EXHIBIT "A"

Letter Dated August 31, 1977
from State Land Use Commission
August 31, 1977

MAUI PLANNING COMMISSION
200 South High Street
Wailuku, Maui 96793

Attention: Mr. Tosh Ishikawa, Planning Director

Gentlemen:

At its meeting on August 24, 1977, the Land Use Commission voted to approve a Special Permit request by Ameron HC&D, Maui (SP77-271) to allow the expansion of an existing quarry operation on approximately 194.5 acres of land situated within the State Land Use Agricultural District at Puunene, Maui, Tax Map Key 3-8-1: portions of 1 and 74 and 3-8-3: portion of 4 and 18.

Approval of this Special Permit is subject to the five conditions imposed by the Maui County Planning Commission and a clarification of condition Number 4 to identify the mitigative control measures contained in the applicant's environmental analysis. Condition Number 4 now states:

"That the following mitigative control measures and others which may be required in the future be implemented and continued as necessary through the life of the Special Permit:

1. Dust Control

   a) The incorporation of an automatic sprinkling system which is activated whenever rocks pass through the crusher.

   b) The surge piles (stockpiles) will be wetted down by a system of sprinklers located at the head pulley of the conveyor belt which carries the rock from the crusher.

   c) All quarry roads and working areas will be kept sprinkled during the working day to reduce dust. Roads carrying substantial amounts of traffic will be periodically oiled or chemically treated.
2. Conversion of Cane Land
   a) No land will be quarried until the existing cane crop matures and is harvested.
   b) As areas are quarried, topsoil will be replaced, and the land reclaimed for planting. When the asphaltic concrete plant is relocated (as also proposed) approximately three additional acres will be reclaimed for planting.
   c) The areas to be mined will not be leased on a long-term basis to the applicant. Rather, a land license will be granted for mining purposes only.

3. Water Pollution
   a) A specific area has been set aside for the washing out of the concrete trucks. The concrete residue is periodically cleaned out (approximately once a year) and stockpiled for eventual use as landfill material in conjunction with the applicant's land reclamation program.
   b) All cesspools will be constructed and maintained in accordance with the requirements of the Department of Health, State of Hawaii.
   c) The amount of water or wetting agent used to reduce dust during crushing will be controlled so that ideally, it is totally absorbed by the rock and no runoff will occur.
   d) The berms constructed by the applicant along the edge of Kalialinui Gulch to prevent runoff from entering the project site, will likewise prevent excess water generated in the area from entering Kalialinui Gulch.

4. Noise
   The applicant will conform to all State and Federal requirements for noise abatement including applicable Mining Enforcement Safety Administration (MESA) and Occupational Safety and Health Act (OSHA) controls and guidelines."
A copy of the staff memorandum is enclosed for your information.

Sincerely,

GORDAN Y. FURUTANI
Executive Officer

GYF: jy
Encl.
cc: Ameron HC&D
Department of Taxation, Maui
Tax Maps Recorder, Dept. of Taxation
Property Technical Office, Dept. of Taxation
Real Property Tax Assessor, Dept. of Taxation
Department of Planning & Economic Development
Office of Environmental Quality Control
Division of Land Management, DLNR
MEMORANDUM

TO: Land Use Commission
FROM: Staff
SUBJECT: SP77-271 - Ameron HC & D

The petitioner, Ameron HC & D (Concrete Industries – Maui), is requesting a Special Permit to allow the expansion of an existing quarry operation on approximately 194.5 acres of land situated within the State Land Use Agricultural District at Puunene, Maui, Tax Map Key 3-8-1: portions of 1 and 74 and 3-8-3: portion of 4 and 18. The property is located about 1.2 miles south of the Haleakala and Hana Highway intersection. Access is provided from the Haleakala Highway over a private road.

A portion of the subject area was originally established as a quarrying and rock crushing site by the U.S. Navy Seabees in 1939. This quarry operation was later acquired for private use, first by the Kahului Railroad Company and subsequently by HC & D, Ltd. in 1966. The petitioner had been previously granted a Special Permit in September 1966, to consolidate and improve the quarry operation. Permitted uses were to include, but not be limited to: rock crushing and screening; concrete batching plant; the manufacture of concrete products, including ready mix concrete, cast concrete products, concrete blocks and pipe; and maintenance, storage and office facilities. This Special Permit encompassed an area of approximately 28.19 acres.

