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CITY AND COUNTY OF HONOLULU
PLANNING COMMISSION

IN RE:
NORTH SHORE-STATE SPECIAL USE PERMIT-2014/SUP-6 (RY)
KAWAIILOA SOLAR FARM

PUBLIC HEARING

Taken in the Mission Memorial Conference Room, 550
South King Street, Honolulu, Hawaii, commencing at
1:37 p.m. on April 1, 2015.

BEFORE: SHIRLEY L. KEYS, RPR, CM, CSR 383

1 APPEARANCES:

2

3 Commissioners: DEAN I. HAZAMA, Chair

4 KEN K. HAYASHIDA

5 KAIULANI SODARO

6 CORD D. ANDERSON

7 DANIEL S.M. YOUNG

8 ARTHUR TOLENTINO

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10

11 Counsel for City and County of Honolulu

12 Planning Commission:

13 JENNIFER WAIHEE-POLK, ESQ.

14

15 For Applicant: RANDALL F. SAKUMOTO, ESQ. and

16 MARGUERITE S. NOZAKI, ESQ.

17 McCorriston Miller Mukai

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1 COMMISSIONER HAZAMA: Okay. Good
2 afternoon. Thank you for waiting. I will call the
3 meeting of the planning commission, April 1, 2015 to
4 order. On our agenda is public hearing, North
5 Shore-Special Use -- State Special Use Permit 2014-SUP-6,
6 Kawaiiloa Solar Farm. At this time I'd call the
7 department up for the report.

8 MS. ARAKAWA: Good afternoon, Chair
9 Hazama, Commissioners. My name is Bonnie Arakawa, I'm
10 with the Department of Planning and Permitting in the
11 planning division. The staff planner for this project,
12 Ray Young, unfortunately is not here today. He's on
13 family leave due to personal reasons, but I'm prepared to
14 present a project description to you and try my best to
15 answer any questions you may have.

16 The applicant is Kawaiiloa Solar, LLC,
17 and the project is a proposal to construct a 50 megawatt
18 solar energy facility on portions of two tax map parcels
19 totaling 382.2 acres. The petition area exceeds the
20 maximum area of 20 acres permitted by HRS Section 205,
21 and therefore requires a State Special Use Permit.

22 As you can see on the aerial map here,
23 the project consists of eight sites, with sites one
24 through seven containing the ground mounted photovoltaic
25 or PV panels. Site 8 contains one of two proposed

1 substations, indicated by the yellow dot, and Site 9 is
2 the portion of the project located in the Land Study
3 Bureau lands rated Class A and B and includes underground
4 cables to transmit power to the existing makai
5 switchyard. The director of DPP, George Atta, has
6 determined that this 1.9 acre portion that proposes the
7 underground cables along Ashley Road does not constitute
8 a use requiring a Special Use Permit review and is thus
9 permitted from the petition -- it's not included in the
10 petition area. Therefore, the director's report and
11 recommendation is for the remaining eight sites totaling
12 the 382.2 acres. The panels are mounted about 4.5 feet
13 to 9.5 feet above existing grade. The PV system will
14 include other electrical equipment such as combiner
15 boxes, below surface collector lines, inverters,
16 transformers, weather monitoring stations and switch
17 gear.

18 A second electrical substation is
19 proposed within Site 1, as indicated by the yellow dot,
20 and both proposed substations will be operated by
21 Hawaiian Electric Company, also known as HECO. The
22 substation located in Site 8 is referred to as the mauka
23 substation, and the facility located in Site 1 is
24 referred to as the makai substations in the application.
25 The open switchrack designed substations would occupy an

1 area of approximately 150 feet by 180 feet and be
2 enclosed by an eight foot high perimeter fence.

3 Energy generated by the western portion
4 of the project will be transmitted to the electrical grid
5 via the existing makai substation at the makai end of
6 Site 9, which connects to the HECO Waialua-Kahuku 46 kV
7 subtransmission line. Energy from the eastern portion of
8 the project will be transmitted to the electrical grid
9 via an existing mauka switchyard located adjacent to Site
10 7, which was originally constructed for the existing wind
11 energy generation system. The mauka switchyard connects
12 to the HECO Waialua-Kuilima 46 kV subtransmission line.
13 Energy generated by the PV panels will be sold to HECO.

14 In addition, the applicant proposes to
15 construct 20 foot wide internal gravel roadways and
16 perimeter fencing encompassing each of the eight sites
17 for security and for keeping predators from entering
18 these sites. Access to the project site is provided by
19 private road, which is Ashley Road.

20 With regard to HRS Section 205-4.5,
21 solar energy facility proposed on State Land Use Ag
22 District lands rated Class B or C are permitted to exceed
23 the maximum land of ten percent of the area or a parcel --
24 of a parcel, excuse me, or 20 acres, whichever is less,
25 if granted a State Special Use Permit, provided that the

1 project is made subject to the following three
2 conditions, the first being that the area occupied by the
3 SEF is also made available for compatible ag activities
4 at a lease rate that is at least 50 percent below the
5 fair market rent for comparable properties.

6 The applicant intends to lease portions
7 of the property to local ranching business to pasture
8 sheep on the site to meet -- to provide meat for
9 consumption and to maintain overgrowth under the panels.
10 The lease would also provide the rancher with use of the
11 fencing and roadways and other infrastructure at the
12 site. Other than perimeter fencing, pasturing support
13 facilities would be provided by the local rancher. The
14 DPP recommends a condition that requires applicant to
15 have ag operations to be established or be actively
16 seeking to have such operations established within one
17 year of the start of its commercial power generation.

18 The second -- the second condition is
19 that proof of financial security to decommission the
20 facility is provided to the satisfaction of this county
21 planning commission prior to date of commencement of
22 commercial generation.

23 The applicant suggested the proof of
24 financial security for decommissioning efforts be in the
25 form of a letter of credit. Therefore, the DPP

1 recommends a condition that requires such an issued
2 letter of credit or similar mechanism prior to the
3 closing of the building permit for the SEF, which
4 security shall remain in place for the duration of the
5 project with evidence of the same provided to the DPP on
6 an annual basis. The applicant's preliminary description
7 of its plan for decommissioning is estimated at four
8 million dollars.

