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State of Hawaii
DEPARTMENT OF AGRICULTURE
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July 23, 2018

Munekiyo Hiraga
305 High Street, Suite 104
Wailuku, Hawaii 96793

Attention: Ms. Erin Mukai

Dear Ms. Mukai:

Subject: Proposed Amendments to Land Use Commission Special Use Permit (SP77-271) and County Special Use Permit (SUP 2001/0001) HC&D, LLC
Expand Quarry Operations
TMK: 3-8-01: por. 1; 3-8-03: por. 4, 21 Puunene, Maui
Area: 142.9 acres (formerly 131.9 acres)

The matter before us is an application by HC&D, LLC who is seeking to amend the Land Use Commission Special Use Permit (SP77-271) and the County Special Use Permit (CUP 2001/0001) to expand the Ameron Hawaii Puunene Quarry area by about 142.9 acres. The expansion lands were designated as Important Agricultural Lands (IAL) pursuant to action by the Land Use Commission on June 29, 2009 (Docket No. DR09-38). As provided for in the IAL incentives that are available to owners/occupiers of designated IAL, the Department of Agriculture has issued certifications of qualified agricultural costs claimed by Alexander and Baldwin, Inc. for their IAL tax credit request.

The landowner, Alexander and Baldwin, Inc. and HC&D are requesting the Department of Agriculture to reconsider its letter and recommendations of August 5, 2016 to Munekiyo Hiraga. In lieu of our original recommendations, HC&D is proposing the following two conditions of approval:

1. HC&D shall undertake a phased reclamation of the 142.9-acre quarry expansion area, so as to minimize the amount of acreage that is unavailable for agricultural use at any given time. This incremental take and reclamation will be at a rate approximately equal to that consumed by the applicant's quarrying operations. This phased reclamation will also be applied to the 30 acres of land currently being quarried under the existing special permits.



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2. HC&D shall report on the status of its reclamation activities as part of its annual report to the Land Use Commission.

The DOA appreciates the commitment by the applicant and the landowner to cause the quarrying and subsequent reclamation of IAL-designated lands in increments. As to our earlier concern that the applicant did not act in good faith to restore lands already quarried under the existing Special Use Permits and the existing lease agreement with Alexander and Baldwin for agricultural use, we now understand that Maui County had requested these lands be available for landfill purposes. We are willing to rescind our four recommendations found in our letter to Munekiyo Hiraga, dated August 5, 2016, and accept HC&D's two proposed conditions, provided the following additional condition is added:

- "3. The reclamation of the quarried land (142.9-acre expansion area and the 30 acres currently being quarried under the existing Special Use Permits) by the applicant shall result in agricultural land with soil of sufficient quality and depth to support intensive agricultural production."

This additional condition seeks to ensure that the impacts resulting from the amended Special Use Permits are mitigated and the IAL designated land fully restored for potential future agricultural uses in consonance with the purpose and intent of the IAL Law and Incentives.

The Department remains concerned about the 8 acres within the proposed 142.9-acre quarry expansion area that were reported by you in your letter of June 29, 2016 as already being mined. This 8-acre area is also designated as IAL. This activity appears to be in violation of Chapter 205, HRS and subject to Section 205-12 (Enforcement), and Section 205-13 (Penalty for violation).

Should you have any questions, please contact Earl Yamamoto at 973-9466, or email at earl.j.yamamoto@hawaii.gov.

Sincerely,



Scott E. Enright
Chairperson, Board of Agriculture

c: Maui County Department of Planning
Land Use Commission
Office of Planning