APPENDIX O-1
CWRM Letter of Assurance for Well Nos. 4927-02 and 4927-03
Ms. Blanca Lafollette
CMBY 2011 Investment, LLC
P.O. Box 220
Kilauea, HI 96753

Dear Ms. Lafollette:

Letter of Assurance for Well No. 4927-02 & 03

We have completed the review process for your well Construction/Pump Installation Permit application(s) and the permit(s) are ready to be issued. However, in accordance with the State Water Code, §174C-84(a), the permit can only be issued to a licensed contractor and, to date, one has not been identified for your well(s).

Once you have selected a licensed contractor, please have the contractor sign and return to the Commission a copy of the original application, upon which a permit will be immediately issued provided that the following conditions are met:

1. The contractor has no outstanding issues with the Commission.
2. There are no significant changes to the application.
3. There have been no significant changes to applicable laws, rules or regulations since the application date.
4. There have been no significant changes to hydrogeologic conditions since the application date.

Also, attached for your information are copies of comments from reviewing agencies.

If you have any questions, please contact Charley Ito of the Commission staff at 587-0218 or toll-free at 984-2400 (Maui), extension 70218.

Sincerely,

WILLIAM M. TAM
Deputy Director

Clas
Enclosure
CWRM Application Source: CMBY Wells 1 & 2 (4927-02,-03)
TMK: (2) 3-8-008:019

Safe Drinking Water Branch (SDWB) - Engineering Section

- This well qualifies as a source that serves a regulated public water system. 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, Rules Relating to Potable Water Systems.

- All new public water systems are required to demonstrate and meet minimum capacity requirements prior to their establishment. 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 11-20-29. 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 drinking water source.

- 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. These projects include treatment, storage and distribution systems of public water systems. The approval authority for projects owned and operated by a County Board or Department of Water or Water Supply has been delegated to them.

- 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 operate these systems to prevent the cross-connection of these systems and prevent the possibility of backflow of water from the non-potable system to the potable 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 potable water supply. In addition backflow devices must be tested periodically to assure their proper operation. Further, all non-potable spigota and irrigated areas should be clearly labeled with warning signs to prevent the inadvertent consumption on 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.

For further information concerning the application of capacity, new source approval, operator certification, source water assessment, backflow/cross-connection prevention or other regulated public water system programs, please contact the Safe Drinking Water Branch Engineering Section at 586-4258.

**SDWR Underground Injection Control (UIC) Section**

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 existing permit valid for another term. For further information about the UIC permit and the Underground Injection Control Program, please contact the UIC staff of the Safe Drinking Water Branch at 586-4258.

The UIC Program has the following comments specific to this Application:

1. In general, a shallow well, or a well that recharges quickly from local rainfall, should not be used as a potable water source because such a well increases the risk of having unsatisfactory groundwater quality that when consumed may compromise health. Factors that directly influence a well's groundwater quality include

CWRM Well Application Standard Comments (SDWR)
Vers. 9/30/09
wastewater disposal systems (cesspools, septic systems, drainage wells),
lawn/garden/crop-growing activities, and even the proximity to the ocean where
salt water intrusion may occur.

2. The siting of a drinking water source below the UDO 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 wall of this proposed action because it
will affect the injection well development potential of their properties.

3. Well water quality should be initially and periodically tested for its acceptable and
intended use, especially for human consumption. Water quality should not be
presumed acceptable and unchanging. Land-based activities around the well and
within the well’s recharge area may, over time, have an unacceptable effect on the
well’s water quality. Well construction materials and related equipment could also
affect water quality.

**WARNING!** As the owner of a privately-owned well, you should NOT assume that
water from your well is safe for consumption, it is your responsibility to make sure that your well
water is safe to drink. The only way to do this is to have your well regularly tested for
bacteriological and chemical contaminants.

There are no regulations controlling water quality in private wells serving individual residences
as there are for public water systems (public or privately owned utilities supplying water to 25 or
more people or 15 service connections). In other words, there are no enforceable limits for
contaminants and no requirements for regular testing. Private wells are often found in rural
areas, where many activities such as onsite wastewater disposal can contaminate the ground
water.