9 The third condition is that the solar
10 energy facility be decommissioned at the owner's expense,
11 including removal of all equipment related to the SEF
12 within twelve months of the conclusion of operation or
13 useful life, and the restoration of the disturbed earth
14 to substantially the same physical condition as existed
15 prior to the development of the SEF.

16 The applicant anticipates that upon
17 receiving all land use and building permit approvals, the
18 construction, operation and decommissioning of the SEF
19 would be completed in 35 years. The DPP has incorporated
20 the above decommissioning conditions in its
21 recommendation.

22 The proposed project is not contrary to
23 the objectives sought to be accomplished by the State
24 Land Use Law. The proposal may be considered unusual but
25 reasonable use of ag lands. Under current technology,

1 utility scale PV facilities require large amounts of
2 relatively gentle terrain, sited in close proximity to an
3 existing electrical grid. The site was formerly used for
4 pineapple cultivation and is currently in pasture use.
5 The applicant proposes to continue ag use of the site by
6 making available the area under the PV panels for sheep
7 pasturage and the applicant submitted a letter of intent
8 between the applicant and a local rancher to pasture
9 sheep on the petition area. The sheep will be beneficial
10 to the project for vegetation control and also provide a
11 food source in compliance with the intent of Act 55.
12 Therefore, the director of DPP recommends that Special
13 Use Permit Application file number 2014/SUP-6, as shown
14 on Exhibit A within the application be approved subject
15 to conditions noted in this report.

16 COMMISSIONER HAZAMA: Thank you. Any
17 questions for department at this time? Yes. I have one
18 question. Page 19 under item eight regarding the
19 notification of landlord -- or land owner or applicant,
20 would the change in ag component use be considered
21 something that triggers a requirement to come back to the
22 planning commission? In other words, the applicant
23 proposes to partner with a sheep farm, so say they change
24 their ag component plan and want to partner with a cattle
25 farmer or something, would the change in ag component use

1 trigger items 8B or change the use of the property?

2 MS. ARAKAWA: Well, as of this time we
3 really don't have a -- they're still working to develop
4 that arrangement with some rancher, and I guess once they
5 determine and inform us of what that arrangement is, if
6 that were to change, then the department would certainly
7 appreciate knowing that of any new arrangement.

8 COMMISSIONER HAZAMA: Would that
9 arrangement -- wouldn't that arrangement have to be made
10 prior to getting -- getting approval from LUC for this
11 project though as far as identifying what the specific ag
12 component would be?

13 MS. ARAKAWA: I think in terms of this --
14 I don't -- I'm sorry, I don't know if I know the answer
15 to that, but I would have to get back to you on that,
16 Chair.

17 COMMISSIONER SODARO: On that note,
18 when is the -- so there -- there is reference in ag plan
19 when the ag plan needs to be done, because I think that
20 that's kind of one of the questions I had, is that
21 something that has to be done before it moves to the LUC?

22 MS. ARAKAWA: I think the way the
23 condition was written it said within -- it was triggered
24 by -- sorry, let me just get to the conditions here.
25 Within one year of the start of commercial power

1 generation.

2 COMMISSIONER HAZAMA: I didn't ask when
3 the ag operations have to commence.

4 COMMISSIONER SODARO: Right.

5 COMMISSIONER HAZAMA: My question is
6 regarding the applicant's plan for use, what that
7 specific ag component would be. I guess my question is
8 wouldn't that have to be identified specifically prior to
9 approval of the application by either us by the Land Use
10 Commission?

11 MS. ARAKAWA: Having read the
12 conditions that were written up, I don't see any
13 requirement that there was a -- for an ag plan per se.

14 COMMISSIONER SODARO: Yeah. Because --
15 so one of my questions is without the ag plan, you know,
16 the Department of Agriculture has specific comments in
17 their aquatic resources, and they state in the BMPs --

18 MS. ARAKAWA: Right. Right.

19 COMMISSIONER SODARO: -- about soil
20 erosion, and so I was wondering how those agency's
21 comments get incorporated without an ag plan, or the
22 timing of when the ag plan happens.

23 MS. ARAKAWA: I guess we could
24 incorporate, or the commission could incorporate a
25 condition that requires an ag plan.

1 COMMISSIONER HAZAMA: Well, I guess my
2 point being is how do you expect -- the problem is the
3 commission or even the LUC approve the application when
4 the statute requires an ag component, so basically I
5 don't think we can say okay, well, we're going to approve
6 this application without knowing what the specific ag
7 plans are going to be as far as the component, but back
8 to my first question I guess is if there is one and we
9 get to approve it, then would it change in that ag
10 component that triggered the requirement to come back to
11 the planning commission?

12 MS. ARAKAWA: We could insert a
13 condition to that effect, but right now it appears that
14 we are giving the applicant one year from the start of
15 commercial operations to -- to meet this condition one.
16 And with regard to the aquatic resources concerns, it
17 seems that once that rancher or ag entity has been
18 identified, then they are to consult with or develop the
19 BMPs for that operation and consult with DAR.

20 COMMISSIONER HAZAMA: Maybe you could
21 clarify the statement in use of the property to include
22 the ag component as well. So in other words, the use of
23 the property is the ag component for the agriculture
24 activity is considered use of the property. Any change
25 to that would trigger, I guess this requirement needs to

1 come forward. Okay. Do the commissioners have any
2 questions of the department at this time? Okay, thank
3 you. At this time I will call up the applicant and their
4 representatives.

5 MR. SAKUMOTO: Thank you, Mr. Chair.
6 Aloha and good afternoon, Commissioners. My name is
7 Randall Sakumoto, and my colleague, Marguerite Nozaki is
8 with me. Also to my left is Wren Wescoatt, the
9 development director for the applicant. We actually -- I
10 know you have before you the application prepared by the
11 applicant's agent, CH2M Hill, who also submitted
12 supplemental materials for your information, that it
13 looks like you also have, and we have just a very brief
14 presentation that we wanted to do, which consisted of
15 just Mr. Wescoatt providing brief background on the
16 project, and also Crystal Kua of the applicant to provide
17 information on the community outreach efforts.

