by mutation accumulation can be comparable to that by environmental stochasticity for an isolated population smaller than a few thousand individuals. Here we show that metapopulation structure, habitat loss or fragmentation, and environmental stochasticity can be expected to greatly accelerate the accumulation of mildly deleterious mutations, lowering the genetic effective size to such a degree that even large metapopulations may be at risk of extinction. Because of mutation accumulation, viable metapopulations may need to be far larger and better connected than would be required under just stochastic demography.

It is the potential of large contiguous areas of habitat to support large metapopulations that makes the HKEA remnant lowland dry forest habitat especially valuable for conservation, and which the proposed plan destroys.

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Response: Most of the native plants observed during SWCA's survey of the Property are found elsewhere throughout Maui and the main Hawaiian Islands. Until recently there have been no efforts to protect and conserve the Property, and considering its land use designations (State Urban District, County of Maui Project District 9), it is unlikely that in the absence of Honua'ula, the area will be protected. Thus without Honua'ula, the value of the existing remnant ecosystem will continue to degrade. The proposed onsite Native Plant Preservation Area encompasses a contiguous 40-acre area within the *kiawe-wilivilii* shrubland to protect the portion of the remnant native lowland dry shrubland plant community with the highest densities of selected endemic/native plants having high conservation priority.

The proposed size and location of the Native Plant Preservation Area are based, in part, upon a vegetation density analysis employed by SWCA to aid in defining areas where preservation could be most effective. The size and location of the Native Plant Preservation Area are also based upon scientific research that suggests even small restoration efforts consisting of a few hectares can help provide habitat for native species and can subsequently serve as urgently-needed sources of propagules (Cabin et al. 2000b, Cabin, et al. 2002a). This is reinforced by numerous sources of information on successful propagation of native plants specifically for landscaping (e.g., TNC 1997, Tamimi 1999, Friday 2000, Wong 2003, Bornhorst and Rauch 2003, Lilleeng-Rosenberger and Chapin 2005, CTAHR 2006). The research shows that even small preserves consisting of individual trees are being deemed as appropriate and feasible by USEFS and DLNR when managed in combination with regional preserve areas, such as at La'i'opua on Hawai'i Island (Leonard Bisel Associates, LLC and Geometrician Associates 2008.). The purpose of any ex-situ native plant propagation is to enhance the native plant community on-site through outplanting, not to provide an ex-situ population.

As noted in Section 3.6 (Botanical Resources), to further protect native species on-site, Honua'ula Partners, LLC will:

- Conserve as many of the *wilivilii* trees as possible outside the Native Plant Preservation Area;
- Fence the entire perimeter of the Property, and other areas as appropriate, to exclude feral ungulates from the *kiawe-wilivilii* shrubland. A fence has already been erected, however fencing requirements will be reviewed and updated (for example, to include stronger deer fencing) as establishment of the Native Plant Preservation Area and site construction begins (this is consistent with County of Maui Ordinance No. 3554 Condition 7);
- Implement an ungulate management plan to ensure that goats, deer, pigs, and stray cattle are removed in a humane manner from the Native Plant Preservation Area and the Native Plant Conservation Areas (this is consistent with County of Maui Ordinance No. 3554 Condition 7);
- Employ a Natural Resources Manager to help develop and implement specific conservation programs to ensure the protection of native plants and animals;
- Implement a program to control and eradicate invasive grasses, weeds, and other non-native plants from the Native Plant Preservation Area with the exception of the non-native tree tobacco (*Nicotiana glauca*), which is a recognized host plant for the endangered Blackburn's sphinx moth (*Manduca blackburnii*);

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- Implement a native plant propagation program for landscaping with plants and seeds naturally occurring on the Property. All plants native to the geographic area will be considered as potential species for use in landscaping;
- Implement a seed predator control program to control rats, mice, and other seed predators;
- Implement a fire control program to help protect the Native Plant Preservation Area and other areas and ensure the success of plant propagation and conservation efforts;
- Implement an education and outreach program open to the public and sponsor service groups to assist with implementation of native-plant management programs;
- Apply for additional program support offered by the State of Hawai'i (Natural Area Partnership Program and Hawaii Forest Stewardship Program) and USFWS to promote sound management of the natural resources within Honua'ula;
- Continue long-term vegetation monitoring during wet and dry seasons to evaluate the health of native plants and to support the development of the Conservation and Stewardship Plan for the Native Plant Preservation Area and native plant restoration efforts; and
- Finalize its draft Habitat Conservation Plan (to include the candidate endangered 'āwīkīwīkī) in collaboration with USFWS and DLNR in accordance with Section 10(a)(1)(B) of the Endangered Species Act and Chapter 195D, HRS.

As noted above, Honua'ula Partners, LLC also proposes off-site measures to protect and enhance native plants and habitat for the Blackburn's sphinx moth. Together the on- and off-site mitigation areas provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of native dryland plants, including *wilivilii*.

Comment: *The pre-2003 site plan should be jettisoned, and a new site plan developed that protects all of the 'a habitat south of the Historic Wall. Such a site plan would have to increase the density of the 76% of the property without native biota by 30% to include all of the currently planned units and features. If the conservation area is kept to the 130 acres mandated by the Unilateral Agreement should DLNR and USFWS find it merits preservation, the revised site plan would be able to develop 81% of the 670 acres, and could maintain all the planned items by a 24% increase in density. Such increased density is a high priority among the "Smart Growth" principles advocated by Honua'ula Partners.*

Response: Restricting all development south of the historic wall and thus increasing density in the northern part of the property would result in significant changes to the Conceptual Master Plan, resulting in conflicts with several provisions of Chapter 19.90A, Maui County Code (MCC). A Native Plant Preservation Area of 130 acres would necessitate shifting a significant number of single-family and multi-family homes to the northern section of the Property, thereby increasing density in this area. It would also significantly change the golf course layout or possibly make a golf course altogether infeasible. Simply reducing the number of homes or not providing a golf course could make Honua'ula economically unfeasible in light of the significant on and off-site improvements required as conditions of County of Maui Ordinance No. 3554. Reducing the number of homes and/or not providing a golf course would also dramatically decrease the economic benefits of Honua'ula, such as property tax revenues to the County, total gross tax revenues to the State; and impact fees paid to the County and State by Honua'ula Partners LLC.

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To provide an alternative discussing a 130-acre Native Plant Preservation Area, which includes and elaborates on the above information in the Final EIS, in the Final EIS Chapter 6 (Alternatives) will be revised to include the information shown on the attachment labeled "Alternatives."

Comment: *SWCA Environmental Consultants (SWCA) appears to be aware of this situation, but faces the dilemma of providing a product that is satisfactory to their client, Honua'ula Partners. The resulting product reflects the limits of how true to conservation biology a hired consultant can remain within their contractual relationship.*

SWCA's botanical survey of the property is unparalleled in its conception, execution, and exposition. It sets a new high bar on what should be expected from an EIS. Moreover, the data in their study provides an invaluable baseline from which to monitor the effects of habitat protection and restoration for the habitat in coming decades --- should the habitat survive intact from the current plans of its client, Honua'ula Partners.

Response: We acknowledge that SWCA Environmental Consultants has done excellent work at Honua'ula. SWCA's role is as a professional environmental consultant. As such their function is to perform the work required within the regulatory context of the project, following both guidelines and laws established by regulatory agencies.

Comment: *But the attempts in SWCA's report to justify their client's development proposal are unfortunate. They resort to several rhetorical tactics:*

1. *Denigrating the conservation value of the habitat remnant on a flow HKEA;*
2. *Exaggerating the conservation value of their mitigation efforts --- namely, counting the acreage of ungraded, unprotected fragments of land, and counting the acreage of landscaping where native plants are proposed to be used;*
3. *Using the fact that other Hawaiian dry forest are receiving conservation efforts as justification for destruction of the habitat on HKEA.*
4. *Using the fact that a few other remnants of lowland dry forest have higher remaining plant biodiversity than HKEA to justify the destruction of habitat on HKEA.*
5. *Using the fact that other reserves have been forced to work with small acreages as justification for destroying the large acreage of habitat on HKEA.*

Response: We acknowledge your comments but respectfully disagree that SWCA Environmental Consultants has resorted to "rhetorical tactics" such as denigrating the conservation value of the kiawe-wilwilii shrubland and exaggerating the conservation value of recommended mitigation efforts.

In response to your comment regarding "counting the acreage of ungraded, unprotected fragments of land, and counting the acreage of landscaping where native plants are proposed to be used," as a result of meetings with DLNR and USFWS, original approaches to protect native plants and wildlife habitat discussed in the Draft EIS have evolved to address concerns expressed. While Honua'ula Partners, LLC is still providing significant on-site areas to protect native plants and wildlife habitat, Honua'ula Partners, LLC is now also proposing a far more ambitious plan with significant off-site measures. The proposed on- and off-site measures provide a net conservation benefit through the quality and quantity of the area that will be protected. Compared to providing only an on-site Native Plant Preservation Area of a maximum 130 acres, the on- and off-site mitigation areas provide up to 394 acres for protection for dryland forest species, including wilwilii and a greater diversity native host plants for the Blackburn's sphinx moth. Through the perpetual protection and enhancement of these areas, a stable core habitat area will be secured

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for the Blackburn's sphinx moth, providing net benefit to this species, as well as a large number of additional native dryland species.

To include the relevant information above in the Final EIS, in the Final EIS Section 3.6 (Botanical Resources) and Section 3.7 (Wildlife Resources) will be revised as shown on the attachments titled: "Botanical Resources" and "Wildlife Resources."

Comments by Section

Comment: *The Botanical Survey gives an excellent review, and I have no criticisms, until p. 4, where it cites my report incorrectly:*

Recently, Altenberg (2007) drew attention to the southern portion of the Property which he claimed to be among the best examples of a remnant native lowland dry forest remaining on Maui. ... Altenberg (2007) identified eight wilwilii (E. sandwicensis) forests in southeast Maui including Kanato, Pu'u o Kali, Honua'ula / Waialea 670, Makena, La Perouse, Kaupo, Lualailua, and Waikapu.

Nowhere did I claim it "among the best examples"; the word "best" was used only once---to refer to the best data available on the extent of remnant wilwilii habitat on Maui, the maps of Jonathan Price. It is Price's map, not I, that show eight remaining large contiguous areas of wilwilii habitat, among which Waialea 670 can be seen to be around the fourth largest among these 8. Hence, the large contiguous wilwilii habitat in Waialea 670 is not "among the best examples", but among the only examples of large, contiguous lowland dry forest left on Maui.

Response: We apologize that your report was cited incorrectly; however, with the exception of incorrectly stating that you claimed that southern portion of the Property to be among the best examples of a remnant native lowland dry forest remaining on Maui, we note that the other statements in the botanical survey report regarding your report are accurate.

It should be noted that regarding the map by John Price you reference here and in your report, John Price notes that the map shows areas of extent, rather than areas of occupancy, with the purpose of identifying areas in which people may be able to collect wilwilii seeds. The areas shown on the map are meant to depict areas where scattered individuals may exist, rather than contiguous areas of wilwilii, as you assert in your letter. Since this map does not take into consideration any parameter other than presence of wilwilii, it is a very limited tool to indicate the value of the area for the species.

Comment: *The rhetorical denigration of the remnant continues on p. 5:*

Hence, the southern portion of the Property may be described more accurately as a highly disturbed, remnant native coastal dry shrubland (sensu Gagne and Cuddihy 1999) in which wilwilii (Erythrina sandwicensis) has become a common inhabitant. Medeiros (USGS, pers. comm.) suggested that mature wilwilii (Erythrina sandwicensis) trees may be found throughout southeastern Maui, often in abundance and greater densities than those encountered in the Property.

...Price et al. (2007) recently developed methods using bioclimatic data to map habitat quality for and range of two widespread plant species including wilwilii (Erythrina sandwicensis) and two rare plant species throughout the Hawaiian Islands. The area

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encompassed by the Property appears on these maps as 'medium' to 'low' habitat quality for williwili (*E. sandwicensis*) (Price et al. 2007). However, numerous areas in southeastern Maui located between Pu'u Ola'i and Kaupo outside the Property did appear as having 'high' habitat characteristics on the maps prepared by Price et al (2007).

Response: We fail to see how citing the conclusions of previous research constitute "rhetorical denigration of the remnant."

Comment: So, here perhaps see why SWCA misquoted me as saying HKEA was among the "best" examples, so that they could discredit me by showing "other, better examples" exist. But here is what Price and colleagues have to say about the overall situation of Hawaiian dry forest:

Hawaiian dry forests were once considered to be the most diverse forest ecosystem on the Hawaiian Islands (Rock 1913); however, today they are extremely deforested and degraded. Our results show that forty-five percent of Hawaiian dry forest taxa are at risk of endangerment and that patterns of endangerment in Hawaiian dry forests are unique compared to other Hawaiian forest types. ... There is currently no data on the number of tropical dry forest fragments remaining on the Hawaiian Islands and no species lists for these fragments. Future research should begin by identifying the remaining extent and distribution of Hawaiian dry forest fragments because they are clearly endangered. The effects of habitat destruction, fragmentation, and the breakdown of native ecosystem functions play a large role in determining patterns of diversity that cannot be fully explained by island age and area. Examining patterns of species richness, composition, and structure among these remaining forest fragments would produce valuable information for understanding patterns of diversity in an increasingly endangered forest type. (Pau, Gillespie and Price, 2009)

Response: Again we apologize that your report was cited incorrectly; this was not done with the intent to discredit your work.

Comment: Now, once the text moves into the actual botanical survey, Sections 2 and 3 (pp. 5-17), we find quite excellent work and reporting. The areas of williwili habitat shown in Price's map find confirmation in SWCA's aerial reconnaissance:

Our aerial reconnaissance confirmed input from others (A.C. Medeiros, USGS, pers. comm.; Altenberg, 2007) suggesting that several additional high density williwili (*E. sandwicensis*) groves may be found near Pu'u Ola'i, Kana'oi, Pu'u O Kali, Makena (Figure 12), La Perouse, Kaupo, and Lualailua. (p. 17, 3.5 Aerial Reconnaissance Survey)

Response: We appreciate your acknowledgement of SWCA's work.

Comment: However, in the Discussion, Section 4, the rhetoric returns.

Similarly, there have been no previous efforts by any Federal, State, local government agency, or conservation Non-governmental organizations (NGOs) to acquire and protect any portion of the Property.

Very few have the resources "to acquire and protect" property. The most recent actions putting dry forest into conservation were made by current owners, not by acquisition. The Erdmans put thousands of acres in to conservation easement, and Hawaiian Honelands put c. 250 acres of Pu'u O Kali into conservation. In contrast, Honua'ula Partners propose to put only 22 acres into conservation easement. And while not having the resources to acquire, several NGOs have put efforts into protecting the habitat at Wailea 670, including

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the Native Hawaiian Plant Society, Maui Tomorrow, the Sierra Club, and Maui Cultural Lands, and many others without resources to acquire have submitted testimony in favor of complete preservation.

Response: In context, the statement that you quote above from the botanical survey report is as follows:

The Property was viewed by Char and Linney (1988) and Char (1993, 2004) as having unremarkable vegetation. Until SWCA (2006) and Altenberg (2007), there had been no recognition of the remnant mixed kiawe-wilwili shrubland as an area worthy of special recognition. Similarly, there have been no previous efforts by any Federal, State, local government agency, or conservation Non-governmental organizations (NGOs) to acquire and protect any portion of the Property.

We maintain that is accurate to say that there have been no previous efforts by any Federal, State, local government agency, or conservation Non-governmental organizations (NGOs) to acquire and protect any portion of the Property. However we do recognize that since the mid-00's you and others have made efforts to bring attention to the conversation value of the kiawe-wilwili shrubland south of the historic wall.

To reflect this change in the Final EIS, in the Final EIS Section 3.6 (Botanical Resources) will be revised as follows:

None of the surveys identified any Federal or State of Hawai'i listed threatened or endangered plant species on the Property. However, five individual plants of the candidate endangered species, 'awikawiki (*Canavalia pubescens*), have been documented by SWCA (2010a) within the Property. The Property is not located within or immediately adjacent to critical habitat or recovery management units designated by the U.S. Fish and Wildlife Service (USFWS). ~~Here~~ Until recently there have been no efforts by any Federal, State, or local government agency, or non-governmental conservation organizations to acquire ~~and~~ or protect any portion of the Honua'ula Property.

Comment:

The remnant native vegetation in the remnant mixed kiawe-wilwili shrubland represents a highly degraded lowland dry shrubland in which wilwili trees (*E. sandwicensis*) are a natural component. High density wilwili (*E. sandwicensis*) stands occur in other locations throughout the region. Altenberg (2007) identified eight areas in southeast Maui, including the Property, where wilwili (*E. sandwicensis*) groves are found. In this study, we also found dense wilwili (*E. sandwicensis*) groves east of Pu'u Ola'i.

Far from being pristine, this dry shrubland has been degraded by human activities including unrestricted grazing by ungulates, cattle grazing, invasive plant species, road works, kiawe (*P. pallida*) logging, and military activities. Only 26 of the 146 species reported from the parcel are native, 14 of these are endemic, and 120 are introduced non-native species (Figure 6).

More denigrating language, and language intended to make it seem like the ecosystem represented here is common. No comparison is given between the species list at HKEA and at Pu'u O Kali. A 2004 list of species at Pu'u O Kali (Forest Start) shows 35 native species, compared to 26 found by SWCA at HKEA. So, while

describing Pu'u O Kali thus: "Pu'u O Kali Forest Reserve is a remnant wilwili (*E. sandwicensis*) forest on the slopes of east Maui above Khei. It is among the most diverse and intact lowland dry forests on Maui which also supports endangered flora." (p. 23) it describes HKEA as "highly degraded lowland dry shrubland" even though it is 72% of the native plant biodiversity of Pu'u O Kali.

The comparisons with the very best surviving dry forest remnants in Hawaii are clearly intended to justify the destruction and degradation of most of the HKEA remnant, and its removal from among the 8 large contiguous lowland dry forest areas that survive on Maui. But that is a fallacious line of reasoning. The fact that a particular Da Vinci painting may not be as well preserved as others does not justify its destruction. The fact that three grandparents may be healthier than one does not justify denying that one the best chance at longevity. Lowland Hawaiian dry forest is an endangered ecosystem, and all surviving remnants of that ecosystem deserve maximal preservation and restoration.

Response: In context, the statement that you quote above from the botanical survey report is as follows:

*Pu'u O Kali Forest Reserve is a remnant wilwili (*E. sandwicensis*) forest on the slopes of east Maui above Khei. It is among the most diverse and intact lowland dry forests on Maui which also supports endangered flora. As Monson (2005) quoted A.C. Medeiros, "Pu'u-O-Kali is the only place on this whole side that looks like it did in ancient times... It's the only place where a Hawaiian from long ago would look around and say, 'Oh, I know where I am.' They wouldn't recognize the rest of South Maui."*

Whereas Pu'u O Kali has received protection, until recently there have been no efforts by any Federal, State, or local government agency, or non-governmental conservation organizations to acquire and protect any portion of the Honua'ula Property

Comment: The DEIS emphasizes numerous times that no currently listed endangered plant species are found on the property. But the purpose of the Endangered Species Act is not discussed:

ENDANGERED SPECIES ACT OF 1973 [Public Law 93-205, Approved Dec. 28, 1973, 87 Stat. 884] [As Amended Through Public Law 107-136, Jan. 24, 2002]

(b) PURPOSES. The purposes of this Act are to provide a means whereby the ecosystems upon which endangered species and threatened species depend may be conserved, to provide a program for the conservation of such endangered species and threatened species, and to take such steps as may be appropriate to achieve the purposes of the treaties and conventions set forth in subsection (a) of this section.

(5)(A) The term "critical habitat" for a threatened or endangered species means:

(i) the specific areas within the geographical area occupied by the species, at the time it is listed in accordance with the provisions of section 4 of this Act, on which are found those physical or biological features (I) essential to the conservation of the species and (II) which may require special management considerations or protection; and

(ii) specific areas outside the geographical area occupied by the species at the time it is listed in accordance with the provisions of section 4 of this Act, upon a determination by the Secretary that such areas are essential for the conservation of the species.

Response: We acknowledge that the purpose of the Endangered Species Act (ESA) is not only to protect species that have been listed as threatened or endangered, but also to conserve the ecosystems upon which those species depend. While the primary objective of the ESA is the protection of endangered species, and the "take" of such species is considered unlawful, the ESA is not absolute. In 1982, amendments were made to the 1973 ESA which authorized the Secretary of the Interior and the Secretary of Commerce to allow the take of federally listed species (Endangered Species Act, Section 10(a)(1)(B)). When non-federal activities that would otherwise be legal have the potential to result in the "take" of a listed species for example, they may be allowed under an Incidental Take Permit, obtained through the USFWS. To mitigate the take of listed species, Section 10 of the ESA requires that parties wishing to obtain an Incidental Take Permit must submit a HCP, with their application.

As provided under the ESA, Honua'ula Partners, LLC has prepared a draft HCP. This HCP will be finalized to provide: 1) measures to offset the potential impact of Honua'ula on two Covered Species (Blackburn's sphinx moth and nene); and 2) avoidance and minimization measures expected to avoid any negative impacts on five additional endangered species (the Hawaiian duck, Hawaiian silt, Hawaiian coot, Hawaiian petrel, and Hawaiian Hoary bat), one threatened species (Newell's shearwater), one candidate endangered species ('āwīkīwī), and the Hawaiian short-eared owl (pueo) which is not a listed species on Maui. The HCP will be in support of an Incidental Take Permit (ITP) for Blackburn's sphinx moth and nene in accordance with Section 10(a)(1)(B) of the ESA of 1973, as amended, and an Incidental Take License (ITL) in accordance with Chapter 195D, HRS.

In accordance with its HCP Honua'ula Partners, LLC in now also proposing a far more ambitious plan with on- and off-site measures. The proposed on- and off-site measures to protect native plants and Blackburn's sphinx moth habitat proposed by Honua'ula Partners, LLC provide a net conservation benefit (as required under Chapter 195D, HRS) through: a) the protection and propagation of additional native host plants for both larval and adult Blackburn's sphinx moth (including the native host species 'aiea (*Nothocestrum* spp.) and halapepe (*Pleomele* spp.); and b) creation and protection of a higher number species of native host plants than currently exists on the Property. The proposed on- and off-site mitigation areas together provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of native dryland plants, including wilwili. Through the perpetual protection and enhancement of these areas, a stable core habitat area will be secured for the moth, providing net benefit to this covered species, as well as a large number of additional native dryland species.

Comment: Because the extirpation of species is an ongoing process in lowland dry forest on Maui (having been seen for *Hibiscus brackenridgei* in Pu'u O Kali in the 1990s, and for *Chamaecybe celastroides* var. *lorifolia* on HKEA in 2007), the absence of species from remnants that are present on nearby remnants must be considered to be the result of local extinction, most likely by ungulate grazing. It is likely that the listed endangered species at Pu'u O Kali would recolonize HKEA if reintroduced, so HKEA needs to be considered as critical habitat for their recovery.

Response: Prolonged drought, in addition to ungulate grazing, must also be recognized as a natural threat to the survival of native dry shrubland plants, as well as wildfire, the intensity and frequency of which are exacerbated by fuel load provided by non-native, drought tolerant grasses, and climate change. It is likely that conservation and stewardship activities proposed for the on- and off-site mitigation areas will need to employ measures to help ensure the recovery of native

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plants such as 'āwikiwiki, nehe, ilima, and which have all but completely disappeared from Honua'ula in the past two years due in part to the extremely dry conditions. A fire plan will be put in place to avoid further threat from wildfire.

Considering the history and land use designations of the Property (State Urban District, County of Maui Project District 9), it is unlikely that in the absence of Honua'ula, any conservation measures would be implemented to abate the abovementioned threats, and degradation will continue.

Comment: *The wildlife survey does not consider invertebrate species such as native Hawaiian bees, which are under discussion for listing as endangered species. It is completely unknown what impacts the proposed habitat destruction may have on the native bee species. A great deal is unknown about lowland Hawaiian dry forest ecology. The HKEA remnant is a potential study site to learn more, and for this reason, should also be preserved in its entirety.*

Response: In the summer of 2011, Dr. Karl Magnacca of the University of Hawaii at Hilo conducted a study to search for native Hawaiian bees in the genus *Hylaeus* at several locations in Southeast and West Maui including Honua'ula and the proposed mitigation areas. Dr. Magnacca found no native Hawaiian bees in the genus *Hylaeus* within or adjacent to Honua'ula or the proposed off-site mitigation areas.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachments: Wildlife Resources
Botanical Resources
Alternatives

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Re: **Wailea 670's Draft Environmental Impact Statement**

Summary: Wailea 670's DEIS fails to provide support for a sustainable water source for the project. The Kamaole aquifer upon which it relies for water is untested; the aquifer's estimated 11 MGD sustainable yield (which the developer erroneously assumes is fact) is characterized by state water experts and state agencies as "speculative" and "uncertain." The DEIS provides no evidence to the contrary. Accordingly,

- (1) The DEIS fails to meet the requirements of Hawaii's environmental protection laws, and
- (2) The project poses a significant environmental risk to the aquifer itself, to existing aquifer users and to the people, economy and well-being of Maui as a whole.

I.

The Kamaole Aquifer is Poorly Understood; the DEIS Fails to Provide Clarity

The Kamaole aquifer is poorly understood; its use has been slight and hydrologic data is almost nonexistent. Although a sustainable yield of 11 MGD has been assigned to it, state water experts and agencies have clearly indicated that this is no more than an educated guess.

According to the June 2008 "Hawaii Resource Protection Plan" prepared for the Hawaii Commission of Water Resource Management (CWRM), the 11 MGD sustainable yield calculation assigned to the aquifer is rated at the lowest confidence level: "3 – Least Confident – Limited to No Hydrologic Data."¹ In explanation, the Commission writes: "The CWRM recognizes the adopted Sustainable Yield as a reasonable planning Sustainable Yield until more detailed geologic and hydrologic information is available for these aquifer system areas. There is **significant uncertainty** associated with this Sustainable Yield due to the lack of hydrogeologic and pumpage information." (Emphasis added.)

George A. L. Yuen described the Kamaole aquifer's sustainable yield as "speculative" in "Water Resources Protection Plan ["WRPP"], Volumes I & II", 1990, p. V-21, because "no exploration [of the Kamaole aquifer] has taken place beyond a mile or so from the coast." Yuen cautions that estimates of sustainable yield "are not meant to be an exact number which could be used in final planning documents. The estimates are constrained not only by the scant data base but also by the fact that they do not consider the feasibility of developing the groundwater. The estimates should not be equated to developable groundwater." (WRPP, p. V-3; Emphasis added.) "Good estimates of sustainable yield need a reliable data base. In most of the State not enough is known about the extent and behavior of groundwater to allow more than a weak estimate of sustainable yields. Only in Southern Oahu, Lanai and West Maui, where many years of investigation have been devoted to unraveling the complexities of groundwater occurrence, can the sustainable yields be accepted with confidence." (WRPP, p. V-2; Emphasis added.)

The DEIS makes no mention of any of these all-important qualifying remarks and instead misrepresents the Kamaole aquifer's estimated sustainable yield as gospel. It is not.

In fact, where the state has investigated estimated sustainable yields in greater depth, yields have consistently been found to be less than that previously estimated, raising the inference that once studied the Kamaole aquifer's sustainable yield will be lower as well.

¹ This information should appear in the DEIS; the fact that it does not speaks volumes about the worth of the document.

In a June 2002 "Draft Supplemental Environmental Impact Statement for the East Maui Water Development Plan" written by Mink & Yuen, the authors note that "numerous exploratory wells would be required" to determine the worth of the Kamaole, Paia and Makawao aquifers. (Emphasis added.) "The likelihood that a significant supply of fresh water could be developed at acceptable cost is slim."

Undeterred, the DEIS suggests that the aquifer's sustainable yield may even be higher than 11 MGD, citing USGS Scientific Investigations Report 2007-5103 in which higher recharge assumptions are assigned for all Maui aquifers. However, the assumptions are unsupported by additional hydrogeologic and pumpage information, at least in terms of the Kamaole aquifer. Furthermore, this study (which precedes the CWRM's 2008 resource plan referenced above that retained a level 3 credibility factor for the aquifer) speaks primarily to the lao aquifer, which has been extensively studied. Additionally, the study notes that Maui rainfall patterns have changed over time with the most recent period of study subject to drought: "Ground-water recharge is one of the most important factors controlling ground-water availability. . . . Decreasing irrigation has coincided recently with periods of below-average rainfall, creating the potential for substantially reduced ground-water recharge rates in many areas." (p. 1.)

USGS Report 2007-5103 examines a number of different scenarios in an effort to determine likely recharge based on a variety of historical rainfall patterns, estimating Maui's 2000 - 2004 aquifer recharge at 66% of that experienced during 1926 - 1979. (p. 31.) Using 1998 - 2002 rainfall data, the USGS found: "The worst-case scenario for recharge in central and west Maui [pastureland with drought] . . . was created by applying the 1998 - 2002 (drought) rainfall time series to the 'land use III' (no agriculture) scenario. The mean recharge for the entire study area was estimated to be . . . 46% less . . ." (p. 45.) None of this is revealed or discussed in the DEIS while it cites the study in support of speculation that the aquifer's recharge rate might be higher than previously assumed. The presence of bias is notable.

Clearly, a project intended to last well beyond this century, one that exists in a designated drought zone in an atmosphere of rising temperatures, declining rainfall, rising seas and dependent on an untested aquifer with an uncertain sustainable yield, cries out, at the very least, for rigorous analysis of the kind conducted by the USGS, employing various future-state assumptions predicated on actual trended rainfall data coupled with current observations (extreme and persistent drought) and accompanied by professional analysis of the kind befitting a project of this size, scope and longevity. The DEIS fails to meet this burden.

Keeping to this theme, one would expect the DEIS to at least acknowledge, if not distinguish, the existence of an exploratory well drilled by the Hawaii Department of Land and Natural

Resources in 2006 on a site located between the Project and its wells north of Maui Meadows. (See Central Maui Exploratory Well, Final Environmental Assessment, June 2004: "The purpose of the project is to develop an exploratory well which, if found to be hydrogeologically favorable, would serve as a future production well providing a potable water source for the State of Hawaii projects.") This is, after all, the kind of real hydrologic data identified by CWRM and Mink & Yuen as that needed to assess the sustainable yield of Kamaole aquifer, making its omission especially noteworthy. Unfortunately, the well was found to be insufficient, both in terms of water volume (only producing 172,800 gallons per day) and water quality (chloride levels exceeded acceptable standards).

II.

Insufficient Data is Supplied to Enable Examination of Many DEIS Conclusions

Section 11-200-17, subsection E., paragraph 3, requires a draft EIS to contain project data sufficient to permit "evaluation and review of the environmental impact". In many instances the DEIS either fails to report critical data or uses average data that prevents understanding and analysis.

Vagary is a hallmark of this project. When the Maui County Department of Water Supply was asked to comment on the project's water strategy, Jeffrey Eng, Maui County Director of Water Supply, wrote the following in an August 2007 letter addressed to Mayor Charmaine Tavares and Land Use Committee Chair Michael Molina: "[I] would like to offer the following comments of general concern related to the development's proposed water system. I would like to preface my comments by mentioning that in my opinion, the applicant has been somewhat vague in his presentation of the water system and wastewater system plans. Therefore, my comments may be somewhat assumptive."

The following deficiencies, without limitation, are noted:

- Comprehensive pump test data for all wells drilled by the developer are not included in the report. Robust presentation of this data is essential to enable examination of the developer's claim that the Kamaole aquifer is adequate to support the Project's water needs now and in the future.
- Table 3 of Tom Nance's February 2010 engineering report presents average data for Wailea wells. Average data spanning 1991 - 2009 is insufficient to allow detection and comprehension of trends, month to month and year to year. The public needs to know whether golf course irrigation is increasing, decreasing, or remaining the same over

time. Likewise, chloride concentration trends need visibility since they reflect the directional health of the aquifer.

Need for this information is particularly relevant given remarks made by John Mink in a study entitled "Wailea 670 Irrigation Well 1. Drilling and Testing Results," dated June 3, 1991 (p. 3):

"The future demand for lower Wailea is projected as 3 to 3.5 mgd, while for Wailea 670 the projected demand for two golf courses is 1 mgd. Total demand for the two areas will average 4.5 mgd along an equivalent shore line reach of three miles toward which a natural flux of 6 to 9 mgd moves. The demand as a fraction of flux probably corresponds to or somewhat exceeds sustainable yield. For these values of flux and demand, the lower Wailea wells are apt to suffer an increase in salinity over the long run, but the increase may not be great enough to eliminate the wells as sources of useable irrigation water. In fact, the lower Wailea wells are likely to experience quality deterioration more from the addition of new wells and increase in pumpage with the area than from the Wailea 670 wells." (Emphasis added.)

