

Kapaa Highlands Agricultural Master Plan
June 1, 2007

Economics for Goats

01-Jun-07

<u>General Assumptions</u>	<u>Ratio</u>	<u>Units</u>
Acreage		102
Animal units per acre		3.5
Total animal units (AU)		357
Breeding herd :		206
Bucks (1)	3%	6
Does (30)	97%	200
Kids per doe per year	1.5	300
Total animal units (AU)		356

Note: Bucks & Does = 1 AU each, Kids = 1/2 AU each.

<u>Annual Revenue from Goat Sales:</u>	<u>Ratio</u>	<u>Units</u>	<u>Unit Price</u>	<u>Annual Revenue</u>
Local Kauai Sales	75%	225	\$ 180	\$ 35,968
Honolulu Sales (FOB Linue)	25%	75	\$ 140	\$ 10,481
Totals		300		\$ 46,458

<u>Expense:</u>	<u>Units</u>	<u>Unit Cost</u>	<u>Fixed Cost</u>	<u>Annual Cost</u>
Labor:				
Part-time labor (hours)	520	\$ 15.00	\$	7,800
Feed:				
Barley-Corn (per head)	206	\$ 2.90	\$	597
Minerals:				
Mineral block (per head)	206	\$ 12.00	\$	2,472
Veterinary Supplies:				
Worming (per head)	206	\$ 1.20	\$	247
Water:				
Annual requirement (3 gallons per head per day)	206	\$ 2.03	\$	417
Repair & Maintenance:				
Repair fences, gates, water system			\$ 1,200	\$ 1,200
Vehicle - Repair, Maintenance and Fuel			\$ 2,000	\$ 2,000
Hauling Goats (per head):	206	\$ 0.70		\$ 144
Total Direct Costs				\$ 14,878
Overhead:				
Lease Rent (unit cost per acre per year)		\$ 35.00		\$ 3,570
Administration			\$ 500	\$ 500
Management			\$ 5,000	\$ 5,000
Other			\$ 250	\$ 250
Total Overhead				\$ 9,320
Net Operating Profit (Loss)				\$ 22,260

Exhibit D

**Department of Water, Kaua'i County
Manger's Report 12-10**

MANAGER'S REPORT 12-10:

July 21, 2011

Re: Kapaa Highland Request

RECOMMENDATION:

Your concurrence is requested to allow the staff to enter into an agreement in accordance with Part III Section XII of the rules with Kapaa Highland subject to county attorney concurrence. This exchange should be on a dollar for dollar basis not gallon for gallon.

BACKGROUND:

The developer is proposing the following exchange: the developer will give the DOW undeveloped water and in return, the DOW will provide the developer with storage for the developer's project; both will be built to department standards.

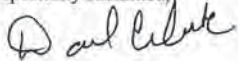
The project has a large portion of land that shows in the community plan to be affordable housing though not currently zoned as such. I have checked with the county housing department and the Mayor's office and both want to see the affordable housing go forward. This concurrence is verbal.

The planned storage for planned water exchange will allow this project to move forward when other developments have been stopped due to inadequate storage. There appears to be an overall county benefit and the implementation would be subject to finally getting the storage and source completed.

Our storage project is scheduled to be completed in 3-4 years. The source development could be sooner. The issue with this proposal is wells in different locations have different yields and DOW storage is only subject to available funds.

The developer has drilled a well and tested it. The well is too crooked to be used as a normal source of water and have to be redrilled in another location. The next one may not provide the same yield. It is low enough risk that this is being recommended.

Respectfully submitted,



David R. Craddick, P.E.
Manager and Chief Engineer



Water has no substitute.....Conserve it

August 22, 2011

Mr. Gregg Allen
161 Wailua Road
Kapaa, HI 96746

Dear Mr. Allen:

Subject: Water Master Plan for the Kapa'a Highlands Project on TMK: 4-3-03:001

At the Department of Water, Water Board July 28th 2011 meeting, via Managers Report 12-10, in response to your letters of April 22, 2011 and May 11, 2011, accepted the proposed exchange of source for storage on a dollar for dollar basis. This acceptance is based on your commitment to proceed with zoning changes in your development to match the county zoning. That zoning change requires affordable housing in certain portions of your proposed development.

This acceptance is based on building permits and County water meter service not being issued if the source and storage requirements have not been completed as of the date of requested building permit approval. We ask that you submit a proposed draft of an agreement to memorialize this action. We would expect that this agreement runs with the land.

If you have any questions, please contact Mr. Gregg Fujikawa at (808) 245-5416.

Sincerely,



David R. Craddick, P.E.
Manager and Chief Engineer

GF/WE:bdm
Bill/Gregg Allen Response Letter/July Board Mtg.