18 COMMISSIONER HAZAMA: Okay. Proceed.

19 MR. SAKUMOTO: Okay. Thank you.

20 MR. WESCOATT: Hi, good afternoon. I'm
21 Wren Wescoatt with SunEdison. The last time I was here I
22 was with First Wind, but we -- we got -- we got merged.
23 We got acquired, so currently it's SunEdison. The
24 Kawaiiloa wind project is -- occupies -- is going to
25 occupy approximately 384 acres. It's a 50 megawatt

1 ground mounted solar farm similar to -- in function and
2 design to the project that we presented previously for
3 the Waiawa project with the one notable exception that
4 these panels will be installed on racks that track with
5 the sun east to west throughout the day so that they can
6 collect more solar energy throughout the day. Otherwise,
7 it's a 50 megawatt project, 50 megawatts AC, and it's
8 co-located with the existing Kawaihoa Wind Farm on land
9 owned by Kamehameha Schools.

10 The panels will be installed on long
11 racks with approximately -- a width of approximately
12 eight to ten feet, and approximately eight to ten feet
13 between the rows. So there is -- there will be room in
14 between the rows where grass will grow, and that's the
15 purpose of the aforementioned sheep that we can discuss
16 further. The approximate operational life of the project
17 is -- is approximately 30 years, so we're seeking the SUP
18 to allow for a 35 year period to allow for construction,
19 operation and the decommissioning effort.

20 We are planning to begin construction
21 on or about January 2016, and construction should take
22 about ten months, including the panels and the
23 substations for the project, and then interconnection
24 lines to the HECO switch yards. Once it's operating,
25 it's fairly passive aside from the motors, the project

1 will generate very little noise, very little sound. The
2 solar farm, unlike the wind farm, is not staffed daily,
3 we don't have people there on site. There's no buildings
4 associated with the solar farm other than the small
5 structure that holds the control equipment and keeps them
6 out of the rain, but no occupied buildings and no
7 parking. We'll be generally using the roads that were
8 installed for the wind project, and then installing some
9 additional roads that go within the solar arrays, which
10 are the shaded purple areas on the map.

11 As mentioned previously, we'll have --
12 we have a letter of intent with Kualoa Ranch that they
13 are planning to run sheep to manage the vegetation within
14 the pasture area. It's sort of a, you know, as I
15 explained before, it's a really positive symbiotic
16 relationship. Once the grass -- the panels, you imagine,
17 are at sort of a -- these sort of tables that will track
18 throughout the day, but when they're at full tilt, the --
19 at say 45 degrees, the low edge will be between two and
20 three feet off the ground and the high edge will be
21 usually -- let's say six, seven feet off the ground on
22 the high side. As the grass grows up, and the grass out
23 there grows pretty quickly, the guinea grass will shade --
24 end up shading the panels, and you lose electricity, so
25 one way or another, every solar farm has to maintain

1 vegetation at a very low level. And this is one of the
2 reasons we are very interested on the solar side for
3 having incurred sheep to help manage the vegetation.

4 There are two large utility scale solar
5 farms on Kauai that I visited. They're not managed by
6 our company, but by others, and they're owned by the
7 utility on Kauai. There's one where they are going to
8 have a -- they're going to have it manually -- have the
9 grass cut manually, and so right now the grass is about --
10 I don't know, two feet high, pretty soon it will be
11 shading the equipment, and there's another farm where
12 it's going to be managed by sheep. There's a fixed
13 pasture fence around the whole site, and then there's a
14 movable fence about three feet high, electrified fence
15 that's just moved within the site to create a paddock for
16 the sheep, so he has about 100 sheep on site that he's
17 moving -- the rancher at that site is moving place to
18 place every few days and move the herd so they can graze
19 the grass down, but not overgraze, and move them every
20 few days. So that's sort of the model that we're looking
21 to follow. It's done in other solar farms as well, and
22 that's what we're looking to pursue at the site.

23 Regarding the question about -- the
24 questions that came up from DLNR regarding the runoff
25 from the site, the BMPs to manage water during the

1 pasture operation, while this -- if you can imagine the
2 ranching operation probably isn't going to start -- can't
3 start until after the solar project's been installed, all
4 the fencing's been installed and the grasses are grown
5 back enough in places so that we can -- you know, it has
6 enough forage to -- for the sheep to come back on site,
7 so it's still pretty early in our discussions with Kualoa
8 Ranch. They're planning to come on, but we haven't
9 really worked out the details of exactly where the
10 facilities are going to go, where the water's going to go
11 and where the gates need to be, but that -- that
12 discussion will go on, you know, as we get further on in
13 construction of the project.

14 So it's still fairly early, but Kualoa
15 Ranch, our -- our plan is that we would expect whoever
16 the -- the lessee, or in this case the sublessee is going
17 to be, that they would work with a natural resource
18 conservation service to develop a soil and water
19 conservation plan for the property so that they -- their
20 ranching operation is -- has a plan for sustainable and
21 sort of -- a sort of approved plan for managing for water
22 and soil runoff from the site, so that's what we're
23 planning to do with Kualoa Ranch.

24 Other than that, our -- regarding the
25 discussion that -- the questions that came up just

1 recently, we are planning in our -- in both projects
2 where we have a special use permit, we are planning to
3 provide an annual reporting to the planning commission
4 and probably also copying the Land Use Commission where
5 we would advise -- give an update as to the status of the
6 project once per year, so we would be including
7 information on, you know, as it gets further along the
8 line what -- what is the -- who is the agriculture
9 operator and what -- what is the business that's going
10 on, so whether it's sheep or something else, and we can
11 provide information on an annual basis as to the
12 agriculture operations that are going on at the site, as
13 well as any other information that we can provide about
14 the project.

15 MR. SAKUMOTO: Mr. Chair, if I could
16 just add, there -- one of the photos that we submitted, I
17 think yesterday in that real thin supplemental packet,
18 was taken from a car along the roadway, and the reason
19 for that was actually to depict the drainage that's
20 actually in existence on the property. There was
21 drainage I think before First Wind took over the property
22 to put the -- the wind farm, it was significantly
23 improved and you can see it alongside the road, so I just
24 wanted to make that clear, that there is drainage. I
25 agree with Mr. Wescoatt that, you know, I think NRCS

1 approval of a soil and conservation plan would be
2 appropriate, but I -- I didn't want the commission to
3 think that there's no drainage on the facility right now,
4 on the property right now.

