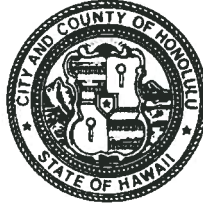


DEPARTMENT OF ENVIRONMENTAL SERVICES
CITY AND COUNTY OF HONOLULU

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DEPUTY DIRECTOR

ROSS S. TANIMOTO, P.E.
SECOND DEPUTY DIRECTOR

IN REPLY REFER TO:
RA 07-043

June 28, 2007

Mr. Anthony J.H. Ching
Executive Director
State Land Use Commission
P.O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Mr. Ching:

Subject: Annual Report/LUC Docket No. SP87-362

The City Department of Environmental Services is pleased to submit our annual report for the subject project.

During the preparation of the draft Environmental Impact Statement for the proposed future expansion of the landfill, three possible archaeological uprights were found within the proposed expansion area at Waimanalo Gulch. Our consultant who is preparing the EIS has notified the State Historic Preservation Division (SHPD), and we are now following the required process to resolve this issue with the appropriate agencies and individuals. Pursuant to this process, SHPD notified culturally knowledgeable individuals, who visited the upright locations on March 27, 2007. We continue to wait for SHPD's determination as to whether the uprights are culturally significant archaeological features. The unexpected discovery of the uprights has delayed the EIS process. It appears we may not be able to complete the EIS and other steps necessary for approval of the proposed expansion of the landfill as originally anticipated. Therefore, we are submitting with this report a revised completion schedule for your information. (See Attachment 1.)

In light of this unexpected discovery, we intend to seek a modification of the expiration date of the SUP permit, to extend the current May 1, 2008, deadline to cease accepting waste at the landfill by two years. Our intention would be to amend only the deadline, and no other permit conditions, at this time. The application to seek modification of this deadline will be submitted to the City Department of Planning and Permitting for processing through the City Planning Commission, and eventually to the Land Use Commission (LUC). We hope to come before the LUC as soon as possible.

Mr. Anthony J.H. Ching
June 28, 2007
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We are still working with the State Department of Health to full and finally resolve the Notice of Violation (NOV) and Order issued to Waste Management of Hawaii, Inc. and the City and County of Honolulu on January 31, 2006. We have summarized the current compliance status of each alleged violation in the NOV for your information. (See Attachment 2.) We continue to seek an expeditious resolution to this matter. If settlement cannot be achieved, a contested case hearing is scheduled for November 2007.

Similarly, we are working with the Environmental Protection Agency regarding the Finding and Notice of Violation issued by that agency to Waste Management of Hawaii, Inc. and the City and County of Honolulu on April 4, 2006, and are hopeful that a full and final resolution can be achieved as soon as possible.

Finally, we have attached an updated description of our current permit conditions for your information. (See Attachment 3.)

Thank you for the opportunity to provide this report. Do not hesitate to contact me if the Commission has any questions regarding the matters discussed herein. We would also be happy to discuss these matters with the Commission if that is desired.

Sincerely,

A handwritten signature in black ink that reads "Eric S. Takamura". The signature is written in a cursive style with a large, stylized "E" and "T".

Dr. Eric S. Takamura, P.E.
Director

Attachments

Waimānalo Gulch Sanitary Landfill Lateral Expansion Entitlements
 Draft Schedule*
 February 2, 2007