- The DEIS notes that the Project's water draw will increase in summer and decrease in winter. Monthly data is needed rather than bald statements without detail.
- The DEIS makes broad assumptions about recharge without examination. Should average aquifer recharge be assumed throughout the year, or will anticipated summer water draw mis-align with lower seasonal rainfall? If a mismatch is likely, the lack of congruity should be analyzed to determine short and long term effect.
- The DEIS states that current "groundwater pumpage from the aquifer is estimated to be a little more than four MGD". (Engineering Report, Tom Nance, p. 9.) No source is given and it is at odds with a February 2005 report given by the Commission on Water Source Management to the Maui County Board of Water Supply indicating existing withdrawal of 5.76 MGD from the Kamaole aquifer by nearby irrigation wells. Section 11-200-17, subsection E., 3, requires a draft EIS to include "technical characteristics". The requirement is not met here. The difference between an "estimated" 4 MGD and a measured 5.76 is material since it equates to 15% of the aquifer's speculative sustainable yield.

Furthermore, Table 4 of Tom Nance's report entitled "Wells in the Downgradient Area Potentially Impacted by the Honua'ua Offsite Kamaole Wells" (p. 12) identifies only 20 wells that might be impacted by the Project and omits highly relevant chloride

concentration and volume data for each, whether on a one time basis or historically. By contract, USGS Scientific Investigations Report 2006-5283 depicts 87 wells in the south Maui area, 67 makai of P'iliani Highway and 20 mauka, most with fairly high chloride concentration levels, putting them at greater risk of adverse impact in the event the developer's water strategy results in increased chloride concentrations in the aquifer. To the extent the developer believes, based on scientific principles and study, that some of these 87 wells are not likely to be affected, they should be identified and a rationale given to exclude them from the class of wells at risk. In any event, state guidelines for preparation of engineering reports for new drinking water sources require thorough investigation of nearby wells (See, e.g., Hawaii State Department of Health, Safe Drinking Water Branch, Guidelines for Preparation of Engineering Reports for New Drinking Water Sources for Regulated Public Water Systems, Well Information: . . . 3. **Water quality data on any existing wells in the area. . . .**" (Emphasis added.) The DEIS falls far short of meeting this requirement.

- The DEIS states that the area's average rainfall is 18 inches a year (Engineering Report, Tom Nance, p. 13). No source is cited. Accurate rainfall data is essential to understanding sustainable yield. ("Two major contributors to ground-water recharge in central and west Maui are agricultural irrigation and rainfall." USGS Scientific Investigations Report 2007-5103, p. 1.) The amount stated, 18 inches a year, is at odds with documented, credible rainfall data for Kihei. For example, USGS Scientific Report 2007-5103 (p. 16) states that mean monthly rainfall for months with complete rainfall records at National Weather Service rain gage # 4489 (located in Kihei) is .92 inches, or 11 inches per year, 39% less than the amount reported by the developer and its expert. A casual Google search for Kihei rain totals produces support for the USGS number and none for the developer's.
- The DEIS omits discussion and data relative to the relationship of the Project to other land use plans in the affected area. (See HAR 11-200-17, subsection H.) A large public high school and police station are planned to be built mauka of P'iliani Highway in the vicinity of the Project and Makena Resort is located immediately south of the Project. Where will these projects obtain potable water, and what impact, if any, will they have on the Kamaole aquifer, alone and in combination with the Project?
- The developer's consulting hydrologist should present his professional opinion regarding the integrity, sustainability and reliability of the Kamaole aquifer since the developer is placing total reliance on the aquifer to support the Project, now and in the future.

Instead, the developer's consultant parrots carefully edited statements by others, portraying the Project's water supply in the best light while ignoring negative information. Certification of the water strategy by the developer and its expert hydrologist is essential.

III.

Mitigation Measures are Non-existent

Because the DEIS is predicated upon an unsupported sustainable yield, discussion of mitigation measures, required by HAR 11-200-17, subsection M, cannot be undertaken. Once a credible assessment of the Kamaole aquifer's sustainable yield is secured, mitigating strategies must be considered to align the Project with the capacity of its water source. Until then, no meaningful discussion of mitigation measures can be undertaken.

IV.

Water and Climate are Not Static; the DEIS Must Consider Likely Future States

The DEIS approaches the question of water supply as a snapshot in time, turning a blind eye to climactic trends.

HAR 11-200-17, subsection J, requires a DEIS to consider both short term and long term effects: "The draft EIS shall include in a separate and distinct section a description of the relationship between local short term uses of humanity's environment and the maintenance and enhancement of long-term productivity. . . . The discussion shall include the extent to which the proposed action . . . poses long-term risks to health or safety." (Emphasis added.)

Potential ruination of the Kamaole aquifer² due to miscalculation (or here, no calculation) is a potential outcome of the Project. In the face of this possible horrendous outcome, the developer takes what appears to be British Petroleum's approach to risk management: making unjustifiable assumptions predicated on speculative sustainable yield estimates and assuming everything will work out. Humanity is frequently and painfully reminded that things don't always work out the way we hope, particularly when risk is imprudently assessed and taken. Indeed, this is why we have environmental protection laws and require environmental impact statements to be prepared.

² Water in the Kamaole aquifer is held in public trust and must be treated with due care.

Because the Project will, if constructed, exist beyond this century³, the DEIS should take into account observable climatic trends and professional projections co-existent with its life expectancy. The following is a partial list of data, observable trends and professional opinion not mentioned in the DEIS needing consideration to provide a better assessment of the Project's long term water sourcing plans:

A. Rainfall is Declining; Temperatures and Sea Levels are Rising in Hawaii and World-wide

EPA Circular 236-F-007e issued in 1988 states, "in Honolulu, Hawaii, the average temperature has increased 4.4 degrees F over the last century, and precipitation has decreased approximately 20% over the last 90 years." Temperature increases are expected to produce a rise in sea level with collateral impact on freshwater lenses in Hawaii. (See, e.g., Global Climate Change Impacts in the United States, U.S. Global Change Research Project, www.globalchange.gov/usimpacts.)

If these trends continue, how will the Kamaole aquifer be affected? Will recharge decline? Will evaporation increase? Will vegetation suffer, causing greater runoff and less absorption? And if the aquifer's salinity levels rise, will the ability to produce potable water be impaired and, if so, to what degree? Will down-gradient wells be impacted, with consequential impact on the greater south Maui community? Does the project need a back-up plan in case saline levels become unmanageable? If so, what is the plan?

B. Drought Conditions are Extreme and are Expected to Become more Prevalent and Persistent

- Experts warn that climate change will likely produce more extreme drought conditions that will last for extended periods of time compared to the past. Drought now plagues Hawaii.
- The National Weather Service recently reported that the 2009 – 2010 "wet season" in Hawaii (October to April) was the driest in 55 years.
- The U. S. Drought Monitor recently proclaimed the area from Wailea to Lahaina in extreme drought; current drought conditions in Hawaii are rated the most extreme in the nation.
- The Hawaii Drought Plan, 2005 Update, identifies the Project area as being among the most vulnerable to drought.

³ The one contingency that might cause an early end to the Project is lack of a reliable supply of water.

- A representative of Haleakala Ranch recently reported persistent drought has caused a high-level water source on the ranch to go dry, the "first time . . . in anyone's memory." (Maui News, April 23, 2010.) Some of the Project's wells are located on Haleakala Ranch lands.
- A representative of Ulupalakua Ranch recently stated that "We've not seen normal . . . anywhere near normal rainfall for quite some time." (Maui News, April 23, 2010.) Ulupalakua Ranch is located immediately above the Project.
- In Scientific Investigations Report 2007-5103, the USGS estimates that Maui's 1998-2002 drought conditions resulted in a 27% reduction in aquifer recharge.
- The U.S. government and several credible federal agencies predict that climate change will intensify drought conditions, particularly in dry areas like the Project site: "Deserts and drylands are likely to become hotter and drier, feeding a self-reinforcing cycle of invasive plants, fire and erosion." ("Global Climate Change Impacts in the United States", U.S. Global Change Research Program, www.golbalchange.gov/usimpacts.)

The DEIS must acknowledge and consider the impact climate trend will have on the Project's proposed water supply. (HAR 11-200-17, subsection 1.) Hawaii's State Department of Health, Safe Drinking Water Branch, Guidelines for Preparation of Engineering Reports for New Drinking Water Sources for Regulated Public Water Systems, item 6, explicitly details what is required: "Data relating to quality and quantity of the source waters under normal conditions and during stress conditions such as drought or heavy precipitation, as determined by field and laboratory analyses and investigations of available records. If records are not available or are inadequate to determine expected quality and quantity during stress conditions, an estimate of expected quality and quantity during stress conditions should be established and related to the hydrologic budget to the aquifer or isopiestic area." None of this is provided by the developer.

Observed climate trends raise a variety of questions:

- What effect will higher average temperatures have on evaporation rates, aquifer recharge, chloride concentration levels and sustainable yield?
- What will lower average precipitation mean to aquifer recharge, chloride concentration levels, and sustainable yield?
- How will a rising sea level impact the Project's water source?

- How will extreme drought effect evaporation rates, recharge, chloride levels and down-gradient well water quality?
- What factors and assumptions should be included in development of a worst case scenario; what outcome would it produce?
- What is the back-up plan should the Kamaole aquifer fail to support the Project?
- If current aquifer users are negatively impacted by the Project and/or climate change how will their water needs be met/replaced?
- How will the County of Maui or the state respond, if at all, to a large, failed project in need of water?
- What impact will a failed project have on the island's economy and on real property values and tax revenues?

Answers to these questions are particularly relevant since the Central Maui water system is incapable of serving the Project or supporting current down-gradient users in the event of failure. ("Remaining capacity of the Central system currently cannot meet the demand of this project." March 13, 2006, letter from the director of Maui County's Department of Water Supply to the mayor of Maui County.)

V.

No Wastewater Treatment Solution is Identified/Studied; the Project is Not Ripe for Review

Obviously, an environmental impact statement must articulate what is planned. The developer concedes it does not have a wastewater treatment plan at this time. Perhaps it will rely on Makana Resort (an entity in foreclosure with an uncertain future); perhaps it will not. We are left to guess. In addition, no detail or analysis of either approach is supplied. Because wastewater treatment and disposition are key components of the Project's overall water strategy, the DEIS fails to meet the requirements of HAR 11-200-16 and -17.

VI.

The Project is Located in a Wildfire Zone

According to the Hawaii Drought Plan, 2005 Update, the Project is located in a wildfire zone. In fact, the area just north of Maui Meadows recently experienced wildfire. Obviously, water is

needed to fight fire. The source(s) and amount of water for firefighting need to be identified and means to protect wells located in the wildfire zone explained.

VII.

The Project's Water Strategy May Violate the Upcountry Community Plan

The DEIS indicates that at least some of the Project's wells will be located north of Maui Meadows. The locations of transmission lines from these wells and water storage facilities for the Project are not shown. Unless water transmission lines and associated storage tanks are exclusively located within the Kihei/Makena Community Plan District, water transmission of any kind over or through the Upcountry Community Plan District is strictly prohibited. In anticipation of conflict between the Upcountry Community Plan and the developer's water transmission and storage plan, it is critical that water transmission lines and storage facilities be identified and mapped; compliance with law must be demonstrated. (11-200-16, H: "The draft EIS shall include a statement of the relationship of the proposed action to land use plans, policies, and controls for the affected area.")

VIII.

Large Development + Unsubstantiated Water Source = High Risk

Wailea 670's size coupled with dependence on a poorly understood water source necessarily makes the project high risk. The absence of a back-up plan elevates the risk posed. If the Project fails for lack of a sustainable water source, several potential negative consequences may result:

- The Kamaole aquifer may be damaged, now and for future generations, caused by over-pumping and consequent rise in chloride concentrations;
- Nearby wells may be rendered unusable due to rising chloride levels. Because nearby wells currently draw approximately 5.7 MGD from the Kamaole aquifer, this volume would need to be replaced. However, since the Central Maui system has no additional capacity, how this would be done is not explained. Simply drilling more wells in an aquifer in distress, as the developer proposes, will not, on its face, be a solution. If the wells serving Wailea and Makena golf courses become unusable, negative economic effect will be wide-spread, with consequential damage to nearby hotels, residences and county revenue.

- Maui County's "brand" would be degraded with consequential damage to the island's economy, much of which is tied to real estate, real estate development and tourism.

High risk projects merit a commensurate level of analysis and scrutiny. The water component of the DEIS falls far short of this. In legal terminology, the DEIS fails to meet the letter and spirit of Hawaii's environmental laws specific to environmental impact statements. In general terms, it simply fails to provide evidence of sustainability upon which to construct a 1,400 unit development complete with a golf course and commercial center.

Nothing in the DEIS refutes expert and state agency opinion that the sustainable yield of the Kamaole aquifer is anything but "uncertain" and "speculative". The DEIS is devoid of hydrologic test data needed to provide a level of confidence upon which to give the Project's water strategy a green light. Assuming the developer's plan is not to "pump and dump," it is high time for the developer to commit the resources necessary, financial and professional, to prove (or disprove) the adequacy of the Project's water source.

Respectfully submitted,



Mark G. Hyde



May 31, 2012

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process, and the preparation of a final EIS. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments, and our responses. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments.

2. We disagree that Honua'ula poses a significant environmental risk to: the aquifer itself; existing aquifer users; and the people, economy and well-being of Maui as a whole. As stated in Section 3.5.1 (Groundwater) of the Draft EIS, all existing on- and off-site wells are fully permitted by CWRM. All new wells will be developed in compliance with all requirements of Chapter 174C, HRS (State Water Code) and HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code. The CWRM application process for well construction permits requires an extensive application process with thorough review by the State Department of Health (DOH) for compliance DOH rules and standards, including the appropriateness of the well location.

Honua'ula Partners, LLC will also comply with: 1) DOH Engineering and Capacity report requirements; and 2) the County's Water Availability Policy, codified as Chapter 14.12, Maui County Code (MCC), which requires verification of a long-term, reliable supply of water before subdivisions are approved. In accordance with Section 14.12.050 MCC, in reviewing and commenting on water source engineering reports the DWS Director shall consider (among other things) the following factors:

- Cumulative impacts;
- CWRM's Water Resources Protection Plan;
- The general plan and relevant community plans;
- The adverse impacts on surrounding aquifers and stream systems, including:
 - Water levels,
 - Water quality, including salinity levels,
 - Surface water-groundwater interactions, and
 - Adverse impacts on other existing, future, or planned wells;
- The adverse impacts on the water needs of residents currently being served and projected to be served by DWS;
- The adverse impacts on environmental resources that are rare or unique to the region and the project site (including natural, cultural, or human-made resources of historic, archaeological) or aesthetic significance);
- The adverse impacts on the exercise of traditional and customary Native Hawaiian rights and practices;
- United States Geological Survey studies;
- Whether the applicant is in full compliance with the State water code and County's water reporting laws;

SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Hyde:

Thank you for your letter, which was not dated but was received in June 2010, regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II Application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. Honua'ula Partners, LLC's hydrologist, Tom Nance, of Tom Nance Water Resources Engineering, Inc., contributed to the responses in this letter. The organization of this letter follows the general headings of your letter.

Summary

Comment: Waile'a 670's DEIS fails to provide support for a sustainable water source for the project. The Kama'ole aquifer upon which it relies for water is untested; the aquifer's estimated 11 MGD sustainable yield (which the developer erroneously assumes is fact) is characterized by state water experts and state agencies as "speculative" and "uncertain." The DEIS provides no evidence to the contrary. Accordingly,

- (1) The DEIS fails to meet the requirements of Hawaii's environmental protection laws, and
- (2) The project poses a significant environmental risk to the aquifer itself, to existing aquifer users and to the people, economy and well-being of Maui as a whole.

Response: In response to your general comment, the 11 MGD sustainable yield adopted by the State Commission on Water Resource Management (CWRM) for the Kama'ole Aquifer is based on computations of rainfall-recharge using average annual values of rainfall and evaporation. Subsequent and far more sophisticated recharge calculations by the USGS and others, which were done with a shorter computation time step and, for some, the inclusion of fog drip in the upper elevation areas, have all derived greater amounts of recharge to the aquifer. All suggest that the sustainable yield is actually greater than the CWRM's adopted figure. Section 3.51 (Groundwater) of the Draft EIS notes and references these more sophisticated recharge calculation studies by the USGS and others.

In their letter commenting on the Draft EIS dated May 20, 2010, CWRM stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues" and made no mention of any issue related to Honua'ula's impact on the sustainable yield of the Kama'ole Aquifer.

In response to your specific points:

1. The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawai'i EIS laws and rules (Chapter 343, Hawai'i Revised Statutes (HRS) and Title 11, Chapter 200, Hawai'i Administrative Rules (HAR)). The EIS laws and rules provide for the preparation of a draft EIS, a review

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- Whether the affected water source, including groundwater, surface water, or other source of water will exceed:
 - o 90 percent of the sustainable yield;
 - o Instream flow standards, or
 - o Interim instream flow standards;
- The adverse impacts to the water needs of residents currently on a County "wait list" for water meters;

In light of the comprehensive State and County laws, rules, and policies regarding new water source and well development, there will be extensive analysis, review, and evaluation of potential impacts of any new wells.

I. The Kamaole Aquifer is Poorly Understood; the DEIS Fails to Provide Clarity

Comment: *The Kamaole aquifer is poorly understood; its use has been slight and hydrologic data is almost nonexistent. Although a sustainable yield of 11 MGD has been assigned to it, state water experts and agencies have clearly indicated that this is no more than an educated guess.*

Response: In 1990 when the aquifer's sustainable yield was adopted by the CWRM, well development was limited to irrigation wells for the Wailea and Makana Resorts and small-capacity wells along the Kihei shoreline. Since that time, a number of wells have been drilled to the north and at higher elevations which produce potable-quality water and a number of others have been drilled at mid-elevation and produce slightly brackish water. In addition, geophysical work has been done over a significant portion of the aquifer. In other words, a substantial amount of hydrologic information has been developed since 1990, all of which indicates that the aquifer's sustainable yield is likely to be more than 11 MGD.

Comment: *According to the June 2008 "Hawaii Resource Protection Plan" prepared for the Hawaii Commission of Water Resource Management (CWRM), the 11 MGD sustainable yield calculation assigned to the aquifer is rated at the lowest confidence level: "3 - Least Confident - Limited to No Hydrologic Data." In explanation, the Commission writes: "The CWRM recognizes the adopted Sustainable Yield as a reasonable-planning Sustainable Yield until more detailed geologic and hydrologic information is available for these aquifer system areas. There is significant uncertainty associated with this Sustainable Yield due to the lack of hydrogeologic and pumpage information." (Emphasis added.)*

Response: As previously discussed in the above responses, the 11 MGD sustainable yield adopted by the CWRM for the Kama'ole Aquifer is based on computations of rainfall-recharge using average annual values of rainfall and evaporation. Subsequent and far more sophisticated recharge calculations by the USGS and others, which were done with a shorter computation time step and, for some, the inclusion of fog drip in the upper elevation areas, have all derived greater amounts of recharge to the aquifer. All suggest that the sustainable yield is actually greater than the CWRM's adopted figure. Section 3.51 (Groundwater) of the Draft EIS notes and references these more sophisticated recharge calculation studies by the USGS and others.

Comment: *George A. L. Yuen described the Kamaole aquifer's sustainable yield as "speculative" in "Water Resources Protection Plan [WRPP], Volumes I & II", 1990, p. V-21, because "no exploration [of the Kamaole aquifer] has taken place beyond a mile or so from the coast." Yuen cautions that estimates of sustainable yield "are not meant to be an exact number which could be used in final planning documents.*

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The estimates are constrained not only by the scant data base but also by the fact that they do not consider the feasibility of developing the groundwater. The estimates should not be equated to developable groundwater." (WRPP, p. V-3; Emphasis added.) "Good estimates of sustainable yield need a reliable data base. In most of the State not enough is known about the extent and behavior of groundwater to allow more than a weak estimate of sustainable yields. Only in Southern Oahu, Lanai, and West Maui, where many years of investigation have been devoted to unraveling the complexities of groundwater occurrence, can the sustainable yields be accepted with confidence." (WRPP, p. V-2; Emphasis added.)

Response: As previously discussed in the above responses, far more sophisticated recharge calculations and more hydrologic information has been developed since 1990.

Comment: *The DEIS makes no mention of any of these all-important qualifying remarks and instead misrepresents the Kamaole aquifer's estimated sustainable yield as gospel. It is not.*

In fact, where the state has investigated estimated sustainable yields in greater depth, yields have consistently been found to be less than that previously estimated, raising the inference that once studied the Kamaole aquifer's sustainable yield will be lower as well.

Response: Your statement regarding the reductions of sustainable yields due to investigations "in greater depth" is not correct. Only one aquifer statewide has been investigated "in greater depth" since 1990 and has had its sustainable yield reduced. That aquifer is Waipahu-Waiawa on O'ahu and its reduction was based on the closure of O'ahu Sugar resulting in the loss of irrigation return and less importation of water via Waihole Ditch.

Comment: *In a June 2002 "Draft Supplemental Environmental Impact Statement for the East Maui Water Development Plan" written by Mink & Yuen, the authors note that "numerous exploratory wells would be required" to determine the worth of the Kamaole, Paia and Makawao aquifers. (Emphasis added.) "The likelihood that a significant supply of fresh water could be developed at acceptable cost is slim."*

Response: As noted above a number of wells across the aquifer actually have been developed. Wells have been drilled to the north and at higher elevations which produce potable quality water and a number of others have been drilled at mid-elevation and produce slightly brackish water. In addition, geophysical work has been done over a significant portion of the aquifer. In other words, a substantial amount of hydrologic information has been developed, all of which indicates that the aquifer's sustainable yield is likely to be more than 11 MGD.

Comment: *Undeterred, the DEIS suggests that the aquifer's sustainable yield may even be higher than 11 MGD, citing USGS Scientific Investigations Report 2007-5103 in which higher recharge assumptions are assigned for all Maui aquifers. However, the assumptions are unsupported by additional hydrogeologic and pumpage information, at least in terms of the Kamaole aquifer. Furthermore, this study (which precedes the CWRM's 2008 resource plan referenced above that retained a level 3 credibility factor for the aquifer) speaks primarily to the lao aquifer, which has been extensively studied. Additionally, the study notes that Maui rainfall patterns have changed over time with the most recent period of study subject to drought: "Groundwater recharge is one of the most important factors controlling ground-water availability. . . . Decreasing irrigation has coincided recently with periods of below-average rainfall, creating the potential for substantially reduced ground-water recharge rates in many areas." (p. 1.)*

Response: The USGS study you cite used far more sophisticated methods to compute aquifer recharge than the estimates used in 1990. Your characterization that "...recharge assumptions are

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assigned for all Maui aquifer's" is not correct. All were based on detailed, aquifer specific calculations.

Comment: USGS Report 2007-5103 examines a number of different scenarios in an effort to determine likely recharge based on a variety of historical rainfall patterns, estimating Maui's 2000 - 2004 aquifer recharge at 66% of that experienced during 1926 - 1979. (p. 31.) Using 1998 - 2002 rainfall data, the USGS found: "The worst-case scenario for recharge in central and west Maui (pastureland with drought) . . . was created by applying the 1998 - 2002 (drought) rainfall time series to the 'land use III' (no agriculture) scenario. The mean recharge for the entire study area was estimated to be . . . 46% less . . ." (p. 45). None of this is revealed or discussed in the DEIS while it cites the study in support of speculation that the aquifer's recharge rate might be higher than previously assumed. The presence of bias is notable.

Response: Sustainable yields are based on long-term average data, not on short term periods such as the 1998 to 2002 period. The reason for this is that aquifer storage is far greater than pumpage at the sustainable yield rate. For example, groundwater storage in the Kama'ole aquifer is greater than pumping 11 MGD every day for more than 50 years.

Comment: Clearly, a project intended to last well beyond this century, one that exists in a designated drought zone in an atmosphere of rising temperatures, declining rainfall, rising seas and dependent on an untested aquifer with an uncertain sustainable yield, cries out, at the very least, for rigorous analysis of the kind conducted by the USGS, employing various future-state assumptions predicated on actual trended rainfall data coupled with current observations (extreme and persistent drought) and accompanied by professional analysis of the kind befitting a project of this size, scope and longevity. The DEIS fails to meet this burden.

Response: For the reasons explained in the responses above and elsewhere in this letter, we disagree with your conclusions regarding the sustainable yield of the aquifer, and the impact to the aquifer based on short-term trends pertaining to rising temperatures, declining rainfall, rising seas, etc. Therefore we do not agree with your conclusion that the DEIS should include the additional analysis as you describe. We note that in their letter commenting on the Draft EIS dated May 20, 2010, CWRM did not call for the additional information you suggest and stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues."

Comment: Keeping to this theme, one would expect the DEIS to at least acknowledge, if not distinguish, the existence of an exploratory well drilled by the Hawaii Department of Land and Natural Resources in 2006 on a site located between the Project and its wells north of Maui Meadows. (See Central Maui Exploratory Well, Final Environmental Assessment, June 2004; "The purpose of the project is to develop an exploratory well which, if found to be hydrogeologically favorable, would serve as a future production well providing a potable water source for the State of Hawaii projects.") This is, after all, the kind of real hydrologic data identified by CWRM and Mink & Yuen as that needed to assess the sustainable yield of Kamaole aquifer, making its omission especially noteworthy. Unfortunately, the well was found to be insufficient, both in terms of water volume (only producing 172,800 gallons per day) and water quality (chloride levels exceeded acceptable standards).

Response: We wish to clarify your interpretation of the results of Well 4225-01 at the DWS tank site above Maui Meadows. Localized subsurface anomalies, such as poorly permeable lava flows or intrusive structures with no surface expression, do exist. If drilled into or just downgradient of this type of soil, the same results will occur. However, this result explains the anomalously good results for the two Honua'ula wells immediately to the south. Groundwater is preferentially flowing around the low permeability feature to the benefit of wells to the north and south.

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II. Insufficient Data is Supplied to Enable Examination of Many DEIS Conclusions

Comment: Section 11-200-17, subsection E, paragraph 3, requires a draft EIS to contain project data sufficient to permit "re-evaluation and review of the environmental impact". In many instances the DEIS either fails to report critical data or uses average data that prevents understanding and analysis.

Response: We are somewhat confused by your reference to Section 11-200-17(E)(3), HAR as this section calls for a "General description of the action's technical, economic, social, and environmental characteristics;" Perhaps you were referring to Section 11-200-17(E) HAR, which states: "The draft EIS shall contain a project description which shall include the following information, **but need not supply extensive detail** [emphasis added] beyond that needed for evaluation and review of the environmental impact:." In either case the Draft EIS has been prepared in accordance with both Section 11-200-17(E) HAR and Section 11-200-17(E)(3), HAR and all other applicable provisions of Title 11, Chapter 200, HAR.

We disagree that the Draft EIS "fails to report critical data." Regarding use of average data, for reasons explained above in previous responses sustainable yields are based on long-term average data, and not on short term periods.

Comment: Vagary is a hallmark of this project. When the Maui County Department of Water Supply was asked to comment on the project's water strategy, Jeffrey Eng, Maui County Director of Water Supply, wrote the following in an August 2007 letter addressed to Mayor Chammaine Tavares and Land Use Committee Chair Michael Molinar: "I would like to offer the following comments of general concern related to the development's proposed water system. I would like to preface my comments by mentioning that in my opinion, the applicant has been somewhat vague in his presentation of the water system and wastewater system plans. Therefore, my comments may be somewhat assumptive."

Response: In August 2007, Jeff Eng's statement is a reasonably accurate characterization. Plans for Honua'ula's water and wastewater systems were not developed until the 2009 to 2010 period. Subsequently these plans have been discussed in the Draft EIS. In the Department of Water Supply's (DWS) comment letter on the Draft EIS dated June 10, 2010, DWS Director Jeff Eng did not express concerns regarding the water system and wastewater system plans being vague.

Comment: The following deficiencies, without limitation, are noted:

- Comprehensive pump test data for all wells drilled by the developer are not included in the report. Robust presentation of this data is essential to enable examination of the developer's claim that the Kamaole aquifer is adequate to support the Project's water needs now and in the future.

Response: The pump test data are a matter of public record and are available from the State CWRM. However, they are tests of each well's hydraulic performance and localized groundwater conditions. They are not tests of the 89-square mile aquifer.

- Table 3 of Tom Nance's February 2010 engineering report presents average data for Wailea wells. Average data spanning 1991 - 2009 is insufficient to allow detection and comprehension of trends, month to month and year to year. The public needs to know whether golf course irrigation is increasing, decreasing, or remaining the same over time. Likewise, chloride concentration trends need visibility since they reflect the directional health of the aquifer.

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Response: The data in the table you refer to are limited to nutrients and salinity as averages over an 18-year period. The data are proprietary and would only be released in this form.

- Need for this information is particularly relevant given remarks made by John Mink in a study entitled "Wailea 670 Irrigation Well 1, Drilling and Testing Results," dated June 3, 1991 (p. 3):

"The future demand for lower Wailea is projected as 3 to 3.5 mgd, while for Wailea 670 the projected demand for two golf courses is 1 mgd. Total demand for the two areas will average 4.5 mgd along an equivalent shore line reach of three miles toward which a natural flux of 6 to 9 mgd moves. The demand as a fraction of flux probably corresponds to or somewhat exceeds sustainable yield. For these values of flux and demand, the lower Wailea wells are apt to suffer an increase in salinity over the long run, but the increase may not be great enough to eliminate the wells as sources of usable irrigation water. In fact, the lower Wailea wells are likely to experience quality deterioration more from the addition of new wells and increase in pumpage with the area than from the Wailea 670 wells." (Emphasis added.)

Response: In general, we do not disagree with John Mink's characterizations. It is the main reason that well sites to the north of Maui Meadows will be supplying Honua'ula.

- The DEIS notes that the Project's water draw will increase in summer and decrease in winter. Monthly data is needed rather than bald statements without detail.

Response: For any land use with a significant amount of landscape irrigation, water use in dry periods is greater than in wet periods. It is a well-established fact.

- The DEIS makes broad assumptions about recharge without examination. Should average aquifer recharge be assumed throughout the year, or will anticipated summer water draw mis-align with lower seasonal rainfall? If a mismatch is likely, the lack of congruity should be analyzed to determine short and long term effect.

Response: As indicated previously, aquifer storage is very large in comparison to annual use. Because of this, within-year variations of recharge and pumpage by wells is not critical in assessing long term sustainability.

- The DEIS states that current "groundwater pumpage from the aquifer is estimated to be a little more than four MGD". (Engineering Report, Tom Nance, p. 9.) No source is given and it is at odds with a February 2005 report given by the Commission on Water Source Management to the Maui County Board of Water Supply indicating existing withdrawal of 5.76 MGD from the Kamaole aquifer by nearby irrigation wells. Section 11-200-17, subsection E., 3, requires a draft EIS to include "technical characteristics". The requirement is not met here. The difference between an "estimated" 4 MGD and a measured 5.76 is material since it equates to 15% of the aquifer's speculative sustainable yield.

Response: Estimates of groundwater pumpage from the aquifer are the professional opinion of Tom Nance, who has over 30 years of experience in the areas of groundwater and surface water development. According to CWRM records, there are a total of 134 wells within the Kamaole Aquifer System, many of which are more than 60 years old and no longer in use. Of the 134 wells, 43 are known or presumed to be in use, 47 are no longer in use or do not draw from the basal lens, and 44 are of unknown status relative to their use. We could not locate the February 2005 report given by the Commission on Water Source Management to the Maui County Board of

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Water Supply that you cite and therefore could not verify the 5.76 MGD withdrawal you reference.

Section 11-200-17(E)(3) HAR, which you cite actually requires: "General description of the action's technical, economic, social, and environmental characteristics;" The Draft EIS meets this requirement and is not deficient in this regard. We note that in their letter commenting on the Draft EIS dated May 20, 2010, CWRM did not question the estimate of groundwater pumpage from the aquifer provided by Tom Nance and stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues."

Furthermore, Table 4 of Tom Nance's report entitled "Wells in the Downgradient Area Potentially Impacted by the Honua'ula Offsite Kamaole Wells" (p. 12) identifies only 20 wells that might be impacted by the Project and omits highly relevant chloride concentration and volume data for each, whether on a one time basis or historically. By contrast, USGS Scientific Investigations Report 2006-5283 depicts 87 wells in the south Maui area, 67 makai of Pihani Highway and 20 mauka, most with fairly high chloride concentration levels, putting them at greater risk of adverse impact in the event the developer's water strategy results in increased chloride concentrations in the aquifer. To the extent the developer believes, based on scientific principles and study, that some of these 87 wells are not likely to be affected, they should be identified and a rationale given to exclude them from the class of wells at risk. In any event, state guidelines for preparation of engineering reports for new drinking water sources require thorough investigation of nearby wells (See, e.g., Hawaii State Department of Health, Safe Drinking Water Branch, Guidelines for Preparation of Engineering Reports for New Drinking Water Sources for Regulated Public Water Systems, Well Information: . . . 3. Water quality data on any existing wells in the area. . . .) (Emphasis added.) The DEIS falls far short of meeting this requirement.