5 The -- the other thing I wanted to
6 mention, it dawned on me, was Miss Arakawa did a very
7 good presentation of the background, but I did want to
8 clarify this for the record, that the property actually
9 is not in pasture use right now, it's basically fallow,
10 so one of the things we're hoping is that with the
11 approval of this permit, that this land can be, you know,
12 put to active agricultural use once again. So that's it.
13 Do you want to introduce --

14 MS. NOZAKI: Sure. Good afternoon,
15 Chair Hazama and Commissioners. I'd like to call up
16 Crystal Kua to give some brief testimony. Crystal Kua is --
17 has been with First Wind, now SunEdison, LLC for just
18 over a year, and she is the director of external affairs,
19 who's -- who oversees governmental relations, media
20 relations and outreach community -- community outreach
21 efforts.

22 MS. KUA: Aloha, Chair Hazama and
23 members of the commission. Thank you for the opportunity
24 to testify. Basically the -- my testimony is about the
25 community outreach that we've done for this and other --

1 our other solar projects, but in essence, we began
2 community outreach back in October 2013, we have reached
3 out to individuals, small groups, large groups and also
4 large conference in other community events. The -- the
5 categories that we've reached out to folks are government
6 officials, community leaders, business leaders,
7 agricultural groups and environmental groups. Some of
8 those, particularly the North Shore, some of the more
9 important stakeholders are the -- reached out to both
10 individually and as a group the members of the North
11 Shore Neighborhood Board, the Sunset Beach Community
12 Association and the Waialua Community Association.

13 We did present twice to the North Shore
14 Neighborhood Board, one in January of 2014, it was a
15 quick outline because of the -- the -- the board had a
16 full agenda, but we wanted to make sure that members of
17 the community did know that we were working on this
18 project, so we did a quick -- an outline of -- of our
19 plans for solar, including the Kawaihoa site.

20 Then in January 2015, this year,
21 January 27, we did a full ten minute presentation and
22 then took questions from the -- the community. We not
23 only answered questions, we also accepted feedback on --
24 on, for example, one of the things that that community
25 did talk to us about was the concern about visual

1 impacts. So what we did was we got some feedback from --
2 from them about, you know, where we should focus some of
3 our work on -- on view amenities, and we did things like
4 talk to different residents who have a view of our site,
5 went to their homes and brought them along to the site.
6 And also, we are in the process of bringing the members
7 of the North Shore Neighborhood Board and some other
8 community leaders to show them the solar site, to show
9 them where the site is in relation to the nearby
10 residents, but our outreach does not end. We -- we -- I
11 think we have a track record of continuing to reach out
12 to the community and also to -- to get feedback and
13 questions as projects are ongoing, and even after they're
14 completed.

15 MR. SAKUMOTO: That's it.

16 COMMISSIONER HAZAMA: Any questions for
17 applicant at this time?

18 COMMISSIONER SODARO: Actually, thank
19 you, Miss Kua. You touched on it as it relates to scenic
20 impact regarding the view, so you mentioned that you have
21 toured individual residences. I would be interested in
22 maybe for consideration for the commission before it goes
23 to LUC that an actual view impact study be done. We
24 appreciate the photos on the site, but obviously the
25 windmills are visible. But I'm happy to hear you're

1 reaching out to people on an individual basis, but could
2 you speak to the potential or give a study about
3 Kamehameha Highway or commercial lines coming into
4 Wahiawa in the past, right?

5 MS. KUA: Maybe -- maybe Mr. Wescoatt
6 can elaborate, but we -- we have done simulations from
7 different vantage points, and one of the things that we
8 wanted to learn from the community was if there are other
9 areas that we should be focusing our simulations on, so
10 we did get a lot of good feedback from them, we did
11 things like, you know, we sent a photographer out to surf
12 sites, we sent people out to -- photographers out to the
13 parks just so we could get an idea from different vantage
14 points across the -- across the North Shore.

15 We also went to residents in Pupukeya,
16 who have the potential for visual impact, went to
17 people's homes, talked with them, we sent a photographer
18 up there so they could shoot pictures for simulations
19 from those vantage points, and -- and then we're still in
20 the middle of -- of getting those back, but we got a lot
21 of really good feedback from the residents and some of
22 the community leaders on some of the areas we should be
23 focusing on for those -- for those simulations.

24 MR. WESCOATT: We have -- so we've done
25 about -- probably done about 30 or 40 different what is

1 it going to look like from here, what is it going to look
2 like from here, and modeled where the solar farm's going
3 to be laid out and where can you see it from, and if you
4 think of -- so based on those, we've also done sort of a --
5 sort of a -- like a view plane study, just using the
6 elevation of the ground, and you know, from how far away
7 can you see it.

8 So basically it -- in general, it looks
9 like you can -- the project is going to be visible from --
10 from points along the Pupukea Ridge where you're actually
11 up higher than the farm, and then along Kamehameha
12 Highway, because there is a bluff between the highway and
13 the project, it's very difficult to see, you -- you
14 cannot -- it's difficult to get to a place where you can
15 actually view the panels. The panels are only let's say
16 average of six feet off the ground, and so unlike the
17 wind turbines, which are -- so in most cases near the
18 project it's -- it's very difficult to be anywhere where
19 you can see the project. However, once you get to -- I
20 think the first location where the panels were visible
21 was at Haleiwa Harbor, where if you were looking at the
22 right vantage you can see the panels in the distance from
23 Haleiwa Harbor, and again at Waialua, Mokuleia, so we
24 modeled some of those locations.

25 So as you move out from the project

1 past Haleiwa town, you can see the project in the
2 distance, and I think mainly the concerns were people
3 wanted to know where can we see it from, what's it going
4 to look like. And so we've gotten a lot of follow up, we
5 had a photographer, like Crystal said, take pictures from
6 the water, Waimea, Haleiwa, Chun's, various locations,
7 surf sites, and in all of those cases the panels were out
8 of view because of the bluff, the land form is between
9 the panels and wherever you would be on -- on your
10 surfboard, so --

11 MR. SAKUMOTO: Commissioner, if I could
12 point you to attachment nine of the application, there's
13 a visual simulation that contains I think the photos that
14 Mr. Wescoatt was referring to. So this is actually very
15 helpful because you can get a sense of the scale of the
16 property and roughly how far away you need to be just to
17 be able to see it.

