

S & F LAND COMPANY, INC.

P.O. Box 806

PUUNENE, MAUI, HAWAII 96784

TELEPHONE (808) 877-3329

FAX (808) 877-0648

March 28, 2013

Orlando "Dan" Davidson  
Executive Officer  
Land Use Commission  
P O Box 2359  
Honolulu, HI 96804-2359

Dear Dan:

Enclosed herewith are two copies of sections 1 and 2 of the 2012 reports on General Progress and Specific Conditions of Docket #A96-717 for Central Maui Baseyard on Maui. We have concurrently copied the landowner Alexander and Baldwin, Inc., together with the others whom you have previously requested we provide copies.

Those receiving copies and the amount of copies forwarded are set forth at the bottom of the page. Should you have any questions regarding this report please advise us and we will try to respond as quickly as possible.

Sincerely yours,

(Dictated not read)

Robert Stoner

RS/tlo

Enclosure

CC: Rick Stack (1)  
luc@dbedt.hawaii.gov  
Riley Hakoda (1)  
Clayton Yoshida (1)  
Bill Crockett (1)

LAND USE COMMISSION  
STATE OF HAWAII  
2013 APR -1 A 8:53

SECTION 1

**Report on General Progress of S & F Land Company, Inc.  
On Docket #A96-717 for Calendar 2012**

As stated in previous reports, development has been completed on the entire Baseyard, which includes lots 1A, 1B, and 1C and totals approximately 50 acres of combined M1 and M2 Industrial zoned property. All improvements to the baseyard necessary for 100% occupancy have been completed including paved roadways, fire and potable water service, landscaping, all onsite grading and drainage improvements, perimeter and internal lot fencing, and any related offsite work such as water service lines, highway frontage improvements, etc.

Although the project is now 100% complete our occupancy continues at approximately 80% due to the prolonged downturn in economic conditions that affected the State in 2009 and 2010. However, our tenant count remains consistent at approximately 100.

Since development is complete, we did petition the Commission in 2011 to remove all of the conditions placed upon the property and were successful in having a number of the conditions removed. Those that remain are reported on in Section Two.

This constitutes the general progress on the subject docket during calendar year 2012.

LAND USE COMMISSION  
STATE OF HAWAII  
2013 APR -1 A 8:53

## SECTION 2

### **Specific Conditions of Docket #A96-717 and Progress on Said Conditions During calendar year 2012**

7. Petitioner shall require its tenants who utilize such materials to establish appropriate systems to contain spills and prevent materials associated with light industrial usage (such as petroleum products, chemicals or other pollutants) from leaching or draining into above ground or subsurface storm drainage collection areas. Petitioner will use and/or cause to be used best management practices to minimize non-point source pollution into the irrigation ditches and Pulehu Gulch. Petitioner shall consult with the State Department of Health and County of Maui, Public Works and Waste Management and obtain any permits required or construct improvements required for storm water discharge on the property.

Petitioner has completed all surface drainage as reported in previous reports. This includes a number of catch basins and drain lines on the property. All grading of property is complete.

For tenants that deal with potential pollutants, we have strict rules at Central Maui Baseyard that require paved catchment areas that retain potential run off of any materials that may be spilled or spread by storm waters.

8. Petitioner shall require all tenants of the property to implement best management practices to minimize possible subsurface and ground water contamination from activities on the property. This shall include all activity including delivery, removal, storage, use and handling of industrial agents on tenant or common areas of the property.

All tenant activities are controlled by our tenant lease. Please see attached sections of our lease from our 2011 report (sections 6 , 7 , 9 and 11). 2011 Annual Report can be provided if it is not on file. Further as stated in section 12 of our lease we do annual environmental inspections of the property. This annual inspection is required by our landlord and creditors.

10. Petitioner and/or landowner shall limit disturbance of the natural drainage features of Pulehu Gulch, and shall consult with the Army Corps of Engineers should any activity be proposed that would impact Pulehu Gulch.

All work along Pulehu gulch has been completed. The perimeter that abuts the gulch is fully fenced or blockaded. As has been previously reported, there has been no disturbance of Pulehu gulch.

12. Petitioner shall maintain a buffer of undisturbed kiawe and vegetative cover on the property along Pulehu Gulch to minimize disturbance to native bird habitat provided by Pulehu Gulch.

Please see answer to question 10. There has been no disturbance of Pulehu gulch. It is not accessible from tenant lots due to security fencing.

13. Petitioner shall fund and construct adequate civil defense measures as may be required by the State Civil Defense and County Civil Defense Agencies.

Petitioner is working with State Civil Defense and County Civil Defense Agencies to implement necessary civil defence measures. Full implementation should be completed by 2016 per petitioner's agreement with State Civil Defense.

16. Petitioner shall ensure that the proposed project will not negatively impact the use of cane haul roads and irrigation ditches or otherwise interfere with continued agricultural operation of adjoining sugar cane cultivation areas.

Since all grade work and development of the baseyard is complete, there are no sugar operations within the property. The auwai that runs through the property is owned and operated by HC&S (A&B property). Our lease with A&B allows them to "install improvements and grant easements" as necessary.

With regards to Agricultural activity please refer to the letter provided by HC&S dated February 28, 2011, and was provided in the 2011 Annual Report.

19. Petitioner shall inform prospective tenants and shall include in all tenant license agreements language informing tenants of possible odor, noise, and dust pollution resulting from surrounding Agricultural District lands, and the Hawaii Right-to-Farm Act, Chapter 165, Hawaii Revised Statutes, limits the circumstances under which pre-existing farming activities may be deemed a nuisance.

Please see letter referenced in condition 16, this is in the 2011 Annual Report.

23. Petitioner shall provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject Project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall include any supporting documentation from State and/or County agencies relating to progress in complying with said conditions. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

This is the annual report for the calendar year 2012.

26. The Commission may fully or partially release these conditions as to all or any portion of the property upon timely motion, and upon the provisions of adequate assurance of satisfaction of these conditions by the Petitioner and/or landowner.

Petitioner petitioned for release of certain conditions in 2011. Said petition resulted in the release of the conditions that were omitted from this report.

**This completes section 2.**