**U.S. ENVIRONMENTAL PROTECTION AGENCY (EPA) RECOMMENDATIONS**

The EPA recommends that private well owners test their well water each year for such
contaminants as Total Coliform Bacteria, Nitrates, as well as any other contaminants that may
be of concern in your area. More frequent testing may be appropriate if you suspect a problem.
EPA also suggests that you consider testing for pesticides, organic chemicals, and heavy
metals before using it for the first time. Please refer to the EPA website on Private Drinking
Water Wells at [http://www.epa.gov/safewater/privatewells2.htm](http://www.epa.gov/safewater/privatewells2.htm)

**OTHER CONTAMINANTS**

Water testing can be very expensive. It is important that you spend time to identify what other
potential contaminants may be of concern. Please refer to the EPA website on Private Drinking
Water Wells at [http://www.epa.gov/safewater/privatewells2.htm](http://www.epa.gov/safewater/privatewells2.htm)
for help. Be aware of what and how you use and dispose of household and
garden chemicals. Also determine the location of nearby septic tanks or cesspools, and
agricultural or industrial activities in the area. General information on known chemical
contamination of ground water in Hawaii can also be found at the DOH website

**LABORATORIES**

Local commercial laboratories can be found in the yellow pages of the telephone book under
"Laboratories, Analytical." Whenever possible, utilize a laboratory that is certified or approved
for the specific drinking water tests and carefully follow their instructions for collecting, storing,
and transporting the samples. Just be sure to ask the lab to use EPA approved methods for
drinking water analysis. A list of labs certified or approved by the Department of Health can be
lab certification status changes constantly, confirm their status when you contact the lab.
Please note that the list is limited to currently regulated contaminants in public water systems.

**RESULTS**

Once the lab provides you with the test results, you will be in a better position to determine if
your well water is safe to drink or what contaminant you need to treat for. Generally, you should
compare the results with Federal ([www.epa.gov/safewater/mcl.html](http://www.epa.gov/safewater/mcl.html)) and State
standards. Where your test results are greater than the State or Federal maximum contaminant
levels, your well water should be considered as unsafe for consumption.
May 21, 2012

TO: Honorable Louise J. Pudlak, A.C.S.W., M.P.H., Director
Department of Health
Attention: Acting Chief, Wastewater Branch
Jannie L. Soto, Chief, Safe Drinking Water Branch
Alex Wong, Chief, Clean Water Branch
Dr. Keith Kawakami, Office of Hawaii, Evaluation and Emergency Response

FROM: William J. Alia, Jr., Chairperson
Commission on Water Resource Management

SUBJECT: Well Construction/Pump Installation Permit Application

CMBY Wells 1 & 2 (Well No. 4927-02 & 03) TMR (2) 1-3-8-008-019

Transmitted for your review and comment is a copy of the applicant's Well Construction/Pump Installation permit application.

We would appreciate your comments on the application for any conflicts or inconsistencies with the programs, plans, and objectives specific to your department. Please review the attached cover sheet form by May 21, 2012. If we do not receive comments or a request for additional review time by this date, we will assume that you have no comments.

Please find the attached maps to locate the proposed well. If you have any questions about this permit application, request additional information, or request additional review time, please contact Charley Ice of the Commission staff at 581-0218.

CIA
Attachment(s)

RESPONSE:

The Well Construction Permit application was reviewed and determined that the application does not meet the requirements as outlined in the Department of Health's Departmental Policies. The application was returned to the applicant with the following comments:

- The application is incomplete and lacks necessary supporting documentation.
- The proposed well location is not within the jurisdiction of the Department of Health.
- The applicant has not provided a copy of the final engineering report or any other relevant documentation.
- The application does not include a map or other visual representation of the proposed well location.
- The applicant has not provided a copy of the final water quality report or any other relevant documentation.

The applicant is encouraged to provide the necessary documentation and submit an updated application for review.

The Well Construction Permit application was returned to the applicant with the above comments.
1. For Well Drilling Activities

Any discharge to State waters of treated process wastewater effluent associated with well drilling activities is regulated by Hawaii Administrative Rules (HAR), Title 11, Chapter 55, Appendix 1, effective October 23, 2007, and compiled June 15, 2009. Treated process wastewater effluent covered by this general permit includes well drilling sludges, fabricating fluids wastewater, and well purge wastewater. This general permit does not cover well pump testing. The applicable Notice of Intent (NOI) Forms and filing fee shall be submitted at least 30 calendar days before the start of discharge to the:

Department of Health
Clean Water Branch
919 Ale Moana Boulevard, Room 201
Honolulu, Hawaii 96814-4920

The CWB-NOI Forms are available online at http://www.hawaii.gov/health/environmental/water/cleanwater/forms/search-index.html. Inquiries may be directed to the CWB at (808) 586-4309 or by fax (808) 586-4352.