18 MR. WESCOATT: And some of the
19 simulations in the water that I'm referring to are still
20 being put together, so they're not all in that packet.

21 COMMISSIONER SODARO: What attachment?

22 MR. SAKUMOTO: Attachment number nine.

23 MS. NOZAKI: To the application.

24 MR. SAKUMOTO: Yes, to the application,
25 the original SUP application. Can you pull that out and

1 circulate it?

2 MS. NOZAKI: If the commission would
3 like, we can circulate a couple of copies, because it
4 wasn't attached to the exhibit list, but to the original
5 application.

6 COMMISSIONER HAZAMA: Commissioners,
7 any questions of applicant at this time? Any other
8 questions? Okay. I'm going to ask -- ask some
9 questions, it's going to be a little unusual, but
10 regarding your agricultural component, this -- this
11 project is logistically as far as how the sites are set
12 up, it's a lot different than your other project. This
13 site seems to have several different separate penned off
14 areas instead of just one big area. However, the whole
15 amount of acreage is significant as far as the total map
16 size. So based on your prior experience with other
17 farmers from other islands, how many -- how many animals
18 are going to be farmed for this whole project as far as a
19 head count?

20 MR. WESCOATT: Yeah. No, that's a --
21 that's a great question. We've talked about that with
22 several of the ranchers that we've met with, and the
23 answer is they're not sure. And the reason why is
24 because the -- normally let's say the normal metric is
25 one acre of grass will support two sheep, for instance.

1 So you would, you know, we have 384 acres, you could
2 presume there would be over 700 sheep.

3 However, because the solar modules are
4 going to be providing shade, creating shade, there's not
5 going to be as much grass growing on the -- underneath
6 the panels, so we're going to need to -- the ranchers
7 have said that they really need to understand what the
8 shading is going -- what impact it's going to have on the
9 grass growth, going to grow slower, it's not going to
10 grow, you know, continuous, and so they have said -- I've
11 asked could we at least say at least one to 200, and they
12 said one to 200, no problem, hopefully more. So one to
13 200 is the best estimate, but they want to be able to
14 manage the herd so that it is not too small to be able to
15 keep all the grass down, but not too large in which they
16 would have too many animals and there would be
17 overgrazing. So I think the -- you know, about one to
18 200 is the number we've talked about so far. It's going
19 to need some refinement as we get into the operation and
20 they understand how the grass growth is impacted by the
21 panels.

22 COMMISSIONER HAZAMA: So is the plan to
23 move the herds between the sites or to permanently leave
24 the herds at specific sites?

25 MR. WESCOATT: Okay. The plan is to

1 move the herds between the sites.

2 COMMISSIONER HAZAMA: So there is a
3 path where they're going to be able to do that?

4 MR. WESCOATT: Correct. Correct.

5 COMMISSIONER HAZAMA: Between --

6 MR. WESCOATT: So where the -- where
7 there's spaces between the purple shaded areas, there's
8 existing roads, and Kamehameha Schools as the land owner
9 also wants to be able to traverse the -- easily traverse
10 the property from one side to the other, so they want
11 those roads maintained. So rather than create gates and
12 gradings where they have to cross, we try to fence the
13 paddocks so that we could allow free access along the
14 roadways, which is why the site is broken up, as you
15 mentioned.

16 We would have -- the sheep would move --
17 the herd would move from site to site, spend a few days
18 in each site moving with temporary fencing until that
19 site is grazed and then move to another site. Each
20 rancher probably is going to have to modify their size --
21 herd size and their methodology to keep the vegetation
22 down at the whole site.

23 COMMISSIONER HAZAMA: So as far as farm
24 structures for sheep, I don't know, what -- what do they
25 need as far as -- just leave them out in the open and

1 they go on their merry way or --

2 MR. WESCOATT: Yeah.

3 COMMISSIONER HAZAMA: -- or you have to
4 provide covering for them and the rain bothers them or --

5 MR. WESCOATT: No, the rain doesn't
6 seem to bother them, but these guys would have the most
7 covered lanai of any sheep farm that you can imagine.
8 They can walk under the panels easily and get out of the
9 rain if they wanted to. But there will be -- there's no
10 additional facilities that need to be created other than
11 fencing and loading areas, loading ramps, sheep on and
12 off. And they'll be moving -- there will be gates
13 installed facing the roadways so they can be moved across
14 from one paddock to another.

15 COMMISSIONER HAZAMA: All right.

16 MS. NOZAKI: Chair Hazama, if I may
17 supplement Mr. Wescoatt's testimony, I just want to
18 provide some clarification as far as the site map, which
19 was included as an exhibit to the director's report. And
20 Mr. Wescoatt, please correct me if I'm wrong, but
21 although the site map shows nine different sites, eight
22 of which are petition areas in purple, each of those
23 sites are not separated and won't be separately penned
24 off, so there -- it's -- it may have roads going in
25 between those portions, but they're not going to be

1 individually penned off like that.

2 Also, if -- if it gives you some sort
3 of context as to the number of sheep that may be grazing
4 on the operation or project site, the Kauai project, the
5 solar farm, sheep grazing project has 20 to 30 sheep per
6 several acres. It could be also as big as 350 sheep per
7 100 acres, so the estimate that Mr. Wescoatt gave you as
8 far as one to 200 sheep is -- is pretty conservative, and
9 the number of actual sheep would depend somewhat on the
10 arrays -- the way they're arranged.

11 COMMISSIONER HAZAMA: So fence line
12 then does not go around each site. Where are the
13 perimeter fence lines located?

14 MR. WESCOATT: The -- so -- sorry. To --
15 to correct Ms. Nozaki, there will be fencing around most
16 of the areas shown, but there may be some additional
17 fixed fencing other than what's shown, so those areas
18 might be broken up a little bit further just to
19 facilitate a roadway where you don't have to have gates
20 all the way along. So there may be some additional
21 fencing in addition to that. It's not reflective of the
22 final fence design.

23 COMMISSIONER HAZAMA: But the herd's
24 basically penned in?

25 MR. WESCOATT: Correct. Correct.

1 COMMISSIONER HAZAMA: They're not free
2 roaming?

3 MR. WESCOATT: Exactly. Yeah. And --
4 and that will also -- so they'll be within that fence
5 within a temporary fence, so they'll be in a smaller area
6 than shown on -- on there.

