A regularly advertised public hearing, on the application of Hilo Coast Processing Company, was called to order at 9:50 p.m., in the County Council Room, County Building, by Chairman Arthur W. Martin.

PRESENT: Arthur W. Martin
Scott H. Asai
Takashi Domingo
Lorraine Jitchaku
Daniel J. Johnson, Jr.
Roy H. Nagata
Leon K. Sterling, Jr.
Ed C. Watt
Raymond H. Suefuji
Norman K. Hayashi
Ilima P. McGill
Quirino Antonio
David Murakami, Public Works

and approximately 10 people in attendance

CHAIRMAN: We will go to Item No. 4. Public hearing on the application of Hilo Coast Processing Company for a special permit to allow the continuation of existing quarry and crusher operations within the State Land Use Agricultural District. The Onomea Quarry No. 1 is situated .4 mile makai of the Hawaii Belt Highway, approximately one (1) mile Hilo side of the Kulaimano Heights Subdivision, Onomea, South Hilo, TMK: 2-7-10:6. The Pepeekeo Cinder Quarry is situated .6 mile mauka of the Hawaii Belt Highway, approximately 1,000 feet mauka of the Kulaimano Heights Subdivision, Unit II, in Pepeekeo, South Hilo, TMK: 2-8-07:3. The Shiroma Quarry is situated approximately 3.4 and 2.6 miles mauka of the Hawaii Belt Highway and Honomu Village respectively, in Honomu, South Hilo, TMK: 2-8-10:5. The Kamaee Quarry is situated approximately 2.5 miles mauka of the Hawaii Belt Highway and Hakalau Village, Kamaee Homesteads, Kamaee, North Hilo, TMK: 3-1-04:8.

Staff presentation please.

McGILL: Mr. Chairman and members of the Commission. (The staff presented the background information on file.) Thank you.

CHAIRMAN: Any questions you would like to ask the staff? Commissioner Sterling.

STERLING: Initially you stated c., the application that some of the aggregate from the Onomea Quarry No. 1 was used for the Belt Highway.
McGILL: Originally yes. Onomea Quarry No. 1, as I understand it, was originally created for the construction of the Belt Highway.

STERLING: Are we to understand now that from the last few paragraphs of the application that the aggregate from these quarries will be used for plantation roads only?

McGILL: As I understand it, the application is by Hilo Coast Processing Company for the maintenance of their cane haul roads. I would like to point out, also, that it is just not only aggregate but also cinders and other materials.

STERLING: Thank you very much.

CHAIRMAN: These quarries are presently being used. Is that correct?

McGILL: Our site inspection showed that two quarries - Onomea Quarry and the Kamaeae Quarry are being operated on a full-time basis, but the crusher is being hauled between both quarry sites to be used. The Pepekeeo cinder pit is actually a very long cut into a cinder cone and it is our understanding that it is not being used because the walls of the quarry cut are about 100 feet high and it's very dangerous. The Shiroma Quarry which is about 3 1/2 acres in size - it may be being used but when we inspected it, it didn't seem to be in use - not very much anyway.

CHAIRMAN: Thank you, Commissioner Sterling.

STERLING: How come we deal with so much rocks tonight?

McGILL: It so happened that these two special permit applications fell on the same day.

CHAIRMAN: Is the applicant present or the representative of the applicant?

CYRIL KANEMITSU: My name is Cyril Kanemitsu. Mr. Chairman and members of the Commission, on my right here is Mr. Leonard Costa, Superintendent of Transportation of the Hilo Coast Processing Company. As all of you are well aware, Hilo Coast Processing Company is the largest employer of citizenry in the County of Hawaii. Together with Mauna Kea Sugar Company we employ over 1,000 people. The Hilo Coast Processing Company is composed of Mauna Kea Sugar Company that cultivates approximately 16,000 acres of sugar cane land and the United Cane Growers Cooperative, a cooperative consisting of 400 independent cane growers who cultivate approximately 8,000 acres of sugar cane. The major road building program for the sugar cane lands covering this area was done some 14 to 20 years ago in varying areas. Major repairs have not been made since that time. One of the expenditures that we are constantly running over budget is garage maintenance and also transportation. The reason for running over budget constantly is because of the very poor shape that the roads are in right now. We are engaged in developing a new system of harvesting and transporting of sugar cane; and in that tune, we are making capital expenditures in excess of seven million dollars. This requires then a road system that will not destroy all of these new equipment that is being purchased more than 100 per cent of the estimated cost one year ago. As you know, costs are going up. We eventually expect to have or hope to have an additional four quarries - two of which quarries have been operated in the past and two new sites. However, at this time
we are requesting a special permit for these four quarries and after the special permit is granted; hopefully, we intend to purchase a portable crusher to enhance the necessary work that has to be done to the road system.