Response: The wells identified in Table 4 of Tom Nance's report included in the Draft EIS that you cite are downgradient from Honua'ula's existing and potential future wells. They are the wells that may be impacted. Potential impacts are limited to the downgradient wells because groundwater flows downhill and does not easily flow laterally. In other words, wells at a higher elevation draw from downhill flows thereby potentially impacting downhill wells, but this does not extend very far laterally; however Tom Nance's report accounts for a lateral dispersion on the order of 10 degrees. Pumpage and salinity data for the wells are unfortunately not available. The owner/operators have elected not to submit the data required by their CWRM permits. Analysis of nearby wells in satisfaction of requirements pertaining to state guidelines for preparation of engineering reports for new drinking water sources will be done for the engineering report submitted to the Department of Health to certify the project's wells for drinking water use. That is the appropriate form for such analysis.

- The DEIS states that the area's average rainfall is 18 inches a year (Engineering Report, Tom Nance, p. 13). No source is cited. Accurate rainfall data is essential to understanding sustainable yield. ("Two major contributors to ground-water recharge in central and west Maui are agricultural irrigation and rainfall," USGS Scientific Investigations Report 2007-5103, p. 1.) The amount stated, 18 inches a year, is at odds with documented, credible rainfall data for Kihai. For example, USGS Scientific Report 2007-5103 (p. 16) states that mean monthly rainfall for months with complete rainfall records at National Weather Service rain gage # 4489 (located in Kihai) is .92 inches, or 11 inches per year, 39% less than the amount reported by the developer and its expert. A casual Google search for Kihai rain totals produces support for the USGS number and none for the developer's.

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Response: Actually, on page 13 of the report titled "Assessment of the Potential Impact on Water Resources of the Honua'ula Project in Wailea Maui" (Appendix B of the Draft EIS) which you cite, it is stated that rainfall on the site (as opposed to "the area" which you state) averages 18 inches a year. Section 3.1 (Climate) of the Draft EIS states that average rainfall distribution for the Kihei-Makena region varies from under 10 inches per year to more than 20 inches per year. As noted in the Draft EIS the source of this information is the 2008 Maui County Data Book. While not broken down in the Draft EIS, the 2008 Maui County Data Book records the higher end of this range (i.e. 20 inches per year) as occurring at the Makena Golf Course. Therefore, the average rainfall of 18 inches per year stated in Appendix B is within the range reported in the 2008 Maui County Data Book, and since Honua'ula is near the Makena end of the Kihei-Makena region, it is consistent with the higher rainfall averages reported for the Makena Golf Course. Regardless, rainfall on the Honua'ula site, an inconsequential part of the 89-square mile aquifer, has little to do with the aquifer's sustainable yield.

- *The DEIS omits discussion and data relative to the relationship of the Project to other land use plans in the affected area. (See HAR 11-200-17, subsection H.) A large public high school and police station are planned to be built mauka of Pi'ilani Highway in the vicinity of the Project and Makena Resort is located immediately south of the Project. Where will these projects obtain potable water, and what impact, if any, will they have on the Kamaole aquifer, alone and in combination with the Project?*

Response: Chapter 5 (Land Use Conformance) of the Draft EIS includes discussion of State of Hawai'i and Maui County land use plans, policies, and ordinances relevant to Honua'ula. Section 7.2 (Cumulative and Secondary Impacts) of the Draft EIS discusses cumulative and secondary impacts. In this section it is noted that the availability of water "is a critical factor in determining whether a project can proceed and may be a limiting factor with respect to a specific project moving forward, especially in the Kihei region with its restricted water resources." Section 7.2 (Cumulative and Secondary Impacts) of the Draft EIS also states: "The feasibility of a project proceeding is based on many factors, including the State Land Use District classification, the Community Plan and zoning designations, other necessary approvals, overall economic conditions, the demand for the proposed product, and the willingness of a landowner or developer (or in the case of the Kihei High School and the police station, the State of Hawaii and County of Maui) to risk the capital required for development." So at this point, regarding the projects that you mention, it is speculative as to whether these projects will proceed or be built as currently proposed. Furthermore, because of the multi-stage land use approval and permitting process that exists in Hawai'i, there are many approvals of a project at various levels of government and at different points in time. At each step, decision-makers involved in the process evaluate a project in the context of the existing regional conditions, including infrastructure capacity and other factors.

Specifically regarding the Kihei High School, according to the *Kihei High School Draft Environmental Impact Statement* prepared by Group 70 in December 2011: "It is anticipated that potable water will be supplied by the County's Central Maui Water System and that brackish water wells to be located at the school site would serve as the non-potable source of irrigation water." *The Kihei High School Draft Environmental Impact Statement* also states: "the wells are not expected to have any adverse impact on the existing water supply (fresh and brackish) and nearby wells."

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Regarding Makena Resort, it is not known at what point when or if this project will proceed and what would be built. It would speculative to assume that it is moving forward and in any case, when and if the project does move forward the developer will have to determine a source of water and what impact, if any, that source would have on the aquifer, similar to what Honua'ula is doing with their Draft EIS and subsequent required approvals.

If the source of water for the Kihei High School, the proposed police station, and the Makena Resort is the County's DWS Central Maui Water System the water will come from DWS sources in the 'Iao and Waihe'e aquifers and have no impact on the Kama'ole Aquifer. DWS has no water sources in the Kama'ole Aquifer.

- *The developer's consulting hydrologist should present his professional opinion regarding the integrity, sustainability and reliability of the Kamaole aquifer since the developer is placing total reliance on the aquifer to support the Project, now and in the future. Instead, the developer's consultant patrols carefully edited statements by others, portraying the Project's water supply in the best light while ignoring negative information. Certification of the water strategy by the developer and its expert hydrologist is essential.*

Response: Professional opinions of Honua'ula Partners, LLC's hydrologist, Tom Nance, of Tom Nance Water Resources Engineering, Inc., are incorporated in the reports he has prepared.

III. Mitigation Measures are Non-existent

Comment: *Because the DEIS is predicated upon an unsupported sustainable yield, discussion of mitigation measures, required by HAR 11-200-17, subsection M, cannot be undertaken. Once a credible assessment of the Kamaole aquifer's sustainable yield is secured, mitigating strategies must be considered to align the Project with the capacity of its water source. Until then, no meaningful discussion of mitigation measures can be undertaken.*

Response: As discussed above we disagree with your conclusions regarding the sustainable yield of the Kama'ole Aquifer. Section 4.8.1 (Water System) and Appendix B of the Draft EIS discuss potential impacts and proposed mitigation measures in regard to ground water resources. As more fully discussed in Section 4.8.1 (Water System) and Appendix B of the Draft EIS, mitigation of impacts to groundwater will be achieved by well spacing and operating modes. The option to drill additional wells further to the north, if need be, also exists.

The Draft EIS has been prepared in compliance with Section 11-200-17(M) regarding mitigation measures, not only in regard to groundwater resources, but for all other pertinent resources.

IV. Water and Climate are Not Static; the DEIS Must Consider Likely Future States

Comment: *The DEIS approaches the question of water supply as a snapshot in time, turning a blind eye to climatic trends.*

HAR 11-200-17, subsection J, requires a DEIS to consider both short term and long term effects: "The draft EIS shall include in a separate and distinct section a description of the relationship between local short term uses of humanity's environment and the maintenance and enhancement of long-term productivity. . . . The discussion shall include the extent to which the proposed action . . . poses long-term risks to health or safety." (Emphasis added.)

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Response: Section 7.1 (Relationship Between The Short-Term Uses Of Environmental Resources And Long-Term Productivity) of the Draft EIS fulfills the requirements of Section 11-200-170). We disagree with your insinuation that Honua'ula's water system "poses long-term risks to health or safety." Section 4.8.1 (Water System) and Appendix B of the Draft EIS discuss potential impacts and proposed mitigation measures in regard to ground water resources. As indicated in previous responses, aquifer storage enables the sustainable yield to be based on long-term averages.

Comment: Potential ruination of the Kamaole aquifer² due to miscalculation (or here, no calculation) is a potential outcome of the Project. In the face of this possible horrendous outcome, the developer takes what appears to be British Petroleum's approach to risk management: making unjustifiable assumptions predicated on speculative sustainable yield estimates and assuming everything will work out. Humanity is frequently and painfully reminded that things don't always work out the way we hope, particularly when risk is imprudently assessed and taken. Indeed, this is why we have environmental protection laws and require environmental impact statements to be prepared.

Because the Project will, if constructed, exist beyond this century³, the DEIS should take into account observable climatic trends and professional projections co-existent with its life expectancy....

Response: Long-term climate change, if it occurs, will be a large scale phenomenon with impacts not limited to the Kama'ole Aquifer. The impacts will be to all aquifers and sources pumping from those aquifers statewide. To date, this has not been a consideration of the CWRM in regulating groundwater use.

Please also refer to points 1 and 2 in response to your first comment at the beginning of the letter regarding: 1) satisfaction of the requirements the State of Hawai'i EIS laws and rules (Chapter 343, HRS and Title 11, Chapter 200, HAR) and 2) compliance with all requirements of the State Water Code (Chapter 174C, HRS) and rules pertaining to CWRM and administration of the State Water Code (Chapters 13-167 to 13-171, HAR as applicable).

Comment: The following is a partial list of data, observable trends and professional opinion not mentioned in the DEIS needing consideration to provide a better assessment of the Project's long term water sourcing plans:

A. Rainfall is Declining; Temperatures and Sea Levels are Rising in Hawaii and World-wide

Comment: EPA Circular 236-F-007e issued in 1988 states, "In Honolulu, Hawaii, the average temperature has increased 4.4 degrees F over the last century, and precipitation has decreased approximately 20% over the last 90 years." Temperature increases are expected to produce a rise in sea level with collateral impact on freshwater lenses in Hawaii. (See, e.g., Global Climate Change Impacts in the United States, U.S. Global Change Research Project, www.globalchange.gov/usimpacts.)

Response: A sea level rise of the magnitude possible by global temperature rise will not have "...collateral impact on freshwater lenses in Hawaii." These lenses float on saltwater beneath them. If sea level rises, the lenses will simply rise up by a similar amount with no adverse impact.

Comment: If these trends continue, how will the Kamaole aquifer be affected? Will recharge decline? Will evaporation increase? Will vegetation suffer, causing greater runoff and less absorption? And if the aquifer's salinity levels rise, will the ability to produce potable water be impaired and, if so, to what degree? Will

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down-gradient wells be impacted, with consequential impact on the greater south Maui community? Does the project need a back-up plan in case saline levels become unmanageable? If so, what is the plan?

Response: As indicated above, a sea level rise will not adversely impact basal groundwater in the Kamaole aquifer.

B. Drought Conditions are Extreme and are Expected to Become more Prevalent and Persistent

- Experts warn that climate change will likely produce more extreme drought conditions that will last for extended periods of time compared to the past. Drought now plagues Hawaii.
- The National Weather Service recently reported that the 2009 – 2010 "wet season" in Hawaii (October to April) was the driest in 55 years.
- The U. S. Drought Monitor recently proclaimed the area from Wailea to Lahaina in extreme drought; current drought conditions in Hawaii are rated the most extreme in the nation.
- The Hawaii Drought Plan, 2005 Update, identifies the Project area as being among the most vulnerable to drought.
- A representative of Haleakala Ranch recently reported persistent drought has caused a high-level water source on the ranch to go dry, the "first time . . . in anyone's memory." (Maui News, April 23, 2010.) Some of the Project's wells are located on Haleakala Ranch lands.
- A representative of Ulupalakua Ranch recently stated that "We've not seen normal . . . anywhere near normal rainfall for quite some time." (Maui News, April 23, 2010.) Ulupalakua Ranch is located immediately above the Project.
- In Scientific Investigations Report 2007-5103, the USGS estimates that Maui's 1998-2002 drought conditions resulted in a 2.7% reduction in aquifer recharge.
- The U.S. government and several credible federal agencies predict that climate change will intensify drought conditions, particularly in dry areas like the Project site: "Deserts and drylands are likely to become hotter and drier, feeding a self-reinforcing cycle of invasive plants, fire and erosion." ("Global Climate Change Impacts in the United States", U.S. Global Change Research Program, www.globalchange.gov/usimpacts.)

Response: Observations of recent drought conditions do not prove the long-term trend. Generally, wet and dry periods have been cyclical in Hawai'i for as long as records have been kept. In any event, groundwater management regulations in Hawai'i do not reflect and/or incorporate a continuous trend to dryer conditions.

Comment: The DEIS must acknowledge and consider the impact climate trend will have on the Project's proposed water supply. (HAR 11-200-17, subsection I.) Hawaii's State Department of Health, State Drinking Water Branch, Guidelines for Preparation of Engineering Reports for New Drinking Water Sources for Regulated Public Water Systems, item 6, explicitly details what is required: "**Data relating to quality and quantity of the source waters under normal conditions and during stress conditions such as drought** or heavy precipitation, as determined by field and laboratory analyses and investigations of available records. If records are not available or are inadequate to determine expected quality and quantity during stress

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conditions, an estimate of expected quality, and quantity during stress conditions should be established and related to the hydrologic budget to the aquifer or isotopic area." None of this is provided by the developer.

Response: Data relating to quality and quantity of source waters in satisfaction of requirements pertaining to state guidelines for preparation of engineering reports for new drinking water sources will be done for the engineering report submitted to the Department of Health to certify the Honua'u'ia's wells for drinking water use. That is the appropriate form for such analysis.

Comment: *Observed climate trends raise a variety of questions:*

- *What effect will higher average temperatures have on evaporation rates, aquifer recharge, chloride concentration levels and sustainable yield?*
- *What will lower average precipitation mean to aquifer recharge, chloride concentration levels, and sustainable yield?*
- *How will a rising sea level impact the Project's water source?*
- *How will extreme drought effect evaporation rates, recharge, chloride levels and down-gradient well water quality?*
- *What factors and assumptions should be included in development of a worst case scenario; what outcome would it produce?*
- *What is the back-up plan should the Kamaole aquifer fail to support the Project?*

Response: If there is, in fact, a many decades long reduction of rainfall-recharge, it will impact groundwater resources. The most notable impact will be that nearshore wells will experience salinity increases. This will not be a problem limited to the Kama'ole Aquifer. It will be a large-scale phenomenon impacting groundwater use throughout the State.

- *If current aquifer users are negatively impacted by the Project and/or climate change how will their water needs be met/replaced?*

Response: If current Kama'ole Aquifer users are adversely impacted by pumpage of Honua'u'ia's wells, that pumpage will be reduced and shifted to other existing or new wells. This is discussed in Section 4.8.1 (Water System) and Appendix B of the Draft EIS. If the impact is due to climate change, that is not within Honua'u'ia's control.

- *How will the County of Maui or the state respond, if at all, to a large, failed project in need of water?*

Response: It is highly unlikely that Honua'u'ia will become "a large, failed project in need of water." There is extensive government oversight of all new well development. All new wells will be developed in compliance with all requirements of Chapter 174C, HRS (State Water Code) and HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code. The CWRM application process for well construction permits requires an extensive application process with thorough review by the State Department of Health (DOH) for

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compliance DOH rules and standards, including the appropriateness of the well location. Therefore, there will be analysis, review, and evaluation of potential impacts of any new wells.

Honua'u'ia Partners, LLC will also comply with: 1) DOH Engineering and Capacity report requirements; and 2) the County's Water Availability Policy, codified as Chapter 14.12, Maui County Code (MCC), which requires verification of a long-term, reliable supply of water before subdivisions are approved. In accordance with Section 14.12.050 MCC, in reviewing and commenting on water source engineering reports the DWS Director shall consider (among other things) the following factors:

- Cumulative impacts;
- CWRM's Water Resources Protection Plan;
- The general plan and relevant community plans;
- The adverse impacts on surrounding aquifers and stream systems, including:
 - o Water levels,
 - o Water quality, including salinity levels,
 - o Surface water-groundwater interactions, and
 - o Adverse impacts on other existing, future, or planned wells;
- The adverse impacts on the water needs of residents currently being served and projected to be served by DWS;
- The adverse impacts on environmental resources that are rare or unique to the region and the project site (including natural, cultural, or human-made resources of historic, archaeological, or aesthetic significance);
- The adverse impacts on the exercise of traditional and customary Native Hawaiian rights and practices;
- United States Geological Survey studies;
- Whether the applicant is in full compliance with the State water code and County's water reporting laws;
- Whether the affected water source, including groundwater, surface water, or other source of water will exceed:
 - o 90 percent of the sustainable yield;
 - o Instream flow standards, or
 - o Interim instream flow standards;
- The adverse impacts to the water needs of residents currently on a County "wait list" for water meters;

Finally, Honua'u'ia will be built out over a period of 13 years, thus allowing for: 1) incremental monitoring of any potential adverse impacts to groundwater sources and quality; 2) corrective actions, if necessary, to ensure groundwater source availability and quality as build-out proceeds.

- *What impact will a failed project have on the island's economy and on real property values and tax revenues?*

Response: For the reasons discussed above, it is highly unlikely that Honua'u'ia will become a "failed project" based on lack of water resources or impacts to groundwater quality.

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Comment: *Answers to these questions are particularly relevant since the Central Maui water system is incapable of serving the Project or supporting current down-gradient users in the event of failure. ("Remaining capacity of the Central system currently cannot meet the demand of this project." March 13, 2006, letter from the director of Maui County's Department of Water Supply to the mayor of Maui County.)*

Response: The ability of the County's Central Maui Water System to supply Honua'ula with water is irrelevant since County of Maui Ordinance No. 3554 Condition 1 requires Honua'ula to develop, maintain, and operate a private water source.

V. No Wastewater Treatment Solution is Identified/Studied; the Project is Not Ripe for Review

Comment: *Obviously, an environmental impact statement must articulate what is planned. The developer concedes it does not have a wastewater treatment plan at this time. Perhaps it will rely on Makana Resort (an entity in foreclosure with an uncertain future); perhaps it will not. We are left to guess. In addition, no detail or analysis of either approach is supplied. Because wastewater treatment and disposition are key components of the Project's overall water strategy, the DEIS fails to meet the requirements of HAR 11-200-16 and -17.*

Response: Section 4.8.2 (Wastewater System) of the Draft EIS discusses that Honua'ula Partners, LLC will either: 1) participate in the operation of a private WWRF and system that accommodates the needs of Honua'ula (Alternative 1); or 2) provide a WWRF on-site (Alternative 2). Both of these alternatives are in compliance with County of Maui Ordinance No. 3554 Condition 17. Section 4.8.2 (Wastewater System) of the Draft EIS and the Preliminary Engineering Report contained in Appendix P of the Draft EIS, provide preliminary details and analysis of both alternatives. On May 11, 2010 Honua'ula Partners, LLC submitted a sewage disposal analysis to the Maui County Council in compliance with County of Maui Ordinance No. 3554 Condition 16. After receiving the sewage disposal analysis the Maui County Council did not subject Honua'ula to any additional conditions or amendments as a result of the sewage disposal analysis.

VI. The Project is Located in a Wildfire Zone

Comment: *According to the Hawaii Drought Plan, 2005 Update, the Project is located in a wildfire zone. In fact, the area just north of Maui Meadows recently experienced wildfire. Obviously, water is needed to fight fire. The source(s) and amount of water for firefighting need to be identified and means to protect wells located in the wildfire zone explained.*

Response: Section 3.4 (Natural Hazards) of the Draft EIS discusses potential impacts and mitigation measures related to wildfires. Water demand estimates provided in Section 4.8.1 (Waster System) and Appendix P (Preliminary Engineering Report) include the demand for water necessary for fire protection. In addition the sizes of Honua'ula's reservoirs take into account the storage capacity necessary to provide water for fire protection in accordance with DWS and Fire Department standards.

VII. The Project's Water Strategy May Violate the Upcountry Community Plan

Comment: *The DEIS indicates that at least some of the Project's wells will be located north of Maui Meadows. The locations of transmission lines from these wells and water storage facilities for the Project are*

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not shown. Unless water transmission lines and associated storage tanks are exclusively located within the Kihei/Makana Community Plan District, water transmission of any kind over or through the Upcountry Community Plan District is strictly prohibited. In anticipation of conflict between the Upcountry Community Plan and the developer's water transmission and storage plan, it is critical that water transmission lines and storage facilities be identified and mapped; compliance with law must be demonstrated. (11-200-16, H: "The draft EIS shall include a statement of the relationship of the proposed action to land use plans, policies, and controls for the affected area.")

Response: In conformance with Section 11-200-17(H) HAR, Chapter 5 (Land Use Conformance) of the Draft EIS includes discussion of State of Hawai'i and Maui County land use plans, policies, and ordinances relevant to Honua'ula.

The Makawao-Pukalani-Kula Community Plan contains Water Objective & Policy # 4, which states:

4. Restrict the use of any water developed within or imported to the Upcountry region to consumption within the Upcountry region, with exception provided for agricultural use.

Honua'ula's private water system is not in conflict with this policy. Honua'ula's off-site wells are located in the Kihei-Makana Community Plan area in an area north of Maui Meadows. The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of the water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on-site and some will be transmitted to an off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the Makawao-Pukalani-Kula Community Plan.

Figure 2 (Regional Location) of the Draft EIS shows the location of Honua'ula's off-site water infrastructure. In the Final EIS, Figure 2 (Regional Location) will be revised to show: 1) the location of the off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation; and 2) the boundary between the Makawao-Pukalani-Kula Community Plan and the Kihei-Makana Community Plan regions. The attachment titled "Figure 2" shows the revised figure.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

1. That Honua'ula Partners, LLC, its successors and permitted assigns, shall, at their own cost and expense, develop, maintain, and operate, or cause to be developed, maintained, and operated, a private water source, storage facilities, and transmission lines for the Waiea 670 (Honua'ula) project in accordance with Department of Water Supply standards and all applicable community plans. Honua'ula Partners, LLC, its

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successors and permitted assigns, shall comply with all reporting requirements of the State Commission on Water Resource Management.

In addition, Honua'ula Partners, LLC, its successors and permitted assigns, shall comply with applicable water ordinances that pertain to the supply and transmission of water from the island of Maui when such ordinances are enacted.

At the time the project water system is completed, Honua'ula Partners, LLC, its successors and permitted assigns, shall offer to the County the right to purchase the project water system at the cost of development of such system.

The water rates for the residential workforce housing units shall be no higher than the general water consumer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, Maui County Code.

Discussion: As discussed in Section 4.8.1 (Water System), Honua'ula Partners, LLC will comply with this condition by providing a private water source, storage facilities, and transmission lines for Honua'ula in accordance with DWS standards and all applicable community plans. Further discussion is provided in Section 4.8.1 (Water System).

In comments on the Draft EIS some commenters referenced the The Makawao-Pukalani-Kula Community Plan and commented that Honua'ula's private water system was not in compliance with this plan. Specifically these comments pertained to Water Objective & Policy # 4 of the Makawao-Pukalani-Kula Community Plan, which states:

4. Restrict the use of any water developed within or imported to the Upcountry region to consumption within the Upcountry region, with exception provided for agricultural use.

Honua'ula's private water system is not in conflict with this policy. Honua'ula's off-site wells are located in the Kihnei-Makena Community Plan region in an area north of Maui Meadows. The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of the water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on site and some will be transmitted to an off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region, and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the Makawao-Pukalani-Kula Community Plan.

Figure 2 shows the location of Honua'ula's off-site water infrastructure and the boundary between the Makawao-Pukalani-Kula Community Plan and the Kihnei-Makena Community Plan regions.

In further compliance with ~~this condition~~ Condition J, Honua'ula Partners, LLC will also: 1) offer the right to purchase the completed water system to the County; and 2) ensure that

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water rates for the residential workforce housing units will be no higher than the general water consumer rates set by the County, for as long as the units are subject to Chapter 2.96 of the County Code.

VIII. Large Development + Unsubstantiated Water Source = High Risk

Comment: Wailea 670's size coupled with dependence on a poorly understood water source necessarily makes the project high risk. The absence of a back-up plan elevates the risk posed.

Response: We disagree with your assessment of Honua'ula being "high risk." As we have discussed throughout this letter, many of your statements and assumptions regarding the Kama'ole Aquifer, its sustainable yield, and recharge rates based on short-term climatic trends are incorrect or unproven. In addition, as also explained in previous responses, there is extensive government oversight of all new well and water source development. Honua'ula Partners, LLC will comply with all State and County regulations and rules pertaining to well and water source development and new drinking water sources. Further the potable and non-potable systems will each have back up supply capacity, which is discussed in Section 4.8.1 (Water System) of the Draft EIS.

Comment: If the Project fails for lack of a sustainable water source, several potential negative consequences may result:

- The Kamaole aquifer may be damaged, now and for future generations, caused by over-pumping and consequent rise in chloride concentrations;

Response: For reasons discussed in previous responses it is highly unlikely that the Kama'ole Aquifer will be damaged as a result of Honua'ula. In addition, salinity of Honua'ula's wells will be closely monitored and pumping will be shifted to other wells, if needed. A salinity rise due to pumping is not a permanent or even long-lingering "damage" to the aquifer. After pumping is reduced appropriately, salinity typically returns to previous levels in weeks or even a shorter time.

- Nearby wells may be rendered unusable due to rising chloride levels. Because nearby wells currently draw approximately 5.7 MGD from the Kamaole aquifer, this volume would need to be replaced. However, since the Central Maui system has no additional capacity, how this would be done is not explained. Simply drilling more wells in an aquifer in distress, as the developer proposes, will not, on its face, be a solution. If the wells serving Wailea and Makana golf courses become unusable, negative economic effect will be wide-spread, with consequential damage to nearby hotels, residences and county revenue.

Response: Localized overpumping and consequent salinity rise does not impact the entire aquifer. We are not clear on your logic when you state "this volume would need to be replaced." This statement may be a result of your misunderstanding of sustainable yield and aquifer hydrology, but all of the pumpages throughout the aquifer will never need to be "replaced."

- Maui County's "brand" would be degraded with consequential damage to the island's economy, much of which is tied to real estate, real estate development and tourism.

Response: Again, as noted in previous responses to similar statements (see responses to "How will the County of Maui or the state respond, if at all, to a large, failed project in need of water?" and "What impact will a failed project have on the island's economy and on real property values and

Mark Hyde

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tax revenues?" based on lack of water resources or impacts to groundwater quality it is highly unlikely that Honua'ula will become a "failed project," thus cause damage to the island's economy.

Comment: High risk projects merit a commensurate level of analysis and scrutiny. The water component of the DEIS falls far short of this. In legal terminology, the DEIS fails to meet the letter and spirit of Hawaii's environmental laws specific to environmental impact statements. In general terms, it simply fails to provide evidence of sustainability upon which to construct a 1,400 unit development complete with a golf course and commercial center.

Response: We disagree with these statements. First, Honua'ula is not a "high risk" project in terms of water resources or impacts to groundwater quality. There is extensive government oversight of all new well and water source development. Honua'ula Partners, LLC will comply with all State and County regulations and rules pertaining to well and water source development and new drinking water sources. Further the potable and non-potable systems will each have back up supply capacity, which is discussed in Section 4.8.1 (Water System) of the Draft EIS.

Second, in their letter commenting on the Draft EIS dated May 20, 2010, CWRM stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues" and did not call for additional analysis and scrutiny.

Third, the Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawai'i EIS laws and rules (Chapter 343, HRS) and Title 11, Chapter 200, HAR). The EIS laws and rules provide for the preparation of a draft EIS, a review process, and the preparation of a final EIS. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments, and our responses. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments.

Comment: Nothing in the DEIS refutes expert and state agency opinion that the sustainable yield of the Kamaole aquifer is anything but "uncertain" and "speculative". The DEIS is devoid of hydrologic test data needed to provide a level of confidence upon which to give the Project's water strategy a green light. Assuming the developer's plan is not to "pump and dump," it is high time for the developer to commit the resources necessary, financial and professional, to prove (or disprove) the adequacy of the Project's water source.

Response: As we have discussed throughout this letter, many of your statements and assumptions regarding the Kamaole Aquifer, its sustainable yield, and recharge rates based on short-term climatic trends are incorrect or unproven. The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawai'i EIS laws and rules (Chapter 343, HRS) and Title 11, Chapter 200, Hawai'i HAR) and contain an appropriate level of detail pertaining to water resources at this point of time. At the appropriate time additional analysis regarding water resources will be performed in compliance with: 1) all requirements of Chapter 174C, HRS (State Water Code); 2) HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code; and 3) the requirements for engineering report submitted to the Department of Health to certify the project's wells for drinking water use.

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Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachment: Figure 2 (Regional Location)

C:\JOB19\1905.08 Honua'ula EIS\HIS\DEIS\DEIS Comments\Responses\Public\Final\Hyde_1st letter.doc

¹ This information should appear in the DEIS; the fact that it does not speaks volumes about the worth of the document.

² Water in the Kamaole aquifer is held in public trust and must be treated with due care.

³ The one contingency that might cause an early end to the Project is lack of a reliable supply of water.

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June 17, 2010

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Hawaii State Office of Environmental Quality
235 South Beretaina Street
Honolulu, Hawaii, 96813-2419

Re: **Wailea 670's Draft Environmental Impact Statement
Addendum No. 1**

Key Points:

- I. Under Hawaii water law, Wailea 670's [the Project] use of wells on Haleakala Ranch land relegates it to inferior water use priority and status, that of "appropriator." Appropriators' water rights are subordinate to those of overlying landowners and subject to extinguishment.
- II. Existing users of the Kamaole aquifer must be documented to benchmark the current situation against which the Project's future use can be measured.

III. Current aquifer users are entitled to unhindered use of their wells.

IV. Well monitoring is needed to guard against potential disruption of aquifer equilibrium.

V. DEIS deficiency check list.

I.

Three Kinds of Water Rights Exist Under Hawaii Common Law; the Project's Haleakala Ranch Wells Have Low Water Priority

Hawaii common law recognizes three distinct categories of water rights: "(1) riparian rights, which are water rights of land adjacent to a stream; (2) *appurtenant rights*, which are water rights attaching to a specific piece of property; and (3) *correlative rights*, which are water rights of land to its underlying groundwater." (Lawrence H. Miike, *Water and the Law in Hawaii*, p. 96 (c. 2004).)

Here, streams and/or surface water are absent on or near the subject parcel, leaving only correlative rights to use water beneath the Project's land. Unfortunately for the developer, the water sourcing strategy outlined in the DEIS relies not so much on wells within the Project's boundary as upon wells located offsite on Haleakala Ranch property. This relegates the Project to the status of a water "appropriator" under the law.

" . . . correlative rights, however, extend only to uses on lands overlying the water source. Parties transporting water to distant lands are deemed mere 'appropriators,' subordinate in right to overlying landowners. . . . [T]he correlative rights rule grants overlying landowners a right only to such water as necessary for reasonable use. Until overlying landowners develop an actual need to use ground water, nonoverlying parties may use any available 'surplus.'" (2000 *Waiahole Ditch Contested Case*, 94 Haw. 97, at p. 171.)

Miike illustrates how these rights apply, using an example that is four square with the facts here:

"*Example 2*: A party wants to use groundwater on other than the overlying land (i.e., an overlying landowner or another party with permission from the overlying landowner to drill a well).

- a. Not in a designated water management area

1. Under the common law, the party can do so as long as the use is reasonable and does not interfere with the correlative uses of overlying landowners.

2. If an overlying landowner decides to exercise his correlative rights and the proposed use is reasonable but would interfere with the uses of other overlying landowners, he can take that amount of water from the appropriating party.”

(Water and the Law in Hawaii, p. 216.)

Thus, once the exercise of correlative water rights meets or exceeds the capacity of an underlying water source, the “rights” of appropriators are extinguished. Stated another way, when other land owners overlying the Kamaole aquifer tap into the source such that the source is at capacity, the Project’s right to continued withdrawals from Haleakala Ranch wells will diminish and/or end.

The developer may argue that the Kamaole aquifer is a seamless, singular body of underground water such that the taking of water anywhere within the aquifer’s boundary amounts to overlying use. This argument, if advanced, fails. First, it is well established that aquifer characteristics vary from place to place. This is evident first hand from, among other things, the poor results obtained by the DLNR from its exploratory well drilled just above Maui Meadows in 2006. Second, the developer’s own water strategy bespeaks aquifer variability: rather than obtaining water exclusively from wells beneath the Project’s land, the developer has turned to more productive wells located off site on Haleakala Ranch land.

The fact is, water beneath the Project is inadequate to produce the kind and volume of water needed to support 1,400 homes, a golf course and commercial center and thus it has sought water elsewhere. Furthermore, to the extent the Project actually resorted to well water within and beneath its boundary, degradation of critical Wailea golf course wells may result, which is perhaps why it has chosen to appropriate water from elsewhere.

The relevance of this to the DEIS is obvious since the draft fails to address any of this. Assuming the Project proceeds with use of offsite wells and assuming south Maui property owners look increasingly to the Kamaole aquifer for irrigation water as many are now doing (see below), how will the Project secure water when its appropriative rights are diminished or extinguished?

ii.

¹ Milke explains that these “rights” are not of ownership, but rights of priority; they give the holder priority over the use of the water to which the rights attach. (Water and the Law in Hawaii, p. 96.)