7 COMMISSIONER HAZAMA: Okay. Thanks.

8 COMMISSIONER HAYASHIDA: What do they
9 do with lambs when they're -- when they give birth?

10 MR. WESCOATT: They generally stay with
11 the herd. And they -- they -- once they're raised to a
12 certain size, the rancher will -- once they're marketable
13 size, the rancher may take them off and may do some
14 finishing in another area or make sure that they're very
15 well fed before they head on onto the next phase of their
16 lamb existence. The farmer on Kauai that I was
17 mentioning earlier sells his lamb to Merriman's
18 restaurants, and so he has a good -- they get their solar
19 energy and lamb burgers at the restaurant.

20 COMMISSIONER YOUNG: Mr. Wescoatt, you
21 mentioned that the City would be informed if there were a
22 change besides sheep. What is the alternative?

23 MR. WESCOATT: There have been some
24 other possibilities that have been discussed for
25 agriculture operations, including possible -- on this

1 type of site, which include bees, we have a lot of
2 interest from beekeepers in the area, and aquaculture is
3 another possibility. There -- there's small pond
4 aquaculture that might also be compatible with this type
5 of site. We have for the -- for the reasons of grass
6 management, I think we definitely favor sheep because
7 that's a -- you know, both sides really benefit from
8 that, so we're really hoping we can find a partnership
9 where the sheep operation is feasible.

10 COMMISSIONER YOUNG: But if it weren't
11 for sheep, bees and sheep aren't the same, right? So
12 would there be any other animals that you could use for
13 grazing?

14 MR. WESCOATT: There is also
15 apparently -- I've heard of a small -- like what they
16 call a low lying cattle, which is a very low profile type
17 of cattle, which is another -- potentially could be
18 another possibility. We could also do -- in terms of
19 grazing, there are other animals that, you know,
20 potentially could do, you know -- I don't know, pheasant
21 or some other type of bird, but they wouldn't provide the
22 grazing benefit, so we'd really -- we're really hoping to
23 find a -- a compatible use would be grazing.

24 COMMISSIONER YOUNG: Are there
25 different permits for different animals?

1 MR. WESCOATT: Not that I'm aware.
2 And -- and my understanding is the special use permit --
3 that the -- the agricultural operation itself would not
4 require, you know, doesn't require the -- the special use
5 permit, but the -- and so I'm not really familiar, I've
6 sort of been focusing on permitting for the -- for the
7 energy project, I'm not really familiar with the permits
8 for livestock.

9 COMMISSIONER HAYASHIDA: Goats are
10 destructive to the --

11 MR. WESCOATT: Goats, they're jumpers
12 and climbers, so I think I could envision them on our
13 solar panels, it would not be a good fit, probably.

14 MR. SAKUMOTO: Commissioner Young, if I
15 could just add to Mr. Wescoatt's response, I think if we
16 had livestock on the property, because this is ag one
17 zoning, I think we can put that on the property just as a
18 permitted use, in other words, you know, without any
19 zoning permit, just building permits that we would need
20 to fence it in. So it's, you know, it is in an
21 agricultural area, and it's zoned for ag, so I think --
22 yeah, we wouldn't need any other type of permits just to
23 have livestock grazing on the property. That's my
24 understanding.

25 COMMISSIONER HAZAMA: Any other

1 questions, Commissioners, at this time? No? Okay.

2 Thank you very much.

3 MR. WESCOATT: Thank you.

4 COMMISSIONER HAZAMA: Okay. At this
5 time, Commissioners, I'll open up public testimony on
6 this matter. Is there anyone wishing to testify before
7 the commission at this time? Okay. Anybody? Okay.

8 Seeing none, Commissioners, I'll have a motion to close
9 public testimony.

10 COMMISSIONER TOLENTINO: So moved.

11 COMMISSIONER HAZAMA: So moved and
12 seconded?

13 COMMISSIONER YOUNG: Seconded.

14 COMMISSIONER HAZAMA: Seconded. Any
15 objections to closing public testimony? Any abstentions?
16 Okay, public testimony is closed.

17 COMMISSIONER ANDERSON: I'd like to
18 make a motion to move to executive session.

19 COMMISSIONER HAZAMA: So moved, and
20 seconded?

21 COMMISSIONER SODARO: By myself.

22 COMMISSIONER HAZAMA: Any objections?
23 Any abstentions? Okay, at this time the planning
24 commission will move into executive session to consult
25 corporation counsel on the roles, responsibilities and

1 the duties of the planning commission. I ask that the
2 room be emptied at this time.

3 (Break from 2:22 p.m. to 2:44 p.m.)

4 COMMISSIONER HAZAMA: Okay, thank you
5 for your patience, I call the meeting back in order. At
6 this time we'll call applicant and department up. Okay,
7 Commissioners, any questions of applicant or department
8 at this time?

9 COMMISSIONER SODARO: If the department
10 could -- you may have touched on it, but could you go
11 back to your report and just review the IAL component of
12 this application?

13 MS. ARAKAWA: What specifically are you
14 looking for?

15 COMMISSIONER SODARO: I -- I wanted to
16 verify if all the sites were in the IAL. But the
17 language says and surrounding lands, so I'm -- we're just
18 trying to have clarity. All 300 and -- or let me look at
19 the -- also, all 382 acres in the application are in the
20 IAL.

21 MS. ARAKAWA: Okay. I'm sorry, but I
22 don't -- I don't have the docket with me.

23 COMMISSIONER SODARO: Okay.

24 MS. ARAKAWA: So I wouldn't be able to
25 identify which sites fall into the IAL.

1 COMMISSIONER SODARO: Does the agent of
2 the applicant know?

3 MR. SAKUMOTO: No, I'm sorry, I don't
4 know the answer to that.

5 COMMISSIONER SODARO: Okay.

6 MR. SAKUMOTO: The petition was filed
7 by another -- the landowner, Kamehameha Schools, so -- as
8 opposed to we're -- we're the lessee of a portion of
9 their land. I know the IAL covered a significant portion
10 of the property.

