



MARINE RESEARCH CONSULTANTS, INC.
1039 Waakaua Pl. Honolulu, Hawaii 96822

September 28, 2015

Dave Ward and Bill Frampton
Olowalu Town, LLC
2035 Main Street, Suite No. 1
Wailuku, Hawaii 96793

SUBJECT: Report Entitled *Assessment of Marine Water Chemistry and Biotic Community Structure in the Vicinity of the Olowalu Town Master Plan, Olowalu, Maui, Hawaii* (Dated July, 2011)

Dear Mr. Ward and Mr. Frampton:

The subject report evaluated the nearshore marine environment off of the Olowalu Town Master Plan project site. I understand that there are two (2) alternatives addressed in the Final Environmental Impact Statement: Alternative 1, the Preferred Alternative; and Alternative 2, the Maui Island Plan (MIP) alternative, which excludes lands makai of Honoapiilani Highway. Moreover, I understand that both Alternatives 1 and 2 call for the development of up to 1,500 residential units and between 300,000 to 375,000 square feet of commercial space.

My study methodology and outcomes should not be affected by the alternative land use configurations offered by Alternative 1 and Alternative 2. The research methodology, analysis, findings and recommendations are focused on the marine environment only. Recommendation no. 14 discussed in the summary section of my report applies to both Alternatives:

Planning of the Olowalu Town Master Plan focuses on continued maintenance and stewardship of the unique natural resources of the area. As a result, as long as best management practices are utilized to avoid any unforeseen impacts during the construction and operational phases of the project, and engineering considerations in the design of the retention basins focus on maximizing sediment trapping, there is no rationale to indicate the potential for negative impacts to the marine environment. In fact, my work revealed that there is presently some localized impacts to coral reef communities as a result of sediment discharge from Olowalu Stream. The implementation of BMP's through construction of retention

basins may result in an overall improvement to the condition of offshore marine life.

Since the evaluation of the nearshore environment in 2010 and 2011, and the 2011 preparation of our report, I have become aware of new circumstances that have altered the results of my previous surveys. Recent elevated ocean temperatures around the State of Hawaii have resulted in bleaching of corals in at least some nearshore settings. Visual inspection of the reef at Olowalu that I conducted on September 24, 2015 indicated that such bleaching has occurred at my study sites, resulting in a reduction of live corals. As the bleaching event has not likely reached its conclusion, it is not yet possible to evaluate the permanent overall effect of this event.

However, even with this change in character of the Olowalu reef by natural phenomenon that are not directly related to activities on land, there is no reason to suggest the possibility of different or likely increased environmental impacts not previously dealt with in the 2011 report. Rather, decreasing sediment delivery to the ocean over the existing situation will likely provide an enhancement to recover of the reef that survives the bleaching event. I confirm that the report's research and data collection, compilation and analysis are still valid as to conditions that existed at the time of the surveys. These previous surveys also provide a valid baseline to which future surveys may be compared to accurately document changes in the local environment.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven Dollar", with a long horizontal flourish extending to the right.

Steven Dollar, Ph.D.
Marine Research Consultants, Inc.

cc: Colleen Suyama, Munekiyo Hiraga

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