LINE NO.	TASK ITEM	WORKING DAYS	START/ON-GOING DATE	END DATE
1	EIS PREPARATION NOTICE	54.d	11/20/2006	1/31/2007
2	EISPN Publication	1.d	11/23/2006	11/23/2006
3	EISPN Public Comment Period (30 d)	25.d	11/23/2006	12/26/2006
4	Respond to Comment Ltrs. (Responses Pending DEIS)	27.d	12/26/2006	1/31/2007
5				
6	DRAFT EIS	245.d	12/1/2006	11/6/2007
7	EIS Special Studies	163.d	12/1/2006	7/15/2007
8	Alternatives Analysis Report	163.d	12/1/2006	4/30/2007
11	Flora Assessment	1.d	12/1/2006	12/1/2006
12	Fauna/Avifauna Assessment	38.d	12/26/2006	2/15/2007
13	Archaeological/ Cultural Impact Assessmt	145.d	12/26/2006	7/15/2007
15	Stone Uprights Issue	107.d	2/16/2007	7/15/2007
16	Traffic Impact Assessment	44.d	12/26/2006	2/23/2007
17	Socioeconomic Impact Assessment	90.d	12/26/2006	4/30/2007
18	Wind Study	96.d	12/26/2006	5/8/2007
25	DEIS Publication	1.d	8/23/2007	8/23/2007
27	DEIS Public Comment Period (45 d)	33.d	8/23/2007	10/8/2007
28	Respond to Comment Ltrs.	27.d	10/1/2007	11/6/2007
29				
30	FINAL EIS	106.d	10/1/2007	2/24/2008
31	Prepare & File FEIS/FONSI	45.d	10/1/2007	12/21/2007
36	FEIS Publication	1.d	12/24/2007	12/24/2007
38	FEIS Public Challenge Period (60 d)	44.d	12/26/2007	2/24/2008
39				
40	SPECIAL USE PERMIT APPLICATION	115.d	12/3/2007	5/8/2008
42	SUP Permit Application	15.d	12/3/2007	1/1/2008
46	DPP Review & Accept Permit Application	1.d	1/1/2008	2/18/2008
47	Planning Commission Notice of Hearing	22.d	2/19/2008	3/18/2008
48	Planning Commission Hearing and Decision	11.d	3/19/2008	4/2/2008
49	SLUC Notice of Hearing	11.d	4/3/2008	4/17/2008
50	SLUC Hearing and Decsion & Order	15.d	4/18/2008	5/8/2008

Note: *Schedule reflects anticipated July 2007 date of resolution for stone uprights found at Waimānalo Gulch in Spring 2007. Notification will require coordination with State Historic Preservation Division (SHPD) and selected community members as determined by SHPD.

**Waimanalo Gulch Sanitary Landfill
Summary of Compliance Status Regarding
Hawaii Department of Health's Notice & Finding of Violation (March 20, 2006)**

Count	Alleged Violation	Date of Last Violation as Alleged by DOH	Compliance Status
1	Exceedance of Permitted Grades	Ongoing	Approval Pending. Request for grade modification is pending with the Department of Health, anticipate approval in 2007
2	Failure to Submit Annual Operating Reports in a Timely Manner	Feb. 22, 2005	In Compliance
3	Failure to Place Daily Cover on the Active Face of MSW Landfill	June 9, 2005	In Compliance
4	Failure to Place Intermediate Cover Material on the Ash Monofill	June 29, 2005	In Compliance
5	Exceedance of Leachate Head on the Liner in Ash Monofill	July 15, 2005	In Compliance
6	Exceedance of Leachate Head on Liner in MSW Cell E-1 Sump	July 22, 2005	In Compliance
7	Failure to Measure Leachate Levels and to Maintain Records on Leachate Levels in Cell 4B Sump	Ongoing	The Department of Health has given approval to proceed with the drilling of the pilot hole. If there are no problems with the pilot hole drilling, 4B sump riser will be drilled/installed. Asbestos Drilling Plan was submitted to the DOH on 5/14/07 - awaiting for DOH approval - pilot hole drilling scheduled for July 2007.
8	Failure to Measure Leachate Levels and to Maintain Records on Leachate Levels in Ash Monofill Sump	Feb. 9, 2005	In Compliance
9	Failure to Notify DOH of Noncompliance on Equipment Blockage in MSW Cell 4-B Leachate Lateral Line and Inability to Measure Leachate Levels	June 22, 2005	In Compliance
10	Failure to Notify DOH of Noncompliance in a Timely Manner on the Exceedances of Permit Grades and Submission of the AORs	Feb. 22, 2005	In Compliance
11	Unauthorized Storage of Material on the Ash Monofill	March 2005	In Compliance
12	Failure to Manage and Ban the Acceptance of Special Waste	May 19, 2005	In Compliance
13	Failure to Maintain Records and Record Location of Asbestos Disposal at the Landfill	July 27, 2005	In Compliance
14	Failure to Cover a Dead Animal	Feb. 17, 2005	In Compliance
15	Failure to Submit Annual Surface Water Management Plan	Sept. 1, 2005	In Compliance
16	Failure to Control the Generation of Dust from Vehicular Traffic	Feb. 17, 2005	In Compliance
17	Failure to Minimize Free Litter Generation in the Landfill	June 24, 2005	In Compliance
18	Failure to Monitor Explosive Gases and Maintain Monitoring Records	2004	In Compliance