11 COMMISSIONER HAZAMA: Referring to the
12 IAL Land Use, 382 acres applies specifically to this
13 project.

14 COMMISSIONER SODARO: Right. So I'm
15 trying to understand are these 382 acres in that IAL
16 designation? That's -- that's what I'm asking.

17 MR. WESCOATT: My understanding is that
18 the entire project is within the IAL.

19 COMMISSIONER SODARO: Okay. Okay.
20 Thanks.

21 COMMISSIONER HAZAMA: Any other
22 questions at this time? I'm going to enter that this
23 particular project is on IAL land and that is
24 significant, to me anyway, it's a significant -- held at
25 a higher level as far as the ag lands since the State

1 COMMISSIONER HAZAMA: Moved and
2 seconded. Commissioners, we're in discussion. As far as
3 putting together one or development of one, where's the
4 applicant sit in the process?

5 MR. SAKUMOTO: Chair Hozama, I think
6 the -- the answer to that is -- Mr. Wescoatt touched on
7 it, the ability of the sheep rancher to put together a
8 plan. We can ask them to do that. It would be based on
9 a number of assumptions obviously that they would have to
10 make, because as he mentioned, you know, the actual
11 implementation is going to depend upon how the -- the
12 grass actually reacts to the solar panels above it before
13 they can commit to a certain amount of sheep on the
14 property.

15 But if that type of plan is acceptable,
16 you know, I think it's a reasonable request. I just have
17 one request of the commission, if we could find our way
18 onto your agenda sooner rather than later on the
19 continued hearing. We are trying to meet a schedule of
20 actually being able to turn on the -- or activate the
21 solar energy facility by January 1 of 2017. So to do
22 that, you know, we need to get an approval from this
23 commission, and as you know, then get an approval from
24 the Land Use Commission, and then we'll have ten months
25 of construction, which is going to put us well into, you

1 know, 2016 to try and rush and get it done and activated
2 by 2017. So we are kind of racing against that clock, so
3 that's -- that's the request I have if the commission is
4 inclined to actually continue this, that we try to be
5 placed on an agenda as soon as possible.

6 COMMISSIONER HAZAMA: Well, if we can
7 try and make a commitment, however, a lot of that would
8 rely upon your ability to come up with a plan. I guess
9 to be fair to the applicant to explain the commission's
10 dilemma as far as our concern, being IAL land, like I
11 said, it's held at a higher standard, so obviously there
12 must be -- there must be an agricultural component to
13 this project. We don't hold the applicant at fault,
14 because you didn't write Act 55, you didn't write 205,
15 and there are areas, like I said, that aren't clear as
16 far as clarity in regards to IAL land specifically.

17 So we're just trying to make sure that,
18 like I said, when we get your plan, it may not be -- it
19 may not be perfect, it may not be able to address issues
20 that will probably come up during construction, things
21 like that, but we need to see something in order to
22 forward this on to the LUC to ensure them that there is a
23 agricultural component and what that component is in
24 order for us to pass it on. Is that clear as far as the
25 commission's point of view or --

1 MR. WESCOATT: I guess I would -- this
2 is Wren from SunEdison, I would -- we're still really at
3 the early stage. Clearly, we're -- we're the solar
4 operator, so we're not the sheep rancher. We've been in
5 discussion with several ranchers, but we're at -- that is
6 at the very early stage. We have not selected -- well,
7 we have a letter of intent, we haven't selected the final
8 lessee. They haven't developed an exact -- they haven't
9 developed an exact plan for the site because it's still a
10 few years out before they would begin operation. So we
11 are, you know, we're at the very early stages of this.
12 It would be difficult to give a lot of detail, which I'm
13 sure you'd want to see in an agricultural plan. I think
14 we're at the -- a very early stage.

15 COMMISSIONER HAZAMA: I guess maybe
16 this train of thought. If hypothetically your leasing --
17 or your leasing plans fall through, would you be able to
18 locate another sheep farmer that could do the same thing?
19 In which case I guess we're asking your plan to not be
20 specific necessarily to a specific farmer, but what your
21 overall plan concept is as far as what your agricultural
22 component is going to be for this property.

23 MR. SAKUMOTO: Chair Hozama, if I could
24 offer this one suggestion for the commission to consider,
25 I think that, you know, based on the timing of events,

1 what -- what might also work is that the commission
2 impose a condition on the applicant to produce that ag
3 plan under a certain timetable, and obviously we don't do
4 that, you can call us back, you have the power to revoke
5 the permit later. But what it would allow us to do is,
6 you know, keep the process moving forward and stay within
7 the timetable. If we don't produce the plan that's
8 acceptable, you can always bring us back before this
9 commission to answer for, you know, where we are at that
10 time.

11 I think the meaningful ag plan, one
12 that you may be looking for, can probably be produced
13 once we get closer to the actual operation of the
14 project, but I guess if we're to do one now, it would be,
15 you know, based on a number of factors that we'd be
16 speculating on at this point. That's my only thought.

17 COMMISSIONER HAZAMA: I guess -- I
18 guess -- don't you think the LUC would ask -- they can
19 stop you, too. They are actually the planner, and you
20 know, you have to come back to two parties instead of
21 just one so --

22 MR. WESCOATT: It could be a condition
23 of the -- one of the conditions of the permit that's made
24 at this level, and then the LUC could approve as well.
25 We could submit a plan, having more time would give us a

1 chance to submit, you know, a more -- I think a plan
2 that's more reflective of what would actually be built in
3 the field.

4 COMMISSIONER HAZAMA: Why don't we do
5 this? I will -- we can schedule a relatively quick date
6 back to the commission, and we will request that you
7 submit a preliminary ag plan to us. Then a condition
8 will be going forward that you'll have a final ag survey
9 at a certain time in the process. Yes?

10 COMMISSIONER TOLENTINO: Chair, we only
11 set you up on a timeline, and you know, speaking of the
12 ag plan, you know, if you -- if you consulted 13
13 different farmers, you would have 13 different plans, but
14 I think what we're also looking for, more importantly, is
15 the commitment of the applicant for the continuous use of --
16 of the ag parameters, and if you could incorporate that
17 in the next report, I think that would move you a little
18 bit further.