Anything else, Sir?

CHAIRMAN: Commissioner Sterling has a question.

STERLING: Mr. Kanemitsu, are we to understand that it is primarily for the use of the Mauna Kea Sugar Company and their road network?

KANEMITSU: Yes, this is to maintain the private roads that's used for sugar cane hauling.

STERLING: That's the primary cause. It wouldn't obviate the possibility of going into the public domain on public bids and so on?

KANEMITSU: No, we don't anticipate any of that. In honesty, I might point out however that in the past my understanding is that if a farmer wants or someone wants a very small quantity of aggregate or everything that we have been supplying them. I think we have supplied some aggregates for the County's use. Have we not?

LEONARD COSTA: Yes.

KANEMITSU: Normally, free of charge too.

CHAIRMAN: I'd better hurry up and call on Commissioner Asai because he is flashing lights at me.

ASAI: I want to direct this question to Mr. Costa. Approximately how many miles of plantation road do you have right now?

COSTA: There's about 500 miles of plantation roads.

CHAIRMAN: Commissioner Johnson.

JOHNSON: He asked for me. I was going to ask him that question.

CHAIRMAN: Commissioner Asai got ahead of you because he was flashing lights. Any further questions? Commissioner Sterling.

STERLING: In the previous testimony, this wasn't brought up. Mr. Costa being an engineer would know. Do these aggregates from these quarries check out? I mean, you have certain standards - the government concrete standards and so on. Do they check out and meet your requirements from these existing quarries?

COSTA: Yes, they do.

STERLING: Because I think some people, I hope they didn't walk out under the impression in the last application that you can go out and find proper aggregate any place. I mean, I am just making this remark. I think that there is some misunderstanding in the previous application - like some voiced "why don't we get it from the South Point." Well, if they don't have the proper aggregate, you can't get it from South Point.
COSTA: Now we, in fact at Onomea Quarry No. 1, have excellent material. There are a lot of people that would like to get out of that for commercial use.

STERLING: It does check out to your standards for your requirements?

COSTA: That's right.

CHAIRMAN: Speaking in terms of our last application, since you will be just hauling these rocks to improve your own roads, I am assuming that you won't be carrying it too many miles - distance wise.

KANEMITSU: No, we won't be carrying it that far. However, we may be using the public roads to repair roads in the, say the Pihioua area, Kaumana area, where there are no quarry sites.

CHAIRMAN: And, you'll be traveling mostly on land which is owned by you, is in sugar cane by your company or the private owners which is part of your outfit.

KANEMITSU: That's right.

CHAIRMAN: Any further questions?

WATT: Have all the neighbors been notified which are not here or do you have any neighbors?

KANEMITSU: No comment.

WATT: I assume your new equipment is going to have the latest dust control?

KANEMITSU: I assume so, also. We are already paying, I would say approximately four million dollars for environmental protection directly attributed to EPA regulations. In order to operate much of our equipment to comply we've been paying something like $7.50 per ton of sugar. That's additional cost of operation. And when you really begin to realize that compliance payments was only $16 per ton of sugar and my growers were hollering at the elimination of it, it's a substantial amount that we would be paying for abatement of water pollution and so forth.

STERLING: We can appreciate your efforts on holding down the cost. This is some possibly a cost that you can control.

KANEMITSU: Yes, fortunately, the price of sugar is pretty good for the growers.

CHAIRMAN: Commissioner Watt.

WATT: I am just curious. You're not really going into oil pavement road are you?

KANEMITSU: No.

WATT: Only gravel type?
KANEMITSU: Some of the major roads, we may improve a little more in the future.

COSTA: Yes, some of our primary roads will be oiled.

CHAIRMAN: Any further questions? Mr. Suefuji.