2. For Well Pump Testing

The discharger shall take all measures necessary to prevent the discharge of pollutants from entering State waters. Such measures shall include, if necessary, control of initial discharge until the discharge is essentially free of pollutants. If the discharge is entering a stream or river bed, best management practices shall be implemented to prevent the discharge from disturbing the clarity of the receiving water. If the discharge is entering a storm drain, the discharger must obtain written permission from the owner of the storm drain prior to discharge. Furthermore, best management practices shall be implemented to prevent the discharge from collecting sediments and other pollutants prior to entering the storm drain.

3. For Construction Activities Disturbing One (1) or More Acres of Total Land Area

By HAR, Title 11, Chapter 55, Appendix C, effective October 23, 2007, and compiled June 15, 2009, an NPERB permit or Notice of General Permit Coverage is required before the start of the construction activities that result in the disturbance of one (1) or more acres of total land area, including clearing, grading, and excavation. The total land area includes a contiguous area where multiple separate and distinct construction activities may be taking place at different times on different schedules under a larger common plan of development or sale. An NOI (see Comment No. 1, above) shall be submitted 30 calendar days before the start of construction activities.

Sincerely,

WILLIAM J. AILA, JR.
Chairperson

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RECIPIENT:

Mr. William Spider, Director
Planning Department
County of Maui
230 South High Street
Wailuku, HI 96793

Dear Mr. Spider:

Special Management Area Use Permit Requirements for
Well Construction/Pump Installation Permit Application
CMBS Wells 1 & 2 (Well No. 4972-02 & 03)

Transmitted for your review and comment is a copy of the completed Well Construction/Pump Installation permit application.

We would appreciate your comments on the captioned application with regard to the SMA permitting requirements specific to your division. Please respond by returning the original copy of this letter to me by June 21, 2012. If we do not receive comments or a request for additional review time by this date, we will assume you have no comments.

Please find the attached maps to locate the proposed well. If you have any questions about this permit application, requests for additional information, or request additional review time, please contact Charley Lee of the Commission staff at 808-653-4218.

Sincerely,

[Signature]

WILLIAM J. AILA, JR.
Chairperson

Class

RESPONSE:

[Signature]

This well project [ ] requires [ ] does not require a SMA. If a SMA is required it [ ] has been approved and [ ] is not currently active.

If other relevant state/agency information, or recommendations are attached.

[Signature]

Contact Person: [Name]
Phone: [Number]

Signed: [Signature]
Date: [Date]
TO:        Russell Tsuji, Administrator
          Land Division
FROM:    William M. Tam, Deputy Director
          Commission on Water Resource Management
SUBJECT: Well Construction/Pump Installation Permit Application
         CMBY Wells 1 & 2 (Well No. 4927-02 & 03) TMRK (71) 1-8-008-015

May 21, 2012

Transmitted for your review and comment is a copy of the captioned Well Construction/Pump
Installation permit application.

We would appreciate your comments on the captioned application with regard to the program,
plans, and objectives specific to your division. Please respond by returning this cover memo form by
June 21, 2012. If we do not receive comments or a request for additional review time by this date, we
will assume you have no comments.

Please find the attached maps to locate the proposed well. If you have any questions about this
permit application, request additional information, or request additional review time, please contact
Charley Lee of the Commission staff at 587-0214.

C/\nAttachment(s)

RESPONSE:

[ ] A water lease/permit is required of this applicant and an application for such will be requested by our
division.

X[ ] A water lease/permit is not required of this applicant.

[ ] A water lease/permit has been obtained by the applicant through lease co.

[ ] Other relevant Land Division rules/regulations, information, or recommendations are attached.

[ ] No objections

X[ ] Other comments: The property's original source of private title is Land
Commission Award 5230 issued between 1845 and 1855.

Contact Person: Gary Martin                Phone: 587-0421

Signed: ____________________________     Date: May 29, 2012