19 MR. SAKUMOTO: If I may add to -- the
20 plan is, as you probably know, that the City has an
21 agricultural dedication process where we can file a
22 petition with the City where we commit to dedicating the
23 land to agricultural use for -- I think it's periods of
24 one year, five years and ten years. And that's available
25 to, you know, landowners that have agricultural lands,

1 and I think the -- the applicant is committed to doing
2 that once they are in a position to do ag use. But I
3 guess the point I wanted to make was that even the City's
4 ag dedication process, they'll give you a break on the
5 tax assessed value of your land as long as you're using
6 it for agriculture purposes, but the law also recognizes
7 the reality that there will be times when, for example,
8 one rancher will fail and the landowner's looking for
9 another one, and they find one, but there's a gap in
10 time. So it's not 100 percent continuous, but as long as
11 it's generally continuous and then during the gaps the
12 owner is actively seeking another active agricultural use
13 that I think the City has recognized the reality of
14 agriculture in Hawaii, that you know, there isn't 100
15 percent, but you can always get as close to that as -- as
16 you can possibly do. So yeah, that -- I guess what I'm
17 just saying is that we can make that commitment, and I
18 think to -- if it's not being actively used at that
19 moment, that we're actively seeking another user.

20 COMMISSIONER HAZAMA: How long is your
21 lease? What is your lease period?

22 MR. WESCOATT: It is -- it follows the
23 power purchase agreement with HECO, so currently it's 27
24 year -- if the PPA is 27 years, the lease is 27 years.
25 It could go longer if the project continues.

1 COMMISSIONER HAZAMA: So does applicant
2 have any objections to coming back to the commission on
3 the 15th of this month to submit a preliminary
4 agricultural plan?

5 MR. SAKUMOTO: No, we have no
6 objections to that.

7 COMMISSIONER HAZAMA: Department, do
8 you have any comments?

9 COMMISSIONER HAYASHIDA: Chair, I have
10 a comment.

11 COMMISSIONER HAZAMA: I'm sorry.

12 COMMISSIONER HAYASHIDA: So I mean I --
13 I appreciate sheep on the -- as a preliminary plan, but I
14 would like you to also be able to have a backup plan that
15 would address another ag use, whether -- of those three,
16 which is beekeeping, aquaponics or whatever it was, at
17 least have a backup plan that shows that you have made
18 provisions that another use can come in as you -- that
19 would be my request.

20 COMMISSIONER HAZAMA: Okay. Any other
21 comments or questions? Department, do you have any?

22 MS. ARAKAWA: So just to clarify, in
23 our recommendation to planning commission, we have this
24 condition, condition number one, which requires the
25 applicant to have such operations established within a

1 year, or actively seeking to have this operation
2 established, and we also require an annual report to that
3 effect where they need to report back to us on their
4 progress, so this ag plan would be on top of that, I
5 guess is what you're asking for, some kind of commit --
6 written commitment.

7 COMMISSIONER HAZAMA: The ag plan is
8 more from the applicant side as far as what their plan is
9 on what the ag component plan is going to be for this
10 project in detailing, you know, more specifics as far as
11 what they've got to do, who -- who their potential
12 partners are or not, things of that nature. We will wait
13 to review the preliminary plan, I think, before we move
14 onto the other conditions as far as the director's
15 report, because it does mention in the director's report
16 that it requires a plan. It's kind of -- we have a
17 question with that, too, as far as what -- it doesn't say
18 when or what the plan entails, it just says the director
19 wants a plan. So we're trying to figure out the plan
20 before construction, before permits are issued or --
21 because it's not specific in the report as far as what --
22 the director basically says I want a plan, too, but he
23 doesn't say what the plan should entail and when the plan
24 should be submitted. So, okay.

25 MS. ARAKAWA: And I think that goes

1 back to the Chapter 205 language in there that basically
2 just says that, and again, ILSI, right, this is just that
3 the applicant shall actively seek, or make the lands
4 available, not necessarily have it in ag production.

5 COMMISSIONER HAZAMA: I'll go with your
6 read. The department and the DLNR's response to the
7 application, they mention or -- that they would like to
8 see specifics as far as what the ag component entails.
9 Of course, they're only comments. They are the
10 agricultural department that leads the State, so we would
11 like to kind of somewhat be able to address or include in
12 that -- in our package to the LUC something that
13 addresses those concerns as well. Yes, ma'am.

14 MS. SOKUGAWA: Just a point of
15 information. I recognize the difficulty the planning
16 commission has, which is balancing a vague Chapter 205,
17 but the State's clear policy to adopt alternative
18 resources for energy, and that any delays in the delivery
19 of alternative energy, you know, we need to weigh very
20 carefully, because we do want to be more self sustaining
21 in our energy. So there are two balancing public policy
22 issues that you're grappling with. But I just want a
23 point of simple information, so if you've closed the
24 public hearing, does that mean that they're required to
25 render a decision within 30 days of the close?

1 COMMISSIONER HAZAMA: That's correct.

2 MS. SOKUGAWA: According to the rules?

3 So I just want everybody to be aware of the time issue.

4 COMMISSIONER HAZAMA: If we close the
5 public hearing, we have 30 days to render a D&R on this
6 application, so having a meeting on the 15th will meet
7 that requirement. Okay. Any other questions for the
8 department, or department, do you have any other
9 comments?

10 MS. ARAKAWA: No. Thank you.

11 COMMISSIONER HAZAMA: Okay. All right.

12 Commissioners, I have a motion on the floor to continue
13 the hearing until April 15 at 1:30 here. Any objections?
14 Any abstentions? Okay, we will continue this meeting
15 until April 15. I thank the applicant and the
16 department. At this time, Commissioners, we have no
17 other items on the agenda. Do we have a motion to
18 adjourn?

19 COMMISSIONER CHANG: So moved.

20 COMMISSIONER YOUNG: Seconded.

21 COMMISSIONER HAZAMA: Moved and
22 seconded. Any objections? Any abstentions? This
23 meeting is adjourned. Thank you very much.

24 (Meeting adjourned at 3:04 p.m.)

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C E R T I F I C A T I O N

I, SHIRLEY L. KEYS, Certified Shorthand Reporter of the State of Hawaii, do hereby certify that the foregoing is a true and correct transcript of the stenographic notes of the testimony taken by me in the above-captioned matter.

SHIRLEY L. KEYS, CSR #383

Dated: April 7, 2015