The DEIS Must Identify and Quantify Existing Aquifer Users

It is elementary that we must know the baseline parameters of seasonal well draws from existing Kamaole aquifer users. Once captured, the data will provide a springboard for discussion of probable future aquifer use in the water-starved, arid south Maui region.

A logical starting point is Hawaii’s Commission on Water Resource Management (CWRM) ground water well index for the Kamaole aquifer, listing 134 installed wells with a total capacity of 19.23 mgd. (See attached list and maps.) While some of these wells are likely dormant or abandoned, it is notable that over 30 wells have been drilled into the aquifer during the past 10 years, many by large properties that may use significant volumes of water for irrigation, such as the Makena Surf condominiums in Makena; the Kea Lani Hotel in Wailea; Grand Champions Villas in Wailea; and the Maui Kamaole, Maui Vista, Ke Ali’i and Kihei Akahi condominiums in Kihei. These wells are additive to those serving the Wailea and Makena golf courses that draw substantial volumes of water from the aquifer for irrigation, particularly during hot, dry summer months. For example, Makena Land LLC’s May 2007 water use report to the CWRM indicates a daily water draw of 2,770,533 gallons; Wailea Resort reported a daily draw of 2,728,709 gallons in the month of August 1998. (See attached.) Combined, the two reports show dry season water withdrawals equal to 5.5 mgd, wholly aside from draws by other area well owners.

Unfortunately, well owner compliance with CWRM well water reporting requirements is spotty, and the CWRM reports inability to compel owner compliance with reporting requirements. This, however, does not excuse the developer from gathering all available information and, in fact, heightens the need for it because without baseline data the risk posed to the environment by the Project becomes nothing more than a gamble. Gambling on water for a project of this size does not meet the purposes of the state’s environmental laws, rules and regulations.

Here’s what we need in the DEIS: (1) identification of all existing, operative Kamaole aquifer wells; (2) quantification of the seasonal use of each operative well in terms of volume of water withdrawn and water quality achieved; and (3) assessment of likely future well demand.

The utility of this information is obvious and elementary. First, current usage and water quality, measured over time, must be assessed to serve as a benchmark against which the Project’s activity can be measured. Second, current pumpage volumes will shed light on the aquifer’s sustainable yield and current surplus, if any. Third, pumpage data will provide a platform from which future water need scenarios can be modeled. This is particularly relevant given (a) lack of capacity of the Central Maui water system to meet new water needs, (b) persistent and continuing arid/drought conditions in south Maui, (c) continued local population growth and

associated development pressure and (d) the tenuous nature of the Project's proposed "appropriator" water rights.

III.

Existing Kamaole Aquifer Users Are Entitled to Unhindered Use of Their Wells

"[T]he rights of all land owners over a common basin, saturated strata, or underground reservoir, are coequal or correlative, and . . . one land owner can not extract more than his share of the water even for use on his own lands, where the rights of others are injured thereby." (Water and the Law in Hawaii, p. 105, quoting Waiahole II, p. 74.)

To the extent Wailea 670's water extraction injures other wells or the utility of the aquifer in general, other well users will be damaged, irreparably if the aquifer as a whole "salts up" and/or individual producing wells are degraded. The DEIS must calculate the risk of a negative outcome and develop alternate water sourcing plans in the event the developer's assumptions about its water use are incorrect. The use of scenario planning techniques would be helpful.

IV.

Well Monitoring is Needed to Guard Against Potential Disruption of Aquifer Equilibrium

In Water and the Law in Hawaii, Milke notes that sustainable yield is a management concept requiring periodic monitoring, particularly when withdrawals approach sustainable yield. Where the sustainable yield is speculative, as it is here, effective monitoring is particularly critical to protection of the environment.

"Monitoring includes deep monitor wells, water-level observation wells, spring chemistry data, and water use/chloride data from production wells. Deep monitor wells measure the size and stability of the freshwater lens. Such monitoring can follow the stability of the transition zone." (Water and the Law in Hawaii, p. 7.)

The DEIS makes no reference to industry-standard monitoring strategies. Given the risky approach to water development proposed here, monitoring wells present the best means to guard against potential disruption of aquifer equilibrium. Accordingly, a monitoring regimen needs to be articulated in the DEIS (and ultimately deployed).

V.

Key DEIS Deficiency Check List

5

The following items need to be included in the water component of the Project's DEIS:

1. Identification of all existing Kamaole aquifer users, including
 - a. pumpage/volume and water quality data,
 - b. reported seasonally, if not monthly,
 - c. covering an extended period of time, preferably not less than 5 years, and
 - d. updated not less than annually.
2. An irrevocable and continuous plan for periodic measurement and transparent reporting of the above information.
3. Articulation of an irrevocable and continuous professional well monitoring scheme designed to protect the equilibrium of the Kamaole aquifer.
4. Examination of an array of possible future states, paying particular attention to current and likely future weather and water conditions in and around the Project site. Best and worst case water availability scenarios for the Project need to be developed and possible outcomes reported, paying particular attention to the Project's tenuous hold on Haleakala Ranch well water.
5. Development and articulation of carefully calculated and operationally feasible water sourcing contingency plans in the event the Project's water strategy fails.
6. Identification/location of all water lines and storage facilities intended to support the Project. To the extent these plans violate the Upcountry Community Plan, explain how conflicts will be resolved.
7. Reassessment of average rainfall assumptions contained in the current DEIS, with citation to reliable/credible sources substantiating the data used. If reassessment results in lower average rainfall data, adjust all internal calculations, particularly those relating to expected aquifer recharge and seasonal water draws for irrigation.
8. Admit the uncertain status of the sustainable yield estimate for the Kamaole aquifer and discuss the implications of uncertainty. Describe how the Project will respond if the sustainable yield is less than the current uncertain estimate.
9. Develop and report comprehensive wastewater and desalination plans; meet all the requirements of HAR sections 11-200, *et seq.*

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Well No.	Well Name	Aquifer	Owner/User	Year Drilled	Coordinates		Physical Data			Elevations in feet (msl)				Initial			Pump Test Results				
					Latitude	Longitude	Type	Case Dia. in.	Total Depth ft.	Ground	Bottom Solid Casing	Bottom Perf Casing	Bottom of	Static Head	Cl- mg/l	Temp °F	Specific Capacity	Installed Capacity T	Use		
ISLAND CODE 6																					
3725-01	Moomuku 1	60304	Hawaii VIP Country Club, Inc.	2004	203748	1562552	ROT	6	280	264	4	-16	-16	2.1				1E+05	0.432	AGRCP	
3726-01	Kanahena	60304	Romachak E	1975	203719	1562626		4	31					0						IRR	
3726-03	Millar	60304	Millar C F	1985	203745	1562625		4	125	110				-15	1					IRR	
3726-04	Kanahena-Ermiss	60304	Ermiss D & E	1990	203728	1562630	DUG	48	19						4					0.014	IRR
3824-01	Berkowicz	60304		2005	203840	1562442	ROT	6	1322	1294	-8	-28	-28	5.16	77.0		24	8E+02	.065	MUNPR	
3826-01	Seibu 2	60304	Honua LLC	1978	203840	1562612	PER	12	222	200	6	-22	-22	2.21						0.576	IRRCG
3826-02	Seibu 3	60304	Makena Resort Corp	1978	203841	1562612	PER	12	220	197	7	-23	-23	2.08						0.576	IRRCG
3826-03	Seibu 4	60304	Makena Resort Corp	1978	203852	1562615	PER	12	228	205	7	-23	-23	1.58	1100			667		0.576	IRRCG
3826-04	Seibu 7	60304	Makena Resort Corp	1985	203828	1562622	PER	12	195	173	128	45	-22	0				250		0.216	IRRCG
3826-05	Seibu 12	60304	Makena Resort Corp	1989	203852	1562618	PER	12	231	203	10	-20	-28	2.57	1900			875			UNU
3925-01	Makena 68	60304	State DLNR-Engineering	1964	203912	1562559	ROT	8	382	352	9	-11	-30	0.8	465	21.4		188			OBS
3926-01	Makena	60304	Garcia S	1972	203904	1562639	ROT	4	32						1080						
3926-02	Seibu 1	60304	Seibu Haw Inc	1977	203932	1562613	PER	12	211	189	9	-21	-22	1.75						0.576	IRRCG
3926-03	Wailea 8	60304	Wailea Golf LLC	1975	203947	1562613	PER	12	208	179	-1	-21	-29	1.57	666			27		0.504	IRRCG
3926-04	Seibu 5	60304	Makena Resort Corp	1984	203922	1562611	PER	12	230	211	11	-19	-19	0						0.576	IRRCG
3926-05	Seibu 6	60304	Makena Resort Corp	1984	203928	1562612	PER	12	224	200	6		-24	668				800		0.576	IRRCG
3926-06	Seibu 8	60304	Makena Resort Corp	1985	203915	1562610	PER	12	263	244	11	-19	-19	1				300		0.576	IRRCG
3926-07	Seibu 9	60304	Makena Resort Corp	1985	203945	1562607	PER	12	242	220	8	-22	-22	1				33		0.576	IRRCG
3926-08	Seibu 10	60304	Makena Resort Corp	1985	203903	1562614	PER	12	290	266			-24	0.93				350			IRRCG
3926-09	Seibu 11	60304	Makena Resort Corp	1985	203909	1562613	PER	12	278	258	10	-20	-20	2				357		0.288	IRRCG

Sincerely,



Mark G. Hyde

Attachments:

- (1) CWRM Ground Water Well Index (7 pages)
- (2) Well Maps (2 pages)
- (3) Makena Land LLC May 2007 Well/Water Report to CWRM
- (4) Wailea Resort August 1998 Well/Water Report to CWRM

Well No.	Well Name	Aquifer	Owner/User	Year Drilled	Coordinates		Physical Data		Elevations in feet (msl)					Initial		Pump Test Results			
					Latitude	Longitude	Type	Case Dia. in.	Total Depth ft.	Ground	Bottom Solid Casing	Bottom Perf Casing	Bottom of	Static Head	Cl- mg/l	Temp °F	Specific Capacity	Installed Capacity T	Use
4126-05	Wailea Ika Irr	60304	Grand Champion Villas	2004	204138	1562616	ROT	6	206	189	-2	-17	-17	1.77	73.0	1E+04	0.216	IRR/LA	
4225-01	Maui Meadows	60304		2008	204227	1562516	ROT	14	802	783	-17	-39	-39	0.29	68.9	25		UNU	
4225-02	Wailea 670 No. 1	60304		2007	204251	1562529	ROT	12	581	545	7	-33	-36	2.22	69.9	26	3E+04	UNU	
4225-03	Wailea 670 No. 2	60304		2007	204302	1562522	ROT	12	604	573	9	-31	-31	3.15	67.4			UNU	
4226-01	Tmk 2-1-10-07	60304	Correl A	1946	204212	1562650			41									IRR	
4226-02	2-1-10-05	60304	Teixeira J	1946	204213	1562650			45									IRR	
4226-03	Tmk 2-1-10-04	60304	Pabst W	1946	204215	1562651			31									IRR	
4226-04	2-1-10-20	60304	Crouse J	1946	204216	1562651			30									ABNSLD	
4226-05	Tmk 2-1-10-01	60304	Carter C	1949	204217	1562653			8	22								UNU	
4226-06	Tmk 3-9-04-98	60304	Tom Tf	1949	204255	1562649			6	59								UNU	
4226-07	Tmk 3-9-04-75	60304	Kurihara H	1951	204229	1562641			8	65								UNU	
4226-08	Tmk 3-9-04-78	60304	Kiyan S	1951	204231	1562643			8	75								ABNSLD	
4226-09	Tmk 3-9-04-81	60304	Teruya F	1951	204241	1562642			8	114								UNU	
4226-10	Tmk 3-9-04-86	60304	Kurihara H	1951	204249	1562647			8	63								UNU	
4226-11	Tmk 3-9-04-125	60304	Harada L	1956	204257	1562630			10	157								IRR	
4226-12	Wailea 5	60304	Wailea Golf LLC	1972	204201	1562624	ROT	12	202	179	0	-21	-23	1.04	1050	444	0.360	IRR/GC	
4226-13	Wailea 9	60304	Wailea Golf LLC	1989	204227	1562622	PER	12	222	202	0	-20	-20	1.4		51	0.576	IRR/GC	
4226-14	Wailea 10	60304	Wailea Golf LLC	1990	204218	1562620	PER	12	248	234	6	-14	-14	600		219	1.008	IRR/GC	
4226-15	Hale Kamaole	60304	Hale Kamaole Assoc.	1989	204247	1562646	ROT	6	105	77	-8	-28	-28	3.72	21.6	400	5E+04	0.180	IRR/LA
4226-16	Maui Kamaole AOA	60304	Maui Kamaole AOA	2001	204225	1562637	ROT	6	155	129	4	-16	-26	0.23	70.5	3E+05	0.331	IRR/LA	
4226-17	Kamaole Sands	60304	Maui Vista AOA	2002	204258	1562649	ROT	6	59	52	-1	-7	-7	2.2	72.0	4E+04	0.216	IRR/LA	

Well No.	Well Name	Aquifer	Owner/User	Year Drilled	Coordinates		Physical Data		Elevations in feet (msl)					Initial		Pump Test Results			
					Latitude	Longitude	Type	Case Dia. in.	Total Depth ft.	Ground	Bottom Solid Casing	Bottom Perf Casing	Bottom of	Static Head	Cl- mg/l	Temp °F	Specific Capacity	Installed Capacity T	Use
3926-11	Makena Surf	60304	Makena Surf Assoc	2002	203936	1562640	ROT	6	55	41	-4	-14	-14	0.93		5E+04	0.331	IRR/LA	
4019-01	Polipoli Tunnel	60304	Ulupalakua Rch		204049	1561958	TUN			6200									
4020-01	Waikaukane Tun	60304	Ulupalakua Rch		204022	1562031			5750										
4020-02	Cornwall Tunnel	60304	Ulupalakua Rch		204044	1562055			4850										
4020-03	Morton Tunnel	60304	Haleakala Rch		204056	1562051			4850										
4021-01	Waikaeahi Tunnel	60304	Ulupalakua Rch		204054	1562104			4600										
4026-01	TMK 2-1-11-3	60304	Churchill F	1950	204037	1562644			8	24				10.8				UNU	
4026-02	Tmk 2-1-11-1	60304	Polo Beach Club	1950	204042	1562644			8	32								IRR	
4026-03	Makena	60304	Harkins W	1951	204033	1562645			8	32								OTH	
4026-04	Wailea 4	60304	Wailea Golf LLC	1972	204043	1562625	ROT	12	210	179	0	-21	-31	1.04	363	32	1.008	IRR/GC	
4026-05	Wailea 6	60304	Wailea Res Co	1975	204022	1562626	PER	12	189	158	8	-12	-31	2	600	20	0.259	OBS	
4026-06	Wailea 7	60304	Wailea Golf LLC	1975	204007	1562622	PER	12	204	184	5	-15	-20	2	620	350	1.008	IRR/GC	
4026-07	Wailea 6A	60304	Wailea Golf LLC	1994	204025	1562615	ROT	12	272	252	0	-20	-20	0.5	460	20.6	30	IRR/GC	
4026-13	Kea Lani Irr	60304	KEA LANI MAUI	2002	204041	1562633	ROT	6	94	83	-2	-11	-11	0.9		6E+04	0.331	IRR/LA	
4122-01	Keawakapu	60304	Tavares H		204115	1562202											0.144	IRR	
4125-01	Wailea 670 1	60304	Palaua Part	1991	204137	1562534	ROT	10	559	522	-27	-37	-37	2.8		500	0.720	IRR/GC	
4125-02	Wailea 670 2	60304	Palaua Part	1991	204131	1562535	ROT	10	550	523	-6	-26	-27	3.7		210	0.720	IRR/GC	
4126-01	Wailea 1	60304	Wailea Res Co	1950	204137	1562637	PER	10	90	85		-5	-5	7	590	20.0		0.036	OBS
4126-02	Wailea 2	60304	Wailea Golf LLC	1969	204128	1562621	PER	12	198	181	3	-17	-17	2	490	620	1.008	IRR/GC	
4126-03	Wailea 3	60304	Wailea Golf LLC	1969	204108	1562622	PER	12	174	153	-0	-20	-21	1	555	383	1.080	IRR/GC	
4126-04	Grand Wailea Salt	60304		1991	204101	1562632			4	80							.36	AGRAQ	

Well No.	Well Name	Aquifer	Year Drilled	Coordinates		Physical Data		Elevations in feet (msl)					Initial		Pump Test Results				
				Latitude	Longitude	Type	Case Dia. in.	Total Depth ft.	Ground	Bottom Solid Casing	Bottom Perf Casing	Bottom of	Static Head	Cl- mg/l	Temp °F	Specific Capacity	Installed Capacity T	Use	
4327-09	Kalama Beach A2	60304	2009	204400	1562717	ROT	2	45										OBS	
4327-10	Kalama Beach A3	60304	2009	204400	1562717	ROT	2	70										OBS	
4422-01	Waiohuli	60304 U S G S	2001	204419	1562205	ROT	4	1940	1864	30	-60	-76	5.58					OBS	
4424-01	Keokea Highlands 2	60304 Maui Highlands Properties, LLC	2005	204459	1562502	ROT	8	577	553	-4	-24	-24	2.6			2E+05	.432	MUNPR	
4425-01	Keokea Highlands	60304 Maui Highlands LLC	2004	204459	1562502	ROT	6	570	551	1	-19	-19	2.76			3E+04	0.432	MUNPR	
4426-01	Kihei Inject TH	60304 Maui Dpw	1972	204420	1562641	ROT	2	203										OBS	
4426-02	Kihei Injection	60304 Maui DPW	1974	204406	1562626	PER	18	230	109	-51		-121	4			524		OTH	
4426-03	Kihei-Maui R&T	60304 Maui R&T Part	1990	204456	1562641	ROT	8	157	124	-3	-33	-33	1.87	369	20.0			IRRLA	
4427-01	TMK 3-9-05-52	60304 Maui County		204414	1562722													IRR	
4427-02	TMK 3-9-02-8	60304 Akina F	1945	204429	1562707		8	30										UNU	
4427-03	Medo	60304 Miranda H	1948	204438	1562718		10	22										UNU	
4427-04	TMK 3-9-11-38	60304 Nishiji R	1949	204423	1562725		8	24										IRR	
4427-05	TMK 3-9-02-02	60304 Akina F	1950	204417	1562701		8	82										UNU	
4427-06	Kihei Fire B1	60304	2009	204416	1562722	ROT	2	16										OBS	
4427-07	Kihei Fire B2	60304	2009	204416	1562722	ROT	2	40										OBS	
4427-08	Kihei Fire B3	60304	2009	204416	1562722	ROT	2	70										OBS	
4427-09	Kihei Baptist Chapel	60304 Kihei Baptist Chapel	1978	204433	1562721	DUG	20	15										.021	IRRLA
4527-01	TMK 3-9-02-36	60304 Akina R	1945	204529	1562716		6	30								125	0.170	AGRCP	
4527-02	Tmk 3-9-02-32	60304 Yee W	1946	204519	1562714		8	35										IRR	
4527-03	Tmk 3-9-01-02	60304 Ferreira L	1947	204533	1562740		8	20										UNU	
4527-04	Tmk 3-9-08	60304 Maui County	1946	204504	1562737		7	47										UNU	

Well No.	Well Name	Aquifer	Year Drilled	Coordinates		Physical Data		Elevations in feet (msl)					Initial		Pump Test Results			
				Latitude	Longitude	Type	Case Dia. in.	Total Depth ft.	Ground	Bottom Solid Casing	Bottom Perf Casing	Bottom of	Static Head	Cl- mg/l	Temp °F	Specific Capacity	Installed Capacity T	Use
4226-18	Maui Hill AOA	60304 AOA Association	2003	204242	1562634	ROT	6	147	134	-3	-13	-13	1.18	70.0		5E+05	0.216	IRRLA
4226-19	Kilohana Waena	60304	2006	204232	1562633	ROT	6	135										UNU
4326-01	Tmk 3-9-20-26	60304 Akina A	1945	204332	1562659		6	28										UNU
4326-02	Tmk 3-9-20-17	60304 Akina J	1946	204324	1562658		8	23						266				UNU
4326-03	Tmk 3-9-20-14	60304 Kuaana W	1947	204320	1562657		8	34										UNU
4326-04	Tmk 3-9-19-02	60304 Shigeta D	1948	204312	1562640		7	103										IRR
4326-05	Tmk 3-9-20-20	60304 Akina A	1951	204327	1562655		8	47										UNU
4326-06	Tmk 3-9-18-09	60304 Lindley C	1959	204342	1562645		8	110	75	-19		-35						ABNLOS
4326-07	Kamaole-Bosa	60304 Bosa Corp	1990	204306	1562642	ROT	6	84	64	0	-20	-20	2.9	60	22.2			IRR
4326-09	Kihei-Maui Vista	60304 Maui Vista AOA	2001	204346	1562654	ROT	6	95	64	-7	-27	-31	1.58			9E+04	0.288	IRRLA
4326-11		60304 Ke Aili, LLC	2004	204325	1562647	ROT	6	100	83	3	-17	-17	1.91	72.7	57	3E+03	.432	IRRLA
4326-12		60304 Ke Aili, LLC	2004	204317	1562640	ROT	6	95	80	5	-15	-15	1.92	73.1	71		.216	IRRLA
4326-13	Aloha Village	60304	2005	204318	1562646	ROT	6	80	66	4	-14	-14	1.56	72.3	67		.18	IRRLA
4327-01	TMK 3-9-16-25	60304 Dang Y O	1947	204352	1562702		8	38										UNU
4327-02	TMK 3-9-17-37	60304 Toba J	1947	204356	1562707		10	31										IRR
4327-03	TMK 3-9-05-51	60304 Flood E	1949	204334	1562703		8	26										IRR
4327-04	TMK 3-9-05-25	60304 Brown J	1949	204337	1562703		8	22										IRR
4327-05	TMK 3-9-05-22	60304 Murphy F	1949	204341	1562704		8	38										OTH
4327-06	TMK 3-9-16-03	60304 Mechida S	1967	204352	1562705		45											IRR
4327-07	Kihei-Akahi	60304 Kihei Akahi Condo Association	2000	204344	1562705	ROT	6	80	56	5		-24	1.12	73.4	727	9E+05	0.216	IRPPA
4327-08	Kalama Beach A1	60304	2009	204400	1562717	ROT	2	16										OBS

Well No.	Well Name	Aquifer	Owner/User	Coordinates		Physical Data		Elevations in feet (msl)					Initial		Pump Test Results			
				Year Drilled	Latitude	Longitude	Type	Case Dia. in.	Total Depth ft.	Ground	Bottom Solid Casing	Bottom Perf Casing	Bottom of	Static Head	Cl- mg/l	Temp °F	Specific Capacity	Installed Capacity T
4627-11	Tmk 3-9-01-99	60304	Alo S	1949	204526	1562733		8	19									IRR
4627-12	Tmk 3-9-15-12	60304	Fedalizo C	1950	204642	1562738		8	31									IRR
4627-13	Tmk 3-9-15-14	60304	Bosque J	1950	204643	1562738		8	29	20	9		-9	3.1				IRR
4627-14	Tmk 3-9-01-34	60304	Hashimoto T	1969	204635	1562701	ROT		200	130				-70				IRR
4627-15	Tmk 3-9-26-43	60304	Neubauer A	1969	204643	1562703	ROT	4	110									IRR
4627-16	Tmk 3-9-26-67	60304	Batoon A	1969	204648	1562701	ROT	4	161									IRR
4627-17	Tmk 3-9-26-66	60304	Tavares H	1969	204651	1562701	ROT	4	120									IRR
4627-19	Maui Lu	60304	Maui Lu Resort	1956	204623	1562739	DUG											IRR/LA
Total Installed Pump Capacity in Aquifer in mgd																19.23		
Total Number of Wells in Aquifer																134		

Well No.	Well Name	Aquifer	Owner/User	Coordinates		Physical Data		Elevations in feet (msl)					Initial		Pump Test Results					
				Year Drilled	Latitude	Longitude	Type	Case Dia. in.	Total Depth ft.	Ground	Bottom Solid Casing	Bottom Perf Casing	Bottom of	Static Head	Cl- mg/l	Temp °F	Specific Capacity	Installed Capacity T	Use	
4527-05	Tmk 3-9-08	60304	Maui County	1948	204503	1562738			70									UNU		
4527-06	Tmk 3-9-01-9	60304	Teruya E	1948	204550	1562721		6	28									IRR		
4527-07	Tmk 3-9-23-30	60304	Uyeno H	1949	204540	1562717		8	42									UNU		
4527-08	Kihel-Pillani	60304	Blackfield Haw	1990	204544	1562711	ROT	10	71	41	3	-17	-30	0.75	27	23.3	83	0.057	IRR	
4527-10	Kihel-Koa	60304	Koa Res Assoc	1982	204555	1562737	DUG	24	14	7	0	-5	-7		335	24.4	11	0.043	IRR/LA	
4527-12	Walohuli 1	60304	Baldwin Malama	1989	204526	1562708	DUG	80	20										ABNSLD	
4527-14	Kauhale Makai	60304	Kauhale Makai	2001	204547	1562740	ROT	6	86	9	-48		-77	1.69		74.0	17	5E+03	0.216	IRR/PA
4527-16	St. Theresa Church	60304		2007	204459	1562729	ROT	6	45							71.0			.086	IRR/LA
4527-17	Kihel	60304			204513	1562716	DUG	66	11											UNU
4527-18	Kaonoulu 6	60304		2007	204559	1562726	ROT	6	50	18	-2	-32	-32	3.14					.086	IRR/LA
4621-01	Kula 1800 No. 1	60304		2007	204830	1562116	ROT	16	1832	1760	8	-72	-72	5.19		70.3	196	2E+05		UNU
4621-02	Kula 1800 No. 2	60304		2008	204638	1562114	ROT	16	1815	1737	4	-56	-78	6.31		70.0	139	1E+06		UNU
4627-01	Tmk 3-9-01-24	60304	Uehara T		204646	1562737														OTH
4627-02	Tmk 3-9-06-08	60304	Ventura J	1946	204654	1562748		8	20									89	0.119	IRR
4627-03	Tmk 3-9-01-54	60304	Ting L	1947	204628	1562734		10	29											OTH
4627-04	Tmk 3-9-06-07	60304	Agirogi R	1947	204650	1562747		10	18											IRR
4627-05	Tmk 3-9-06-09	60304	Watson H	1947	204655	1562748		10												IRR
4627-06	Tmk 3-9-06-13	60304	Clark C	1947	204657	1562747		6	23											IRR
4627-07	Tmk 3-9-01-29	60304	Pimental A	1947	204658	1562744		10	24											UNU
4627-08	Tmk 3-9-01-33	60304	Hashimoto T	1948	204634	1562711		6	116											IRR
4627-09	Tmk 3-9-01-50	60304	Gusukuma T	1948	204653	1562741		4	35											IRR
4627-10	Tmk 3-9-06-06	60304	Fujimoto I	1948	204648	1562747		7	19											IRR



State of Hawaii
COMMISSION ON WATER RESOURCE MANAGEMENT
 Department of Land and Natural Resources
MONTHLY GROUND WATER USE REPORT

Name: Don Fujimoto
Company: Makena Land LLC
Address: 2005 Main Street
 Wailuku, Hawaii 96793
Telephone No.: 808 270 0526
Report Month: May 2007
Fax No.: 808 270 0546
Year: 2007

For Official Use Only:
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State of Hawaii
 COMMISSION ON WATER RESOURCE MANAGEMENT
 Department of Land Natural Resources
 Division of Water and Land Development
MONTHLY WATER USE REPORT

For the Month of: Aug-98
Owner: Wailea Resort Company, Ltd.
District: Kihei/Makena
Island: Maui

INSTRUCTIONS: Please TYPE OR PRINT CLEARLY. Complete this form to report total monthly ground water use, and, if required, other information from each of your well sources. Mail to: Commission on Water Resource Management, P.O. Box 621, Honolulu, Hawaii 96808. For Assistance, please call (808) 587-0285.

State Well No.	Well Name	Period Begin Date (mm/dd/yy)	Period End Date (mm/dd/yy)	Quantity Pumped (gallons)	Method of Measurement*	Chloride (mg/l)	Temp. (°F)	Non-Pumping Water Level (ft. above msl)**
6-3926-002	Selbu HI Well # 1	04/28/07	05/31/07	4,995,000	Flow Meter	475		
6-3926-001	Selbu HI Well # 2	04/28/07	05/31/07	10,734,500	Flow Meter	640		
6-3926-002	Selbu HI Well # 3	04/28/07	05/31/07	12,535,833	Flow Meter	715		
6-3926-003	Selbu HI Well # 4	04/28/07	05/31/07	10,586,333	Flow Meter	785		
6-3926-004	Selbu HI Well # 5	04/28/07	05/31/07	7,828,800	Flow Meter	585		
6-3926-005	Selbu HI Well # 6	04/28/07	05/31/07	7,800,800	Flow Meter	575		
6-3926-006	Selbu HI Well # 8	04/28/07	05/31/07	5,657,400	Flow Meter	925		
6-3926-008	Selbu HI Well # 10	04/28/07	05/31/07	32,613,000	Flow Meter	865		
6-3926-009	Selbu HI Well # 11	04/28/07	05/31/07	4,256,000	Flow Meter	925		

* Flow meter, electrical consumption, weir or flume, not metered (estimated)
 ** Measurement should not be taken while pump is NOT running just prior to a pumping cycle.
 If measurement is taken while pump is running, please indicate so.
 Other comments or additional information (e.g., date and method of chloride measurement, how pumpage amounts are estimated, etc.):

PID No. 1055
 SEQ No. 88516

Submitted By (print): Don Fujimoto Vice President
 Signature: [Signature]
 Date: JULY 9, 2007
 MON-GWUR FORM (08/10/2004)

96,968,666 ÷
 35 = 2,770,533
 2008

Well	Well Number	Water Use (in million gallons)	Chloride (ppm)		Water Level (in feet above sea level)
			Minimum	Maximum	
Wailea Well No. 1	4126-01	No meter	680		1.0 -1.5
Wailea Well No. 2	4126-02	7.951	540		1.0 -1.5
Wailea Well No. 3	4126-03	14.371	740		1.0 -1.5
Wailea Well No. 4	4026-04	21.009	740		1.0 -1.5
Wailea Well No. 5	4226-12	1.955	940		1.0 -1.5
Wailea Well No. 6A	4026-07	13.091	540		1.0 -1.5
Wailea Well No. 7	4026-06	11.653	920		1.0 -1.5
Wailea Well No. 8	3926-03	0.615	640		1.0 -1.5
Wailea Well No. 9	4226-13	Broken			1.0 -1.5
Wailea Well No. 10	4026-11	-----			1.0 -1.5

Submitted by: Melanie
 Signature: [Signature]
 Date: 84,590,000 ÷ 31 = 2,728,709.6
 10-9-98
 Planning Technician



May 31, 2012

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President

R. STAN DUNCAN, ASIA
Executive Vice-President

RUSSELL Y. CHUNG, FASIA, LEED® AP
Executive Vice-President

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Vice-President

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Mark Hyde
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
May 31, 2012
Page 2 of 14

"...correlative rights, however, extend only to uses on lands overlying the water source. Parties transporting water to distant lands are deemed mere 'appropriators,' subordinate in right to overlying landowners....[T]he correlative rights rule grants overlying landowners a right only to such water as necessary for reasonable use. Until overlying landowners develop an actual need to use ground water, nonoverlying parties may use any available 'surplus.'" (2000 Waialeale Ditch Contested Case, 94 Haw. 97, at p. 171.)

Milke illustrates how these rights apply, using an example that is four square with the facts here:

"Example 2: A party wants to use groundwater on other than the overlying land (i.e., an overlying landowner or another party with permission from the overlying landowner to drill a well).

- a. Not in a designated water management area
- 1. Under the common law, the party can do so as long as the use is reasonable and does not interfere with the correlative uses of overlying landowners.
- 2. If an overlying landowner decides to exercise his correlative rights and the proposed use is reasonable but would interfere with the uses of other overlying landowners, he can take that amount of water from the appropriating party."

(Water and the Law in Hawaii, p. 216.)

Thus, once the exercise of correlative water rights meets or exceeds the capacity of an underlying water source, the "right" of appropriators are extinguished. Stated another way, when other land owners overlying the Kamaole aquifer tap into the source such that the source is at capacity, the Project's right to continued withdrawals from Haleakala Ranch wells will diminish and/or end.

The developer may argue that the Kamaole aquifer is a seamless, singular body of underground water such that the taking of water anywhere within the aquifer's boundary amounts to overlying use. This argument, if advanced, fails. First, it is well established that aquifer characteristics vary from place to place. This is evident first hand from, among other things, the poor results obtained by the DINR from its exploratory well drilled just above Maui Meadows in 2006. Second, the developer's own water strategy bespeaks aquifer variability: rather than obtaining water exclusively from wells beneath the Project's land, the developer has turned to more productive wells located off site on Haleakala Ranch land.