The expansion and modernization of this quarry operation is now being proposed by the petitioner. The present petitioned area encompasses approximately 194.5 acres of land, 15 acres of which had been previously included in the 1966 Special Permit. The subject property is presently owned by Alexander and Baldwin, Inc. and leased to Ameron HC & D.

In support of the request, the petitioner has in part, stated the following:

"1) The present crushing plants were constructed during World War II. They are no longer structurally sound due to wood rot and termite damage. A new plant must be constructed as soon as possible in order to meet the regulations of OSHA and MESA."
"2) Most equipment is worn and obsolete. In many cases, parts are no longer available for repair. Unexpected breakdowns have caused disruptions in deliveries to customers, causing them costly delays.

"3) Plant breakdowns plus increasing demand for rock have necessitated heavy overtime schedules including periods of running 70 hours per week. This is unsafe because the work is very tiring and our employees are more susceptible to accidents. It also causes a financial hardship to the Company due to cost of overtime. In 1975, 6200 manhours of overtime were required. Although final analysis of 1976 has not been completed, overtime ran in 1976 will be comparable to 1975.

"4) The demand for rock continues to increase. A detailed market study of Maui Island projects demand for rock to continue to increase at a rate in excess of 6% per year for the next 15 years. Because the old plant is operating at 125% of capacity, construction of a new plant is needed immediately.

"5) Rock reserves as defined per the present Special Use Permit will be exhausted within two (2) years! To justify investment of the $1.7 million in a plant, rock reserves for a period at least equal to the 20 year depreciation period of the plant must be assured.

"6) Rehabilitation and turnover of old, quarried out lands dating back to pre World War II times can not commence until a new plant is on stream. Only then will the man hours and proper equipment be available to implement this land reclamation program.

"Granting of this request will result in several significant benefits to the community, the company and to its employees.

"1) An economical source of high quality rock will be assured for future use on Maui's roads and in construction. Maui Island rock requirements are expected to grow at an average rate of 6% compounded annually.

"2) Land that has lain dormant and unproductive for over 30 years will be reclaimed for the growing of sugar cane.

"3) The problems that now arise periodically with control of dust generated by rock crushing will be eliminated.

"4) Relocation of the crushing operation closer to the mining face reduces the length of haul for transporting rock thereby minimizing dust created by the movement of off-the-road type vehicles.
"5) The new plant will incorporate the latest OSHA and MESA recommendations making it a more pleasant and safer place for our employees to work.

"6) The plant capability will be created and materials sources assured for future orderly growth in the size of our work force."

The petitioner has also submitted a master layout plan, 20-year mining plan, land reclamation plan, proposed construction schedule, proposed dust suppression system, and an environmental analysis for the requested quarry expansion.

The subject area is designated Agricultural by the County of Maui's Wailuku-Kahului General Plan. County zoning is similarly for Agriculture.

There are presently three primary land uses within the subject property. These include: lands under sugar cane cultivation, including field roads and irrigation ditches; lands presently being quarried or previously quarried and in the process of reclamation; and lands utilized for rock crushing, stockpiling, concrete batching, and the manufacture of concrete and asphaltic products.

Lands surrounding the subject site are almost exclusively used for sugar cane cultivation. The nearest residential area is Puunene Village, located about 1.7 miles to the west. The Kahului Airport lies approximately 2.3 miles to the northwest.

The Land Study Bureau's Overall Master Productivity Ratings for the subject site are Class E or Very Poor and Class C or Fair. The portion of the site rated Class C is based upon the availability or irrigation.

The subject area receives an annual average rainfall of approximately 15 inches. Tradewinds are from the northeast.

A private water system presently services the subject area. Telephone and electricity are also available at the site. Present sewage disposal is by cesspools.

At the public hearing held by the Maui Planning Commission on June 21, 1977, the only persons providing testimony were representatives of the petitioner. Two letters in support of the proposal were received prior to the hearing. Copies of the hearing transcript and supporting letters are attached.

On July 12, 1977, the Maui Planning Commission voted to recommend approval of the Special Permit to the Land Use Commission subject to the following conditions:
"1. That the Special Permit be limited to a period of 20 years upon final approval subject to further extension upon a favorable review by the Planning and Land Use Commissions.

"2. That a report be submitted every five years describing the extent and progress of activities occurring in that period.

"3. That the use be limited to those activities and areas indicated in the application.

"4. That the mitigative control measures cited in the environmental analysis and others which may be required in the future be implemented and continued as necessary through the life of the Special Permit.

"5. That all other State and County requirements be met."