PLANNING DIRECTOR: I think for the benefit of the Commission members, this particular application is a nonconforming quarry operation which is in operation. However, the Department requested Hilo Coast Processing to come in with a special permit because there was a technical point in question — simply that the Land Use Law reads, and its reg. reads, that a nonconforming use shall not be expanded. But, there is no way of operating a quarry without expanding it. Simply because every shovelful that you take out of the quarry, you are expanding. So, basically, these are grandfathered quarry sites and what we are asking the applicant here to do is to put a boundary around the quarry so the activities be confined within this area. So, once they are within this area, then, at least we know that if they don't go outside the boundaries, that they are in conformance with law. But, it's a technical area or legal area or interpretation whether such a quarry can be allowed to continue. Everyday, they would be extracting more material and that can be interpreted to mean expansion of the quarry, especially when there's no boundary around it. So, it is an ongoing quarry and we're asking that they put boundaries around it.

CHAIRMAN: Any further questions?

Thank you very much Mr. Kanemitsu and Mr. Costa.

Is there anyone present who wishes to give any testimony in favor of the application? Is there anyone present who wishes to give testimony opposed to the application? Yes Ma'm.

MAE MULL: Mr. Chairman, I don't wish to give testimony opposed to the application and I suppose I should have spoken up when you called for someone in favor. I just didn't want to be the only one to speak. I wanted to be the last person.

CHAIRMAN: There does not seem to be a rush of people who want to give testimonies so you can give either way.

MULL: My name is Mae Mull. I'm with the Audubon Society. I stayed on because I wanted to draw a very clear distinction between this application and the previous application. This application for the quarry permit seems to me to be a compatible use in this particular area and as an intrinsic part of the whole sugar cane operation. It is in support of that ongoing operation in contrast to the previous application for a special permit that would be intrusive into existing agricultural operations and have a deleterious effect on existing operations; whereas, this application is it seems to me wholly compatible and necessary for the continuance of the sugar cane plantations; and we are very strongly in support of sugar cane having a very healthy life on this island. So, I just want to draw that point because I'm afraid that generally these are looked at as both, well here's two applications for quarrying and they are vastly different and greatly dissimilar and I would hope the Commission would keep those differences in mind in considering them.
CHAIRMAN: Mrs. Mull, the Chair appreciates very much the comment and your staying on. Also, appreciates how we can look at different items and look at them objectively enough, see differences in them and see how they fit. And the Chair really appreciates the comments and that you were willing to stay and offer this. Thank you.

Commissioner Sterling has a question.

STERLING: I only have one question Mrs. Mull. With all the vandas that we might grow and all the papayas that we might grow, how do we get them to market without roads?

MULL: Apparently, they don't need these 10,000 ton trucks and so forth everyday. These farmers apparently do it on a very small limited, you know in their own small ways.

STERLING: But if they are going to get into the marketing picture, they would have to have means to getting these to the market if the crops are grown there.

MULL: But they are doing it now in some way. They are getting their crops to the market and to the processing plant.

STERLING: It was just a question that was running through my mind.

MULL: What is the point we're getting at though in relationship to this.

STERLING: I'm trying to think in terms of the roads, getting into the market, getting products going. We have problems in Kona getting the coffee down from way up on the hills and you can't even run a wheelbarrow down there. Some of those people would almost have to carry the bags of coffee down. I was just thinking of these in terms with roadways and taking in the products would take roads. The farmers don't have proper means to market.

MULL: Well, we certainly see and agree that there is a need for quarry land; you know; but, again for general quarry use when you speak to be used for general road construction and subdivisions and breakwater and that sort of thing - on that large scale permanent type, it should be urban industrial zoning. That's our position generally as far as large scale quarrying goes. And we do need such quarries. Yes, I agree with you.

STERLING: I agree. We have to find an aggregate that matches.

MULL: Yes.

CHAIRMAN: Thank you very much Mrs. Mull. Is there anyone else who would like to give any testimony concerning this application. It may be in favor, opposed or neutral.

There being none, the Chair will entertain a motion to close the public hearing.

STERLING: I so move that we close the public hearing, Mr. Chairman.

JITCHAKU: Second.
CHAIRMAN: It has been moved by Commissioner Sterling and seconded by Commissioner Jitchaku that we close the public hearing. All those in favor say aye.

COMMISSIONERS: Aye.

CHAIRMAN: Opposed? Motion is carried.

This being a special permit, we will not be able to vote upon this application for fifteen days. So, we will let you know when our next meeting will be when we can vote upon this.

The public hearing was adjourned at 10:15 p.m.

Respectfully submitted,

Lei A. Tsuji

Lei A. Tsuji, Secretary

ATTEST:

Arthur W. Martin, Chairman
Planning Commission