The fact is, water beneath the Project is inadequate to produce the kind and volume of water needed to support 1,400 homes, a golf course and commercial center and thus it has sought water elsewhere. Furthermore, to the extent the Project actually resorted to well water within and beneath its boundary, degradation of critical Wailea golf course wells may result, which is perhaps why it has chosen to appropriate water from elsewhere.

The relevance of this to the DEIS is obvious since the draft fails to address any of this. Assuming the Project proceeds with use of offsite wells and assuming south Maui property owners look increasingly to the Kamaole aquifer for irrigation water as many are now doing (see below), how will the Project secure water when its appropriate rights are diminished or extinguished?

Response: There is extensive government oversight of all new well development, water source development, and drinking water systems. As discussed in Section 3.5.1 (Groundwater) of the Draft EIS, all existing on- and off-site wells are fully permitted by Commission on Water Resource Management (CWRM). All new wells will be developed in compliance with all requirements of

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Hyde:

Thank you for your letter dated June 17, 2010 (second letter) regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II Application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. Honua'ula Partners, LLC's hydrologist, Tom Nance, of Tom Nance Water Resources Engineering, Inc., contributed to the responses in this letter. The organization of this letter follows the headings of your letter.

Key Points

- I. Under Hawaii water law, Wailea 670's [the Project] use of wells on Haleakala Ranch land delegates it to inferior water use priority and status; that of "appropriator." Appropriators' water rights are subordinate to those of overlying landowners and subject to extinguishment.
- II. Existing users of the Kamaole aquifer must be documented to benchmark the current situation against which the Project's future use can be measured.
- III. Current aquifer users are entitled to unhindered use of their wells.
- IV. Well monitoring is needed to guard against potential disruption of aquifer equilibrium.
- V. DEIS deficiency check list.

Response: Responses to your key points are provided below in our responses to your more detailed comments.

I. Three Kinds of Water Rights Exist Under Hawaii Common Law; the Project's Haleakala Ranch Wells Have Low Water Priority

Comment: Hawaii common law recognizes three district categories of water rights: "(1) riparian rights, which are water rights of land adjacent to a stream; (2) appurtenant rights, which are water rights attaching to a specific piece of property; and (3) correlative rights, which are water rights of land to its underlying groundwater." (Lawrence H. Milke, Water and the Law in Hawaii, p. 96 C. 2004.)

Here, streams and/or surface water are absent on or near the subject parcel, leaving only correlative rights to use water beneath the Project's land. Unfortunately for the developer, the water sourcing strategy outlined in the DEIS relies not so much on wells within the Project's boundary as upon wells located offsite on Haleakala Ranch property. This relegates the Project to the status of a water "appropriator" under the law.

Chapter 174C, Hawai'i Revised Statutes (HRS) (State Water Code) and Hawai'i Administrative Rules (HAR) Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code. All new wells will be developed in compliance with all requirements of Chapter 174C, HRS (State Water Code) and HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code. The CWRM application process for well construction permits requires an extensive application process with thorough review by the State Department of Health (DOH) for compliance DOH rules and standards, including the appropriateness of the well location.

Further, the County's Water Availability Policy, codified as Chapter 14.12, Maui County Code (MCC), requires verification of a long-term, reliable supply of water before subdivisions are approved. In accordance with Section 14.12.050 MCC, in reviewing and commenting on water source engineering reports the Department of Water Supply (DWS) Director shall consider (among other things) the following factors:

- Cumulative impacts;
- CWRM's Water Resources Protection Plan;
- The general plan and relevant community plans;
- The adverse impacts on surrounding aquifers and stream systems, including:
 - Water levels;
 - Water quality, including salinity levels;
 - Surface water-groundwater interactions; and
 - Adverse impacts on other existing, future, or planned wells;
- The adverse impacts on the water needs of residents currently being served and projected to be served by DWS;
- The adverse impacts on environmental resources that are rare or unique to the region and the project site (including natural, cultural, or human-made resources of historic, archaeological, or aesthetic significance);
- The adverse impacts on the exercise of traditional and customary Native Hawaiian rights and practices;
- United States Geological Survey studies;
- Whether the applicant is in full compliance with the State water code and County's water reporting laws;
- Whether the affected water source, including groundwater, surface water, or other source of water will exceed:
 - 90 percent of the sustainable yield;
 - Instream flow standards; or
 - Interim instream flow standards; and
- The adverse impacts to the water needs of residents currently on a County "wait list" for water meters.

Honua'ula's private water system also is subject to the approval of the State Department of Health (DOH) Safe Drinking Water Branch, Under HAR Chapter 11-20 (Potable Water Systems) as part of the DOH approval process the DOH requires that new private water companies demonstrate capacity requirements and satisfactory technical, managerial, and financial capabilities, including:

- Demonstration of capacity requirements and satisfactory technical, managerial, and financial capabilities to enable the system to comply with safe drinking water standards and requirements, including:
 - An adequate water source to serve current and future water users;
 - Adequate system technical performance;
 - An infrastructure replacement plan that includes estimates of the useful life and plans for the eventual replacement of the public water system's infrastructure;
 - An operational plan that includes a preventative and corrective maintenance program;
 - A clear management organization and communication structure;
 - An emergency response plan;
 - Adequate financial capacity and dedicated sources of income, including income and cash reserves to pay annual operating expenses, unexpected significant repairs, and planned major work;
 - Adequate budget controls, including performance reviews of actual expenditures and annual budgets, procedures to safeguard financial assets, and maintenance of detailed financial records that clearly identify sources of income and expenses involved in operating the public water system; and
 - Demonstration of credit worthiness, including: 1) long-term dedicated revenue projections showing sufficient revenue for: a) operating and maintaining the public water system; b) performing anticipated repairs; c) replacement of major equipment; d) future expansion; and e) repayment of loans; and 2) credit reports that indicate that the public water system is financially healthy and credit worthy.
- Approval of the Director of Health prior to use, which is based upon the submission of a satisfactory engineering report meeting requirements of DOH;
- Identification (within the engineering report) of all potential sources of contamination and evaluation of alternative control measures that could be implemented to reduce or eliminate the potential for contamination, including treatment of the water source; water quality analysis for all regulated contaminants, performed by the State Laboratories Division of the State of Hawaii, will be submitted to DOH to demonstrate compliance with all drinking water standards;
- Assessment to delineate a source water protection area and creation of a source water protection plan, including activities to protect the source of drinking water;
- Operation of the system by certified distribution and water treatment plant operators meeting the requirements of DOH;
- Design and operation of the potable system to prevent the cross-connection with the non-potable system and the possibility of backflow of water from the non-potable system to the drinking water system—the two systems must be clearly labeled and physically separated by air gaps or reduced pressure principle backflow prevention devices to avoid contaminating the drinking water supply and all non-potable spigots and irrigated areas must be clearly labeled with warning signs to prevent the inadvertent consumption of non-potable water; and
- Addressing the potential of contaminating activities (as identified in the Hawaii Source Water Assessment Plan) within the source water protection area and activities that will be implemented to prevent or reduce the potential for contamination of the drinking water source.

To include the relevant above information in the Final EIS, along with addressing comments regarding water issues from others, in the Final EIS Section 4.8.1 (Water System) will be revised as shown on the attachment titled "Water System."

II. The DEIS Must Identify and Quantify Existing Aquifer Users

Comment: It is elementary that we must know the baseline parameters of seasonal well draws from existing Kamaole aquifer users. Once captured, the data will provide a springboard for discussion of probably future aquifer use in the water-starved, arid South Maui region.

A logical starting point is Hawaii's Commission on Water Resource Management (CWRM) ground water well index for the Kamaole aquifer, listing 134 installed wells with a total capacity of 19.23 mgd. (See attached list and maps.) While some of these wells are likely dormant or abandoned, it is notable that over 30 wells have been drilled into the aquifer during the past 10 years, many by large properties that may use significant volumes of water for irrigation, such as the Makena Surf condominiums in Makena; the Kea Lani Hotel in Wailea; Grand Champions Villas in Wailea; and the Maui Kamaole, Maui Vista, Ke Alif, and Kihel Akahi condominiums in substantial volumes of water from the aquifer for irrigation, particularly during hot, dry summer months. For example, Makena Land LLC's May 2007 water use report to the CWRM indicates a daily water draw of 2,770,553 gallons; Wailea Resort reported a daily draw of 2,728,709 gallons in the month of August 1998. (See attached.) Combined, the two reports show dry season water withdrawals equal to 5.5 mgd, wholly aside from draws by other area well owners.

Unfortunately, well owner compliance with CWRM well water reporting requirements is spotty, and the CWRM reports inability to compel owner compliance with reporting requirements. This, however, does not excuse the developer from gathering all available information and, in fact, heightens the need for it because without baseline data the risk posed to the environment by the Project becomes nothing more than a gamble. Gambling on water for a project of this size does not meet the purposes of the state's environmental laws, rules and regulations.

Here's what we need in the DEIS: (1) identification of all existing, operative Kamaole aquifer wells; (2) quantification of the seasonal use of each operative well in terms of volume of water withdrawn and water quality achieved; and (3) assessment of likely future well demand.

The utility of this information is obvious and elementary. First, current usage and water quality, measured over time, must be assessed to serve as a benchmark against which the Project's activity can be measured. Second, current pumpage volumes will shed light on the aquifer's sustainable yield and current surplus, if any. Third, pumpage data will provide a platform from which future water need scenarios can be modeled. This is particularly relevant given (a) lack of capacity of the Central Maui water system to meet new water needs, (b) persistent and continuing arid/drought conditions in south Maui, (c) continued local population growth and associated development pressure and (d) the tenuous nature of the Project's proposed "appropriator" water rights.

Response: Tom Nance Water Resource Engineering (TNWRE) has prepared a supplemental report which contains data for all wells in the Kama'ole Aquifer available from the CWRM, including reported: 1) pumpage; and 2) chlorides and water levels. The Final EIS will include this supplemental report.

According to CWRM records, there are a total of 134 wells within the Kama'ole Aquifer System, many of which are more than 60 years old and no longer in use. Of the 134 wells, 43 are known

or presumed to be in use, 47 are no longer in use or do not draw from the basal lens, and 44 are of unknown status relative to their use.

Examination of CWRM data shows that reporting of chlorides and water levels to CWRM is minimal. Only three of the 43 wells in the aquifer that are known or presumed to still be active are presently reporting that information. For wells for which TNWRE has independent data, chloride levels have been stable for a decade of monthly sampling.

To include the relevant above information in the Final EIS, in the Final EIS Section 3.5.1 (Groundwater) will be revised as shown on the attachment titled "Groundwater." In addition the supplemental report from TNWRE will be included in Appendix B of the Final EIS.

Regarding your request for "assessment of likely future well demand" for operating Kama'ole Aquifer wells, any estimate of future demand would be highly speculative at this point. In Section 7.2 (Cumulative and Secondary Impacts) of the Draft EIS it is noted that the availability of water "is a critical factor in determining whether a project can proceed and may be a limiting factor with respect to a specific project moving forward, especially in the Kihai region with its restricted water resources." Section 7.2 (Cumulative and Secondary Impacts) of the Draft EIS also states: "The feasibility of a project proceeding is based on many factors, including the State Land Use District classification, the Community Plan and zoning designations, other necessary approvals, overall economic conditions, the demand for the proposed product, and the willingness of a landowner or developer for public agency as the case may be to risk the capital required for development." Furthermore, because of the multi-stage land use approval and permitting process that exists in Hawai'i, there are many approvals of a project at various levels of government and at different points in time, including for public projects such as high schools. At each step, decision-makers involved in the process evaluate a project in the context of the existing regional conditions, including infrastructure capacity and other factors. Therefore it is speculative to make assumptions about any projects moving forward. When and if a proposed project does move forward the developer will have to determine a source of water and what impact, if any, that source would have on the aquifer, similar to what Honua'ula is doing with their Draft EIS and subsequent required approvals.

III. Existing Kamaole Aquifer Users Are Entitled to Unhindered Use of Their Wells

Comment: "[T]he rights of all land owners over a common basin, saturated strata, or underground reservoir, are coequal or correlative, and...one land owner can not extract more than his share of the water even for use on his own lands, where the rights of others are injured thereby." (Water and the Law in Hawaii, p. 105, quoting Waiahole II, P. 74.)

To the extent Wailea 670's water extraction injures other wells or the utility of the aquifer in general, other well users will be damaged, irreparably if the aquifer as a whole "salls up" and/or individual producing wells are degraded. The DEIS must calculate the risk of a negative outcome and develop alternate water sourcing plans in the event the developer's assumptions about its water use are incorrect. The use of scenario planning techniques would be helpful.

Response: As noted in the response above, examination of CWRM data shows that reporting of chlorides and water levels to CWRM is minimal. Only three of the 43 wells in the aquifer that are known or presumed to still be active are presently reporting that information. For wells for which

TNWRE has independent data, chloride levels have been stable for a decade of monthly sampling.

Section 3.5.1 (Groundwater) and Appendix B of the Draft EIS discuss potential impacts and proposed mitigation measures in regard to ground water resources. As discussed in Section 3.5.1 (Groundwater):

- Because Wailea Resort's Well 2 (No. 4126-02) is nearly directly downgradient from Honua'ula's on-site wells, it is the only well in which there may be a potential increase in salinity due to the potential decrease of groundwater flow being taken up by the on-site Honua'ula wells. Decreased pumping of Honua'ula's on-site wells would alleviate this potential impact.
- An estimated six active downgradient wells may be impacted by a potential increase in salinity due to reduced flowrate resulting from Honua'ula's off-site wells, which current calculations indicate may be on the order of five percent. These downgradient brackish wells were developed to provide landscape irrigation for individual condominium parcels, and the combined draft of all of these wells is relatively small (in the range of 0.12 to 0.30 MGD as a year round average). It is not known if the increase in salinity would materially impair the utility of the wells; however if the utility of the wells is materially impaired, additional wells (pumping the same combined amount of water) in the area north of Maui Meadows would distribute the draft over a greater area and would alleviate the impact downgradient.

IV. Well Monitoring is Needed to Guard Against Potential Disruption of Aquifer Equilibrium

Comment: *In Water and the Law in Hawaii, Mitke notes that sustainable yield is a management concept requiring periodic monitoring, particularly when withdrawals approach sustainable yield. Where the sustainable yield is speculative, as it is here, effective monitoring is particularly critical to protection of the environment.*

"Monitoring includes deep monitor wells, water-level observation wells, spring chemistry data, and water use/chloride data from production wells. Deep monitor wells measure the size and stability of the freshwater lens. Such monitoring can follow the stability of the transition zone." (Water and the Law in Hawaii, p. 7.)

The DES makes no reference to industry-standard monitoring strategies. Given the risky approach to water development proposed here, monitoring wells present the best means to guard against potential disruption of aquifer equilibrium. Accordingly, a monitoring regimen needs to be articulated in the DES (and ultimately deployed).

Response: As discussed in Section 3.5.1 (Groundwater) of the Draft EIS, groundwater in the Kama'ole Aquifer exists as a basal lens from the shoreline as far inland as the 1,700-foot contour. The direction of groundwater flow in the basal lens is mauka-to-makai.

According to Honua'ula Partners LLC's hydrologist, TNWRE, nothing in the available data from wells across the entire Kama'ole Aquifer, and more specifically in the mauka-makai corridor that may be affected by Honua'ula's wells, suggests that a monitor well is needed. Nevertheless,

Honua'ula Partners LLC will construct an upgradient golf course monitor well to a depth that will allow the well to also be used to monitor the transition zone below the basal lens. The monitor well will be installed prior to the start of use of Honua'ula's production wells. Periodic profiling of salinity and temperature through the monitor well's water column will be performed. This data will be used to track salinity in the basal lens and the movement, if any, of the transition zone.

To include the relevant above information in the Final EIS, in the Final EIS Section 3.5.1 (Groundwater) will be revised as shown on the attachment titled "Groundwater."

V. Key DEIS Deficiency Check List

The following items need to be included in the water component of the Project's DEIS:

Comment: *Identification of all existing Kamaole aquifer users, including*
a. pumpage/volume and water quality data,
b. reported seasonally, if not monthly,
c. covering an extended period of time, preferably not less than 5 years, and
d. updated not less than annually.

Response: As noted above in a previous response, TNWRE has prepared a supplemental report which contains data for all wells in the Kamaole Aquifer available from the CWRM, including reported: 1) pumpage; and 2) chlorides and water levels. The Final EIS will include this supplemental report.

According to CWRM records, there are a total of 134 wells within the Kama'ole Aquifer System, many of which are more than 60 years old and no longer in use. Of the 134 wells, 43 are known or presumed to be in use, 47 are no longer in use or do not draw from the basal lens, and 44 are of unknown status relative to their use.

Examination of CWRM data shows that reporting of chlorides and water levels to CWRM is minimal. Only three of the 43 wells in the aquifer that are known or presumed to still be active are presently reporting that information. For wells for which TNWRE has independent data, chloride levels have been stable for a decade of monthly sampling.

To include the relevant above information in the Final EIS, in the Final EIS Section 3.5.1 (Groundwater) will be revised as shown on the attachment titled "Groundwater." In addition the supplemental report from TNWRE will be included in Appendix B of the Final EIS.

Comment: *An irrevocable and continuous plan for periodic measurement and transparent reporting of the above information.*

Response: As noted above in a previous response Honua'ula Partners LLC will construct an upgradient golf course monitor well to a depth that will allow the well to also be used to monitor the transition zone below the basal lens. The monitor well will be installed prior to the start of use of Honua'ula's production wells. Periodic profiling of salinity and temperature through the monitor well's water column will be performed. This data will be used to track salinity in the basal lens and the movement, if any, of the transition zone. Honua'ula Partners LLC will comply with all CWRM monitoring and reporting requirements.

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Comment: *Articulation of an irrevocable and continuous professional well monitoring scheme designed to protect the equilibrium of the Kamaole aquifer.*

Response: As noted above in a previous response, Honua'ula Partners LLC will construct an upgradient golf course monitor well to a depth that will allow the well to also be used to monitor the transition zone below the basal lens. The monitor well will be installed prior to the start of use of Honua'ula's production wells. Periodic profiling of salinity and temperature through the monitor well's water column will be performed. This data will be used to track salinity in the basal lens and the movement, if any, of the transition zone. Honua'ula Partners LLC will comply with all CWRM monitoring and reporting requirements.

Comment: *Examination of an array of possible future states, paying particular attention to current and likely future weather and water conditions in and around the Project site. Best and worst case water availability scenarios for the Project need to be developed and possible outcomes reported, paying particular attention to the Project's tenuous hold on Haleakala Ranch well water.*

Response: As noted above in a previous response, there is extensive government oversight of all new well development and drinking water systems. Honua'ula Partners, LLC will comply with all State and County regulations and rules pertaining to well and water source development and new drinking water sources, including: 1) all requirements of Chapter 174C, HRS (State Water Code) and HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code; 2) the County's Water Availability Policy, Chapter 14.12, MCC; and 3) DOH Safe Drinking Water Branch rules pertaining to potable water systems HAR Chapter 11-20 (Potable Water Systems). To the extent that these laws and rules require "examination of an array of possible future states," Honua'ula will provide the requisite information.

Comment: *Development and articulation of carefully calculated and operationally feasible water sourcing contingency plans in the event the Project's water strategy fails.*

Response: It is highly unlikely that Honua'ula's private water system will fail. As noted above in a previous response, there is extensive government oversight of all new well development and drinking water systems. Honua'ula Partners, LLC will comply with all State and County regulations and rules pertaining to well and water source development and new drinking water sources, including: 1) all requirements of Chapter 174C, HRS (State Water Code) and HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code; 2) the County's Water Availability Policy, Chapter 14.12, MCC; and 3) DOH Safe Drinking Water Branch rules pertaining to potable water systems HAR Chapter 11-20 (Potable Water Systems). To the extent that these laws and rules require "development and articulation of carefully calculated and operationally feasible water sourcing contingency plans" Honua'ula will provide the requisite information.

Comment: *Identification/location of all water lines and storage facilities intended to support the project. To the extent these plans violate the Upcountry Community Plan, explain how conflicts will be resolved.*

Response: The Makawao-Pukalani-Kula Community Plan contains Water Objective & Policy # 4, which states:

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4. *Restrict the use of any water developed within or imported to the Upcountry region to consumption within the Upcountry region, with exception provided for agricultural use.*

Honua'ula's private water system is not in conflict with this policy. Honua'ula's off-site wells are located in the Kihei-Makana Community Plan area in an area north of Maui Meadows. The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of this water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on-site and some will be transmitted to an off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the Makawao-Pukalani-Kula Community Plan.

Figure 2 (Regional Location) of the Draft EIS shows the location of Honua'ula's off-site water infrastructure. In the Final EIS, Figure 2 (Regional Location) will be revised to show: 1) the location of the off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation; and 2) the boundary between the Makawao-Pukalani-Kula Community Plan and the Kihei-Makana Community Plan regions. The attachment titled "Figure 2" shows the revised figure.

To reflect the relevant above information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

1. *That Honua'ula Partners, LLC, its successors and permitted assigns, shall, at their own cost and expense, develop, maintain, and operate, or cause to be developed, maintained, and operated, a private water source, storage facilities, and transmission lines for the Wailea 670 (Honua'ula) project in accordance with Department of Water Supply standards and all applicable community plans. Honua'ula Partners, LLC, its successors and permitted assigns, shall comply with all reporting requirements of the State Commission on Water Resource Management.*

In addition, Honua'ula Partners, LLC, its successors and permitted assigns, shall comply with applicable water ordinances that pertain to the supply and transmission of water from the island of Maui when such ordinances are enacted.

At the time the project water system is completed, Honua'ula Partners, LLC, its successors and permitted assigns, shall offer to the County the right to purchase the project water system at the cost of development of such system.

The water rates for the residential workforce housing units shall be no higher than the general water consumer rates set by the County in its annual budget, for as long as the units are subject to Chapter 2.96, Maui County Code.

Discussion: As discussed in Section 4.8.1 (Water System), Honua'ula Partners, LLC will comply with this condition by providing a private water source, storage facilities, and transmission lines for Honua'ula in accordance with DWS standards and all applicable community plans. Further discussion is provided in Section 4.8.1 (Water System).

In comments on the Draft EIS some commenters referenced the *The Makawao-Pukalani-Kula Community Plan* and commented that Honua'ula's private water system was not in compliance with this plan. Specifically these comments pertained to Water Objective & Policy # 4 of the *Makawao-Pukalani-Kula Community Plan*, which states:

4. Restrict the use of any water developed within or imported to the Upcounty region to consumption within the Upcounty region, with exception provided for agricultural use.

Honua'ula's private water system is not in conflict with this policy. Honua'ula's off-site wells are located in the Kiheti-Makena Community Plan region in an area north of Maui Meadows. The water from the wells will be transmitted directly to Honua'ula by an underground water line running roughly parallel to the upper boundary of Maui Meadows. Some of the water will be treated by reverse osmosis at a facility within Honua'ula. Some of this treated water will be stored on site and some will be transmitted to an off-site water storage tank located east (mauka) of Honua'ula at the 810 foot elevation. The off-site water storage tank at the 810 elevation is necessary to create water pressure. The off-site wells, transmission line, and storage tank will be used exclusively to provide water to Honua'ula. Water from Honua'ula's off-site wells will not be imported to the Makawao-Pukalani-Kula Community Plan region for consumption or use, but will be transmitted through the lower elevations of the region for use at Honua'ula. No water source is being developed within the Makawao-Pukalani-Kula Community Plan region and no water is being imported to the Makawao-Pukalani-Kula Community Plan region. Rather, water from Honua'ula's off-site wells is being transmitted through the lower elevations of the Makawao-Pukalani-Kula Community Plan region. This is not in conflict with the *Makawao-Pukalani-Kula Community Plan*.

Figure 2 shows the location of Honua'ula's off-site water infrastructure and the boundary between the Makawao-Pukalani-Kula Community Plan and the Kiheti-Makena Community Plan regions.

In further compliance with ~~the same~~ Condition 1, Honua'ula Partners, LLC will also: 1) offer the right to purchase the completed water system to the County; and 2) ensure that water rates for the residential workforce housing units will be no higher than the general water consumer rates set by the County, for as long as the units are subject to Chapter 2.96 of the County Code.

Comment: *Reassessing the average rainfall assumptions contained in the current DEIS, with citation to reliable/credible sources substantiating the data used. If reassessment results in lower average rainfall data, adjust all internal calculations, particularly those relating to expected aquifer recharge and seasonal water draws for irrigation.*

Response: Section 3.1 (Climate) of the Draft EIS states that average rainfall distribution for the Kiheti-Makena region varies from under 10 inches per year to more than 20 inches per year. As noted in the Draft EIS the source of this information is the 2008 Maui County Data Book. While not broken down in the Draft EIS, the 2008 Maui County Data Book records the higher end of this range (i.e., 20 inches per year) as occurring at the Makena Golf Course. The average rainfall of 18

inches per year stated in the report titled "Assessment of the Potential Impact on Water Resources of the Honua'ula Project in Wailea Maui" (Appendix B of the Draft EIS) is within the range reported in the 2008 Maui County Data Book, and since Honua'ula is near the Makena end of the Kiheti-Makena region, it is consistent with the higher rainfall averages reported for the Makena Golf Course. Regardless, rainfall on the Honua'ula site, an inconsequential part of the 89-square mile aquifer, has little to do with the aquifer's sustainable yield.

The addition of Honua'ula's wells and water system would still have total aquifer pumpage significantly less than the CWRM's adopted sustainable yield of 11 MGD in 1990. Subsequent well development and more sophisticated studies of rainfall-recharge suggest that 11 MGD in 1990. Subsequent well development and more sophisticated studies of rainfall-recharge suggest that 11 MGD is likely to be conservative.

Comment: *Admit the uncertain status of the sustainable yield estimate for the Kamaole aquifer and discuss the implications of uncertainty. Describe how the Project will respond if the sustainable yield is less than the current uncertain estimate.*

Response: As explained in our responses to your June 2010 letter, the 11 MGD sustainable yield adopted by the CWRM for the Kama'ole Aquifer is based on computations of rainfall-recharge using average annual values of rainfall and evaporation. Subsequent and far more sophisticated recharge calculations by the U.S. Geological Survey (USGS) and others, which were done with a shorter computation time step and, for some, the inclusion of fog drip in the upper elevation areas, have all derived greater amounts of recharge to the aquifer. All suggest that the sustainable yield is actually greater than the CWRM's adopted figure. Section 3.51 (Groundwater) of the Draft EIS notes and references these more sophisticated recharge calculation studies by the USGS and others.

In 1990 when the aquifer's sustainable yield was adopted by the CWRM, well development was limited to irrigation wells for the Wailea and Makena Resorts and small-capacity wells along the Kiheti shoreline. Since that time, a number of wells have been drilled to the north and at higher elevations which produce potable quality water and a number of others have been drilled at mid-elevation and produce slightly brackish water. In addition, geophysical work has been done over a significant portion of the aquifer. In other words, a substantial amount of hydrologic information has been developed since 1990, all of which indicates that the aquifer's sustainable yield is likely to be more than 11 MGD.

Given the hydrologic information that has been developed since 1990, the aquifer's actual sustainable yield is not a limitation on development of Honua'ula.

Comment: *Develop and report comprehensive wastewater and desalination plans; meet all the requirements of HAR sections 11-200, et seq.*

Response: The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawaii's EIS laws and rules (Chapter 343, HRS) and Title 11, Chapter 200, HAR). The EIS laws and rules provide for the preparation of a draft EIS, a review process, and the preparation of a final EIS. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments, and our responses. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final

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EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments.

Section 4.8.1 (Water System) and Appendix P (Preliminary Engineering Report) of the Draft EIS include information regarding Honua'ula reverse osmosis (RO) system. As stated in Section 4.8.1 (Water System) of the Draft EIS, RO plant will be subject to regulation as a public water system and will meet requirements of the State DOH, including HAR Chapters 11-20 (Potable Water Systems), 11-21 (Cross-Connection & Backflow Control), and 11-25 (Operating Personnel in Water Treatment Plants).

Section 4.8.2 (Wastewater System) and Appendix P (Preliminary Engineering Report) of the Draft EIS discuss two alternatives for Honua'ula's wastewater system: 1) transport wastewater to the Mākena Wastewater Reclamation Facility (WWRF) for treatment; or 2) provide an on-site WWRF. Preliminary details and analysis of both alternatives is also provided. Section 4.8.2 (Wastewater System) Draft EIS also states that wastewater system design, construction, and operation (whether at a new on-site WWRF or at the Mākena WWRF) will be in accordance with County standards and in compliance with all applicable provisions of the State DOH Administrative Rules (DOH rules) regarding wastewater systems (Chapter 11-62, Hawaii Administrative Rules (HAR)). To provide additional information on both alternatives, in the Final EIS Section 4.8.2 (Wastewater System) will be revised as shown on the attachment labeled "Wastewater System."

In addition, in compliance with County of Maui Ordinance No. 3554 Condition 16, on May 11, 2010 Honua'ula Partners, LLC submitted a sewage disposal analysis (Analysis) to the Maui County Council. After receiving the Analysis, the Maui County Council accepted the Analysis and did not subject Honua'ula to any additional conditions or amendments. As a result, Condition 16 has been fully satisfied.

To reflect this updated information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

16. That Honua'ula Partners, LLC, its successors and permitted assigns, shall provide a Sewage Disposal Analysis that has been reviewed and commented on by the State Department of Health, the State Department of Land and Natural Resources, the County Department of Environmental Management, and the County Department of Water Supply prior to Project District Phase II approval. The Sewage Disposal Analysis, along with reviews and comments, shall be submitted to the Maui County Council for review and the project shall be subject to additional conditions or amendments by the Maui County Council if warranted by the Sewage Disposal Analysis.

Discussion: As discussed in Section 4.8.2 (Wastewater System) Honua'ula will not rely upon or burden any County wastewater system. Instead, Honua'ula Partners, LLC will either participate in the operation of a private WWRF and system that accommodates the needs of Honua'ula (Alternative 1) or provide a WWRF on-site (Alternative 2). The Preliminary Engineering Report prepared for Honua'ula (Appendix P) provides preliminary information regarding wastewater. For a more detailed analysis Honua'ula Partners, LLC has engaged Brown and Caldwell Engineers to prepare a Draft Honua'ula Sewage Disposal Analysis. In accordance with this condition, the Analysis ~~will be~~ has been submitted to the State DOH and DLNR and the County DEM and DWS for review and comment before Project District Phase II approval. These agencies have since provided comments and

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subsequently. ~~The~~ the Analysis, along with reviews and comments, ~~will then be~~ was submitted to the Maui County Council on May 11, 2010 for review. After receiving the Analysis, the Maui County Council accepted the Analysis and did not subject Honua'ula to any additional conditions or amendments. As a result, Condition 16 has been fully satisfied.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachments: Water System
Groundwater
Figure 2
Wastewater System

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¹ Milke explains that these "rights" are not of ownership, but rights of priority; they give the holder priority over the use of the water to which the rights attach. (Water and the Law in Hawaii, p. 96.)

June 30, 2010

Comments on Honua'ula Draft Environmental Impact Statement

I am using this opportunity to tell you that I think we owe it to our environment and to those of us that are already living here, and using water and other infrastructure, to be very careful about doing an EIS that is any less than impeccable for any large scale new projects, particularly this one.

I believe this DEIS is far from impeccable.

All of Kihei is a desert and we have selfishly turned it into a resource hogging (and reef damaging) version of a tropical paradise. It isn't possible that we can keep behaving this way. Building one or more huge new developments and even another golf course is just totally irresponsible behavior in light of what we know – or don't know about our resources.

I have had a chance to visit these lands and see their beauty and plant life and the habitations that create a uniquely historical perspective of the past. This has not been thoroughly explored and that is a sad fact.

More important are questions, legal and otherwise, of the big pieces of infrastructure that are not dealt with very fully in this report.

I know others are approaching this from a very technical basis and citing rules and laws, so I'll leave that out except to say that I hope decision makers are looking at those rules and not taking lightly that they should be adhered to.

Potable water and wastewater are not sufficiently dealt with in this report. The idea of letting developers have "control" of any part of those processes can lead to disastrous results (hey, I just coined a new word!). If we look at the wastewater treatment mess at the Maalaea condos, each one a privately run operation, and the condition of the reef in that bay, the dangers become obvious. Chances are more than even that if any private plant is included it will end up getting left to the County to deal with it at some point in the future.

If the water supply cited by the developer is insufficient or even worse turns all the other south Maui water too brackish for anyone to use, then the developer will have no choice but to come to the county for water. What then?

Nothing is known about the future of Makena Resort. Nothing much is known about the wastewater treatment plans for this project.

I believe that PBR Hawaii and the Developer have shamed themselves by turning this in as acceptable work. I think they have insulted the Planning Process by presuming they could actually do a huge document with lots of big holes in it and have the powers that be buy into it. And there is no way they have acted in the best interests of South Maui's citizens and its future.

Maybe legally Developers aren't required to act in Maui's best interests, but all the people on the other side of the table in this process do have those responsibilities. Our island needs protection from deterioration and misuse caused by man.