No.	Condition	June 2005 Status	June 2007 Status
1	The Blue Ribbon Site Selection Committee shall make its recommendation for a new landfill site by June 1, 2004. If a new site is not selected by June 1, 2004, this Special Use Permit shall immediately expire. (Amended May 10, 2004) Extension of deadline to select a landfill site from June 1, 2004 to December 1, 2004.	Council Resolution 04-348, DC1, FD1 adopted December 1, 2004.	No change
2	In the event that Condition No. 1 is satisfied, Condition No. 14 shall become effective.	Condition 14 now effective.	No change
3	That an earth berm shall be installed prior to the commencement of any waste disposal operations.	Completed	No change
4	The landscaping plans which would include plant names, sizes, quantities and location shall be submitted to the Department of Planning and Permitting for approval and shall be implemented within 90 days of completion of the berm work.	Completed	No change
5	The facility shall be operational between the hours of 7:00 a.m. and 4:30 p.m. daily.	On-going	No change
6	The Applicant shall obtain all necessary approvals from the State Department of Health, Department of Transportation, Commission on Water Resource Management, and Board of Water Supply for all on-site and off-site improvements involving access, storm drainage, leachate control, water, well construction, and wastewater disposal.	Completed	No change
7	The Planning Commission or Director of the Department of Planning and Permitting may at any time impose additional conditions when it becomes apparent that a modification is necessary and appropriate.	No change	No change
8	The Applicant shall notify the Planning Commission of termination of use for appropriate Planning Commission action of disposition of the permit.	No change	No change
9	In accordance with Chapter 11-60, " Air Pollution Control, "Hawaii Administrative Rules, the Applicant shall be responsible for ensuring that effective dust control measures during all phases of development, construction, and operation of the landfill expansion are provided to minimize or prevent any visible dust emission from impacting surrounding areas. The Applicant shall develop a dust to generate fugitive dust.	Plan completed	No change
10	That the City and County of Honolulu shall indemnify and hold harmless the State of Hawaii and all of its agencies and/or employees for any lawsuit or legal action relating to any groundwater contamination and noise and odor pollution relative to the operation of the landfill.	No change	No change
11	The Applicant shall coordinate construction and operation of the landfill with the Hawaiian Electric Company.	On-going	No change
12	Within 5 years from the date of this Special Use Permit Amendment approval or date of the Solid Waste Management Permit approval for this expansion, whichever occurs later but not beyond May 1, 2008, the 200-acre property shall be restricted from accepting any additional waste material and be closed in accordance with an approved closure plan.	No change	Time extension application will be submitted to Department of Planning and Permitting in June 2007

No.	Condition	June 2005 Status	June 2007 Status
13	Prior to commencing land filling in the 21-acre expansion area, the Applicant shall submit to the Director of the Department of Planning and Permitting for review and approval, a metes and bounds description and map of the approved landfill area as permitted by this Special Use Permit and amendments thereto. Any minor modifications to allow reasonable adjustments of the approved area due to engineering and/or health and safety requirements may be approved by the Director or the Department of Planning and Permitting; provided that there is no net increase to the improved area of 107.5 acres. A copy of the metes and bounds description and map shall be provided to the Land Use Commission.	Completed	No change
14	The Applicant shall promptly provide, without any prior notice, annual reports to the Department of Planning and Permitting and the Land Use Commission in connection with the status of the landfill expansion and the Applicant's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.	On-going	No change
15	The City and County of Honolulu shall select a new landfill site. The recommendation for a new site shall be forwarded to the Planning Commission and City Council no later than December 1, 2003.	Recommendation to City Council on December 1, 2003 completed. Recommendation to Planning Commission in May 2005 due to oversight.	No change
16	The City and County of Honolulu shall ensure that funding for design and planning is included in the FY05 budget to demonstrate the City's commitment to the new site and to ensure that no further extensions are necessary.	FY05 Capital Budget provides \$301,000.00 for new MSW landfill.	No change
17	The City and County of Honolulu shall initiate the public comment and environmental review process for the new site no later than December 31, 2004.	On-going	No change
18	The City and County of Honolulu shall, to the extent feasible, use alternative technologies to provide a comprehensive waste stream management program that includes H-POWER, plasma arc, plasma gasification, and recycling technologies.	On-going	No change
19	The City and County of Honolulu shall appropriately implement by executive order or ordinance the seven bullet points identified in the Applicant's Exhibit 3, Appendix H, page 1-3, regarding the third boiler at H-POWER, wood recovery, metal recovery, gypsum recovery, enhanced enforcement of landfill bans, implementation of the bottle bill, and establishment of user fees.	On-going	No change