Please go over everyone's comments with a fine tooth comb and take this process very seriously so all of Maui will be proud that whatever decisions are made, they were pono and with impeccable integrity and lots of aloha.

I would ask that we choose this moment to set a higher standard for our future. So very much depends on it.

Maury King
3500 A Kehala Dr.
Kihei, HI 96753

808-874-5955



May 31, 2012

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Maury King
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Kihei, Hawaii 96753

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. King:

Thank you for your letter dated June 30, 2010 sent via e-mail regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. For clarity, we have numbered each specific comment or concern.

1. *All of Kihei is a desert and we have selfishly turned it into a resource hogging (and reef damaging) version of a tropical paradise. It isn't possible that we can keep behaving this way. Building one or more huge new developments and even another golf course is just totally irresponsible behavior in light of what we know – or don't know about our resources.*

Response: Honua'ula implements State and County planning policies for the Honua'ula Property that have been thought-out, studied, and advanced for over 20 years. Honua'ula realizes and supports decisions regarding the use of the Honua'ula Property for residential, recreational, and commercial uses made by the State Land Use Commission, the Maui Planning Commission, and the Maui County Council, which were affirmed through a community-based process during the course of the most recent update of the *Kihei-Makena Community Plan*. Honua'ula is also within the "urban growth boundary" of the current Directed Growth Maps of: 1) the Planning Department; 2) the Maui Planning Commission; and 3) the General Plan Advisory Committee. As such, Honua'ula realizes the vision for the Honua'ula Property that has been formulated and refined over the course of more than two decades.

The purpose and intent of Honua'ula is to implement the Project District 9 ordinance (Chapter 19,90A, MCC) governing the Honua'ula Property, which establishes permissible land uses and appropriate standards of development for a residential community consisting of single-family and multi-family dwellings complemented with village mixed uses, all integrated with an 18-hole homeowner's golf course and other recreational amenities.

2. *I have had a chance to visit these lands and see their beauty and plant life and the habitations that create a uniquely historical perspective of the past. This has not been thoroughly explored and that is a sad fact.*

Response: The Draft EIS includes detailed information on botanical resources, and archaeological and historic resources, along with specific expert consultant reports on these topics.

Maury King
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
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Section 3.6 (Botanical Resources) of the Draft EIS contains discussion on botanical resources. Appendix E of the Draft EIS contains a detailed botanical survey report on which the discussion in Section 3.6 (Botanical Resources) is based.

Section 4.1 (Archaeological and Historic Resources) of the Draft EIS contains discussion on archaeological and historic resources. Appendix E of the Draft EIS contains a comprehensive archaeological inventory survey report on which the discussion in Section 4.1 (Archaeological and Historic Resources) is based.

While you may not consider the detailed information or expert consultant studies provided in the Draft EIS as sufficient, without more specific information regarding what you think "has not been thoroughly explored" we cannot provide a more detailed response.

3. *Potable water and wastewater are not sufficiently dealt with in this report. The idea of letting developers have 'control' of any part of those processes can lead to disastrous results (hey, I just coined a new word)...Chances are more than even that if any private plant is included it will end up getting left to the County to deal with it at some point in the future.*

Response: The Draft EIS includes detailed information on water (both potable and non-potable), wastewater, and the nearshore marine environment, along with specific expert consultant reports on these topics.

Honua'ula's private water and wastewater systems are mandated to be private by County of Maui Ordinance No. 3554, which requires that Honua'ula Partners, LLC: 1) provide, maintain, and operate a private water system (Condition 1); and 2) provide, maintain, or participate in the operation of a private wastewater treatment facility (Condition 17).

Section 3.5.1 (Groundwater) of the Draft EIS contains discussion on the potential impact on groundwater resources from the creation of Honua'ula. Appendix B of the Draft EIS contains a technical groundwater assessment report on which the discussion in Section 3.5.1 (Groundwater) is based. In their letter commenting on the Draft EIS dated May 20, 2010, the State Commission on Water Resource Management stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues."

In addition, Section 4.8.1 (Water System) of the Draft EIS provides discussion on Honua'ula's potable and non-potable water infrastructure systems including water demand, source and treatment, storage, and distribution. Appendix P of the Draft EIS contains a preliminary engineering report on which the discussion in Section 4.8.1 (Water System) is based.

Regarding wastewater, Section 4.8.2 (Wastewater System) of the Draft EIS provides discussion on Honua'ula's wastewater system including projections of wastewater flow and alternatives to either transport wastewater to the Makena Wastewater Recycling Facility (WWRF) for treatment or to develop, maintain, and operate a private on-site (WWRF). Appendix P of the Draft EIS contains a preliminary engineering report on which the discussion in Section 4.8.2 (Wastewater System) is based. After treatment—at either the existing Makena WWRF or the possible on-site WWRF—R-1 recycled water (reclaimed water) will be used within Honua'ula for golf course irrigation and none of the reclaimed water will be placed into injection wells.

Regarding the nearshore marine environment (which includes reefs), Section 3.5.2 (Nearshore Marine Environment) of the Draft EIS contains discussion on nearshore water quality and marine environment downstream from Honua'ula. Appendix D of the Draft EIS contains the reports on which the discussions in Section 3.5.2 (Nearshore Marine Environment) are based.

4. *If the water supply cited by the developer is insufficient or even worse turns all the other south Maui water too brackish for anyone to use, then the developer will have no choice but to come to the county for water. What then?*

Response: Section 3.5.1 (Groundwater) of the Draft EIS contains discussion on the potential impact on groundwater resources from the creation of Honua'ula. Appendix B of the Draft EIS provides a technical groundwater assessment report on which the discussion in Section 3.5.1 (Groundwater) is based. Both Section 3.5.1 (Groundwater) and Appendix B of the Draft EIS discuss potential impacts to groundwater and mitigation measures.

Regarding your concern about the possible failure of Honua'ula's private water system, please note that currently there are at least six private water companies on the Island of Maui that provide potable water to residential customers. Several of these companies have been in operation for more than 30 years. All private potable water companies are regulated as public utilities by the State Public Utility Commission (PUC). The PUC: 1) prescribes rates, tariffs, charges and fees; 2) determines the allowable rate of earnings in establishing rates; 3) issues guidelines concerning the general management of public utility businesses; and 4) acts on requests for the acquisition, sale, disposition or other exchange of utility properties, including mergers and consolidations.

Before start up, Honua'ula's private water system is subject to the approval of the DOH Safe Drinking Water Branch. As part of the DOH approval process the DOH requires that new private water companies demonstrate capacity requirements and satisfactory technical, managerial, and financial capabilities, including:

- An adequate water source to serve current and future water users;
- Adequate system technical performance;
- An infrastructure replacement plan that includes estimates of the useful life and plans for the eventual replacement of the public water system's infrastructure;
- An operational plan that includes a preventative and corrective maintenance program;
- A clear management organization and communication structure;
- An emergency response plan;
- Adequate financial capacity and dedicated sources of income, including income and cash reserves to pay annual operating expenses, unexpected significant repairs, and planned major work;
- Adequate budget controls, including performance reviews of actual expenditures and annual budgets, procedures to safeguard financial assets, and maintenance of detailed financial records that clearly identify sources of income and expenses involved in operating the public water system; and
- Demonstration of credit worthiness, including: 1) long-term dedicated revenue projections showing sufficient revenue for: a) operating and maintaining the public

water system; b) performing anticipated repairs; c) replacement of major equipment; d) future expansion; and e) repayment of loans; and 2) credit reports that indicate that the public water system is financially healthy and credit worthy.

To include the relevant above information in the Final EIS, along with addressing comments regarding water issues from others, in the Final EIS Section 4.8.1 (Water System) will be revised as shown on the attachment titled "Water System."

5. *Nothing is known about the future of Makena Resort. Nothing much is known about the wastewater treatment plans for this project.*

Response: As previously discussed, Section 4.8.2 (Wastewater System) of the Draft EIS provides an analysis of Honua'ula's wastewater treatment options. Honua'ula Partners, LLC will either: 1) transport wastewater to the Makena WWRF for treatment; or 2) develop, maintain, and operate a private on-site WWRF. The first and preferred alternative is to transport wastewater to the Makena WWRF, as this provides the benefit of consolidating wastewater services for both Honua'ula and Makena and allows for economies of scale in the treatment process and consolidated regulatory compliance. After treatment—at either the existing Makena WWRF or the possible on-site WWRF—R-1 recycled water (reclaimed water) will be used within Honua'ula for golf course irrigation and none of the reclaimed water will be placed into injection wells.

As further discussed in Section 4.8.2 (Wastewater System) of the Draft EIS, Honua'ula Partners, LLC has had substantive discussions with the Makena WWRF owner, Makena Wastewater Corporation, and they support the connection of Honua'ula's wastewater system to the Makena WWRF; however, formal agreements with Makena Wastewater Corporation have not yet been finalized.

6. *I believe that PBR Hawaii and the Developer have shamed themselves by turning this in as acceptable work.*

Response: We acknowledge your opinion, but disagree. In a letter dated June 30, 2010 commenting on the Honua'ula Draft EIS, the Maui Planning Department/Planning Commission stated that the "Honua'ula Draft EIS is one of the better draft documents the commission has seen in terms of completeness."

The Draft EIS has been, and the Final EIS will be, prepared in conformance with State of Hawai'i EIS laws and rules (Chapter 343, HRS and Title 11, Chapter 200, HAR). The EIS laws and rules provide for the preparation of a Draft EIS, a review process, and the preparation of a Final EIS. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to review comments.

Maury King
**SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT
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Page 5 of 5

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachments: Water System

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From: Philip Thomas (www.philipt.com) [mailto:pt@philipt.com]

Sent: Wednesday, June 30, 2010 11:47 AM

To: Tom Schnell; Charlie@ehimai.com; planning@mauicounty.gov; Kathleen.Aoki@co.maui.hi.us;

osac@doh.hawaii.gov; Kuba Paracuelles; Ann Cua

Subject: serious concerns over the proposed Waitaia 670 development (Comments on Honuaula Partners DEIS)

Maui County decision-makers:

I would like to "second" all the concerns that Dr. Altenberg put forth in his well-thought-out submission to you (attached below).

It would be an inexcusable tragedy to allow deliberate destruction of such important--and endangered--habitat. "Smart Growth"--if it has any real meaning at all--does NOT mean destroying extremely rare habitat (Hawaiian dryland forest) for the sake of millionaires (both the potential residents and the developers).

Please DO NOT ALLOW the developers of this project to further fragment this valuable habitat. Please ensure that THE MOST RESPONSIBLE DESIGN is followed (if the project is allowed to proceed at all); refer to Dr. Altenberg's suggestions for keeping the largest possible section intact.

MEANINGFUL "MITIGATION" is NOT POSSIBLE in this case. Keep that at the forefront of your mind. Allowing the developers to further degrade this area in any way is ALLOWING THE DEMISE OF AN IRREPLACEABLE ECOSYSTEM.

Sorry to sound so "cautionary," but the time for "caution" is long since past: this habitat is endangered, and what may seem extraordinary measures are only fitting at this time. The loss of more than 95% of this incredibly diverse habitat has already been lost, and the remaining few areas are in trouble. That constitutes a crisis, and we (as responsible citizens of Hawaii and the world) need to respond accordingly.

Aloha,
Philip Thomas
pt@philipt.com
P.O. Box 1272
Paunene (Maui), HI 96784



May 31, 2012

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Philip Thomas
SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION
May 31, 2012
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Response: Honua'ula implements State and County planning policies for the property that have been thought-out, studied, and advanced for over 20 years. Honua'ula realizes and supports decisions regarding the use of the Property for residential, recreational, and commercial uses made by the State Land Use Commission, the Maui Planning Commission, and the Maui County Council. Honua'ula is also within the "urban growth boundary" of the current Directed Growth Maps of: 1) the Planning Department; 2) the Maui Planning Commission; and 3) the General Plan Advisory Committee. As such, Honua'ula realizes the vision for the property that has been formulated and refined over the course of more than two decades.

The Maui County Council included comprehensive conditions as part of Honua'ula's Change in Zoning Ordinance (County of Maui Ordinance No. 3554) approval. These conditions reflect a range of concerns and ensure that any impacts of Honua'ula are mitigated and addressed in context with regional impacts and demands, including impacts related to native plants, traffic, and infrastructure systems such as water and wastewater. Section 5.2.3 (County of Maui Zoning) of the Draft EIS discusses Honua'ula Partners, LLC's compliance with these conditions.

Comment: MEANINGFUL "MITIGATION" is NOT POSSIBLE in this case. Keep that at the forefront of your mind. Allowing the developers to further degrade this area in any way is ALLOWING THE DEMISE OF AN IRREPLACEABLE ECOSYSTEM.

Response: As noted above, no Federal or State of Hawai'i listed threatened or endangered plant species have been identified on the Honua'ula property. Section 3.6 (Botanical Resources) of the Draft EIS details extensive measures that will be established to protect and conserve native plant species, including: 1) establishing a Native Plant Preservation Area; and 2) implementing a conservation and stewardship plan that sets forth proactive stewardship actions to manage the native plant areas.

In response to comments on the Draft EIS requesting additional area to be set aside for native plant species, Honua'ula Partners, LLC proposes both on- and off-site measures.

For on-site measures Honua'ula Partners, LLC will increase the area of the Native Plant Preservation Area on the Honua'ula property from 22 to 40 acres. This 40-acre area contains the highest density of native plants within the Property, and will include all five 'āwīkīwī plants that were alive in 2009 and the majority of the nehe plants at the Property. The Native Plant Preservation Area will be actively managed in accordance with the Conservation and Stewardship Plan (included as Appendix F of the Draft EIS). Management actions will include removal and exclusion of ungulates (deer, cattle, goats, and pigs), removal and control of noxious invasive weeds and plants, and propagation of native plants from seeds collected on the Property.

For off-site mitigation, Honua'ula Partners, LLC will:

1. Acquire a perpetual conservation easement of approximately 224-acres on a currently unprotected portion of property owned by Ulupalakua Ranch adjacent to the eastern boundary of the State of Hawaii Kanaio Natural Area Reserve; and

SUBJECT: HONU'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Thomas:

Thank you for your e-mail dated June 30, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. We are also in receipt of the letter dated June 30, 2010 from Lee Altenberg, which was attached to your e-mail. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments.

Comment: It would be an inexcusable tragedy to allow deliberate destruction of such important—and endangered—habitat. "Smart Growth"—if it has any real meaning at all—does NOT mean destroying extremely rare habitat (Hawaiian dryland forest) for the sake of millionaires (both the potential residents and the developers).

Response: As discussed in Section 3.6 (Botanical Resources) of the Draft EIS, several botanical surveys of the Property have been conducted since 1988. In all, 146 plant species have been identified within the property, 26 of which are native; 14 of these native species are endemic to Hawai'i. The remaining 120 species are introduced non-native species.

None of the surveys identified any Federal or State of Hawai'i listed threatened or endangered plant species on the property. However, five individual plants of the candidate endangered species, 'āwīkīwī (*Canavalia pubescens*), have been documented within the property. The Property is not located within or immediately adjacent to critical habitat or recovery management units designated by the U.S. Fish and Wildlife Service (USFWS).

Regarding your comment about "millionaires (both potential residents and the developers)," as discussed in Section 4.9.3 (Housing) of the Draft EIS please note that Honua'ula will provide homes priced for a range of consumer groups, including workforce affordable homes in compliance with Chapter 2.96, Maui County Code (MCC) (Residential Workforce Housing Policy). All workforce affordable homes will be priced and subject to restrictions in accordance with the requirements of Chapter 2.96, MCC to ensure they remain both available and affordable for full-time Maui residents.

Comment: Please DO NOT ALLOW the developers of this project to further fragment this valuable habitat. Please ensure that THE MOST RESPONSIBLE DESIGN is followed (if the project is allowed to proceed at all); refer to Dr. Altenberg's suggestions for keeping the largest possible section intact.

Philip Thomas
**SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT
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2. Fund and implement the continuation and expansion of restoration efforts within the Auwahi Forest Restoration Project area, just north of the Kanato Natural Area Reserve, including fencing of approximately 130 acres, ungulate removal, and plant restoration activities.

Together the on- and off-site mitigation areas provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of native dryland plants, including wiliwili. Through the perpetual protection and enhancement of these areas, a stable core habitat area will be secured for the Blackburn's sphinx moth, providing net benefit to this species, as well as a large number of additional native dryland species. To implement the on- and off-site mitigation measures, Honua'ula Partners, LLC, will finalize its draft Habitat Conservation Plan in collaboration with the US Fish and Wildlife Service (USFWS) and State Department of Land and Natural Resources (DLNR) in accordance with Section 10(a)(1)(B) of the Endangered Species Act and Chapter 195D, Hawai'i Revised Statute. The on- and off-site mitigation areas are subject to the approval of the Habitat Conservation Plan by USFWS and DLNR.

To include this information in the Final EIS, in the Final EIS Section 3.6 (Botanical Resources) will be revised as shown on the attachment labeled "Botanical Resources."

To include discussion of a 130-acre Native Plant Preservation Area in the Final EIS, in the Final EIS Chapter 6 (Alternatives) will be revised to include the information shown on the attachment labeled "Alternatives."

Comment: *Sorry to sound so "cautionary," but the time for "caution" is long since past: this habitat is endangered, and what may see extraordinary measures are only fitting at this time. The loss of more than 95% of this incredibly diverse habitat has already been lost, and the remaining few areas are in trouble. That constitutes a crisis, and we (as responsible citizens of Hawaii and the world) need to respond accordingly.*

Response: As noted above, no Federal or State of Hawai'i listed threatened or endangered plant species have been identified on the Honua'ula property. In addition, the property is not located within or immediately adjacent to critical habitat or recovery management units designated by the USFWS. The on- and off-site mitigation areas proposed by Honua'ula Partners, LLC provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of native dryland plants, including wiliwili.

As also noted above, the Maui County Council included comprehensive conditions as part of Honua'ula's Change in Zoning Ordinance (County of Maui Ordinance No. 3554) approval, including conditions related to native plants. Honua'ula Partners, LLC will comply with these conditions.

As you reference the comments of Lee Altenberg in your comments, attached is our letter to Mr. Altenberg in response to his concerns.

Philip Thomas
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Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.
Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachments: Botanical Resources
Alternatives
Letter to Lee Altenberg

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May 31, 2012

Lee Altenberg
2605 Liholo Place
Kihei, Hawai'i 96753-7118

Comment: Lowland Hawaiian dry forest is an endangered ecosystem. Government and private actions have allowed this ecosystem to be reduced to amounts and states of degradation that threaten its long-term existence. No more than 5% of the original habitat survives in any degree, and that 5% is heavily invaded by alien plant and animal species.

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Mr. Altenberg:

Thank you for your letter dated June 30, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments. SWCA Environmental Consultants contributed to the responses in this letter. The organization of this letter follows the general headings of your letter.

SUMMARY

Comment: The proposed project represents the largest deliberate destruction of lowland Hawaiian dry forest ecosystem to occur on Maui in decades. Lowland Hawaiian dry forest ecosystem is among the twenty most endangered ecosystems in the United States. The DES compares this remnant with other remnants to denigrate its conservation value, and justify the proposed destruction of some 72% of the remnant, and severe fragmentation of another 14%. But it is silent on the importance of large, unfragmented habitat for conservation of biodiversity, and the fact that the project contains about the fourth largest of eight remaining large contiguous remnants of lowland dry forest on Maui. Moreover, the remnant is some 4 miles from Pu'u O Kala, which contains a number of listed endangered plant species, and it is likely that it could serve as critical habitat in their recovery. All of these eight remnants of this endangered ecosystem should be preserved and dedicated to restoration efforts.

Response: The purpose of Honua'ula is not to deliberately destroy a lowland Hawaiian dry forest ecosystem. To protect and enhance native plants on the property Honua'ula Partners, LLC will establish a perpetual on-site conservation easement (Native Plant Preservation Area) over an area of approximately 40 acres within the kiawe-wilivilii shrubland south of latitude 20°40'15.00"N. This preserve will contain a high density of native plants within a single, 40-acre, contiguous area. The loss of the remaining approximately 130 acres of kiawe-wilivilii shrubland, which is surrounded by a matrix of highly degraded kiawe-buffelgrass grassland and bordered on two sides by golf courses, will be offset with protection and restoration of approximately 364 acres of near-contiguous threatened dryland ecosystems at Kanaloa and Auwahi, in addition to the 40 acre on-site preserve. These off-site areas are immediately adjacent to additional protected areas, and together offer protection and recovery benefit to a very large area, including some of the most highly valued remnants of native dryland ecosystems. Together, the perpetual on- and off-site mitigation areas are expected to result in a net benefit for the endangered Blackburn's sphinx moth by enhancing the number and diversity of known native host plants on currently unprotected lands.

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Lee Altenberg
SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

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Comment: Lowland Hawaiian dry forest is an endangered ecosystem. Government and private actions have allowed this ecosystem to be reduced to amounts and states of degradation that threaten its long-term existence. No more than 5% of the original habitat survives in any degree, and that 5% is heavily invaded by alien plant and animal species.

Response: The proposed on- and off-site measures to protect native plants and Blackburn's sphinx moth habitat proposed by Honua'ula Partners, LLC provide a net conservation benefit through: a) the protection and propagation of additional native host plants for both larval and adult Blackburn's sphinx moth (including the native host species 'aiea (*Nothochoestrum spp.*) and halapepe (*Pleomele spp.*); and b) creation and protection of a higher number species of native host plants than currently exists on the Property. The proposed on- and off-site mitigation areas together provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of native dryland plants, including wilivilii. Through the perpetual protection and enhancement of these areas, a stable core habitat area will be secured for the moth, providing net benefit to this covered species, as well as a large number of additional native dryland species.

Comment: The additional deliberate destruction of remnant habitat of this ecosystem, which is proposed by Honua'ula Partners, should be prohibited by local, state, and federal policy; private interests that propose such destruction should face universal social appropriation.

Response: Local, state, and federal regulatory agencies have been consulted through numerous extensive legal land use processes involving public meetings and government agency reviews since the 1980's. An EIS was published in 1988 to address the first proposed development of this 670-acre property, and no significant botanical or wildlife resources were identified within the Property by consultants or government regulatory agencies at that time. State Division of Forestry and Wildlife (DOFAW) recommendations were limited to fencing and removal of ungulates. In 1992, a Community Plan Amendment was approved, establishing the 670 acre property as Project District 9 in the Kihei/Makena Community Plan. Also in 1992, Project District zoning approval was received for the entire project area, designating over 400 acres for two golf courses and accessory uses. Updated botanical and wildlife surveys at that time revealed no new findings. In 1994, the State Land Use Commission issued its Decision and Order to reclassify the entire 670-acre property from the State Agricultural District to the State Urban District. In 2004, updated botanical and wildlife surveys were conducted with no new findings. The first mention of the area as a remnant native dry shrubland ecosystem appeared in SWCA's 2006 survey reports.

Honua'ula Partners, LLC will comply with all applicable local, state, and federal laws and regulations. The incidental take of approximately 130 acres of kiawe-wilivilii shrubland habitat for endangered Blackburn's sphinx moths will be mitigated in accordance with County of Maui Ordinance No. 3554 Condition 27, Section 10(a)(1)(B) of the federal Endangered Species Act (ESA) of 1973, as amended, and Chapter 195D, Hawai'i Revised Statutes (HRS).

Comment: Some 160 acres of lowland dry forest survive in the Wailea 670 project area, nicely demarcated by the Historic Wall that runs mauka to makai bordering the HKEA (Bergmanis et al. 2000) a a flow. Any destruction of portions of this 160 acres is the opposite of what should be happening---these 160 acres should be managed for restoration.

Response: The area south of the historic stone wall within the Property totals 170 acres. The maximum area south of latitude 20°40'15.00"N called for in County of Maui Ordinance No. 3554

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Condition 27 is 130 acres. Honua'ula Partners, LLC maintain that protection of this entire area is infeasible. Honua'ula Partners, LLC have therefore proposed means to avoid and minimize disturbance to the largest contiguous area possible within the overall design limitations, and to mitigate the unavoidable loss of habitat through perpetual preservation and enhancement of currently unprotected and physically similar habitats off-site. These actions will result in an increase in the number and diversity of native dry forest plants and host plants for the endangered Blackburn's sphinx moth, leading to a net benefit for the species in accordance with the requirements of Chapter 195D Hawaii Revised Statutes.

Comment: *The current proposal of the Honua'ula Partners reflects its history. It represents probably about as much conservation as one could squeeze into the site plan developed before 2003. But this level of conservation is still catastrophic to the habitat — a reduction of c. 160 acres of remnant lowland dry forest to 22 contiguous acres under conservation easement, and 23 acres of mostly linear fragments of ungraded land bordering the golf course greens. The plan violates the two most important features of reserve design:*

- *A large reserve will hold more species than a small reserve because of the species-area relationships described in Chapter 8.*
- *A single large reserve is preferable to several small reserves of equal total area, assuming they all represent the same ecosystem type.*

Response: Since June of 2010 Honua'ula Partners, LLC has met with the State Department of Land and Natural Resources (DLNR), Division of Forestry and Wildlife (DOFAW) and the U.S. Fish and Wildlife Service (USFWS) on many occasions to reach agreement regarding satisfaction of County of Maui Ordinance No. 3554 Condition 27, which requires the establishment of a Native Plant Preservation Area that "shall not be less than 18 acres and shall not exceed 130 acres" on "the portion of the [Honua'ula] property south of latitude 20°40'15.00"N." The area of Property south of latitude 20°40'15.00"N. comprises an approximately 170-acre 'ā'ā lava flow characterized as kiawe-wilivilii shrubland.

As a result of the meetings with DLNR and USFWS, Honua'ula Partners, LLC proposes both on- and off-site measures to protect and enhance native plants and habitat for the Blackburn's sphinx moth.

For on-site measures Honua'ula Partners, LLC will increase the area of the Native Plant Preservation Area on the Honua'ula property from 22 to 40 acres. This 40-acre area contains the highest density of native plants within the Property, and will include all five 'āwikiwiki plants that were alive in 2009 and the majority of the nehe plants at the Property. The Native Plant Preservation Area will be actively managed in accordance with the Conservation and Stewardship Plan (included as Appendix F of the Draft EIS). Management actions will include removal and exclusion of ungulates (deer, cattle, goats, and pigs), removal and control of noxious invasive weeds and plants, and propagation of native plants from seeds collected on the Property.

For off-site mitigation, Honua'ula Partners, LLC will:

1. Acquire a perpetual conservation easement of approximately 224-acres on a currently unprotected portion of property owned by Ulupalakua Ranch adjacent to the eastern boundary of the State of Hawaii Kanaio Natural Area Reserve; and

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2. Fund and implement the continuation and expansion of restoration efforts within the Auwahi Forest Restoration Project area, just north of the Kanaio Natural Area Reserve, including fencing of approximately 130 acres, ungulate removal, and plant restoration activities.

The Kanaio and Auwahi areas have been pinpointed by USFWS, USGS, Medeiros, Loope, and Chimeria (1993), VanGelder and Conant (1998), Price et al (2007), and The Nature Conservancy to be of high value for Blackburn's sphinx moth habitat and native dryland forest and shrubland species including wilivilii and a number of threatened and endangered species.

Together the on- and off-site mitigation areas provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of native dryland plants, including wilivilii. Through the perpetual protection and enhancement of these areas, a stable core habitat area will be secured for the Blackburn's sphinx moth, providing net benefit to this species, as well as a large number of additional native dryland species. To implement the on- and off-site mitigation measures, Honua'ula Partners, LLC, will finalize its draft Habitat Conservation Plan (HCP) in collaboration with the USFWS and State DLNR in accordance with Section 10(a)(1)(B) of the Endangered Species Act and Chapter 195D, HRS. The on- and off-site mitigation areas are subject to the approval of the HCP by USFWS and DLNR.

To include the relevant information above in the Final EIS, in the Final EIS Section 3.6 (Botanical Resources) and Section 3.7 (Wildlife Resources) will be revised as shown on the attachments titled "Botanical Resources" and "Wildlife Resources."

Comment: *Conservationists prefer large reserves to small reserves for two main reasons. First, large reserves will, on average, contain a wider range of environmental conditions and thus more species than small reserves. Additionally, some species will be absent from small reserves ... simply because they live at low densities and by chance alone are unlikely to be in a small reserve (e.g. many rare plants). ...*

Response: We acknowledge your comments.

Comment: *Second, large reserves are more secure and easier to manage (at least per unit area) than small reserves for three reasons: (1) large reserves have relatively large populations that are less likely to become extinct (recall Chapter 7); (2) large reserves have a relatively shorter edge than small reserves and thus are less susceptible to external disturbances such as invasions of exotic species and poachers...; and (3) large reserves are less vulnerable to a catastrophic event... — Hunter and Gibbs, p. 235*

Response: We acknowledge your comments.

Comment: *So, the proposal represents at least complete destruction of 72% of the habitat, and severe degradation through fragmentation of another 14%, leaving only 14% that is getting the treatment that 100% of this habitat should be receiving due to the endangered state of this ecosystem.*

Response: As mentioned above, Honua'ula Partners, LLC will establish a perpetual on-site conservation easement (Native Plant Preservation Area) over an area of approximately 40 acres within the kiawe-wilivilii shrubland south of latitude 20°40'15.00"N, loss of the remaining approximately 130 acres of kiawe-wilivilii shrubland, which USFWS considers Blackburn's sphinx moth habitat, will be mitigated in accordance with Section 10(a)(1)(B) of the federal Endangered

Species Act (ESA) of 1973, as amended, and Chapter 195D, HRS. The status of the kiawe-wilwili shrubland ecosystem has not been evaluated, and aside from the Blackburn's sphinx moth, no threatened or endangered species will be impacted by Honua'ula.

Comment: In case it is not obvious why remnant habitat of endangered ecosystems should not be deliberately destroyed, here are some specific reasons:

1. Habitat loss means alteration of the physical environment or destruction of the established organisms to an extent that natural reproduction of the organisms cannot reestablish their community. This is what has happened to at least 95% of lowland dry forest in Hawaii and on Maui in particular.
2. The plan of Honua'ula Partners destroys the ability of the native species to live and reproduce on the remaining 28% of the habitat by reducing its contiguous area and by reducing the total populations of all organisms.
3. 'A'a habitat consists of microsites of soil scattered among clinker lava. Dispersed seeds have to fall upon a habitable microsite before the parent plant dies. This makes it a metapopulation, which survives through extinction and recolonization dynamics. The fewer the total number of microsites, the greater the probability of local extinction, and the faster the time to extinction (Bascombe, Possingham, and Roughgarden, 2002).
4. No amount of cultivation of native plants is a substitute for ecosystem preservation. First, cultivation is human intervention to sustain plants that would die without this intervention. Plants have survived and evolved for thousands of years without human intervention in their native habitat. No one can propose that cultivation of the native plants will be guaranteed for thousands of years into the future. Second, landscaping with native plants does not bring along all of the other species with which they form an ecosystem --- soil microbes, pollinators, the invertebrate ecosystem, and other plant species. Third, cultivation causes allele extinction and adaptation of species to the conditions of cultivation, making the resulting plants unable to resume life even in intact habitat.

The maintenance of genetic variation under cultivation is a complex management problem and one of the main difficulties of such ex situ plant conservation. Furthermore, ex situ plant conservation---the only use of cultivation for conservation---is premised upon the idea that cultivation is a temporary measure awaiting the time when the habitat of the plants is ready for their reintroduction. This is the strategy being pursued for *Hibiscus brackenridgei* at the Maui Nui Botanical Garden, for reintroduction to their site of origin, Pū'u O Kali. Ex situ conservation is never designed as a way to justify the destruction of the habitat of origin.

The proposed reduction of population sizes of all native through habitat destruction increases the chance that the remaining population falls below the minimum viable population size (Hanski, Moilanen, and Gyllenberg, 1996), where stochastic processes and genetic mutational meltdown (Higgins and Lynch, 2001) cause the eventual local extinction of the species:

Theory suggests that the risk of extinction by mutation accumulation can be comparable to that by environmental stochasticity for an isolated population smaller than a few thousand individuals. Here we show that metapopulation structure, habitat loss or fragmentation, and environmental stochasticity can be expected to greatly accelerate the accumulation of mildly deleterious mutations, lowering the genetic effective size to such a degree that even large metapopulations may be at risk of extinction. Because of mutation accumulation, viable metapopulations may need to be far larger and better connected than would be required under just stochastic demography.

It is the potential of large contiguous areas of habitat to support large metapopulations that makes the HKEA remnant lowland dry forest habitat especially valuable for conservation, and which the proposed plan destroys.

Response: Most of the native plants observed during SWCA's survey of the Property are found elsewhere throughout Maui and the main Hawaiian Islands. Until recently there have been no efforts to protect and conserve the Property, and considering its land use designations (State Urban District, County of Maui Project District 9), it is unlikely that in the absence of Honua'ula, the area will be protected. Thus without Honua'ula, the value of the existing remnant ecosystem will continue to degrade. The proposed onsite Native Plant Preservation Area encompasses a contiguous 40-acre area within the *kiawe-wilwili* shrubland to protect the portion of the remnant native lowland dry shrubland plant community with the highest densities of selected endemic/native plants having high conservation priority.

The proposed size and location of the Native Plant Preservation Area are based, in part, upon a vegetation density analysis employed by SWCA to aid in defining areas where preservation could be most effective. The size and location of the Native Plant Preservation Area are also based upon scientific research that suggests even small restoration efforts consisting of a few hectares can help provide habitat for native species and can subsequently serve as urgently-needed sources of propagules (Cabin et al. 2000b, Cabin, et al. 2002a). This is reinforced by numerous sources of information on successful propagation of native plants specifically for landscaping (e.g., TNC 1997, Tamimi 1999, Friday 2000, Wong 2003, Bornhorst and Rauch 2003, Lilleeng-Rosenberger and Chapin 2005, CTAHR 2006). The research shows that even small preserves consisting of individual trees are being deemed as appropriate and feasible by USFWS and DLNR when managed in combination with regional preserve areas, such as at La'i'opua on Hawai'i Island (Leonard Bisel Associates, LLC and Geometric Associates 2008.). The purpose of any ex-situ native plant propagation is to enhance the native plant community on-site through outplanting, not to provide an ex-situ population.

As noted in Section 3.6 (Botanical Resources), to further protect native species on-site, Honua'ula Partners, LLC will:

- Conserve as many of the *wilwili* trees as possible outside the Native Plant Preservation Area;
- Fence the entire perimeter of the Property, and other areas as appropriate, to exclude feral ungulates from the *kiawe-wilwili* shrubland. A fence has already been erected, however fencing requirements will be reviewed and updated (for example, to include stronger deer fencing) as establishment of the Native Plant Preservation Area and site construction begins (this is consistent with County of Maui Ordinance No. 3554 Condition 7);
- Implement an ungulate management plan to ensure that goats, deer, pigs, and stray cattle are removed in a humane manner from the Native Plant Preservation Area and the Native Plant Conservation Areas (this is consistent with County of Maui Ordinance No. 3554 Condition 7);
- Employ a Natural Resources Manager to help develop and implement specific conservation programs to ensure the protection of native plants and animals;
- Implement a program to control and eradicate invasive grasses, weeds, and other non-native plants from the Native Plant Preservation Area with the exception of the non-native tree tobacco (*Nicotiana glauca*), which is a recognized host plant for the endangered Blackburn's sphinx moth (*Manduca blackburni*);

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- Implement a native plant propagation program for landscaping with plants and seeds naturally occurring on the Property. All plants native to the geographic area will be considered as potential species for use in landscaping;
- Implement a seed predator control program to control rats, mice, and other seed predators;
- Implement a fire control program to help protect the Native Plant Preservation Area and other areas and ensure the success of plant propagation and conservation efforts;
- Implement an education and outreach program open to the public and sponsor service groups to assist with implementation of native plant management programs;
- Apply for additional program support offered by the State of Hawai'i (Natural Area Partnership Program and Hawaii Forest Stewardship Program) and USFWS to promote sound management of the natural resources within Honua'ula;
- Continue long-term vegetation monitoring during wet and dry seasons to evaluate the health of native plants and to support the development of the Conservation and Stewardship Plan for the Native Plant Preservation Area and native plant restoration efforts; and
- Finalize its draft Habitat Conservation Plan (to include the candidate endangered 'āwīkīwīkī) in collaboration with USFWS and DLNR in accordance with Section 10(a)(1)(B) of the Endangered Species Act and Chapter 195D, HRS.

As noted above, Honua'ula Partners, LLC also proposes off-site measures to protect and enhance native plants and habitat for the Blackburn's sphinx moth. Together the on- and off-site mitigation areas provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of native dryland plants, including wīlīwīlī.

Comment: *The pre-2003 site plan should be jettisoned, and a new site plan developed that protects all of the 'a' a habitat south of the Historic Wall. Such a site plan would have to increase the density of the 76% of the property without native biota by 30% to include all of the currently planned units and features. If the conservation area is kept to the 130 acres mandated by the Unilateral Agreement should DLNR and USFWS find it merits preservation, the revised site plan would be able to develop 81% of the 670 acres, and could maintain all the planned items by a 24% increase in density. Such increased density is a high priority among the "Smart Growth" principles advocated by Honua'ula Partners.*

Response: Restricting all development south of the historic wall and thus increasing density in the northern part of the property would result in significant changes to the Conceptual Master Plan, resulting in conflicts with several provisions of Chapter 19.90A, Maui County Code (MCC). A Native Plant Preservation Area of 130 acres would necessitate shifting a significant number of single-family and multi-family homes to the northern section of the Property, thereby increasing density in this area. It would also significantly change the golf course layout or possibly make a golf course altogether infeasible. Simply reducing the number of homes or not providing a golf course could make Honua'ula economically unfeasible in light of the significant on and off-site improvements required as conditions of County of Maui Ordinance No. 3554. Reducing the number of homes and/or not providing a golf course would also dramatically decrease the economic benefits of Honua'ula, such as property tax revenues to the County, total gross tax revenues to the State; and impact fees paid to the County and State by Honua'ula Partners LLC.

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To provide an alternative discussing a 130-acre Native Plant Preservation Area, which includes and elaborates on the above information in the Final EIS, in the Final EIS Chapter 6 (Alternatives) will be revised to include the information shown on the attachment labeled "Alternatives."

Comment: *SWCA Environmental Consultants (SWCA) appears to be aware of this situation, but faces the dilemma of providing a product that is satisfactory to their client, Honua'ula Partners. The resulting product reflects the limits of how true to conservation biology a hired consultant can remain within their contractual relationship.*

SWCA's botanical survey of the property is unparalleled in its conception, execution, and exposition. It sets a new high bar on what should be expected from an EIS. Moreover, the data in their study provides an invaluable baseline from which to monitor the effects of habitat protection and restoration for the habitat in coming decades --- should the habitat survive intact from the current plans of its client, Honua'ula Partners.

Response: We acknowledge that SWCA Environmental Consultants has done excellent work at Honua'ula. SWCA's role is as a professional environmental consultant. As such their function is to perform the work required within the regulatory context of the project, following both guidelines and laws established by regulatory agencies.

Comment: *But the attempts in SWCA's report to justify their client's development proposal are unfortunate. They resort to several rhetorical tactics:*

1. *Denigrating the conservation value of the habitat remnant on 'a flow HKEA;*
2. *Ungraded, unprotected fragments of land, and counting the acreage of ungraded, unprotected fragments of land, and counting the acreage of landscaping where native plants are proposed to be used;*
3. *Using the fact that other Hawaiian dry forest are receiving conservation efforts as justification for destruction of the habitat on HKEA;*
4. *Using the fact that a few other remnants of lowland dry forest have higher remaining plant biodiversity than HKEA to justify the destruction of habitat on HKEA;*
5. *Using the fact that other reserves have been forced to work with small acreages as justification for destroying the large acreage of habitat on HKEA.*

Response: We acknowledge your comments but respectfully disagree that SWCA Environmental Consultants has resorted to "rhetorical tactics" such as denigrating the conservation value of the kiawe-wīlīwīlī shrubland and exaggerating the conservation value of recommended mitigation efforts.

In response to your comment regarding "counting the acreage of ungraded, unprotected fragments of land, and counting the acreage of landscaping where native plants are proposed to be used," as a result of meetings with DLNR and USFWS, original approaches to protect native plants and wildlife habitat discussed in the Draft EIS have evolved to address concerns expressed. While Honua'ula Partners, LLC is still providing significant on-site areas to protect native plants and wildlife habitat, Honua'ula Partners, LLC in now also proposing a far more ambitious plan with significant off-site measures. The proposed on- and off-site measures provide a net conservation benefit through the quality and quantity of the area that will be protected. Compared to providing only an on-site Native Plant Preservation Area of a maximum 130 acres, the on- and off-site mitigation areas provide up to 394 acres for protection for dryland forest species, including wīlīwīlī and a greater diversity native host plants for the Blackburn's sphinx moth. Through the perpetual protection and enhancement of these areas, a stable core habitat area will be secured

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for the Blackburn's sphinx moth, providing net benefit to this species, as well as a large number of additional native dryland species.

To include the relevant information above in the Final EIS, in the Final EIS Section 3.6 (Botanical Resources) and Section 3.7 (Wildlife Resources) will be revised as shown on the attachments titled: "Botanical Resources" and "Wildlife Resources."

Comments by Section

Comment: *The Botanical Survey gives an excellent review, and I have no criticisms, until p. 4, where it cites my report incorrectly:*

Recently, Altenberg (2007) drew attention to the southern portion of the Property which he claimed to be among the best examples of a remnant native lowland dry forest remaining on Maui. ... Altenberg (2007) identified eight wiliwili (E. sandwicensis) forests in southeast Maui including Kanaloa, Pu'u o Kali, Honua'ula / Waialea 670, Makena, La Perouse, Kaupō, Lualālia, and Waikapu.

Nowhere did I claim it "among the best examples"; the word "best" was used only once---to refer to the best data available on the extent of remnant wiliwili habitat on Maui, the maps of Jonathan Price. It is Price's map, not I, that show eight remaining large contiguous areas of wiliwili habitat, among which Waialea 670 can be seen to be around the fourth largest among these 8. Hence, the large contiguous wiliwili habitat in Waialea 670 is not "among the best examples", but among the only examples of large, contiguous lowland dry forest left on Maui.

Response: We apologize that your report was cited incorrectly; however, with the exception of incorrectly stating that you claimed that southern portion of the Property to be among the best examples of a remnant native lowland dry forest remaining on Maui, we note that the other statements in the botanical survey report regarding your report are accurate.

It should be noted that regarding the map by John Price you reference here and in your report, John Price notes that the map shows areas of extent, rather than areas of occupancy, with the purpose of identifying areas in which people may be able to collect wiliwili seeds. The areas shown on the map are meant to depict areas where scattered individuals may exist, rather than contiguous areas of wiliwili, as you assert in your letter. Since this map does not take into consideration any parameter other than presence of wiliwili, it is a very limited tool to indicate the value of the area for the species.

Comment: *The rhetorical denigration of the remnant continues on p. 5:*

Hence, the southern portion of the Property may be described more accurately as a highly disturbed, remnant native coastal dry shrubland (sensu Gagne and Cuddihy 1999) in which wiliwili (Erythrina sandwicensis) has become a common inhabitant. Medeiros (USGS, pers. comm.) suggested that mature wiliwili (Erythrina sandwicensis) trees may be found throughout southeastern Maui, often in abundance and greater densities than those encountered in the Property.

...Price et al. (2007) recently developed methods using bioclimatic data to map habitat quality for and range of two widespread plant species including wiliwili (Erythrina sandwicensis) and two rare plant species throughout the Hawaiian Islands. The area

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encompassed by the Property appears on these maps as 'medium' to 'low' habitat quality for wiliwili (E. sandwicensis) (Price et al. 2007). However, numerous areas in southeastern Maui located between Pu'u Ola'i and Kaupō outside the Property did appear as having 'high' habitat characteristics on the maps prepared by Price et al (2007).

Response: We fail to see how citing the conclusions of previous research constitute "rhetorical denigration of the remnant."

Comment: *So, here perhaps see why SWCA misquoted me as saying HKEA was among the "best" examples, so that they could discredit me by showing "other, better examples" exist. But here is what Price and colleagues have to say about the overall situation of Hawaiian dry forest:*

Hawaiian dry forests were once considered to be the most diverse forest ecosystem on the Hawaiian Islands (Rock 1913), however, today they are extremely deforested and degraded. Our results show that forty-five percent of Hawaiian dry forest taxa are at risk of endangerment and that patterns of endangerment in Hawaiian dry forests are unique compared to other Hawaiian forest types. ... There is currently no data on the number of tropical dry forest fragments remaining on the Hawaiian Islands and no species lists for these fragments. Future research should begin by identifying the remaining extent and distribution of Hawaiian dry forest fragments because they are clearly endangered. The effects of habitat destruction, fragmentation, and the breakdown of native ecosystem functions play a large role in determining patterns of diversity that cannot be fully explained by island age and area. Examining patterns of species richness, composition, and structure among these remaining forest fragments would produce valuable information for understanding patterns of diversity in an increasingly endangered forest type. (Pau, Gillespie and Price, 2009)

Response: Again we apologize that your report was cited incorrectly; this was not done with the intent to discredit your work.

Comment: *Now, once the text moves into the actual botanical survey, Sections 2 and 3 (pp. 5-17), we find quite excellent work and reporting. The areas of wiliwili habitat shown in Price's map find confirmation in SWCA's aerial reconnaissance:*

Our aerial reconnaissance confirmed input from others (A.C. Medeiros, USGS, pers. comm.; Altenberg, 2007) suggesting that several additional high density wiliwili (E. sandwicensis) groves may be found near Pu'u Ola'i, Kanaloa, Pu'u O Kali, Makena (Figure 12), La Perouse, Kaupō, and Lualālia. (p. 17, 3.5 Aerial Reconnaissance Survey)

Response: We appreciate your acknowledgement of SWCA's work.

Comment: *However, in the Discussion, Section 4, the rhetoric returns.*

Similarly, there have been no previous efforts by any Federal, State, local government agency, or conservation Non-governmental organizations (NGOs) to acquire and protect any portion of the Property.

Very few have the resources "to acquire and protect" property. The most recent actions putting dry forest into conservation were made by current owners, not by acquisition. The Erdmans put thousands of acres in to conservation easement, and Hawaiian Homelands put c. 250 acres of Pu'u O Kali into conservation. In contrast, Honua'ula Partners propose to put only 22 acres into conservation easement. And while not having the resources to acquire, several NGOs have put efforts into protecting the habitat at Waialea 670, including

the Native Hawaiian Plant Society, Maui Tomorrow, the Sierra Club, and Maui Cultural Lands, and many others without resources to acquire have submitted testimony in favor of complete preservation.

Response: In context, the statement that you quote above from the botanical survey report is as follows:

The Property was viewed by Char and Linney (1988) and Char (1993, 2004) as having unremarkable vegetation. Until SWCA (2006) and Altenberg (2007), there had been no recognition of the remnant mixed kiawe-wilivilii shrubland as an area worthy of special recognition. Similarly, there have been no previous efforts by any Federal, State, local government agency, or conservation Non-governmental organizations (NGOs) to acquire and protect any portion of the Property.

We maintain that it is accurate to say that there have been no previous efforts by any Federal, State, local government agency, or conservation Non-governmental organizations (NGOs) to acquire and protect any portion of the Property. However we do recognize that since the mid-00's you and others have made efforts to bring attention to the conversation value of the kiawe-wilivilii shrubland south of the historic wall.

To reflect this change in the Final EIS, in the Final EIS Section 3.6 (Botanical Resources) will be revised as follows:

None of the surveys identified any Federal or State of Hawai'i listed threatened or endangered plant species on the Property. However, five individual plants of the candidate endangered species, 'āwikīwī (*Canavalia pubescens*), have been documented by SWCA (2010a) within the Property. The Property is not located within or immediately adjacent to critical habitat or recovery management units designated by the U.S. Fish and Wildlife Service (USFWS). ~~Here~~ Until recently there have been no efforts by any Federal, State, or local government agency, or non-governmental conservation organizations to acquire ~~and~~ or protect any portion of the Honua'ula Property.

Comment:

*The remnant native vegetation in the remnant mixed kiawe-wilivilii shrubland represents a highly degraded lowland dry shrubland in which wilivilii trees (*E. sandwicensis*) are a natural component. High density wilivilii (*E. sandwicensis*) stands occur in other locations throughout the region. Altenberg (2007) identified eight areas in southeast Maui, including the Property, where wilivilii (*E. sandwicensis*) groves are found. In this study, we also found dense wilivilii (*E. sandwicensis*) groves east of Pu'u Olai.*

*Far from being pristine, this dry shrubland has been degraded by human activities including unrestricted grazing by ungulates, cattle grazing, invasive plant species, road works, kiawe (*P. pallida*) logging, and military activities. Only 26 of the 146 species reported from the parcel are native, 14 of these are endemic, and 120 are introduced non-native species (Figure 6).*

More denigrating language, and language intended to make it seem like the ecosystem represented here is common. No comparison is given between the species list at HKEA and at Pu'u O Kali. A 2004 list of species at Pu'u O Kali (Forest Start) shows 35 native species, compared to 26 found by SWCA at HKEA. So, while

describing Pu'u O Kali thus: "Pu'u O Kali Forest Reserve is a remnant wilivilii (*E. sandwicensis*) forest on the slopes of east Maui above Khei. It is among the most diverse and intact lowland dry forests on Maui which also supports endangered flora." (p. 23) it describes HKEA as "highly degraded lowland dry shrubland" even though it as 72% of the native plant biodiversity of Pu'u O Kali.

The comparisons with the very best surviving dry forest remnants in Hawaii are clearly intended to justify the destruction and degradation of most of the HKEA remnant, and its removal from among the 8 large contiguous lowland dry forest areas that survive on Maui. But that is a fallacious line of reasoning. The fact that a particular Da Vinci painting may not be as well preserved as others does not justify its destruction. The fact that three grandparents may be healthier than one does not justify denying that one the best chance at longevity. Lowland Hawaiian dry forest is an endangered ecosystem, and all surviving remnants of that ecosystem deserve maximal preservation and restoration.

Response: In context, the statement that you quote above from the botanical survey report is as follows:

*Pu'u O Kali Forest Reserve is a remnant wilivilii (*E. sandwicensis*) forest on the slopes of east Maui above Khei. It is among the most diverse and intact lowland dry forests on Maui which also supports endangered flora. As Monson (2005) quoted A.C. Medeiros, "Pu'u-O-Kali is the only place on this whole side that looks like it did in ancient times... It's the only place where a Hawaiian from long ago would look around and say, 'Oh, I know where I am.' They wouldn't recognize the rest of South Maui."*

Whereas Pu'u O Kali has received protection, until recently there have been no efforts by any Federal, State, or local government agency, or non-governmental conservation organizations to acquire and protect any portion of the Honua'ula Property

Comment: The DEIS emphasizes numerous times that no currently listed endangered plant species are found on the property. But the purpose of the Endangered Species Act is not discussed:

ENDANGERED SPECIES ACT OF 1973 [Public Law 93-205, Approved Dec. 28, 1973, 87 Stat. 884] [As Amended Through Public Law 107-136, Jan. 24, 2002]

(b) PURPOSES. The purposes of this Act are to provide a means whereby the ecosystems upon which endangered species and threatened species depend may be conserved, to provide a program for the conservation of such endangered species and threatened species, and to take such steps as may be appropriate to achieve the purposes of the treaties and conventions set forth in subsection (a) of this section.

(5)(A) The term "critical habitat" for a threatened or endangered species means—

(i) the specific areas within the geographical area occupied by the species, at the time it is listed in accordance with the provisions of section 4 of this Act, on which are found those physical or biological features (I) essential to the conservation of the species and (II) which may require special management considerations or protection; and

(ii) specific areas outside the geographical area occupied by the species at the time it is listed in accordance with the provisions of section 4 of this Act, upon a determination by the Secretary that such areas are essential for the conservation of the species.

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Response: We acknowledge that the purpose of the Endangered Species Act (ESA) is not only to protect species that have been listed as threatened or endangered, but also to conserve the ecosystems upon which those species depend. While the primary objective of the ESA is the protection of endangered species, and the "take" of such species is considered unlawful, the ESA is not absolute. In 1982, amendments were made to the 1973 ESA which authorize the Secretary of the Interior and the Secretary of Commerce to allow the take of federally listed species (Endangered Species Act, Section 10a(1)(B)). When non-federal activities that would otherwise be legal have the potential to result in the "take" of a listed species for example, they may be allowed under an Incidental Take Permit, obtained through the USFWS. To mitigate the take of listed species, Section 10 of the ESA requires that parties wishing to obtain an Incidental Take Permit must submit a HCP, with their application.

As provided under the ESA, Honua'ula Partners, LLC has prepared a draft HCP. This HCP will be finalized to provide: 1) measures to offset the potential impact of Honua'ula on two Covered Species (Blackburn's sphinx moth and nēnē); and 2) avoidance and minimization measures expected to avoid any negative impacts on five additional endangered species (the Hawaiian duck, Hawaiian silt, Hawaiian coot, Hawaiian petrel, and Hawaiian Hoary bat), one threatened species (Newell's shearwater), one candidate endangered species (ʻāwīkīwī), and the Hawaiian short-eared owl (pueo) which is not a listed species on Maui. The HCP will be in support of an Incidental Take Permit (ITP) for Blackburn's sphinx moth and nēnē in accordance with Section 10(a)(1)(B) of the ESA of 1973, as amended, and an Incidental Take License (ITL) in accordance with Chapter 195D, HRS.

In accordance with its HPC Honua'ula Partners, LLC in now also proposing a far more ambitious plan with on- and off-site measures. The proposed on- and off-site measures to protect native plants and Blackburn's sphinx moth habitat proposed by Honua'ula Partners, LLC provide a net conservation benefit (as required under Chapter 195D, HRS) through: a) the protection and propagation of additional native host plants for both larval and adult Blackburn's sphinx moth (including the native host species 'aiea (*Nathoecstrum* spp.) and halapepe (*Pleomele* spp.); and b) creation and protection of a higher number species of native host plants than currently exists on the Property. The proposed on- and off-site mitigation areas together provide approximately 394 acres of native dry shrublands for the perpetual protection and propagation of native dryland plants, including wilivilī. Through the perpetual protection and enhancement of these areas, a stable core habitat area will be secured for the moth, providing net benefit to this covered species, as well as a large number of additional native dryland species.

Comment: Because the extirpation of species is an ongoing process in lowland dry forest on Maui (having been seen for *Hibiscus brackenridgei* in Pu'u O Kali in the 1990s, and for *Chamaecybe celastroides* var. *lorifolia* on HKEA in 2007), the absence of species from remnants that are present on nearby remnants must be considered to be the result of local extinction, most likely by ungulate grazing. It is likely that the listed endangered species at Pu'u O Kali would recolonize HKEA if reintroduced, so HKEA needs to be considered as critical habitat for their recovery.

Response: Prolonged drought, in addition to ungulate grazing, must also be recognized as a natural threat to the survival of native dry shrubland plants, as well as wildfire, the intensity and frequency of which are exacerbated by fuel load provided by non-native, drought tolerant grasses, and climate change. It is likely that conservation and stewardship activities proposed for the on- and off-site mitigation areas will need to employ measures to help ensure the recovery of native

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plants such as ʻāwīkīwī, nehe, ilima, and which have all but completely disappeared from Honua'ula in the past two years due in part to the extremely dry conditions. A fire plan will be put in place to avoid further threat from wildfire.

Considering the history and land use designations of the Property (State Urban District, County of Maui Project District 9), it is unlikely that in the absence of Honua'ula, any conservation measures would be implemented to abate the abovementioned threats, and degradation will continue.

Comment: The wildlife survey does not consider invertebrate species such as native Hawaiian bees, which are under discussion for listing as endangered species. It is completely unknown what impacts the proposed habitat destruction may have on the native bee species. A great deal is unknown about lowland Hawaiian dry forest ecology. The HKEA remnant is a potential study site to learn more, and for this reason, should also be preserved in its entirety.

Response: In the summer of 2011, Dr. Karl Magnacca of the University of Hawaii at Hilo conducted a study to search for native Hawaiian bees in the genus *Hylaeus* at several locations in Southeast and West Maui including Honua'ula and the proposed mitigation areas. Dr. Magnacca found no native Hawaiian bees in the genus *Hylaeus* within or adjacent to Honua'ula or the proposed off-site mitigation areas.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

Attachments: Wildlife Resources
Botanical Resources
Alternatives

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O:\DRI\9\1965-08 Honua'ula\EIS\DEIS\Comments\Responses\Public\Lee Altenberg.doc

June 30, 2010

Comments regarding the Draft Environmental Impact Statement (DEIS) for the Honua'ula Project also known as Wailea 670 in the Kihei-Wailea area of Maui County, Hawaii.

My overall perception of the document is that it is predominantly vague and lacking the detail and concise information necessary to be a complete DEIS. The document does not meet the needs of the community.

A. Condition #6 mandates that a Master Drainage Plan and Phasing Plan of improvements shall be submitted for review and approval during Phase II processing. Although there are vague references such as in Appendix P 4.1 Detention Basins "The development of the golf course will control runoff. The detention basins will keep the post-development runoff on site so as to not adversely affect properties downstream to the west." Concise details such as would be included in a Master Drainage plan and Phasing Plan are not included in the DEIS.

B. Final Condition #14. "That a **nonpotable** water supply system shall be utilized for all irrigation purposes."

Appendix P of DEIS 3.2.2.4 Distribution

"The on-site upper level and lower level **potable** water distribution system respectively will largely follow the proposed roadway system providing water to irrigate the golf course, individual residential lots, roadway landscaping, and other common areas."

Although other areas of the DEIS present plans for use of non-potable water to irrigate, the above DEIS entry comes under the section 3.2.2 Proposed Potable Water System Improvements and is contrary to the Condition.

C. Condition #16 "...shall provide a Sewage Disposal Analysis..."

Appendix P 2.1.2 Makena Wastewater Reclamation Facility

"The current design capacity of the Makena WWRF is 720,000 gallons per day (GPD), and was designed to be expandable to **1.54 mgd**. Currently the Makena WWRF has a wastewater flow of 391,413 gpd with an excess capacity of 328,587 gpd."

After expansion and at full capacity only **1,148,587 mgd** wastewater flow would be available for the Honua'ula Project.

2.2 Design Wastewater Flows Table 2-1 Wastewater Flow Analysis indicates "Maximum Hour Dry Weather **1.37mgd**" and "Peak Wet Weather **2.19 mgd**"

Even if we assume the unlikely possibility that Makana Resort will never need to use more capacity, it appears that the Makana WWRF does not have the capacity to fulfill the needs of the Honuaʻula Project.

There is no in-depth description of an alternative private wastewater treatment facility included in the DEIS.

D. Condition #20 requirements regarding assessment of Marine Water Chemistry.

Appendix D

1. Purpose "Water Quality Monitoring shall provide water quality data adequate to assess compliance with applicable State water quality standards at Hawaii Administrative Rules Chapter 11-54..."

The DEIS addresses nutrients only. According to the May 27, 2009 HIDOH Standards Chapter 11-54-4 Paragraph 3 the full range of pollutants, including, but not limited to, toxic pollutants, must be addressed. These standards include narrative as well as numeric criteria. Only nutrient numeric information is included in the DEIS. The DEIS is incomplete in this area.

"Compliance with the ecological monitoring requirement of this condition will be provided in a separate report." Where is this report? As stated, it must be included in the DEIS. The DEIS is incomplete.

IV. Discussion and Conclusions

3. "R-1 effluent from the Wastewater Treatment Plant that will be used for golf course irrigation will have an N concentration of 10.85mg/L and a P concentration of 2.00mg/L." These levels are not as good as the County levels. We need a Total Maximum Daily Load to determine what these numbers should be.

4. 35% of the brackish water which goes through the reverse osmosis process will not be filtered of salts and particulates and will have a higher salinity percentage. This water will be added to reused water which will then be used as irrigation water. This will add higher levels of salinity to the already brackish aquifer. This effect on the aquifer is not discussed in the DEIS.

IV. (Roman numeral repeated in the DEIS) Summary

"Such exceedances occurred at all survey sites, including the control site (Ahihi) which is not influenced by the golf courses or other large-scale land uses."

The DEIS consistently maintains that, according to the project-hired consultants, the control site for nutrient testing (Ahihi) is not contaminated by land-use, and that none of the monitored sites are contaminated by land-use. Evidence of these broad-reaching statements has not been included. My personal experience as a SCUBA instructor here for many years, and after thousands of dives in these waters, has shown that strong currents often move south along the

Maui coastline through and beyond the Ahihi area. The DEIS statements do not cite evidence that land-use does not affect Ahihi, or the other monitored sites. This assumption by the consultants appears to be lacking evidence and naïve at best.

The DEIS looks at the overall impact on the environment and so is not limited by the rezoning conditions. Therefore I have some questions regarding a different aspect of this issue: Why doesn't Kihei use the Kamaole aquifer? If there is adequate water available nearby (11mgd according to the DEIS Appendix P 3.1 Existing Conditions), why do we pump water all the way from the Iao aquifer? Is it because either the water is not actually available or that it is not usable?

The 1993 Rezoning conditions stated that County water and sewer would be used for this project. Once the County realized that our infrastructure and water supply could not support the project, the County amended the conditions to mandate that the developers provide their own water supply and wastewater treatment facilities. The project is counting on the output of the Kamaole aquifer for all water usage now and into the forever future. The use of Kamaole aquifer needs to be high qualified and closely considered by everyone. The treatment of wastewater is not determined. These issues indicate that the DEIS is not complete and is unacceptable as is.

I am concerned that when the County determines that our infrastructure and water supply cannot support a given development that we then mandate private development of important water supply and wastewater infrastructure which could potentially put our health, welfare, and environment at risk. We are turning over the public trust of water to profit-oriented private enterprise where the County is creating a situation in which we will have difficulty assessing and controlling cumulative effects.

This policy of giving control of water resources to private enterprise has a negative impact on the community as a whole. We should reconsider that if the County cannot support the supply of water and the infrastructure to manage it, perhaps it is inadvisable to allow creation of that development until such time that the County can manage the resources necessary to support the project.

The overriding impression of the DEIS is that it is vague and lacking of mandated information, I hereby submit that the DEIS is incomplete and unacceptable.

Respectfully,

Teri Leonard
3500A Kehala Dr.
Kihei, HI 96753



May 31, 2012

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Honua'ula Partners, LLC has complied with Condition 6 and the required information is included in the Draft EIS.

Comment: B. Final Condition #14. "That a **nonpotable** water supply system shall be utilized for all irrigation purposes."

Appendix P (Preliminary Engineering Report) of DEIS 3.2.2.4 Distribution

"The on-site upper level and lower level potable water distribution system respectively will largely follow the proposed roadway system providing water to irrigate the golf course, individual residential lots, roadway landscaping, and other common areas."

Although other areas of the DEIS present plans for use of non-potable water to irrigate, the above DEIS entry comes under the section 3.2.2 Proposed Potable Water System Improvements and is contrary to the Condition.

Response: Section 3.2.2.4 of the PER which you cite is in error and will be corrected in the Final EIS. Honua'ula will use non-potable water for all irrigation purposes in compliance with County of Maui Ordinance No. 3554 Condition 14. This is clearly stated in: 1) Section 4.8.1 (Water System) of the Draft EIS; 2) Section 5.2.3 (County of Maui Zoning) of the Draft EIS; and several other sections of the Draft EIS. Thank you for pointing out this error in the PER.

Comment: C. Condition #16 "...shall provide a Sewage Disposal Analysis..."

Response: County of Maui Ordinance No. 3554 Condition 16, to which you refer, does not require the Sewage Disposal Analysis to be included with the Draft EIS. Rather, Condition 16 requires the Sewage Disposal Analysis to be submitted to the Maui County Council following review by certain State and County agencies:

16. That Honua'ula Partners, LLC, its successors and permitted assigns, shall provide a Sewage Disposal Analysis that has been reviewed and commented on by the State Department of Health, the State Department of Land and Natural Resources, the County Department of Environmental Management, and the County Department of Water Supply prior to Project District Phase II approval. The Sewage Disposal Analysis, along with reviews and comments, shall be submitted to the Maui County Council for review and the project shall be subject to additional conditions or amendments by the Maui County Council if warranted by the Sewage Disposal Analysis.

As discussed in Section 5.2.3 (County of Maui Zoning) of the Draft EIS, in compliance with Condition 16:

...Honua'ula Partners, LLC has engaged Brown and Caldwell Engineers to prepare a Draft Honua'ula Sewage Disposal Analysis. In accordance with this condition, the Analysis will be submitted to the State DOH and DLNR and the County DEM and DWS for review and comment before Project District Phase II approval. The Analysis, along with reviews and comments, will then be submitted to the Maui County Council for review.

Since the time that the Draft EIS was completed, the Sewage Disposal Analysis (Analysis) has been completed and, in accordance with the requirements of Condition 16, has been provided to the State DOH, the State DLNR Commission on Water Resource Management (CWRM), the County

SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Ms. Leonard:

Thank you for your letter dated June 30, 2010 regarding the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application. As the Planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments.

Comment: My overall perception of the document is that it is predominantly vague and lacking the detail and concise information necessary to be a complete DEIS. The document does not meet the needs of the community.

Response: We acknowledge your comments, but respectfully disagree that the EIS is "vague and lacking the detail and concise information necessary to be a complete DEIS." We note that in commenting on the Draft EIS the Maui Planning Commission stated that the Honua'ula Draft EIS was "one of the better draft documents the commission has seen in terms of completeness."

The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with the State of Hawaii's EIS law (Chapter 343, Hawaii's Revised Statutes (HRS)) and EIS rules (Title 11, Chapter 200, Hawaii's Administrative Rules (HAR)). Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments and our responses to your comments. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to review comments.

Comment: A. Condition #6 mandates that a Master Drainage Plan and Phasing Plan of improvements shall be submitted for review and approval during Phase II processing. Although there were vague references such as in Appendix P (Preliminary Engineering Report) 4.4.1 Detention Basins "The development of the golf course will control runoff. The detention basins will keep the post-development runoff on site so as to not adversely affect properties downstream to the west." Concise details such as would be included in a Master Drainage plan and Phasing Plan are not included in the DEIS.

Response: Appendix P that you reference is the Preliminary Engineering Report (PER), which includes a Drainage Master Plan and Phasing Plan of improvements. In the PER the entire Chapter 4, not just section 4.4.1 that you cite, concerns drainage. Figure 4-8 of the PER shows the proposed drainage system along with phasing of the improvements. In addition, Section 4.8.3 (Drainage System) of the Draft EIS provides information on drainage summarized from the PER. Further, Section 5.2.3 (County of Maui Zoning) of the Draft EIS discusses Honua'ula's compliance with County of Maui Ordinance No. 3554 Condition 6.

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Department of Environmental Management, and the County Department of Water Supply for review and comment. These agencies have since provided comments, and subsequently the Analysis, along with the agencies' reviews and comments, was submitted to the Maui County Council on May 11, 2010 for review. After receiving the Analysis, the Maui County Council accepted the Analysis and did not subject Honua'ula to any additional conditions or amendments. As a result, Condition 16 has been fully satisfied.

To reflect this updated information in the Final EIS, in the Final EIS Section 5.2.3 (County of Maui Zoning) will be revised as follows:

16. That Honua'ula Partners, LLC, its successors and permitted assigns, shall provide a Sewage Disposal Analysis that has been reviewed and commented on by the State Department of Health, the State Department of Land and Natural Resources, the County Department of Environmental Management, and the County Department of Water Supply prior to Project District Phase II approval. The Sewage Disposal Analysis, along with reviews and comments, shall be submitted to the Maui County Council for review and the project shall be subject to additional conditions or amendments by the Maui County Council if warranted by the Sewage Disposal Analysis.

Discussion: As discussed in Section 4.8.2 (Wastewater System) Honua'ula will not rely upon or burden any County wastewater system. Instead, Honua'ula Partners, LLC will either participate in the operation of a private WWRF and system that accommodates the needs of Honua'ula (Alternative 1) or provide a WWRF on-site (Alternative 2). The Preliminary Engineering Report prepared for Honua'ula (Appendix P) provides preliminary information regarding wastewater. For a more detailed analysis Honua'ula Partners, LLC has engaged Brown and Caldwell Engineers to prepare a Draft Honua'ula Sewage Disposal Analysis. In accordance with this condition, the Analysis ~~will be~~ has been submitted to the State DOH and DLNR and the County DEM and DWS for review and comment before Project District Phase II approval. These agencies have since provided comments and subsequently, ~~the~~ the Analysis, along with reviews and comments, ~~will be~~ was submitted to the Maui County Council on May 11, 2010 for review. After receiving the Analysis, the Maui County Council accepted the Analysis and did not subject Honua'ula to any additional conditions or amendments. As a result, Condition 16 has been fully satisfied.

Comment: Appendix P (Preliminary Engineering Report) 2.1.2 Makena Wastewater Reclamation Facility

"The current design capacity of the Makena WWRF is 720,000 gallons per day (GPD), and was designed to be expandable to 1.54 mgd. Currently the Makena WWRF has a wastewater flow of 391,413 gpd with an excess capacity of 328,587 gpd."

After expansion and at full capacity only 1,148,587 mgd wastewater flow would be available for the Honua'ula Project.

2.2 Design Wastewater Flows Table 2-1 Wastewater Flow Analysis indicates "Maximum Hour Dry Weather 1.37mgd" and "Peak Wet Weather 2.19 mgd"

Even if we assume the unlikely possibility that Makena Resort will never need to use more capacity, it appears that the Makena WWRF does not have the capacity to fulfill the needs of the Honua'ula Project.

Response: As discussed in Section 4.8.2 (Wastewater System) of the Draft EIS, the Makena WWRF was designed to handle wastewater flows of 720,000 gallons per day (gpd). There is currently unused capacity at the Makena WWRF, but it may be necessary to expand the Makena WWRF to

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provide a small amount of additional capacity before both Honua'ula and Makena Resort are built out. As both Honua'ula and Makena Resort will be built out over a number of years, improvements can be implemented at the appropriate time, when needed.

To elaborate on this information already provided in the Draft EIS, while the Makena WWRF was designed to handle wastewater flows of 720,000 gpd, it was also designed to be expandable to 1.54 million gallons per day (mgd). Currently the facility is only handling 114,440 gpd, leaving an unused capacity of 605,560 gpd based on the current capacity of 720,000 gpd. Future development within Makena Resort is estimated to produce flows of 276,973 gpd. Therefore the total flow from Makena Resort is projected to be 391,413 gpd at build-out. See Table 1 below.

At build-out of Honua'ula, the total Honua'ula wastewater flow is projected to be 380,000 gpd. Combined with the total Makena Resort flow, the combined flow from both Makena Resort and Honua'ula would be 771,413 gpd, which is 51,413 gpd more than the current capacity of 720,000 gpd of the Makena WWRF. See Table 1 below. Preliminary indications are that the headworks, effluent filters, and UV disinfection systems would require modifications to handle the additional capacity. Expansion of the Makena WWRF will not be necessary until both Honua'ula and Makena Resort approach 90 percent of build out, which could be 10 to 20 years from now.

Table 1 Current and Projected Makena WWRF Capacities

Description	GPD
Current Makena Resort flow	114,440
Future Makena Resort flow	276,973
Total Makena Resort flow at build-out	391,413
Honua'ula flow at build out	380,000
Total Makena Resort and Honua'ula flow at build-out	771,413
Current Makena WWRF Capacity	720,000
Additional capacity required to accommodate both Makena Resort and Honua'ula at build-out	51,413

To incorporate the relevant above information, as well as to address the concerns of others, into the Final EIS, in the Final EIS Section 4.8.2 (Wastewater System) will be revised as shown on the attachment titled: "Wastewater System."

Comment: There is no in-depth description of an alternative private wastewater treatment facility included in the DEIS.

Response: As discussed in Section 4.8.2 (Wastewater System) of the Draft EIS, Honua'ula Partners, LLC will either transport wastewater to the Makena WWRF for treatment or provide a WWRF on-site. The preferred alternative is to transport wastewater to the Makena WWRF, as this provides the benefit of consolidating wastewater services for both Honua'ula and Makena and allows for economies of scale in the treatment process and consolidated regulatory compliance. Additionally, sufficient golf course land is available within both Honua'ula and the Makena Resort to reuse 100 percent of the recycled water for irrigation.

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Section 4.8.2 (Wastewater System) of the Draft EIS also provides information on both wastewater alternatives. Specifically regarding the on-site WWRF alternative, a membrane bioreactor (MBR) wastewater treatment system is proposed to produce R-1 quality water for non-potable use. The MBR process is a biological process (activated sludge process) combined with a separation process (membrane system). MBR systems are widely used throughout the world and are considered an industry standard for the production of reliable R-1 recycled water. In addition, MBR systems have the smallest footprint of the various biological treatment systems available and provide the highest quality recycled water.

While, Section 4.8.2 (Wastewater System) of the Draft EIS also provides additional information regarding the proposed on-site MBR WWRF system, to provide details regarding MBR systems and other wastewater treatment technologies (such as the extended aeration activated sludge/coagulation/filtration process used at the Mākena and County Kīhei WWRF) in the Final EIS, in the Final EIS Section 4.8.2 (Wastewater System) will be revised as shown on the attachment titled: "Wastewater System."

Comment: D. Condition #20 requirements regarding assessment of Marine Water Chemistry.

Appendix D [Marine Water Quality/Marine Environmental Assessments]

1. Purpose "Water Quality Monitoring shall provide water quality data adequate to assess compliance with applicable State water quality standards at Hawaii Administrative Rules Chapter 11-54..."

The DEIS addresses nutrients only. According to the May 27, 2009 HDOH Standards Chapter 1154-4 Paragraph 3 the full range of pollutants, including, but not limited to, toxic pollutants, must be addressed. These standards include narrative as well as numeric criteria. Only nutrient numeric information is included in the DEIS. The DEIS is incomplete in this area.

Response: The sentence that you quote is in Section I (Purpose) of the Marine Water Quality Assessment (Appendix D of the Draft EIS), which includes the text of County of Maui Ordinance No. 3554 Condition 20. While the sentence that you quote is in Section I (Purpose) of the Marine Water Quality Assessment, it is actually part of County of Maui Ordinance No. 3554 Condition 20. Condition 20 concerns marine monitoring programs that are required to be conducted. The sentence was included in the Marine Water Quality Assessment to indicate that the assessment was prepared in compliance with County of Maui Ordinance No. 3554 Condition 20.

In response to your comment regarding State DOH requirements for water quality monitoring assessments to include monitoring for toxic pollutants listed in Section 11-54-4(b)(3) HAR, we contacted Steve Dollar, Ph.D., who prepared the Marine Water Quality Assessment. Dr. Dollar has over 30 years' experience in the fields of biological and chemical oceanography and water quality monitoring. To verify that the Honua'ula water quality monitoring assessment was conducted in accordance with State DOH requirements, Dr. Dollar contacted Watson Okubo, who is the DOH Clean Water Branch Monitoring and Analysis Section Chief. Mr. Okubo stated that he has never seen toxic pollutants measured as part of any monitoring program during his tenure at the Monitoring and Analysis Section, and that it is his opinion that such measurements are clearly not applicable to the monitoring for Honua'ula. According to Mr. Okubo, water quality constituents listed in Section 11-54-6(b)(3) HAR are the applicable constituents to monitor

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as part of a marine water quality monitoring program. In compliance with State DOH requirements, the constituents listed in Section 11-54-6(b)(3) HAR have been evaluated in all past monitoring surveys for Honua'ula, and will be monitored in all future monitoring.

Comment: "Compliance with the ecological monitoring requirement of this condition will be provided in a separate report." Where is this report? As stated, it must be included in the DEIS. The DEIS is incomplete.

Response: The sentence you quote is from the Marine Water Quality Assessment, which is included in Appendix D of the Draft EIS. The ecological monitoring assessment which you seek is also included in Appendix D of the Draft EIS, directly after the Marine Water Quality Assessment and is titled: "Preliminary Assessment of the Marine Community Structure, Honua'ula Project, Wāileā, Maui." Section 3.5.2 (Nearshore Marine Environment) of the Draft EIS contains information from both the Marine Water Quality Assessment and the ecological monitoring assessment. Please note that since the Draft EIS was completed the ecological monitoring assessment has been updated. The Final EIS will include the updated assessment report.

Comment: IV. Discussion and Conclusions [Marine Water Quality Assessment]

3. "R-1 effluent from the Wastewater Treatment Plant that will be used for golf course irrigation will have an N concentration of 10.85mg/L and a P concentration of 2.00mg/L." These levels are not as good as the County levels. We need a Total Maximum Daily Load to determine what these numbers should be.

Response: The sentence that you quote is from Section IV (Discussion and Conclusions) of the Marine Water Quality Assessment included as Appendix D of the Draft EIS. It is one of several points made in discussing the results and conclusions of the Marine Water Quality Assessment and the Groundwater Resources Assessment. In context with all the points made, an overall conclusion of the Marine Water Quality Assessment is that: "the estimates of changes to groundwater and surface water would result in a decrease in nutrient and sediment loading to the ocean relative to the existing condition. With such a scenario, it is evident that there would be no expected impacts to the nearshore marine ecosystem owing to development of Honua'ula."

Regarding Total Maximum Daily Loads (TMDLs), in Section 3.5.2 (Nearshore Marine Environment) of the Draft EIS, it is noted that the Clean Water Act requires TMDLs to be established when State ocean water quality standards for specific criteria are not attained. The State of Hawaii Water Quality Monitoring and Assessment Report ("Integrated Report"), published by DOH, provides details regarding non-attainment for specific criteria at specific locations. DOH is also the State agency responsible for developing TMDLs; however they have not developed any TMDL criteria for any marine areas off the coast of Maui.

Honua'ula is not yet built, and thus is not contributing to any downstream water quality impacts. After construction of Honua'ula commences, if the Integrated Report current at that time lists the

¹ The most recent report (as of May 2012), the State of Hawaii Water Quality Monitoring and Assessment Report, is dated January 11, 2008. The complete title is: 2006 State of Hawaii Water Quality Monitoring and Assessment Report: Integrated Report to the U.S. Environmental Protection Agency and the U.S. Congress Pursuant to Sections §303(D) and §305(B), Clean Water Act (P.L. 97-117). DOH anticipated publishing an update of the 2006 report in 2010; however the updated report has not been published.

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receiving waters downstream from Honua'ula as "impaired," and if by that time, DOH has developed TMDL criteria for receiving waters downstream from Honua'ula, then the Honua'ula nearshore water quality monitoring program will be amended to evaluate land-based pollutants, including: 1) monitoring of surface water and groundwater quality for the pollutants identified as the source of impairment; and 2) providing estimates of total mass discharge of those pollutants on a daily and annual basis from all sources, including infiltration, injection, and runoff.

Comment: 35% of the brackish water which goes through the reverse osmosis process will not be filtered of salts and particulates and will have a higher salinity percentage. This water will be added to reused water which will then be used as irrigation water. This will add higher levels of salinity to the already brackish aquifer. This effect on the aquifer is not discussed in the DEIS.

Response: To clarify, brackish well water will be treated by reverse osmosis (RO) to produce potable water for Honua'ula. It is assumed that 65 percent of the water that goes through the RO process will become useable, potable water. The remaining 35 percent will become brine concentrate that contains the salts filtered out from the 65 percent. This brine concentrate water will then be diluted by mixing it with brackish water from wells and the recycled water (R-1) from the WWRF. By diluting the brine water with other non-potable water (brackish and R-1), the salt content will be reduced to a degree that the water can be used for irrigation. This water will be of similar salinity to the underlying groundwater, so its percolate will not adversely impact the groundwater.

Comment: IV (Roman numeral repeated in the DEIS) Summary

"Such exceedances occurred at all survey sites, including the control site (Ahihi) which is not influenced by the golf courses or other large-scale land uses."

The DEIS consistently maintains that, according to the project-hired consultants, the control site for nutrient testing (Ahihi) is not contaminated by land-use, and that none of the monitored sites are contaminated by land-use. Evidence of these broad-reaching statements has not been included. My personal experience as a SCUBA instructor here for many years, and after thousands of dives in these waters, has shown that strong currents often move south along the Maui coastline through and beyond the Ahihi area. The DEIS statements do not cite evidence that land-use does not affect Ahihi, or the other monitored sites. This assumption by the consultants appears to be lacking evidence and naive at best.

Response: The sentence that you quote is from Section IV (Summary) of the Marine Water Quality Assessment. Thank you for pointing out that the Roman numeral of this section is the same as the preceding section in the Marine Water Quality Assessment.

Regarding your comments on the control site off shore from the northern boundary of 'Ahihi Kina'u Natural Area Reserve, Dr. Dollar maintains that this region is the most appropriate and best available control site. By definition, a control site has all of the same physical/chemical attributes as the subject site, but without the factors that are under investigation. The area landward of control site, near the northern boundary of the 'Ahihi Kina'u Natural Area Reserve, has minimal land-based development and no golf course operations or commercial uses, unlike the Wailea Resort landward of the ocean study area that includes golf courses, commercial uses, and much more dense residential development. As explained in detail in the current and previous Marine Water Quality Assessments, the 'Ahihi Kina'u Natural Area Reserve is the only plausible region that can serve as a control to Honua'ula/Wailea with a similar hydro-geological setting, but with

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the absence of upland development. While it is true that longshore currents could carry materials from Honua'ula/Wailea toward 'Ahihi-Kina'u, the majority of groundwater discharge that is an critical component of the monitoring analyses occurs within several yards from the shoreline in an area that is not affected by currents.

Comment: Why doesn't Kihei use the Kamaole aquifer? If there is adequate water available nearby (11 mgd according to the DEIS Appendix P 3.1 Existing Conditions), why do we pump water all the way from the lao aquifer? Is it because either the water is not actually available or that it is not usable?

Response: The Kamaole Aquifer is potable at about the 1,600-foot elevation and further inland. However, that would be in the Makawao-Pukalani-Kula community plan area. The Makawao-Pukalani-Kula Community Plan prohibits water from Upcounty wells to be exported outside of the Makawao-Pukalani-Kula community plan area. In addition, the pumping lift of wells in the lao Aquifer to deliver water to Kihei is only a fraction of the pumping lift required for wells at the 1,600-foot elevation. Thus it takes less energy to pump water from the lao Aquifer; therefore the water is cheaper to produce.

Comment: The project is counting on the output of the Kamaole aquifer for all water usage now and into the forever future. The use of Kamaole aquifer needs to be high qualified and closely considered by everyone. The treatment of wastewater is not determined. These issues indicate that the DEIS is not complete and is unacceptable as is.

Response: Regarding the Kama'ole aquifer, as explained in Section 3.5.1 (Groundwater) of the Draft EIS, in 1990, the CWRM set the sustainable yield of the Kama'ole Aquifer at 11 MGD. However, since 1990 several far more detailed and sophisticated studies on the aquifer's recharge have been completed (USGS 1999; Waimea Water Services Inc. 2004; USGS 2007). These studies indicate that the recharge amount on which the CWRM's sustainable yield is based is substantially underestimated; the actual sustainable yield of the aquifer may be as much as 50 percent greater than the 1990 CWRM estimate. Current pumpage of the Kama'ole aquifer is estimated to be approximately 4.0 MGD. Honua'ula's total average groundwater use at full build-out is projected to be approximately 1.7 MGD. Combined with existing use, pumpage of the aquifer would be approximately 5.7 MGD, well below the 11 MGD sustainable yield established by CWRM in 1990. In their letter commenting on the Draft EIS dated, CWRM stated that the Draft EIS "thoughtfully discusses groundwater and surface water issues."

Regarding wastewater treatment, as explained above and in Section 4.8.2 (Wastewater System) of the Draft EIS, there are two alternatives for Honua'ula's wastewater system: 1) transport wastewater to the Mākēna WWRF for treatment; or 2) provide an on-site WWRF. . The preferred alternative is to transport wastewater to the Mākēna WWRF.

Section 11-200-17(N), HAR of the EIS rules (Title 11, Chapter 200, HAR) provides that a draft EIS shall include a separate and distinct section that summarizes unresolved issues and contains either a discussion of how such issues will be resolved prior to commencement of the action, or what overriding reasons there are for proceeding without resolving the problems. In accordance with this requirement Section 7.5 (Unresolved Issue) of the Draft EIS includes discussion regarding the two alternatives for wastewater treatment and the status of agreements with Mākēna Wastewater Corporation regarding transporting wastewater to the Mākēna WWRF. To clarify how this issue

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will be resolved in the Final EIS, in the Final EIS Section 7.5 (Unresolved Issue) will be revised as follows:

7.5 UNRESOLVED ISSUE

Wastewater – As discussed in Section 4.8.2 (Wastewater System), Honua'ula Partners, LLC, will either transport wastewater to the Mākena WWRF for treatment or provide a WWRF on-site. The preferred alternative is to transport wastewater to the Mākena WWRF. Transporting wastewater to the Mākena WWRF for treatment provides the benefit of consolidating wastewater services for both Honua'ula and Mākena, allowing economies of scale in the treatment process and consolidated regulatory compliance. Additionally, sufficient golf course land is available within both developments to reuse 100 percent of the recycled water for irrigation. Honua'ula Partners, LLC has had substantive discussions about this alternative with the Mākena WWRF owner, Mākena Wastewater Corporation, and they support the connection; however, formal agreements with Mākena Wastewater Corporation have not yet been finalized. If formal agreements with Mākena Wastewater Corporation are not finalized, Honua'ula Partners, LLC will proceed with the second alternative for wastewater treatment discussed in Section 4.8.2 (Wastewater System), which is to construct an on-site WWRF that is capable of treating all of the Honua'ula wastewater to R-1 standards.

Regarding the completeness and acceptability of the Draft EIS, the Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawaii EIS law (Chapter 343, HRS) and rules (Title 11, Chapter 200, HAR). The EIS law and rules do not provide for a draft EIS to be found "complete" or "not complete" or "acceptable" or "not acceptable." Rather, the EIS law and rules provide for the preparation of a draft EIS, a review process, and the preparation of a final EIS. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments, and our responses. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments.

Comment: *I am concerned that the [sic] when the County determines that our infrastructure and water supply cannot support a given development that we then mandate private development of important water supply and wastewater infrastructure which could potentially put our health, welfare, and environment at risk. We are turning over the public trust of water to profit-oriented private enterprise where the County is creating a situation in which we will have difficulty assessing and controlling cumulative effects.*

This policy of giving control of water resources to private enterprise has a negative impact on the community as a whole. We should reconsider that if the County cannot support the supply of water and the infrastructure to manage it, perhaps it is inadvisable to allow creation of that development until such time that the County can manage the resources necessary to support the project.

Response: Honua'ula Partners, LLC is required to comply with the requirements that have been stipulated by the County of Maui. County of Maui Ordinance No. 3554 contains conditions which require Honua'ula Partners, LLC to, among other things: 1) provide a private water system (Condition 1); 2) provide or participate in the operation of a private wastewater system (Condition 17); and 3) be responsible for "all required infrastructural improvements for the project" (Condition 4). These conditions were drafted and approved by the Maui County Council as part of the Council's approval of Honua'ula's zoning.

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Despite the fact that residents of new residential communities pay property taxes that the County can choose to allocate to provide infrastructure and other services, over the last several decades there has been a growing movement to make development "pay its own way" and thus increasingly more of the services traditionally provided government have been delegated to private developers so that the provision of infrastructure is concurrent with the pace of development. While you may not agree with this approach, the Maui County Council has required Honua'ula to provide its own infrastructure and many infrastructure improvements in the surrounding area. In approving the zoning for Honua'ula the Council considered the pros and cons of Honua'ula and decided that zoning consistent with planning policies for the Property that have been thought-out, studied, and advanced for over 20 years (such as the Community Plan designation of the property as "Project District 9" and the State Land Use Commission designation of the property as "Urban") was in the best interest of Maui, contingent on Honua'ula Partners, LLC complying with a multitude of conditions to address community concerns. Substantial positive factors of Honua'ula include:

- Compliance with the *Kīhei-Mākena Community Plan*, which designates the Property as "Project District 9," and the Project District 9 ordinance (Chapter 19.90A, MCC) which provides for a residential community consisting of single-family and multifamily dwellings complemented with village mixed uses, all integrated with an eighteen-hole golf course and other recreational amenities;
- Inclusion within the "urban growth boundary" of the current Directed Growth Maps of: 1) the Planning Department; 2) the Maui Planning Commission; and 3) the General Plan Advisory Committee;
- Significant long-term community benefits provided by Honua'ula in compliance with the conditions of zoning under County of Maui Ordinance No. 3554, including:
 - Upgrading Pīlani Highway to four lanes from Kilohana Drive to Wailea Ike Drive (Condition 2a);
 - Modifying the Wailea Alanui/Wailea Ike Drive intersection to add a signalized double right-turn movement from northbound to eastbound turning traffic and provide two left-turn lanes for southbound traffic from Wailea Ike Drive (Condition 2e);
 - Signalizing the Pīlani Highway/Okolani Drive/Mikioi Place intersection and providing an exclusive left-turn lane on Okolani Drive;
 - Modifying the Pīlani Highway/Kilohana Drive/Mapu Place intersection to provide an exclusive left-turn lane, and the southbound Pīlani Highway approach to provide an exclusive right-turn lane into Mapu Place;
 - Providing a contribution of \$5,000 per unit (totaling \$5.75 million) to the County for traffic improvements (Condition 3);
 - Providing workforce housing in accordance with Chapter 2.96, MCC (the "Residential Workforce Housing Policy") (Condition 5);
 - Providing a contribution of \$5 million to the County for the development of the South Maui Community Park (Condition 10);
 - Providing an in-lieu cash contribution to satisfy the park assessment requirements under Section 18.16.320, MCC (currently set at \$17,240 per residential unit) (Condition 11);

- o Developing formal provisions regarding cultural resources, such as access to specific sites to be preserved, the manner and method of preservation of sites, and appropriate protocol for visitation to cultural sites (Condition 13);
- o Payment of \$3,000 per dwelling unit (totaling \$3.45 million) to the DOE for schools serving the Kīhei-Mākena Community Plan area (Condition 22);
- o Providing two acres of land to the County of Maui for the development of a fire station and providing a contribution of \$550,000 to the County for the development of a police station in South Maui (Condition 24); and
- o Formal protection, restoration, and propagation of native plants, including setting aside a Native Plant Preservation Area and Native Plant Conservation Areas (Condition 27).
- Significant economic benefits, including an estimated:
 - o \$1.2 billion of direct capital investment in the Maui economy during the 13-year build-out period;
 - o 9,537 "worker years"² of direct on-site employment during the 13-year build-out period;
 - o \$480 million in employee wages paid out during the 13-year build-out period;
 - o 518 jobs (382 directly related to on-site activities and 136 related to indirect off-site activities) after the build-out period;
 - o \$19 million in annual wages from the on and off-site jobs after the build-out period;
 - o \$513.9 million (nearly \$40 million annually) in discretionary expenditures into the Maui economy by Honua'ula residents and guests during the 13-year build-out period;
 - o \$77 million annually in discretionary expenditures into the Maui economy by Honua'ula residents and guests after the build-out period;
 - o \$41.8 million in net tax revenue benefit (taxes less costs) to the County of Maui during the 13 year build-out period;
 - o \$1.6 million in annual net tax revenue benefit (taxes less costs) to the County of Maui after the build-out period;
 - o \$97 million in net tax revenue benefit (taxes less costs) to the State of Hawaii during the 13 year build-out period; and
 - o \$1.5 million in annual net tax revenue benefit (taxes less costs) to the State of Hawaii after the build-out period.

Specifically regarding your concerns about "turning over the public trust of water to profit-oriented private enterprise," all existing on- and off-site Honua'ula wells are fully permitted by CWRM. All new wells will be developed in compliance with all requirements of Chapter 174C, HRS (State Water Code) and HAR, Chapters 13-167 to 13-171, as applicable, pertaining to CWRM and administration of the State Water Code. The CWRM application process for well construction permits requires an extensive application process with thorough review by the State DOH for compliance with DOH rules and standards, including the appropriateness of the well location.

² A "worker year" is defined as the amount of time one full-time worker can work in one year although one worker year (2,080 working hours) may be comprised of many employees involved in specialized tasks of shorter duration.

Honua'ula Partners, LLC will also comply with: 1) DOH Engineering and Capacity report requirements; and 2) the County's Water Availability Policy, codified as Chapter 14.12, Maui County Code (MCC), which requires verification of a long-term, reliable supply of water before subdivisions are approved. In accordance with Section 14.12.050 MCC, in reviewing and commenting on water source engineering reports the DWS Director shall consider (among other things) the following factors:

- Cumulative impacts;
- CWRM's Water Resources Protection Plan;
- The general plan and relevant community plans;
- The adverse impacts on surrounding aquifers and stream systems, including:
 - o Water levels;
 - o Water quality, including salinity levels;
 - o Surface water-groundwater interactions; and
 - o Adverse impacts on other existing, future, or planned wells;
- The adverse impacts on the water needs of residents currently being served and projected to be served by DWS;
- The adverse impacts on environmental resources that are rare or unique to the region and the project site (including natural, cultural, or human-made resources of historic, archaeological, or aesthetic significance);
- The adverse impacts on the exercise of traditional and customary Native Hawaiian rights and practices;
- United States Geological Survey studies;
- Whether the applicant is in full compliance with the State water code and County's water reporting laws;
- Whether the affected water source, including groundwater, surface water, or other source of water will exceed:
 - o 90 percent of the sustainable yield;
 - o Instream flow standards; or
 - o Interim instream flow standards;
- The adverse impacts to the water needs of residents currently on a County "wait list" for water meters;

In light of the comprehensive State and County laws, rules, and policies regarding new water source and well development, there will be extensive analysis, review, and evaluation of potential impacts of any new wells.

Comment: *The overriding impression of the DEIS is that it is vague and lacking of mandated information, I hereby submit that the DEIS is incomplete and unacceptable.*

Response: As previously discussed regarding the completeness and acceptability of the Draft EIS, the Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with State of Hawaii's EIS law (Chapter 343, HRS) and rules (Title 11, Chapter 200, HAR). The EIS law and rules do not provide for a draft EIS to be found "complete" or "not complete" or "acceptable" or "not acceptable." Rather, the EIS law and rules provide for the preparation of a draft EIS, a review process, and the preparation of a final EIS. Per the EIS rules, the Honua'ula Final EIS will incorporate substantive comments received during the review process, including your comments,

Teri Leonard
**SUBJECT: HONUA'ULA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT
DISTRICT PHASE II APPROVAL**
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and our responses. The accepting authority, the Maui Planning Department/Planning Commission, shall evaluate whether the Final EIS, in its completed form, represents an informational instrument which adequately discloses and describes all identifiable environmental impacts and satisfactorily responds to all review comments. We note that in commenting on the Draft EIS the Maui Planning Commission stated that the Honua'ula Draft EIS was "one of the better draft documents the commission has seen in terms of completeness."

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

PBR HAWAII



Tom Schnell, AICP
Senior Associate

cc: Will Spence, Maui Planning Department
Charles Jencks, Honua'ula Patners, LLC

Attachment: Wastewater System

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From: Dr Valerie Simonsen [mailto:drvaleriesimonsen@gmail.com]
Sent: Tuesday, June 01, 2010 6:30 PM
To: Dr Valerie Simonsen
Cc: info@savemakena.org
Subject: Wai'lea 670

Thank you for allowing me to bear witness today. I stand here today to testify for your children, their children and all the children to come. After a time away from the island I returned to find a new housing development in the neighborhood. Great pain moved through my heart. I cried to see more of the land destroyed for the 'greater needs' of man through development.

As I drove into Ioa Valley, the Aina (Mother Earth) spoke to me firmly, scolding me for my despair. She said, "Have you forgotten who I am? I have been around for billions of years and I know how to deal with these issues that mankind is presenting me. TRUST ME!"

Days later off the shores of Makena, I sat in a canoe with two young Hawaiian men. We talked about their futures on Maui. Tears filled their eyes as they shared *their truth* that they would have to leave the island after graduation because they can not afford to buy a home here. Their children would never be able to play on their childhood beaches. They paddled.... I pondered.....

It is a subtle genocide. The "way of the Aina" is being devoured by the greed of a few people. This MUST STOP! I am sure I do not need to remind you of the magic of the Makena area. She carries ancient healing properties. Medicine that is essential for the well being of all. The Aina IS the people; the stones ARE the ancestors; the waters ARE the life-line of ALL living things, which is all there is.

Let us protect and preserve her while we can. As we know; one does not want to PISS OFF PELE. SHE REMEMBERS who she is. ... trust that! Please remember ALOHA (coordination of your mind and heart) as you choose to deny further plans to develop Makena.

Maluhia Dr. Valerie Lane Simonsen, ND
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May 31, 2012

Valerie Lane Simonsen
divvaleriesimonsen@gmail.com

SUBJECT: HONU'U'LA DRAFT ENVIRONMENTAL IMPACT STATEMENT AND PROJECT DISTRICT PHASE II APPLICATION

Dear Ms. Simonsen:

Thank you for your e-mail sent on June 1, 2010 regarding Honua'ula ("Wailea 670"). While it is unclear if you are specifically commenting on the Honua'ula Draft Environmental Impact Statement (EIS) and Project District Phase II application, since your e-mail was sent during the EIS public comment period we are considering your e-mail as part of the EIS review process. Therefore, as the planning consultant for the landowner, Honua'ula Partners, LLC, we are responding to your comments.

In general we note your concerns regarding development in the Mākena area and the greater area of Maui. However, without more specific information we cannot provide a more detailed response. Honua'ula Partners, LLC is committed to respecting the Honua'ula property and its history.

The Draft EIS has been, and the subsequent Final EIS will be, prepared in conformance with the State of Hawai'i EIS law (Chapter 343, Hawai'i Revised Statutes (HRS)) and EIS rules (Title 11, Chapter 200, Hawai'i Administrative Rules (HAR)).

Regarding your statement, "Please remember ALOHA (coordination of your mind and heart) as you choose to deny further plans to develop Makena," please note that the Maui Planning Department/Planning Commission is the accepting authority for the Honua'ula Final EIS. If the Maui Planning Department/Planning Commission accepts the Final EIS, the next step will be for the Maui Planning Commission to decide on the Project District Phase II application, approval of which is required for Honua'ula to proceed. The Maui Planning Commission's consideration of both the acceptance of the Final EIS and the Project District Phase II application are subject to public hearings.

Thank you for reviewing the Draft EIS. Your e-mail will be included in the Final EIS.

Sincerely,

PBR HAWAII

Tom Schnell, AICP
Senior Associate

cc: William Spence, Maui Planning Department
Charles Jencks, Honua'ula Partners, LLC

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